

**Information in support of a Statutory Consultation regarding a Major Change Proposal  
In accordance with Clause 6-18, Paragraph 2, of the Ticketing and Settlement Agreement**

This document contains data and other information for Statutory Consultees in relation to a proposal by Arriva Rail London (the “Operator”) to:

- Close 51 ticket offices on the London Overground network where demand does not warrant their continued operation

This document has been submitted to the following:

- Department for Transport
- Rail Delivery Group/Rail Settlement Plan
- Transport for London
- London TravelWatch

The Statutory Consultation timescales are as follows:

<b>Date</b>	<b>Activity</b>
21 September 2018	Statutory Consultation launches. Posters erected at stations and notification letters delivered to Statutory Consultees (DfT, RDG/RSP, TfL, London TravelWatch)
12 October 2018	Deadline for submissions to London TravelWatch from members of the public
19 October 2018	Statutory Consultation closes. Deadline for formal objections to be received from Statutory Consultees (date based on public deadline + seven days)

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## Introduction

Arriva Rail London is the Train Operating Company (TOC) that operates the London Overground network. We do so under a Concessionary Agreement (“the Concession”) with Transport for London (TfL)<sup>1</sup>. In November 2007, TfL were granted devolved responsibility, by the Department for Transport (DfT), for the routes between:

- Richmond and Stratford
- Clapham Junction and Willesden Junction
- Watford Junction and London Euston
- Gospel Oak to Barking

The success of London Overground has seen the network grow, with the following routes being added:

- Highbury & Islington/Dalston Junction to Crystal Palace/New Cross/West Croydon (2010-11)
- Surrey Quays to Clapham Junction (2012)
- London Liverpool Street to Cheshunt/Chingford/Enfield Town (2015)
- Romford to Upminster (2015)

The London Overground network is now the third largest in the UK in terms of passengers carried and trains operated.

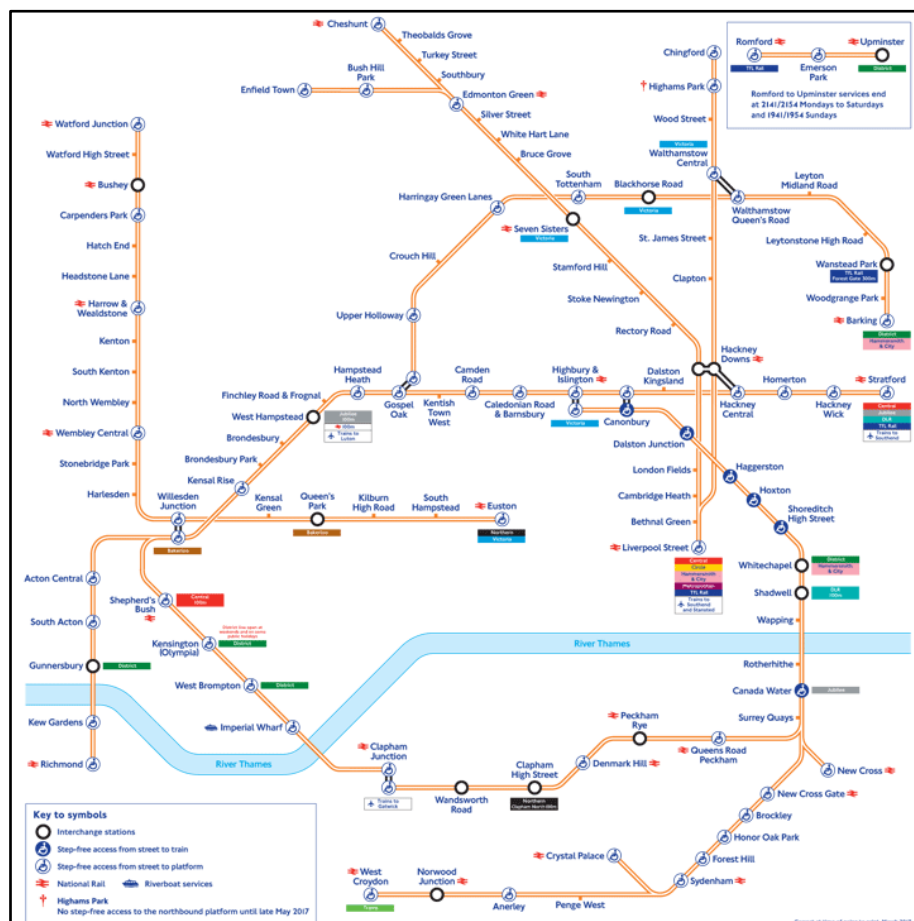


Figure 1: The London Overground network

<sup>1</sup> <http://content.tfl.gov.uk/london-overground-concession-agreement.pdf>

## Customer Journey Modernisation

On 13 November 2016, the second London Overground concession commenced. Arriva Rail London were awarded a seven-and-a-half-year concession to operate the network on behalf of TfL.

