

Consumer Affairs Committee 10.3.10

Secretariat memorandum

Author : Bryan Davey

Agenda item 16

CA040

Drafted 4.3.10

South West Trains correspondence handling audit

1 Purpose of report

1.1 To submit the final report of a complaint handling audit of Southern Railway.

2 Background

2.1 Passenger Focus and London TravelWatch share the common objective for all transport companies to reduce the quantity of complaints from passengers and to improve the quality of operators' replies. As appeal bodies, neither Passenger Focus nor London TravelWatch investigates complaints until the operator in question has had an opportunity to resolve them directly with the complainant. Passenger Focus and London TravelWatch have an interest in transport operators giving good quality responses to passengers when dealing with initial complaints, to reduce the likelihood that they will become the subject of subsequent appeals.

2.2 To learn more about the way transport operators handle complaints, teams from Passenger Focus and London TravelWatch visit their customer services departments to obtain an overview of the style and content of correspondence sent to complainants. Such a visit was made to South West Trains in Southampton in September 2008.

2.3 Unfortunately, after undertaking the visit, the team suffered a number of long term absences which meant that publication of the final report was significantly delayed. In these circumstances, it was agreed with Passenger Focus that a further review of 20 cases would be undertaken by them. It was also agreed that a summary of all 60 cases would be provided to South West Trains and the resulting report would draw on the findings of the both reviews but with the focus primarily placed on the latter visit.

2.4 A report of the findings is attached as Appendix A.

3 Equalities and inclusion implications

- 3.1 Not directly applicable – report is for information only. Auditors do, however, highlight in their reports any issues of this nature emerging from their inspections, e.g. relating to font sizes used in correspondence or the availability of other (non-written) means of communication.

4 Legal powers

- 4.1 Section 252A of the Greater London Authority Act 1999 (as amended by Schedule 6 of the Railways Act 2005) places upon London TravelWatch (as the London Transport Users Committee) a duty to keep under review matters affecting the interests of the public in relation to railway passenger and station services provided wholly or partly within the London railway area, and to make representations about them to such persons as it thinks appropriate.

5 Financial implications

- 5.1 There are no direct financial implications for London TravelWatch arising from this report.

6 Recommendation

- 6.1 That the report is received for information.



Passenger Focus

Report Of
South West Trains'
Complaints Handling Review

11 August 2009

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- A. Case Review Form Template
- B. Definition of Criteria used alongside Case Review Form
- C. A Case Summary showing the complaints reviewed and the reviewers comments.

1. Introduction

Passenger Focus and London TravelWatch share a common objective for the rail industry to improve the quality of responses to complaints and to reduce the causes of complaints by investigating and addressing underlying issues. Both organisations have therefore worked together to undertake a national programme to review complaint handling by train operating companies and the rail industry.

As appeal bodies we investigate complaints only after the operator in question has had the opportunity to resolve the complaint directly with the complainant. However the reviews have helped us to learn more about the way complaints are handled and will enable us to share best practice within the rail industry.

As no formal report was produced following the review of 40 cases in September 2008, Passenger Focus asked South West Trains (SWT) to supply an additional 20 cases from Spring 2009 in order to assess the current quality of complaints handling and to draw comparisons with the original cases reviewed.

This report provides a detailed analysis of the of the 20 cases from 2009 provided referencing procedures, process and policies that support the complaint handling procedures [passenger charter and complaint handling policy]; and then goes on to draw comparisons with the data obtained from the 40 reviews from 2008.

2. Executive Summary

The review found the majority of cases (55%) were marked as poor or very poor. Throughout the review we identified a number of key areas which could be improved in order to give a better service to SWT's passengers.

Overall, we saw a decrease in the quality of responses provided by SWT with no cases marked as 'excellent' (compared to 7.5% in the 40 cases reviewed in 2008).

Below are a number of the key recommendations, which we feel, would assist in addressing the issues identified by this review. .

