

Annual Report and Accounts

2007-08



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Dear Secretary of State

I have pleasure in enclosing the Annual Report and Accounts for 2007-08 from the Rail Passengers Council (operating as Passenger Focus), as required under Schedule 5 of the Railways Act 2005.

Yours sincerely

Colin Foxall CBE
Chairman

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Who we are and what we do

Passenger Focus¹ is the independent national rail consumer watchdog. It is an executive non-departmental public body sponsored by the Department for Transport.

We have two main aims; to influence both long and short-term decisions and issues that affect passengers, and to help passengers through advice, advocacy and empowerment.

With a strong emphasis on evidence-based campaigning and research, we ensure that we know what is happening on the ground. We use our knowledge to influence decisions on behalf of rail passengers and work with the rail industry, other passenger groups and governments to secure journey improvements.

Our vision is to ensure that the rail industry and governments are always



‘putting rail passengers first’

This will be achieved through our mission of

‘getting the best deal for rail passengers’

¹ Passenger Focus is the operating name of the Rail Passengers Council. The Railways Act 2005 provided for the abolition of the regional Rail Passengers Committees and former national Rail Passengers Council and the new RPC came into being on 24 July 2005.

Our work

Our work is based on the following five objectives, which underpin our vision and mission:

- 1** understanding the needs and experiences of rail passengers
- 2** securing tangible and measurable improvements for rail passengers
- 3** empowering rail passengers with information, advice and advocacy
- 4** influencing major long-term decisions that affect rail passengers
- 5** being visible, accessible and understood by rail passengers and stakeholders.

Our corporate plan outlines what we are setting out to do until 2009 and can be obtained from our website at www.passengerfocus.org.uk or requested using the details on the back of this document.

Our values

In order to be influential and get the best deal for rail passengers, we must work in certain ways. We need to ensure that we are recognised as being forward-thinking, proactive, enabling and prominent, so that we achieve results for rail passengers.

This will be demonstrated through our four core values, which are:

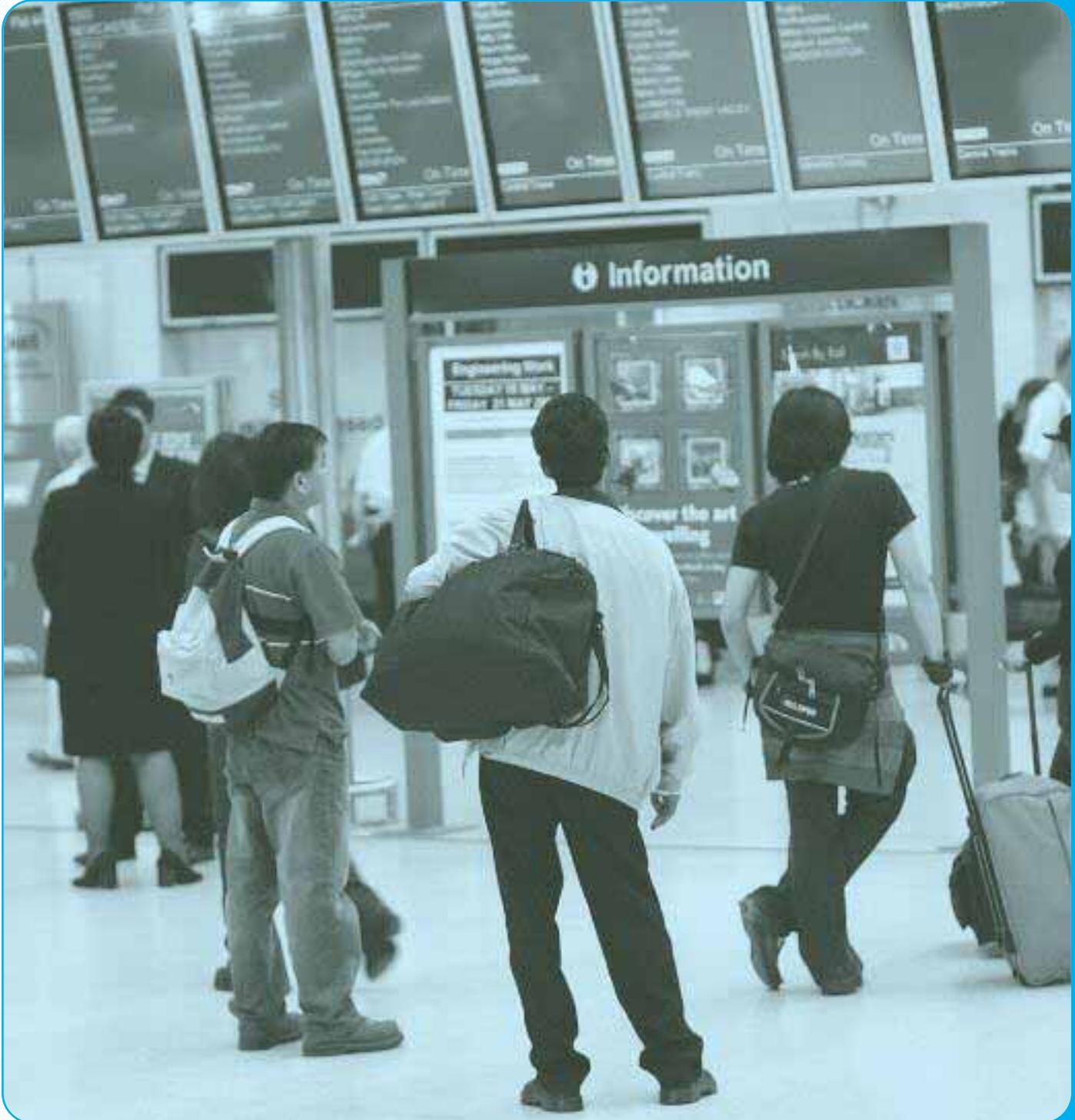
- independence – we will be impartial, objective and fair when undertaking all of our activities
- openness – we will be accessible, available, transparent and approachable to rail passengers and other stakeholders
- trust – in order to be influential, we will demonstrate that we are respected, informed and credible. This will be achieved through using evidence and research to inform policy
- engagement – in order to campaign and lobby for changes, we will demonstrate that we are listening, understanding and responding to rail passengers and other stakeholders. We will achieve this through the various research and consultation projects that we undertake.

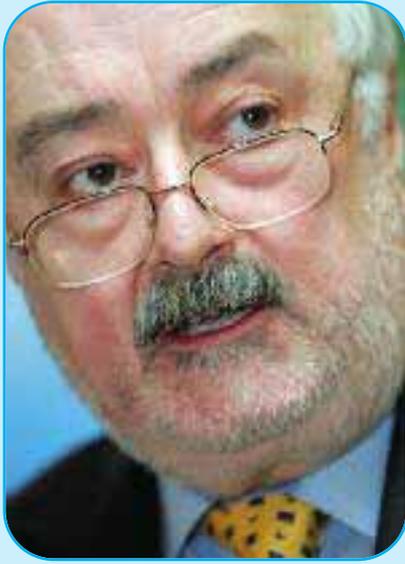


Contents

1	Chairman's introduction	6
2	Review of activities 2007-08	
2.1	Understanding the needs and experiences of rail passengers	8
2.2	Securing tangible, measurable improvements for rail passengers	14
2.3	Empowering passengers with information, advice and advocacy	16
2.4	Influencing the major long-term decisions that affect passengers	20
2.5	Being visible, accessible and understood by passengers and stakeholders	28
3	Annual accounts	
3.1	Chief executive's report	30
3.2	Management commentary	32
3.3	Remuneration report for the year ended 31 March 2008	36
3.4	Statement of accounting officer's responsibilities	39
3.5	Accounting officer's statement on internal control	40
3.6	Certificate of the comptroller and auditor general to the Houses of Parliament	42
3.7	Income and expenditure account	44
3.8	Balance sheet	45
3.9	Cashflow statement	46
3.10	Notes to the financial statements	47
4	Appendices	
4.1	Appendix one – biographies of Passenger Focus board members	56
4.2	Appendix two – staff	57
4.3	Appendix three – list of all publications 2007-08	58
4.4	Appendix four – list of consultations responded to 2007-08	60

Chairman's introduction





This year has seen some significant milestones for rail travel. More passengers than ever before are using the network, there is generally more stable performance from the train operators and satisfaction levels registered by passengers overall remain in the 80% range – good if still below what many would consider to be ultimately desirable. However, there often seems to be less public confidence in the railway than the results of our surveys would suggest there should be.

Part of this is to do with variability in performance between franchises.

Part can be put down to events like the engineering work overruns of Christmas and Easter. And crowding – some of it generated by the railway's success in attracting more passengers – also plays its part in sapping public confidence. Passenger perceptions of value for money remain low relative to performance – and this is hardly surprising when fare increases around double digit numbers are announced, as they were earlier this year. There has been substantial investment in the industry – perhaps not enough for some, especially those who want to see a bigger switch to rail from road and air, but we have a growing and better performing railway. The industry and government now need to find a way of meeting the expectations of passengers beyond simple punctuality, and of growing confidence among the travelling public that the railway can be reliable, accessible and value for money.

How can this be achieved? Investment must continue and punctuality and reliability must remain a priority. Unreliability where it exists has to be eliminated and we must have fares which passengers consider fair.

Passenger Focus has opportunities to press these issues in the coming year. It will surprise many to know that until this year there was no formal passenger input into the specification of new franchises before it went out for consultation. Identifying passenger priorities is a key area of our work and specifically government commissioned passenger research helped develop the Department for Transport's and Transport Scotland's five-year spending plans and helped to make those plans reflect passenger priorities. In Wales Passenger Focus has also been working closely with Arriva Trains and we are pleased to report an increase of 5% in passenger satisfaction via the National Passenger Survey. So far as new franchise specifications are concerned our work was given an enormous boost when the secretary of state asked Passenger Focus to take a more

central role in identifying passenger priorities at the earliest stage of all future franchise specifications starting with the South Central franchise. While we cannot pretend all our researched findings will find an expression in the final specification the passenger voice is now at last being properly heard in some of the most crucial debates affecting franchise replacement.

On the fares system Passenger Focus research was crucial to highlighting the issue of trust at the core of the issue of potential saver de-regulation. We have now been asked by the secretary of state to advise on what passengers want from fares and to report back during this year. A new and common range of fare names has been introduced by the train operating companies to make fare buying easier – an exercise which we supported and also researched prior to their introduction.

This may well be the last time we present an annual report only concerned with rail travel. This year we have been asked by government to become passenger champion for bus users. Taking on bus and coach passenger representation in England outside London present an enormous opportunity and challenge. The Government's continued emphasis on the 'whole journey' will now be easier to research from a passenger perspective.

This year has been a very busy one for our board and staff and I would like to record my thanks for their hard work and for their commitment to getting a better deal for Britain's rail passengers.

Our work for passengers is driven by research. Passenger Focus speaks to the equivalent of over 1,700 passengers a week. We believe passenger views properly presented and clearly argued make a difference to policy makers and service providers. Research drives change – passenger views drive Passenger Focus.

Colin Foxall CBE
Chairman

Review of activities



Passenger Focus manager Sue Tibbett presents Vernon Barker, managing director of TransPennine Express with a copy of the research conducted by Passenger Focus into the new TransPennine Class 185 trains

2.1 Understanding the needs and experiences of rail passengers

Corporate plan objective one

Understanding the needs and experiences of rail passengers

What we said we would do during 2007-08:

- Survey at least 50,000 passengers views through the National Passenger Survey
- Carry out at least ten other research projects aimed at understanding passenger needs in particular areas
- Speak to at least 30,000 other passengers through research, consultation, public meetings, and correspondence.

What we did:

- Carried out and published the spring and autumn 2007 waves of the National Passenger Survey involving 54,000 passengers in the process

- Carried out and published 17 research projects (see pages 58-59 for full list)
- Spoke to 33,000 other passengers.

What we are going to do in 2008-09:

- We will continue to carry out the National Passenger Survey, the biggest piece of published passenger research in Europe; we will undertake research on passenger priorities in relation to capacity and the requirements of businesses in relation to rail; we will respond to consultations on proposed route utilisation strategies and work with rail user groups to understand the needs of regional and special interest groups.

As an evidenced based organisation we commission passenger research in line with our business plan to ensure that we reflect the views of rail passengers. All the research we produce is carried out by independent research companies. We use a mixture of qualitative and quantitative methodology to ensure our survey work produces the best possible answers to the research questions posed. The research that we carry out is used to inform our policies and shared with the rail industry and government with a view to working out how the industry can respond to problem areas. Our research publications can be viewed on our website www.passengerfocus.org.uk

National Passenger Survey

The National Passenger Survey (NPS) is the largest published customer satisfaction survey of rail passengers in Europe, and since Autumn 2005 it has been carried out by Passenger Focus each Spring and Autumn.

At a national level the percentage of passengers satisfied with their journey overall in the Autumn 2007 was unchanged compared to Autumn 2006 with 81% satisfied. This is the

joint highest percentage recorded since the survey started in Autumn 1999. In Spring 2007 the percentage of passengers satisfied was 79%.

Figures for satisfaction with punctuality and reliability continued to be high for Autumn 2007, with 79% of passengers satisfied with these aspects of their journeys, whilst Spring 2007 was slightly lower with 77% of passengers satisfied. Despite these improvements, value for money remains an issue: only 40% of passengers in Spring 2007 were satisfied that their tickets offered value for money and 45% in Autumn 2007.

Passenger Focus has established safeguards to ensure the survey is objective and high quality, including an NPS Governance Group made up of board members, and a stakeholder group representing users of the survey.

How we use NPS

The National Passenger Survey shows the train operators how satisfied their customers are. It gives a detail breakdown of areas of their service that are improving, remain unchanged or are deteriorating. It also allows train operators to benchmark their progress against other operators.

We use the NPS to work with the train operators to explore areas where they are not delivering and look at ways we can improve their service and ultimately their overall satisfaction score. Our passenger link managers work with their train operators explaining the scores and suggesting, advising and negotiating ways they can improve in low scoring areas.