Arriva Rail London is committed to the highest levels of customer service on the London Overground network. The number of customers using the network has grown substantially over the first ten years of operation and continues to grow, despite an industry wide reduction in customer journeys.

Within the context of this growth, more and more of our customers travel using Oyster, Contactless cards, or mobile payments to pay for their journey. This means that the number of tickets being sold at stations across the network is disproportionately low compared to the number of journeys undertaken.

Accordingly, ARL is reviewing its staffing proposition for the network as part of a programme known as Customer Journey Modernisation (CJM). This programme aims to better align the staffing on stations to the emerging customer need. This places staff at the heart of our stations, being available to support customers. This could be as a casual interaction, a reassuring station presence, or proactively supporting a customer who requires additional assistance to complete their journey.

In their report, “*Value for Money On London Overground - What Passengers Think (October 2014)*”<sup>2</sup>, London TravelWatch highlighted the perception of visibility, helpfulness and knowledge of staff on stations. Accordingly, CJM aims to address these issues by adopting the following principles:

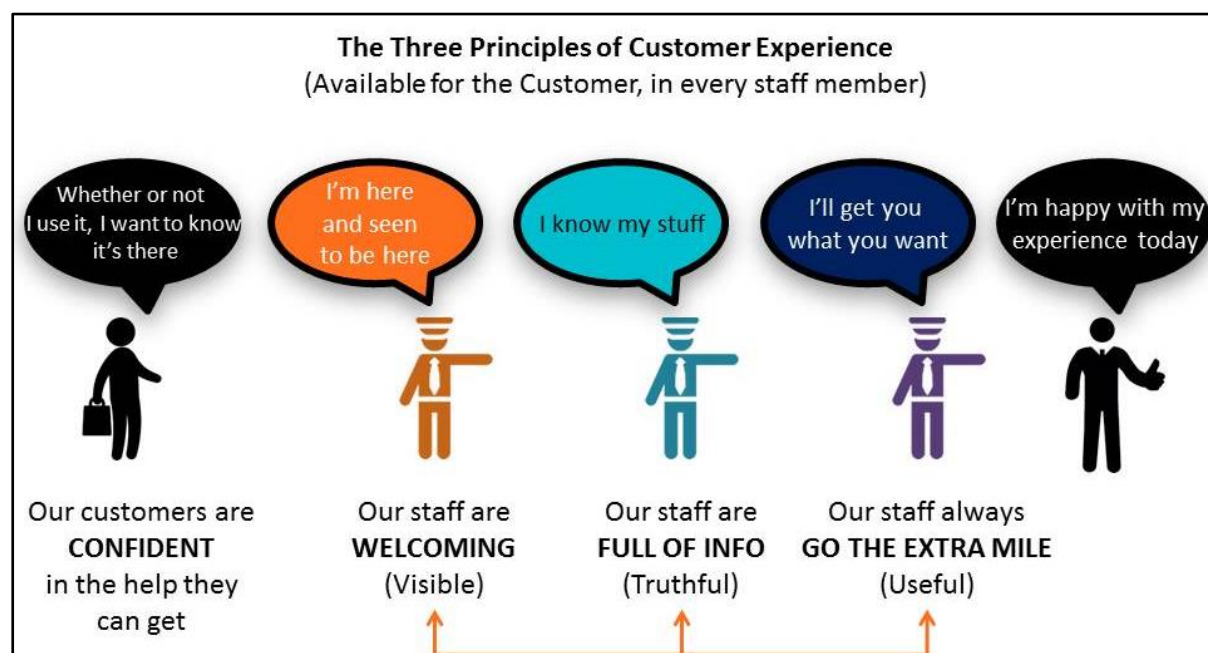


Figure 2: The three principles of Customer Experience, being delivered under ARL's Customer Journey Modernisation programme

The London Overground operates with a staffing model that guarantees a member of staff will be on each ARL managed station from 15 minutes before the first train in the morning, until 15 minutes after the last train in the evening. ARL is penalised financially if this condition is not met. **This model remains essential to the CJM programme and is a core requirement of the Concession.**

<sup>2</sup> [http://www.londontravelwatch.org.uk/documents/get\\_lob?id=3896&field=file](http://www.londontravelwatch.org.uk/documents/get_lob?id=3896&field=file)

As part of the new Concession, under Schedule 12.1 of the Concession Agreement, TfL retained, and subsequently exercised, the right to request that ARL prepare a plan for the closure of Booking Offices and, if approved, to undertake the statutory consultation process for their closure.