- Consider the current use of standard paragraphs and provide the team with a "best practice guide" when using these, especially in sensitive cases.
- Provide guidelines to the team on the use of gestures of goodwill and cheques. The responses often relied on policy, advisors should be able to use their discretion to ensure that "natural justice" is given to resolve the case. Most importantly consider the wording that is used when gestures are offered.

- Develop an ongoing training programme for the team on letter writing skills to improve the empathy, tone, quality and content of responses.
 - SWT will need to look for practical ways in which they can ensure all staff have access to training, coaching or briefing about the responses that the Customer Service Centre gives passengers.
 - Sharing best practice across the team is vital and SWT will need to review how this is currently done. SWT may need to develop a forum for the advisors to regularly update each other on their tips for improvements.

We did see some examples of good customer service where advisors had used their discretion and the resource available to them to provide a well balanced response to the passenger. We do feel that SWT could learn lessons from these examples in order to develop the team.

3. Methodology

South West Trains has previously provided 40 cases, randomly selected, which were assessed by London TravelWatch using the Assessment Criteria contained in Appendix A and the results were recorded using the tick sheet shown in Appendix B.

In Spring 2009, Passenger Focus asked SWT to provide 20 cases in addition to those already reviewed. These cases were randomly selected by SWT. For continuity and ease of comparison, these cases were also reviewed using the assessment criteria referred to above.

4. Key Findings from the 2009 cases review

1. General Complaint Handling Process

The 20 cases reviewed were marked from Excellent to Very Poor using the assessment criteria provided in Appendix A. The graph below shows the breakdown of how cases were scored.



Of the cases that were reviewed the majority (35%) were rated poor, this was followed by 30% of cases that were rated as standard. 20% of the cases were thought to be very poor

and 15% demonstrated good customer service. None of the cases that were reviewed were thought to be excellent.

Of the very poor and poor responses that we looked at, it was felt that on several occasions the response failed to address the passenger's concerns. In the case of **1522274** the passenger was on a delayed service, whilst on the train he asked the conductor about the connecting services that he could use with the ticket that he held. The passenger was given some incorrect information about the services he could use with the ticket, so was subsequently charged for an additional ticket.

The response the passenger received failed to address the cause of the complaint, the incorrect information he was given. It does go on to explain that the conductor on the alternative service was correct to charge him for an additional fare- whilst this may be the case, it is felt that this statement could aggravate the passenger further. The passenger was relying on the information that was given to him and the response does not address this and considering this was the cause of the complaint, it should have had more attention paid to it.

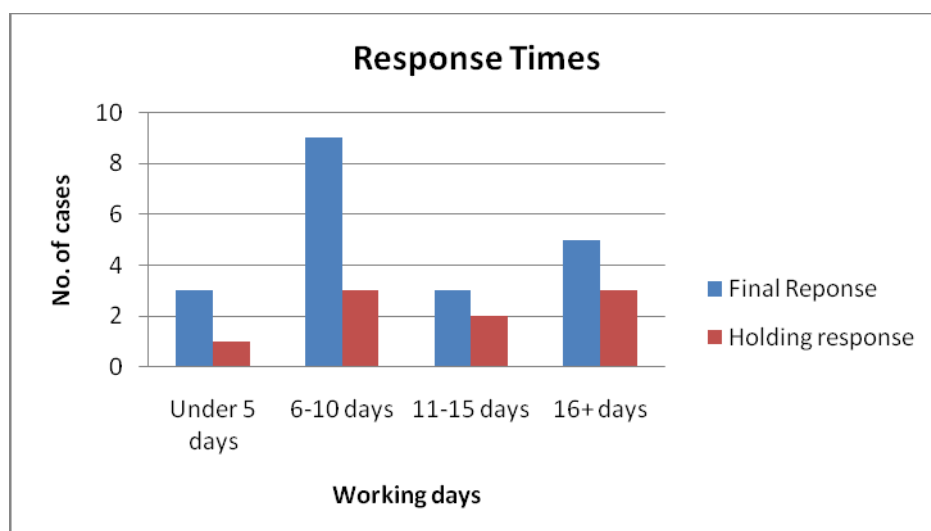
A gesture of goodwill is given to the passenger, but only after he is reminded that he was correctly charged. This does seem very begrudging and does not sell the gesture of goodwill positively- again this is likely to aggravate the passenger further.

