# **AGENDA**

**Meeting Transport Committee** 

Date Wednesday 8 July 2015

Time 10.00 am

Place Chamber, City Hall, The Queen's

Walk, London, SE1 2AA

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#### Members of the Committee

Valerie Shawcross CBE AM (Chair) Caroline Pidgeon MBE AM (Deputy Chair) Victoria Borwick AM MP Tom Copley AM Darren Johnson AM Steve O'Connell AM Murad Qureshi AM Dr Onkar Sahota AM Richard Tracey AM

A meeting of the Committee has been called by the Chair of the Committee to deal with the business listed below.

Mark Roberts, Executive Director of Secretariat Tuesday 30 June 2015

#### **Further Information**

If you have questions, would like further information about the meeting or require special facilities please contact: Dale Langford, Principal Committee Manager; Telephone: 020 7983 4415; Email: dale.langford@london.gov.uk; Minicom: 020 7983 4458

For media enquiries please contact Alison Bell; Telephone: 020 7983 4228; Email: <a href="mailto:alison.bell@london.gov.uk">alison.bell@london.gov.uk</a>. If you have any questions about individual items please contact the author whose details are at the end of the report.

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## Agenda Transport Committee Wednesday 8 July 2015

## 1 Apologies for Absence and Chair's Announcements

To receive any apologies for absence and any announcements from the Chair.

## **Declarations of Interests** (Pages 1 - 4)

The Committee is recommended to:

- (a) Note the offices held by Assembly Members, as set out in the table at Agenda Item 2, as disclosable pecuniary interests;
- (b) Note the declaration by any Member(s) of any disclosable pecuniary interests in specific items listed on the agenda and the necessary action taken by the Member(s) regarding withdrawal following such declaration(s); and
- (c) Note the declaration by any Member(s) of any other interests deemed to be relevant (including any interests arising from gifts and hospitality received which are not at the time of the meeting reflected on the Authority's register of gifts and hospitality, and noting also the advice from the GLA's Monitoring Officer set out at Agenda Item 2) and to note any necessary action taken by the Member(s) following such declaration(s).

## **3 Minutes** (Pages 5 - 54)

The Committee is recommended to confirm the minutes of the meeting of the Transport Committee held on 9 June 2015 to be signed by the Chair as a correct record.

The appendices to the minutes set out on pages 13 to 54 are attached for Members and officers only but are available from the following area of the GLA's website: <a href="https://www.london.gov.uk/mayor-assembly/london-assembly/transport">www.london.gov.uk/mayor-assembly/london-assembly/transport</a>

## **4 Summary List of Actions** (Pages 55 - 64)

Report of the Executive Director of Secretariat Contact Dale Langford, <a href="mailto:dale.langford@london.gov.uk">dale.langford@london.gov.uk</a>, 020 7983 4415

The Committee is recommended to note the completed and outstanding actions arising from previous meetings of the Committee.

## 5 Action Taken Under Delegated Authority (Pages 65 - 70)

Report of the Executive Director of Secretariat Contact: Dale Langford; <a href="mailto:dale.langford@london.gov.uk">dale.langford@london.gov.uk</a>; 020 7983 4415

The Committee is recommended to note the action taken by the Chair under delegated authority, namely to agree:

- A letter to the Commissioner of Transport on licensing of Uber London as a private hire operator, following up the discussion with the Commissioner on 25 February 2015; and
- A response to Transport for London consultations on the north-south and east-west cycle superhighways.

## 6 National Rail Services in London (Pages 71 - 72)

Report of the Executive Director of Secretariat Contact: Richard Berry, <u>richard.berry@london.gov.uk</u>, 020 7983 4199

The Committee is recommended to note the report, put questions on National Rail services in London to the invited guests and note the discussion.

## **7** Taxi and Private Hire Services in London (Pages 73 - 78)

Report of the Executive Director of Secretariat Contact: Richard Berry, <u>richard.berry@london.gov.uk</u>, 020 7983 4199

#### The Committee is recommended to:

- (a) Note the report, put questions on taxi and private hire services in London to the invited quests and note the discussion; and
- (b) Agree the note of a site visit to Heathrow Airport to explore taxi and private hire issues.

## **Transport for London Customer Service - Response to Report** (Pages 79 - 90)

Report of the Executive Director of Secretariat Contact: Richard Berry, <u>richard.berry@london.gov.uk</u>, 020 7983 4199

The Committee is recommended to note the response to its report, *TfL customer service – Next steps*.

## **9** London TravelWatch Performance Monitoring Report (Pages 91 - 102)

Report of the Executive Director of Secretariat Contact Dale Langford, <a href="mailto:dale.langford@london.gov.uk">dale.langford@london.gov.uk</a>, 020 7983 4415

#### The Committee is recommended to note:

- The performance against the agreed objectives of London TravelWatch during 2014/15; and
- The financial outturn position of London TravelWatch as at 31 March 2015.

## **10** Transport Committee Work Programme (Pages 103 - 106)

Report of the Executive Director of Secretariat Contact: Richard Berry, <u>richard.berry@london.gov.uk</u>, 020 7983 4199

The Committee is recommended to note its work programme for 2015/16.

## 11 Date of Next Meeting

The next meeting of the Committee, subject to a decision by the Assembly at its meeting on 1 July 2015, is scheduled for Wednesday 9 September 2015 at 10.00am in the Chamber.

## 12 Any Other Business the Chair Considers Urgent



Subject: Declarations of Interests				
Report to: Transport Committee				
Report of: Executive Director of Secretariat	Date: 8 July 2015			
This report will be considered in public	•			

## 1. Summary

1.1 This report sets out details of offices held by Assembly Members for noting as disclosable pecuniary interests and requires additional relevant declarations relating to disclosable pecuniary interests, and gifts and hospitality to be made.

#### 2. Recommendations

- 2.1 That the list of offices held by Assembly Members, as set out in the table below, be noted as disclosable pecuniary interests<sup>1</sup>;
- 2.2 That the declaration by any Member(s) of any disclosable pecuniary interests in specific items listed on the agenda and the necessary action taken by the Member(s) regarding withdrawal following such declaration(s) be noted; and
- 2.3 That the declaration by any Member(s) of any other interests deemed to be relevant (including any interests arising from gifts and hospitality received which are not at the time of the meeting reflected on the Authority's register of gifts and hospitality, and noting also the advice from the GLA's Monitoring Officer set out at below) and any necessary action taken by the Member(s) following such declaration(s) be noted.

#### 3. Issues for Consideration

3.1 Relevant offices held by Assembly Members are listed in the table overleaf:

City Hall, The Queen's Walk, London SE1 2AA

¹ The Monitoring Officer advises that: Paragraph 10 of the Code of Conduct will only preclude a Member from participating in any matter to be considered or being considered at, for example, a meeting of the Assembly, where the Member has a direct Disclosable Pecuniary Interest in that particular matter. The effect of this is that the 'matter to be considered, or being considered' must be about the Member's interest. So, by way of example, if an Assembly Member is also a councillor of London Borough X, that Assembly Member will be precluded from participating in an Assembly meeting where the Assembly is to consider a matter about the Member's role / employment as a councillor of London Borough X; the Member will not be precluded from participating in a meeting where the Assembly is to consider a matter about an activity or decision of London Borough X.

Member	Interest
Tony Arbour AM	Member, LFEPA; Member, LB Richmond
Jennette Arnold OBE AM	Committee of the Regions
Gareth Bacon AM	Chairman of LFEPA; Chairman of the London Local
areen Bucon, an	Resilience Forum; Member, LB Bexley
John Biggs AM	Mayor of Tower Hamlets (LB)
Andrew Boff AM	Member, LFEPA; Congress of Local and Regional
	Authorities (Council of Europe)
Victoria Borwick AM MP	Member of Parliament; Member, Royal Borough of
	Kensington & Chelsea
James Cleverly AM MP	Member of Parliament
Tom Copley AM	Member, LFEPA
Andrew Dismore AM	Member, LFEPA
Len Duvall AM	·
Roger Evans AM	Deputy Mayor; Committee of the Regions; Trust for
	London (Trustee)
Nicky Gavron AM	
Darren Johnson AM	Member, LFEPA
Jenny Jones AM	Member, House of Lords
Stephen Knight AM	Member, LFEPA; Member, LB Richmond
Kit Malthouse AM MP	Member of Parliament
Joanne McCartney AM	
Steve O'Connell AM	Member, LB Croydon; MOPAC Non-Executive Adviser for
	Neighbourhoods
Caroline Pidgeon MBE AM	
Murad Qureshi AM	Congress of Local and Regional Authorities (Council of
	Europe)
Dr Onkar Sahota AM	
Navin Shah AM	
Valerie Shawcross CBE AM	
Richard Tracey AM	Chairman of the London Waste and Recycling Board;
	Mayor's Ambassador for River Transport
Fiona Twycross AM	Member, LFEPA

[Note: LB - London Borough; LFEPA - London Fire and Emergency Planning Authority; MOPAC – Mayor's Office for Policing and Crime]

- 3.2 Paragraph 10 of the GLA's Code of Conduct, which reflects the relevant provisions of the Localism Act 2011, provides that:
  - where an Assembly Member has a Disclosable Pecuniary Interest in any matter to be considered or being considered or at
    - (i) a meeting of the Assembly and any of its committees or sub-committees; or
    - (ii) any formal meeting held by the Mayor in connection with the exercise of the Authority's functions
  - they must disclose that interest to the meeting (or, if it is a sensitive interest, disclose the fact that they have a sensitive interest to the meeting); and
  - must not (i) participate, or participate any further, in any discussion of the matter at the meeting; or (ii) participate in any vote, or further vote, taken on the matter at the meeting

#### **UNLESS**

- they have obtained a dispensation from the GLA's Monitoring Officer (in accordance with section 2 of the Procedure for registration and declarations of interests, gifts and hospitality Appendix 5 to the Code).
- 3.3 Failure to comply with the above requirements, without reasonable excuse, is a criminal offence; as is knowingly or recklessly providing information about your interests that is false or misleading.
- 3.4 In addition, the Monitoring Officer has advised Assembly Members to continue to apply the test that was previously applied to help determine whether a pecuniary / prejudicial interest was arising namely, that Members rely on a reasonable estimation of whether a member of the public, with knowledge of the relevant facts, could, with justification, regard the matter as so significant that it would be likely to prejudice the Member's judgement of the public interest.
- 3.5 Members should then exercise their judgement as to whether or not, in view of their interests and the interests of others close to them, they should participate in any given discussions and/or decisions business of within and by the GLA. It remains the responsibility of individual Members to make further declarations about their actual or apparent interests at formal meetings noting also that a Member's failure to disclose relevant interest(s) has become a potential criminal offence.
- 3.6 Members are also required, where considering a matter which relates to or is likely to affect a person from whom they have received a gift or hospitality with an estimated value of at least £25 within the previous three years or from the date of election to the London Assembly, whichever is the later, to disclose the existence and nature of that interest at any meeting of the Authority which they attend at which that business is considered.
- 3.7 The obligation to declare any gift or hospitality at a meeting is discharged, subject to the proviso set out below, by registering gifts and hospitality received on the Authority's on-line database. The online database may be viewed here:

  http://www.london.gov.uk/mayor-assembly/gifts-and-hospitality.
- 3.8 If any gift or hospitality received by a Member is not set out on the on-line database at the time of the meeting, and under consideration is a matter which relates to or is likely to affect a person from whom a Member has received a gift or hospitality with an estimated value of at least £25, Members are asked to disclose these at the meeting, either at the declarations of interest agenda item or when the interest becomes apparent.
- 3.9 It is for Members to decide, in light of the particular circumstances, whether their receipt of a gift or hospitality, could, on a reasonable estimation of a member of the public with knowledge of the relevant facts, with justification, be regarded as so significant that it would be likely to prejudice the Member's judgement of the public interest. Where receipt of a gift or hospitality could be so regarded, the Member must exercise their judgement as to whether or not, they should participate in any given discussions and/or decisions business of within and by the GLA.

## 4. Legal Implications

4.1 The legal implications are as set out in the body of this report.

## 5. Financial Implications

5.1 There are no financial implications arising directly from this report.

Local Government (Access to Information) Act 1985

List of Background Papers: None

Contact Officer: Dale Langford, Principal Committee Manager

Telephone: 020 7983 4415

E-mail: dale.langford@london.gov.uk

# **MINUTES**

**Meeting: Transport Committee** 

Date: Tuesday 9 June 2015

Time: 10.00 am

Place: Chamber, City Hall, The Queen's

Walk, London, SE1 2AA

Copies of the minutes may be found at:

http://www.london.gov.uk/mayor-assembly/london-assembly/transport

#### Present:

Valerie Shawcross CBE AM (Chair)
Caroline Pidgeon MBE AM (Deputy Chair)
Victoria Borwick AM MP
Tom Copley AM
Darren Johnson AM
Joanne McCartney AM
Steve O'Connell AM
Dr Onkar Sahota AM
Richard Tracey AM

## 1 Apologies for Absence and Chair's Announcements (Item 1)

- 1.1 An apology for absence was received from Murad Qureshi AM, for whom Joanne McCartney AM attended as a substitute Member.
- 2 Declarations of Interests (Item 2)
- 2.1 **Resolved:**

That the list of Assembly Members' appointments, as set out in the tables at Agenda Item 2, be noted as disclosable pecuniary interests.

City Hall, The Queen's Walk, London SE1 2AA

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## 3 Membership of the Committee (Item 3)

#### 3.1 **Resolved:**

That the membership and chairing arrangements for the Transport Committee as agreed at the Annual Meeting of the London Assembly on 13 May 2015, be noted as follows:

Valerie Shawcross CBE AM (Chair)
Caroline Pidgeon MBE AM (Deputy Chair)
Victoria Borwick AM MP
Tom Copley AM
Darren Johnson AM
Steve O'Connell AM
Murad Qureshi AM
Dr Onkar Sahota AM
Richard Tracey AM

## 4 Terms of Reference (Item 4)

#### 4.1 **Resolved:**

That the following terms of reference for the Committee be noted:

- 1. To examine and report from time to time on:
  - the strategies, policies and actions of the Mayor, Transport for London, and the other Functional Bodies where appropriate; and
  - matters of importance to Greater London

as they relate to transport in London.

- 2. To examine and report to the Assembly from time to time on the Mayor's Transport Strategy, in particular its implementation and revision.
- 3. To take into account in its deliberations the cross cutting themes of: the health of persons in Greater London; the achievement of sustainable development in the United Kingdom; climate change; and the promotion of opportunity.

- 4. To oversee the work of the London Transport Users' Committee (operating as London TravelWatch), to receive regular monitoring reports from that Committee and support its consultative programme. To negotiate with the Mayor for the annual budget for the London Transport Users' Committee and to recommend to the Assembly, through the Business Management and Administration Committee, an annual budget for the London Transport Users' Committee.
- 5. To discharge the responsibilities and functions of the Assembly in respect of the London Transport Users' Committee under the GLA Act 1999, in particular sections 247 252 and Schedules 18 and 19.
- 6. To respond on behalf of the Assembly to consultations and similar processes when within its terms of reference.
- 5 Standing Delegations of Authority (Item 5)
- 5.1 **Resolved:**

That the following standing delegations be noted:

On 16 September 2004, the Transport Committee resolved:

That the Committee delegate a general authority to the Chair, following consultation with the lead Members of the party groups on the Committee, to respond on its behalf where it is consulted on issues by organisations and there is insufficient time to consider the consultation at a Committee meeting.

On 21 July 2005, the Transport Committee resolved:

To delegate the Chair of the Transport Committee, in consultation with the Deputy Chair, to take action in accordance with the functions of the Assembly listed in respect of the London Transport Users Committee under the GLA Act 1999.

On 9 June 2005, the Transport Committee resolved:

Future requests by LTUC office holders to take on directorships/offices in other organisations be delegated to the Chair of the Transport Committee in consultation with the Party Spokespeople on the Transport Committee and following advice from the Executive Director of Secretariat. [It is a requirement of the Terms and Conditions of Membership of LTUC that the appointee will "seek the London Assembly's approval if he/she wishes to assume any further directorships or offices at any time during the period of their appointment"]

On 14 July 2011, the Transport Committee resolved:

That authority be delegated to the Chair, in consultation with the Deputy Chair and party Group Lead Members, to approve the issue of directions or appropriate guidance to the Chief Executive of London TravelWatch.

### 6 Minutes (Item 6)

#### 6.1 **Resolved:**

That the minutes of the meetings of the Transport Committee held on 18 March and 27 March 2015 be signed by the Chair as a correct record.

## 7 Summary List of Actions (Item 7)

7.1 The Committee received the report of the Executive Director of Secretariat.

#### 7.2 Resolved:

That the completed and outstanding actions arising from previous meetings of the Committee be noted.

## 8 Action Taken Under Delegated Authority (Item 8)

8.1 The Committee received the report of the Executive Director of Secretariat.

#### 8.2 **Resolved:**

That the recent action taken by the Chair under delegated authority be noted, namely to:

- Agree the scope and terms of reference for an investigation into rail services in London;
- Agree follow-up correspondence on the impact of London Bridge station redevelopment; and
- Write to Transport for London about District line services to Kensington (Olympia).

#### 9 National Rail Services in London (Item 9)

9.1 The Committee received the report of the Executive Director of Secretariat as background to putting questions to the following invited quests:

- Paul Harwood, Strategy and Planning Director (South), Network Rail;
- Phil Hufton, Managing Director of Network Operations, Network Rail;
- Tim Shoveller, Managing Director, South West Trains-Network Rail Alliance;
- David Statham, Managing Director, Southeastern Railway; and
- Stephen Locke, Chair, London TravelWatch.
- 9.2 A transcript of the discussion is attached as **Appendix 1**.
- 9.3 During the course of the discussion, the Committee requested the following further information in writing:
  - An assurance from Network Rail about plans for dealing with passengers in the event of disruption in hot weather, particularly at London Bridge station; and
  - Details of South West Trains' and Southeastern's most crowded services.
- 9.4 The Chair adjourned the meeting at 11.32am to allow time for the second panel of guests to take their places. The meeting reconvened at 11.37am.
- 9.5 The Committee put questions to the following invited guests:
  - Geoff Hobbs, Head of Transport Planning, TfL Rail & Underground;
  - Michael Roberts, Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies;
  - Cllr Mike Goodman, Cabinet Member for Environment and Planning, Surrey County Council;
  - Paul Millin, Travel and Transport Group Manager, Surrey County Council;
  - Cllr Matthew Balfour, Cabinet Member for Environment and Transport, Kent County Council; and
  - Stephen Gasche, Principal Rail Transport Planner, Kent County Council.
- 9.6 A transcript of the discussion is attached as **Appendix 2**.
- 9.7 **Resolved:** 
  - (a) That the scope and terms of reference of the investigation into National Rail services in London be noted;
  - (b) That site visits to London Bridge station and on the new lines added to the London Overground network from the Greater Anglia franchise be arranged;

- (c) That the report and the discussion be noted;
- (d) That the GLA Oversight Committee be recommended to authorise expenditure of up to £5,000 to commission an external contractor to carry out the external technical advice and support, namely to conduct a survey of London residents on attitudes to National Rail services; and
- (e) That it be noted that the Executive Director of Secretariat, in consultation with the Chair, will commission the external contractor to carry out the external technical advice and support, subject to the GLA Oversight Committee approving the recommendation.

## 10 Taxi and Private Hire - Correspondence (Item 10)

- 10.1 The Committee received the report of the Executive Director of Secretariat.
- 10.2 The Chair reported that the next meeting would include a discussion with Leon Daniels, Managing Director, Surface Transport, TfL and Garrett Emmerson Chief Operating Officer, Surface Transport, TfL on outstanding issues arising from the Committee's report on taxi and private hire services in London.
- 10.3 **Resolved:**

That the recent correspondence on taxi and private hire services, as set out in the report, be noted.

## 11 Door-to-Door Transport Services - Response from Transport for London (Item 11)

- 11.1 The Committee received the report of the Executive Director of Secretariat.
- 11.2 **Resolved:**

That the response from Transport for London to the Committee's report, *Improving door-to door transport in London: Next steps* be noted.

## 12 Transport Committee Work Programme (Item 12)

- 12.1 The Committee received the report of the Executive Director of Secretariat.
- 12.2 **Resolved:**

- (a) That the Committee's work programme for 2015/16 be agreed;
- (b) That authority be delegated to the Chair, in consultation with party Group Lead Members, to agree the scope and terms of reference for an investigation into commercial traffic in London; and
- (c) That the update from the Mayor on the River Action Plan be noted.

## 13 Date of Next Meeting (Item 13)

13.1 The next meeting of the Committee was scheduled for Wednesday 8 July 2015 at 10.00am, in Committee Room 5.

## 14 Any Other Business the Chair Considers Urgent (Item 14)

14.1 The Chair reported that the Chair and Deputy Chair of the Committee had been nominated by the London Cycling Campaign in the category of Cycling Champion of the Year in their London Cycling Awards 2015.

## 15 Close of Meeting

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Chair	Date	

**Contact Officer:** Dale Langford, Principal Committee Manager; Telephone: 020 7983 4415;

Email: dale.langford@london.gov.uk; Minicom: 020 7983 4458

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## Transport Committee - 9 June 2015

## Transcript of Agenda Item 9 – National Rail Services in London (First Panel)

**Valerie Shawcross CBE AM (Chair):** We begin with the main business of this meeting, Item 9. We are commencing an investigation into National Rail services in London. Of course, we have no direct responsibility as London government for National Rail in London, but we do have an interest in the success of our city and the experiences of Londoners and London passengers and obviously an interest in London's environment and transport system generally.

We have had a very good experience of Transport for London (TfL) becoming the franchisor for the Overground network in London and we want as part of this investigation to examine the case for TfL becoming even more deeply involved in the franchising arrangements for what are existing National Rail services in London.

I welcome our guests who have very kindly given their time today to come and talk to us. We have Paul Harwood, who is the Principal Network Planner from Network Rail and who is, I was going to say, a regular at this Committee but you are very well-known to us, Paul, and we do appreciate your time. Phil Hufton, who has changed seats from driving for TfL to driving for Network Rail, is now the Managing Director of Network Operations for Network Rail. Thank you, Phil, for coming. Tim Shoveller is Managing Director of South West Trains-Network Rail Alliance. Tim, thank you for coming. David Statham, Managing Director of Southeastern Railway, welcome. Another regular at our Committee is Stephen Locke, the Chair of London TravelWatch. Stephen, thank you again for your time.

We thought we would take this first session up to about 11.15am. We have questions for all of you and we will break and you are welcome to stay for the second session but we will be inviting a separate, different set of guests to the table to take us through to the second half of the meeting.

It would be very helpful if I could perhaps hear from all of you, your opening comments. What we are interested in, setting the scene, is hearing what you feel are the main challenges facing the National Rail network in London. Shall I start with Paul because he is used to doing this and probably is not fazed by facing the Committee.

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** The headline has to be one of growth, which is a good challenge, demand growth, coping with the demand we have currently and expanding the network to accommodate that demand growth while providing the service quality and service offer that passengers rightly expect. We have seen phenomenal growth over the last ten years.

We are predicting phenomenal growth in the future for the next 30 years and there is no doubt that the network is reaching and is probably beyond the point of its capacity across much of London and the South East now. It is the legacy that we have discussed before about, effectively, still a Victorian network at least in shape and size even if some of the infrastructure has changed. It provides a massive number of constraints. We are tackling a lot of the relatively low-hanging fruit, projects and interventions - lengthening trains, running more trains up to the maximum capacity - but now we are seeing that the stations and the track capacity itself is reaching its limit. A key one there is inevitably - and we have been flagging it up for a while - some of the stations, too. That combination is very tricky. It is becoming increasingly expensive to do the work and to expand the network because we have tackled a lot of the lower-cost projects. It is becoming

increasingly hard to do the work because of taking the engineering access to do work in a safe and effective way and that is a key thing, too, for our workforce and for passengers in terms of safe delivery. It is becoming increasingly challenging. That multiple of issues comes together to be a big challenge.