This document forms part of that statutory consultation process, in accordance with:

- Clause 6-18 of the Ticketing and Settlement Agreement<sup>3</sup> (known hereafter as the “TSA”)
- The “Secretary of State’s Guidance on Maintenance of Ticket Office Opening Hours and Changes to Ticket Office Opening Hours (Schedule 17) of the Ticketing & Settlement Agreement.” (known hereafter as the “Secretary of State’s Guidance”)

It is clear within the Concession Agreement (Schedule 12, paragraph 1.3) that Arriva Rail London may recommend, following statutory consultation, an amendment in the phasing of closures or that some Booking Offices should remain open.

**This process is, therefore, undertaken with a view to closure or amendment of Booking Offices, but with the clear caveat that consultation responses received during this process can be taken into consideration prior to a final decision being made by the Operator.**

Discussions will also take place with relevant stakeholders, including the Trade Unions, outside of the statutory consultation process.

Our staff can provide the maximum benefit to our customers by being proactively supportive and knowledgeable. It is also essential that our staff are visible to customers and are equipped to provide the necessary information required. This is not compatible with a continued presence within the constraints of a Booking Office.

We acknowledge that changing the model for ticket sales in this way requires us to provide a suitable, reliable alternative under our obligations to the Ticketing & Settlement Agreement, Rail Settlement Plan and the “Secretary of State’s Guidance”. ARL have already commenced a programme to roll out new, improved Ticket Vending Machines. These TVMs will provide the functionality that matches customer demand from the stations involved.

London Overground will be aligning Oyster product availability against the wider TfL family in providing retailing opportunity through online portals and on-station Ticket Vending Machines.

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<sup>3</sup> [https://www.raildeliverygroup.com/files/Publications/services/rsp/TSA\\_schedule\\_17\\_July\\_2015.pdf](https://www.raildeliverygroup.com/files/Publications/services/rsp/TSA_schedule_17_July_2015.pdf)

## Major Change Proposal

It is proposed to close the following Booking Offices, which do not breach the threshold of twelve tickets per hour required to define as “busy” under the “Secretary of State’s Guidance” during the weekday.

Acton Central	Hackney Wick	Shepherds Bush
Anerley	Haggerston	Shoreditch High St
Brondesbury	Hampstead Heath	Silver Street
Brondesbury Park	Hatch End	South Acton
Bruce Grove	Headstone Lane	South Hampstead
Bush Hill Park	Homerton	Southbury
Caledonian Road & Barnsbury	Honor Oak Park	St James Street
Camden Road	Hoxton	Stamford Hill
Canonbury	Imperial Wharf	Stoke Newington
Carpenders Park	Kensal Rise	Surrey Quays
Clapton	Kensington (Olympia)	Theobalds Grove
Dalston Kingsland	Kentish Town West	Turkey Street
Dalston Junction	Kilburn High Road	Wapping
Finchley Road & Frognal	Penge West	Watford High Street
Gospel Oak	Rectory Road	West Hampstead
Hackney Central	Rotherhithe	White Hart Lane
Hackney Downs	Shadwell	Wood Street

The following stations show isolated 15-minute segments, on a weekday, where more than three tickets are sold. Even with these sales considered, none of these locations breach the “12 transactions per hour” threshold.

- **Bush Hill Park** – 3.38 tickets sold between 08:00 and 08:15
- **Carpenders Park** – 3.84 tickets sold between 07:45 and 08:00
- **Homerton** – 3.02 tickets sold between 08:15 and 08:30
- **Honor Oak Park** – 3.13 tickets sold between 07:45 and 08:00, and 3.12 tickets sold between 08:00 and 08:15
- **Shepherds Bush** – 3.23 tickets sold between 07:45 and 08:00

Shepherds Bush also sells 3.04 tickets between 09:45 and 10:00 on a Saturday.