2. Speed of response

In their Passengers Charter, SWT commits to responding to passengers within 5 working days of the receipt of the letter or e-mail. If SWT cannot provide a full response within 5 working days an acknowledgment will be sent with a full response in 20 working days.

Of the cases that we looked at **55%** were responded to after 5 working days, or had not received a holding letter at this point. There were a number of lengthy delays in getting back to passengers for example case **1511549**, the passenger had to wait 17 working days for a response. In addition, the response did not acknowledge the delay in getting back to the passenger.

The chart below shows The numbers of cases acknowledged and responded. Under the passengers charter standard, all 20 cases should have received an acknowledgement or full response within 5 working days.



There appears to be some discrepancy in the length of time SWT endeavours to respond to Passengers. The Customer Complaints Handling Procedure states:

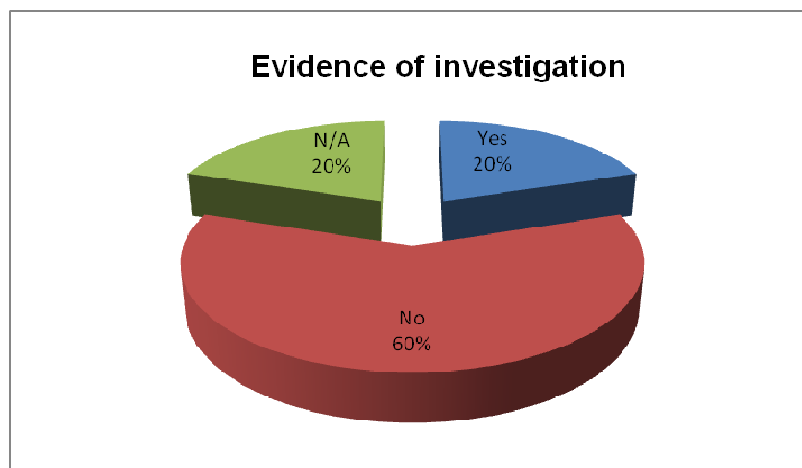
“We aim to respond to 90% of comments and complaints within 10 working days and 95% within 20 working days. If a full reply cannot be made within 20 working days we will contact you to update you.”

As we understand, this refers to the resolving of a case and as such, based on the cases reviewed, we believe there is room for improvement in the response times to passenger letters.

We understand there are incidents beyond SWT’s control that can cause a huge increase in SWT’s mailbag, so it is not always possible to provide full response in 5 working days. However, SWT do need to stick to their advertised commitments as this will be a reputational risk to the company if it consistently not achieved.

3. Evidence of investigation

Investigating a passengers complaint and communicating this to them is very important. It provides clear reassurance the complaint has been taken seriously and where possible outlines the specific action that has been taken to rectify the problem. The chart below outlines the cases by the evidence of investigation that we saw.



Looking at the cases we reviewed the majority detailed little or no result of an investigation into the specific issues raised by the passenger. . A number of the responses relied on standardised paragraphs which were not always tailored to the passenger’s specific complaint.

In case **1503341** the passenger was delayed and asked a number of specific questions about the incident and the lack of information that was available. Whilst the response outlines the cause of the delay it does not answer the clearly outlined questions and relies on standard wording to complete the response.

This is also shown in case **1521604**, the passenger experienced a lengthy queue at Southampton station and submitted a complaint about this and the general use of ticket machines. The passenger also welcomed SWT's further comment on this issue and also what action is going to be taken to resolve the staffing issue.

The response to the passenger sets out the minimum standards (should not have to queue longer than 5 minutes) but goes on to excuse the problem because some passengers ask for complex journeys. This is the passenger's point of their complaint and it's their belief that there should be less reliance on ticket machines.

The reply does not clearly explain SWT's position on this issue and does not go to any length to explain it. The standard wording used does not address the passengers concerns.