Examples of our success at driving these improvements include

our work with Northern Rail. One of our passenger link managers has been working closely with the operator since they received a mixed set of result on the Autumn 2007 NPS. The latest set of NPS results for Northern Rail show a healthy improvement across many factors, especially station facilities/environment and how staff handled requests from passengers.

Another key example is First ScotRail. Our passenger link manager in Scotland had numerous meetings after the Autumn 2007 results revealed a drop in overall satisfaction. After various action plans were put into place, the Spring 2008 results have revealed overall satisfaction is up 5%. They still have some work to do especially in how well they deal with delays but this is a positive step forward for passengers.

Table 1

Percentage of passengers rating aspect of service as satisfied or good

	Spring 2007	Autumn 2007
Sample size	25,334	27,983
Overall satisfaction	79%	81%
STATION FACILITIES		
Ticket buying facilities	67%	70%
Provision of information about train times/ platforms	76%	77%
The upkeep/ repair of the station buildings/ platforms	60%	64%
Cleanliness	67%	69%
The facilities and services	50%	51%
The attitudes and helpfulness of the staff	68%	69%
Connections with other forms of public transport	73%	72%
Facilities for car parking	46%	46%
Overall environment	60%	65%
Your personal security whilst using	57%	62%
The availability of staff	56%	57%
How request to station staff was handled	82%	82%
TRAIN FACILITIES		
The frequency of the trains on that route	75%	75%
Punctuality/ reliability (i.e. the train arriving/ departing on time)	77%	79%
The length of time the journey was scheduled to take (speed)	81%	83%
Connections with other train services	68%	72%
The value for money for the price of your ticket	40%	45%
Up keep and repair of the train	71%	71%
The provision of information during the journey	64%	65%
The helpfulness and attitude of staff on train	62%	58%
The space for luggage	47%	48%
The toilet facilities	36%	37%
Sufficient room for all the passengers to sit/stand	59%	63%
The comfort of the seating area	67%	67%
The ease of being able to get on and off	75%	77%
Your personal security whilst on board	69%	70%
The cleanliness of the inside	71%	70%
The cleanliness of the outside	64%	68%
The availability of staff	38%	38%
How well train company dealt with delays	32%	35%

Source Spring 2007 and Autumn 2007 NPS



The Autumn 2007
National Passenger
Survey

Table 2

(% passengers 'very' or 'fairly' satisfied)

Overall satisfaction

	2003		2004		2005		2006		2007	
	Spring	Autumn								
Commuters	63	64	65	66	68	72	72	74	69	74
Business travellers	76	73	75	81	79	82	82	85	82	81
Leisure travellers	84	82	82	85	85	88	88	87	88	87
Overall	74	73	73	76	77	80	80	81	79	81

Table 3

(% passengers 'very' or 'fairly' satisfied)

Satisfaction with value for money for the price of your ticket

	2003		2004		2005		2006		2007	
	Spring	Autumn								
Commuters	28	28	28	29	27	30	27	29	24	33
Business travellers	45	43	43	46	43	48	41	45	39	46
Leisure travellers	59	59	59	60	58	61	58	60	59	60
Overall	43	43	42	44	41	45	41	43	40	45

Table 4

(% passengers 'very' or 'fairly' satisfied)

Overall opinion of journey; value for money of ticket; upkeep and repair of the train

	2003		2004		2005		2006		2007	
	Spring	Autumn								
Overall opinion of journey	74	73	73	76	77	80	80	81	79	81
The value for money for the price of your ticket	43	43	42	44	41	45	41	43	40	45
Up keep and repair of the train	52	53	53	59	64	71	70	71	71	71

Passengers' priorities for improvements in rail services

As the Government developed its long term strategy for the railways Passenger Focus was asked to advise on passenger priorities for improvement. Extensive research was commissioned and published which formed one of the main building blocks for the Governments plans as expressed in the July 2007 High Level Output Statement and White Paper Delivering a Sustainable Railway.

The independent research agency were asked to carry out a survey amongst passengers to identify which attributes of rail services passengers would most like to see improved. All the attributes rated by passengers in the research are important to passengers and cause dissatisfaction if not delivered to a satisfactory standard. The purpose of this research was to identify where resources should be applied to most effectively improve the experience for passengers.

Passengers' reasonable expectations were exceeded for half of the service areas tested and fell short of reasonable expectations for the other half. The service areas most exceeding expectations were the attitude and helpfulness of staff, both on train and at the station. Attributes lagging the most in expectations were value for money for the price of the ticket, toilet facilities on the train and car parking facilities at stations.

Improving value for money was ranked as the highest priority for improvement. This was followed by improvements in the number of train services, followed by punctuality and then seat availability.

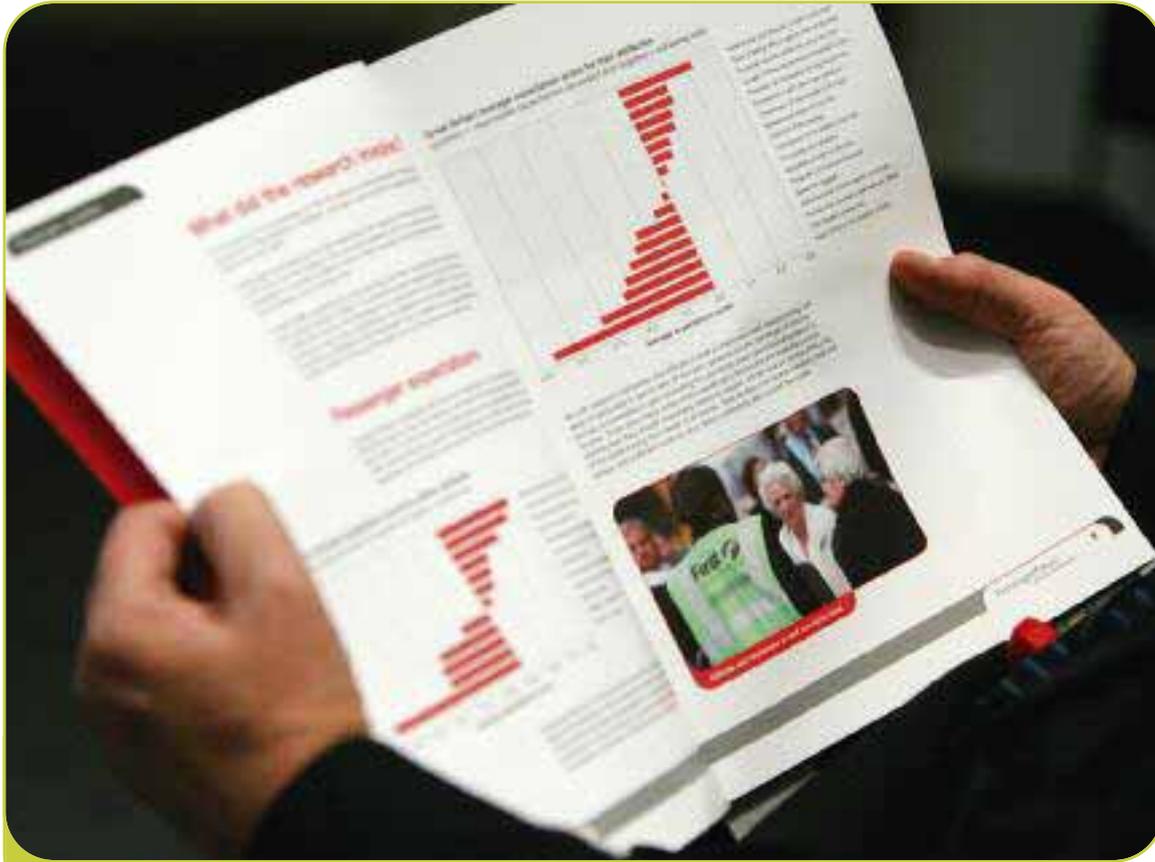
Different types of passengers have different demographic and journey profiles, and therefore have different expectations of the rail service and priorities for improvements:

- Commuters are generally younger (half are under 35) and make shorter journeys. They feel that the service is falling short of expectations on almost all attributes and give a much higher priority to improvements in journey time savings than other types of passengers.
- Business travellers are generally in a higher socio-economic group and make longer journeys. A similar number of their expectations are being exceeded as are falling short of expectations. They attach more importance to 'sufficient train services' than improving value for money.
- Leisure travellers are less likely to work full-time and tend to be in a lower socio-economic group. They feel that the service is exceeding expectations on almost all attributes and attach high priority to improvements in seating comfort and higher priority than other passengers to luggage provision.

The results by region varied considerably, with passengers in some regions, particularly the South West, Eastern and East Midlands, feeling that standards of service for most service areas fell short of expectations. Comparing different regions, the following aspects of service were most likely to show regional variation:

- requests for information at stations
- connections with other forms of transport
- facilities for car parking
- punctuality and reliability
- train staff availability
- value for money for the price of the ticket.

Gap analysis was undertaken to find out passengers' expectations and experiences for different service factors whilst taking into consideration the level of importance attributed to them. For example passengers taking public transport to the train station are unlikely to prioritise improvements to car parking, whilst those who use car parks may value improvements relatively strongly. Three of the 'top four' priorities for improvement concern aspects of the current rail service that fall particularly short of the standards that passengers (on average) expect: ticket price, sufficient trains and improved seating availability. Punctuality improvements are the third highest priority, but the gap between customers' current experience of punctuality and their expectations is smaller.



The Passengers' priorities research report

Southern Railway mystery shopping study

To complement our suite of national, regional and route based research we commissioned an independent market research agency, in spring 2007, to undertake a mystery shopping exercise across the Southern Railway network. The NPS, our priorities research and route based research does not allow us to find out detailed reasons or explanations as to why passengers give the ratings they do requiring the need to do more exploratory research via mystery shops. The mystery shopping project we undertook aimed to explore passenger satisfaction in more detail and to identify areas of improvement for Southern's passengers (Southern was a partner in this research).

Our mystery shops found that Southern are generally performing well in the following areas: Punctuality is generally strong; queuing times for purchasing a ticket were generally short; staff were very polite and willing to help; passenger information at the station and on the trains was generally of a high standard; and eight in ten of Southern's stations were rated as looking like new or being in good condition.

Areas identified as requiring improvements, included:

- increasing the car parking and bicycle storage capacity
- increasing the number of ticket machines and ticket buying facilities at smaller stations
- reducing the queuing times during off peak periods
- improving capacity to reduce overcrowding during the evening peak
- improving the cleanliness of train windows and toilets
- improving the level and accuracy of information ticket office staff provide
- provisioning station toilets adequately with soap and toilet paper
- cleaning the build up of chewing gum found at stations.

2.2 Securing tangible, measurable improvements for rail passengers

Corporate plan objective two

Securing tangible, measurable improvements for rail passengers

What we said we would do during 2007-08:

- Secure at least 105 measureable improvements for passengers.

What we did:

- Secured 116 wins (see examples below and www.passengerfocus.org.uk for a full list).

What we are going to do in 2008-09:

- We expect most of our activities to contribute towards achieving tangible improvements for passengers, however, a key part of the role our passenger link managers perform is to facilitate improvements for passengers through working directly with them and train operating companies to secure solutions and improvements on a day to day basis. These managers will prepare plans for each of the train operating companies and will also work on achieving specific improvements during the year. We will aim to improve on our 2007-08 result in 2008-09.



Passengers pass through the barriers at Cardiff Central station

Throughout 2007-08 we have been working hard to securing real and tangible benefits for passengers. Much of our work involves research and consultation, consistently putting the passenger voice at the forefront of the agenda and pressurising the industry to improve particular situations. We have had numerous successes and have highlighted a few in this section.

Fares and ticketing

Arriva Trains Wales (ATW) withdrew its Supersaver fare, resulting in several large increases in the cheapest 'turn-up and go' fare, some up to 34%. After Passenger Focus representation and media work, ATW agreed to review its Saver fares, resulting in several hundred Saver fares being reduced (some up to 38%) and a maximum fare being introduced of £65 return.

The ticket machine at Bath station was not displaying the Saver ticket as an option for the 09.01 train to Taunton. Through investigation we established that the train had been re-timed to 08.59, making the ticket no longer valid due to time restrictions on that fare. Having brought this to the attention of the train company a software change was made and the cheaper 'saver' ticket is now shown as available. Previously passengers would have been offered the more expensive 'Business saver' or standard open return.

Information

To avoid delay to services, 'Southern' removed train information from display boards 60 seconds prior to departure, however at Brighton station this had been extended to 90 seconds meaning that passengers who might easily board a service were without the information needed to locate it. This was raised with the station manager who has ensured that the standard 60 second removal of information has been reinstated.

Passenger feedback and evidence from our research on Pennine Class 185 trains showed passengers had difficulties finding seat reservations as the three car trains had no coach labels. Following continued representations by Passenger Focus, TransPennine Express agreed to take action. By 25 May 2007 the majority of trains had labels in the coach windows, with positive feedback received from passenger champions.

Passenger rights

At the start of the new National Express East Coast franchise, Passenger Focus worked closely with the train company to bring about a range of improvements to the proposed Passengers' Charter, including alternative arrangements for passengers who experience significant service disruption, plus improved access to compensation forms for passenger delays over 30 minutes. The train company's Passengers' Charter is now regarded as an example of best practice within the industry.

Service disruption

During a week of disruption between Brandon and Ely, Central Trains and 'one' arranged for rail replacement buses to run between Brandon and Ely and Brandon and Cambridge. Passenger Focus discovered that Central Trains intended to terminate its 04.56 Nottingham to Norwich service at Peterborough all week, resulting in the first arrival in Norwich from Nottingham or Peterborough at 10.05 instead of the normal 08.10. After approaching Central Trains the train company added two additional bus services enabling passengers from Nottingham and Peterborough to reach Norwich at 08.28. Because Passenger Focus approached Central Trains passengers can now arrive in Norwich for the start of the working day.

