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Philip Willcox
Office of Rail Regulation
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19 October 2012

Dear Philip,

ORR's Approach to Transparency – a consultation

Thank you for the opportunity to respond to your consultation on the ORR's Approach to Transparency. This letter constitutes the Go-Ahead Group's response and also represents the views of London Midland, Southeastern and Southern Train Operating Companies. During the consultation period we also met with Chris Fieldsend and Nigel Fisher from the ORR where we discussed the issues identified in the consultation document and how best to take forward the issues by both train operators and the ORR.

I confirm no part of this response is confidential and can be published on your web site.

We recognise the importance of transparency and the increased availability of information. This is consistent with trends across society and is of particular relevance for the rail industry with its importance in providing a critical service to our customers and as a receipitant of taxpayer funds. However, we believe there are some key principles that should be applied when considering increased industry transparency, in particular in relation to passenger train franchises.

- In considering information to make available, the primary test is its value to rail passengers. Transparency for passenger rail operators should be about providing information to passengers that meets their needs and requirements. This will drive outcomes including improved passenger satisfaction and increased revenues;

- Train operators should be responsible for providing information to passengers, wherever practicable, information should be provided at operator level as this is where passengers look to information that is relevant to their particular journey.

- There should be an underlying aim and principle there where information is of relevance to passengers we should seek to make it available, subject to an assessment of cost effectiveness. Increased transparency should improve the industry financial position, care needs to be taken not to drive increased cost without commensurate benefit.

We address the specific questions raised in the consultation below.

Q1   National Rail Trends Portal
        We would like to hear consultees' views on the content and functionality of the NRT Portal. For example:
        • Is our strategy of publishing official statistics and other key performance metrics, while encouraging the industry to publish everything else, the right approach?

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> • *Is the NRT Portal an appropriate dissemination method for rail statistics?*
> • *Does the current content and functionality meet users' needs, and if not, how can it be improved?*
> • *What role should other industry bodies and third parties (for example application developers, passenger bodies and rail companies) play in the dissemination of rail statistics?*
> • *Are the reasons set out in chapter 2 for us having a continuing role in the publication of data and information the right ones?*

It is sensible to have a single data portal for official statistics and industry wide data and given the ORR role in publishing this information and the existing establishment of the NRT portal, it would appear appropriate to continue to use this as the appropriate dissemination method.

However, a clear distinction needs to be drawn between official statistics and industry wide data (for which NRT portal is appropriate) and TOC specific data which should be owned and published by the respective operators. As we highlighted above, we believe there is clear value in increasing the information available to our customers, this will help to drive improved customer satisfaction and ultimately increased revenue, thereby reducing the level of taxpayer support to the industry. Train operators are the appropriate organisation to lead on this activity and improve on the existing levels of information, it would be inappropriate for a medium such as the NRT portal to undertake this role.

Therefore the ORR current policy of publishing official statistics and key performance metrics and the industry publishing other data is the correct approach.

It should be for individual businesses to determine what further data should be published, this should be determined on the basis of passenger need.

Further consideration needs to be given, and a distinction made, between data that is used to drive third party applications and data that is published to inform passengers directly. Where the former is made available, it should be through a controlled open source data feed while the later should be published directly in a user friendly form by the relevant operator. Through our membership of ATOC we have participated and supported the increased and improved availability of real time train information which is now available to customers through rail industry applications and third party applications. Where information is genuinely of a national network nature, e.g. real time running information or fares database, ATOC has an important role in representing all operators to simplify, streamline and ensure consistency of the process.

Q2   ORR's own processes
We are interested to hear views on what other areas of our work consultees believe should be published and why.

We expect the ORR to be open and transparent in its work, including its decision making criteria and the application of its criteria, while respecting the commercially confidential information it is party to.

Q3   Safety
We would be interested to hear consultees' views on our proposals around the publication of the results from our safety inspections and reports on the comparative performance of duty holders from our audit and inspection activities.

We believe caution is required in this area, especially in relation to comparative performance, as would imply that operators in lower league tables are "less safe" even if they meet all relevant safety

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requirements. We are therefore of the view that comparative safety data should not be published, any publication should concentrate solely on compliance. The industry already publishes an annual safety Performance Report, which presents figures which are balanced, robust and in a form that is meaningful.