We understand that the appropriate use of standard paragraphs are a useful tool as a base for responses to common enquiries,. however, it is our view that they should not replace the letter tailoring and adaptation required to ensure all customers receive a comprehensive and accurate response specific to their complaint.

We therefore feel that SWT should consider its use of the standard paragraphs to ensure that they are tailored where an investigation is appropriate in order to respond to the specifics of the passengers complaint. Any resulting guidelines should also be shared with the case advisors.

4. Evidence of issues being taken forward for improvement

Customer complaints should be used as free passenger feedback to draw attention to issues or areas for improvement. During our review of complaint handling we were keen to understand whether individual actions were taken on the back of complaints being raised.

We understand that, on the whole, complaints statistics can be used to identify trends in issues of customer concern. However, there are always instances where issues arise in individual complaints which should be followed up internally so that specific improvements can be made. Our review criteria therefore include a measure of whether there was evidence of the service provider taking on board the issues in the passenger's correspondence to improve its service.

The criteria asks *"is there any evidence that the TOC has taken on board this correspondence to improve its service to passengers"*- the percentage that answered yes was **15%**. Some of the responses that we reviewed were very defensive and did little to understand the passenger's point of view, passenger **1510012** was inconvenienced because of the flooding. He was given poor information about the bus replacement services and had to be picked up by car.

The letter back to him is very defensive in its approach and whilst we understand that SWT has to outline the circumstances to passengers about the delay, this is unlikely to meet the passengers reasonable expectations.

When responding to passenger's, merely quoting policy and National Rail Conditions of Carriage (which most passengers are not familiar with) is likely to be seen as hiding behind opaque rules to the disadvantage of good customer service. It certainly appears unecessarily defensive. Whilst we understand this will sometimes need to form the basis of the response, its constant use avoids the use of discretion which needed to ensure that passenger issues are resolved fairly.

The case of **1518445**, the response just uses "policy" as a reason for deducting a £10 administration fee for a refund. The passenger was unable to get to a station to refund the ticket (before the date on the ticket) due to work commitments and little discretion is used to address this. The passenger also comments on the information given to her by a station manager which it appears from SWT's response was incorrect.

1519758 the passenger was travelling from Overton to Waterloo, no ticket purchasing facilities were available at his origin station, so he boarded the train expecting to pay on board as he had done on several occasions. The guard was unable to sell him a ticket as the "chip and pin" facility was not working. The guard then asked the passenger to get off the train and purchase a ticket at the next station, which he did.

The passenger was travelling to an exam so was extremely concerned that he would not arrive on time. He was also advised by another passenger that an announcement was made by the guard that he was having difficulties with his payment machine and passengers would have to pay at Waterloo- this was not offered to the passenger and no explanation has been provided. Rightly or wrongly the passenger feels discriminated against and in his letter also reiterates another similar problem that he had when he boarded from Overton.

The passenger has clearly had a similar response before and is a loyal customer, although the response is apologetic, it's not the first time this problem has occurred. There may need to be a "rebrief" to staff outlining a lack of ticket facilities- if this was done, we feel it is important to tell the passenger.

Although the passenger's concerns have been passed onto the relevant manager about the particular staff member, there is little reassurance that the issue has been properly investigated. We understand that SWT cannot divulge the outcome of specific staff investigations due to confidentiality but the response to the passenger could have gone a lot further to demonstrate that SWT had seriously taken onboard the concerns and, most importantly, acted upon them.

In light of this, we would recommend that SWT reviews the way in which information about the outcome of investigations is passed back to the Customer Relations team and the way in which the outcome of investigations is communicated to passengers.

5. Other issues and observations

Gestures of goodwill

The use of gestures of goodwill is all part of good customer service. However we noted instances where the wording used when offering a gesture often seemed begrudging and felt quite negative. In the case of **1511549** the passenger experienced a delay due to weather conditions and the phrasing used “As I am sure you can appreciate, this was outside of our control, but as a gesture of goodwill, I enclose vouchers”.