Stations

Following some poor results for Northern Rail in the Spring 2007 National Passenger Survey (NPS), Passenger Focus worked closely with Northern to identify ways to improve the appearance and facilities at Harrogate, Rochdale and Blackpool North to

monitor the effect it would have on future NPS results and general passenger satisfaction. Passenger research before and after the station improvements demonstrated a dramatic improvement in passenger satisfaction, providing the business case for Northern to invest in station development at a further three stations in 2008.



Passengers at Edinburgh Waverley station

Train services

The draft Route Utilisation Strategy for Scotland proposed an option to split Edinburgh Crossrail services at Edinburgh Waverley with an interchange required. Following research with 627 passengers on this route, Passenger Focus supported the retention of Edinburgh Crossrail services and an additional option to improve the infrastructure at Portobello Junction to improve performance. The final Route Utilisation Strategy shows the retention of Edinburgh Crossrail services and supports the option of improving infrastructure at Portobello Junction.

A timetable change on the Cross Country franchise in December 2007 meant the 06.01 Birmingham to Manchester service no longer called at Stoke or Congleton but was routed via Crewe. This meant commuters could not get to Manchester before 08.00 as there was no alternative service. Passenger Focus raised concerns with Arriva CrossCountry and the Department for Transport and on 11 October 2007 Arriva Cross County reinstated the train via Stoke and Congleton with an Arriva Trains Wales service to serve Crewe.

2.3 Empowering passengers with information, advice and advocacy

Corporate plan objective three

Empowering passengers with information, advice and advocacy

What we said we would do during 2007-08:

- At least 65% of passengers who contacted us were satisfied with the way we dealt with their complaint.

What we did:

- 64% of passengers were satisfied.

What we are going to do in 2008-09

- We will continue to provide a complaints mediation

service and to work with train operating companies to improve complaints procedures and passenger charters; we will work with passenger groups to assist them in their roles and produce consumer advice as necessary to assist passengers in getting the best deal. To continue to improve this service we will consider the Customer Service charter mark accreditation. In the meantime we will aim to improve on our 2007-08 performance during 2008-09.

A total of
20,999
passengers
contacted us
in 2007/08

Passenger Focus offers passengers free and impartial information, advice and support to help them get the best deal on train travel. Our Passenger Advice Team negotiates with rail companies when a passenger is unhappy with the way a rail company has responded to their complaint.

We analyse the types of problem we are contacted about to improve our understanding of passengers' overall concerns.

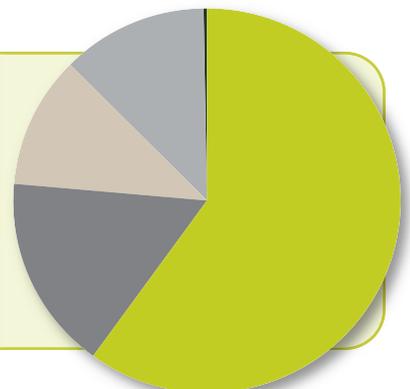
A total of 20,999 passengers contacted Passenger Focus in 2007-08 – a decrease of 24% compared with last year.

Passenger contacts to Passenger Focus

Most passenger contacts are enquiries, including asking about how best to complain, passengers' rights, and the work of Passenger Focus. This year, 23% of contacts from passengers were complaints.

Contacts to Passenger Focus

Total Phone	12,629
Total Email	3,440
Total Web	2,318
Total Letter	2,608
Total Fax	4





We attempt to help every passenger who contacts us

Complaints to Passenger Focus

We attempt to help every passenger who contacts us, but our policy is to become involved in the complaints process only if the rail service provider has first had the opportunity to resolve the matter. If people contact us about a complaint without having done this, we can offer advice about how best to pursue the complaint and will pass the complaint directly to the most appropriate rail service provider so that they can attempt to resolve it. We call these contacts initial complaints.

When passengers contact us because they are unhappy with the response they have received from a rail company, we first establish whether we feel the complaint has been handled appropriately. If we feel it has not, we ask them to review the complaint. We call these contacts appeal complaints.

London TravelWatch is Passenger Focus's' sister organisation and takes on the same role in the London area. London TravelWatch statistics are not included in this report.

Passenger Focus received a total of 2493 appeal complaints during 2007-08 – an increase of 6.5% on the previous year.

Complaints to Passenger Focus

	2007-08	2006-07
Total initial complaints	2,256	4,169
Total appeal complaints	2,493	2,340
Total complaints	4,749	6,509

Appeal complaints

by train operator / service provider

Service Provider	2007-08	2006-07
Arriva Trains Wales	86	84
C2C	16	30
Central Trains	87	132
Chiltern Railways	14	22
CrossCountry*	21	-
East Midlands Trains*	76	-
First Capital Connect	92	88
First Great Western	336	388
First ScotRail	117	120
First TransPennine Express	68	67
Great North Eastern Railway	189	221
Hull Trains	16	6
London Midland*	39	-
Merseyrail	25	12
Midland Mainline	73	64
National Express East Anglia (formerly One)	80	83
National Express East Coast*	59	-
Northern Rail	117	132
Silverlink	18	14
South West Trains	181	130
Southeastern	92	128
Southern Trains	94	71
Virgin Cross Country	205	241
Virgin West Coast	177	55
Others	62	102
Info/web/telesales	142	137
Network Rail	11	13
Total	2,493	2,340

*Franchises for Crosscountry, East Midlands Trains, London Midland and National Express East Coast began during the financial year and therefore statistics for the previous year do not exist.

The amount of complaints received in 2007-08 are the lowest since 1994-95

Complaints received since 1994-95

Every complaint we receive is analysed so that we can capture the issues that matter to passengers. These issues are logged as comments. The majority of comments we received were about fares and tickets, and in 54% of these cases, passengers were either unhappy with the cost of their ticket, or were unhappy with the refund conditions/the administration of refunds. A breakdown of the comments we received is shown in the graph below. (The total number is higher than that for the number of actual complaints received, because some complaints cover more than one issue.)

Total complaints received since 1994-95

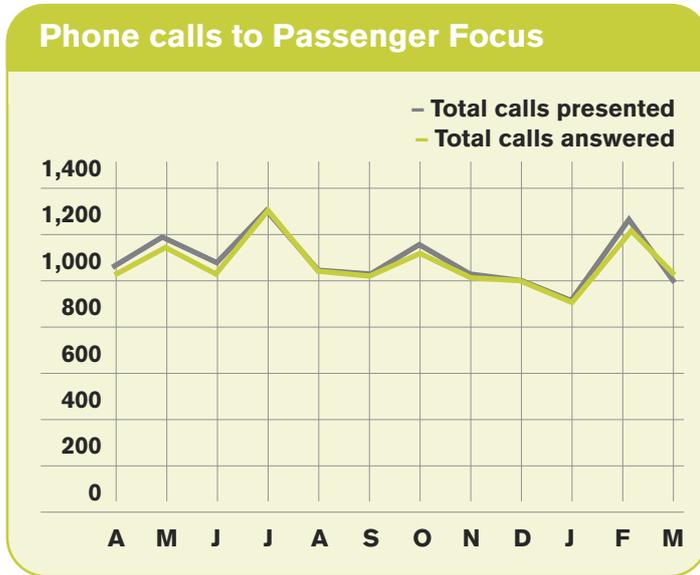


Issues arising from complaints



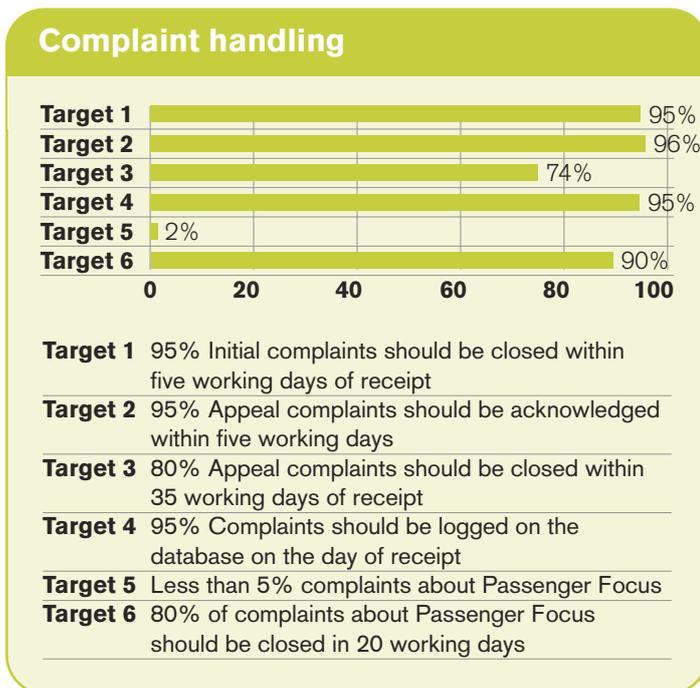
Passenger phone contact handling

Passenger Focus answered 99% of telephone calls received, and calls were answered in an average of 12 seconds. The graph below shows performance for telephone contact handling:



Complaint handling

Passenger Focus has a series of targets to ensure complaints it receives are handled promptly and effectively. The graph below shows how we met our targets in 2007-08.



Passenger satisfaction

Passenger Focus asks passengers how satisfied they were with the way their complaint or contact was handled, so that improvements can be made to the service provided to passengers.

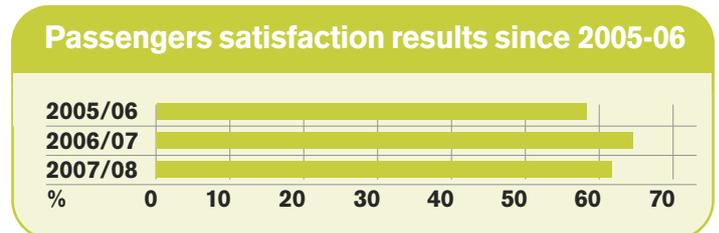
Passenger satisfaction levels are heavily influenced by the outcome of the passenger's complaint. However, much of the time this is outside the direct control of Passenger Focus – while we can negotiate with the rail company that is the subject of the complaint, we cannot force it to resolve a complaint in a certain way unless it has breached its statutory obligations.

We therefore specifically ask passengers to leave aside the outcome of the complaint and consider only how it was actually handled by the passenger advice team.

During the year, we made a number of changes to the way we deliver our services to passengers. This saw some of our previously outsourced functions brought in house, changes to the structure of our passenger advice team and alterations to our internal processes.

This period of change presented new challenges and, although it has enabled us to strengthen our front line passenger services in the long term, it had an inevitable effect on our service delivery during the year.

This year, 64% of passengers were satisfied with the way we handled their complaint.



2.4 Influencing the major long-term decisions that affect passengers

Corporate plan objective four

Influencing the major long-term decisions that affect passengers

What we said we would do

- Achieve an 'improved influence rating' from stakeholders against previous benchmark when survey is carried out in Spring 2008.

What we did

Key messages from the Spring 2008 survey include:

- There is a high level of satisfaction with Passenger Focus' work to date
- There was a good understanding of Passenger Focus's role with stakeholders applauding the evidence-based approach
- Generally, stakeholders perceive Passenger Focus as an independent, trusted and open
- Overall, stakeholders perceived Passenger Focus itself to be delivering value for money, given its size and resources.

What we are going to do in 2008-09

- So that we can continue to contribute to major policy issues and rail strategy in the short, medium and long term; we will concentrate on two major themes; fares and ticketing and improving capacity along with four further smaller themes encompassing research and focussed campaigns, working directly with passengers and train operating companies and other stakeholders.

The themes are as follows;

- 1 fares and ticketing
- 2 improving capacity
- 3 service disruption
- 4 information, advocacy advice and complaints
- 5 accessibility
- 6 stations.



In early 2008, Opinion Leader, an independent research company, carried out 49 interviews with our key stakeholders – train operating companies, railway regulators, rail infrastructure bodies, transport police, consumer organisations, civil servants and Members of Parliament to find out their views about the role and effectiveness of Passenger Focus and to track any changes in perceptions since October 2006, when we carried out the first stakeholder survey. The research found that Passenger Focus has made strides in building a reputation as a credible, useful, fair and evidence-based passenger body. Stakeholders perceive that what Passenger Focus has to say is worth hearing and is a useful resource for them.

The research identified that there is scope to develop stronger strategic relationships at a regional level. Stakeholders also said that Passenger Focus could do more to communicate how it will influence long term policy decisions.

Fares and Ticketing

Fares and Ticketing continues to be a key issue for passengers. Much of the earlier part of the year was taken up with industry proposals to simplify the fare structure and to remove regulation governing the amount by which Saver fares could be increased. Passenger Focus has long maintained that the fare structure needs simplifying. Our research (Passenger Requirements of Rail Fares – July 2006) showed that passengers saw the existing structure as an obstruction rather than an aid to making an informed choice.

The industry proposed bringing the existing broad range of single and return fares into three specific categories – anytime, off-peak and advance, each with common terms and conditions. Our research (Fare Structure? – July 2007) showed that passengers found the new terms relatively intuitive and easy to follow.

The same research also looked at proposals to remove existing regulation on Saver fares as part of a move towards single-leg pricing. This elicited a mixed response from passengers: some were clearly aware of the benefits to consumers at a theoretical level but others were concerned that this would lead to higher fares and threaten the concept of an affordable, walk-up-railway.

We made our concerns known to the Department for Transport (DfT) and the Association of Train Operating Companies (ATOC) and were pleased when the Government's July 2007 White Paper (Delivering a Sustainable Railway) decided to press ahead with simplification but rejected calls for deregulation.

During the year Passenger Focus has continued to highlight concerns over value for money. In May 2007, for instance, we referred South West Train's decision to increase some off-peak fares by 20% to the Office of Rail Regulation (in its role as the

relevant competition authority); and in January 2008 we campaigned against First Great Western's decision to increase fares in the face of particularly poor performance.

With train companies taking revenue protection much more seriously we believe it is crucial that passengers are given every opportunity to purchase a ticket before they get on a train. To this end we began work on monitoring queuing times at a selection of large stations and also published research (Ticketing for the future? – January 2008) on passenger attitudes to alternative types of retailing, e.g. tickets via mobile phones or smart cards.