The publication of inspections and reports has the potential to present a misleading picture as they relate to findings at a specific time period, and may not reflect where actions and changes have already been successfully implemented and completed. Due to potential difficulty in revising such reports caution must be applied to their publication. Where serious safety concerns are identified there is an existing well established enforcement process which is transparent and visible, this we believe is sufficient and we are unclear as to the extra value further publication will achieve.

Q4   We would also be interested to hear views on the benefits and otherwise of duty holders reporting on best practice by the publication of specific KPIs.
Please see our answer to question 3.

Q5   Network Rail initiatives
We would be interested to hear consultees' views as to the potential use that could be made of Network Rail historic performance data. In particular the extent to which this data provides a means by which the market, via third party developers, could meet consumer demand for real time train information products and services and/or information about performance at even more disaggregation than the current route sector publication. (page 29)
The main value of providing historic performance information is to provide a benchmark against which current performance can be measured. The key focus should be on meeting demand for real time data and determining the correct level of available dissemination for performance data moving forward. Recalibrating historic data needs to demonstrate vfm and not import additional industry costs.

Q6   In what areas of its business could Network Rail, in your view, become more open, and what information or data would you like to see made available as a result?
This is an issue for Network Rail. We would expect, as for all areas, information or data published should be relevant and have a value to passengers, industry parties and funders, rather than publish for publishing sake.

Q7   The sector – our and industry initiatives
We are interested in hearing views on the scope of our and industry activities; whether the sector is moving in the right direction; whether the pace is right; and whether there are other areas that consultees believe would benefit from greater transparency and why.
We recognise the benefits of increased transparency and information can bring to passengers, especially when integrated into apps or tailored published information. Further increased transparency must meet the objective of meeting passenger demand for improved information and consequential improved passenger satisfaction. Increased transparency must not unnecessarily increase industry costs through frivolous and inconsequential publication.

Q8   The legal framework
We are interested in consultees' views on the use of our statutory powers and how they

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believe they could be applied in the context of transparency.

We believe that cooperative working will be the most productive and achieve greatest benefit. Where the ORR, in their opinion, identify deficiencies in information provision we would expect engagement with operators to establish a framework of expectations. We believe the use of statutory powers should be unnecessary and could even introduce perverse incentives. It is worth highlighting that passenger franchise operators are subject to regular competitive market pressures which will drive improved transparency of information to passengers through the retendering of franchises and meeting passenger satisfaction and revenue targets.

Q9   Accessibility and data integrity
Presentation of the data or information is key and we would like to hear views as to the likely risks and pitfalls and how best to address them.

It is important to look at each data set individually to understand data quality and presentation issues rather than make general assertions. However it is important to get data and accuracy right, this includes ensuring that data updates and refreshes are included.

Q10   Appraising the costs and benefits
We would be interested to hear of any other initiatives in the sector or elsewhere where transparency has resulted in positive change.

We recognise the benefits that improved transparency can have, in particular in improving passenger satisfaction and meeting demand for information about our products. We keep this area under close review and respond to emerging trends and technological changes which facilitate enhancements. The London Midland Twitter service has been particularly successful in meeting passenger needs and improving passenger advocacy for our services.

Q11   We are also interested in hearing about the risks and any unintended consequences.

Our experience indicates that care needs to be exercised in ensuring information provided is accurate and the data is put into context when published. By way of illustration, immediate publication of performance data, which we trialled in Southeastern, was subject to criticism by some users as the initial published numbers were subsequently updated by data refreshes.

Q12   Consultees views are sought on how we should go about evaluating the risks and benefits of more transparency and what factors we should take into account, including how we should measure whether our objectives for transparency are being achieved.

A clear criteria for transparency and its objectives needs to be established so that what is relevant is published, not what is easy to publish. We are adopting this approach in reviewing and refining the information that we make available to our passengers, recognising the benefits that this approach can bring. We would expect all statutory authorities to have a similar approach, to ensure transparency is focused on its benefits, and does not create an unnecessary bureaucracy and import further costs.

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Please do not hesitate to contact me if you want to discuss any of the issues raised in the consultation in further detail.

Yours sincerely

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