It is clear that it was outside of SWT’s control- the delay was due to the weather and whilst we understand that SWT needs to clarify this, the majority of passengers should realise this.

We feel an alternative, more appropriate way of wording the response would have been: “We could not operate the service we wanted to on the day due to the weather, however we appreciate that our staff were not able to provide you with sufficient information and alternatives options for you to continue your journeys and therefore, as a gesture of goodwill, we are pleased to offer you £32.00 in rail vouchers”.

We would recommend that SWT considers its wording in order to get the best response from passengers with regards to the gestures of goodwill that is offered

“Money off next purchase”

When SWT offered rail vouchers either for gesture of goodwill or charter compensation, the advisor often used the phrase “Rail vouchers are valid for a year and are a real ‘money-off next purchase’ opportunity from the cost of any UK National Rail tickets”.

We did feel that this wording was sometimes inappropriate and it may raise the question as to why cheques are not offered in the first instance- if it is “money off”. We understand that SWT is selling the benefits of rail vouchers to passengers but when passengers are requesting cheques or have particular aggravated complaints we would recommend cautious use of this phrase as it is likely to cause some aggravation, particularly where a passenger is entitled to the compensation due to an error on SWT’s part. .

We would also encourage SWT to review or clarify the guidelines to advisors as to when a cheque, rather than a rail voucher, should be offered.

Standard Notices

Through the review we did note a standard sentence being used after the advisor signature warning passengers about the gating at Waterloo taking effect from 5 January 2009. We are aware of the importance of getting this message out to passengers, but we would caution the use of a ‘blanket’ inclusion of this information on all customer responses:

This was evident in case **1518263**, where the passenger had an issue with his ticket when he travelled through Waterloo. He was travelling with his daughter and she was allowed through the barrier however he was prevented from going through. This caused some distress to the passenger and he submitted a complaint about the incident. We feel the inclusion of the standard paragraph in this case was both inappropriate and insensitive towards the customer in the light of the fact that the gatelines were the cause of his complaint in the first place.

Use of responses from SWT managers

Within the response to case **1518263** was a 'cut and paste' e-mail from the station manager. We do not feel the wording used by the manager (which we presume he did not think would be used publicly) is not appropriate for a customer service centre response. For example the letter refers to "Mr Member of staff". We believe the managers response should have been paraphrased within the letter in order to make it appropriate to the response.

We would strongly recommend that this area is reviewed regularly by South West Trains to avoid a repeat.

6. Examples of excellent customer service

When conducting the reviews we like to see examples of excellent customer service and we detail these in the final report. From the 20 cases that we looked at, none were deemed to be "excellent" however we did see some examples of good customer service practice which should be learnt from and best practise shown across the team.

In case **1515818** the passenger had to use the ticket machine and was charged for a more expensive fare because the machine at the moment cannot issue that ticket. An explanation of the problem was given to the passenger and a no quibble refund of the additional payment. The response addressed the points in full.

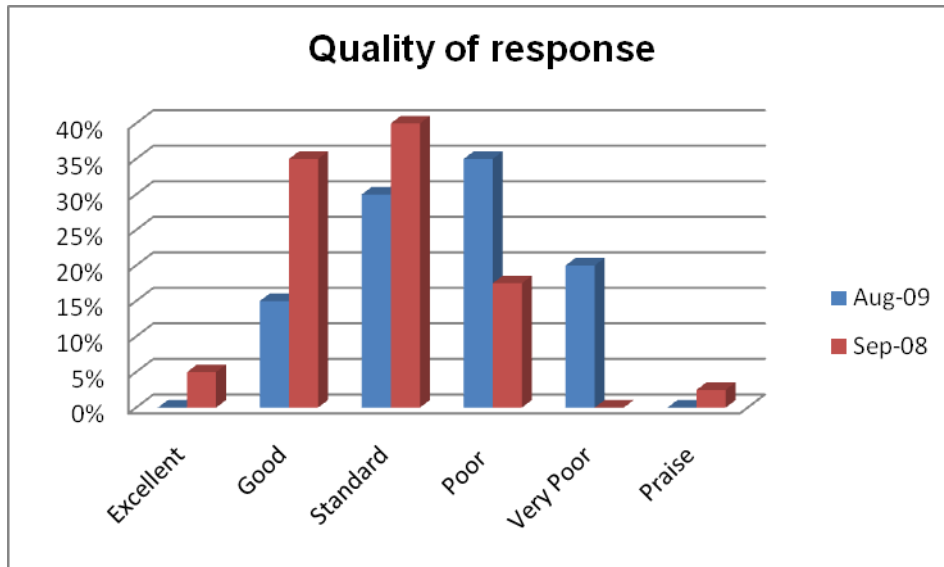
The passenger in case **1523152** purchased some tickets from the ticket office but when she left the station she realised they had the wrong date on them. The response to the passenger is good as it explains SWT's position but also acknowledges that mistakes can be made and provides a full refund for the tickets, even refunding a ticket that the passenger mislaid.

