# Consumer Affairs Committee 14.7.10



## Secretariat memorandum

Author: Bryan Davey

CA049 Drafted: 5.7.10

Agenda item: 5

#### Actions taken

### 1 Purpose of report

1.1 To advise members of actions undertaken since last meeting by the secretariat or members in relation to any matter pertaining to this committee.

#### 2 Recommendation

2.1 That members consider the actions listed here in the context of case-specific workload of the Casework team.

#### 3 Information

3.1 The table attached at Annex A contains a list of actions taken for information. Details of specific actions may be requested via the listed contact. Ongoing meetings with contractors regarding support issues for the Casework database are not included in the table, but meetings regarding the review of functionality have been included.

### 3.2 0845 further work

At the last meeting, members discussed the impact on consumers of operators, and particularly TfL, introducing non-geographic numbers such as 0845. Following discussion with the Chair, the Director, Public Liaison undertook some further research on whether our concerns were shared by other consumer bodies.

He found that Consumer Focus are keen to examine the nature of consumer detriment of these non-geographic calls but also to encourage providers to include a call back facility for callers and 0300 numbers as opposed to 0843/5. They are also working with the Helpline Association on brokering deals with some small organisations to remove or reduce costs of making helpline calls. They considered that it would be very positive if we could persuade TfL to join this and would be happy to meet with us on this issue.

Consumer Focus brought to my attention that Ofcom are currently undertaking a review of non-geographic calls including the costs of making calls from mobile phones. The Director, Public Liaison contacted Ofcom and they told me that they were content to accept a late submission from us on the review and, after further discussion with the Chair, sent the attached response (Annex B) to the relevant officer. He has since informed me that they will be publishing a consultation in the Autumn to invite further comments on potential alternatives for intervention.

Members may also wish to note the recent question to the Mayor by Murad Qureshi and

his response on this issue (Annex C).

### 3.3 European Passenger Rights Regulation

On 5 July 2010 the Director, Public Liaison reported that :

"Members will recall that London TravelWatch discussed the European Union Passenger Rights Regulation at its meetings in September and November 2009. In December last year, the Regulation was introduced which provides a number of rights particularly about information, refunds and compensation for passengers making international journeys. At the time, no final decision had been made by Ministers as to how these rights would be enforced but the Department for Transport gave assurances to Parliament that a further Statutory Instrument on this issue would be issued within six months.

The resultant Statutory Instrument has now been published and became law on 25 June. This document designates the Office of Rail Regulation as the enforcement body for Passenger Rights and makes Passenger Focus and London TravelWatch the bodies to which complaints can be made to. The impact of this is that we now have a formal relationship with the ORR on these issues whereas previously we could only escalate matters relating to their franchise commitments through the Department for Transport.

In relation to domestic journeys, the Department for Transport has applied a derogation for a period of up to five years on those parts of the Regulation which are not mandatory. However, they are currently reviewing the cost and impact of introducing the Regulation."

The sections covering bodies handling complaints is included in Annex D of this report (<a href="http://www.opsi.gov.uk/si/si2010/pdf/uksi\_20101504\_en.pdf">http://www.opsi.gov.uk/si/si2010/pdf/uksi\_20101504\_en.pdf</a>).

### 4 Equalities and inclusion implications

4.1 This report poses no specific equalities and inclusion implications for London TravelWatch.

### 5 Financial implications

5.1 No specific financial implications for London TravelWatch arise from this report.

### 6 Legal powers and financial implications

6.1 Section 248 of the Greater London Authority Act 1999 requires London TravelWatch (as the London Transport Users Committee) to consider, and where it appears to it to be desirable, to make recommendations with respect to any service or facility provided by or for (or in the case of hackney carriages and private hire vehicles, licensed by) Transport for London, other than a matter relating to the transportation of freight, if it has been the subject of representations made by or on behalf of users of that service or facility. Section 252B of the same Act places a similar duty on the Committee in respect of users or potential users of railway services provided wholly or partly within the "London railway area" as defined under the provisions of the Railways Act 1993. The Consumer Affairs Committee is not required to consider matters which appear to it to be frivolous or (in the case of railway services) vexatious.