Phil Hufton (Managing Director of Network Operations, Network Rail): I have similar comments, I guess, in terms of growth, absolutely. Whilst we are trying to upgrade the railway and at the same time keep the railway open, it is a big challenge. It is often quoted that it is like doing open-heart surgery whilst you are playing tennis, which is a challenge, of course, but it is actually balancing and making the key decisions about whether you should close an asset completely or whether you should try to keep London moving. I remember the days in London Underground when quoting prior to any investment or any development was quite straightforward, "This is what we are going to do". However, when you are actually in the midst of it all and trying to keep London moving at the same time, as with our challenges on the Jubilee line, I see similar challenges particularly in terms of London Bridge, of course, which was our last discussion when I came here in March. Trying to get that right balance is a real challenge. Talking about it is fine, but when you get in the midst of it, it presents a different type of challenge. I guess you do, unfortunately, get too many surprises, which is not where we want to be.

Valerie Shawcross CBE AM (Chair): Tim, from one of the train operating companies (TOCs)?

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): I am pleased to say that we are in complete alignment on this point because there is absolutely no doubt that the staggering growth in passenger volumes over the last 20 years has now reached a position where many of the points that we are talking about - whether it be the trains themselves, whether it be stations, whether it be the degree to which the railway can naturally be expanded to - have reached a point of some saturation. For many years, 12-car trains have been operating into Waterloo on the long-distance services and 12 cars is, practically, as long as we can make them. The options that are left to us to optimise the network are fewer and further between. The cost and disruption of doing them becomes greater. In that environment, we have to work even harder and no doubt later we will talk some more about just some of the things that we are doing to make those things happen. The challenge is a significant one.

Valerie Shawcross CBE AM (Chair): You are the most congested part of the network, aren't you?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** We are. The number of passengers and the number of trains into Waterloo is quite incredible. When I look around Europe or other railways in the world to try to see what the competitors are, what the comparators are and what can be learned, they are few and far between that are operating at the level of intensity that we do. It is a challenge. How do we provide good customer service in that environment? Whatever the operational logistics are, customers rightly expect information and they expect a good customer service environment. Yet when we know that people might be waiting for three or four trains to even get on because of overcrowding, it makes it harder to provide that environment. We are dedicated to doing it and with some success. Nevertheless, how we grow our railway is undoubtedly our biggest challenge.

**David Statham (Managing Director, Southeastern Railway):** I am really pleased to be here today to get the opportunity to talk to you guys about some of the challenges facing us and I am going to echo what my colleagues to my right have said, actually.

There are two significant challenges facing Southeastern in delivering better service for our passengers, the first of which is dealing with the phenomenal growth that we have seen. From a local perspective, Southeastern is now carrying 40% more passengers than we were back in 2006. Whilst we are running

something like 300 additional services every single day, we are working to make best use of the rolling stock and of the infrastructure that we have. The biggest challenge is how we keep up for that growth and plan for it in the future.

The second challenge aligned to that is that there is actually a huge amount of work going on across our network to help us deal with that capacity challenge, the biggest one of which is obviously the multibillion-pound investment in London Bridge with several billion pounds going into both the infrastructure on the approach to the station and the station itself. The challenge for us, working in partnership with Network Rail, is how we keep London moving whilst doing that major rebuild programme. From a local perspective, for us, since January we have lost the use of the two single busiest pairs of platforms in Europe. We have lost half of the approach lines to London Bridge. The challenge for us is to keep driving up levels of performance whilst we do this massive capacity upgrade programme.

**Valerie Shawcross CBE AM (Chair):** We are going to ask a bit more about that in a moment, actually, David. Stephen, what do you see from the passengers' point of view as the biggest challenges?

**Stephen Locke (Chair, London TravelWatch):** First of all, I agree with a lot of what has been said, but I would like to take a bit of a step back. Fundamentally, we need to remember that the challenges are about people. They are about the needs of passengers, citizens and consumers, which are changing rapidly. First of all, there are more of them. Secondly, they have more specific needs and in many cases are more active users of transport. Thirdly, they are less able to use an ever-more congested road system. There will be more and more strains on the system as London's population changes, grows and develops. It is absolutely crucial that the system as a whole meets the challenge of aligning what the people, citizens and consumers actually need with the incentives and with the ways in which the individual services are delivered.

Therefore, I agree with much of what has been said, but we need to recognise there is a bigger challenge than that, which is about getting all the various assets and all the various services in alignment with growing and changing needs.

**Caroline Pidgeon MBE AM (Deputy Chair):** I want to ask a bit about London Bridge. I will be friendlier with you today, Phil. We were rather frustrated back in March. Phil and David [Statham], perhaps you could just give me an update on how passengers are being affected at the moment by the overall Thameslink programme and the works at London Bridge. Give us an update, really, on the situation.

**Phil Hufton (Managing Director of Network Operations, Network Rail):** We still have a lot to do, absolutely. London Bridge is still developing. We recognise some of the challenges we are faced with in terms of the fact that when we went through the work in January this year and over the Christmas period, we reduced our capacity considerably. Quite openly, I do not think we were as aligned in our expectations in terms of the impact. We thought that we could continue and actually increase trains per hour in those days and we did not get it right.

What we have done - and for me it is about fare-paying customers, recognising that we have to treat our customers differently - are a number of things. What we have done is obviously improve the situation in terms of how we actually manage London Bridge in respect of its current difficulties. We work far closer now with the TOCs to make sure that we are lined up. There is a single controlling mind for London Bridge, which is Network Rail. We have had disruptions, as I have said, but the way we have responded to them is by putting in new systems, new information screens, more people to help people get around London Bridge itself and the concept that we have changed in terms of how we actually manage London Bridge.

For example, very recently, I put a new team in there that manages the interface between the building site of London Bridge and the business-as-usual. It is a very select group of people from around Network Rail, not just London-based people, who have some real skills in their ability to manage this interface. I have recently seconded the Chief Superintendent from the British Transport Police to work with me for six months to focus on incident management. Paul Brogden, who is the Area Commander for London, now has a foot in both camps in terms of helping us to manage incident management because he has the skills, of course. For me, it is a military-style operation and Paul brings that ability to that organisation, which I do not think we had.

The third part of that discussion is around how we can work even closer in collaboration with TfL and a concept of a pan-London approach to incident management and more joined-up. Mike Brown [Managing Director, London Underground and London Rail, TfL] and I have had a number of discussions around how this could work. Both controlling minds believe this is the right thing to do for the industry and, more importantly, for our customers, of course.

We have carried out a very detailed investigation of London Bridge in terms of why we got it wrong and also some of those things that we can build upon to ensure that we improve the overall experience. However, again, until perhaps January next year, we are always going to have some challenges in terms of capacity against volume.

**Caroline Pidgeon MBE AM (Deputy Chair):** As a passenger of the station, my experience is and would be that most of my trains are still not arriving on time or departing on time. You brought in a new timetable in mid-May, I think it was, which has cut out even more services. If I look at it, if I am on Southern, yes, for peak time leaving in the evening, 78% are on time. However, if I am looking at Southeastern, it is only 42% and 39%. It is still very weak with a new timetable. In terms of passengers, they may have fewer delays but there are still an awful lot of delays. What are you doing to really improve that for passengers?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Do you want to answer that or Southeastern?

**Caroline Pidgeon MBE AM (Deputy Chair):** Would you rather David answered that? It just feels to me as if a lot of the stuff you talked about is very process-related and very important and I understand that. However, as a passenger, apart from the people in the pink tabards, there is not a lot there you will see directly and yet you are still experiencing quite a lot of delays.

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Yes, we still are experiencing quite a lot of delays. You are quite right. Obviously, I can only apologise for that. We have had to adjust the timetable. We did not get the timetable right. We have made some further changes. We decided that the most appropriate approach was to reduce the number of trains per hour to try to reduce the problem. Experience has shown now that that has worked to a degree and there is some confidence that we have now created in terms of introducing more trains per hour. However, we are still not where we need to be. We still have a lot to do.

**Caroline Pidgeon MBE AM (Deputy Chair):** As one of the TOCs, even with your timetable changes in the morning peak, arrivals are arriving on time 42% of the time. Over half the time, your trains are not arriving on time and it is worse even on departures. What are you doing to improve the passenger experience?

**David Statham (Managing Director, Southeastern Railway):** We talked earlier on about some of the challenges that the railway is facing at London Bridge. As well as losing some of the really busy platforms at London Bridge, we are also not able to stop our Cannon Street services in London [Bridge] and 50% of our

trains are now running straight through the station and there are lots more passengers on our Cannon Street services that are able to stop.

From a Southeastern perspective, we have worked really hard to plan for these works. We worked on the timetable to make sure it was as robust as it could be. We worked on the communications to make sure that people were aware of the changes when they came in. We have worked with Network Rail to make sure the infrastructure is reliable as it can be in the London Bridge area. What that has led us to in terms of our performance on the Southeastern side is we have seen a 2% rise in terms of our public performance measure since we introduced the timetable at London Bridge across the network.

#### Caroline Pidgeon MBE AM (Deputy Chair): In May?

**David Statham (Managing Director, Southeastern Railway):** In January. Over the last six to seven months, we have seen a rise of 2% in our public performance measurement. That does not sound a lot, but those performance gains have been delivered in light of some significant challenges around the infrastructure and the rebuilding works and have been delivered through us working really hard on the timetable. For example, our timetable reduced a lot of the operational complexity. We reduced some of the splitting and joining of trains outside London and so trains are not waiting for other portions of units to join them. We lengthened some of the turnaround times at stations like Cannon Street and Charing Cross so that trains have more time to make up delays in their journeys. We did things like introduce additional drivers at some of the London terminals to make sure that if things did not go to plan, we were more able to more rapidly recover the service.

Of course there is always more that we can do and we know that passengers expect quite rightly from us that we are able to deliver a more reliable timetable. That is why last week we published to customers a joint performance plan with Network Rail to set up where we are at the moment in terms of performance, what some of the challenges are that we are facing together and how we intend to overcome them. There is always more that we can do to improve performance and that requires us to work closely on those delays that are within our gift as the operator, those delays that Network Rail is responsible for as the infrastructure maintainer and those that we can manage together. That is why we published our plan last week that set out what we intend to do.

**Caroline Pidgeon MBE AM (Deputy Chair):** Performance still is not that great considering you have cut out even more trains and people are cramming on to even more packed carriages. One of the issues from that is compensation for disruptions. We have the whole Delay Repay compensation, which is if you are delayed by 30 minutes or more. What we have seen with the Govia group is that season ticket passengers can apply for enhanced compensation if they have 12 delays in a month that are over 30 minutes. However, Southeastern between January and the end of April did not seem to receive any claims for enhanced compensation, which seems quite extraordinary.

Are you not promoting this to your passengers or is it that actually this compensation scheme does not meet the needs of passengers on these metro commuter services because, although they may have their journey doubled in length, which is frustrating - a journey from 12 minutes, say, to 25 minutes - they are not entitled to any compensation?

**David Statham (Managing Director, Southeastern Railway):** A couple of things. I just wanted to go back to the point about London Bridge and the timetable. Actually, the timetable on Southeastern has not taken any services out. We are actually putting more trains into traffic and more journeys into traffic than we ever have done before.

Caroline Pidgeon MBE AM (Deputy Chair): This is Southern, then? OK.

**David Statham (Managing Director, Southeastern Railway):** I do know that the works at London Bridge have required some fairly significant changes on our sister TOC, Southern. For us at Southeastern, it has not led to significant reductions in terms of the number of trains. It has led to big changes in the stopping patterns, particularly on those Charing Cross services.

In terms of the compensation side of things, you are right to point out that we use what is probably an industry standard in terms of Delay Repay. We have overlaid on top of that an additional scheme in terms of looking at those who have been significantly affected by disruption a significant number of times in a four-week period. On top of that, we have on occasion done additional *ex gratia* compensation. We had some real challenges last year on the Hastings Line when there were landslips that caused people on that line of route, for example, to suffer rail replacement services for a number of weeks. We gave out additional compensation on top of our Delay Repay scheme. Therefore, we do look at compensation for people.

**Caroline Pidgeon MBE AM (Deputy Chair):** Between 5 January and 26 April, Southeastern did not receive any claims for enhanced compensation, yet we know that it has not been performing as well as it could. Why would that be?

**David Statham (Managing Director, Southeastern Railway):** One of the things I wanted to pick up on in terms of our performance is that in periods 11 and 12 of this year, which were February and March after the London Bridge works, we actually delivered the best performance we have ever delivered in the history of our franchise at that time of the year. If you compare how we performed directly after the London Bridge works, actually, it was fairly strong in terms of performance. That is not to say we cannot do better. That is not to say that there is a lot we could do to drive performance standards up. However, given some of the challenges we faced, actually, performance at that time of year was strong compared to what we have delivered historically.

**Caroline Pidgeon MBE AM (Deputy Chair):** They are not the figures I have here, but I do not want to get into a debate. I want to focus just briefly on compensation. Why are people not claiming and what will you do? I understand you have been giving out Costa Coffee vouchers, which I am sure some passengers may appreciate. However, when they are paying thousands of pounds for their travel, what are you doing to ensure that people who have their journey doubled in length but are just outside the 30 minutes have some compensation for the underperformance of the network?

**David Statham (Managing Director, Southeastern Railway):** We promote the enhanced Delay Repay. We make sure that people understand what they are entitled to in terms of compensation. In terms of the Costa Coffee vouchers, that was after one particularly bad day that we had had when there was an engineering overrun. We knew that passengers had really suffered in both the morning peak and the evening peak and we want to go out and say sorry to people.

**Valerie Shawcross CBE AM (Chair):** It was a gesture of apology.

**Caroline Pidgeon MBE AM (Deputy Chair):** Yes, but an apology rather than full compensation.

**David Statham (Managing Director, Southeastern Railway):** It was not there to replace the compensation. Actually, we felt we should be out there talking to people and saying, "Look, we are sorry". It was important for us to go out there jointly with Network Rail and we went out and handed out some coffee

vouchers to people and said we were sorry and talked about what we were doing to learn the lessons for the future.

**Caroline Pidgeon MBE AM (Deputy Chair):** I would like to bring in Stephen because I am not really hearing from the TOCs answers to my specific questions. What do you think would be the model of best practice in terms of compensation for passengers who are still suffering considerably?

**Stephen Locke (Chair, London TravelWatch):** The first point is that what we have at the moment is clearly not good enough. We have a different kind of problem in London from that which prevails on National Rail services outside the capital because, as you say, Caroline, many journeys in London might take only half an hour. A regular delay of, say, 20 or 25 minutes, which is not, sadly, that unusual, is a huge inconvenience and over really quite a long period. Fundamentally, although I appreciate that Southeastern and other TOCs are following the National Rail model, the fact is that the National Rail model is not appropriate for passengers in London.

We at London TravelWatch have been pressing very hard the case for recognising delays over 15 minutes following the TfL model and for automatic repayments using an Oyster or near field communications when people have paid by that mechanism. This is something TfL already does when there are significant problems on Underground lines and we understand that the mechanisms are there and could be used if the TOCs were willing to pick them up. There is obviously a cost attached to that. We would not deny that for one minute. Equally, there is a huge cost to customers who have to pay the long-term effects of serious delays or cancellations.

Caroline Pidgeon MBE AM (Deputy Chair): That was very helpful. Thank you.

**Steve O'Connell AM:** This is a question, really, for Phil and Paul [Harwood]. Thank you for everything you are doing to improve it for my constituents.

The narrative was around capacity and volume and scheduling, but over yesterday and last week there were two days when there were some serious issues the southeast and the south, which were more about resilience. Last week there was a tree collapsing and the network went down. Yesterday it was signalling affecting Purley and the south area. What I am hearing in your dialogue is about improving the scheduling and the capacity and addressing that issue, but those two days that caused a lot of inconvenience were more about resilience against bad things happening. I did not quite get that from your earlier contributions, Phil and Paul. Would you like to comment on that at all?

Phil Hufton (Managing Director of Network Operations, Network Rail): Yes. The tree incident was during particularly bad weather and we always have had weather we cannot predict. We do predict it, but at this time of the year we have a vegetation plan. Within the vegetation plan, it is about removing vegetation that is going to have an impact on the performance of the railway. One thing that does get in the way is birdnesting season, unfortunately, when part of our process is to stop cutting down trees during a period of time. In terms of that particular incident – and this is why we are building our resilience for disruption and incident management and the reason we are taking this pan-London approach – quite clearly we did not get it quite right. Again, building on having capabilities where we have people strategically placed on the railway to respond to incidents is part of this process that we are developing. It is something that I put in place in London Underground and we learned some lessons from it. We have to do better with our response and recovery times. We never even measured that previously. Now that is part of the process and setting some targets on how we might improve. It is a lessons-learned process. It does cost money, of course, but it is

about balancing to make sure that we can improve on resilience for our customers. The ability to get people to a location when an incident happens is something that we are looking at through both rail and road.

The track circuit failure was one created by an internal joint on the railway. It was something that was very difficult to locate in the time to do that. Quite often, you can go through a process of investigation to get to the cause of the problem. Often, a better approach is to just remove it completely. However, when it is something within a rail where two rails are joined together, to do that during a peak period of time, you make a judgement call about whether you stop the rail completely - and to carry out that piece of work can take up to two hours - or whether you, alternatively, continue the system running. It is about making sure, as you say, that we build up on our resilience and that is part of the process.

**Steve O'Connell AM:** Just lastly and very briefly, the point is that the general public does not see the nuance or the difference between the structural problems at London Bridge and things like trees falling over and signal failures. You may be - and you are - improving or trying to improve the service around capacity and timetabling, but the general public conflates the two. They see that yet again they are being let down. It is a challenge for you and I just would posit it there because I think you are aware of that.

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Thank you. The number of incidents has reduced by a third since March, but again it is still not good enough and we have to get better at this.

**Valerie Shawcross CBE AM (Chair):** Phil, just in terms of critical incidents, I appreciate that things are still a bit rocky but we have not had a crisis recently. Have you been tracking forward where the very high-risk periods might be? Presumably, if there is a phase of component installations coming up, can you warn us now? Can you say when you think there might be a high-risk period for incidents?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** In terms of trying to understand how the infrastructure works more effectively, we have now installed more remote condition monitoring. That gives us the ability to recognise when assets degrade. Understanding the rate of degradation of an asset is something that is part of the process.

**Valerie Shawcross CBE AM (Chair):** In terms of the investment programme that is going on, presumably there will be commencement of different phases of works that will trigger issues. We had the short-circuiting of the components on the track there. Is there anything like that that we have to be worried about in the near future?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** There is vulnerability. We have increased the maintenance teams and so we are doing more maintenance now than we ever did.

**Valerie Shawcross CBE AM (Chair):** All right. You are keeping that a secret and it will be a nasty surprise.

**Phil Hufton (Managing Director of Network Operations, Network Rail):** No, I have no plans for any surprises, Val, I can assure you. Obviously, we are trying to prevent things failing. If I could predict when the next asset was going to fail, I can assure you I would fix it before it did.

**Valerie Shawcross CBE AM (Chair):** There is not a phase of work that you consider to be a high-risk period?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Whenever we are developing London Bridge, we are always going to have vulnerability. However, we are in much better control now than what we were.

**Valerie Shawcross CBE AM (Chair):** OK. We are not going to get an answer on that. The hot weather was an issue. There are many trains that still do not have air-conditioning. Do you have any priority arrangements in place to prevent trains without air-conditioning sitting out and waiting to come into London Bridge for dangerously long periods of time? During the hot weather, we had incidents of people suffering heatstroke and fainting and they were in the trains that do not have air-conditioning. They were being held in the sun for half an hour or 40 minutes, waiting to come into London Bridge. Do you have a hot weather plan?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** We have a hot weather plan in terms of the assets, but in terms of the train service I do not dictate which trains are running on the railway, actually.

Valerie Shawcross CBE AM (Chair): David, do you?

**David Statham (Managing Director, Southeastern Railway):** Yes. To pick up on the point, there are actually challenges with both the units that have air-conditioning and the more modern types of units because one of the challenges for us is in hot weather, if we lose the air-conditioning on an air-conditioned unit that is pretty sealed, we have to look after those as well because the --

**Valerie Shawcross CBE AM (Chair):** David, you run some trains without air-conditioning, don't you?

**David Statham (Managing Director, Southeastern Railway):** We do. What we are doing at the moment is, first of all, working through our fleet to make sure that the kit that we have works as reliably as it can. We are then very conscious of the risk on both types of rolling stock - that with air-conditioning and that without - that if a train is standing for a reasonably long period of time there are risks that that passenger environment becomes really difficult for people on board the train. Particularly in the summer, we have to be quick off the mark at getting the people to the train and being able to either get the train moving or get the people off that piece of rolling stock and looking after people in the interim. There are things that you can do on that rolling stock - like having door guards to enable the doors to open to let more fresh air in - that we factor into our plans as the operator. It is something we are very conscious of.

**Valerie Shawcross CBE AM (Chair):** OK, but the general picture from Network Rail is that you do not actually have a plan for public health during the hot weather. There were issues last year.

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Only in terms of our response if we do get an incident where a train has to be stopped.

**Valerie Shawcross CBE AM (Chair):** OK. We should take this up outside this meeting because it would be a great shame if the learning that went on last year is lost because the key officer involved has actually retired and gone. There were some critical health incidents last year. A lot of people were affected. We picked up at that point the fact that Network Rail considers temperature an issue for assets but nobody was considering temperature as an issue for the health of passengers. We need not to let that happen again.

Phil Hufton (Managing Director of Network Operations, Network Rail): Yes.

Valerie Shawcross CBE AM (Chair): Yes? OK.

**Richard Tracey AM:** Could we turn to performance improvements, particularly with the TOCs? When are your franchises coming up for renewal, both of you? What is the date?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** The South West Trains franchise runs until February 2017 and there are discussions with the Department for Transport (DfT) about extending that franchise to April 2019. It is somewhere between those points.

**Richard Tracey AM:** February 2017, yes. What about you, David?

**David Statham (Managing Director, Southeastern Railway):** Our franchise was designed to take us through the works at London Bridge and through to June 2018 when those works will be completed.

**Richard Tracey AM:** Yes. First of all, the obvious question - because we are representing constituents and the travelling public - that I must ask you is: what pledges are your two companies going to give to us and indeed obviously the DfT when you come up for your renewals? I noticed, for example, that Southeastern bumps along right at the bottom of the graph for satisfaction levels at 74% and South West is on 80%, which is below the average. Meanwhile, overcrowding on South West Trains - and I know this because I use them all the time - is 5% overcrowded, which is pretty cattle-class, I have to say.

I am sure you know this because you must hear this a great deal, Tim. What are you going to promise us for improvement before you get a franchise renewal, if that is what you are going for?

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): Indeed. The key focus of the last several years has been on managing the increasing volume of passengers whilst keeping performance improving because the two things can be opposed to each other. If you take, for example, Clapham Junction as a station that - as Paul [Harwood] referred to - is now hugely overcrowded or Vauxhall and if you think about those types of stations, let alone Waterloo, how we manage passenger volumes and flows through those stations is critical. If we just allow an uncontrolled scrum to take place, the amount of time the train is in the station will exceed the amount of time the train has in the timetable to be there. That is really critical when we understand in detail places like Clapham Junction where it is not just about people getting on the train to Waterloo; it is about allowing people to get off the train. It is everything from redesigning rolling stock to make sure that there is plenty of stand-back area so that when people are standing in the door area other people can get past. The doors open wider, for example. In some respects, some of our trains have two seats on either side of the carriage allowing a wider gangway in the middle so that people can move around other people who are standing. All of those things have been done.

Despite doing those things, passenger volumes, which have more than doubled since 1995, are now at the point where, even with those mitigations in point, we are going to have to find new ways of working. Even though our franchise is relatively short, we have agreed last summer with the DfT to buy a new fleet of trains, which is hugely significant in terms of the length of the franchise. A new fleet of trains is being bought. Angel Trains is buying them and we are going to introduce those trains - another 150 carriages - and they are of a very similar type to those that have been built for the new Thameslink services. There will be much wider, open carriages and fewer seats but, for the type of journeys they are operating on, we will be focusing around very high volumes of passengers. There will be faster acceleration and deceleration. That really matters.

A whole suite of activities is underway to eke out every single moment of performance that we can achieve to allow us to carry as many passengers as possible whilst redesigning the railway going forward. Of course, at Waterloo - and perhaps we will come back to this later - it is fundamentally the same layout there now on the domestic side that has been there since 1936. Over the next three or four years, we are going to rebuild that

and increase capacity by 30%. Fundamentally, going forward, it is about increasing capacity significantly to provide better journey opportunities. That will improve performance because the biggest challenge we have with performance on a daily basis is overcrowding.