### ***Stamford Hill***

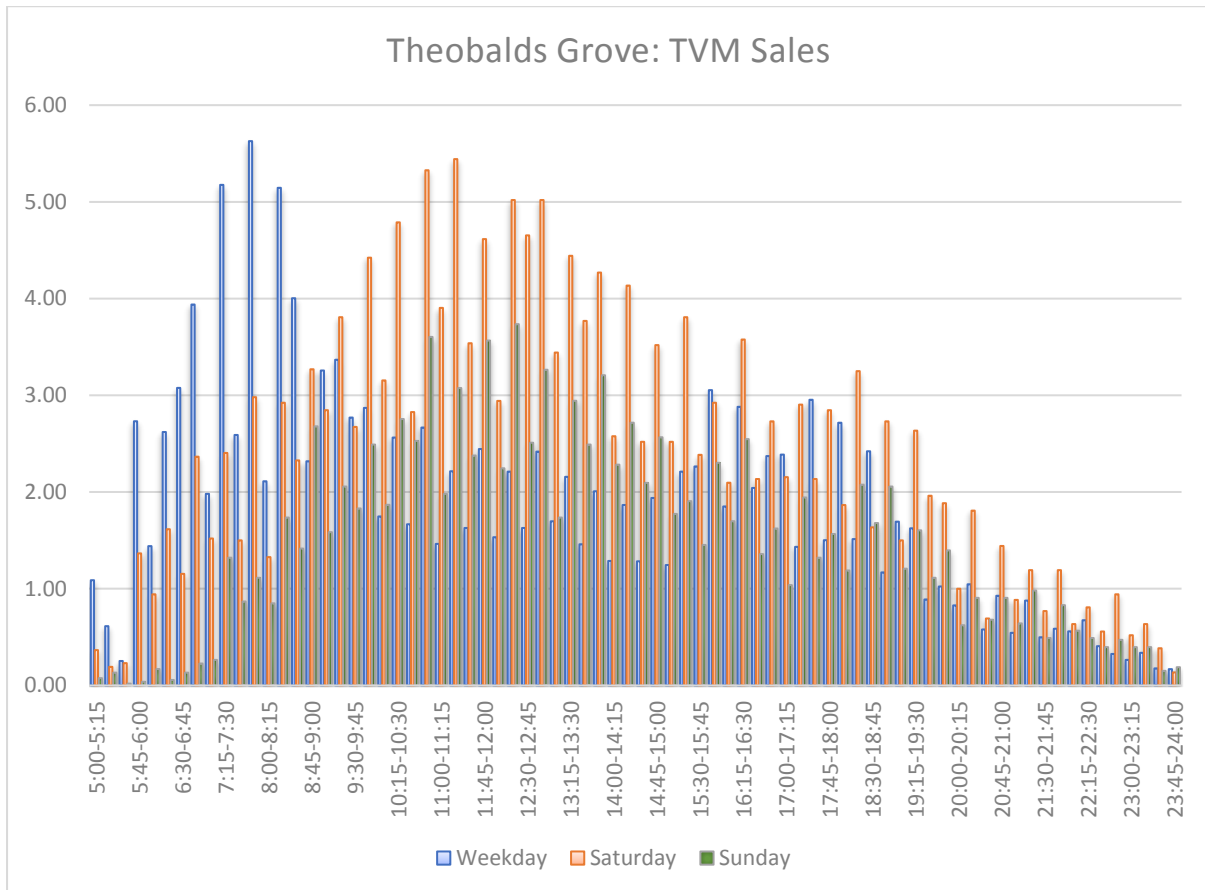
Stamford Hill has not had an operating Booking Office since November 2017 as damage to the building has made it unsafe to operate from. Analysis of the twelve months prior to its enforced closure shows a rate of sales below twelve transactions per hour, hence its inclusion in the above list.

### ***Theobalds Grove***

Theobalds Grove has not had an operating Booking Office while under the control of London Overground. The building was declared unsafe under the previous operator. Therefore, there is no Booking Office data to support this proposal. However, TVM usage data (below) shows that use of the TVMs is extremely modest at the station and well within current machine capacity. The lengthy closure

of the office has created a *de facto* closure and Arriva Rail London are keen that the correct process is followed to formalise this closure.

Alternative National Rail Booking Offices are within a short distance (approximately 15 min walk) at both Cheshunt and Waltham Cross stations. In both cases, Schedule 17 availability exceeds that at Theobalds Grove.