Getting a seat

Capacity remains a priority issue for rail users and Passenger Focus is taking a multi-faceted approach to seek improvements. We continue to run a research programme to respond to consultations on Network Rail's Route Utilisation Strategies (RUSs), which in the past year has included work for the Greater Anglia, East Coast Main Line, South London, Lancashire & Cumbria, Wales and Yorkshire & Humber RUSs.

Research has also informed our input into the franchising process, where successes have included demonstrating the need for the 30% increase in capacity in the CrossCountry franchise.

Other activities included Passenger Focus organising a series of debates at political party conferences (Labour, Conservative and Liberal Democrats) during the year posing the question "A Seat on the Train – Who Pays?", and addressing capacity issues in responses to major policy consultations such as the Rail White Paper and the High Level Output Statement (HLOS).



Stations

Improving the level and provision of passenger facilities at stations has long been a priority for Passenger Focus and its predecessor organisations. Our report “what passengers want from stations” published in 2005 formed the basis of our lobbying throughout the year with Department for Transport (DfT) and stakeholders, and which was built on NPS surveys, with Passenger Priorities research and inputs to the franchises awarded during 2007. We were pleased that the White Paper specifically referred to a £150 million fund allocated to a national scheme of station improvements at 150 medium category stations and have been closely involved in the local delivery groups, formed with Network Rail and TOCs, to provide a passenger focussed submission to the individual schemes. The next major test is to measure the resulting rise in passenger satisfaction scores that should result from this investment – this builds on our successful involvement with a Northern Rail pilot scheme where they upgraded the passenger environment at three stations and our surveys then proved the value of this investment.

We have also been involved in the development of the Station Travel Plan initiative, part funding with Warwickshire County Council a scheme looking at how travel demand management can encourage the rise in the share of sustainable access modes for passengers arriving at stations.

A third strand of our work has been working with the Cycle-Rail Task Force, in partnership with Cycling England, ATOC, Network Rail and Transport for London, to develop the business case underpinning investment in cycling facilities to encourage access by this mode.

All this builds on the detailed work the network of PLMs undertake with local stakeholders driving investment in stations through other initiatives, such as Access for All, franchise commitments and the work of the Policy team in making submissions to the Network RUS and franchise submissions.

Accessibility

The needs of disabled passengers remain high on our agenda. We are undertaking a research programme to help us understand the experiences of passengers using the Assisted Passenger Reservation Service (APRS). This service offers passengers with a disability the opportunity to book assistance when using rail. The first phase of the research showed in a third of cases services were not delivered as booked. Departure, changes and alighting proved problematic in many cases. Some train companies are already using the data to make in house improvements. Once the research is completed Passenger Focus will be making the information available to train companies and DfT to support industry wide changes. Passenger Focus is looking at whether an industry-wide, standardised ongoing audit of APRS would be appropriate. Objectively defining the issues is the key to identifying and driving improvements.

We contribute to a number of industry work strands. We have

Our National Passenger Survey shows half of long-distance passengers are not satisfied with the way delays are dealt with

continued our membership on the DfT's Industry Steering Group for Small Schemes funding. This scheme provides funding for station improvements, such as adjustable-level ticket counters, automatic doors, compliant seating and access improvements. We also have a seat on the Rail Group of DfT's Disabled Persons Transport Advisory Committee.

Each rail service company must produce a Disabled People's Protection Policy (DPPP) specifying the arrangements to simplify rail travel for passengers with disabilities. Passenger Focus is consulted on draft DPPPs before their approval by DfT. This year we have commented in detail on 18 such policies and made a number of recommendations, many of which have been incorporated.

Passenger Focus's Disability Equality Scheme

The Disability Discrimination Act 2005 requires public authorities to put in place a Disability Equality Scheme. Through this scheme, organisations such as Passenger Focus must, for instance, promote equality of opportunity between disabled and other people and eliminate harassment and unlawful discrimination.

The scheme was endorsed by the Passenger Focus board in December 2007 and will, amongst other areas, ensure non-discriminatory employment and recruitment policies, physical accessibility of offices and meeting venues, alternative formats of publications and wherever possible, will use external benchmarks to validate performance.

All of our staff have undertaken appropriate training. Change is being driven at all levels of the organisation.

Improving handling train operator complaints

Securing improvements to the way the rail industry handles complaints from rail passengers has been a key objective for Passenger Focus.

Working jointly with London TravelWatch, we embarked on a national programme to review how complaints are handled and the quality of responses provided to passengers. The review looked at all the train operating companies in the UK. Through this process we assess a number of closed complaints that the company has handled and make recommendations based on our findings. This enables us to engage with the company and provide them with a comprehensive report

about their service. The reviews considered:

- whether responses to passengers answered all of the issues raised in the complaint
- the extent to which the response demonstrated good customer service, such as whether it was helpful, polite, empathetic and met reasonable passenger expectation
- whether the complaint had been investigated and
- if there was evidence of the train operator using the complaint to improve its service to passengers.



So far we have looked a number of train companies but in particular our recommendations have been well received with Southeastern trains and First Great Western. A number of issues emerged from these reviews including getting the adviser to look beyond the passenger charter and National Conditions of Carriage and try to resolve the case in the first instance.

Providing a personal and informative reply is key and through the process that we undertook we recommended TOC's utilise the information available to them, such as delay service logs, to ensure that a full account is given to the passenger.

Work is ongoing to further develop our review programme, work with operating companies to seek improvements following their individual reviews, and to extend the programme to cover additional service providers in the industry.

Passenger Focus
commented and
suggested improvements
on 18 train
companies Disabled
Person Protection
Policy's in 2007

Safety and security

There was considerable media attention into train safety during 2007-08, specifically into the inquests of the deaths which occurred in 2004 at Ufton Nervet in Berkshire, when a train collided at high speed with a car parked on a level crossing. John Cartledge, our safety consultant, played a full part in questioning witnesses and making detailed submissions to the coroner. The verdict was that those who died on the train were the victims of unlawful killing, because the actions of the car driver were deliberate.

We submitted papers to the Rail Safety & Standards Board (RSSB) on passenger perceptions of personal security and on the profile of passenger risk. We made presentations to the industry's Community Safety Steering Group on personal security issues and to the Chartered Institute of Logistics & Transport on

"Railway safety – what does society expect?" We joined the steering group for an RSSB research project, initiated at our suggestion, into "Facilitating shared expectations between passengers and front-line staff."

We continued to comment on proposed changes in technical standards and on operators' applications for safety certificates and authorisation, and to serve on a range of safety advisory bodies.

Passenger Information during disruption

We have been working to improve how the rail industry manages disruption to services, whether caused by engineering work or emergencies (e.g. overhead line failure, bad weather). Our National Passenger Survey shows that half of long-distance passengers are not satisfied with the way delays are dealt with, while two thirds of London and South East and regional passengers are similarly not satisfied.

What's more, things haven't improved in the last five years. Good information is key

to managing disruption – and that's where Passenger Focus has concentrated effort this year. We have an active role on the rail industry Passenger Information Strategy Group, which has developed a suite of Good Practice Guides in response to earlier passenger research and we are pressing train companies to adopt the guidance quickly. We've recently completed research, jointly-funded with National Rail Enquiries, to test whether the rail industry's proposed vision for information will meet passengers' needs. Findings will be published late Spring 2008.

Passenger Focus

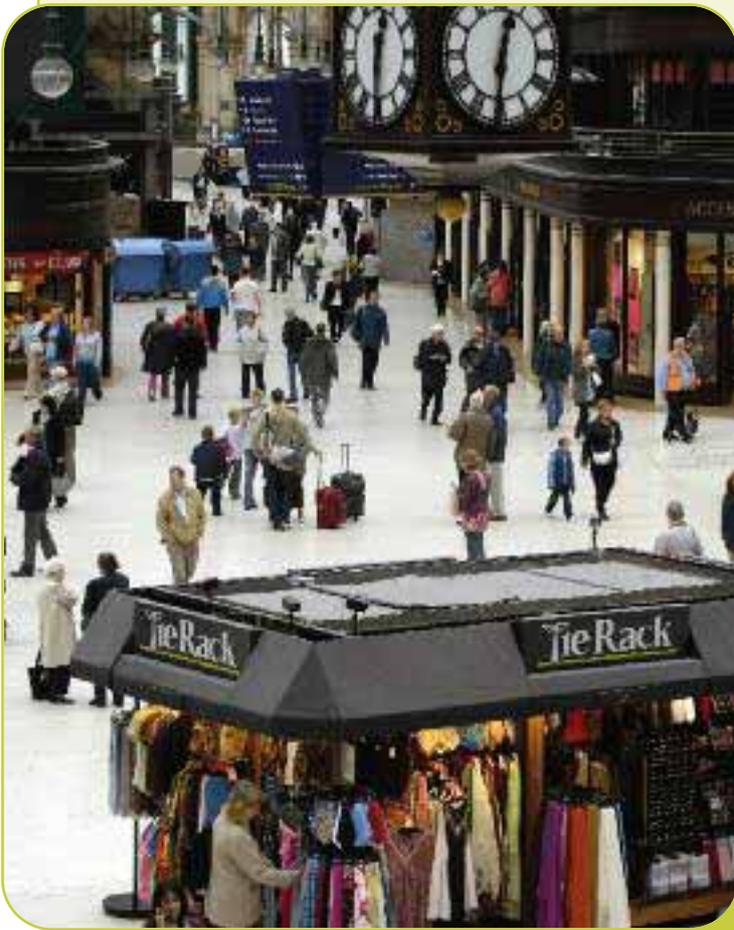
in Scotland

Passenger Focus has been busy representing passengers in Scotland both in the development of rail and transport strategies at all levels in Scotland and on the ground, making tangible improvements in getting the best deal for passengers. At a strategic level we have been:

- working with Transport Scotland on new and existing research and an evidence base to support the specifications and deployment of new trains
- working with both Transport Scotland and Network Rail on Edinburgh – Glasgow rail improvements; aimed at improving connectivity, frequency of service, punctuality and reliability and journey times
- working with Strathclyde Partnership for Transport, SWESTRANS and Transform Scotland to examine provision of rural services in south west Scotland aimed at providing good connections with the ferry at Stranraer, providing attractive services from Greater Glasgow and Ayrshire to south Ayrshire and Stranraer integrated with bus/coach links to key visitor attractions and providing attractive services from Stranraer / Girvan to Ayr, Glasgow and Kilmarnock.

At a more local level, we have ensured that:

- as a consequence of the low National Passenger Survey (NPS) result that First ScotRail (FSR) received in the Spring 2007 wave for 'how well the company deals with delays' only 30% of passengers surveyed satisfied, we have worked alongside FSR on developing an NPS Customer Services Action Plan that outlines what activities FSR will be undertaking to improve how delays are handled
- Cheap Day Returns (CDRs) between Lockerbie and Edinburgh have been reinstated. In December 2007 they were withdrawn as an unintended consequence of First TPE running services between Manchester and Edinburgh. As a result the cheapest fare was £23.90 but we got the CDR fare of £14.60 reinstated.



Glasgow Central station

Passenger Focus

in Wales

Passenger Focus continues to work actively to improve rail services and contribute to the development of transport strategies within Wales.

During the year, we were pleased to see passenger satisfaction with Arriva Trains Wales' services increase significantly on previous results, as measured by the National Passenger Survey, with overall satisfaction rising 5% to 85%. Importantly, large increases in satisfaction were recorded in priority areas such as punctuality/reliability, as well as issues such as train cleanliness where Passenger Focus has worked closely with ATW to secure improvements. ATW also responded to representations from Passenger Focus to review its long distance fares following the withdrawal of its SuperSaver ticket, which led to many 'Saver' fares being reduced by up to 38%.

Passenger Focus continued to work with the Welsh Assembly Government, Assembly Members and Welsh MPs. This included presenting evidence to the Assembly's Enterprise and Learning Committee, most recently to its 'Planning for Future Railway Provision in Wales' inquiry

where our evidence featured prominently in the Committee's final report.

We also continued our partnerships with the four regional transport consortia in Wales, contributing to their plans and projects and undertaking joint passenger research such as the impact of terminating the 1718 First Great Western arrival in Cardiff rather than it continuing to Swansea.

We talked regularly to passengers and passenger groups within Wales during the year, covering the full range of journey types. We surveyed more than 2,500 rail passengers in Wales on a range of issues, including: passenger priorities for rail investment, fares and ticketing mystery shopping, attitudes towards new ticketing technology and employers' needs from rail travel.



Passengers at Cardiff Central station

Europe

During the year Christopher Irwin, our European policy adviser, continued to monitor European activities and related developments for their potential impact on passengers. One key area has been the transposition of EU legislation on passengers' rights in to UK law – something that could have a direct bearing on passengers. We have also continued to develop links with other passenger and consumer organisations.

Train Carriages

In May 2007 we published a report on the new trains used on TransPennine Express (The Pennine Class 185 experience – What do passengers think? – April 2007). This covered passenger satisfaction on issues such as accessibility, comfort and cleanliness.

Towards the end of the year we also began research looking at passenger aspirations for the design of new rolling stock planned for use on Thameslink services from December 2015. The research will be ready for publication in Summer 2008.

Passenger Focus also continues to represent passengers' interests on DfT's Intercity Express Programme (IEP) stakeholder board. This is the body looking at delivering the new generation of rolling stock for use on longer-distance services.

Focus on franchising

Passenger Focus continues to be heavily involved in the franchising process. We were pleased to see this acknowledged in the 'Delivering a Sustainable Railway' White Paper in July 2007 and particularly welcomed the commitment to give Passenger Focus a greater role in the specification of future franchises.

The first franchise to benefit from this enhanced role is South Central – which includes services in South London, East and West Sussex and Surrey, and parts of Kent and Hampshire. As part of our input we have drawn heavily on our existing research, including a 'mystery shopping' exercise on services provided by the existing Southern franchise (Southern Railway mystery shopping study) which was published in September 2007.