**Richard Tracey AM:** If I can stick with you on South West Trains for a moment and greater capacity, you have been talking about 10-car trains for, I should think, five years now and we do not see them. We see a few but we are not seeing enough. Fellow commuters feel it very strongly. I am amazed at their patience, actually. Where have these 10-car trains got to?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** Indeed. Of course, if I rewind a little bit to, say, five years ago, there was a discussion between the DfT and South West Trains prior to the last general election. It was not completed in time for the general election and that process had to restart. It was then to be at Waterloo. Platforms 1 to 4 at Waterloo are only eight cars long and they are the most significant constraint in terms of capacity on the South West Trains network. There was a proposal in Control Period 4 (CP4) to extend those platforms from eight cars to 10.

In fact, what happened as a result of discussions with the DfT, Network Rail, South West Trains and the regulator was that it was decided not to proceed with extending platforms 1 to 4 to 10-car length at Waterloo in CP4. It was felt, modelled and demonstrably the case that had we proceeded with that scheme at Waterloo some of the challenges that we have at London Bridge and other stations would have been repeated there.

The decision was made not to proceed with that scheme until and unless Waterloo International could be properly rebuilt and brought into service both to allow the displacement of trains whilst a major part of Waterloo was closed. Secondly, because there are inefficiencies in the way that platforms 1 to 4 would be rebuilt because it takes longer trains longer to get in and out and whereas we can run the entire peak service into four platforms today, after rebuilding we know it will require five platforms. Those platforms will now be there because the model we have chosen to approach is to do Waterloo International first.

To recap, I absolutely understand the frustration of passengers. I am frustrated. Our staff are frustrated. They would all like to have been operating longer trains before now. However, the decision was rightly taken that we should not close Waterloo to do that work until we had rebuilt Waterloo International and that is the plan that we now have.

On the Windsor lines, I should say, we are halfway through the programme of implementation of 10-car trains and that programme will be complete by the end of the year.

**Richard Tracey AM:** That is the set of trains that comes into the high-number platforms at Waterloo?

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): Correct.

**Richard Tracey AM:** The other thing is that Network Rail has lengthened some of the platforms at other stations. You are talking about Waterloo but I know, for example, Putney and Wandsworth Town and so on have been lengthened, but still you are not bringing in the complement of longer trains that they call for. You want to deal occasionally directly with some of the councillors in Wandsworth and Merton. You will hear some real home truths from them about this.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** In the agreement that was reached with the DfT to increase capacity on the Windsor lines, as we call them, the high-platform numbers that serve Wandsworth and Putney, 14 of the 32 trains are now in traffic and will be available on a

daily basis. We are nearly halfway through that capacity upgrade programme and it will be complete by the end of the year.

That does not mean that all of those trains are going to be 10 cars long. The first phase was to introduce 10-car services on the trains predominantly to Windsor, Staines and the Hounslow loop. That service will be completely made up of 10-car trains by the introduction of the new trains that we bought last summer, which I mentioned earlier, and they are due for 2017. There will be displacement of some longer trains on to Reading, which is a 10-car programme and which is also due to be complete by 2017/18. The programme was never due to be completed before those timescales.

**Richard Tracey AM:** Waterloo International, which you mentioned, has been closed for the Eurostar for eight years, is it?

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): Since 2007.

**Richard Tracey AM:** People look at that and say, "Why is this station with five platforms in mothballs for so long when we are suffering the overcrowding on the other trains?" It is crazy. It is a shambles.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** I would not call it a shambles. I would call it really frustrating.

**Richard Tracey AM:** I think the passengers think it is.

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): The reason it is frustrating rather than a shambles is because – and let me take you back to why – when the Eurostar station was built and opened, it was designed to be an international high-speed railway terminal and it served that purpose adequately. It is completely incompatible with being a station suitable for suburban passengers. The evidence of that is, as you can see, the huge scaffolding that we have created at the front of it. We took the decision about 18 months ago that it was quite rightly inappropriately and unhelpful to have five platforms closed at Waterloo when it is the country's busiest station. What we were able to do was to knock some holes in the wall from 19 to 20 and to then knock down a bit glass wall and put some scaffolding up. This is not elegant engineering; this is doing the right thing to allow the platforms to be used. They can now be used and they are used. Platform 20 is used on a daily basis and 21 and 22 are used on a contingency basis. To allow them to work properly, the whole station has to be redeveloped both from a passenger-handling perspective and indeed with a rearrangement of the track outside. That scheme is now in place and Paul [Harwood] can talk about it with great elegance, I know, and physical work is expected to start in January and February next year.

We are nearly there with Waterloo International. It has taken too long. It has been a frustration. However, what was not possible was effectively to use the platforms in their current orientation without impeding the passenger flow. When we do use platforms 21 and 22 at the moment, we often receive negative passenger comments about them because the walking time is so great. That is a key objective of the rebuilding programme that starts next year.

**Richard Tracey AM:** Let me just move from South West Trains to Southeastern. There is this situation with satisfaction levels and you are at 74% according to the latest charts we have. That is an appalling state of affairs for Southeastern, surely. Why should the DfT not simply take your franchise away and give it to TfL, which has been bidding for it forever? What are you going to do about it?

**David Statham (Managing Director, Southeastern Railway):** For us, 74% is massively disappointing.

**Richard Tracey AM:** You can say that again.

**David Statham (Managing Director, Southeastern Railway):** We know we can do better and we know that we have done better. Just a year before those results came out, we actually delivered the best ever result that we have had, which was 84%.

It is really important to me and really important to us as a business over the next three years when we are running this business that we genuinely focus on what customers are telling us they want from us as a business. We do lots of research, first of all, to understand what passengers want. If I am honest with you, it is not rocket science. What people want is better value for money. They want the train to be on time. They want a pleasant travelling environment. They want better information when things go wrong. That is why it is really important that that is our focus over the next three years.

For example, on value for money, we have done a huge amount of work over the last few months to offer better value for money for people in the off-peak. We are doing a huge amount of work jointly with Network Rail on performance and that is why we published last week our joint performance plan, which I will give the Assembly Members a copy of at the end of this session. We are doing a vast amount of work on information. For example, we have expanded our Twitter service to go 24/7. We have joined up all of our information systems with a new back office that makes the information more consistent. We have done a significant amount of work in terms of the travelling environment. For example, we are deep-cleaning every single one of our trains and every single one of our stations at the moment to make sure that people have a better environment to travel in

It is not only important that we do all of this stuff; it is important that we get out there and tell people what is actually happening and what we are doing to address their concerns. We have also started to publish, every six months, a magazine for our passengers, which sets out what the key issues are for passengers and what we are doing to address them. We are publishing more performance statistics than we ever have done before on our website to let people know what the key performance issues are and what we are doing about them. We are publishing for the first time which services are the most crowded on our network and which services are slightly less crowded so that people, if they are able, can make a journey choice that is right for them. I know not everyone can change their journeys, but if we can influence just a few people to change their journeys, it makes a better travelling environment for everyone. It is massively important for us to do better.

**Richard Tracey AM:** Interestingly enough, on the charts we have, you do not come out too badly in Southeastern either on overcrowding - you are pretty close to the best there, apart from London Overground - or equally, on reliability. You seem to be quite well up the charts.

Stephen, I know you are London TravelWatch and not Passenger Focus, but what do you think of the TOCs and this performance that we have heard about and what they are trying to do?

**Stephen Locke (Chair, London TravelWatch):** For the record, I should explain that I am also a board member of Transport Focus and indeed chair of its Statistics Governance Group, which runs the National Rail Passenger Survey [NRPS]. Therefore, *mea culpa* if you do not like it.

Actually, 74% is the best of the story because 74% is the measure of satisfaction with individual journeys that people have taken on Southeastern. That means that 26% of journeys were not seen as satisfactory, which is appalling. If you actually look at overall trust and confidence in the individual rail companies, which Transport

Focus - then Passenger Focus - published last summer, those figures are massively worse, especially in London and the South East because the fact is that people's belief in the rail companies has fallen to an all-time low. It is extremely poor. Certainly, if I were running a TOC, I would be very worried about the lack of trust that is now emerging.

David [Statham] talks about communication and improving that with customers. There is an enormous way to go because, frankly, I do not think they are listening much and when they do listen they do not believe what they hear. I wish it was not like that because I believe many of the issues we are hearing about are completely genuine. You cannot introduce major infrastructure projects like rebuilding the Waterloo platforms or London Bridge or Thameslink or Crossrail or whatever without disruption, but the public is entitled to high-quality, timely information about what is going on and reasonable explanations because, fundamentally, most people are quite reasonable.

It seems to me, though, that what we are hearing is also a series of performance improvements, which I very much hope will happen, but the fact is that the tests and the requirements get more and more stringent as time goes on. Although these are great, they are in many respects drops in the ocean compared to the scale of the change that London faces with a massively burgeoning population and massively burgeoning increase in ridership. The only way to get around that, as I said right at the beginning, is to change the incentives for the providers of services and to develop a proper, integrated, long-term perspective.

**Richard Tracey AM:** I agree with that. I must say, Tim Shoveller, on the communications point that it was your colleague David Statham who was talking about communications but, frankly, the experience that we have had - those who use your service - is that your communications are appalling. I am sorry to tell you, but councillors whom I have to deal with in Wandsworth have been constantly writing to you personally and to other members of your management and they just do not get answers from you about problems at Putney Station and those sorts of things. Equally, members of the public write to me regularly and say just the same thing. I do not seem to be able to get any answers out of you, either, when I pass on what they say. What are you going to do about that now? Your people who come to the passenger transport liaison group of councillors do not know the facts, either. It is really a shocking communications performance.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** I take at face value what you say. Obviously, we reply to every communication that we receive. We are not always in a position to be able to tell people what they would like to hear as the answer, but we will always reply honestly --

Richard Tracey AM: It takes a long time.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** It may take a long time. Some of the questions that we are asked are very complex and there is no point just fobbing someone off with a simple reply if that is not what is appropriate.

You have raised a number of communication points. I heard you talk about passenger communications, for example, on disruption and then also the wider points about how we are dealing with some of the issues we have in our railway.

If we take passenger information first, one of the things that we can see - again, from an extremely low perspective - is that in recent NRPS surveys how we are dealing with disruption is showing an improving trend from a passenger perspective, I believe. That is something that I am encouraged about but it is from an extremely low base, despite the fact that we have now over 150,000 Twitter followers, which is an extremely useful way of communicating. All of our train crew and all of our quards have Blackberries so that our control

centre, which is a joint control centre, can provide the most up-to-date information that it can to the guard on the train who can then make an announcement. Those basics are all in place.

We have put a huge amount of work into contingency planning so that actually, when there is a foreseeable event, rather than the teams on the day having to make it up as they go along, if you like, there is as far as possible a contingency plan to pull off the shelf and a consistent and simple approach to how we manage disruption. For example, if we are unable to run a full capacity of trains into Waterloo because of a problem, we will regularly focus on some certain routes like Hampton Court, for example, or Dorking, where there are alternative services from Victoria, or West of England services. We will focus our service recovery efforts on those trains so that our staff and to a degree our passengers become familiar with our contingency plan and it does not come as a surprise, then, as to how we are going to try to recover the train service. Those are all things that were not in place three years ago.

Last Tuesday I was travelling to a funeral in Portsmouth and on that particular day we had had a disruption in the Portsmouth area that quite substantially disrupted the Main Line. I would be the first person to agree that the way we were communicating with our passengers - in my case, I was at Waterloo trying to get to Portsmouth - was not good enough. There was some fantastic work. They ran a special train from Waterloo to connect with a train that was going to go to Exeter. They ran a special train and it was on the board, "Passengers from Exeter, go to Woking and change at Basingstoke", but we missed off the Portsmouth passengers. There are things like that.

When I was talking to the control team afterwards, I was saying, "Great, you did such a good job here, guys. You ran a special train. You advertised that you were going to move passengers to Exeter to change at Basingstoke. Why did you not say to passengers going to Portsmouth to go to Woking?" Of course, the challenge they have is that with a train arriving and departing from Waterloo every minute during the peak hours, the volume of information and the volume of trains is so great that, even with a team of 40-odd people up in the joint control centre, on occasions they will miss things. We have to recognise when that happens and try to make sure it happens less in future. The intensity of the service does give us a real logistical challenge there.

**Richard Tracey AM:** All right. I just have a couple of quick questions before I must hand over to my colleagues. One is about this alliance now between South West Trains and Network Rail. Is that producing benefits? Can you tell me quickly?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** The alliance has produced lots of benefits and some things have been quite challenging. Yes, there is absolutely no doubt that when it comes to delay-per-incident, big incidents are now having 31% fewer delays than they were before the alliance. There are some things like that that we can measure very clearly. We have changed a whole number of aspects of our railway on the basis of the information that we now share with one another and that will continue. In some respects, it did not necessarily need an alliance to achieve some of those things. It was about shared incentives.

It has also made some things harder. The legal environment of the UK railway structure at the moment is one that does not lend itself naturally to having an organisation responsible for both infrastructure and train operations on the Main Line. We have a number of challenges in that environment. We had to work very hard to create a sustainable legal position. That is something that does need to be developed in the long term. Yes, there have been benefits and I think everyone involved has learned a lot and that has also been really important.

**Richard Tracey AM:** A last question from me. Because you all talked about the great expansion that we are going to see in the number of travellers on the trains, it would help us to know which are the most crowded trains that you have on both South West Trains and Southeastern. Would you be willing to provide us with a list of the most crowded trains with details of how crowded they are? Would both of you be prepared to do that on your services?

Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance): For your information?

**Richard Tracey AM:** For our Committee, yes.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** Yes, to the extent that we can. I do not see any reason why not. We are very conscious of the level of overcrowding. Some of it you will see in the data that is provided by the DfT that lists our trains. We are very happy to share that with you.

We have thought about sharing. We have tried - and in some locations have implemented - a colour-coding system for our different trains. We took advice from our passenger groups and actually it was not providing much assistance because for periods of time every train just came up red. Therefore, we did not do it, but only on the back of consultation that decided it would not be helpful. I am happy to share with you some of the volumes.

**Richard Tracey AM:** Southeastern?

**David Statham (Managing Director, Southeastern Railway):** Of course. We are going to respond back to the consultation on 1 July and we will set out some of the crowding challenges for us.

Before we move off, I did want to talk briefly about listening to passengers. I did not want the Committee to go away without understanding that we are genuinely committed to listening to passengers. We do a huge amount of work to get the feedback in. We do meet-the-managers. We do customer research --

**Valerie Shawcross CBE AM (Chair):** We have heard that, David, and we appreciate that. I am just a bit concerned about time because we are overrunning at the moment.

**Steve O'Connell AM:** Just to complete the set, can we take up with Southern the same question? It is being somewhat parochial if we do not.

**Valerie Shawcross CBE AM (Chair):** Yes, we will ask a standard set of questions. Of course we will.

**Caroline Pidgeon MBE AM (Deputy Chair):** Yes. They are not all there. We need all of them.

**Valerie Shawcross CBE AM (Chair):** We are not particularly picking on the two TOCs that have been kind enough to come today.

Steve O'Connell AM: Yes, indeed.

**Richard Tracey AM:** That is true.

**Steve O'Connell AM:** There is an empty seat over there somewhere for Southern.

**Valerie Shawcross CBE AM (Chair):** We have nine TOCs in London and we are interested in all of them. I would just put it briefly to David [Statham] that sometimes this is not rocket science. For example, if you walk through all your trains and listen and test the Tannoys, you might be surprised that some of the communication is actually about having functioning Tannoy systems.

**Tom Copley AM:** You can barely hear them a lot of the time.

**Valerie Shawcross CBE AM (Chair):** Yes, sometimes you cannot hear them and it does not cost a lot of money to work that out. Tom, can we move on?

**Tom Copley AM:** I have a set of questions on franchising now, the first of which is what further changes to franchising you think the Government should introduce. Perhaps I could start with David?

**David Statham (Managing Director, Southeastern Railway):** For us, our job in terms of running the TOC is really to do the best we can within the contracts that we have. It is not for us to define that sort of contracting framework. That is really a decision for the Secretary of State for Transport to decide what the best option and to balance the needs of passengers in London and passengers in Kent. My job, I feel, is to sit here within the contractual environment that we have and do my absolute best to deliver for passengers.

**Tom Copley AM:** From your perspective, it simply is up to the Government to come up with a framework and you will fit within whatever framework the Government is -- Do you not have a view on that and how it could be improved?

**David Statham (Managing Director, Southeastern Railway):** What is important for us, if it is an option that the Secretary of State for Transport wants to pursue, is that we work closely with TfL and we work closely with the DfT to make sure that whatever franchise structure the Secretary of State thinks is right come 2018 is the right one to balance the needs of the different communities we serve. We have already worked closely with TfL when devolution was last discussed a couple of years back to look at making sure that those proposals reflected our experience of running the network and reflected some of the complexities of splitting a company that has been one joined-up entity for over 100 years into two different TOCs. Of course, we would continue that approach and work with TfL were that to be something that both the DfT and TfL wanted to pursue.

**Tom Copley AM:** To give an example, the DfT on Thameslink is taking the revenue risk with the fares. Do you think that is a good model and the model that should be rolled out, perhaps, across the board?

**David Statham (Managing Director, Southeastern Railway):** There are different challenges for different TOCs. One of the reasons that in my understanding the Thameslink contract was let without revenue risk is that the complexities of understanding what the works at London Bridge do to the revenue of a company that was running some services through London Bridge and now is not running through London Bridge at all and then will be greatly increasing its service frequency through London Bridge when the Thameslink programme is finished in 2018. The model that was set up for Thameslink transferred the revenue risk to the Government because, actually, it would be very difficult to forecast what that revenue is when the railway is changing so much underneath the company.

My company has a slightly more understandable set of impacts on its timetable. We understand what is going to happen to our timetable, our passengers and therefore our revenue base over the next three years. We are therefore more able to more easily forecast revenue and so we are on full revenue risk. For me, it is different horses for different courses. Different models are appropriate to different parts of the railway at different times in their lives.

**Tom Copley AM:** Before I bring in Stephen [Locke], can I just ask Tim if he agrees with what David said? Do you have any difference in view?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** 'Horses for courses' is absolutely the right summary. A different model for each franchise depending on what the Government wants it to achieve is absolutely fundamental. That is a good thing because it is a more mature approach that has evolved than perhaps at the start of privatisation.

The key thing for me is about aligned incentives. When Sir Roy McNulty [Chairman, Rail Value for Money Study] did his report for the coalition Government five years ago, it was one of the key areas that he talked about and industries getting better at working around some of the incentives and making it work better. However, as we move towards Control Period 6 (CP6), there is a huge challenge for the regulator, for the Government and for TOCs to work to create incentives that are aligned between each and every one of the organisations that are in place, focusing on what we want the key outputs to be. It has been great to see some of the other franchise competitions recently launch, for example, that passenger satisfaction achieved through NRPS was perhaps enabling and allowing, whether it be replacement of rolling stock or a more generous – if that is the right word – refund scheme when things go wrong. As an operator, I welcome those things. I want to be in a position where, if something goes wrong, we can apologise to our customers appropriate. The evolution that has been underway in the franchising model, especially over the last 18 months or so, is going of it in the right direction. More of it, but the right direction.

**Stephen Locke (Chair, London TravelWatch):** Fundamentally, of course, this is an issue for the DfT and for the Mayor and for the Office of Rail and Road (ORR) because it is a matter of not what the TOCs decide to do but what they are required to do. The fact is that TOCs do work within the Overground concession-type model as much as they do within the franchise model. If the rules are there, people will follow them.

There is a broader issue here, though, which is that fundamentally franchising is a commercial model where a company is given an opportunity to use assets and to develop a business on the basis of that. There are many variants on that but the original idea in the early and mid-1990s was that the framework would be a fairly loose one and companies would be free to do what they wanted within it. Over time, it has become increasingly watered down and what we are talking about here is probably further watering down. The problem, though, is that the further you get from that commercial model, the further you are from the idea of a franchise at all.

The fact is that in London we have a very different set of requirements. We have a closely regulated market. There is not really any freedom in terms of ticket prices. It is based on Travelcard zones, essentially. There is virtually no competition in terms of individual users of the system. There is a huge dependence on integration both in terms of ticketing and in terms of people interchanging their journeys from a National Rail operation to a TfL service. What you have overall is something that is pretty much a utility rather than a private-sector transaction and one where we think the whole concept of franchising starts to fall away completely.

What is really not good enough for London passengers is the argument, "It is not in our franchise and so we are not going to do it", even when there are overwhelming arguments that it should be done. A classic example is the very substantial number of services within the London boundary that are still run only on a twice-per-hour basis, which for a metro-type train system is miles away from 'turn up and go' and miles away, I would say, from efficient use of the assets concerned. The fact is that at the moment those are not deemed to be worth improving because the franchises do not encourage it. That is not good enough.

We have to start with passenger needs. We have to work out what the capital's transport system as a whole requires and then develop a mechanism that meets that.

**Tom Copley AM:** Would you favour us moving in the direction we have seen particularly with things like London Overground, where you have a much more tightly regulated service, essentially a management contract? Is that something that you want to see more widely rolled out?

**Stephen Locke (Chair, London TravelWatch):** Overwhelmingly, yes. Indeed, we argued strongly that the Southeastern services as far as Dartford and Sevenoaks should have been included when the West Anglia ones came up. It was decided not to continue that and so we are now with just one further extra concession, although we do of course also have the TfL Rail model between Shenfield and Liverpool Street.

Both of those two examples, West Anglia and Shenfield-to-Liverpool Street, will be very interesting to look at because they are actually a bit different from the rest of the Overground. They have not had huge investment in them and they will not get the enormous kick-start, if you like, that was possible elsewhere. It will be very interesting to see whether TfL is able to deliver significant performance improvements given what it has. I am very optimistic about that and that model will probably be useful for many other services, if not quite all.

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** The number of train services that we run now compared to when we started the franchise has increased significantly to the point where there are no paths available to run any more trains. It is not the case that franchising has not worked to increase the number of train services. It absolutely has. What needs to happen now to allow franchises to run more train services is to provide more infrastructure. The model of how we do that is key but --

**Tom Copley AM:** There is also reliability and quality and things like that --

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** Yes, absolutely.

**Tom Copley AM:** -- which of course we see a lot more on the London Overground where that has operated than we see perhaps with --

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** Yes, I totally agree. I was recalling when I used to run what is now London Overground 20 years ago. Despite the heroic efforts of some fantastic people who were part of the team, it was an old railway, it was in poor condition, the infrastructure was tired and it was very much unloved. It has been a wonderful transformation to see what has been achieved today at some significant expenditure and after closing it for an extended period of time. I suspect that passengers into Waterloo, whilst they would probably welcome the expenditure of several billion pounds, would not welcome the closures that were associated with it. This is all about balance.

I am very pleased that a few months ago we were able to agree with the DfT some additional train services on parts of the network where there is capacity on Sundays and things like that. There is absolutely no excuse being given to say we will not do those things; we will. I am delighted about the fact that we are able to do those things again, even with only two years left to go in the franchise. I do not think these things have to be a restriction on what is possible. It is really about the will and the intent of the organisations and the ability, where the capacity exists, to optimise our railway.

**Tom Copley AM:** Paul and Phil, do you want to comment from a Network Rail perspective on this?

**Phil Hufton (Managing Director of Network Operations, Network Rail):** Very briefly, of course we support what the Mayor and TfL are trying to do in terms of improving standards of service and we will always support that. You may be aware that recently we transferred 24 stations over to London Overground Rail

Operations Ltd (LOROL) at the end of May and we also transferred a further 12 stations to TfL. We are very much in support of doing what is right for the customer. Paul, if you want to continue with that?

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** Yes, sure. Going back to the core question about the franchise element as well and then building from there, most of the key things have been said about aligned incentives that then lead to good collaboration and co-operation in terms of delivering outputs.

