Introduction

Key Performance Indicators (KPIs) are a method of performance management used by organisations to measure the extent to which key goals are achieved.

KPIs provide a quantifiable measure against which the performance of Translink can be gauged across a range of objectives. The current KPIs for Translink focus on operational measures such as punctuality and reliability. However, to deliver the high level government policy aim of modal shift from private car use to public transport, KPIs must be passenger focused, measuring the factors which are priorities for them. Targets must be realistic and achievable, whilst also providing a challenge to improve service delivery for passengers and tax payers.

This paper provides the Consumer Council's view of the need for the development of passenger focused key performance indicators which will form part of the forthcoming contract between Translink and the Department for Regional Development (DRD).

In producing this paper, the Consumer Council has reviewed relevant research conducted with consumers over the last five years to identify key areas of service against which performance should be measured. The aim of this paper is to detail the key areas of performance which consumers feel is important when thinking about whether to use public transport. The report sets out the need to develop customer focused KPIs and clearly measure, monitor and report on performance.

To instil passenger confidence, KPI targets and results must be publicly available in a format which is transparent and easy to understand. All operating costs and expenditure of public funding by Translink must also be published in a way that allows for scrutiny, to demonstrate efficient working in conjunction with performance against targets.
Consumer Council View of Customer Focused Key Performance Indicators

The Consumer Council recognises the need to maintain KPIs which are recognised as standard across public transport operators as this supports benchmarking and comparative analysis and can motivate operators to achieve the highest standards. These include measures and targets for punctuality, reliability, accessibility of vehicles and bus age, amongst others. However, there is also a need to develop new targets that focus on the issues that are important to passengers such as customer services, value for money and passenger information.

The 2012 Tyne & Wear Bus Strategy\(^1\) contains targets to improve passenger perceptions of punctuality and reliability. It also contains targets to improve overall customer satisfaction and the satisfaction with the cost of fares and the range of available tickets.

The Merseytravel Corporate Plan\(^2\) sets a customer satisfaction target of 95% of customers satisfied or fairly satisfied with Merseytravel services. It also contains targets for the implementation of real time information across the entire network.

The Consumer Council believes that in order to achieve key government aims of increased public transport patronage and modal shift from the private car there is a need to improve users and non users perceptions of public transport by including more customer focused KPIs.

Reporting on improvements which matter to consumers on a year to year basis can help improve confidence in the public transport system.


Customer Focused Key Performance Indicators

1) KPI: Passenger Journeys and New Business

The current prevailing Key Performance Indicator (KPI) for Translink, as detailed in the 2008 Management Statement and Financial Memorandum is to ‘achieve and maintain 77 million passenger journeys per annum across all bus and rail public transport by March 2011’. This target is also noted within the NI Executive Economic Strategy for 2012-15. As Translink has met this target since 2008 it could be argued that there is limited incentive to increase passenger numbers.

There is a need to establish a target which aims to increase the total number of passenger journeys delivered by Translink annually. Increasing modal shift from the private car has been a policy objective for over a decade. Despite this, DRD travel statistics show that there has been little shift in how we travel.

Over the past ten years, approximately 80% of the distances we travel each year is by car. “Ensuring a Sustainable Transport Future: A New Approach to Regional Transportation” states that a target for modal shift will be developed. Key performance indicators relating to passenger numbers must be linked to achieving this target.

The number of people making journeys by public transport has increased over the last ten years. According to the annual DRD Northern Ireland Transport Statistics in 2001/02 there were 71.2 million passenger journeys; in 2011/12 this increased to 77.2 million passenger journeys, a rise of over eight per cent. However, there is also a need to monitor the level of new passengers travelling on public transport.

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3 Ensuring a Sustainable Transport Future: A New Approach to Regional Transportation”, Department for Regional Development, 2012
If we look at the table below we can see that on average, across all of the services, the vast majority of passengers have been using public transport services for over two years.

**Table 1 – Percentage passengers using the service for more than two years**

<table>
<thead>
<tr>
<th>Passenger Charter Monitoring Period</th>
<th>NI Railways</th>
<th>Ulsterbus</th>
<th>Metro</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring '12 Monitor</td>
<td>70</td>
<td>83</td>
<td>*</td>
<td>76.5</td>
</tr>
<tr>
<td>Spring '11 Monitor</td>
<td>69</td>
<td>82</td>
<td>85</td>
<td>78.6</td>
</tr>
<tr>
<td>Spring '10 Monitor</td>
<td>67</td>
<td>82</td>
<td>90</td>
<td>79.6</td>
</tr>
</tbody>
</table>

Information compiled by the Consumer Council from Passenger Charter Monitoring Results

* This additional question for Metro was replaced in the Spring '12 monitor with other questions relating to Metro services

If the vast majority of passengers have been using public transport services for over two years there needs to be more information about why non users of public transport are not switching, given the increasing cost of motoring and the increased level of investment in public transport.