## How the proposal meets the criteria within the Ticket & Settlement Agreement

Arriva Rail London believes that the closure of booking offices at the below stations fulfils the criteria laid down in Section 6-18, Clause 1 of the “Secretary of State’s Guidance” in that:

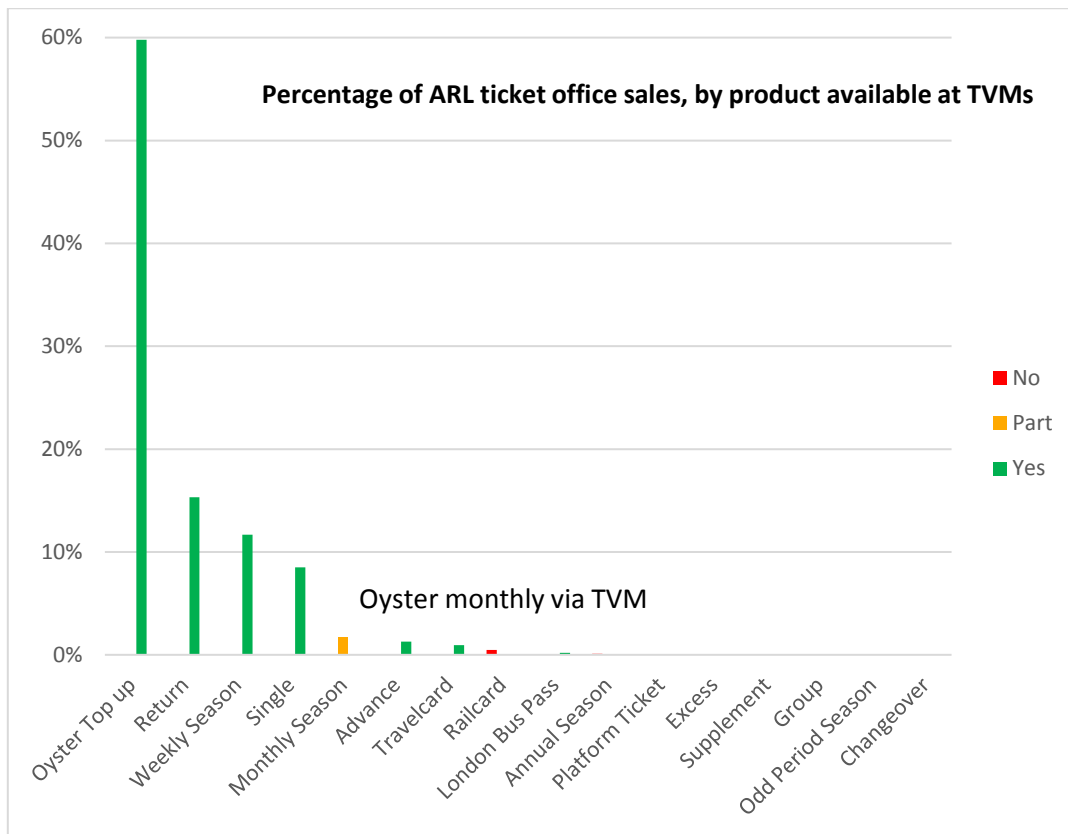
- We believe that the proposal would represent *an improvement on current arrangements in terms of quality of service*. The availability of staff to carry out customer service duties would be enhanced by the removal of an obligation to be within a Booking Office which sells below the Secretary of State’s definition of “busy” (twelve tickets per hour).
- It would be *more cost effective* to employ staff in the pursuit of the above, rather than to staff a ticket office that is deemed to be below the Secretary of State’s definition of “busy” (twelve tickets per hour).
- The current and future provision for Ticket Vending Machines matches the provision laid out in the “Secretary of State’s Guidance” (section 5.3), with reference to our TSA/RSP obligations and reflecting current demand for products at the stations in question.

With reference to Clause 6-18, Paragraph 3, section a) of the Ticketing & Settlement Agreement:

- (i) *Current levels of accessibility to facilities for the sale of fares* will be maintained through the Ticket Vending Machine provision at the station, which matches the demand profile of the station, and TfL’s existing suite of online and app-based functionality.
- (ii) *The need to safeguard the interest of passengers and other operators* is met through our continued staffing presence on stations during operating hours which will allow targeted assistance for customers looking to purchase tickets via a Ticket Vending Machine. This exceeds the current offer at unstaffed or lightly staffed locations elsewhere on the National Rail network.
- (iii) *the promotion of the use of the Network* is not affected by this proposal. Space on stations for promotional material for National Rail, other Operators and London Overground is allocated in accordance with the usual agreements.
- (iv) *the existence for the provision... of alternative means, including new technology, of meeting the needs of passengers and other Operators* is met through the range of training which will be provided for our staff and the rollout of new technology via new Ticket Vending Machines.