The point about the revenue risk is one that links back, for me, to flexibility. When you have a major investment, you need the ability. You have the flexibility. You have unpredictable revenue impacts. What you want to do in terms of the access to do the work quite often is developing. You either do it that way or you make sure there is enough flexibility. Quite often I am involved in conversations when, as Tim [Shoveller] and David [Statham] have said, the TOCs would like to make a change in some way, shape or form and they recognise it is important, but the contract is in place that has a degree of constraint. In the DfT's defence, the contract is there because it needs to hold TOCs to account and it needs the framework mechanism to monitor against.

It is that difficult balance and conundrum about having the framework to manage the competition through, which is the same situation that TfL will have with its concession and you need something to actually manage that concession process through, but then having the flexibility to evolve over what might be an eight- or tenyear period without having too tight a shackle on it. That is the tricky balance that we think is really important for a franchising mechanism. In relation to Govia Thameslink Railway (GTR), the position is managed through the DfT holding the revenue risk, which gives it more flexibility in managing that process, rather than pushing a lot of that control on to the TOC.

**Tom Copley AM:** Flexibility is the key thing.

Paul Harwood (Strategy and Planning Director (South), Network Rail): Yes.

Valerie Shawcross CBE AM (Chair): Darren was going to pick up the devolving proposals..

**Darren Johnson AM:** This is looking to the future and how the Mayor's proposals for devolving suburban routes to London could benefit rail users in terms of more lines coming in.

**Stephen Locke (Chair, London TravelWatch):** We hope that it would provide benefits in terms of improved frequency, improved train and station quality and improved reliability. Obviously, it is a long wishlist and many others have been working on it, but the fact is that the Overground has demonstrated what can be done. We very much hope, as I said earlier, that the West Anglia devolution and the takeover of TfL Rail between Shenfield and Liverpool Street will demonstrate further how that can improve things. If that delivers – and I have great confidence that it will – then it will demonstrate what can be done in the future.

**Darren Johnson AM:** With the first phase of the Overground, we saw massive and very dramatic improvements. Can that be achieved only with very significant sums of investment and the sorts of closures that Tim Shoveller was talking about?

**Stephen Locke (Chair, London TravelWatch):** That is the test for now, really. As I mentioned earlier, the initial Overground takeover was indeed accompanied by a vast amount of investment, infrastructure improvement and, indeed, closures and the building of completely new lines in some cases. What we have now is a different kind of takeover, if you like, and it is very important that that is studied closely so that the

lessons that come from West Anglia and TfL Rail can be built on and then applied in the future. However, as I said, I have good reason to believe that things will improve quite significantly.

**Darren Johnson AM:** In a way, this is a more significant test for future lines where we are not talking about new infrastructure necessarily but where we are just talking about improving services and reliability?

**Stephen Locke (Chair, London TravelWatch):** That is right. We did actually urge DfT Ministers to commission an independent study of the impacts of TfL's takeover and they said that it did not have sufficient cost benefits, whatever that actually meant. However, there is still a case for independent observation and as much measuring as possible. TfL is actually going to do that, but of course a degree of independence might help as well.

**Darren Johnson AM:** Let us hear from the others. Are you terrified at the thought of TfL expanding its empire over rail or are you relaxed and confident, David?

**David Statham (Managing Director, Southeastern Railway):** We of course have worked with TfL, as I said earlier on, in terms of the last time that we debated the transfer of parts of the Southeastern network into TfL. We understand what was set up last time around in terms of the Mayor's vision for rail, which sets out broadly the LOROL model that it would seek to apply to the metro parts of our network. It would be great to understand those proposals in a little bit more detail.

As I said earlier on, if it is the right thing for the Secretary of State to ask us to work with TfL, it is really important for us to work together with TfL to make sure that, first of all, those proposals recognise some of the complexities of splitting a business up that has been very heavily integrated both operationally and in terms of the way the business operates and that we work through the practicalities of making a remapping of the franchise work and then, secondly, that we work through how we balance the needs of different communities. This is something we have had to do over the last nine years of running the franchise. It is to balance the needs of communities in Kent against the needs of communities in London. I know you are going to be hearing from Kent County Council in the next session. It is really important for us that that balance – working together to make sure the timetable in particular serves the needs of all the communities it serves – is reflected in whatever contractual structure comes out of the next round of contracting.

**Darren Johnson AM:** You do not want to rob Peter to pay Paul. You actually want to see an improvement or standards maintained?

David Statham (Managing Director, Southeastern Railway): Yes, of course.

**Stephen Locke (Chair, London TravelWatch):** I have one very quick observation on David's point, which is that of course we already have Overground services operating beyond the London boundary to the north. There have been services operating to Watford for some time and there are now services to Waltham Cross and Cheshunt on the West Anglia lines. It seems to me that another aspect of the West Anglia study that needs to be done is how that joint accountability of the Greater London Authority (GLA) on the one side and one of the Home Counties on the other might be useful in relation to Kent as well.

**Darren Johnson AM:** It is not just the technical side; it is obviously the Government's side as well?

**Stephen Locke (Chair, London TravelWatch):** It is the political side as well. Hertfordshire County Council is a key participant in that.

**Darren Johnson AM:** Yes, that is the important point. Tim, any thoughts from you on this?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** We started this discussion talking about capacity and fundamentally delivering the best quality rail service we can for as many passengers as possible. How we manage and grow capacity is the fundamental point. Whilst I am not going to get involved in a turf war and I am relatively agnostic in terms of what model is deemed to be the right model, the tests we must really apply to it are those of whether the proposals help to manage capacity better or not. That might be different in different places. I suspect there is not a one-size-fits-all model. I suspect that model might change with time.

We are doing everything we can, working with TfL, to make sure Crossrail 2 is developed because I am convinced that that is where we should really be putting our focus on increasing the investment and growth of the capacity of the network. Should that be developed, it would be crazy for that not to have a greater TfL influence. I am neither fish nor fowl on this. I am very much of the view that the right thing for the right circumstance is the best choice. I am also equally confident that whatever we want to achieve in higher quality services in whatever form – whether that is frequency or the level of cleaning – can be achieved as long as the incentives are right. Capacity and incentives; if we stick to those two things, we can pretty much achieve whatever we want.

**Darren Johnson AM:** The Network Rail view?

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** Very similar. We work with any TOC. We have different models everywhere. We already work very closely with TfL. LOROL is a very effective relationship. The objectives are clearly highly supported in terms of capacity and service quality, absolutely. The impact we already have in terms of local understanding, local planning and local co-ordination is critical, whether that comes through the concession or TfL directly. Absolutely, we are completely comfortable.

**Darren Johnson AM:** Could management of infrastructure be devolved to TfL, not just the rail services?

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** It could, indeed. There are a number of caveats that come with that, very similar in a sense to the service planning side of it. Subdivision can bring inefficiencies in co-ordination. Indeed, things like Crossrail 2 make it harder in a sense rather than easier because we are joining together bits of the network across wider and wider areas. Planning and operating across an integrated network is critical. There are a number of different ways you could do that. It does not mean to say you do not have different parties as long as the relationship is strong. We are very strong believers in the network planning and network operation side of it. Who does it is a different issue.

**Darren Johnson AM:** Does TravelWatch have any views on that? The Mayor has recently made comments in relation to London Bridge, for example, that if TfL were running it there would be clearer accountability, clearer management and so on. What is your view on TfL expanding its scope and actually taking over the infrastructure from Network Rail and some of the services?

**Stephen Locke (Chair, London TravelWatch):** We are not scared of TfL expanding its scope. It has huge experience in terms of running complex, operations.

**Darren Johnson AM:** It seems to be doing pretty well at it.

**Stephen Locke (Chair, London TravelWatch):** Yes. They are not perfect - nobody is - but the level of competence and the resource that is available there is colossal. However that is done, whether in association

with Network Rail or with local authorities or with TOCs, it seems to me absolutely crucial to leverage that ability and to allow, through TfL's role, an integrated approach to the system as a whole. That is really what was missing at London Bridge at least over Christmas. By Easter things had been patched up considerably. We have had a number of all-too-graphic demonstrations of how problematic our system is and how fragmented it can be.

**Darren Johnson AM:** The point you made earlier about getting the governance and the accountability right as well as simply the management and the technical side, is doable.

**Stephen Locke (Chair, London TravelWatch):** That is doable. As I say, the Hertfordshire model is something that could be certainly built on at the political level. Joint operations with Network Rail have been common for TfL for many years. There are many lines that are both Underground and Network Rail. There are mechanisms for dealing with that. It is a matter of broadening those lessons rather than necessarily developing anything completely new.

**Steve O'Connell AM:** Darren has already touched on some of the subjects I want to talk about, which are around devolution - I want to just dwell a little bit on the barriers again. We touched upon some of the challenges and something that could be seen as complex and potentially a threat to services - we will hear later the opinions from councils elsewhere - and how we can overcome those.

First of all, I have had friends talk to me about this issue. I have tried to explain to them what it means by breaking the services. Bear in mind I have no idea about these things; I have no idea of how to explain it to them. There seems to be quite a challenge in actually breaking down the services from outer London and then you come in. How will it be carried out? Without giving too much detail, in essence, how will the breaking of the services be done? When they are flowing through, how does that work? Can anyone comment on that?

**David Statham (Managing Director, Southeastern Railway):** It may be for me to pick up that one because I have already had some experience in this before I joined about two or three years ago.

**Steve O'Connell AM:** Yes, David, tell me how it works. How do you separate the two?

**David Statham (Managing Director, Southeastern Railway):** There are a couple of bits. The first bit is about the drawing of the geographical boundary, which Stephen [Locke] alluded to moments ago. The railway does not stop within the London boundary. We run services way beyond that boundary. The first debate is around the geographical boundary of what a metro railway would look like and then what a railway that serves the need of Kent would be. Once you have defined those boundaries, there is then the challenge of separating out that particular part of the railway from whatever is left of the railway in Kent.

We are a very, very integrated operation. Our trains work between the metro part of our operation and the Main Line part of our operation. Our drivers and conductors work across both sets of the boundaries. Our control is fully integrated with Network Rail as one single entity. What is important to us, once we have understood what those geographical boundaries are, is to work through how you separate out one very integrated organisation into two separate ones. That was the bulk of the work that was done a couple of years ago: to look at where that boundary might lie and what the complexities were of separating out those two parts of our organisation.

**Steve O'Connell AM:** The importance of the narrative is to see an improved service and also an improvement around fares on both sides of the border and there will be a dialogue later with Kent and others. TfL or the Mayor, need to be able to evidence that this will improve the services to those good people in Kent. Also,

perhaps the opportunities on a fare structure. Stephen, what do you think around that? Is it 'cake and eat it' achievable?

**Stephen Locke (Chair, London TravelWatch):** It is not something we have investigated in detail. In terms of the potential benefits of a devolved mechanism and developing the LOROL model particularly, there are huge incentives to sort it out. If we were to say that because of depots or rolling stock or staff rosters or whatever it cannot be done, it will be the tail wagging the dog. The real need is to develop a service that meets the rapidly burgeoning needs of London's population. We have to see it from that way around.

I am very sympathetic to the points that David [Statham] makes. One should not wish those problems away. They quite clearly have to be dealt with. Whether it is a matter of entirely splitting up the staff and the trains and the rostering arrangements or whether it is a matter of some kind of joint operation even after devolution remains to be seen. There may well be some contractual arrangement that could make that work as an alternative to splitting up the kit and the people, if you like.

**Steve O'Connell AM:** When talking about barriers, we have touched upon the cost of infrastructure because there would be a significant infrastructure cost around that. That in itself, in these straitened times, could be a barrier. I know there is no detailed work as yet but does anyone have any thoughts around that? Paul, do you have any ideas of what would have to be overcome? Is that a big challenge?

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** It is all the points we have talked about already. We are so close to and beyond capacity in most cases that the moment you erode the utilisation of that capacity by trying to split something out, you are going to have to not just deploy the investment that you need to increase capacity from now but you would put more on top because you need to try to run them as separate networks. We have not looked at it because it is probably almost impossible.

It would require a lot of money. It is about integration. You need an integration solution but it might be a way, contractually or commercially, of running that. Trying to actually split it out and change the service pattern in a way will step us backwards from where we are now rather than take us forward.

**Steve O'Connell AM:** There is an issue around economies of scale.

Paul Harwood (Strategy and Planning Director (South), Network Rail): Absolutely.

**Steve O'Connell AM:** Tim, you may be losing economies of scale. Do you have any thoughts about that?

**Tim Shoveller (Managing Director, South West Trains-Network Rail Alliance):** That is one of the key tests that we would have to make sure was answered. The train service itself is fundamentally there for the passengers. This is not about unit diagrams dictating the right organisational model; it is about how many trains we can run into a station in a defined period of time in a very crowded network. Those are the tests that it needs to be subjected to.

What is really important and where we must continue to work really hard as a joined-up industry is that from a passenger's perspective it should not really matter who the operator is. What should matter is the fact that the fare system should work sensibly, as we now are just about able to do and it does not matter whether you have a Smartcard or an Oyster card. You can have your Smartcard from Woking and you can go right through London on it and you can use it on the bus as well. It has been a long time coming but those are the developments that will really make a big difference to passengers; the right quality of service and right information, almost irrespective of whether that information comes from TfL, from Network Rail or from the

TOC. We are as close to being able to provide those things as we have ever been. We must continue to work really hard on those areas.

**Steve O'Connell AM:** Finally, generally, the test will be to align the aspirations of the constituents of Kent and the south with those of Londoners so that both groupings get improvements. There may be a dialogue about an aspiration to perhaps reduce the number of stops in outer London stations. That clearly is not to the benefit of the good burghers of St Mary Cray and elsewhere. There are some tensions there. The challenge for us all is to work together so that there is an improvement for Kent, Surrey and the south and also for London. That is a worthy cause. Thank you, Chair.

**Joanne McCartney AM:** I am wondering how many franchises are out there where you could hive off separate lines, for example, the Thameslink and Great Northern. Many of us argue that the Great Northern should not be bundled up with Thameslink. The Great Northern would seem to be one that you could see quite easily falling within a TfL ambit. I am wondering if anyone has any thoughts about that.

**David Statham (Managing Director, Southeastern Railway):** I used to work for and be the Managing Director of that franchise until about six months ago and so I guess I am probably the best person to pick up on that. Across lots of the network there are different ways of re-cutting those routes geographically that could lead you to manage them very differently.

If we pick the Great Northern route, it runs some services that are almost pretty much confined within the London boundary in terms of the more suburban services into Moorgate, but it also runs some really long distance services out to King's Lynn. We are in the same position that Steve [O'Connell AM] was alluding to earlier on of making sure that, whatever part of the railway we chose to ream up the boundaries of, we need to protect the needs of both those who are inside an enlarged boundary for metro services and those who are outside it. We have managed those conflicts as the operator over the past nine years for people who want to run fast into London and miss out all the intervening stations and those in the intervening stations who want more trains to stop. We have done that through a whole range of timetable consultations over the last nine years. If you are remapping the boundaries of the franchise, what are important around that are the guarantees you give to both sets of communities that make sure that this comes out as a win-win for both sets of passengers, which is what everybody is looking for, whether it is through remaps, through some different franchising arrangements or through the franchise being re-let in its current form.

**Valerie Shawcross CBE AM (Chair):** We have overrun a bit on this session and so I will very quickly bring this to a close now. We have missed one question. We were going to ask Network Rail if there were any issues on the relationship between freight and passengers that we should be aware of.

**Paul Harwood (Strategy and Planning Director (South), Network Rail):** It is an ongoing challenge. We have talked before about LOROL. That works as a relationship in one sense. The investment that has already been referred to many years ago improved the capacity for freight as well as passengers. Then we are going to see increasing challenges in freight growth. We have the long-term strategy about trying to increase separation in a sense, which is all around trying to make sure the freight flows go where they need to go and passenger flows go where they need to go.

The Thameside route is an interesting one, almost in response to the last question as well. That is a discrete passenger franchise activity on one hand, albeit there is very little differentiation between inner and outer services and they serve London and beyond. Of course the interaction with freight there is quite significant. With the new port, the Thames Gateway, we are expecting that will be an increasingly challenging relationship because there is very little choice. They both share the same network and cross over some of the key pinch-

points. It is an ongoing planning challenge. The long-term strategy is to try to improve both networks and to try to reduce the overlap and interface. If you have to manage it, then you manage it in a controlled way. Growth is predicted on both sectors, which will prove challenging but of course the freight flows are important for London as well and we cannot push them to one side completely.

**Valerie Shawcross CBE AM (Chair):** Thank you, all of you, for coming today and answering our questions as honestly as you have. Can I just put in a small bid to Phil [Hufton] if you would have a look at what happened last year on the hot weather management of London Bridge? Seriously, there were health risks and we do not want to see that happen again.

Phil Hufton (Managing Director of Network Operations, Network Rail): No, absolutely not.

**Valerie Shawcross CBE AM (Chair):** All of you, we will be probably writing for some follow-up information but that was fantastically useful and I hope you have enjoyed being with us here today. Thank you very much indeed.

#### Transport Committee - 9 June 2015

#### Transcript of Agenda Item 9 – National Rail Services in London (Second Panel)

**Valerie Shawcross CBE AM (Chair):** Welcome, everybody, to the second session on National Rail in London. Welcome to Geoff Hobbs, Head of Planning, TfL; Michael Roberts from the Association of Train Operating Companies (ATOC); Councillor Mike Goodman from Surrey County Council; Paul Millin, an officer from Surrey County Council; Cllr Matthew Balfour from Kent County Council and his officer, Stephen Gasche, from Kent County Council. Thank you, all of you, for giving your time today.

I hope you have had the benefit of being able to listen in to our earlier session. You will see that what we are interested in exploring is how the franchising arrangements in London could be improved and whether or not there is a good and successful model of devolution that would improve things for our passengers in London.

Can I just kick off by asking all of you if you have any comments on what changes to the franchising system should be introduced generally? I will not just say London because we have some of our neighbouring counties here. Which of you would like to kick off on that one? I know, Geoff, you have a lot to say and so maybe we should start at this end of the table.

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** I will try to keep it brief nonetheless. I am going to answer this in the context of London and the urban market.

If there were things I were going to do to change the franchising contracts firstly I would pay for quality directly rather than indirectly, as it is through the classic DfT franchise. For example, I would pay for every minute of delay avoided and for every aspect of service quality. The classic way of doing it is to rely on the quality being felt by passengers who then travel more and the reward is felt through revenue. That is too indirect. Stephen Locke made the point earlier that the London market has some peculiarities in that the second-best choice for many passengers is very second-best indeed. That means there are aspects of a natural monopoly here. Therefore, one cannot rely on a market mechanism directly and one has to have some leveraged incentives instead.

The second thing I would do is to rely rather less on averages within the contract as your measure of success. I say that simply because the averages can hide such a multitude of evils going on underneath. By that I mean you might have an average of reliability or an average of service quality but - in the jargon - the pain points for the customer might be quite small things at a relatively limited number of locations. The averages hide all that. I would spend rather more time looking at the detail because the devil is where that is at.

Valerie Shawcross CBE AM (Chair): Michael, what is ATOC's take on this one?

**Michael Roberts (Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies):** Good morning, and good morning to the Committee as a whole. I should say at the outset that I wear two hats, which I hope is not going to confuse matters, both as Chief Executive of ATOC and also as Director General of the Rail Delivery Group, which represents not just the passenger operators but also freight and indeed Network Rail. I am really speaking as much in that role as anything else.

It is perhaps worth kicking off with general comments about franchising and then to answer your question directly in headline terms about potential improvements. If you look at the history of franchising in Britain over the last 20 years, it is probably more accurate to talk about a process by which the public sector has commissioned rail services. That history has involved a mix of models, not just classic franchises but concessions such as LOROL and other forms of contract, basically, between government - whether national or local - and TOCs. That mixed model, both concession and classic franchise, has delivered for London. Over the 15 years in which the NRPS has been carried out, the sector that has seen the biggest improvement in overall satisfaction for customers has been London and the southeast than that seen for the regional or long distance markets. As part of that narrative of what we have seen in the last 15 years, you have seen the private sector working comfortably and successfully with all sorts of clients, not just the DfT but indeed TfL. LOROL, for example, is one of our members just as much as Virgin Trains.

Having said all of that, we recognise there is considerable variability within the levels of satisfaction overall and indeed in terms of certain elements of service. Value for money has been mentioned quite a lot in the previous session. There is a need to try to ensure that everyone raises their game and aspires to better. There are ways in which the franchising process, as classically defined, can be improved. For example, more emphasis on achieving a target improvement in the NRPS score is a form of improvement that can be introduced and is already being introduced into franchising. The alignment of incentives that was mentioned by Tim Shoveller in the previous session, particularly between operators and Network Rail, to do the right thing is another aspect. There are others. I am sure we can touch on those during the course of the session.

**Valerie Shawcross CBE AM (Chair):** Our colleagues from the counties, welcome.

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): I would just like to go back to what you said in your opening comments when you said that what is important is London residents. What is important to Surrey [County Council] is our Surrey residents. Any change in motion and any change in the future should be centred around what is important to our residents. That is the punctuality of the trains, the frequency of trains and overcrowding, which are serious issues to us.

Surrey was fortunate that two years ago we put together a strategy for our rail travel and we had four clear objectives there: global competitiveness, economic growth, environment and the population growth. We would want to see all those four elements really key to any changes in the future. I would rather not get into detail. I will leave other gentlemen to get into the detail. I would rather look at the bigger picture. I want to leave you with one thing today. That what is important to us in Surrey is our residents.

Paul Millin (Travel and Transport Group Manager, Surrey County Council): We have a number of franchises in Surrey - Southern, First Great Western, South West Trains - and we have very good working relationships with all the incumbent franchisees. We deliver a significant number of partnership schemes with those franchise operators every year. That is done through collaboration. I believe the relationship we have with all three TOCs is one of genuine collaboration. They are very keen to work with us. They are very keen to listen to us and take action as appropriate. As Mike said, one of the areas where we are working with the TOCs is around growth, particularly housing growth. The point that was made around the need for balance is incredibly important. You cannot be robbing Peter to pay Paul. That was one of the comments from the Committee Members. That is absolutely the most appropriate comment to make.

Cllr Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): Curiously, I am going to agree with Surrey up to a point. The point is that of course I am only really interested in the people of Kent; *quelle surprise*.

Michael [Roberts] said that there has been this extraordinary improvement in satisfaction ratings in the last 15 years in the South East. If we look back, we had slam-door trains that did not run, things were late and they were filthy. It was horrible 15 years ago in Kent. Now we have High Speed 1. We have a pretty good service. The trains seem to run more or less on time. It is inevitable that if you start from a desperately low level, any rise is bit of a mirage.

Chair, Stephen [Gasche] will go into more detail because he knows more about it, but quite obviously we do not want any diminution in the services that we currently have. We do not want any fare increases and we want a better service all round. If that can be achieved by partnership, by devolution or by whatever, we are up for that.

**Valerie Shawcross CBE AM (Chair):** We had a really useful letter from your Leader, Paul Carter [Leader, Kent County Council], which I am sure you have with you. We are very, very pleased with the information he has given there. It was very helpful. Stephen, any comments? Do you want to comment on the relationship with the franchisees?

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** I would echo what Matthew [Balfour] has said in respect of our primary concern naturally being to stand up for the interests of Kent's rail passengers.

If I can make a more general comment first of all, one of the great strengths of the franchising system in Great Britain as a whole is that once particular difficulties and problems have been dealt with – for example, here in the South East the rebuilding of London Bridge [station] – there is a great virtue in having the award of a long franchise. Once we get to 2018, whatever form the South Eastern franchise then takes, the advantage of a long franchise of seven to ten years means that whoever wins the franchise has the opportunity to invest significantly. The example of Chiltern Railways is one that would be good to follow in that regard.

With the specific issue of the possibility of devolution, is that a question you want to address specifically now?

**Valerie Shawcross CBE AM (Chair):** If you would like to say something about that now, Stephen. We will go into more detail.

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** Absolutely. Within the context of protecting the interests of Kent's rail passengers, we would have three very clear red lines we would not want to cross. The first would be to protect the level of fares in Kent. We would want an assurance that the peak and season ticket fares – which are, of course, determined by DfT policy – have increases that are no different from the national increase so that there is no detrimental effect on fares in Kent.

The second red line would be concerning capacity. We would want an assurance that there would not be any danger of the paths that Kent's trains have going through Greater London to the London terminals being taken over in any sense by metro services and that the capacity would be retained at least at its existing level.