There has been a clear referral to the station manager to follow up the mistake that was made and provides a no questions asked refund.

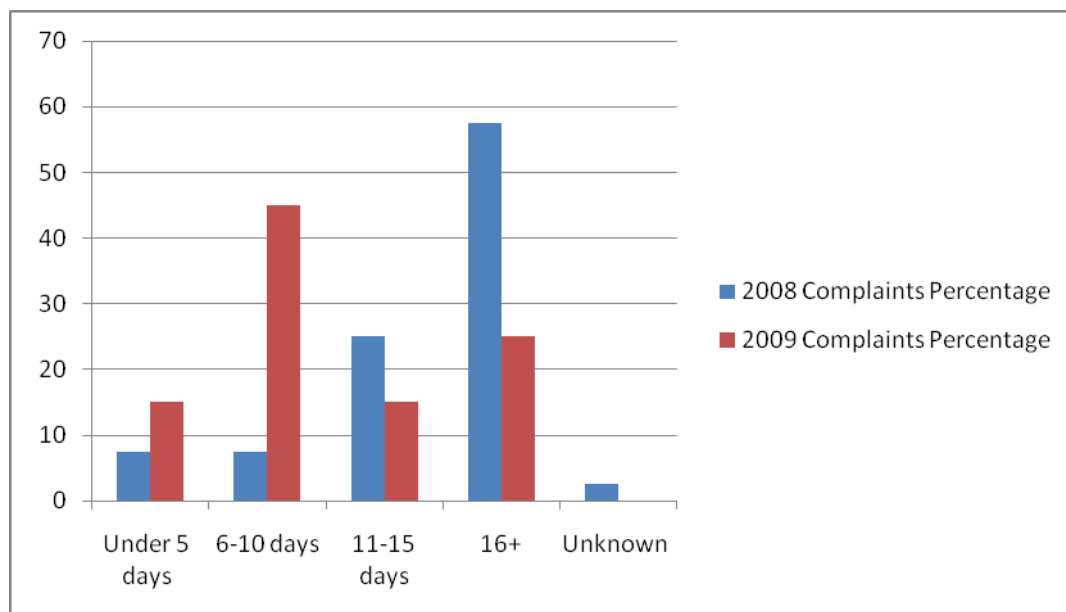
The response gives some good advice for the future (check your tickets) to avoid this problem happening again. The advisor has clearly investigated the problem, passed on the details to the relevant managers and provided some good advice to the passenger. We felt this was a good response and a positive outcome.

5. Comparison of results with the 2008 review

The review conducted in September 2008, used the same methodology as was used in the 2009 case review and looked at a random sample of 40 cases supplied by South West Trains. The following section provides a high level comparison of the cases from the 2008 and 2009 reviews.



The graph below compares the rating of the 2008 and 2009 cases. We are disappointed to see an overall fall in the percentage of cases which received a satisfactory response (85% of responses were standard or better in 2008 compared to 45% in 2009) although it should be noted that fewer cases were reviewed in 2009.