We also commissioned new research (involving over 6200 passengers) aimed at gaining a better understanding of what passengers want from the new South Central franchise. Discussions are now underway with DfT on how this can be used to help frame the franchise specification and ensure that it reflects passengers' priorities and expectations.

The year also saw the introduction of four new franchisees: Arriva Cross Country, London Midland (comprising parts of the old Silverlink and Central Trains franchises) and East Midland Trains (comprising Midland Mainline and parts of Central Trains) all began operations in November while National Express East Coast began in December 2007. Passenger Focus will continue to ensure that passengers' views are at the heart of these franchises.



The Rt Hon Ruth Kelly MP speaking at the annual Passenger Focus conference



A series of high profile speakers and panel debates occurred during the conference



A workshop at the Passenger Focus conference

2.5 Being visible, accessible and understood by passengers and stakeholders

Corporate plan objective five

Being visible, accessible and understood by passengers

What we said we would do during 2007-08

- Improve visibility and understanding of our role amongst passengers and ensure we remain easy to contact.

What we did

- Improved the usability and content of website.
- Held an open passenger Focus conference and fringe events at party conferences.
- Introduced quarterly regional stakeholder newsletters.
- Improved Marketing and branding materials.

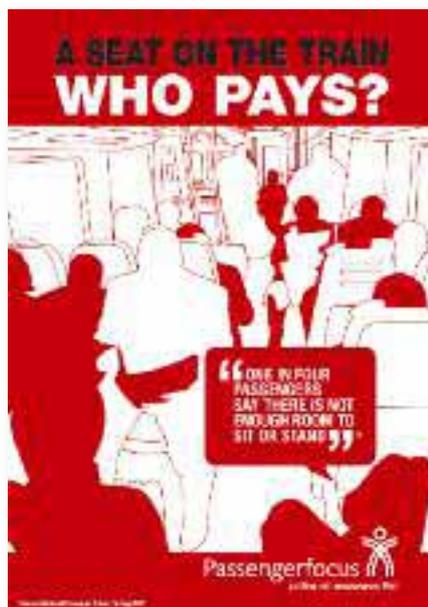
- Increased media coverage through a wider range of media outlets and publications.

What we are going to do in 2008-09

- Our communications strategy will underpin the work we plan to make ourselves more accessible to our stakeholders, it will comprise the work we are doing in relation to our website, publications and with the media, Public meetings of our Board and regular stakeholder bulletins will continue to contribute to raising our profile and achieving this objective.

Reaching stakeholders

2007 saw Passenger Focus hold three public affairs events at the major GB party political conferences, to raise its profile with MPs. The events were a success and dealt with the very real and controversial issues of 'A seat on the trains – who pays?'



Passenger Focus also began the 'Passenger Voice' regional stakeholder bulletins. These publications are filled with the latest work, challenges and projects Passenger Focus are involved in. These are then emailed or posted to over 1,800 people with an interest in the rail industry from local authority transport departments to MPs, journalists and Government departments. This was the first time stakeholders were receiving regional relevant information and feedback on the first editions was extremely positive.

The Passenger Focus Conference held on 24 April was a huge success, with over 170 delegates from passenger groups, government and industry. The speaker line up included:

- Rt Hon Ruth Kelly MP, secretary of state for transport
- Iain Coucher, chief executive, Network Rail
- David Mapp, commercial director, Association of Train Operating Companies
- Bob Holland, managing director, Arriva Trains
- Andrew Haines, chief operating officer, First Great Western.

Workshops on capacity, disruption, stations and fares were also run with outside guests including:

- Stephen Joseph OBE, executive director,

The government announced that **Passenger Focus will become** the independent bus and coach consumer watchdog

Campaign for Better Transport

- Alex Veitch, senior strategy analyst, Association of Train Operating Companies
- Dyan Crowther, route director (London and North East), Network Rail, and
- Elaine Holt, managing director, First Capital Connect.

We also produced a corporate video to reach out to passengers and other stakeholders via a different medium. This video clearly demonstrates the breadth of work Passenger Focus is involved in. This video was shown at the Passenger Focus Conference and will be posted on the web and CD copies given to stakeholders.

We continue to speak at high profile events and conferences. This year our chief executive gave over 20 speeches. Board members and other staff also attended and participated in forums, conferences and panel events.

Raising the media profile

Passenger Focus continued to establish a high media profile during 2007-08, with 467 national and regional broadcast interviews undertaken over the year compared with 402 broadcast interviews in 2006-07.

Passenger Focus secured 304 pieces of national coverage between April 2007 and March 2008, with the media featuring Passenger Focus research – including the two waves of the National Passenger Survey, ongoing commentary on fare increases and its criticism of engineering work overruns. Other issues which generated significant media coverage nationally and regionally for Passenger Focus included its station research, Network Rail's investment in

the network, disruptions and its submission to the Office of Rail Regulation stressing the importance of money raised by fines being reinvested in the network. Passenger Focus was called to comment on First Great Western's performance on numerous occasions at the start of 2008 when it was coming under criticism by both passengers and Government.

Passenger Focus's interest and subsequent appointment as bus and coach Watchdog generated a great deal of media interest while issues like overcrowding and security also continued to prove popular in the media.

Passenger Focus has also raised its profile as a consumer organisation with live interviews on GMTV, You and Yours, comment in publications such as 'Good Housekeeping' and in consumer advice pieces in national papers.

Internal communication

Adding to our existing internal communication tools, we launched Connect – our new intranet portal – in January 2008. Connect is now the primary means of distribution of news and information throughout the organisation. Connect is a 'portal' which is also being used for document storage. Integrated within Connect is 'Incontact' – a new contacts database for the organisation which brings all of our contacts into one place. This will improve both our internal communication and reduce duplication and improve our communication with stakeholders.

Chief executive's report

This is the third annual report and accounts for Passenger Focus, covering the year to 31 March 2008. Building on our work last year we have successfully delivered against our key business plan objectives whilst retaining sufficient flexibility to respond to emerging rail passenger priorities and issues. Our achievements this year are listed in pages 6-29 and have been accomplished within the agreed budget for the year.



Nature of business

Passenger Focus is the operating name of the Rail Passengers Council, which was officially constituted on 24 July 2005 as a result of the Railways Act 2005, and is an executive non-departmental public body sponsored by the Department for Transport. Passenger Focus operates from offices in Manchester and London, with remote workers liaising with individual train operating companies to secure improvements for passengers.

Finance

The organisation is funded through grant in aid from the Department for Transport and £5,544,000 was received in 2007-08, of which £1.0 million was allocated for work on the National Passenger Survey. In addition this year Passenger Focus has secured funding totalling £42,000 of third party income for joint projects. Staff and other administrative costs for the year totalled £5,382,000 including expenditure on the National Passenger Survey.

The landlord of our offices in Manchester plan to redevelop the building so we will relocate to alternative premises in Manchester by July 2008. In 2005-06 we undertook refurbishment of the Manchester offices and these costs were included in Fixed Assets, and were being amortised over five years, the length of the lease agreement. As a result of the office relocation the balance of the refurbishment costs at 31 March 2007 will be written off over 16 months to July 2008. Our current landlord will bear all the costs for our relocation so no costs will be included in fixed assets and no provision has been made for any costs associated with the move.

Staff

The staff must take credit for the successes this year and deserve thanks for their hard work and contribution over the year to make sure we achieved our first year's business plan objectives.

Although we were sorry to see seven employees leave us this year we were pleased to welcome the eight new members of staff.

We have merged the two teams of passenger link managers resulting in two posts being made redundant and the costs for these redundancies were provided for last year.

During the current year the work of the passenger advice team was subject to review as part of the tendering of the outsourced call centre contract. The review resulted in the re-scoping and retendering the outsourced passenger contact services and bringing some activities back in house to the passenger advice team. Although the review and retendering work resulted in some restructuring of the team, including two posts being made redundant, it has secured significant net savings of around £100,000 per annum whilst providing improved control of the services.

Our staff forum, which provides an opportunity to consult with staff representatives about issues affecting the organisation,

operated until November. However the election process in November did not provide sufficient support for the forum to continue, so consultation with staff over changes to the pay for performance arrangements has taken place with staff focus groups.

The executive management team has seen some restructuring this year and has been enhanced by including managers from all teams as well as executive directors. Details of executive directors' remuneration during the year are set out in the remuneration report on page 36.

Corporate governance

Passenger Focus has a board of non-executive members who were appointed following a full competition process regulated by the Office of the Commissioner for Public Appointments (OCPA). Their biographies are contained in appendix one. The board is responsible for setting the strategic direction and main policies of the organisation, and providing corporate governance and oversight of the finances and operations. The board and its committees are set out in the management commentary on pages 32-35.

Disability Equality Scheme

We prepared a Disability Equality Scheme for Passenger Focus – further detail can be found on page 35.

Health and safety

It is our policy to provide a safe and healthy environment for our staff and visitors. Our two bases, in London and Manchester, have been refurbished to provide a modern working environment for staff.

Charitable and political donations

Passenger Focus did not make any charitable or political donations during the year.

Disclosures to auditors

As accounting officer, so far as I am aware, there is no relevant audit information of which Passenger Focus' auditors are unaware. I have taken all reasonable steps to make myself aware of any relevant audit information and that Passenger Focus' auditors are aware of that information.

Date of issue

I authorised the accounts for issue on 18 June 2008 which is the date they were issued to the secretary of state for transport.



Anthony Smith

Chief executive and accounting officer
18 June 2008

3.2 Management commentary

Nature of business

Passenger Focus is the operating name of the Rail Passengers Council which was established on 24 July 2005 by the Railways Act 2005. Passenger Focus represents the interests of rail passengers in England, Scotland and Wales.

Passenger Focus is a Non-Departmental Public Body (NDPB) and is sponsored by the Department for Transport and funded by grant in aid.

Board

Non-executive board members are appointed by the Secretary of State for Transport (chair and no more than 12 members), the National Assembly for Wales (one member), Scottish Ministers (one member) and the London Assembly (one member) in line with the Code of Practice issued by the Office of the Commissioner for Public Appointments. Board members are hands on and provide valuable contribution and guidance to the ongoing work of Passenger Focus. Contributions vary from short term input to one off operational projects to longer term relationships and external facing support for Rail Utilisation Strategies. (Members below).

Non-executive board members

	Date appointment commenced	Board	Audit Committee	Remuneration Committee
C Foxall (<i>Chairman</i>)				
	23 Sept 2005	•		
D H Burton	24 July 2005	•	•	
B Cooke*	24 July 2005	•		
P M Davis	24 July 2005	•		
K Gordon	24 July 2005	•		•
J A King	24 July 2005	•		
C E Knights	24 July 2005	•		•
D Langslow (<i>Chairman of Audit Committee</i>)				
	24 July 2005	•	•	
D Mead	24 July 2005	•		
W E Samuel	24 July 2005	•	•	
B Saunders	24 July 2005	•	•	
M J Seale	24 July 2005	•		•
S M Thomas	1 May 2006	•		
N Walmsley (<i>Chairman of Remuneration Committee</i>)				
	24 July 2005	•		•

*Mr Brian Cooke's was appointed by the London Assembly and his appointment was terminated by them on 2 June 2008.

The board has corporate responsibility for ensuring that Passenger Focus fulfils the aims and objectives agreed with the secretary of state for transport and for promoting the efficient and effective use of staff and other resources by Passenger Focus.

The primary purpose of the audit committee is to support Passenger Focus on all matters relating to corporate governance, financial management and to oversee the process of internal and external audit (including the Statement on Internal Control). This entails providing advice, guidance and support to the chief executive in discharging the role of accounting officer.

The primary purpose of the remuneration committee is to support Passenger Focus on all matters relating to pay and grading policy and terms of employment.

Operational performance

Our corporate plan sets out how we will deliver our five main objectives over the next three years, and identifies our priorities for each of the five objectives.

Our five corporate objectives and key measures are as follows:



Objective one understanding the need and experiences of rail passengers

- consult 50,000 passengers through the National Passenger Survey each year, and publish the results twice a year, in January and July
- undertake a number of targeted research projects to support organisational priorities
- number of passengers engaged each year through consultation and other activities.

Objective two securing tangible and measurable improvements for rail passengers

- secure 105 measurable improvements for passengers.

Objective three empowering rail passengers with information, advice and advocacy

- increase year-on-year in the percentage of passengers satisfied with Passenger Focus complaint handling
- increase year-on-year in the percentage of passengers satisfied with the advice provided by Passenger Focus.

Objective four influencing major long-term decisions that affect passengers

- year-on-year improvement in the stakeholder perception of Passenger Focus influence on getting the 'best deal for rail passengers.'

Objective five being visible, accessible and understood by rail passengers and stakeholders

- for passengers to rate Passenger Focus as easy to contact and find out about.

Our progress against these corporate plan objectives is reported in the Review of Activities, including how we have measured our achievements this year.

Current year

As highlighted in the chief executive's report, the organisation incurred net costs of £5.3 million in the year to 31 March 2008. Some 23% (2006-07 : 20%) of our spending has been invested in research on rail passenger issues which ensures we are able to provide objective evidence to support improvements.

Our costs have been funded through grant in aid received from the Department for Transport who sponsor Passenger Focus. In addition this year we have secured joint funding totalling £42,000 for a number of projects.

Total reserves totalled £519,000 at the end of the year and total grant in aid drawn down was £5,544,000, of which £8,000 was deployed on Fixed Assets.

Pension Liabilities

Passenger Focus participates in the Civil Service Pension arrangements which are described in the Remuneration Report and note 1.6 of the accounts explains how pension liabilities and costs are accounted for.



Payment of suppliers

Passenger Focus endeavours to comply with the Better Payment Practice Code and seeks to pay invoices within 30 days of receipt and during the year paid 98% (2006-07 : 98%) of invoices within 30 days.

Staff

During the year seven members of staff left and we welcomed eight new members of staff.

As highlighted in the chief executive's report we have made two posts redundant during the year as part of the restructuring of passenger contact services. The redundancy costs of £22,000 associated with these changes have been included in these accounts.