Currently, 99% of products sold at these stations can be migrated to the fleet of Ticket Vending Machines (see chart below):





- (v) *the sufficiency of these alternative means [and their availability]* is met through the terms of our Concession Agreement with Transport for London which has, since 2007, dictated reliability and availability of staff and Ticket Vending Machines, with a robust reporting process and financial penalties for non-compliance. Maintenance and repair contracts are, therefore, geared to minimise downtime. This regime would continue post-closure.
- (vi) *The costs of providing existing facilities, the level of demand for those facilities and the extent to which the proposals would meet the needs of dependent users and the costs of doing so.* Arriva Rail London’s financial arrangement with TfL via the Concession Agreement would be adjusted to reflect the revised costs of provision. The level of demand (or lack thereof) and the ability to meet it elsewhere is highlighted elsewhere in this submission.
- (vii) *The adequacy of the proposed alternatives in relation to the needs of passengers who are disabled* is met. The availability of staff to proactively assist and support customers represents an improvement over the current model, where staff are constrained by their position behind a screen. The ability to position staff in a far more proactive and visible location, to aid customers, is a key driver behind these proposals.
- (viii) *The continued provision of clear standards of service which can easily be understood and monitored* is not affected by this proposal. Staff will continue to be available at stations from prior to the arrival of the first train until the last train has departed each day.
- (ix) *The need to provide passengers with reasonable certainty about the new arrangements and avoid frequent changes* is acknowledged. This proposal is about future-proofing our stations for current and future changes in demand.

## Supporting Data: Methodology

### **Ticket Office Sales**

Data is collected for one calendar year between 24<sup>th</sup> June 2017 and 23<sup>rd</sup> June 2018.

The ticket sales data shown in **Appendix A** is derived from the LENNON system, the regular industry ticket sales database.

The data is broken down to show **Weekdays, Saturdays and Sundays** and is an average of 13 periods (one calendar year) of data. This means that the data takes account of seasonal variations across the year when calculating the average. This data exceeds the minimum laid down by section 5.4 of the “Secretary of State’s Guidance” document.

The data:

- Has been collected based on “date of issue” and “date of sale”
- Shows an average of the number of ticket sales, every fifteen minutes, during the current Schedule 17 ticket office hours.
- Reflects demand for the products mandated for sale under the TSA.

### **Ticket Office Availability**

As the London Overground concession levies a penalty against the Operator for failure to abide by Schedule 17 obligations, the amount of downtime at each location is extremely low. An exception report for each location, is shown in **Appendix B**.

### **Ticket Vending Machine Availability**

Arriva Rail London proactively measures the reliability of Ticket Vending Machines (TVM). A programme of improvements is underway which will see new machines rolled out at each location on the network. These machines are manufactured by Cubic and Worldline. At least one of each type of machine will be installed at each location, ensuring protection of service should one type fail. TVM reliability is already good on the network, with penalties applied, under the terms of the Concession, for any downtime.

A report showing TVM reliability is available in **Appendix C**. Data in this table shows the percentage of time a machine is either restricted or out of service at each location in the past three months (assuming an 18-hour day). It is important to note that this does not necessarily mean that no machine is available, just that there is a restriction to the full level of service.

### **Promoting the Consultation to customers**

An example of the posters to be erected at stations during the length of the London TravelWatch consultation is available at Appendix D. The stations in scope for this consultation are shown on a map at Appendix E.