We are pleased to see an overall improvement in the response times between the two reviews however we again note the difference in the sample sizes and the small number of

cases reviewed. We would therefore welcome a discussion with SWT about their own data on this area.

6. Conclusions

SWT has demonstrated some good customer service practice, with advisors using their discretion to resolve passenger complaint in some cases. We would encourage this further and would like to see this more widely used across the complaints that we see.

We do feel that SWT could easily score higher on individual cases if there was more of an attempt to take onboard the passengers concerns. SWT's customer service team has a vast amount of information available to them throughout the business and more investigation is needed on particular complaints.

If this is being done the Advisors must ensure they provide more detail of the investigation they have made in their responses. The more the passenger knows is being done and the more they can relate this to their experience, the more likely they will be to return their custom to SWT in the future.

In addition to this, some of the responses were worsened as the advisor only addressed the primary issue and failed to address each specific point. SWT need to ensure that they are answering *all* of the questions presented to them by passengers. This shows to the passenger their complaint has been recognised and an attempt to resolve it. When only the primary issue is answered, passengers may come back resulting in more comebacks to the team.

SWT should consider the message it is giving when using certain phrases and standard paragraphs. As we have highlighted in the report we did feel that the use of these was sometimes inappropriate or potentially insensitive to the passengers' complaint. SWT will need to consider how to review their existing paragraph library and its use to prevent this.

The response times and committing to providing an acknowledgement within the 5 working days was also an issue. The sample we saw was small, however, if this is a wider issue SWT will need to consider its advertised commitments, or what it will do so ensure that SWT are meeting the target. We should however note this area may need further exploration with SWT.

In some of the cases provided, the tone of the responses was an issue and from a passenger perspective the responses did appear defensive, often quoting National Rail Conditions of Carriage, or company policy. Whilst this does have a place in the customer service environment, relying on this to produce responses does appear automated and defensive. A theme which appears more consistently in the 2008 sample, which contributed to the higher level of 'good' responses was that of empathy with the reviewers noting this in a number of responses.

7. Recommendations

- Develop an ongoing training programme for the team on letter writing skills to improve the empathy, tone, quality and content of responses.
 - SWT will need to look for practical ways in which they can ensure all staff have access to training, coaching or briefing about the responses that the Customer Service Centre gives passengers in the current financial climate. .
 - Sharing best practice across the team is vital and SWT will need to review how this is currently done. SWT may need to develop a forum for the advisors to regularly update each other on their tips for improvements.
- Consider the current use of standard paragraphs and provide the team with a “best practice” when using these, especially in sensitive cases where their use may not be appropriate or the most effective response to the passenger.
- One of the main issues from the responses that were reviewed was the advisor not addressing all of the points. SWT will need to consider what internal measures may address this issue and we would recommend further quality monitoring and support and/or larger sampling of cases before they leave the office.
- Provide guidelines to the team on the use of gestures of goodwill and cheques. The responses often relied on policy, advisors should be able to use their discretion to ensure that “natural justice” is given to resolve the case. Most importantly consider the wording that is used when gestures are offered.
- Provide specific information to the passenger about how their comments have been used. SWT will need to ensure that any issue can be raised with a particular manager within SWT and any actions that are taken are fed back to the passenger in the reply. This requires cooperation from other parts of the business in ensuring that a robust feedback mechanism is in place and that the Customer Service Centre Advisors are clear as to who to contact within the business.
- We would welcome clarity of the two standards shown in the Passengers Charter and Complaints Handling Procedure however, we should note that we would not want to see a worsening of the standard of service which passengers receive as a result of this clarity.

8. Circulation List

Draft Report

Name	Organisation	Address	
Kyle Yeldon	Passenger Focus		
Jocelyn Pearson	Passenger Focus		
Paul Bentley	Passenger Focus		
Tunde Olatunji	Passenger Focus		
Phil Berry	South West Trains		
Rob Porter	South West Trains		

Final Report

Name	Organisation	Address	

Appendix A

ASSESSMENT QUALITY CRITERIA

Introduction

We know that a complaint is any expression of dissatisfaction about service delivery or about company or industry policy by a passenger or potential passenger. As a starting point all TOCs are obliged to apply the National Conditions of Carriage, Passenger Charter and their Complaints Handling procedures in setting out how they will deal with passenger complaints. Therefore this will guide our determination of a passenger's standard expectations.