### Annex A – Consumer Affairs Action Taken CA049

| Item with web reference where appropriate                      | Action taken   | Notes / level of response                      | Relevant Officers and Members  | Date (chronological) |
|--|--|--|--|----------------------|
| Launch of East London Line                                     | Visit to Dalston Junction Station  | Start of Preview Service                       | Chair of London<br>Travelwatch   | 27.4.10              |
| Meeting with First Capital Connect (FCC)                       | Meeting with Neal Lawson,<br>Managing Director   | Regular Stakeholder Meetings                   | Chief Executive;<br>Chair of London<br>TravelWatch;<br>Director, Research<br>& Development and<br>Senior Policy Officer                                    | 29.4.10              |
| Meeting with London Overground Rail Operations Limited (LOROL) | Meeting with Steve Murphy,<br>Managing Director  | Regular Stakeholder Meetings                   | Chief Executive, Chair of London TravelWatch, Director, Research & Development and Senior Policy Officer   | 29.4.10              |
| Meeting with Transport for London (TfL)                        | Meeting with Matt Blanks, Head of Access and Olympics; Amanda Claassen, Stakeholder Engagement Manager; Paula Jenkins, Stakeholder Liaison; and George McInulty, Director, Northern Line | Northern Line Upgrade                          | Chair of London TravelWatch, Chief Executive, Director, Research & Development, Director, Public Liaison, Senior Policy Officer and Communications Officer | 29.4.10              |
| Meeting with Eurostar  | Meeting with Seth Williams,<br>External Relations Manager,<br>UK & International   | Regular Stakeholder Meetings                   | Chief Executive  | 4.5.10               |
| Benchmarking Exercise  | Meeting with Michael Hill  | Discuss how Casework Team carries out its role | Director, Public<br>Liaison  | 4.5.10               |

| Item with web reference where appropriate       | Action taken   | Notes / level of response                                       | Relevant Officers and Members  | Date<br>(chronological) |
|---|--|---|--|-------------------------|
| Communications Meeting with TfL                 | Meeting with Vernon Everitt,<br>David McNeill, Beverley Hall<br>plus other TfL staff | Regular Stakeholder Meetings                                    | Chief Executive,<br>Chair of London<br>TravelWatch and<br>Communications<br>Officer                  | 11.5.10                 |
| Meeting with TfL                                | Meeting with Nick Farrow   | Introductory Meeting  | Casework Manager   | 12.5.10                 |
| Meeting with Southern Railway Customer Services | Meeting with Dionne Cleall   | Introductory Meeting  | Casework Manager   | 14.5.10                 |
| London Underground Control<br>Centre Visit      | Meeting with Andy Barr, MBE. Network Co-ordination Manger, London Underground        |   | Board Members  | 17.5.10                 |
| Meeting with Passenger Focus                    | Meeting with Ian Wright, Head of Research and Mike Hewitson, Head of Policy          | Quarterly Meeting   | Chief Executive and Director, Research and Development   | 18.5.10                 |
| Meeting with Tubedale                           | Meeting with Evan Simpson and Paul Mansey, Tubedale                                  | Discuss CRM improvements and review                             | Chief Executive,<br>Director and Public<br>Liaison   | 18.5.10                 |
| First Capital Connect Website                   | Telephone conference on website changes  | Discussed possible improvements to navigation and content       | Director, Public<br>Liaison, Director,<br>Research &<br>Development and<br>Communications<br>Officer | 19.5.10                 |
| Consumer Law Training                           | Training session provided by Chris Dodds, Nick Wottley and Phil Wilcox, ORR          | Introduction to Consumer Law principles and EU passenger rights | Chief Executive, Director, Public Liaison, Casework Manager and Casework and Policy Teams            | 19.5.10                 |
| Meeting at Kings Cross (National Rail Station)  |  | Opening of New Platform   | Chair of London<br>TravelWatch   | 20.5.10                 |