We are committed to equality of opportunity for all our staff, and do not condone discrimination on the grounds of gender, race or national origin, colour, religious belief, disability, marital status, age or sexual orientation.

We are keen to provide our staff with a range of training and development opportunities to ensure they have the knowledge and skills necessary to carry out their responsibilities effectively. During the year we have spent £82,000 to support improved staff performance, including development and communication of the business plan.

Resources

The key strength of the organisation is the influence it is able to exert through the knowledge and expertise gained from targeted passenger research, and by working closely with key stakeholders in the rail industry. Our investment in passenger research over the year totalled £1,204,000, including the National Passenger Survey. The main research projects this year have been highlighted in the review of the year, and the full details of our research can be found on our website.

Passenger Focus' main asset is its staff and for the coming year we will continue to work closely with staff to improve the frameworks in place to ensure we continue to have the right skills and expertise to meet the future corporate plan objectives.

Future years

The corporate plan objectives set out above demonstrate Passenger Focus' future plans to deliver our mission of 'getting a better deal for rail passengers'.

The organisation has agreed funding of £5.6 million for 2008-09, and the subsequent two years following the outcome of the Comprehensive Spending Review.

Additional funding will be provided for the recently announced

Our investment in passenger research over the year totalled **£1.2 million**

plans to extend our role to include bus passenger representation, although no agreement has yet been reached on the amount, or the scope of these activities.

Social and environmental issues

As explained in the chief executive's report, the organisation does not make financial donations to charities or political groups.

We have introduced recycling for office waste where feasible. In addition Passenger Focus encourages staff and board to use public transport wherever possible when undertaking official business.

Disability Equality Scheme

Following consultation with three groups of disabled passengers Passenger Focus published a Disability Equality Scheme in December 2007 which included our action plan. By 31 March 2008 we have made the following progress against this action plan:

- all staff have received awareness training on disability equality
- we have in place guidance for our public meeting venues to ensure we minimise restrictions on participation wherever practical
- the website continues to be developed in line with the 'See it right' standards
- we have ensured equality and accessibility considerations are included as part of our work plans.

Further action includes developing policy statement regarding to develop an overall accessibility strategy to support business plan activities, including a policy statement to ensure disability equality is considered in all research projects, and continue to improve awareness across the organisation of disability and equality.

Essential contractual arrangements

The primary contractual arrangement for the organisation is for rail passenger research, including the National Passenger Survey (NPS).

As reported last year we awarded the NPS contract in April 2007 for a three year period. The details of the contract award were published in the Official Journal of the European Union in May 2007.

The contract for the NPS is managed through regular reports on performance against service levels, and will be retendered when it reaches the end of the current term.

Principal risks and uncertainties

The work of Passenger Focus relies heavily on its credibility and the primary risk is that the reputation of the organisation is not maintained, which will reduce its ability to influence key stakeholders to secure improvements for rail passengers.

To mitigate this risk the organisation has established an enterprise risk model which, amongst other things, is used to identify whether a project or piece of work will jeopardise the reputation of Passenger Focus.

Financial structure of business

Passenger Focus is funded by grant in aid from the Department for Transport (DfT). An initial payment was made to provide the organisation with working capital. Subsequent monthly payments have been made by the Department based upon actual expenditure in the previous month, and forecast future requirements. As reported above, Passenger Focus has agreed its funding requirements with the DfT for the next three years following the conclusion of the Comprehensive Spending Review.

Remuneration report for the year ended 31 March 2008

The members of the remuneration committee are Nigel Walmsley (chairman), Kate Gordon, Marc Seale and Christine Knights.

The remuneration committee considers:

- the overall pay and grading structure for the employees of Passenger Focus
- annual cost of living and performance pay increments
- any proposed changes to the terms of conditions of employment of Passenger Focus employees
- any proposed changes to the occupational pension arrangements
- the broad policy for the remuneration of executive level staff
- individual remuneration arrangements for executive level staff, and approves any proposals for subsequent changes to those arrangements
- the level and structure of remuneration for executive level staff.

Any annual increase in the remuneration of board members is agreed between the chairman of the board and the Department for Transport. Members of the remuneration committee have not been involved in decisions relating to their own remuneration.

The arrangements for changes to the remuneration of executive management team members are the same as for other employees of the organisation. Pay increases awarded to staff and executive directors with effect from 1 April 2007 were the same as those awarded to other members of staff and were approved by the remuneration committee and agreed with the Department for Transport. During the year all staff received a bonus in respect of 2006-07 following the successful achievement of the business plan targets for the year. Passenger Focus has put in place a bonus scheme in respect of 2007-08 performance with a total provision of £15,000 which will be paid after the year end.

Board members – remuneration paid to the non-executive board members

for the period to 31 March 2008

	Board fees paid in the period ended		Date of Appointment	Appointment Expiry date
	31 March 2008 £000's	31 March 2007 £000's		
C Foxall (<i>Chairman</i>)	39	36	23 Sept 2005	22 Sept 2009
D H Burton	16	15	24 July 2005	23 July 2008
B Cooke ¹	-	-	24 July 2005	2 June 2008
P M Davis	16	15	24 July 2005	23 July 2008
K Gordon	16	15	24 July 2005	23 July 2009
C E Knights	16	15	24 July 2005	23 July 2008
J A King	16	15	24 July 2005	23 July 2009
D Langslow (<i>Chairman of Audit Committee</i>)	16	15	24 July 2005	23 July 2008
S M Thomas	16	14	1 May 2006	1 May 2009
D Mead	16	15	24 July 2005	23 July 2009
W E Samuel	16	15	24 July 2005	23 July 2009
B Saunders	16	15	24 July 2005	23 July 2009
M J Seale	16	15	24 July 2005	23 July 2008
N Walmsley (<i>Chairman of the Remuneration Committee</i>)	16	15	24 July 2005	23 July 2009

¹ Mr B Cooke was appointed by the London Assembly and his appointment was terminated by them on 2 June 2008. He did not receive any fees from Passenger Focus for this appointment.

The remuneration shown in the table excludes Employers National Insurance Contributions payable by Passenger Focus in respect of these appointments. Passenger Focus does not make any pension provision for board members, and no other taxable benefits were provided for board members in the period. All the board members have a three month notice period, and no compensation terms for early termination in their contracts.

(audited)

Executive management team

Members of the executive management team are on continuing contracts and their remuneration, together with their pension benefits, is set out below:

Executive management team

remuneration and benefits

Name and title	Start Date / End Date	2007-08 Salary in £5,000 bands [2006-07 Full Year Equivalent Comparative] (£000's)	2007-08 Real increase in pension and related lump sum at age 60 (bands of £2,500) (£000's)	Total accrued Pension at age 60 at 31 March 2008 and related lump sum (bands of £2,500) (£000's)	Cash Equivalent Transfer Value at End date (£000's)	Cash Equivalent Transfer Value at Start of year (nearest £000's)	Real increase in Cash Equivalent Transfer Value nearest £000's
• A Smith chief executive	1 April 07 - 31 March 08	95-100 [90-95]	0-2.5 (N/A)	12.5-15 (N/A)	209	161	19
• N R Holden finance director	1 April 07 - 31 March 08	55-60 [55-60]	0-2.5 (N/A)	0-2.5 (N/A)	36	20	11
• J Mooney passenger link director	1 April 07 - 31 July 07	15-20 [55-60]	0-2.5 (N/A)	2.5-5 (N/A)	39	37	4
• A Kumar passenger director	29 October 07 - 31 March 08	30-35 [N/A]	0-2.5 (0-2.5)	7.5-10 (25-27.5)	123	96	5

(audited)

"Salary" includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that is subject to UK taxation.

There were no benefits in kind or non-cash benefits received by the executive management team during the period.

As reported last year the merging of the passenger link teams has resulted in the two passenger link director posts being made redundant, one director left the organisation in March 2007 and the second director, John Mooney, left in July 2007. The early termination costs in respect of these

changes are limited to contractual payments under the terms of the Civil Service Compensation Scheme. To lead the single passenger link team the organisation appointed Mr Ashwin Kumar as the passenger director on 29 October 2007, following an open selection process.

All the directors are members of the Classic, Premium or Classic Plus Pension Schemes, the main provisions of which are set out overleaf.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk



Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

John Mooney left under Compulsory Early Severance Terms on 31 July 2007. He received a compensation payment of £30k-£35k.

A. J. C. Smith

Anthony Smith

Chief executive and accounting officer
18 June 2008



3.4 Statement of accounting officer's responsibilities

Under paragraph 8(2) Schedule 5 of the Railways Act 2005, the secretary of state for transport with the approval of the Treasury, has directed Passenger Focus to prepare a statement of account for each financial year in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of Passenger Focus's state of affairs at the year-end and of its income and expenditure and total recognised gains and losses and cash flows for the financial period.

In preparing the accounts, Passenger Focus is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the secretary of state, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume Passenger Focus will continue in operation.

The then director general rail, as additional accounting officer for the Department for Transport, designated the chief executive of Passenger Focus as accounting officer in 2005. His relevant responsibilities as accounting officer, including responsibility for the propriety and regularity of the public finances for which the accounting officer is responsible, for keeping proper records and safeguarding Passenger Focus's assets, are set out in the accounting officers' memorandum issued by HM Treasury and published in 'Managing Public Money'.

3.5 Accounting officer's statement on internal control

Scope of responsibility

As accounting officer I have responsibility for maintaining a sound system of internal control which supports the achievement of organisational policies, aims and objectives as set by the Management Statement and Financial Memorandum whilst safeguarding the public funds and organisational assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting. I am responsible to the director general rail, the Department for Transport's additional accounting officer and to Parliament for ensuring value for money, regularity and propriety in deploying all the organisations resources.

Passenger Focus is supported by board members who are responsible for:

- setting the organisation's strategies and enabling frameworks
- monitoring performance against annual workplan objectives and targets
- identifying the central activities required to support delivery of the corporate plan and approving the annual budget
- evaluating the impact of emerging issues or significant divergences from corporate and workplan delivery.

The board comprises 14 non-executive members and is chaired by a non-executive appointee. An audit committee has been established to support the chief executive through monitoring and reviewing the adequacy and effectiveness within the organisation of:

- corporate governance arrangements
- processes for managing risks
- internal audit and related activity
- management responses to the recommendations resulting from internal audit work
- Accounting officer statements on internal control.

The chief executive and Passenger Focus's senior managers meet with senior officials from within the Department for Transport at regular intervals. These meetings usually occur on a quarterly basis and issues discussed include performance against operational plans, financial expenditure and policy development. In addition, Passenger Focus's chairman regularly meets with Ministers.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of organisational policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control continues to be developed with further improvements in the process for monitoring organisational risks through the monthly management team meetings, together with the introduction of a project framework during the year to streamline the management and control of projects.

Capacity to handle risk

As accounting officer, I have responsibility for reviewing our capacity to handle risk. To effect this Passenger Focus has developed and has implemented the following:

- a risk management policy reflecting the purpose and underlying approach to risk management and the role of the staff and senior management team, which has been made available to all staff on the intranet;
- an organisational risk register that identifies the main operational risks assigned to individual risk owners. The risk register Passenger Focus has implemented includes mitigating actions to eliminate or reduce this risk and is reviewed at the monthly management team meetings together with regular reporting to the Audit Committee of the organisational risk management.

The risk and control framework

The Passenger Focus risk management framework takes account of the Code of Good Practice on Corporate Governance in Central Government Departments issued by HM Treasury, and is put into practice through:

Board

The board consisted of a non-executive chairman and 13 non-executive members and met four times during the period to:

- consider and approve the Passenger Focus workplans for the period including the allocation of resources to deliver those plans
- monitor progress against the workplans for the period through regular reports from the management team

- consider regular financial reports
- consider and approve policies and procedures to be adopted by Passenger Focus
- consider and approve expenditure in accordance with the procurement policy adopted by Passenger Focus.

The audit committee

The audit committee consists of four non-executive members and met five times during the period to consider:

- the quarterly financial reports
- the draft annual report and accounts
- the policies and procedures to be implemented by Passenger Focus
- the planned activity and results of the external and internal audit and other bodies
- the adequacy of management response to issues identified by audit and other review bodies on a quarterly basis
- the risk management policy and procedures managed by the executive.

The chairman of the audit committee provided the board with regular reports on the audit committee's activities and any findings concerning internal control.

Internal audit

Internal Audit report to the audit committee and agree a rolling programme of audit for each forthcoming year according to the board's priorities. Regular audit reports are made, along with the end of year internal audit annual report, as defined by the Government Internal Audit Standards. This includes an independent opinion by the Head of Internal Audit on the adequacy and effectiveness of the organisation's system of internal control.

No high risk recommendations were made and the Head of Internal Audit in his annual report gave overall substantial assurance for the year.

Audits this year covered Corporate and Business Planning, Outputs Measurement, Passenger Link function, Effectiveness of Research, Pension Stewardship and Financial Systems. The internal auditors have provided substantial assurance in respect of three audits, and partial assurance in respect of three audit assignments this year.

The main recommendations during the period were to develop activity plans from the agreed business plan earlier in the financial year, enhance the procedures for sharing best practice and quality assuring outputs, strengthen the documentation surrounding procurement exercises, improving the interface between payroll and the pension administrators, and improve recording of decisions regarding reallocation of resources. Managers have been assigned responsibility and

timescales for implementing the audit recommendations which are have either been or are in the process of being completed. Progress against the actions is reported to the audit committee periodically to ensure the findings are being addressed.

Risk management

The risk management framework, in addition to the organisational risk register, is informed by the following process:

- periodic reviews of the risk register
- identification of key risks when issues are submitted to the board for consideration
- inclusion of risk management as a regular item on the audit committee agenda
- a management team which meets regularly to consider the operational plans and strategic direction of the organisation
- ensuring Passenger Focus's operations and system of internal control comply with the principal recommendations from the government departments such as the Cabinet Office and Office of Government Commerce (OGC) with regards to best practice.

Data Handling

Passenger Focus complies with the Data Protection Act 1998 and has in place processes for the transfer of data and the safe disposal of classified and sensitive waste, as well as guidance for staff regarding our IT Security Policy.