In reviewing your complaint handling, we will be assessing how you have addressed passengers' complaints and correspondence by looking at a random sample of c40 of your closed cases. Our aim is to look at the response from the passenger's point of view and to make a judgement on whether it is likely to have met a passenger's reasonable expectations.

The assessment will, by its very nature involve a degree of subjective judgement as to what is good customer services and a good response. However the following sets out guideline criteria for our qualitative approach. We will also expect to continue developing the criteria as we gain more knowledge the more reviews we carry out.

Quality Standards

The quality scores that we will use are – Excellent, Good; Standard; Poor and Very poor. These scores will be applied to judge the overall letter and aspects of it such as -

- is the letter well written
- does it meet all the basics of good letter writing [e.g. in terms of spelling, grammar, addressing the passenger correctly];
- is each point answered;
- does the response demonstrate overall quality and good customer services (such as empathy; helpfulness; politeness);
- evidence the issue has been investigated or that the TOC has taken on board the passenger concerns.
- has the passengers reasonable expectations been met [e.g. apology, all issues answered, correct refund or ex-gratia payment made]

The following table captures some of the core elements of the basis for our quality assessment.

Excellent	Responses which are likely to exceed passenger's reasonable expectation.	<ol style="list-style-type: none">1. Very prompt responses which seek to immediately resolve passengers complaints;2. No quibble acceptance of passengers concerns with ex-gratia payment or gift in addition to any other compensation the passenger is entitled too.3. Full and proper explanation in response to significant complaint for example to extreme incident of disruption.
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Good	Response aims to address the passenger's complaint as well as satisfy the passenger's reasonable expectation of good customer service.	<ol style="list-style-type: none"> 1. Gives in-depth but succinct response which addresses the primary and any secondary issues; 2. Confirms TOC investigation and or action to resolve complaint 3. Offers apology and/or compensation 4. Explains company policy but moderates it to suit context of passenger's issues. 5. Response contains evidence of good customer services e.g. – fairness; empathy; polite; helpful; and understanding.
Standard	Response aims to meet TOCs minimum obligations	<ol style="list-style-type: none"> 1. Response meets TOC minimum passenger charter promises and complaint handling procedures; 2. Response addresses primary complaint with a basic response, likely to include standard paragraph; 3. Explains context with a view to delivering a basic response to the passenger's concerns.
Poor	Response fails to meet TOCs minimum obligations or address the passenger's basic expectations.	<ol style="list-style-type: none"> 1. Response fails to correctly identify or properly understand all or some of passenger's issues. 2. Response reluctant to acknowledge passenger. 3. Response is not clear e.g. either too long and confusing or too short and blunt; uses technical or industry jargon or hides behind company policy. 4. Evidence of a lack of good customer service – e.g. is defensive; unhelpful; patronising; or contains platitudes without meaningfully addressing passenger's concerns. 5. Refusing to give refund that passenger is entitled too or giving it begrudgingly, belatedly or only the bare minimum without taking account of all the circumstances 6. No evidence of investigation
Very Poor	Responses which are likely to frustrate and compound passenger's dissatisfaction.	<ol style="list-style-type: none"> 1. Very poor customer services for example – evidence of general bad faith towards the customer; lack of empathy; unhelpful; 2. Spurious rejection of request for ex-gratia payments for consequential loss. 3. Rejecting a passenger's entitlement to a refund in a manner which questions the passenger's good faith. 4. Response which defaults to the National Conditions of Carriage to avoid using more favourable terms in the TOCs own Passenger Charter. 5. A response which simply refers passengers to appeal to LTW or PF rather than making a real attempt to address the passengers concerns in the first instance.

Appendix B

Appendix C

Copies of Completed Review Forms