The third would be that the naturally expected improvement in metro services - which TfL in this situation would be responsible for - would be delivered through the lengthening of existing metro services, which is in part already planned and could be extended with the expected cascading of rolling stock from Thameslink to Southeastern and Southeastern to TfL metro service beyond 2018.

If we have those red lines that protect the interests of our Kent rail passengers, then, as Matthew [Balfour] said, we would support the transfer of metro services post 2018. There are various other issues that we can come to later on that we would be interested in talking about as well.

**Valerie Shawcross CBE AM (Chair):** It is interesting that you talk about longer franchises because the tendency is going to be shorter post the West Coast franchise fiasco and *The Brown Review* [of the Rail Franchising Programme, 2013]. They are talking now about seven to ten years with extensions only if there are performance improvements. Clearly, there is some thrashing around looking for mechanisms for performance improvements.

Do you have any comments, Stephen, about your particular relationship with Southeastern and the other TOCs you have?

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** Certainly. We have a very good working relationship with Southeastern. There has been a very large improvement since 2006 when it won the franchise. We have regular stakeholder meetings. It takes a very active part in our annual rail summits at County Hall. It has meet-the-manager sessions. It is extremely good at communicating to passengers. It knows, obviously, we also have concerns that represent the interests of Kent's rail passengers concerning punctuality when there is a disruption to service. It may be caused by a fatality or an infrastructure failing. It is the way in which the service is restored to normal. I know it is making efforts to ensure its staff are equipped with modern communication equipment so that they can be as up-to-date as some of the passengers are in terms of the way the service is running. There are other concerns people have, but on the whole there has been a big improvement. There is still room for improvement. It is not perfect. We have come an awfully long way in the now nine-plus-year history of the franchise.

**Valerie Shawcross CBE AM (Chair):** Thank you very much for those opening comments. Michael, a specific question about this issue of the revenue risk for the franchises and the special arrangements that were put in place for Southern, Thameslink and the Great Northern franchises: do you think the Government should take on the revenue risk for more franchises in future? Is that something that you see as positive and allows for more secure planning?

**Michael Roberts (Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies):** The right answer picks up one of the phrases used in the previous session, which is "horses for courses". It is about using the right approach for the particular market that you are trying to serve with a franchise.

It is worth bearing in mind that the model by which operators, generally speaking, across the country have taken on revenue risk has generated a major benefit for the taxpayer. That has been a major incentive for operators to grow the market over the 20 years since we have had private operators running services. That increase in patronage – which is more than can be explained simply by the growth in the economy, urbanisation or other factors – has shown itself in the increasing amount of money that has gone back to Government in the form of payments by operators in return for the right to run the franchises. That amount of money has grown fivefold in the last 15 or 20 years. It is in the order of about £2 billion a year. Governments of different persuasions – whether Labour, Conservative or Coalition – over that period of time have effectively been able to use that dividend – if you want to call it that – as a way of affording the reinvestment in the network that we have seen in recent years.

At the heart of that is a model where revenue risk encourages operators to try to improve the market through a combination not just of marketing but also of improvements to the running of the service. Moving away from

that model in any wholescale way would need to be thought about very seriously. There may be a downside. It may take away an incentive that has a real financial benefit for the taxpayer and ultimately the passenger. However, as I said, in certain circumstances, there is a legitimate case for looking at using it. Picking up on one of the comments from the previous session, the decision for the Government to take revenue risk with the GTR franchise was within the industry recognised as the right decision to take for the reasons that were explained previously. There was such a major investment programme on that bit of network at the time that it would be very difficult, meaningfully, for the operator to take on the revenue risk.

**Joanne McCartney AM:** My questions are on LOROL and they are for you, Geoff, if I can. Obviously, since LOROL has taken over the lines, you have had a very good record with some of the lowest levels of overcrowding, one of the most reliable operators and the highest satisfaction ratings. How has LOROL been able to deliver that improved service compared to previous franchisees? Was it purely about extra investment or was there something else key to that?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Tim [Shoveller] mentioned that part of the answer is indeed investment. If you spend £1.5 billion, then you expect to see some improvements and – sure enough – so there have been. That is not the whole story. If you look at the measures you mentioned – the public performance measures of reliability, customer satisfaction, demand – what you see is an improvement before the investment monies hit and indeed even during the bad bit of investment, which was the disruption as stations, infrastructure, tracks and trains were being introduced onto the network in that awkward period in 2009/10. What you see even in the early years, 2008 and 2009, are improvements in reliability<sup>1</sup>.

There is another factor at work. That factor is to do with the fact of the nature of the contract that we signed with LOROL. We have a particular contract where we incentivise specifically aspects of quality, notably, of course, reliability and also aspects of the travel environment. We have attention to detail. Indeed, there are a very large number of measures in that contract. A lot of effort goes into managing that contract as well to see that it is delivered to the best of LOROL's ability, which it did with some aplomb. There is that other bit to it. That bit is a big part of it and brought the benefits forward well in advance of the application of investment, which of course brought yet more benefit in the middle period.

**Joanne McCartney AM:** It is not just down to investment, although that helps. It is down to contract management and it is about specification as well.

Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground): Yes.

**Joanne McCartney AM:** You have now recently taken over what I believe is now called the inner London Anglia line. I have had about six different versions of the title. That goes right through my constituency of Enfield and Haringey and so I have been very supportive of this. Given that there is very little investment compared to what has gone before into this line, how can you secure improvements and what level of improvements are you hoping for on the new line?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** We are in the midst of procuring a new fleet of 31 trains. Hopefully we will be able to announce who the winner of that will be in the next month. That is part of it. Those trains will be absolutely bang up-to-date with all the modern gizmos that you would expect of modern trains compared to the ones at the moment, which date from around about 1980.

<sup>&</sup>lt;sup>1</sup> Including customer satisfaction, as clarified by Geoff Hobbs following the meeting.

The other part of the programme of works that will be the most visible over the next couple of years is investment in the 24 stations of that line. Some of the same things, of course, will be happening – I know you did not quite ask about it – for TfL rail services between Liverpool Street and Shenfield. There, of course, the investment is Crossrail, which will completely transform that and take that railway from Liverpool Street straight under London and it will pop up the other side.

**Joanne McCartney AM:** You talked about extra trains, which will be very welcome. Since you took over – and many of us were at the opening launch party only last week – I have had complaints about a reduced number of carriages on the line from eight carriages at peak times to four carriages at times. I notice that TfL on its Twitter feed is saying it is because urgent repairs were needed to the carriages that you had not realised when you took over. Is that going to be resolved soon?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Yes. That is the short answer. We took on some additional units for that line. Some of those units had been neglected. They had not been on lease and had not been used. We tried to get some service running under the belt before 31 May when it transferred but not always enough. We are working with LOROL on getting those units absolutely up to scratch so that these unplanned short trains do not occur in the future.

**Joanne McCartney AM:** Do you have a timescale for that all?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** It is in the next month. We are working on a daily basis to make sure that rolling stock is absolutely fit for purpose.

**Joanne McCartney AM:** One of the things you were able to announce as well was a cut in rail fares on that line. Can I ask how you have been able to do that? Was that a balance between giving something back to the passengers and investment in the works that you need to do?

Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground): It is simply the application of the TfL tariff - if I can use the word - to the West Anglia lines as well because it becomes part of the London Overground. The main source of the reduction in fares is to do with pay-as-you-go, which is a reasonably large part of the market. There is no longer a through-fare premium if you travel from, say, Enfield Town to Oxford Circus. In the old days you would first pay the National Rail fare. You would change to the Underground for the second leg of the journey through to Oxford Circus and that would then attract a slightly higher fare. Now it is a simple TfL zone 1-5 fare for that particular example. The reduction is a function of simplifying the tariff. That is something that research tells us is popular with customers and has a degree of payoff in the sense that many customers think fares are rather higher than they actually are - it might be hard to imagine but it is true - and there is some benefit in making the tariff at least a little bit simpler. I would not go as far as 'simple' but a little bit simpler.

**Joanne McCartney AM:** If TfL were to take over other franchises, a similar model would be applied. Is that correct?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Other things being equal, yes. We would want to have a standard set of fares and indeed ticket validities.

**Joanne McCartney AM:** In the earlier session Stephen [Locke] was talking about the fact that under some franchises still there are only two trains an hour. That is certainly the case on the Enfield Town line at the moment. Do you have plans to increase capacity?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** We are looking hard at how we can increase off-peak capacity. Peak capacity would be very difficult. There are a limited number of trains that can get into Liverpool Street. Liverpool Street is a popular place to get to with many more destinations than the old days, with places from Stansted and Cambridge and so forth. If you look at the timetables from back in the dim and distant past, you will see higher frequencies. In the off-peak, yes, one could increase the Enfield Town service. There is a reasonable business case. We are working with Network Rail now to see the feasibility of getting those trains into Liverpool Street in the off-peak and the weekends.

**Joanne McCartney AM:** That is helpful. Thank you.

**Caroline Pidgeon MBE AM (Deputy Chair):** I just wanted to fully understand, because we have colleagues here from other counties, where we might want to take over some of the metro services. Can you be a bit clearer? Would you guarantee that we would see the reduction in fares and also the guarantee of full staffing of stations from the first to the last train, Oyster being rolled out and all those added benefits that we see on our London Overground network rolled out to Surrey or Kent stations that might become part of it in the future?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** We care about - a little bit of jargon - what our brand means and how it is perceived by passengers. We would not want to water that down. Yes, we would want an all-Oyster railway for anything for which we are the passenger contracting authority. Yes, we would want staffing for the whole of the traffic day. Yes, we would want the look and feel of London Overground applied to any other parts of the railway for which we became the contracting authority.

**Caroline Pidgeon MBE AM (Deputy Chair):** You would expect our TfL fares package to apply and therefore you would see, probably, reductions, as we have seen from Brentwood, for example?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Yes, we would want to apply the Tfl tariff in that same manner.

**Caroline Pidgeon MBE AM (Deputy Chair):** Fantastic. That is really good news. I was reading before the meeting an article from Kent from the *Sevenoaks Chronicle*. They have a big campaign, 'Oyster for Sevenoaks', and they are really clear about looking at Essex and saying, "Actually, this looks like something we might want".

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Just a word of clarification. If you take Shenfield as the next station up from Brentwood, our trains serve Shenfield, but it is a fare set by Abellio Greater Anglia in the past and now because it remains their station. Where the station remains with the longer distance operator, those fares continue to apply. We can only set fares for the stations for which we are responsible.

**Caroline Pidgeon MBE AM (Deputy Chair):** TfL would need to take over more stations to be able to apply fares. That is useful. That is a promising thing in terms of some of the debate we have had in the past with places like Kent.

Michael Roberts (Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies): Could I just add a bit of information to that. The application of the TfL tariff that Geoff mentioned with regard to the West Anglia services that have recently transferred is something that exists already in north London for through services, even where TfL does not have governance over some of the National Rail services. It is a principle that is already to be extended. It is something the rail industry, together with TfL and DfT, is looking at implementing south of the river where it does not really

apply to anything like the same degree as north of the river. This is absent any potential transfer of responsibility of the services. It is actually something that can be done without a change of governance.

There is, of course, always a financial impact in changing the tariff system. Indeed, I cannot remember what the exact cost is but there is a financial impact in the first instance that is going to apply to TfL as a result of the change in tariff that has been mentioned. That is a subject of discussion between TfL, DfT and the industry to resolve. In principle, there is no reason why we could not resolve that.

Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): On this point about the tariff, it is quite important to remember that if you reduce the tariff from a station, people next down the line are going to think, "I will go there by car because I get a cheaper trip". We had that problem. Maidstone lost its City of London connections some many years ago due to some brute in DfT taking it away. It meant that a great many people stopped using that line because it only went into Victoria. They climbed into their cars and drove across Kent to Sevenoaks, which is where the predatory eye is at the moment. It caused endless problems on the roads. That is another factor to be dragged in because it needs to be taken into account.

**Valerie Shawcross CBE AM (Chair):** It is a plea for localised planning, is it not, and looking at the impact on the rest of the transport network?

**Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council):** Planning would be useful, yes.

Valerie Shawcross CBE AM (Chair): Local planning as well would be useful.

Cllr Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): Any planning!

**Paul Millin (Travel and Transport Group Manager, Surrey County Council):** I was just going to add to that that rail heading is an issue at certain stations already. It is important, therefore, when we are looking at the further devolution of rail that the aspect of appropriate governance and collective working between local authorities, TOCs and TfL is right at the top of the agenda. There are things that county councils - and indeed borough and district councils - working with this can deliver in terms of station or area car-parking ratios.

**Darren Johnson AM:** Picking up on this theme still, Geoff Hobbs, you heard the red lines from Bromley and Kent but similar views were expressed by Surrey as well. Is TfL able to give guarantees on those red lines in future negotiations on the devolution proposals?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** We have fares and capacity. Neither of those sounds a hard thing to agree to. I would suggest that there will be a degree of detail to go through. I would be very happy to work with county colleagues here on a working group, for example, to go through the detail of what that means. None of these seem at all difficult issues to crack.

In terms of fares, just a few words on being able to say it will not have an impact on fares. By separating different services, you guarantee that by itself, it would strike me. How you set fares on the longer distance services would be separate from the metro areas. They would be accounted for separately and so there ought to be no bleed across in terms of fare levels.

In terms of capacity, TfL would not want to and is not allowed to – I use the word pejoratively – steal fast-line paths in any way. There is a big book called the Network Code that describes how Network Rail divides these things up. There is an arbitration process by the ORR. We would not want to and we could not [take longer-distance paths]<sup>2</sup>. Yes, I am very happy to go through the next level of detail in some working group with county colleagues, but the general answer to your question is 'yes'.

**Darren Johnson AM:** That is reassuring. Obviously, with the Anglia devolution, you were able to reassure local authorities outside London that they would not be affected in an adverse way. Why do you think that was not the case with the discussions with Kent County Council around Southeastern services last time round?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** I rather hope that Kent can help me out with this. There might have been some misunderstanding somewhere down the line.

**Darren Johnson AM:** Can we move into this next round of discussions and negotiations in a more optimistic frame of mind than last time?

Valerie Shawcross CBE AM (Chair): Let us hear from Kent.

Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): Chair, if you cast your mind back a few years, you will remember that your Mayor had eyes on building a large airport in Kent at Medway, which we were not desperately keen on for reasons that became --

Darren Johnson AM: We agreed with you.

Caroline Pidgeon MBE AM (Deputy Chair): We were with you there. Hear, hear.

**Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council):** We are amongst friends. That is good. The time was not right politically for any sort of dealing with anything that had anything to do with London.

**Caroline Pidgeon MBE AM (Deputy Chair):** That is very interesting.

**Darren Johnson AM:** That is really, really helpful.

**Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council):** End of story, really.

**Valerie Shawcross CBE AM (Chair):** Matthew, that is so insightful because we did not know that.

**Darren Johnson AM:** In a way, it poisoned the context in which you were able to ---

**Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council):** 'Poisoned' is a good word.

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** Absolutely. We have moved on from that in the way Matthew and I outlined a few minutes ago. We look forward to working with Geoff [Hobbs], as I know my Surrey colleagues will as well, to work through the detail.

<sup>&</sup>lt;sup>2</sup> As clarified by Geoff Hobbs, following the meeting.

I would also add that once we have established the red lines, we want to see what we can get out of this positively for Kent's rail passengers. We have already mentioned the Oyster card. The Sevenoaks Rail Travellers Association is very keen on that for Sevenoaks, which we would completely support, and the nearby local station of Dunton Green. Also, it should apply to Gravesend because Gravesend would be one of the stations served by the metro services that operate east of Dartford to Gravesend and on to the Medway towns of Rochester, Chatham and Gillingham. There is a discussion there to be had with Medway as well. We would want to see the gains we could get for some of our west Kent passengers with Oyster cards.

We would also want to see what gains we can get for some of our Main Line passengers. Matthew [Balfour] mentioned the Mid-Kent Line, which serves Maidstone. It is historically a very slow line. It stops at some stations in outer London, which really ought to be better served by the new Thameslink service that will start from Maidstone in 2018 and also the local service that is down to Sevenoaks like Bat & Ball at present. We think some detailed changes around the franchise specification for the new post-2018 franchise could deliver slightly faster rail services for our Mid-Kent passengers on that line. There are probably one or two other examples as well.

**Darren Johnson AM:** That is really useful. Presumably you will be watching very closely TfL handling of the Anglia lines now in terms of all of those issues about serving the local needs in Greater London and the needs beyond the boundary and so on.

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** Yes, absolutely. It will be very instructive to see the way in which the West Anglia transfer works in practice and the benefits for rail passengers on those routes under TfL-LOROL's management and also, indeed, as you have said, the Liverpool Street-to-Shenfield part of Crossrail. We can learn from that. We think we can get the best for Kent's rail passengers as well as meeting TfL's needs to get the best for London's suburban passengers from south east London. It can be a win-win.

**Darren Johnson AM:** That is very helpful. That is very encouraging. Surrey, is there a similar level of optimism in Surrey that it can be a win-win?

**Paul Millin (Travel and Transport Group Manager, Surrey County Council):** Yes, absolutely. I would agree with everything that Stephen [Gasche] has said. We have a very good working relationship with TfL. I see Geoff [Hobbs] more than he would probably like, in all honesty. We have a good working relationship. We are obviously working on the existing infrastructure and the existing level of services.

We are also looking to the future of Crossrail 2. As obviously mentioned in the previous discussion, it is one of our county council priorities in terms of new infrastructure. We see the delivery of Crossrail 2 opening up a significant opportunity in certain areas of Surrey. When you look at the potential application of train paths freed up by the creation of Crossrail 2, it becomes very interesting when you get further into deeper Surrey and indeed beyond to the south coast of England. I am very happy to continue that work with TfL.

**Darren Johnson AM:** It seems like we need to tell whoever is next to be Mayor not to plan to build any more airports in Surrey or Kent if we want these negotiations to proceed smoothly. Councillor Goodman?

**Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council):** Can I just add to that, Darren? What is really important is that any changes should not be about consultation but should be about working together as part of good governance. I do not see us a consultee. I see us as part of good governance.

Darren Johnson AM: As a partner, yes.

**Clir Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council):** That is really important.

**Darren Johnson AM:** Presumably you would also echo the points that were made by Stephen Locke earlier about getting the longer term governance arrangements right so that your voices are properly heard in the accountability process.

**Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council):** Absolutely, right. Yes.

**Darren Johnson AM:** Then the governance structure in terms of TfL needs to be properly considered. OK, that is useful.

If I can turn to some questions for Geoff now, what is the value-for-money case for devolution, for instance, and for investing in services to increase passenger revenue? Presumably you have done some clear calculations on that.

Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground): We have done stuff in the past. David Statham noted the work that we did with Southeastern two-and-a-half years ago. We also obviously did a case with colleagues at the DfT for the transfer of West Anglia, which occurred two Sundays ago. The value-for-money case is there in the sense that we set out some ideas about the things that we want to improve and how much that will cost. We know something about the benefits that will accrue and we know the benefits are substantially greater than the costs. This is not to say that it is costless; far from it. Quality costs. That still means that we think that quality is worth paying for, and it is a value-for-money case to do just that.

**Darren Johnson AM:** Is there anything else you want to say on the need to balance the requirements of a suburban metro service with longer-distance services coming into London? Is there anything more you want to say on that?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Only that this is not a new phenomenon. It is not new in terms of us here at TfL; there are all sorts of services that share infrastructure at the moment. As noted elsewhere, we have been sharing capacity and infrastructure at least since 1933 on the Metropolitan line, for example, and newly on the line up to Cheshunt. This is hardly a new phenomenon elsewhere in the UK, either. There is a set of rules by which these things are governed. Network Rail is the independent timetabler that sees fair play be done, arbitrated by the ORR if needs be. These are all solvable problems, often with precedent.

**Darren Johnson AM:** That is an optimistic note on which to hand back to the Chair. Thank you.

Valerie Shawcross CBE AM (Chair): That was very helpful, yes.

**Caroline Pidgeon MBE AM (Deputy Chair):** Yes, it is feeling very optimistic, the discussion this morning. I want to just look at any practical or technical barriers that may exist to this idea of devolving from DfT to TfL running some of these franchises. Are there any major problems? Perhaps if I start with Geoff and Michael [Roberts] before I come on to the counties, are there any major practical or technical issues that you think really need to be overcome?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** Having just lived and breathed this for the last two years with West Anglia, yes, there is a long list of things that need to be done. Many of these are quite dull but all of them are very worthy. The business transfer is, in and of itself, a big undertaking, by which I mean how you divide up the resources used - the trains, obviously, the staff and the stations - and the licensing that needs to be done, the safety case that needs to be achieved, the property, the leases and the contracts. There is a very large body of work to do for each one of these.

There is one particular practical thing that only one person can do and that is placing a statutory instrument in front of Parliament to take the railway out of the DfT franchising regime and into a TfL regime. That person is the Secretary of State for Transport and he can place that order in front of Parliament<sup>3</sup>. That is another reasonably significant piece of work that does take time and energy to undertake. Then there is also the commercial and financial work to do to work out in any given remapping of a franchise how the money flows. This is, again, not new stuff. The vast majority of franchises have had some sort of remapping over the course of the last 20 years and so it is all perfectly solvable, but it does take time and energy.

**Caroline Pidgeon MBE AM (Deputy Chair):** It sounds like an awful lot of work for lawyers, I have to say. Michael, is there anything you want to add on any barriers that you could see, practical or technical barriers, that we have to overcome?

**Michael Roberts (Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies):** Geoff has done a very good job of comprehensively listing everything. The technical issues are marrying on the one hand ambitions for higher-frequency metro services that share tracks with longer-distance services. Geoff quite rightly indicated that there are ways in which those competing calls on the infrastructure can be managed. Partly it is Network Rail's responsibility, but there is an independent regulator whose job it is to make sure that fair access is provided across those needs.

Commercially, if we are talking about redrawing the boundaries between franchises, clearly, amongst other things, you want to be convinced and comfortable that we do not compromise the economies of scale that might currently exist within an existing franchise structure. David Statham in the previous session was quite eloquent in describing the integrated nature of his business at the moment. It is not to say that it is impossible to separate out, but you have to go in with your eyes open and understand the consequences. There are the financial consequences as well. Different fare structures and different service operating patterns all have a financial consequence, and transferring part or all of some services from DfT to TfL in terms of overall responsibility means that somewhere there is a transfer of money to happen as well. This all has to be resolved.

I should add the Government's point as well: if we are moving to a structure where there are multiple stakeholders to be involved in the process of specifying in a way that meets the needs of all of these using a particular service, it is great. It sounds like peace has broken out - for all sorts of reasons that have been mentioned previously and that were not possible, at least politically - for that engagement to happen. Ultimately, the private sector operator that wins the contract to run whatever that service is wants the comfort of knowing that the final proposition that has been worked through multiple stakeholders is financially robust and operationally resilient and that there is a clear contractual relationship with whoever is the commissioning body. The last thing it wants is to have to try to itself balance the competing interests of multiple players. None of this is irresolvable but clearly, as Geoff [Hobbs] has indicated and as you have expected, there is a lot to do.

<sup>&</sup>lt;sup>3</sup> Following the meeting Geoff Hobbs clarified that the Secretary of State can make this process happen.

**Caroline Pidgeon MBE AM (Deputy Chair):** There is a lot to do. What about our colleagues from the counties?

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): I will let Paul [Millin] take the technical up. My plea would be, if one goes down the devolution route, the sooner we are engaged the better. We do not want a *fait accompli*. These are the issues. We need some really good private meetings where we can get together to try to thrash all these issues out. It is the transparency that is really important to us.

Caroline Pidgeon MBE AM (Deputy Chair): You want to feel engaged in it rather than the takeover idea?

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): Absolutely.

**Caroline Pidgeon MBE AM (Deputy Chair):** Properly working together?

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): Yes.

**Caroline Pidgeon MBE AM (Deputy Chair):** Paul, did you want to add anything?

**Paul Millin (Travel and Transport Group Manager, Surrey County Council):** Very briefly, I would echo what Mike has just said about governance. Clear and transparent governance is incredibly important. Geoff [Hobbs] has described very eloquently the work that needs to be done. There are no reasons why, if there is a collective will, this cannot happen, but what I would say is local authorities such as Kent and Surrey can make the process an awful lot easier in terms of engaging with our borough and district colleagues and our residents. Our residents probably are not particularly bothered who runs the trains, in all honesty. What they are interested in is being able to get to work, to get their kids to school, to get to the shops and so forth. If we can explain at a local level to our residents in simple terms the complexity of what we are trying to achieve, it will help the process - if it is something that is going to come to fruition - to be delivered a lot more easily.