**2) KPI: Punctuality and Reliability of Services**

Research conducted by the Consumer Council has found that punctuality and reliability has been consistently noted as one of the key aspects of public transport which matter for both current passengers and potential passengers. The importance of this has also increased for passengers, with 28 per cent of respondents to a survey undertaken in January 2013\(^4\) indicating that better punctuality / reliability would encourage greater use of public transport compared to 15 per cent of respondents in January 2008\(^5\). Due to this importance, punctuality and reliability of services must be robustly monitored.

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\(^4\) *Consumer Views on Encouraging Modal Shift and Improving Public Transport Information*, Consumer Council, March 2013

\(^5\) *Public Transport – on the right track?*, Consumer Council, June 2009
Current monitoring, which includes a twice yearly survey of services over an eight week period produces results which do not always match the experiences of passengers at other times throughout the year. Current monitoring compares the departure from the starting point on the route and arrival times at the final destination of journeys to those scheduled, with no monitoring of arrival and departure at other stopping points throughout the journey. At present, Translink excludes cancellations and delays which are deemed outside of its control due to issues such as severe weather, road works etc. Also, buses are considered to be ‘on time’ if they arrive up to seven minutes late and rail services are considered ‘on time’ if they arrive up to five or ten minutes late, depending on which line the service is operating.

Whilst this practice follows industry standards, passengers will simply view these as delays. Passengers expect services to arrive at the scheduled time and this may explain why current reporting of punctuality and reliability (the latest results of which shows results of 98-100 per cent⁶) doesn’t match customer experiences and perceptions.

The Consumer Council research report ‘Barriers to Complaining’⁷ indicated that late and cancelled services was the most frequently cited type of ‘poor service’ experienced by bus and rail passengers.

This is despite Translink's charter monitoring results indicating at the time of the survey that 96 per cent of Metro, 95 per cent of Ulsterbus and 100 per cent of train services were on time or within the charter standard.

A further consideration is the provision of a mixture of real time and timetabled information on the BusTrak system. This can result in passengers being provided with incorrect information about the expected arrival times of buses which further impacts on passenger perceptions of punctuality.

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⁶ Translink Charter Monitoring Results for the Autumn 2012 period show that 99.9 per cent of NI Railways services and 100 per cent of Metro and Ulsterbus services ran as scheduled, with punctuality of arrival at 98 per cent on Metro and Ulsterbus and 99 per cent on NI Railways.

⁷ “Barriers to Complaining - An examination of the factors that prevent consumers from complaining when travelling by road, rail, air and sea” - August 2012
The inclusion of punctuality indicators for more timed points along routes and mid-point monitoring can help to alleviate these concerns and improve passengers’ perceptions of punctuality and reliability.

Punctuality and reliability results should be produced to include figures showing performance with and without delays that are outside of Translink’s control in order to increase passenger’s perceptions of the reliability of such figures. Ensuring accurate real time information is available at stops and over mobile devices should also be a priority for the Department and Translink.

3) KPI: Value for Money

Value for money is a key issue for both passengers and potential users. Consumer Council research\(^8\) has consistently found that fare levels are considered a barrier for some and there is a need to address the perception that fares do not represent value for money.

Whilst benchmarking fares against operators in other regions provides a useful guide for DRD, it is not a direct like for like comparison due to the de-regulated bus industry in Great Britain and different operating model of the railways. On its own benchmarking will not represent a valid assessment of value for money for passengers as passengers will compare fares against the cost of car travel rather than fares in other regions.

Consumer Council research\(^9\) found a sizable number of car owners (around one in three respondents) had considered making greater use of public transport due to increased motoring costs.


\(^9\) Consumer Views on Encouraging Modal Shift and Improving Public Transport Information, Consumer Council, March 2013
Other factors such as a reduction in parking spaces or charges for car parking were also noted as factors which would encourage greater use of public transport, although many focus group respondents indicated these costs would have to be quite significant for them to consider switching.

Views from some participants noted that these increased costs would have to reach £30-40 per week to make them consider this.

DRD should re-evaluate how it monitors value for money to also compare public transport fares against motoring costs to assess if fares represent value for money to affect modal shift.

4) KPI: Customer Service

The Consumer Council believe that future contracting of public transport provision from Translink should include a target for overall customer satisfaction. This will provide a public commitment to customer service across all elements of service delivery and an overall score against which Translink can be monitored.

The score attributed for customer service should encompass key areas of service delivery for passengers such as:

- Overall journey experience;
- Customer service from staff;
- Information provision;
- Complaint handling and effective complaint resolution; and
- Responses to emergency situations such as extreme weather.

Where passenger perceptions of these areas fall, DRD should be provided with a detailed plan on how Translink plans to address this and improve future results.
Improving perceptions of customer service, including factors such as the provision of information, will be central to achieving government policy aims of increased patronage and modal shift from the private car. Translink must be able to demonstrate that it is meeting the information needs of passengers as this is a key requirement to access services.