| Item with web reference where appropriate                    | Action taken   | Notes / level of response   | Relevant Officers and Members  | Date (chronological) |
|--|--|---|--|----------------------|
| Meeting with Association of Train Operating Companies (ATOC) | Meeting with David Mapp,<br>Commercial Director & Andy<br>Wakeford, Head of Fares and<br>Retailing                         | Review of Rail Fares Policy   | Chief Executive and Director, Research & Development   | 20.5.10              |
| Meeting at Department for<br>Transport                       | Meeting with David Hibbs and<br>Sharon Goodsell, DfT, with<br>representatives from ATOC,<br>Passenger Focus and the<br>ORR | Passenger Rights Impact Assessment & Scope Meeting                              | Director, Public<br>Liaison  | 25.5.10              |
| Meeting with Surface Transport Communications                | Meeting with David Brown, Managing Director, Surface Transport, TfL  | Quarterly Meeting   | Chief Executive, Chair of London TravelWatch, Senior Policy Officer and Streets & Surface Transport Policy Officer | 27.5.10              |
| Meeting with the European Rail Agency (ERA)                  | Meeting with Stefan Jugelt,<br>ERA, Mike Hewitson, Head of<br>Policy, Passenger Focus                                      | Meeting to discuss a pan-<br>European approach to service<br>quality monitoring | Director, Public<br>Liaison  | 28.5.10              |
| Meeting with TfL   | Meeting with Simon Mouncey and Nick Farrow   |   | Casework Manager and Director, Public Liaison  | 28.5.10              |
| Meeting with Tubedale  | Review of database implementation with Alex Cousins and Evan Simpson   | Review of functionality   | Casework Manager and Director, Public Liaison  | 1.6.10               |
| Meeting with TfL   | Meeting with Andrew Chillingsworth   |   | Casework Manager   | 3.6.10               |

| Item with web reference where appropriate   | Action taken   | Notes / level of response  | Relevant Officers and Members  | Date (chronological) |
|---|--|--|--|----------------------|
| Meeting with c2c                            | Julian Drury, Managing<br>Director and Hugh Jennings,<br>Head of Retail  | Quarterly Review   | Chair of London TravelWatch, Chief Executive, Director, Research and Development and Senior Policy Officer | 3.6.10               |
| Meeting with South West Trains              |  | To check where the bus replacement service stopped as a customer waited a long time for a bus. Also, to see how the tube/trams connected with the mainline services. | Casework Officer   | 4.6.10               |
| London Underground Control<br>Centre Visit  | Meeting with Andy Barr, MBE. Network Co-ordination Manger, London Underground                                    |  | Chief Executive,<br>Chair of London<br>TravelWatch and<br>Board Members                                    | 8.6.10               |
| Meeting with British Transport Police (BTP) | Meeting with Andy Trotter,<br>Chief Constable  |  | Chief Executive and<br>Chair of London<br>TravelWatch  | 8.6.10               |
| Meeting with Virgin Trains                  | Meeting with Matt Bradley,<br>Customer Relations   | Introductory Meeting   | Director, Public<br>Liaison and<br>Casework Manger   | 8.6.10               |
| Meeting with Passenger Focus                | Meeting with Paul Bentley, Passenger Link Executive, Passenger Focus and representatives of FCC and Network Rail | Feedback on Luton Station priorities for Improvement Research  | Director, Public<br>Liaison and Policy<br>Officer  | 9.6.10               |
| Meeting at Richmond Station                 | Meeting with a complainant   | Discuss safety concerns regarding boarding and alighting at station  | Casework Officer   | 10.6.10              |
| European Passenger Forum (EPF)              |  |  | Chief Executive  | 11.6.10              |

| Item with web reference where appropriate       | Action taken   | Notes / level of response                              | Relevant Officers and Members  | Date (chronological) |
|---|--|--|--|----------------------|
| Meeting with Network Rail                       | Meeting with Robin Gisby, Director, Operations & Customer Services and Network Rail team |  | Chief Executive,<br>Chair of London<br>TravelWatch and<br>Senior Policy Officer                          | 17.6.10              |
| Southern Railway Meeting                        | Meeting with Chris Burchell,<br>Managing Director  | Quarterly Meeting                                      | Chief Executive, Chair of London TravelWatch, Director, Research & Development and Senior Policy Officer | 22.6.10              |
| Transport Working Group                         | Meeting with Sir Alan<br>Greengross  |  | Chief Executive and<br>Chair of London<br>TravelWatch  | 22.6.10              |
| Meeting with Southern Railway Customer Services | Meeting with Dionne Cleall and Rachel Phillips, Southern Railway                         | Meeting to introduce new<br>Customer Relations Manager | Casework Manager<br>and Director, Public<br>Liaison  | 29.6.10              |

#### Annex B

Further to our telephone conversation last week, thank you for providing us with the opportunity to submit comments on the review of non-geographic call services. I recognise that the formal consultation period has passed, but unfortunately, prior to this time, I was not aware of Ofcom's current review.