Caroline Pidgeon MBE AM (Deputy Chair): Fantastic. What about our colleagues from Kent?

Cllr Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): I was just thinking that we of course, like Surrey, have sweet and excellent relationships with all our districts! Obviously, if it is going to happen, we all want it to happen well. That means engagement. That means talking. That means not climbing into silos. As far as Kent is concerned, we would have the perhaps added benefit of having a more enclosed franchise next time around when it comes up in 2018. I seriously do not want to run a railway - do not get me wrong - but it is important that we should be reflecting what our constituents need.

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** If I may just add to Matthew's comment, in respect of Kent, we do not have any really difficult technical barriers. One of the issues to talk about with the DfT and TfL and others will be the issue of where the divide is. There is a fairly good fit in terms of most of the metro services, with the exception of the North Kent Line, and there will be a question as to whether the services east of Dartford to Gravesend and Gillingham – and in fact Rainham quite soon – remain part of the Southeastern franchise or become part of the metro. Operationally, they would fit better with the metro. That is a debate to have but it is not insurmountable and, with the goodwill that clearly is here now, we can find a solution with all parties.

Caroline Pidgeon MBE AM (Deputy Chair): Fantastic. That is great to hear. Thank you.

**Valerie Shawcross CBE AM (Chair):** That is very good.

**Richard Tracey AM:** To some extent, we have rather started to touch on models of devolution because the question that we wanted to finish up on was what sort of model of devolution you think ought to be considered. There are various ones around the country. We have the London Overground model. We have Merseyside and Merseytravel, where certainly local authorities are all involved in running the transport infrastructure. Then there are Scotland and Wales with a different format, and Northern Ireland. Do you have any particular preferences, speaking to both of you? You are representatives of the counties. Would you want to be involved, say, in a model like the Merseyside one or something different?

Cllr Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council): As I have just said, I am not keen to be having to be responsible for running a railway.

Richard Tracey AM: I heard you say that, yes.

**Clir Matthew Balfour (Cabinet Member for Environment and Transport, Kent County Council):** Kent is trying its hardest to commission other people who are better able to do things than we are and that is a model that makes sense. Stephen [Gasche], of course, could run a railway but he is not going to be allowed to because he has better things to do. Do you have a comment?

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** If I could just add to Matthew's comment, the model that we are going to see emerge with West Anglia is one clearly we are going to follow with interest and, as things stand now, it seems to me the best with LOROL as a separate management contract within TfL. That seems to be the one that would work best for Southeastern metro.

**Richard Tracey AM:** Yes. You would like to be involved with TfL? You would like to have some say in it, obviously?

**Stephen Gasche (Principal Rail Transport Planner, Kent County Council):** We would like to have a say in respect of the way that arrangements are made to protect the interests we have outlined, but in terms of what is best for what would be the southeast London metro, the model of West Anglia seems to be a good one. In terms of the Southeastern franchise for Kent, I would envisage that being a renewal in 2018 with our high-speed services as a separate franchise, similar to the other principal franchises like Southwestern, for example.

**Paul Millin (Travel and Transport Group Manager, Surrey County Council):** I would agree with him, although I would probably caveat what Stephen said with, "It is still very early days". As the discussion earlier on this morning was saying, there is significant learning that needs to be undertaken and understood before we move on in terms of what we can learn from the West Anglia experience.

We need to remember that a significant number of our collective residents who live in Kent and Surrey are travelling into London every day, principally to go to work in the mornings and coming home in the evenings, adding value to the London economy, which is incredibly important. However, we also need to remember there are a significant number of residents of London who are coming out to work in Surrey or to work in Kent or to school in Surrey or to school in Kent. We need to understand that and we need to recognise that in terms of how appropriate governance is structured, but we do not want to run a railway, either.

**Richard Tracey AM:** Mike Goodman, what do you have to say on it?

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): I would concur with what Paul says. No, we certainly would not want to run a railway.

Richard Tracey AM: You would not?

Cllr Mike Goodman (Cabinet Member for Environment and Planning, Surrey County Council): No.

**Paul Millin (Travel and Transport Group Manager, Surrey County Council):** The point that I think Geoff [Hobbs] made earlier on about the independent regulation of the ORR is very important. That is one of the points that we no doubt will have to explain to other Members who are not here and to our residents. The application of train paths and so on, as Geoff was explaining, is a very important point that we need to get across.

**Richard Tracey AM:** The only other thing that I want to take up with you - and of course some of you were listening in to the earlier discussion - is there is a lot of angst about the London Bridge situation in the GLA, in the Assembly and indeed among the public. We are getting feedback from them. At the last Mayor's Question Time a point came up about the control of stations, including obviously London Bridge. I know that the Mayor does believe that probably it would be better if London Bridge were controlled by the Mayor and by TfL but I really want to know from Geoff Hobbs and Michael Roberts. How do you feel about the situation there within this whole story of devolution?

**Michael Roberts (Director General of the Rail Delivery Group and Chief Executive of the Association of Train Operating Companies):** The way forward is to allow the avenues that Phil Hufton in the previous session mentioned to run their course. There were two dimensions. The first is, within any individual station, to make sure that the current arrangements between Network Rail and the TOCs work more effectively. He listed a whole range of initiatives that he has put in place since the most significant problems were experienced at London Bridge and they need to be allowed to bed in.

I thought the other dimension that he mentioned is particularly interesting, which is building on that and looking at how Network Rail and TOCs develop a pan-London approach together with London. That is, in the first instance, the way forward. Of course there are other options allowing TfL to have greater control – if not entire control – over the major stations, but the consequence of that is you create another interface with a National Railway that does not exist at the moment and it is an interface that would need to be managed.

The Committee knows full well that 70% of all railway journeys in the country begin and end in London and by a transfer of responsibility you have a major impact in terms of the creation of an interface with the rest of the country, not just with the southeast hinterland. Before you make that move, before anyone makes that move, allow the improvements that Phil [Hufton] mentioned to bed in.

**Richard Tracey AM:** Geoff, obviously you have been party to these discussions because Sir Peter Hendy [Commissioner, TfL] has made various comments about the control of London Bridge during the course of this. Whether they were off the cuff or deeply studied I do not know. What do you feel in your planning role?

**Geoff Hobbs (Head of Transport Planning, TfL Rail & Underground):** We work with colleagues at Network Rail and TOCs as well in planning London Bridge increasingly closely perforce and certainly over the last six months as the project has moved into the most crucial stage. One example - and there are many others - is travel demand management, where we work with all our colleagues across the rail industry to make sure

that we can handle the passenger volumes in the best possible way. We have made efforts to improve our contingency planning collectively. There are also much greater channels of communication between all different control rooms – our control room in Palestra for London Underground, the control room for Network Rail, for London Bridge, etc – to make sure all those relationships are there and that things can be done when things go wrong, as they occasionally do.

I would not like to suggest in any way that TfL has a magic wand that can make London Bridge come to budget and programme and quality on each and every occasion. However, we can certainly do whatever we possibly can in practical matters to make that project as painless from here on in.

**Valerie Shawcross CBE AM (Chair):** That brings this session to a close. That was incredibly positive. We are utterly delighted and particularly delighted with the contributions from our colleagues from Kent and from Surrey. They are very much appreciated. You had very interesting insights. That kind of openness and honesty gives us a very strong basis for working together in the future and for improving the services to passengers and that is absolutely what this is all about. Thank you very much, all of you.

We will be holding another hour's session on the topic of rail at our next meeting on 8 July and thereafter we will be issuing a report but, as you are probably aware, we are going to be doing some site visits. Certainly Caroline and I are coming on a daytrip to Sevenoaks. I think we will be meeting some rail users, but we will certainly be co-ordinating with our colleagues in Kent for any visits we do. It was a very helpful session today and very much appreciated. Thank you everybody.

# Subject: Summary List of Actions Report to: Transport Committee Report of: Executive Director Secretariat This report will be considered in public

#### 1. Summary

1.1 This report sets out the actions arising from previous meetings of the Transport Committee.

#### 2. Recommendation

2.1 That the Committee notes the completed and outstanding actions arising from previous meetings of the Committee.

#### Actions arising from the Committee meeting on 9 June 2015

Item	Topic	Status	For Action by	
9.	National Rail Services in London That the GLA Oversight Committee be recommended to authorise expenditure of up to £5,000 to commission an external contractor to carry out the external technical advice and support, namely to conduct a survey of London residents on attitudes to National Rail services.	A reported was submitted to the GLA Oversight Committee for consideration at its meeting on 30 June 2015.	Scrutiny Manager	
	<ul> <li>During the course of the discussion, the Committee requested the following further information in writing:</li> <li>An assurance from Network Rail about plans for dealing with passengers in the event of disruption in hot weather, particularly at London Bridge station; and</li> <li>Details of South West Trains' and Southeastern's most crowded services</li> </ul>	The Chair has written to Network Rail, South West Trains and Southeastern to request the additional information. A letter from Southeastern's Public Affairs Manager is attached at <b>Appendix 1</b> .	Network Rail, South West Trains and Southeastern	

City Hall, The Queen's Walk, London SE1 2AA

Item	Topic	Status	For Action by
12.	Transport Committee Work Programme That authority be delegated to the Chair, in consultation with party Group Lead Members, to agree the scope and terms of reference for an investigation into commercial traffic in London.	A draft of the scope and terms of reference has been circulated to party Group Lead Members for consultation.	Scrutiny Manager

#### Actions arising from the Committee meeting on 18 March 2015

Item	Topic	Status	For Action by
6.	Cycling in London  During the course of the discussion the Committee requested that the following information be provided in writing:	The Chair has written to request the additional information.	Mayor's Cycling Commissioner
	<ul> <li>Further detail, including the financial implications, of how TfL was recasting the way Quietways and the Central London Grid were being delivered, with a more direct role for TfL; and</li> </ul>		
	• A breakdown of what cycling schemes had been funded in each borough for the whole of 2014/15, including the amounts and source of funding as soon as the information became available after 31 March 2015, along with forecast spending in each borough in 2015/16.		

### 3. Legal Implications

3.1 The Committee has the power to do what is recommended in this report

## 4. Financial Implications

4.1 There are no financial implications to the GLA arising from this report.

#### List of appendices to this report:

Appendix 1: Follow-up letter from Southeastern

#### Local Government (Access to Information) Act 1985

List of Background Papers: None

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# southeastern



Caroline Pidgeon AM
Greater London Assembly
City Hall
Queens Walk
London SE1 2AA

11 June 2015

**Dear Caroline** 

**Re: GLA Transport Committee 9 June** 

Thank you for giving Southeastern the opportunity to appear before the committee last Tuesday.

It was a relatively short session and particularly in light of your concern over our performance figures, we would like to give more detail about what we are doing to improve the passenger experience.

We have continued to focus on the top five priorities identified by Transport Focus in their October 2014 report into passenger priorities for the UK's rail industry:

- 1. Price of train ticket offers better value for money;
- 2. Passengers always able to get a seat on the train;
- 3. Trains sufficiently frequent at the times I wish to travel;
- 4. More trains arrive on time than happens now; and
- 5. Train company keeps passengers informed about delays.

#### 1. Price of train ticket offers better value for money

Advance fares for leisure travellers, were successfully rolled out in May.

We have signed a Deed of Amendment with the Department for the introduction of smartcards on our network by January 2017 and we are working hard with TfL to accelerate the extension of Oyster PAYG to Dartford and Swanley, and, along with CPAY, as a means of payment between Stratford International and St Pancras.

In May, we presented our response to the Department's RfP for Wi-Fi on Southeastern services and have sought DfT support for early mobilisation of the Wi-Fi project, which would enable the first fitted unit to enter service within 9 months of signature.

We have continued our "surprise and delight" campaign, aimed at thanking our passengers

for travelling with us in a range of thoughtful and unexpected ways, including free Easter eggs, free coffees, and a book giveaway. These initiatives continue to generate positive feedback on social media, particularly on Twitter.

'The human side of @Se\_Railway, made me smile',

'Wow! Thanks @Se\_Railway! Happy Friday to you too!'

For the Easter break, we ran value for money campaigns such as 'kids for a quid', 2 for 1 offers and 20% off for Off Peak travel. We



have also run various competitions giving passengers the opportunity to win tickets to attractions in Kent and London.

Looking forward, we will be rolling out our commuter benefit scheme from June, which will give regular exclusive offers to Gold Card holders.

# 2. Passengers always able to get a seat on the train

We made a number of changes to our timetable in March to ease crowding on our busiest services, however despite having more units in traffic than ever



before, as you are aware, capacity remains a major issue for our passengers and stakeholders.

Passenger numbers have increased by around 30% since Southeastern took over in 2006 and we have had no new rolling stock on our network since 2009. (Those introduced in 2009 are the high speed trains serving St. Pancras from Kent and we appreciate that these do not directly benefit commuters in the Greater London area).

I'm not sure if you are aware of this but we have the second highest number of passengers standing into London. Aside from those of our trains in maintenance, (which is now the fewest it has ever been), all trains are currently deployed in passenger service and the only way any individual train can be lengthened is by taking units off a more lightly used service; an avenue which we have now exhausted.

As explained, we submitted a report to DfT in February which showed the severity of the current overcrowding problem, and how this will get progressively worse, such that by the end of the current Franchise this will undoubtedly be *the* defining issue for Southeastern. Analysis has shown that the only possible short term solution is for the redeployment of Class 319 trains as they are released off contract from GTR as part of the overall Thameslink Programme.

We are working closely with both GTR and DfT to present a costed proposal to DfT that would allow a decision to be made in terms of funding and timescales. We also remain convinced of the necessity, in addition to the 319s described above, for DfT to exercise the Priced Option present in our Franchise Agreement which would see a further 25 Class 377 units for use by Southeastern sub-leased from GTR, albeit to commence service in late 2017.

The timescales required for enhancements to stabling facilities for these initiatives mean that decisions on these issues will need to be made soon so as not to import delays where units are potentially spare, but not able to operate in traffic as there is nowhere to place them when not in service.

We would welcome any support you are able to provide in securing much-needed additional capacity for our passengers, and representations to the Rail Minister would be welcome and we would be happy to take you through the issues should you wish

We understand our passengers' frustration at overcrowding on their services and in the absence of extra units, we have tried to help people find more lightly loaded trains by launching a traffic light system on our website in March, which has identified which Peak trains are busiest and which may have some seat availability.

However, we appreciate that many of our passengers may not be able to alter their travel plans due to work or domestic commitments, so, whilst this facility is worthwhile, it can never be anything other than a very partial mitigation. (www.southeasternrailway.co.uk/your-journey/how-busy-is-your-train)

#### 3. Trains sufficiently frequent at the times I wish to travel

Following the introduction of the January 15 timetable, our biggest timetable change for five years, we conducted market research using a specialist agency to identify what worked well and what lessons we could learn for the next significant timetable change in August 16. Research showed that Southeastern's actions had a significant impact on awareness of the London Bridge project and associated changes for passengers, with posters and announcements rated the most effective communication tools.

To further enhance our timetable, we made changes in March and May in response to passenger feedback and to cater for increased seasonal traffic to the Kent coast.

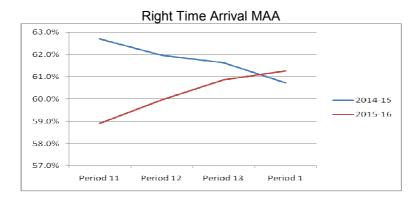
These included moving carriages from less busy trains to those most in need of extra space to ease crowding; 14 trains were lengthened and seven stops were added in response to passenger demand.

We have actively sought feedback from passengers and stakeholders to inform changes and recently made available on our website the draft August 16 timetable inviting comments.

#### 4. More trains arrive on time than happens now

We are now seeing, on average, over 90 percent of our 2,000 daily services running on time and performance across our network is the best it has been for two years. Southeastern has continued to work hard with colleagues at Network Rail to identify performance risks and minimise disruption for our passengers, through developing robust timetables and a comprehensive Joint Performance Improvement Plan. We have prepared a passenger focused version of the JPIP which we published this month.

Performance since the start of the year has improved both in terms of PPM and Right Time arrival at stations, with both showing year on year increases, even with the challenges presented by the Thameslink works. The graph below shows the improvement in Right Time arrival MAA across periods 1511-1601, as a year on year comparison. The Right Time MAA has increased by 3% since January 2015, from 58.3% to 61.3% at the end of Period 1.



Over the same period, our PPM MAA has increased by 1.3% from 88.1% to 89.4%.

At the committee you cited performance figures for Southeastern metro services which I did not recognise and may have been for another operator?

The table below shows the PPM figures for our metro routes, beginning with those from the turn of the year on the left. While there is still a long way to go before we, or our passengers will be satisfied, I hope you'll agree that the trend is in the right direction.

London to Dartford via Bexleyheath	88.0%	88.5%	91.0%	92.5%	90.5%	91.5%
London to Orpington via Bromley South	86.0%	88.6%	90.5%	92.0%	94.2%	94.3%
London to Hayes	85.0%	87.0%	89.0%	91.0%	91.3%	91.5%
London to Orpington and Sevenoaks via Grove Park	88.0%	90.0%	90.5%	91.4%	93.6%	93.7%
London to Sevenoaks via Catford	85.0%	n/a	n/a	n/a	n/a	n/a
London to Dartford via Sidcup	84.5%	85.5%	88.0%	91.0%	90.4%	91.1%
London to Dartford and Gillingham via Charlton & Lewisham	85.0%	88.0%	85.0%	90.0%	90.9%	91.6%

# 5. Train company keeps passengers informed about delays

We have now completed the installation of 21 new operational information screens, against a franchise commitment of 20.

We continue to deliver the enhancement of passenger information systems, not only ahead of schedule but over and above our franchise commitment, with an additional 19 stations.



To further improve information via our CIS and PA systems, from June we will be upgrading sound systems at 11 stations and 8 of these locations will receive mobile microphones for real time information to be communicated to passengers.

Our programme to provide front line staff with tablets is progressing well, with 539 issued to date and the remaining 836 on target to be rolled out in June and July.

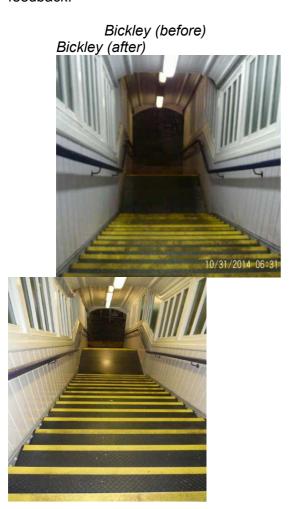
We look forward to receiving the latest set of results for the National Rail Passenger Survey later this month and based on the results we will develop action plans to continue to improve in the areas which are most important to our passengers.

#### 6 Improvements to train and station environment

Over the next three years, Southeastern is investing over £70million in improving the passenger experience, including better information for passengers, improving the interior

and cleanliness of trains and refreshing the look of stations. £5.7million will be invested in trains and stations by 31 October 2016 delivering an enhancement to the travelling environment for our customers.

We are well over half way through our station deep clean programme, with over 100 stations complete to date. We believe the impact of these deep cleans is starting to show in our customer satisfaction survey results and passenger feedback.





Our station improvements programme started in May, having conducted asset condition surveys at stations to identify the required works, with 3 stations now complete and a further 4 underway.

Over and above our committed obligations, one third of our entire train fleet is undergoing a major mid-life refresh to make carriages lighter, brighter and more comfortable for passengers.

Also as a direct result of passenger feedback, we have launched a project to relocate heating thermostats onboard to improve temperature regulation and circulated a notice to our drivers informing them that heating should be switched off onboard during the peak on 465 units.

Both the station and the rolling stock cleaning projects were promoted to passengers through a "spring clean" campaign which we launched in May.

We will launch our "improvements" campaign in June to promote the improvement works at stations, better information systems and communication channels.

Additional funding has also been secured for new lifts at 4 of our stations and further station enhancements, such as waiting shelters at 3 more locations. A bid for SCPF funding was also submitted to the Department last month for much needed car parking provision at 7 of our stations.

#### 7 Further passenger benefits

In addition to the above improvements, we have made changes to our policy on charging customers an administration fee, meaning we will no longer charge an administration fee in a number of areas we formerly did.

From June we will be introducing Priority Seating cards and the roll out of visible signage identifying seats for those who require priority seating has already begun. Customers meeting the criteria will be issued with a card free of charge, which they can show to fellow passengers to allow them to easily obtain a seat without having to explain their need for it.

Our 'Priority Seats' are being made more visible by using additional prominent signage, which has already been placed on most of our 375, 376 and 395 units. Signage will be added to 465/466 units after they have been upgraded to incorporate wheelchair spaces and accessible toilets.

In May, we launched our Baby on Board badges to make travelling by train easier for pregnant passengers.

The Baby on Board badge is free on request and aims to help other passengers spot expectant mothers more easily so they can offer their seat.

Last month, we also ran a project to improve customer understanding of the types of tickets which are available from TVMs and those which are not. We have attached clear guidance stickers on all Southeastern TVMs and created a new screensaver which also presents this information clearly.





Also at stations, we have started installing energy-saving LED lights following a successful trial at Chatham. Our plan is to install these at 11 stations and 5 depots to create a safe, well-lit environment for

passengers, which is environmentally friendly and delivers financial savings which can be reinvested in improving our network.

Whilst we are starting to see the positive impact of our actions on feedback from customers, stakeholders and in customer satisfaction surveys, we know that the key concern for our

passengers remains the issue of overcrowding. As stated previously in the letter, this is a major and worsening problem for the passengers of Southeastern, and can only be addressed through the provision of additional units. We continue to work very closely with the Department to assess options and funding requirements, but believe that without timely action this will become *the* defining problem for the Southeastern Franchise, and one which cannot be left to be resolved in the next Franchise.

I hope this is helpful and if you would like a meeting with our MD David Statham to discuss any of these issues in more detail, please ask your office to contact his PA, Angela Steel on <a href="mailto:angela.steel@southeasternrailway.co.uk">angela.steel@southeasternrailway.co.uk</a>

Yours sincerely

Mike Gibson Public Affairs Manager This page is intentionally left blank

# **Subject: Action Taken Under Delegated Authority**

Report to: Transport Committee

Report of: Executive Director of Secretariat Date: 8 July 2015

This report will be considered in public

#### 1. Summary

1.1 This report sets out recent action taken by the Chair under delegated authority.

#### 2. Recommendation

- 2.1 That the Committee notes the action taken by the Chair under delegated authority, namely to agree:
  - A letter to the Commissioner of Transport on licensing of Uber London as a private hire operator, following up the discussion with the Commissioner on 25 February 2015; and
  - A response to Transport for London consultations on the north-south and east-west cycle superhighways.

#### 3. Background

- 3.1 Under Standing Orders and the Assembly's Scheme of Delegation, certain decisions by Members can be taken under delegated authority. This report details those actions.
- 3.2 The Transport Committee, on 25 February 2015 resolved:

That authority be delegated to the Chair, in consultation with party Group Lead Members, to write a follow-up letter on taxi and private hire services to the Commissioner.

- 3.3 The Committee noted the Chair's letter at its meeting on 27 March 2015 and the Commissioner's response at its meeting on 9 June 2015.
- 3.4 The Transport Committee on 14 October 2014 resolved:

That authority be delegated to the Chair to agree, in consultation with Party Group Lead Members, responses to Transport for London consultations on Cycle Superhighways.

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3.5 A response to the consultation was made within the consultation period but has not previously been reported to the Committee for noting.

#### 4. Issues for Consideration

- 4.1 The Chair, in consultation with party Group Lead Members, agreed a further letter to the Commissioner of Transport, Sir Peter Hendy CBE on 4 June 2015. The letter is attached for noting at **Appendix 1**.
- 4.2 The previous Chair, Caroline Pidgeon MBE AM agreed, in consultation with party Group Lead Members, a response to Transport for London consultations on the north-south and east-west cycle superhighways, attached at **Appendix 2**.