Review of effectiveness

As accounting officer I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.



Anthony Smith

Chief executive and accounting officer
18 June 2008

3.6 Certificate of the Comptroller and Auditor General to the Houses of Parliament

I have audited the financial statements of Passenger Focus (the operating name of the Rail Passengers Council) for the year ended 31 March 2008 under the Railways Act 2005. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of Passenger Focus, the Accounting Officer and Auditor

Passenger Focus and the Chief Executive as accounting officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the Railways Act 2005 and the Department for Transport's directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Railways Act 2005 and the Department for Transport's directions made thereunder. I report to you whether, in my opinion, the information, which comprises the review of activities, the Chief Executive's report, the management commentary and Remuneration Report, included in the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if Passenger Focus has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects Passenger Focus's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether

this statement covers all risks and controls, or form an opinion on the effectiveness of Passenger Focus's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by Passenger Focus and the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to Passenger Focus's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Railways Act 2005 and directions made thereunder by the Department for Transport, of the state of Passenger Focus's affairs as at 31 March 2008 and of its net expenditure for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Railways Act 2005 and the Department for Transport's directions made thereunder; and
- information, which comprises the review of activities, the Chief Executive's report, the management commentary and Remuneration Report, included in the Annual Report, is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

T J Burr

Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria, London SW1W 9SS
19 June 2008

3.7 Income and expenditure account

for the year ended 31 March 2008

	Notes	2007-08		2006-07
		£000's	£000's	£000's
Income				
Income from operating activities	2		42	82
Expenditure				
Staff costs	3	2,217		2,215
Other administrative costs	4	3,165		3,061
			5,382	5,276
Net expenditure			(5,340)	(5,194)
Interest receivable	5		25	11
Notional cost of capital	6		(17)	(14)
Net expenditure on operating activities			(5,332)	(5,197)
Add back notional cost of capital			17	14
Net expenditure transferred to General Reserve			(5,315)	(5,183)

All amounts relate to continuing activities.

Statement of recognised gains and losses

for the year ended 31 March 2008

	2007-08	2006-07
	£000's	£000's
Net expenditure on operating activities for the year	(5,332)	(5,197)
Notional cost of capital	17	14
Unrealised surplus on revaluation	-	10
Total recognised losses for the year	(5,315)	(5,173)

The Accounting Policies and Notes on pages 47-54 form part of these accounts.

3.8 Balance sheet

as at 31 March 2008

	Notes	As at 31 March 2008		As at 31
		£000's	£000's	March 2007
				£000's
Fixed Assets				
Tangible assets	7		103	219
Current Assets				
Debtors (due within one year)	8	114		148
Cash at bank	9	901		517
		1,015		665
Total assets				
Creditors – amounts falling due within one year	10	577		562
			438	103
Total assets less current liabilities				
			541	322
Provision for liabilities and charges	11		(22)	(32)
Total assets less Total Liabilities				
			519	290
Tax payers equity:				
General Reserve	12		515	280
Revaluation Reserve	13		4	10
			519	290

The Accounting Policies and Notes on pages 47-54 form part of these accounts.



Anthony Smith

Chief executive and accounting officer
18 June 2008

3.9 Cashflow statement

for the year ended 31 March 2008

	Notes	2007-08		2006-07
		£000's	£000's	£000's
Net cash outflow from operating activities	(a)		(5,177)	(5,428)
Returns on investment and servicing of finance				
Interest receivable			25	11
Capital expenditure				
Purchase of tangible fixed assets			(8)	-
Financing				
Grant in aid received from the Department for Transport			5,544	5,286
Increase / (decrease) in cash			384	(131)
(a) Reconciliation of operating deficit to operating cash flows				
Net expenditure after exceptional items			(5,340)	(5,194)
Depreciation			124	62
Decrease/(increase) in debtors			34	(13)
Increase/(decrease) in creditors			15	(315)
(Decrease)/increase in provision			(10)	32
Net cash outflow from operating activities			(5,177)	(5,428)
Reconciliation of net cash flow to movements in net funds				
Funds at 31 March 2007			517	648
Increase / (decrease) in cash in the year			384	(131)
Funds at 31 March 2008	9		901	517

The only movement in net debt over the year is the increase in cash in the period.
The Accounting Policies and Notes on pages 47-54 form part of these accounts.

3.10 Notes to the financial statements

1 Statement of accounting policies

Passenger Focus is the operating name of the Rail Passengers Council which was formed as a Non-Departmental Public Body on 24 July 2005 under the Railways Act 2005.

The financial statements have been prepared in accordance with the Companies Acts, HM Treasury's Financial Reporting Manual (FRoM) and financial reporting standards issued or adopted by the Accounting Standards Board, and are in accordance with the Accounts Direction issued by the secretary of state for transport on 24 March 2006.

The particular accounting policies adopted by Passenger Focus are described below. They have been consistently applied in dealing with items considered material to the financial statements.

1.1 Accounting conventions

These financial statements have been prepared under the historical cost convention, modified to include the revaluation of fixed assets at their value to the business by reference to their current costs.

1.2 Income from operating activities

Income from operating activities represents income in respect of co-funding of expenditure on rail passenger research projects and is accounted for on an accruals basis.

1.3 Tangible fixed assets

Expenditure on tangible fixed assets is capitalised. The minimum level for the capitalisation of tangible fixed assets is £2,500. Assets are revalued annually as described in note 7.

1.4 Depreciation/amortisation

Depreciation/amortisation is provided on all fixed assets, at rates calculated to write off the cost or valuation of each asset, less any estimated residual value, evenly over its expected useful life. The expected useful lives of the principal categories are:

- furniture and fittings five years
- computer equipment three years
- other equipment four years
- leasehold Improvements remaining length of lease.

1.5 Government grants

Grant in Aid used to finance activities and expenditure which support the statutory and other objectives of Passenger Focus are treated as financing and credited to the General Reserve when received because they are regarded as contributions from a controlling party.

1.6 Pension costs

Employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) in respect of their pensions. The PCSPS is an unfunded multi-employer defined benefit scheme but Passenger Focus is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation www.civilservice-pensions.gov.uk. Passenger Focus makes payments to the PCSPS of amounts to cover the accruing liabilities of the Treasury in respect of Superannuation benefits for persons who have been employed in the funded operations, and in respect of the administrative expenses attributable to the liabilities and their discharge.

1.7 Operating leases

Rental payments due under operating leases are charged to the Income and Expenditure Account on the basis of actual rentals payable which fairly reflects usage.

1.8 Capital charge

A charge, reflecting the cost of capital utilised by Passenger Focus, is included in the Income and Expenditure account. The charge is calculated at the Government's standard rate of 3.5 per cent per annum for the year ended 31 March 2008 (2007-08 : 3.5%), on the average carrying value of all assets less all liabilities.

1.9 Taxation

Passenger Focus has no corporation tax liability because all the expenditure is funded by Grant in Aid from the Department for Transport.

1.10 Intra-Government balances

Intra-Government debtors and creditors have been analysed in accordance with the Government Financial Reporting Manual.

2

Income from operating activities

	2007-08	2006-07
	£000's	£000's
Income in respect of joint projects	42	82

3

Analysis of staff costs and numbers

	2007-08	2006-07
	£000's	£000's
Total staff costs including the chief executive were:		
Salaries and wages	1,692	1,656
Social Security costs	151	152
Pension costs (see below)	339	333
	<hr/> 2,182	<hr/> 2,141
Agency staff	35	74
	<hr/> 2,217	<hr/> 2,215

The Principal Civil Service Pension Scheme is an unfunded multi-employer defined benefit scheme and Passenger Focus is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation www.civilservice-pensions.gov.uk.

For 2007-08, employers' contributions of £339,000 (2006-07 : £333,000) were payable to the PCSPS at one of four rates in the range 17.1 to 25.5 per cent of

pensionable pay (2006-07 : 17.1 to 25.5 per cent), based on salary bands. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. From 2008-2009, the salary bands will be revised, although the rates will remain the same. (The rates will be changing with effect from April 2009). The contribution rates are set to meet the costs of the benefits accruing during 2007-08 to be paid when the member retires, and not the benefits paid during the period to existing pensioners.

	2007-08	2006-07
	Number	Number
Average number of staff		
Staff permanently employed	42	41
Others	1	2
	<hr/> 43	<hr/> 43

Remuneration details for non-executive board members and executive management team members are set out in the remuneration report on page 36-37.

4

Administration costs and other expenditure

	2007-08	2006-07
	£000's	£000's
Administration costs		
Board remuneration	252	256
Travel and subsistence, room hire and recruitment	319	277
Training and development	95	81
Rent, rates and utilities	203	143
Printing, postage and office costs	229	236
Information technology support and maintenance	222	246
Telecommunication costs	74	76
External services and support	400	524
Passenger research	1,204	1,077
Depreciation	124	62
External audit fee	21	24
Redundancy cost provision (note 11)	22	59
	<u>3,165</u>	<u>3,061</u>

5

Interest receivable

	2007-08	2006-07
	£000's	£000's
Interest on bank deposit	<u>25</u>	<u>11</u>

6

Notional cost of capital

	2007-08	2006-07
	£000's	£000's
At 3.5% per annum on average of total assets less total liabilities for the year	<u>17</u>	<u>14</u>

7

Tangible fixed assets

	Leasehold Improvements	Computer Equipment	Total
	£000's	£000's	£000's
Cost or valuation			
As at 31 March 2007	281	-	281
Additions	-	8	8
As at 31 March 2008	<u>281</u>	<u>8</u>	<u>289</u>
Depreciation			
As at 31 March 2007	62	-	62
Charge for the year	123	1	124
As at 31 March 2008	<u>185</u>	<u>1</u>	<u>186</u>
Net Book Value			
As at 31 March 2008	<u>96</u>	<u>7</u>	<u>103</u>
As at 31 March 2007	<u>219</u>	<u>-</u>	<u>219</u>

The useful economic life of the improvements to the Manchester Office has been reduced because our landlord will terminate our lease from July 2008 due to redevelopment plans for the offices. This means that we will write off the net book value of improvements over 16 months ending July 2008 and has resulted in an additional depreciation charge of £61,000 during the year. All costs in respect of the

relocation of our Manchester office will be borne by the landlord.

Leasehold Improvements were revalued in 2006-07 using Public Sector Construction Works Quarterly Building Price & Cost Indices, March 2007. However there has been no further revaluation in the current year because the adjustment in respect of the remaining assets is not considered material to the accounts.

8

Debtors

	As at 31 March 2008	As at 31 March 2007
	£000's	£000's
Trade debtors	40	75
Other debtors*	4	2
Prepayments	70	71
	<hr/>	<hr/>
	114	148
	<hr/>	<hr/>

**Amounts in the above figures due from other entities included
in the Whole of Government Accounts:**

Balances with other Central Government bodies	-	50
Balances with Local Authorities	-	5
Balances with NHS Trusts	-	-
Balances with public corporations and trading funds	44	51

*Other debtors include season ticket loans to 5 staff (2006-07 : 2) totalling £3,980 (2006-07 : £1,667).

9

Cash at bank and in hand

	As at 31 March 2008	As at 31 March 2007
	£000's	£000's
As at 31 March 2007	517	648
Net cash inflow / (outflow)	384	(131)
	<hr/>	<hr/>
As at 31 March 2008	901	517
	<hr/>	<hr/>

The bank balance is held at a commercial bank.

10

Creditors

	As at 31 March 2008	As at 31 March 2007
	£000's	£000's
Trade creditors	-	1
Social security and other taxes	58	58
Pension Contributions payable	33	31
Sundry Creditors	9	10
Accruals	477	462
	<hr/> 577	<hr/> 562
	<hr/>	<hr/>
Amounts in the above figures due to other entities included in the Whole of Government Accounts:		
Balances with other Central Government bodies	145	126
Balances with local authorities	-	4
Balances with NHS Trusts	-	-
Balances with public corporations and trading funds	-	40

11

Provision for liabilities and charges

	2007-08	2006-07
	£000's	£000's
Redundancy cost provision		
Balance at 31 March 2007	32	-
Amount provided in the year	22	59
Amount utilised during the year	(32)	(27)
	<hr/> 22	<hr/> 32
Balance at 31 March 2008	<hr/> 22	<hr/> 32

The provision is expected to be fully utilised during 2008-09

12

General Reserve

	2007-08	2006-07
	£000's	£000's
As at 31 March 2007	280	175
Grant in Aid received from the Department for Transport	5,544	5,286
Net expenditure for the year	(5,315)	(5,183)
Transfer from Revaluation Reserve	6	2
As at 31 March 2008	<u>515</u>	<u>280</u>

13

Revaluation Reserve

	2007-08	2006-07
	£000's	£000's
As at 31 March 2007	10	-
Revaluation of fixed assets	-	12
Realised element of depreciation transferred to the General Reserve	(6)	(2)
As at 31 March 2008	<u>4</u>	<u>10</u>

14

Obligations under operating leases

The minimum lease payments to which Passenger Focus is committed under non-cancellable operating leases for the coming year are:

			2007-08	2006-07
	Property	Other	Total	Total
	£000's	£000's	£000's	£000's
Within one year	166	5	171	161
Between two and five years	223	7	230	373
After five years	-	-	-	-

Passenger Focus has a licence to occupy offices in London which has been included as a lease obligation because it has similar terms and conditions.

15 Capital commitments

There were no capital commitments at 31 March 2007 or 31 March 2008.

16 Related party transactions

Passenger Focus is an executive non-departmental public body sponsored by the DfT and is regarded as a related party.

Although Passenger Focus works with train operating companies (TOC) to deliver improvements for passengers the TOCs are not considered to be related parties.

None of the board members or key management staff has undertaken any material transactions with Passenger Focus, other than their remuneration, or its related parties during the year and none has a financial interest in the TOCs such as to influence their work with Passenger Focus.

17 Contingent liabilities and contingent assets

There were no reportable contingent liabilities or contingent assets at 31 March 2008 or 31 March 2007.