London TravelWatch is the official watchdog organisation representing the interests of transport users in and around the capital. Our role is to champion the views of transport users in the London area including bus, underground and rail users and investigate complaints from passengers who have tried unsuccessfully to get an acceptable response from a service provider.

The issue of the use of non-geographic numbers has become an increasing concern to our Board members. Our records show that we currently deal with around 7,500 telephone enquiries from passengers per year. Of these, we find that when asked, a significant proportion of these passengers state that they have called us first rather than the operator because they are concerned at the cost of making a call to 0845 numbers from their mobile phone. While most operators now use non-geographic numbers, we have continued to use a landline number. While we are able to deal with some of these passenger enquiries from the information we hold, for many of these calls, the operator is best able to deal with their enquiry and we are concerned that the use of non-geographic numbers is putting off passengers from registering complaints or for refunds.

In the last year, we have had a number of discussions with Transport for London regarding their strategy of using 0845 numbers for registering complaints and their decision to switch their travel enquiry service from a 020 number to an 0843 number. We recognise that in making these decisions, Transport for London wanted to use non-geographic numbers as these enable them to introduce new services such as call waiting and voice activated information provision as well as providing a facility to balance call flows by redirecting calls to their other call centres as necessary. While our Board members' preference was that such information should be free, they recognised that there was an argument that passengers should contribute towards the cost of information provision if it resulted in a better overall service being provided.

There are a number of issues that continue to concern our Board members however. Our Board members believe that as a matter of principle complaints should be free. They believe that users of any public service should not be put off from registering a complaint by the cost of making that complaint and that provision of a free service encourages transport operators to deal with such enquiries quickly and efficiently. In principle therefore the Board considers that such complaints lines should be 0800 numbers. However, it is concerned that, while such phone lines are free for landline users, calls from mobile phones can be as high as 40p per minute and far higher than the cost of calls to other landline numbers or 0300 numbers which may also form part of mobile phone users' contract packages. A charging policy that makes 0800 numbers cheaper for those who use landlines but more expensive than other types of calls for those that use mobiles appears to undermine the concept of free phone numbers and appears somewhat perverse. We would welcome it if Ofcom could revisit this area as part of the current review.

Board Members expressed particular concern however about the costs of calls from mobile phones to 0843 and 0845 numbers. They recognised that these numbers are currently the most prevalent in the transport sector, with almost all operators using them for providing information and dealing with complaints. Members noted that calls to such numbers vary

enormously but are typically about 25 pence per minute from mobile phones. They consider that as such the use of business rate numbers represents a serious impediment to some mobile phone users obtaining information and registering complaints. As an example, we have received complaints from passengers who have found that the cost of registering for a refund on an Oyster card exceeded the amount of the refund itself. The Board was concerned too that these charges have a serious equality impact with their impact being far higher on low income groups as they are more likely to no longer use or have access to telephone landlines and rely wholly upon their mobile phones to make calls than other groups in society.

Board Members considered that there did not appear to be a good case for such a disparity in charging between mobile phone and landline users. They noted that the cost to mobile phone users was in the region of 10 – 15 times that of the cost of a landline call. Yet Transport for London inform us that their 0843 number generates about 1.5p per minute while calls to their 0845 numbers generate no revenue at all. Board members considered that there was a good case for both lowering the charge of calls to mobile phones and introducing a uniform charging system as this would be simpler for consumers to understand what they were being charged.

Board members recognise that there is a particular problem where consumers are presented with lists of options or are placed in long call queues at busy times, as much of the cost of a call in such circumstances is unproductive from the consumers' point of view. Consumers have no clear indication of how long a call may take to be answered with the result that their costs can vary significantly, or even in the case of those using pas-you-go, they can even find that their credit runs out before they have their issues resolved. We are concerned that there is little incentive for those providing business rate call services to reduce waiting times although this is a source of irritation for consumers. We hope, therefore, that Ofcom will also consider whether it is feasible for call costs to be adjusted in some way to provide for a lower charging regime for waiting or queuing time.