#### 5. Legal Implications

5.1 The Committee has the power to do what is recommended in the report.

#### 6. Financial Implications

6.1 There are no direct financial implications to the GLA arising from this report.

#### List of appendices to this report:

Appendix 1: Letter to Transport Commissioner re Uber licensing

Appendix 2: Response to TfL consultations on the north-south and east-west cycle superhighways

#### Local Government (Access to Information) Act 1985

List of Background Papers:

Member's Delegated Authority forms 592 (Follow-up letter to Transport Commissioner re taxi and private hire services) and 534 (Cycle Superhighways consultation response)

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### LONDONASSEMBLY

Valerie Shawcross CBE AM, Chair of the Transport Committee

London Assembly City Hall The Queen's Walk London, SE1 2AA

Sir Peter Hendy

Commissioner Transport for London Windsor House 42-50 Victoria Street London SW1H OTL

4 June 2015

Dear Sir Peter

Thank you for your letter of 30 April regarding the licensing of Uber London.

The Committee wishes to place on record its concern over TfL's handling of the process relating to the licensing of this organisation. We agree entirely that TfL as regulator should take all possible steps to ensure that any licensee is compliant with applicable legislation. Where an operating model departs significantly from that of existing services, we would expect TfL to also take steps to ensure its own position as a robust regulator and to be proactive in managing challenges to its regulatory authority. It is worrying that no legal opinion was taken on such a contentious issue until complaints were raised by the trades, and that no record of the advice received should have been retained by TfL to allow for the necessary scrutiny of this decision. This lack of clarity has in all likelihood contributed to the deterioration of the relationship between TfL and the taxi and private hire industries and we hope that TfL will carefully consider what steps it can take in future to ensure it meets its commitments both to greater transparency and to resilient regulation. If any further notes do exist regarding the legal advice received we would be grateful to receive these.

We share your hope that the issues pending before the High Court can be swiftly and decisively resolved. Nevertheless, the Committee remains deeply concerned at the continued lack of effective enforcement of legislation designed to protect public safety. We note the Mayor's commitment to investigating allegations relating to drivers who have not been licensed or vetted by TfL operating in London and we expect that TfL will take up this issue as a matter of urgency.

We recognise that the situation is extremely complex and look forward to discussing these issues further with Leon Daniels and Garrett Emmerson when they appear before the Committee in July, and to working with TfL to ensure a viable strategy for the future of the taxi and private hire industries in London.

Yours sincerely

Valerie Shawcross CBE AM

Chair of the Transport Committee

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### Appendix 2

### LONDONASSEMBLY

### Caroline Pidgeon MBE AM, Chair of the Transport Committee

City Hall The Queen's Walk London, SE1 2AA

Sir Peter Hendy CBE Commissioner Transport for London Windsor House 42-50 Victoria Street London SW1H OTL

31 October 2014

Dear Peter

### Transport Committee response to consultations on the north-south and east-west cycle superhighways

I am writing, on behalf of the Transport Committee, to set out our response to TfL's consultations on the proposals for the new north-south and east-west cycle superhighways.

Our response is based on our relevant past work on cycling. This includes our recent meeting on 14 October 2014 when we discussed, in broad terms, the proposals with the Mayor's Cycling Commissioner. We therefore offer some comments in response to the consultation questions seeking views on the overall proposals (question 19 for the north-south proposal and question 20 for the east-west proposal). We are not commenting on the specific details for each section of these proposed superhighways.

In overall terms, we support the proposals for the new north-south and east-west cycle superhighways. We note that both proposals provide for continuous, high quality, substantially segregated cycle routes. We also note that, in order to create the space for such routes, it will require reallocating road space from other traffic and changing the operation of some junctions. We endorse such changes because we have long called for more segregated cycle space to make cycling safer. In our report, *Gearing Up? An investigation into safer cycling in London* (November 2012), we found there could, and should, be more segregated cycle space. However, there is often a lack of political will to take road space away from motorised traffic.

Our work has shown that the lack of protected space for cyclists on London's roads is a major issue. In our report on the initial operation of the first two cycle superhighways, *Pedal Power* (November 2010), we highlighted that many users of these routes had concerns about their safety. More recently, in our update on cycling in London (February 2014), we showed such concerns remain. Over two-thirds of respondents to our survey of over 6,000 cyclists did not feel safer when using cycle superhighways. Moreover, the single biggest factor that these cyclists cited as adversely affecting their journeys by bike was a lack of segregated cycle lanes. There is therefore a strong case that any new proposed cycle superhighways provide as much segregated space for cyclists as possible.

We note that the proposals for the two new superhighways, especially for the east-west cycle superhighway, have received some high-profile criticisms. While we are concerned about the potentially adverse impact of the proposals on pedestrians and other road users, we would not want to see the proposals diluted to such an extent that they no longer provide substantial segregation for

cyclists. The Mayor's Cycling Commissioner told us that the current consultations provide for organisations and individuals to offer comments on ways that the proposed routes could be improved. He also reported that there was commitment to work with those concerned to see if there are ways to address their issues. This is welcome. However, at the end of this consultation process, we would not want to see changes to the proposals that significantly reduce the benefits for cyclists.

As our past work has shown, delivering more segregated cycle space in London will take political will. It will require reallocating road space from other traffic and changes to the operation of road junctions that may adversely affect other road users. These consequences need to be considered carefully but, at the same time, they need to be reviewed alongside the potential gains from making such changes. The Mayor's Cycling Commissioner told us that the two new cycle superhighways could provide a huge amount of new transport capacity at relatively low cost. For example, the north-south cycle superhighway could provide for an extra 3,000 cyclists an hour in London – the equivalent of 41 extra buses on that route. Moreover, while TfL's modelling work may show some consequences for other road users from the proposed routes, the reality can prove different. New infrastructure may not result in the impact forecast. It is, therefore, important that TfL learns lessons where this is the case and develops its modelling techniques accordingly to improve their accuracy.

We want to see more segregated cycling space in London and support the proposals accordingly. The new cycle superhighways represent a step-change in cycling provision in the capital and will offer more continental-style cycling facilities for Londoners. We want to see these new superhighways delivered in the shortest possible timescale. In our update on cycling in London (February 2014), we argued that cyclists should not have to wait until 2016 for improvements to cycle superhighways and called for the delivery of improvements by 2015 where possible. We are concerned to hear that the whole of the north-south cycle superhighway may not be delivered by May 2016 and we would welcome details of the action being taken to ensure both routes are delivered in full at the earliest opportunity.

We trust that TfL will take our comments into account and look forward to hearing the outcomes of the consultations in due course.

Yours sincerely

### **Caroline Pidgeon MBE AM**

Chair of the Transport Committee

Cc: Isabel Dedring, Deputy Mayor for Transport; and Andrew Gilligan, Mayor's Cycling Commissioner

Subject: National Rail Services in London		
Report to: Transport Committee		
Report of: Executive Director of Secretariat	Date: 8 July 2015	
This report will be considered in public		

### 1. Summary

1.1 This report provides background information to the Transport Committee in relation to its meeting with invited guests on National Rail services.

### 2. Recommendations

2.1 That the Committee notes the report, puts questions on National Rail services in London to the invited guests and notes the discussion.

### 3. Background

- 3.1 The Committee has agreed the following terms of reference for an investigation into National Rail services in London, which were noted at the Committee's meeting on 9 June 2015.
  - To consider major problems facing the rail network in London and how these could be addressed.
  - To examine the case for devolving more National Rail services to the Mayor and Transport for London, and different models of devolution that may be used.
  - To identify steps the Mayor and Transport for London could take to help achieve further devolution of National Rail services.
- 3.2 At its meeting on 9 June 2015, the Committee discussed this topic with a number of stakeholders: Transport for London, Network Rail, South West Trains, Southeastern and London TravelWatch, Rail Delivery Group, Kent County Council and Surrey County Council. The transcript of the discussion at that meeting appears elsewhere on this agenda.
- 3.3 On 26 June 2015, Party Group Leads held informal meetings with a range of experts and stakeholders on rail devolution, and representatives of rail passengers in Sevenoaks, Kent. Findings from these meetings will be shared with Committee Members.

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### 4. Issues for Consideration

- 4.1 The following guests have been invited to attend this meeting to discuss National Rail services in London:
  - Isabel Dedring, Deputy Mayor for Transport;
  - **Mike Brown**, Managing Director of London Underground and London Rail, Transport for London; and
  - **Charles Belcher**, Board Member, Transport for London.

### 5. Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

### 6. Financial Implications

6.1 There are no direct financial implications to the GLA arising from this report.

### List of appendices to this report:

Local Government (Access to Information) Act 1985

List of Background Papers: None

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## Subject: Taxi and Private Hire Services in London Report to: Transport Committee

Report of: Executive Director of Secretariat Date: 8 July 2015

This report will be considered in public

### 1. Summary

1.1 This report provides background information to the Transport Committee in relation to its meeting with invited guests on taxi and private hire services.

### 2. Recommendations

- 2.1 That the Committee notes the report, puts questions on taxi and private hire services in London to the invited guests and notes the discussion.
- 2.2 That the Committee agrees the note of a site visit to Heathrow Airport to explore taxi and private hire issues.

### 3. Background

- 3.1 The Committee conducted an investigation into London's taxi and private hire services in 2014/15. Its report, *Future Proof*, was published in December 2014. A number of responses to the report have been received, including from the Mayor and Transport for London and representatives of the taxi and private hire industries.<sup>1</sup>
- 3.2 Sir Peter Hendy CBE, Transport for London Commissioner, attended the Committee's meeting in February 2015 to discuss the recommendations of the report.<sup>2</sup>
- 3.3 For 2015/16 the Committee has prioritised further follow-up work on the recommendations of the *Future Proof* report. As part of this, on 25 June 2015 the Chair undertook a visit to London Heathrow Airport on the invitation of licensed taxi drivers to observe activities of private hire vehicles at and around the airport. Findings from this visit will be shared with the Committee.

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<sup>&</sup>lt;sup>1</sup> The report and responses are available at <a href="https://www.london.gov.uk/mayor-assembly/london-assembly/publications/future-proof-taxi-and-private-hire-services-in-london">https://www.london.gov.uk/mayor-assembly/london-assembly/publications/future-proof-taxi-and-private-hire-services-in-london</a>

<sup>&</sup>lt;sup>2</sup> The minutes of this meeting and transcript of the discussion are available at <a href="https://www.london.gov.uk/moderngov/ieListDocuments.aspx?Cld=173&Mld=5437&Ver=4">https://www.london.gov.uk/moderngov/ieListDocuments.aspx?Cld=173&Mld=5437&Ver=4</a>

3.4 On 25 June 2015, the Chair, Valerie Shawcross CBE AM, visited Heathrow Airport to look into taxi and private hire issues around the airport, including illegal parking and use of drop-off points, signage, uninsured drivers and enforcement.

### 4. Issues for Consideration

- 4.1 The following guests have been invited to attend this meeting to discuss National Rail services in London:
  - Isabel Dedring, Deputy Mayor for Transport;
  - Leon Daniels, Managing Director, Surface Transport, TfL; and
  - **Garrett Emmerson**, Chief Operating Officer, Surface Transport, TfL.
- 4.2 The note of the site visit to Heathrow Airport is attached at **Appendix 1** for formal agreement.

### 5. Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

### 6. Financial Implications

6.1 There are no direct financial implications to the GLA arising from this report.

### List of appendices to this report:

Appendix 1: Note of site visit to Heathrow Airport, 25 June 2015

### Local Government (Access to Information) Act 1985

List of Background Papers: None

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### London Assembly Transport Committee Note of Site Visit: Taxi and Private Hire Issues at Heathrow Airport

Date: 25 June 2015



Figure 1- Valerie Shawcross CBE AM with taxi drivers

Valerie Shawcross CBE AM, Chair of the London Assembly Transport Committee, visited Heathrow Airport on the morning of 25 June 2015 to investigate taxi and private hire issues at Heathrow Airport. She was accompanied by two officers from Secretariat: Alison Bell, External Relations Manager and Reece Harris, Project Officer.

We met with Mark White and other taxi drivers at Terminal 2, before being taken to Terminals 3, 4 and 5 and Bolton's Lane/Mondial Way, a mixed commercial and residential street. The main issues that we noted were: illegal parking and use of drop-off points, a lack of effective signage, uninsured/improperly insured vehicles, an uneven distribution of enforcement officers and passenger safety.

### Illegal parking and use of drop-off points

We were able to see many examples of private hire vehicles plying and touting for trade, or waiting for extended periods of time in drop-off areas. This is illegal as private hire vehicles are not allowed to ply for trade and Heathrow does not allow passengers to be picked up from drop-off areas; passengers must be picked up from the car park. For example, at Terminal 2, we witnessed one silver car that remained parked for almost the full forty-five minutes that we were there, while an Addison Lee car and a member of the public were also there for a



Figure 2- Private Hire Vehicles waiting at drop-off point at Terminal 2

significant amount of time. We saw one vehicle illegally pick up passengers. We also saw similar scenes at Terminal 4, where one of the drivers actually offered a trip to us. Despite this, it was clear that many drivers were using the drop off point perfectly legally, dropping off passengers before departing. The taxi drivers with us believed that the lack of cameras and enforcement officers was responsible for the infringements of the law. This situation

has meant that taxi drivers can end up waiting for five to six hours in the airport's holding area for trade.

We were also shown a nearby residential/commercial street called Bolton's Lane/Mondial Way, where large numbers of exclusively private hire vehicles were parked, some on double yellow lines. We spoke to a local traffic warden for the London Borough of Hillingdon, who confirmed that the problem is prevalent across a number of local streets. The local McDonald's fast food restaurant car park was also full of vehicles that appeared to be private hire vehicles.



Figure 3- Private Hire Vehicles in McDonald's car park

Lack of clear signage

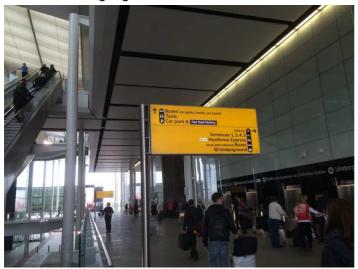


Figure 4- Signage at Terminal 2 below drop-off point

At Terminal 2 there was a sign which appeared to direct people up an escalator towards the drop-off point rather than to the taxi rank. We saw a taxi driver volunteer ferry lost people to the correct location three times. The taxi rank itself was also nearly invisible when leaving the lift down to

it and was obstructed by pillars and barriers. The taxi drivers present were concerned that Heathrow refused to allow the taxi drivers to provide their own marshal, and had to use a car parking marshal as provided by Heathrow, who was not able to provide effective advice for customers. This meant long queues (especially at night) which we witnessed while we were there, despite the fact that the airport was not particularly busy. They were also concerned about disabled access to the rank, due to the barriers.

### Uninsured drivers

The taxi drivers we were with reported that there were some minicab and Uber drivers who did not have private hire insurance. The taxi drivers suggested that the Automatic Number Plate Recognition System (ANPR), which is designed to detect whether a car is insured or not, did not determine between personal insurance and private hire insurance. They proposed that private hire vehicles should be made to display their insurance prominently in the same way that taxis must by law. They also claimed that the ANPR system was not actually present as claimed in some places and that an inadequate number of cameras overall were leading to misuse of the drop off points.

### **Enforcement Officers and Passenger Safety**



Figure 5- Valerie Shawcross CBE AM speaks to TfL enforcement officers

We saw around 17 TfL enforcement and police officers on the day, with ten located at Terminal 3, and around five at Terminal 5. However, the officers were unevenly distributed, as there were no officers at Terminal 2, and only two police officers at Terminal 4, who claimed that they were

unable to issue tickets as they had not been given the correct ones. The officers were mostly focused on ensuring that the vehicles at the drop-off points had the appropriate insurance.

The officers noted concerns about foreign touts speaking the language of some new arrivals, drawing people away from the safer alternative of taxis or registered private hire vehicles. They were worried about passengers becoming locked into some vehicles, unable to escape, unlike in purpose-built taxis/private hire vehicles, where the doors unlock when the vehicle is stopped. They believed that the number of vehicles illegally picking up trade or without the correct insurance had risen by at least fifty per cent over the past few years. Both the taxi drivers and the enforcement officers agreed that their priority was passenger safety.

### Subject: Transport for London Customer Service – Response to Report

**Report to: Transport Committee** 

Report of: Executive Director of Secretariat Date: 8 July 2015

This report will be considered in public

### 1. Summary

1.1 This report asks the Committee to note the response to its report on Transport for London (TfL) customer service.

### 2. Recommendation

2.1 That the Committee notes the response to its report, *TfL customer service – Next steps*.

### 3. Background

- 3.1 At its meeting on 23 July 2014, the GLA Oversight Committee appointed Valerie Shawcross CBE AM as rapporteur for the Transport Committee's follow-up investigation into Transport for London's customer service. The terms of reference and scope for the follow-up investigation were agreed by the Chair, following consultation with the lead Members of the party Groups on the Committee.
- 3.2 The terms of reference for this investigation were:
  - To explore TfL's progress in improving its customer service as per the recommendations in the Transport Committee's report TfL's customer service (January 2012);
  - To consider TfL's passenger charters including the potential to develop an additional overarching customer charter and how TfL manages its staff use of the charters;
  - To explore TfL's conditions of carriage including how it enforces them; and
  - To make recommendations to the Mayor and TfL on any actions they could take to improve TfL's customer service further.
- 3.3 The report, *TfL customer service Next steps*, was published on 12 March 2015

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3.4 The report made the following recommendations:

### Recommendation 1

Transport for London should produce a single customer charter covering all of its services, applicable from 1 January 2016. TfL should respond to this recommendation by the end of May 2015, setting out its plans for the development of a charter.

### **Recommendation 2**

Transport for London should:

- Add a specific option to make a complaint to the main menu of the customer services helpline.
- Modify the design of its web form for complaints, so people can save their own complaints, upload documents and enter a Freedom Pass number.
- Allow people to make a complaint via a direct email address, text message or smartphone application.

TfL should respond to this recommendation by the end of May 2015, setting out the findings of its review and next steps.

### **Recommendation 3**

Transport for London should appoint an external organisation to carry out an audit of its response to complaints, including the process for internal escalation of complaints. TfL should respond to this recommendation by the end of May 2015.

### Recommendation 4

Transport for London should engage in discussions with the Department for Transport, aimed at agreeing arrangements for the structure, funding and governance of a new Alternative Dispute Resolution system for TfL service users. TfL should respond to this recommendation by the end of May 2015 setting out its approach to the ADR Directive and plans for further discussions on this topic.

### **Recommendation 5**

The Transport for London Board should play a more visible role in championing good customer service. We recommend that:

- The Board should receive quarterly complaints reports, which include the full range of customer service metrics.
- A single Board Member should be designated as the customer champion to represent the interests of TfL's customers at Board level.

TfL should respond to this recommendation by the end of May 2015.

### **Recommendation 6**

Transport for London should take steps to build on the customer service training being provided for London Underground staff during the Fit for the Future Programme. The training should be repeated regularly, and extended to staff on other modes. From 2016 it should also incorporate training in implementing the new single customer charter. TfL should respond to this recommendation by the end of May 2015.

### Recommendation 7

Transport for London should improve the way it informs passengers about their rights to use priority space on buses. Where necessary, clear, accessible signage should be on display, supported by further publicity campaigns and online information. The review should also consider how bus operators train staff to promote these messages and deal with any conflict between passengers, and identify any required improvements in staff training. TfL should respond to this recommendation by the end of May 2015.

### Recommendation 8

Transport for London should add fare information to its Journey Planner tool, including a 'best available fare' option, giving people the ability to tailor their journey according to the fares they will incur. TfL should respond to this recommendation by the end of May 2015.

### 4. Issues for Consideration

- 4.1 TfL's Managing Director, Customer Experience, Marketing and Communications wrote to the Chair on 29 May 2015 with TfL's response to the report.
- 4.2 The response is attached for noting at **Appendix 1**.

### 5. Legal Implications

5.1 The Committee has the power to do what is recommended in the report.

### 6. Financial Implications

6.1 There are no direct financial implications to the GLA arising from this report.

### List of appendices to this report:

Appendix 1: Response to TfL Customer Services report

### Local Government (Access to Information) Act 1985

List of Background Papers:

None

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### Appendix 1

### **Transport for London**



Valerie Shawcross CBE AM Chair London Assembly Transport Committee City Hall The Queen's Walk London SE1 2AA

29 May 2015

Transport for London

Windsor House 42-50 Victoria Street London SWIH 0TL

Phone 020 7222 5600 www.tfl.gov.uk

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### TfL Customer Service - next steps

Thank you for your follow-up report into customer service at TfL.

As I mentioned when we met recently, your reports have helped shape our customer service strategy and action plan.

We agree with almost all of your recommendations and we have started to implement many of them. Our full response to your report is set out in the attached note and we will provide the Committee with an update later in the year on the progress we are making.

Thank you again for your constructive contribution to improving customer service.

Mons swicerely,

**Vernon Everitt** 

Managing Director, Customer Experience, Marketing and Communications

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### **Transport for London**



### TfL Customer Service – next steps

### Recommendation 1

Transport for London should produce a single customer charter covering all of its services, applicable from 1 January 2016. TfL should respond to this recommendation by the end of May 2015, setting out its plans for the development of a charter.

We agree. We will bring together all of our promises under a single customer charter. This will cover customer service commitments from all parts of our business.

With improved navigation on our website, we will clarify our commitments to our customers in the following areas:

- · Fares and ticketing
- Standards of service
- Keeping customers informed
- Queries and complaints
- Performance targets
- Getting in touch

We are developing this now and it will be introduced, with accompanying publicity, by the end of the year.

### Recommendation 2

### **Transport for London should:**

- Add a specific option to make a complaint to the main menu of the customer services helpline.
- Modify the design of its web form for complaints, so people can save their own complaints, upload documents and enter a Freedom Pass number.
- Allow people to make a complaint via a direct email address, text message or smartphone application.

TfL should respond to this recommendation by the end of May 2015, setting out the findings of its review and next steps.

Customers can make a complaint using a variety of channels including via social media, to a member of staff at a station, online or by telephone. We recognise that we can make these processes even more transparent.

For the three quarters of Londoners who use it, our website is the main gateway to the services we offer. We will redesign the 'Contact us' section to make it easier to use and allow customers to leave feedback and make a



complaint about any aspect of our services. This redesign will be introduced over the summer.

As you identified in your report, we have reduced the cost for customers contacting us by telephone through introducing our 0343 222 1234 number. We have also simplified the options available when customers call us. Later this month we will introduce a fifth option to the menu which will allow for complaints to be made more easily by telephone.

The outdated technology we currently used to support our web forms will be replaced. We have been looking into technology that would enable a simpler process for complaints and enquiries, including adding files using a smartphone. Provided that the costs are proportionate to the number of customers who would use the service, we would like to see this happen in the next 18 months.

We are already able to receive uploaded documents from customers and, as part of an investigation into a complaint, our staff routinely ask for any additional information customers are willing to share with us, in any format. This will continue.

### Recommendation 3

Transport for London should appoint an external organisation to carry out an audit of its response to complaints, including the process for internal escalation of complaints. TfL should respond to this recommendation by the end of May 2015.

We agree. Over the summer we will appoint a firm with expertise in this area to conduct this review. It would be very helpful to gather the views of the people who use our services, and we would welcome the Assembly's involvement in this exercise. We will also provide you with their findings once the audit has been completed.

### Recommendation 4

Transport for London should engage in discussions with the Department for Transport, aimed at agreeing arrangements for the structure, funding and governance of a new Alternative Dispute Resolution system for TfL service users. TfL should respond to this recommendation by the end of May 2015 setting out its approach to the ADR Directive and plans for further discussions on this topic.

We welcome the Government's aim to find simpler, cheaper and more efficient ways to resolving disputes.



In its November 2014 response to the consultation on implementation of the ADR Directive, the Department for Business, Innovation and Skills (BIS) indicated that it was still considering how the Directive should apply to the transport industry where passengers already have access to independent complaints handling bodies to help them resolve their disputes with transport providers, such as London TravelWatch and Transport Focus.

We understand that BIS is still considering the matter, but we stand ready to work with any new Directive that is introduced.

### Recommendation 5

The Transport for London Board should play a more visible role in championing good customer service. We recommend that:

- The Board should receive quarterly complaints reports, which include the full range of customer service metrics.
- A single Board Member should be designated as the customer champion to represent the interests of TfL's customers at Board level.