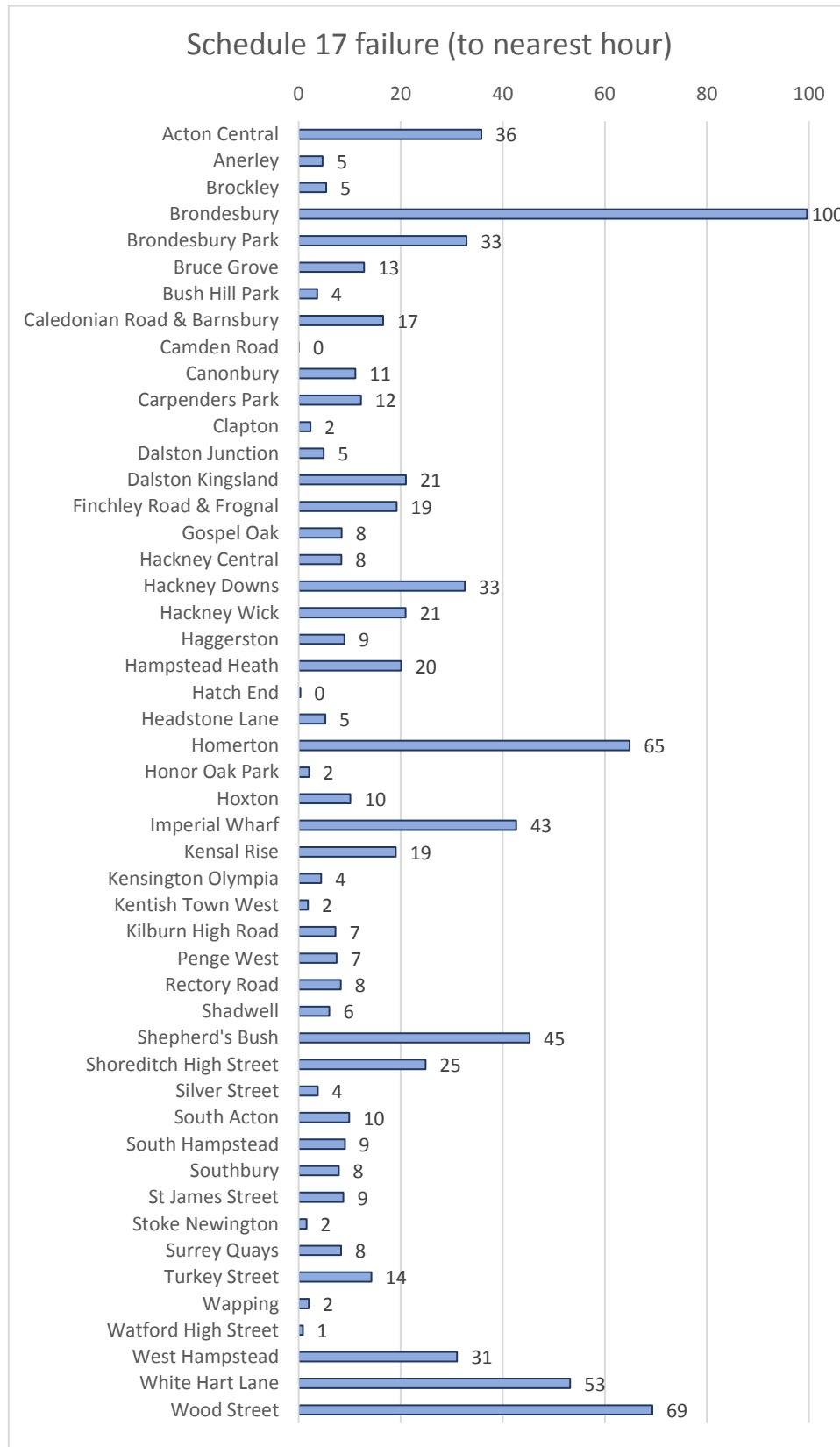






## Appendix B: Annual Schedule 17 performance

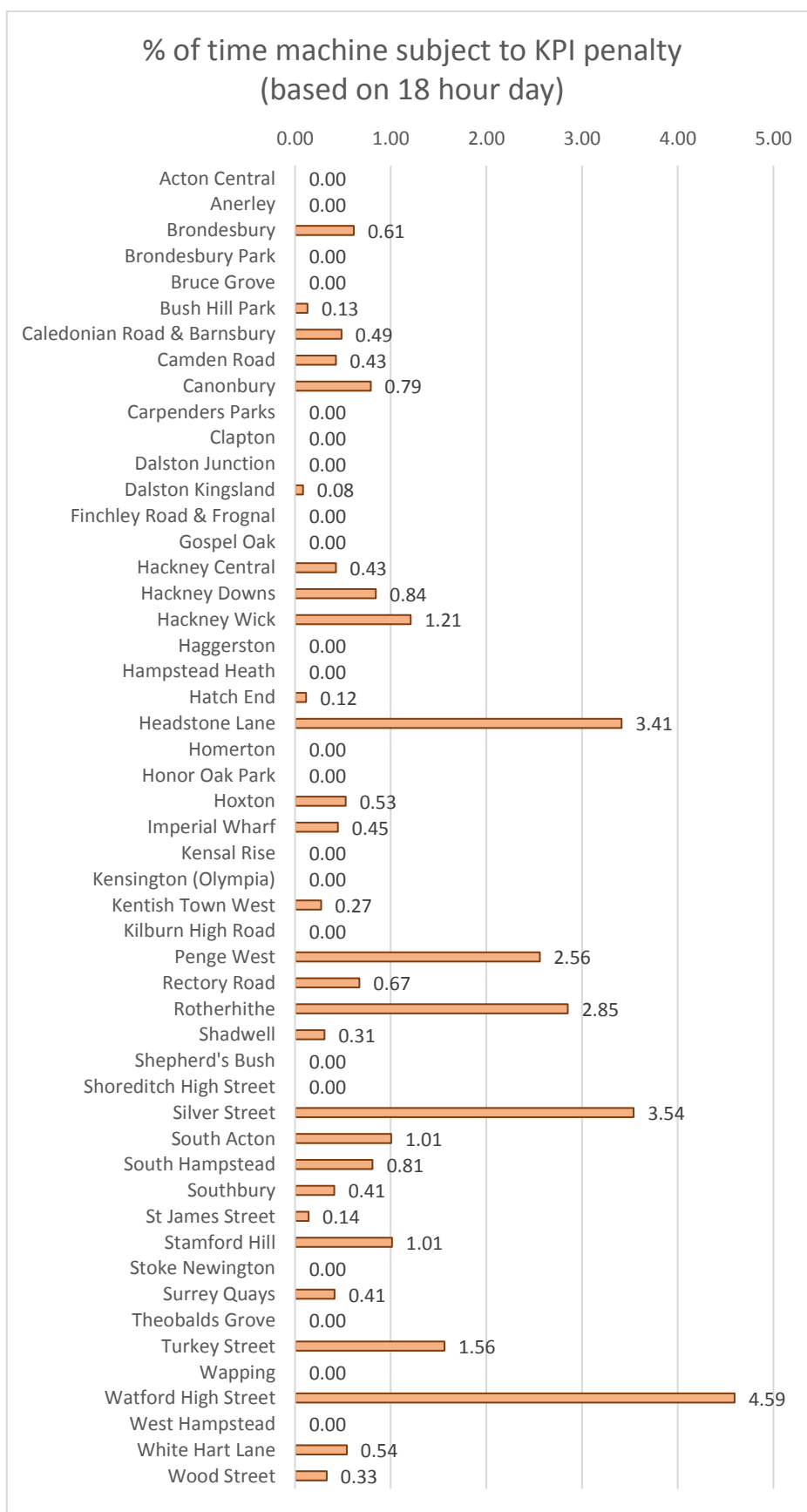
This data shows the cumulative time that a Booking Office has been closed in breach of Schedule 17 obligations across the year 24/06/2017 to 23/06/2018



\*this data does not include Stamford Hill or Theobalds Grove, due to their long-term closure.

## Appendix C: Ticket Vending Machine Performance

This data shows the percentage of time that access to Ticket Vending Machines has been restricted (due to fault or breakdown) from 24/06/2018 to 15/09/2018



## Appendix D: Posters for display at affected stations during Statutory Consultation

### London Overground

## Proposed closure of the Ticket Office at this station

Arriva Rail London, which operates London Overground on behalf of Transport for London (TfL), is consulting with London TravelWatch, the Department for Transport and rail industry bodies about how tickets are sold at its stations.

#### Under the new proposals:

- Station staff would be more visible and accessible in the station and will be able to provide you with better assistance.
- The station will continue to be staffed from the first train through to the last, every day.
- We will continue to make further improvements to ticket vending machines across the London Overground network to offer a wider range of products and services.

#### Why are we proposing changes?

The way customers pay for fares has changed. We have seen:

- Significant growth in the use of Oyster and contactless payment methods.
- More use of self-service ticket vending machines.
- Increased usage of the TfL app since its launch. This allows customers to top up their Oyster and buy season tickets anytime, anywhere.

These factors have contributed to a low level of tickets being sold via the ticket office at this station. We believe our staff would be better placed to help more customers if they were not in the ticket office at this station and it is therefore proposed that the ticket office should close.

#### Have your say

London TravelWatch, the independent statutory watchdog for transport users in and around London, is accepting comments from the public about these proposed changes. This would be a Major Change Proposal under the Ticketing & Settlement Agreement (TSA) which governs how tickets are sold at National Rail Stations.

Comments can be submitted in the following ways:

By post: London TravelWatch, 169 Union Street, London SE1 0LL

By email: [consultations@londontravelwatch.org.uk](mailto:consultations@londontravelwatch.org.uk)

For more information please visit [londontravelwatch.org.uk](http://londontravelwatch.org.uk)

The London TravelWatch consultation closes on 12th October 2018.

For train times and fares call National Rail Enquiries on 05457 48 49 50 or visit [www.nationalrail.co.uk](http://www.nationalrail.co.uk)



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Display from 21 September to 12 October 2018

MAYOR OF LONDON





# Appendix E: Map showing stations in scope for Statutory Consultation

