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Response to consultation on Complaints Handling Procedures Guidance

This is the response from the Department for Transport (DfT) to the Office of Rail and Road's (ORR) consultation on proposed changes to the guidance on complaints handling procedures (CHPs).

We agree that it is essential that management information and insight from complaints are used to identify systemic and recurring problems and to identify areas when services should be improved. We recognise the importance of having a good complaints handling procedure. It is a means by which licence holders gain insight into how their business is working from the perspective of those who use their services.

Furthermore an easily accessible complaints system empowers consumers to seek answers or redress when things go wrong. The information provided by complaints, as well as passenger feedback more generally, enables licence holders to identify root causes of dissatisfaction and take action to improve the customer experience. Dealing well with complaints demonstrates a desire on the part of the licence holder to provide a good level of customer service, which in turn should promote confidence in the use of rail.

We are broadly supportive of the changes proposed in your consultation document and have responded on your individual questions below. We would be happy to discuss the issues covered in our response, or other relevant issues, as the work on guidance is progressed.

Question 1:

Do you agree with our overall purpose and scope? In particular, do you think that the way that we have distinguished feedback from complaints is helpful?

Yes, we agree that a good complaints handling procedure should:

- resolve individual complaints promptly and fairly, taking account of the reasonable interests of the complainant, including providing compensation as appropriate; and
- lead to continuous improvement, so that in the medium term the root causes of complaints are addressed and systemic solutions are put in place.

We also support the aim to have organisational cultures that support and encourage these objectives and embedded arrangements that effectively regulate themselves, minimising the need for direct involvement from the ORR.

The DfT also supports the changes towards more outcome based regulations based on monitoring data supplied by the licence holders. However the DfT would like to see these changes implemented at no extra cost to TOCs.

Question 2:

Do you agree that the licence holder should coordinate responses relating to third party suppliers?

Yes, we agree that the licence holder should coordinate responses relating to third party suppliers because it ensures that passengers are not disadvantaged by, for example, having to address their complaint to several different bodies. Third party suppliers have become an integral and important part of the rail industry and therefore complaints relating to them must be coordinated by the licence holder in order to support continuous improvements for passengers.

Please indicate in your response what the current practice is and identify any challenges arising from this proposed requirement?

DfT has no comments to this question as it relates to the current practices of licence holders.

Do you agree with our reasoning contained above?

Yes, we agree.

Are there any other categories of third party supply that you consider should be explicitly covered within this obligation?

We agree as suggested by ORR that third party supply on matters such as security personnel; cleaning and catering staff; revenue protection services; and car parking providers covers the most important areas.

Question 3:

Do you agree that the three core standards form a reasonable basis from which licence holders can develop complaint handling procedures? Please identify any areas, for example:

- a. where you would prefer more detail or additional clarity; and/or
- b. where you consider the standards do not meet our intention to draft at sufficiently high level for licence holders to develop procedures to suit their own business models and the needs of their passengers. In particular whether the balance between specified obligations and a focus on internal

culture and arrangements appears consistent with our stated regulatory approach.

We agree with the three proposed core standards:

- Feedback mechanisms and response (for individual complaints and system wide)
- People, process and structure; and
- Organisational culture.

Regarding *feedback mechanisms and response* we support the more detailed guidance as laid out by the ORR. We strongly support the proposal that licence holders should have a social media policy and the need for licence holders to raise awareness of complaints rights amongst passengers.

We agree that the new stronger focus on *people, process, structure and organisational culture* will help support continuous improvement. However, we think that the guidance should recognise that there are other sources for passenger feedback than complaints such as the National Rail Passenger Survey or individual surveys or analysis carried out by TOCs. DfT suggest that in order to make this clear it should be required that the complaints handling procedure should outline how other types of customer feedback is merged with the feedback from complaints in the organisation.

Question 4:

Is the guidance around Conducting a full and fair investigation and Effective response and resolution helpful and/or sufficiently clear?

The DfT agrees with ORR that the licence holders' investigative processes should be tailored and proportionate to the issues raised. The six step investigatory process set up by the ORR is very detailed and the DfT would expect most complaints to be dealt with in a simpler way. The ORR notes that some complaints can be resolved immediately or on-the-spot but the DfT would expect that a full investigation - as set out by the ORR - would only be necessary for a smaller number of complaints.

Question 5

Do you consider that a CHP should contain a requirement to have an appeal handling protocol with PF and LTW? Do you agree that we should specify some of the detail including recommended response times? Alternatively, is there other detail that you think should be included?

Yes, we agree that a CHP should contain a requirement to have an appeal handling protocol with Transport Focus (TF) and London TravelWatch (LTW). However we think that in order to work towards a more outcome based set of requirements the detailed response times indicated should be left to the licence holder to agree on with TF and LTW. The DfT would also welcome a requirement to set targets for the response time seen from a passenger perspective for appeals to TF and LTW as this would make the requirements more outcome based.

Question 6:

Are you content with the ORR's minded proposal to drop these two previous requirements? If not give reasons.

Yes we agree that the requirement to formally review CHPs each year can be replaced by a monitoring programme based on licence holders providing the ORR with detailed data about complaints at regular intervals.

We also agree that the requirement to seek ORR's consent to any lengthening of response timescales due to an unforeseen and specific event can be replaced with a requirement for licence holders to inform ORR when such a circumstance has occurred.

Question 7:

Do you believe our proposed monitoring activities will be effective in ensuring compliance with the obligations? Is there any additional evidence that you would like to see included as part of this process?

We support the suggested ORR monitoring approach where ORR monitors a set of core data from licence holders in order to identify problems. We expect that this method will be more effective than the current annual reviews. We also appreciate that ORR have included other relevant information such as relevant research and feedback from TF and LTW. We expect the proposed ORR monitoring activities and the ability for ORR to launch an independent audit to be effective in ensuring compliance with the obligations.

Question 8:

We ask for comments on our initial approach and its impact, including both any costs and benefits that we do not identify.

We agree with the proposed approach and have no further comments.

We seek views on how this transition period could be managed and other factors we should take into account.

We agree with the proposed approach and have no further comments.