It is also important to note that it is passengers perceptions that must be addressed. These perceptions of punctuality, reliability, value for money and frequency of services are what users and potential users of public transport will use when deciding whether to travel by bus or train. Therefore, these perceptions must be benchmarked and targets set to improve those perceptions where necessary.

Prompt and effective resolution of complaints and enquiries is also an important factor for passengers. It is accepted that delays and disruptions to services will be experienced over the contract period. However, how Translink responds to these situations will be important for passengers and should be monitored by DRD.
Operational Efficiencies

In addition to key performance indicators, future contractual arrangements should include operational objectives against which Translink are required to report results to demonstrate operational efficiency.

1) Operational Costs and Efficiency

A number of efficiency reviews have been undertaken in recent years, which includes assessments as part of the development of the Outline Business Case for Public Transport Reform (FGS McClure Waters, May 2009; December 2010), a financial review of NITHC / Translink (PwC, March 2010) and an as-yet-unpublished review undertaken by the Department of Finance and Personnel’s Performance and Efficiency Delivery Unit (PEDU). The 2010 Outline Business Case did provide information on the efficiencies achieved since the 2009 Outline Business Case. It is hoped that further progress will be reported in the PEDU review when it is published. However, the Consumer Council are not aware of any progress reported against the recommendations made in the 2010 PwC report.

EU Regulation 1370/2007 will require a report to be published each year which details the performance of the public transport operators. Specifically, Article 7(1.) of EU Regulation 1370/2007, states:

1. Each competent authority shall make public once a year an aggregated report on the public service obligations for which it is responsible, the selected public service operators and the compensation payments and exclusive rights granted to the said public service operators by way of reimbursement. This report shall distinguish between bus transport and rail transport, allow the performance, quality and financing of the public transport network to be monitored and assessed and, if appropriate, provide information on the nature and extent of any exclusive rights granted.
However, to demonstrate effective service delivery in an accessible format, all relevant Translink operational costs and expenditure must be transparent and publicly available.

Regular efficiency reviews must be undertaken to demonstrate effective operation by Translink against contractual requirements, with the results published in a clear format and timely manner for consumers to understand.

To build confidence in public transport, the reporting of progress and performance should go beyond the minimum standard required by the Regulation and should show clearly how public transport operators are performing against the targets and KPIs set by the Department.

2) Passenger and Non-Passenger Engagement

To deliver services which meet consumer travels needs, there is a requirement for Translink to engage with both passengers and non-passengers to ascertain their needs and wants from public transport.

Effective engagement is required to address concerns raised in previous research undertaken by the Consumer Council\(^\text{10}\) which found a view amongst participants that a lack of engagement in transport planning to date meant that many public transport services did not fully meet the needs of passengers. There was also limited awareness of how to raise concerns or provide feedback to influence future transport planning and provision.

Consumer Council research\(^\text{11}\) found that over a third (37 per cent) of survey respondents reported that the main reason they do not use public transport is that they prefer the convenience of travelling by car.

\(^{10}\) *Enabling Effective Consumer Engagement in Public Transport Planning*, Consumer Council, October 2012

\(^{11}\) *Consumer Views on EncouragingModal Shift and Improving Public Transport Information*, Consumer Council, March 2013
It will not be possible to provide a public transport system which meets passenger needs if there is no effective means to assess the travel needs of both current passengers and non-users of public transport.

To improve future service delivery and deliver patronage growth there will be a need for Translink and the Department to demonstrate effective engagement with passengers and non-passengers, beyond that which is contained within the current Passenger Charter, to ensure travel needs are identified and services developed to meet these needs and achieve overall targets of modal shift.

**Conclusion**

The Regional Transportation Strategy, published in 2001 set a vision of “a modern, sustainable, safe transportation system which benefits society, the economy and the environment and which actively contributes to social inclusion and everyone’s quality of life”.

This vision remains appropriate for the new approach to regional transportation and sits with the Regional Development Strategy which recognises the need to deliver “innovative public transport services…focused on the user….that meet the needs of communities”.

Achieving modal shift and increasing patronage of public transport can only be achieved if government policy delivers a customer focused public transport network.

The Consumer Council is committed to playing a constructive role in supporting increased use of public transport and will continue to work with the Department and Translink to seek a public transport system that is ‘focused on the user’.
Recommendations

Consumers continue to tell us that cheaper fares, punctuality and reliability and customer service are important to them. Therefore, it is against these measures that Translink must be assessed.

The introduction of key performance indicators into a contract between Translink and the Department represents a significant opportunity to align the performance targets for Translink with government policy.

Therefore, the Consumer Council recommend that the Key Performance Indicators and Operational Efficiencies identified in this report be developed and implemented in time for the introduction of the new contracting regime.

Customer Focused Key Performance Indicators

1) KPI: Passenger Journeys and New Business

2) KPI: Punctuality and Reliability of Services

3) KPI: Value for Money

4) KPI: Customer Service

Operational Efficiencies

1) Operational Costs and Efficiency

2) Passenger and Non-Passenger Engagement
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