18 Post balance sheet event

Since the Balance Sheet date the secretary of state for transport has announced that Passenger Focus will take on the role of protecting the interests of bus and coach passengers and we are working closely with the Department for Transport to plan how best to fulfil this new function. There is no impact on the figures shown in the accounts for 2007-08 as a result of this change because the costs will be accounted for as the new function is implemented during 2008-09 and subsequent years.

19 Financial targets

There were no financial targets set by the DfT during the year.

20 Financial instruments

Passenger Focus has no borrowings and relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. It has no material deposits, and all material assets and liabilities are denominated in sterling so it is not exposed to currency risk or, other than for cash at bank, to interest rate risk. However, as permitted under the FRS 13 this disclosure excludes short term debtors and creditors which would become payable from the balance sheet date and there is no material difference between the book value and fair value of assets and liabilities at 31 March 2008 or 31 March 2007.

Appendices



4.1 Appendix one

Biographies of Passenger Focus board members

as at March 2008

- **Colin Foxall CBE** is chairman of Passenger Focus and is also a non-executive director of Radian Asset Assurance Ltd and a member of the British Transport Police Authority.
- **David Burton** was managing director of West Anglia Great Northern Railway from 1996-1999.
- **Brian Cooke*** chair of London TravelWatch. He was previously a member of the Rail Passengers Committee for Eastern England and is a consultant in the travel industry. (*Appointed by the London Assembly*).
- **Philip Davis** was chairman of the Rail Passengers Committee for the Midlands. A former trade union negotiator and voluntary sector CEO, he serves on a number of public and community bodies, including the Commission for Integrated Transport (CfIT). He led Telford and Wrekin Borough for five years and remains closely involved with local and regional public policy development.
- **Kate Gordon CB** was a member of the Rail Passengers Committee for Eastern England and was previously a senior civil servant at the Health and Safety Executive. She is currently chair of the Queen Elizabeth NHS hospital trust, King's Lynn.
- **James King** has considerable experience in the advertising and marketing industry. Between 2002 and 2005 he was a member of the Rail Passenger Committee Scotland. In 2005 he was appointed Passenger Focus member representing Scottish interests. (*Appointed by Scottish Ministers*).
- **Christine Knights** was chair of the Rail Passengers Committee for North East England. She is a member of the British Transport Police Authority and is experienced in the development of consumer organisations and consumer policy in Europe and the UK.
- **Dr Derek Langslow CBE** was chairman of the Rail Passengers Committee for Eastern England and was previously chief executive of English Nature. He holds a number of non-executive roles including chair of the East of England Tourist Board and is deputy chairman of the Harwich Haven Authority.
- **Deryk Mead CBE** was chief executive of NCH, the leading children's charity, from 1996 to 2004 after a career as a chief officer in local government. He is a public member of Network Rail and holds a number of non-executive positions including NHS West Midlands and the Meat Hygiene Board.
- **Bill Samuel** was previously chief executive of the East of England Regional Development Agency and prior to that was chief executive of Peterborough City Council. He holds a number of non-executive positions and is deputy chair of the Thurrock Thames Gateway Development Corporation.
- **Barbara Saunders OBE** is an independent consumer consultant with experience of public policy in the UK and European Union. She has held a number of non-executive positions and previously chaired the Financial Services Consumer panel and Insurance Ombudsman Bureau.
- **Marc Seale** is currently the chief executive and registrar of the Health Professions Council and was previously public interest director for the Centre for Rail Skills.
- **Stella Mair Thomas** is a communications, media and marketing consultant, and was formerly head of the Independent Television Commission for Wales and the West of England. (*Appointed by the National Assembly for Wales*).
- **Nigel Walmsley** is chairman of Tourism South East and of the Broadcast Audience Research Board. He was formerly chairman of Carlton Television and, earlier, chief executive of the Capital Radio Group.

*Mr Brian Cooke's was appointed by the London Assembly and his appointment was terminated by them on 2 June 2008.

4.2 Appendix two

Passenger Focus staff

as at March 2008

London

Chief executive's team

- Chief executive – Anthony Smith
- PA to chief executive and chairman – Deepa Patel
- Corporate governance manager – Sarah Hampshire (maternity leave)
- Acting corporate governance manager – Jon Carter
- Team secretary – Sandra Tuah
- Business administration officer – Lani Weier

Communications team

- Head of communications – Amy Stockton
- Communications officer – Pete Biggs
- Press officer – Krista Hamblin
- Communications assistant – Sophie Harris

Policy and research team

- Head of research – Janet Cardell
- Acting policy manager – Mike Hewitson
- Senior policy adviser – Philip Wilks
- Passenger researcher – David Greeno
- Policy and research adviser – Dan Taylor
- Research and project adviser – Sultana Idris

Passenger link team

- Passenger director – Ashwin Kumar

Passenger link managers:

- Guy Dangerfield* – First Capital Connect, National Express East Anglia and National Express East Coast
- Jocelyn Pearson* – South West Trains
- Kerry Williamson*
- Michael Greedy* – First Great Western
- Sharon Hedges* – Southern
- Tunde Olatunji* – c2c, Southeastern and Eurostar
- Julie Warburton* – Virgin Trains
- David Sidebottom* – Northern, Merseyrail, Hull Trains and Grand Central
- Sue Tibbett* – Arriva Cross Country and TransPennine Express
- Simon Pickering* – ArrivaTrains Wales
- Robert Samson* – First ScotRail
- Paul Fullwood* – London Midland, Chiltern, East Midlands Trains



Manchester

Resources team

- Resources director – Nigel Holden
- Premises and services co-ordinator – Eamon Caughey
- Finance and HR co-ordinator – Suzette McGhee
- Finance adviser – Shahid Mohammed
- Temporary part time finance assistant – Fakhar Rafique

Development team

- Development manager – Katie Springer
- Development adviser – Ashley Grumble
- Project co-ordinator – John Sears
- Passenger link PA – Beverley Wright

Passenger advice team

- Passenger advice team leader – Gary Willott
- Senior passenger adviser – Kyle Yeldon
- Senior passenger adviser – Shaun Rice
- Senior passenger adviser – Fiona Stenhouse
- Senior passenger adviser – Sorrelle Wagster
- Passenger adviser – Greg Kyndt
- Passenger adviser – Rachel Jones

*based in various locations

4.3 Appendix three – list of all publications 2007-08

April 2007

- **Changing trains – what will New Cross Country passengers need?**

Final Passenger Focus recommendations to the Department for Transport

May 2007

- **Passenger Voice stakeholder bulletin**

Spring 2007

- **The Pennine Class 185 experience**

Report on new trains used by First TransPennine Express

June 2007

- **Annual season tickets: benefits for passengers**

- **Passenger Focus report to Cheshire County Council**

on access requirements for Crewe Railway Station

- **Passenger requirements during resignalling disruption**

- **National Passenger Survey**

Spring 2007

July 2007

- **Fare Structure?**

Research by Outlook Research for Passenger Focus

- **Rail passengers' priorities for improvements**

Summary of research conducted by MVA consultancy for Passenger Focus

- **Rail passengers' priorities for improvements**

– environmental issues – research report by Outlook Research for Passenger Focus

- **Rail passengers' priorities for improvements**

Qualitative research report by Outlook for Passenger Focus

- **Passengers' Priorities for Improvements in rail services**

Research by MVA for Passenger Focus

- **Improving the passenger experience**

Passenger Focus wins for passengers

- **Response to Network Rail Greater Anglia Route Utilisation Strategy**

- **Passenger Focus Annual Report and Accounts 2006-07**

- **Passenger experience of delay**

September 2007

- **Passenger Focus response to Network Rail East Coast Main Line Route Utilisation Strategy**

- **Passenger Voice Wales**

Stakeholder bulletin

- **Passenger Voice Scotland**

Stakeholder bulletin

- **Passenger Voice**

Autumn 2007 newsletter (Great Britain)

- **Passenger priorities for improvements**

Rail services in Scotland

October 2007

- **Assisted Passengers Reservation Service (APRS) Mystery Shop**

- **Unregulated Fares Increases**

– briefing

- **Delivering a Sustainable Railway**

Response to the Government's White Paper

- **Southern Railway Mystery Shopping Survey**





Passenger Voice goes national and regional

11 versions covering:

- West Midlands
- South West
- South East
- Wales
- Scotland
- North West
- North Eastern
- London
- East Midlands
- East of England
- Great Britain

November 2007

- **Disability Equality Scheme 2007-08**
- **Compensation: know your rights**
- **Response to Network Rail South London Route Utilisation Strategy**

January 2008

- **National Passenger Survey**
Autumn 2007

February 2008

- **Passenger Voice Winter 2008** – this issue marks the launch of 10 regional versions (see box above)
- **Network Rail's New Year engineering overruns**
Submission to the Office of Rail Regulation
- **Watford-Gatwick passenger surveys**
joint report with Royal Borough of Kensington and Chelsea and London TravelWatch
- **Ticketing for the future?**
Research into ticketing technology

March 2008

- **Passenger Focus – making a difference for bus and coach passengers using an evidence based approach**
- **Executive summary of briefing on the bus industry**
produced by TAS consultancy for Passenger Focus

All publications are available on the website, if you would like this document or any other in larger print, audio, Braille, alternative format or in a different language please contact us on 08453 022 022 and we will do our best to help.

4.4 Appendix four – list of all consultations responded to 2007-08

Consultations responded to during 2007-08

Specific

• Market investigation into leasing of rolling stock	Competition Commission
• Draft Local Transport Bill	Department for Transport
• Draft Local Transport Bill	House of Commons Transport Committee
• Disabled People's Protection Policy	Train Operating Company
Chiltern	
Virgin Trains	
First Capital Connect	
Merseyrail	
Arriva Trains Wales	
Arriva CrossCountry	
First ScotRail	
London Midland	
GNER	
East Midlands Trains	
Southern	
Victa Westlink Rail	
First Great Western	
Northern	
National Express East Coast	
One	
South West Trains	
Wrexham Shropshire and Marylebone Railway	
• Passengers Charter	
South West Trains	
Arriva Trains Wales	
Virgin Trains	
Arriva Cross Country	
National Express East Coast	
• Market Study Prioritisation Criteria	Office of Rail Regulation
• Class 442 refurbishment specification	Southern
• Timetable proposal – 2008	Southern
• Delivering a Sustainable Railway	House of Commons Transport Committee
• Timetable proposals	First Great Western
• Statement of Policy under Section 26(1) Railways Act 1993	Department for Transport
• Planning for Future Railway Provision in Wales	National Assembly for Wales
• Acquisition of the East Midlands Rail Franchise by Stagecoach	Office of Fair Trading
• Acquisition of the Cross Country Rail Franchise by Arriva	Office of Fair Trading
• Acquisition by National Express Group of the Intercity East Coast Rail Franchise	Office of Fair Trading
• Acquisition of the West Midlands Rail Franchise by Govia Limited	Office of Fair Trading
• Inquiry into Carbon Reduction	National Assembly for Wales
• Wales Regional Transport Plans	
Sewta (written)	
SWWITCH (oral)	
TraCC (oral)	
Taith (oral)	

• Provision of Cross Border Services for Wales	House of Commons Welsh Affairs Committee
• Public Transport Users' Committee for Wales	Welsh Assembly Government
• Travel Centres	South West Trains
• Periodic Review 2008: Network Rail's outputs	Office of Rail Regulation
• British Transport Police Authority three year Strategic Plan	British Transport Police
• Proposed changes to economic penalties statement	Office of Rail Regulation
• Land Disposals/Land Sales	Office of Rail Regulation/Property Review Group
• Centro-WMPTA Rail Network Development Strategy	Centro-WMPTA

Safety related

• Draft report on research into Passenger Containment	Rail Safety and Standards Board (RSSB)
• Evaluation of the Railway Safety Regulations 1999	Office of Rail Regulation
• Draft report on research into Management of Crowding	RSSB
• Preliminary Recommendation on the 1st set of Common Safety Methods	European Rail Agency
• Revision of Rule Book module on Work on signalling equipment	Rail Safety and Standards Board
• Applications for derogations from RGSs on Movements of engineering trains and Possession of line for engineering work	RSSB
• Revision of RGS on Terminal Tracks – Requirements for Buffer Stops, Arresting Devices and End Impact Walls	RSSB
• Application for a Safety Certificate C2C Arriva Cross Country London Midland NXEC Victa Westlink Rail Chiltern Northern	
• Application for Revised Safety Certificate (CTRL)	Southeastern
• Proposed RGS on Vehicle Fire, Safety and Evacuation	RSSB
• Proposed Recommendations for Rail Vehicle Emergency Evacuation	RSSB
• Proposed Recommendations for Communication of Emergency and Safety Information	RSSB
• Proposed Recommendations for Rail Vehicle Fire Safety	RSSB
• Proposed Recommendations for Rail Vehicle Emergency Lighting	RSSB
• Revision of RGS on Management of Safety Related Control, Command and Signalling (CCS) System Failures	RSSB
• Proposed withdrawal of guidance note on Railway Group Safety Performance Monitoring – Definitions and Guidance	RSSB
• Revision of Rule Book module on Level crossings	RSSB
• Proposed Rule Book module on Level crossings – signallers' instructions	RSSB
• Internal guidance on cost benefit analysis in support of SFAIRP decisions	ORR
• Internal guidance and general principles for assessing whether health and safety risks on Britain's railways have been reduced SFAIRP	ORR
• ORR 2008-09 Business Plan	ORR
• ERA's draft proposals for calculating, assessing and enforcing Common Safety Targets	EPF
• Draft template for duty-holder annual reports	ORR
• Use of Penalty Notices for Disorder to enforce Railway Bye-laws	BTP

General

• Track Access applications (numerous)	ORR
• Flow modification requests (numerous)	TOCs
• Minor Modification/Change requests (numerous)	TOCs

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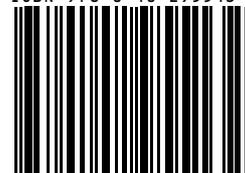
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