### TfL should respond to this recommendation by the end of May 2015.

From September 2015, more customer service related data will be included in the quarterly Operational and Financial Performance report submitted to the Board. We already detail the number of complaints received across our services and what we have done to address them and this will be given greater prominence, alongside other performance measures. Board members will therefore be better able to scrutinise our performance in this area.

We will also submit papers on our customer strategy for scrutiny by the Safety, Accessibility and Sustainability Panel, which feeds directly into the Board. This will take effect from the next meeting of the Panel on 7 July.

All Members of the TfL Board play a core role in ensuring that we deliver for our customers and users. The Commissioner and the Managing Directors of London Underground and Rail, Surface Transport and Customer Experience, Marketing and Communications are directly held to account by the Board against challenging customer service targets set out in the published scorecards for TfL overall and our individual operating businesses. Appointing a single board member would, in our view, relegate customer service to a marginal activity, rather than, as it currently is, it being a central consideration for every Board member.



### Recommendation 6

Transport for London should take steps to build on the customer service training being provided for London Underground staff during the Fit for the Future programme. The training should be repeated regularly, and extended to staff on other modes. From 2016 it should also incorporate training in implementing the new single customer charter. TfL should respond to this recommendation by the end of May 2015.

The programme to improve customer service at London Underground stations includes an innovative training programme that equips our staff to deliver high quality customer service. Staff participate in a range of scenarios and learn techniques for serving our customers more effectively. They are also given the confidence to resolve customer issues themselves, reducing the need for escalation. Feedback has been excellent and over the next two years nearly 5,000 staff will take part in this training.

Building on this programme, all new recruits to a customer service role across the organisation will receive similar training and this is also being factored in to new training for bus drivers.

Training on a new, single customer charter will be incorporated once the charter itself is finalised.

### Recommendation 7

Transport for London should improve the way it informs passengers about their rights to use priority space on buses. Where necessary, clear, accessible signage should be on display, supported by further publicity campaigns and online information. The review should also consider how bus operators train staff to promote these messages and deal with any conflict between passengers, and identify any required improvements in staff training. TfL should respond to this recommendation by the end of May 2015.

We agree. A renewed customer awareness campaign will be launched shortly, informing passengers about their rights in using priority space on buses. Posters will be displayed on buses and at shelters across the network and there will be extensive social media, including our accessibility Twitter and Facebook channels which reach over three quarters of a million followers. This campaign will be delivered with the direct involvement of stakeholders. By September, all 24,500 bus drivers will have participated in All Aboard! training, which promotes empathy with the needs of our customers, particularly towards accessibility. All Aboard! was developed in collaboration with Transport for All and Age UK London.

The way drivers are trained is currently being reviewed as part of the formal BTEC qualification that all drivers are required to take. We will start talking to



stakeholders soon but we intend to improve the current equality and inclusion module as part of this review.

### **Recommendation 8**

Transport for London should add fare information to its Journey Planner tool, including a 'best available fare' option, giving people the ability to tailor their journey according to the fares they will incur. TfL should respond to this recommendation by the end of May 2015.

We launched our new website in March 2014 focusing on its primary function of providing reliable real-time travel information to customers. It receives over 20 million visits every month and has become a core part of London life.

During its development, we looked closely at integrating fares information with the Journey Planner tool. However, because of the complexity of the fares structure and the huge number of possible routes, it was not possible to match on a completely reliable basis journeys to fares with our current systems.

This is, however, a change that we are committed to making, and we will investigate again how we can make it happen.

Separately, from this summer 'bus only' journeys will be visible by default alongside Tube, rail, cycling and walking options in Journey Planner, providing a lower cost journey option to customers in a more visible way.

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# Subject: London TravelWatch Performance Monitoring Report Report to: Transport Committee Report of: Executive Director of Secretariat Date: 8 July 2015

This report will be considered in public

### 1. Summary

1.1 London TravelWatch provides regular reports on the organisation's performance for the Committee to note.

### 2. Recommendation

### 2.1 That the Committee notes:

- The performance against the agreed objectives of London TravelWatch during 2014/15; and
- The financial outturn position of London TravelWatch as at 31 March 2015.

### 3. Background

- 3.1 London TravelWatch is the independent, statutory watchdog for transport users in and around London, funded by the London Assembly.
- 3.2 This paper presents the report of the Chief Executive of London TravelWatch setting out the organisation's performance during 2014/15 and the financial position as at 31 March 2015. It also provides a high-level summary of performance against London TravelWatch's suite of performance indicators.
- 3.3 The regular monitoring of delivery against the key objectives featured in the London TravelWatch Corporate Plan will enable the Committee to maintain an overview of London TravelWatch's performance throughout the year.

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### 4. Issues for Consideration

4.1 The report of the Chief Executive of London TravelWatch setting out the organisation's performance during 2014/15 and the financial position as at 31 March 2015 is attached as **Appendix 1** for the Committee to note.

### 5. Legal Implications

- 5.1 Under Schedule 18 of the GLA Act 1999 (as amended), the Assembly has various powers and duties in respect of London TravelWatch. These include the powers to: agree London TravelWatch's budget, appoint members of the London TravelWatch Board, approve officer appointments made by London TravelWatch, receive London TravelWatch's accounts and audit and, under s.251 of the GLA Act, to issue guidance and directions as to the manner in which London TravelWatch shall exercise its functions.
- 5.2 The Assembly has delegated its functions in respect of London TravelWatch to the Transport Committee.
- 5.3 Under s.34 of the GLA Act 1999 (as amended), the Assembly may do anything which is calculated to facilitate, or is conductive or incidental to the exercise of any of the functions of the Assembly.

### 6. Financial Implications

6.1 There are no financial implications arising directly from this report.

### List of appendices to this report:

Appendix 1: Performance monitoring report from the Chief Executive of London TravelWatch.

### Local Government (Access to Information) Act 1985

List of Background Papers: None

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### **London TravelWatch Performance Report to 31.3.15**

### 1 Introduction

- 1.1. This report sets out details of London TravelWatch's performance over the past year and shows the financial position as at 31 March 2015. It confirms how London TravelWatch has met its key business plan objectives and the outcomes it has achieved for transport users as a result of its work.
- 1.2. The report summarises the volume and type of casework activity handled by London TravelWatch during the period and includes a short overview of the main issues raised by the public. It also provides a high-level summary of performance against the GLA's own targets for corporate health. This is shown in part 2 of the Annex.

### 2 Key areas of achievement

- 2.1. We had a very successful year and achieved some notable outcomes for passengers and transport users.
  - We stood up for rail passengers affected by persistent delays and disruption, challenging the industry to improve and making the case for better compensation arrangements for commuters using the National Rail network.
  - We consulted London Underground passengers to ensure their needs were properly taken into account when ticket offices were closed. We received responses from over 2,000 passengers which gave us a valuable insight into the problems some people have with using ticket machines and concerns about how the closures would affect their local stations. We will closely monitor the impact of the changes and are wellplaced to articulate the views of passengers should problems arise.
  - We developed an online community to help give bus passengers a
    voice and continued to monitor the reliability of bus services,
    highlighting the worst performing routes and lobbying Transport for
    London (TfL) to address the underlying causes.
  - Our report on how to improve public transport access to London's five major airports was well-received by politicians (including the Mayor of London) and the industry and several of our recommendations are already being addressed.
  - We published our research into what passengers think of value for money on London Overground services. TfL used our findings to inform the specification for the new concession in 2016 and have invited us to provide commentary on the passenger-facing elements of the tender submissions when they are received.

2.2. We continued to work closely with the London Assembly, seeking input from a range of Assembly Members as we prepared our business plan, aligning our workplans with the Transport Committee and following up their scrutinies as appropriate.

### 3 Progress against the business plan objectives for 2014-15

- 3.1. This section highlights progress against London TravelWatch's key business plan objectives for 2014-15, demonstrating the impact our work has had and explaining areas of slippage.
- 3.2. During the year, we switched our business plan priorities to take on unexpected but important work in response to:
  - TfL's proposal to close all their London Underground ticket offices,
  - comments about public transport access to Gatwick and Heathrow airports made in the Davies Commission interim report and
  - the persistent poor performance of Thameslink, Southern and Southeastern rail services.
- 3.3. We pressed for more involvement in DfT rail franchises than in previous years and have now been invited to comment on these at an earlier stage. This will provide an important opportunity to try and ensure that the interests of commuters travelling in and around London are properly represented.
- 3.4. This additional unplanned work meant our work on interchanges, transport affordability and small stations did not progress as much as we had planned. However, we will shortly be publishing our report on interchanges, which a number of transport providers are keen to incorporate in their work, and the other two projects are underway.

### Rail services

- 3.5. We have been very active in challenging the industry on behalf of the passengers who continue to suffer as a result of the poor performance of rail services in the second half of the year, particularly on services in south and south east London. We have done this through our regular meetings with train operators, Network Rail, the Department for Transport (DfT) and the Office of Rail and Road (ORR). We have been invited to sit on the Brighton Main Line improvement Board of the Thameslink Network Rail alliance and have participated in ministerial 'summits' with parliamentarians. We have also met with various south London MPs and some stakeholder liaison groups to discuss their concerns.
- 3.6. These problems have highlighted the fact that commuters are rarely entitled to compensation from the train companies as the current 'Delay Repay' arrangements only apply for delays of more than 30 minutes. In response to this we started a campaign to get the compensation arrangements changed to 15 minutes which would bring National Rail into line with London Underground. We have been successful in getting a consensus to the principle that change is needed and will continue to push for this to happen.
- 3.7. The issues for passengers arising from the rebuilding of London Bridge Station and the Thameslink works has also been a key area of work for us. We continue to

participate in the multi-agency Travel Demand Management Board established to coordinate communications to passengers who need to change their travel plans as a result of the rebuilding. Following our original suggestion, the remit of this has been extended to give a London-wide senior-level scrutiny of plans to deal with the impact of major station rebuild projects and other major events. Crucially it will also consider how incidents of unplanned service disruption have been dealt with and how lessons learnt should be applied.

- 3.8. We fed into the ORR's review of the impact of overrunning engineering works in the New Year at Kings Cross and Paddington, pointing out that it is essential that the industry learns lessons because such works will be a feature of the rail network in London for many years to come.
- 3.9. We provided input to the DfT's East Anglia franchise consultation to ensure that the needs of London passengers were not overlooked and hosted a consultation meeting with the DfT to enable engagement with London boroughs, user groups and politicians as part of the process.

Paying for travel

- 3.10. London TravelWatch has long been encouraging the industry to better publicise Gold Cards and their benefits, something which has arisen in our research. In January, TfL launched a webpage which is dedicated to letting customers know about the discounts (altered from this date in scope and validity) that they can take advantage of and how to access them. In addition, in December they sent two emails out to those on their Oyster database. The first was to 39,000 people who have Annual Travelcards with the discount activated on their Oyster card to tell them of the changes to the scheme in the coming calendar year. The second was to 50,000 customers that had not activated the discount but were entitled to. Posters went up on the National Rail network at the end of 2014.
- 3.11. We continued to make the case for extending the Oyster pay as you go/contactless payment scheme, particularly for passengers travelling to Gatwick Airport station, more than 6,000 a year of whom receive penalty fare notices because they have not realised that their Oyster card was not valid at Gatwick.
- 3.12. We welcomed the DfT's recent consultation on changes to penalty fare regimes which incorporated many of the features that have been of concern to us and the passengers who approach us on the subject.
  - Bus, cycling and surface transport in London
- 3.13. We continue to raise concerns about the impact of road works on the reliability of bus services, particularly in inner and central London.
- 3.14. In order to give bus passengers more of a voice we launched our online bus users' community. London's buses make more than 2.4 billion passenger journeys a year, twice as many every day than on the London Underground. This initiative seeks to ensure that, in light of the amount of redevelopment projects affecting the road network, bus users are informed about the issues affecting their particular bus services and, especially, that they are given the opportunity to participate in consultation about how the service evolves. Over 200 people have already joined and the numbers are gradually building up.

- 3.15. We remain concerned about the complexity of some of the cycle scheme proposals and their impact on other users. However, we are engaging positively with the plans for cycle superhighways and particularly contribute to TfL's junction design review group.
- 3.16. Pedestrians, particularly those who are partially-sighted or with mobility difficulties, find it hard to navigate streets which are cluttered up by illegal advertising boards. Following the publication of our 'Inclusive Streets' report last year, we have been calling for highways authorities to follow the example of the few London boroughs who take seriously their legal duty to keep their pavements clear. In January and February respectively, the City of London and TfL set out how they intended to step up their enforcement against illegal pavement obstructions, particularly advertising boards, on London's streets.
- 3.17. We organised a seminar on highways obstructions in June 2015 which was attended by several local authorities to share best practice on highways obstructions. The seminar was introduced by Baroness Tanni Grey-Thompson who supports the work we are doing in this area.

### Accessibility

- 3.18. TfL's original plans to upgrade Bank Underground station did not include step-free access to the Central line. We formally objected to the plans submitted to the Public Inquiry, making it clear that we would only withdraw our objection if the plans were amended to include step-free access to the Central Line. We received written confirmation in February that TfL will provide step-free access to the Central Line at Bank station, subject to agreement with London Fire Brigade regarding emergency escape routes, and subject to a study on the costs and benefits being positive.
- 3.19. Throughout the year, we continued to highlight particular concerns about the need for full accessibility at stations and have welcomed a further commitment by the DfT for 'Access for All' improvements at a number of stations. This included Alexandra Palace about which we had previously written to the Minister responsible.

### Safety

3.20. Having worked steadily behind the scenes to highlight the problems posed to passengers by the very large stepping gaps between the train and the platform interface at many of London's stations, we were pleased that a cross-industry group has now been established to take forward this and a number of related issues. Our Safety Adviser, who works jointly for us and Transport Focus, has joined the Platform Train Interface Strategy Implementation Group set up by the Rail Safety and Standards Board to represent the interests of passengers.

### Communications and public engagement

3.21. Over the last year, London TravelWatch has targeted its communications activity to achieve a balance between aiming to increase its profile and extending its influence. This has allowed the organisation to concentrate its efforts on areas where it can make a difference by maximising its impact and influence on behalf of transport users. We have used evidence from our research and casework to influence debate and our targeted work with the media has also ensured that our research continues to be the subject of discussion in both print and broadcast media.

- 3.22. We continued to open our Board and committee meetings to the public. We discussed current issues in transport, explored problems and looked at future services at our meetings. Topics this year included bus performance, TfL's future tube programme and cycling highways schemes, while the public were also able to put their questions to London's Transport Commissioner, Peter Hendy, via traditional and social media when he attended October's Board meeting.
- 3.23. To help make our work accessible we continued to 'live tweet' from our public meetings. Issues discussed included London Underground's proposed changes to ticket offices, issues facing passengers within the London rail area but outside the TfL boundaries, social needs transport and the performance of the Thameslink, Southern and Southeastern services.
- 3.24. We use opportunities provided by meeting senior civil servants and politicians to raise concerns, promote successes and highlight the particular ways in which the experience of using public transport in London differs from the rest of the UK.
- 3.25. We recently completed the second phase of our project to upgrade the London TravelWatch website. This means that the site now has a responsive design which allows it to be viewed in a suitable format on virtually any device or web browser, including tablets and smartphones. This will make it much easier for those accessing the website 'on the go' to find what they want and makes people more likely to spend longer on the site. The most popular webpages throughout the last quarter were our money saving tips, frequently asked questions about using Oyster and 'where to send your complaint'.

### 4 Casework

- 4.1. During 2014-2015 our casework team dealt with almost 6,000 written and telephone enquiries and complaints. Most of these could be dealt with quickly or passed on to the operator for an initial reply, as we only investigate cases where the complainant has not already received an adequate response. The vast majority of our casework concerned service performance including delays and early departure, penalty fares, lack of available information at point of travel and complaint handling by rail operators.
- 4.2. We investigated 1,107 appeals (compared to 1,100 in 2013-2014) from members of the public travelling in London and the surrounding areas. We keep detailed management records which confirm that our performance continues to meet targets. This is despite the fact that the nature of complaints has changed and a sizeable and growing percentage of cases involve more than one interaction with the complainant so are more difficult to resolve.
- 4.3. The highest number of appeals we received was regarding issues surrounding fares such as penalty fares and cost. The second highest number were from passengers who were unhappy about the way their original complaint had been dealt with by the operator.
- 4.4. Of those complaints which required further investigation, 66% related to National Rail, 11% related to buses, 6% related to London Underground, 7% to Oyster and 10% to other issues. However a large proportion of journeys in and around London

are multi-modal and the categories are not necessarily exclusive and some appeals need us to negotiate with more than one transport operator.

### 5 Corporate health

- 5.1. The organisation currently has a full-time equivalent staffing establishment of 15.7 and a headcount of 20. During the year we took on our first apprentice who is studying for an NVQ in business administration.
- 5.2. Supporting and investing in the development of our staff remains a priority. We continue to use the Investors in People framework to guide organisational development. At the beginning of the year we became accredited as a London Living Wage Employer and also joined the Government's cycle to work scheme.
- 5.3. Alongside several other agencies with a London-wide remit, in November 2014, we completed a move to new offices in the London Fire Brigade's headquarter building. This allowed us to enter into a shared services agreement with the London Pensions Fund Authority to provide us with accountancy services.
- 5.4. The average number of working days lost to sickness absence during 2014/15 was 4.7 which is an improvement on the previous year and below the GLA target of 6 days. The figures included the impact of a long term sickness case as well as of the flu-related virus which affected several staff in the winter.
- 5.5. During the year we agreed and implemented a transparency policy.

### 6 Financial outturn

- 6.1. Part 1 of the Annex gives details of expenditure against budget as at the end of March 2015. There is an overspend of £2k against the budget for the 2014/15 year.
- 6.2. Accommodation costs are showing an overspend of £26k. This is due to the costs associated with our move from the Dexter House premises to Union Street.
- 6.3. There was a £29k underspend against the supplies and services staff budget which offsets the above as many of the professional fees that were budgeted for were actually incurred as a result of the accommodation move. In addition, limited research costs were incurred in the year due to the slippage of our work programme. The Board has earmarked £11,000 to complete research work which is underway.
- 6.4. Last year the Board agreed to earmark £40,000 of the reserves to fund improvements to IT infrastructure and professional fees in respect of the office move in 2014-15. These costs have now been incurred with the upgraded casework IT system having been capitalised.

Risk areas

6.5. With a smaller staff complement, the principal risk for the future is that an unexpected and unavoidable rise in workload, which might be required to fulfil our statutory objectives, could not be accommodated without extra expenditure and without draining the reserves to an unacceptable level.

6.6. Whilst current reserves remain similar to the previous year the cash-backed element of these has been severely reduced as a result of the capital expenditure associated with the accommodation move and the new casework IT system.

Janet Cooke Chief Executive, London TravelWatch 30 June 2015

### **Annex: Performance information**

### 1. Financial performance

The financial position as at the end of March 2015 is summarised below:

	Original Budget (Year to date)	Revised Budget (Year to date)	Actual Spend/ Income to date	Variance against revised budget (Year to date)
	£	£	£	£
REVENUE EXPENDITURE				
Chair, Members & Staff Costs	799,000	799,000	803,051	(4,051)
Accommodation costs	113,900	113,900	139,865	(25,965)
Supplies & Services	122,100	122,100	92,260	29,840
Depreciation	21,400	21,400	27,530	(6,130)
Total Revenue Expenditure	1,056,400	1,056,400	1,062,706	(6,306)
Total Capital & Revenue Expenditure	1,056,400	1,056,400	1,062,706	(6,306)
INCOME				
Greater London Authority Funding	1,056,000	1,056,000	1,056,000	0
Passenger Focus	400	400	4,707	4,307
Bank Interest Receivable	0	0	70	70
Other income	0	0	5	5
Total Income	1,056,400	1,056,400	1,060,782	4,382
Revenue surplus transfer to general reserve			(1,924)	(1,924)

Note: Commentary relating to London TravelWatch's financial performance is set out in section 6 of the preceding report.

### 2. Corporate health

The following relates to London TravelWatch's performance against the GLA's own corporate health performance indicators.

PI	Indicator	Performance	Performance	Performance	GLA	Variance
no.		2012/13	2013/14	2014/15	Target	
1	The number of working days /shifts lost to sickness absence per staff member	3.6	7.1	4.7	6	1.3
2	% of employees that are women	50%	45%	45%	52%	-7
3	% of employees from ethnic minority backgrounds	30%	25%	25%	29%	-4
4	% of employees declaring that they meet the Disability Discrimination Act 1995 definition and /or have declared themselves disabled.	5%	10%	10%	13%	-3

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Subject: Transport Committee Work Programme		
Report to: Transport Committee		
Report of: Executive Director of Secretariat	Date: 8 July 2015	
This report will be considered in public	,	

### 1. Summary

1.1 This report provides details of planned or ongoing scrutiny work by the Transport Committee and the schedule of Committee meetings for the 2015/16 Assembly year.

### 2. Recommendations

2.1 That the Committee notes its work programme for 2015/16.

### 3. Background

3.1 The Committee receives a report monitoring the progress of its work programme at each meeting.

### 4. Issues for Consideration

- 4.1 Members have agreed a number of priorities for the Committee's work programme in 2015/16. The following is a list of topics that the Committee will aim to explore, including new topics and follow-up to previous work.
  - Rail services;
  - Commercial traffic;
  - Weekend and night-time travel;
  - Motorcycle safety;
  - Accessibility;
  - Coaches;
  - Cycling;
  - Crossrail;
  - Red routes; and
  - Taxi and private hire services.

City Hall, The Queen's Walk, London SE1 2AA

4.2 The exact scope and timings for work on any of these other possible topics will be determined in due course and more detailed work programme reports submitted to future meetings. The Committee seeks to maintain flexibility in its work programme to take account of any relevant developments when scheduling its work and has a rolling work programme so work on any topics may continue beyond each Assembly year.

### **Rail services**

4.3 The Committee has launched an investigation into National Rail services, focusing on the case for devolution to London. Representatives from Transport for London and the Mayor's Office have been invited to attend this meeting. Further detail is included under another item on this agenda.

### Taxi and private hire

4.4 The Committee's report into taxi and private hire services was published in December 2014. Follow-up work on this topic is being undertaken. Representatives from Transport for London have been invited to attend this meeting. Further detail is included under another item on this agenda.

### **Commercial traffic**

4.5 On 9 June 2015, the Committee delegated authority to the Chair in consultation with party Group Lead Members to determine the scope and terms of reference of an investigation into commercial traffic in London. It is likely this investigation will examine recent trends in commercial traffic volume on London streets and consider steps Transport for London (TfL) can take to manage these. Members are currently considering a proposal for the scope and terms of reference drawn up by Committee officers. It is anticipated that the Committee will invite experts and stakeholders to its next meeting on 9 September to discuss this topic, and also on 15 October.

### Motorcycle safety

4.6 The Committee has made motorcycle safety one of its priority topics for 2015/16. It is anticipated that the Committee's meeting on 10 November will be used to discuss this topic. Further details on the work will be provided at a subsequent meeting.

### Responses to recent Transport Committee work

4.7 The table below provides details of any responses due from the Mayor, TfL and/or others to Committee work.

Transport Committee work	Details of responses due (if appropriate)
No outstanding responses.	

### 2015/16 schedule of meetings

- 4.8 The schedule of all 2015/16 Transport Committee meetings is set out below with details of the main topics identified to date. Subject to a decision by the Assembly at its Plenary meeting on 1 July 2015, the date of the September meeting is likely to move from Tuesday 8 September to Wednesday 9 September 2015.
  - Wednesday 8 July 2015 National Rail & Taxi and private hire services;
  - Wednesday 9 September 2015\* Commercial traffic;
  - Thursday 15 October 2015 Commercial traffic;
  - Tuesday 10 November 2015 Motorcycle safety;
  - Thursday 10 December 2015;
  - Wednesday 13 January 2016;
    - \*date subject to confirmation

- Tuesday 9 February 2016; and
- Wednesday 9 March 2016.

### 5. Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

### 6. Financial Implications

6.1 There are no financial implications arising from this report.

### List of appendices to this report:

None

Local Government (Access to Information) Act 1985

List of Background Papers: None

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