You may be interested to read the following discussion papers presented to our Consumer Affairs Committee which have discussed this issue:

http://www.londontravelwatch.org.uk/document/3961/get http://www.londontravelwatch.org.uk/document/4126/get

I hope that you find these comments helpful as you develop your detailed proposals and options in relation to non-geographic numbers and that you will keep us informed of progress on the review.

#### Annex C

"Why TFL have been allowed to change their travel information telephone number from an 0207 number which can be called from mobiles within the calling allowance to an 0843 number which is charged at a high rate per minute from mobiles? Why have you approved this change? Clearly this charge will benefit the mobile 'phone companies, but what benefit does it give to TfL or to passengers? — Murad Qureshi

### Mayoral response

TfL has changed its travel information number to 0843 222 1234 in order to meet the growth in demand in a cost effective manner and, at the same time, improve customer service. The travel information number already handles 3.4m travel enquiries per year. The 0843 number gives customers the opportunity to use a voice-activated service to plan their journey, though they do always have the option of speaking to a customer service advisor if that is their preference. Unlike the previous service, no one calling the 0843 number should get an 'engaged' tone, meaning TfL can provide a better service at times of high demand, such as during serious disruption caused by adverse weather.

Mobile phone companies set their own tariffs which are subject to regulation by Ofcom. TfL does provide a wide range of travel information to customers at no charge, including the online TfL Journey Planner, posters and leaflets at stations, announcements by staff and through the media via the syndication of real-time travel information to broadcasters and others."

#### Annex D

#### **Bodies handling complaints**

- 18.—(1) The Rail Passengers' Council is designated as a body to which complaints may be made under Article 30(2) of the European Regulation, in relation to matters that fall within its functions under any enactment (other than this regulation), disregarding any order made under section 76(7B) or (7C) of the 1993 Act(c) (power to exclude specified services from general duties of the Rail Passengers' Council).
- (2) In matters for which the Rail Passengers' Council is a body to which complaints may be made under Article 30(2) of the European Regulation, section 76 of the 1993 Act (general duties of the Rail Passengers' Council) has effect as if—
  - (a) in subsection (5)—
    - (i) the references to the Secretary of State included a reference to the ORR, and
    - (ii) in relation to a matter being referred to the ORR under that subsection as modified by paragraph (i), the words "unless representations about the matter have been made to the Secretary of State by the Rail Passengers' Council" were omitted,
  - (b) subsection (5A)(d) were omitted, and
  - (c) in subsection (7), the reference to the Secretary of State included a reference to the ORR.
- (3) The London Transport Users' Committee is designated as a body to which complaints may be made under Article 30(2) of the European Regulation, in relation to matters that fall within its functions under any enactment (other than this regulation), disregarding any order made under section 252E of the Greater London Authority Act 1999(e) (power to make exclusions from duties of Committee).
- (4) In matters for which the London Transport Users' Committee is a body to which complaints may be made under Article 30(2) of the European Regulation, section 252C of the Greater London Authority Act 1999 (action on investigation under section 252B) has effect as if—
  - (a) in subsection (3)—
    - (i) the references to the Secretary of State included a reference to the ORR, and
    - (ii) in relation to a matter being referred to the ORR under that subsection as modified by paragraph (i), the words "subject to subsection (4)" were omitted,
  - (b) subsection (4) did not apply in relation to the reference of a matter to the ORR under that subsection as modified by sub-paragraph (a)(i),
  - (c) subsection (5) were omitted, and
  - (d) in subsection (6), the reference to the Secretary of State included a reference to the ORR.

#### Restrictions on disclosure of information

- 19. Section 145 of the 1993 Act (restriction on disclosure of information) shall have effect in relation to information—
  - (a) which has been obtained by the ORR, the Rail Passengers' Council or the London Travel Users' Committee in the exercise of their functions under Article 30, and
  - (b) which relates to the affairs of any individual or to any particular business,

as it has effect in relation to such information obtained under or by virtue of any of the provisions of that Act.