



Customers

To attract more passengers to our services each year by providing a high-quality service that is reliable and offers value for money

2015/16 ACHIEVEMENTS

- Sector-leading 89% customer satisfaction score in the National Bus Passenger survey
- Over 850,000 smart cards issued outside London
- Two million passenger journeys made on our bus services every day
- 27% of all UK rail journeys made on our train services

2016/17 TARGETS

- To increase online ticket sales through Go-Ahead's own OnTrack Retail ticketing system
- To maintain sector-leading bus customer satisfaction scores and improve levels of passenger satisfaction in our rail businesses
- To improve multi operator, multimodal ticketing solutions
- To increase levels of punctuality in line with industry targets

Focused on customer experience

With the help of passengers and colleagues, we have created comprehensive maps of our customers' bus and rail journeys from the very start to the very end of their journey.

Improving every customers' journey

Walking in our customers' shoes, we have identified where we can improve the experience they have of our services. We have detailed action plans to deliver enhancements across:

- planning and researching journey options
- buying tickets
- boarding the bus or train
- getting help from our staff or through information channels
- completing the onward journey
- contacting customer services, clearing delay repay or locating lost property

Our new vision helps the Group to create an aspirational version of what the future will be like for customers; the ideal customer experience where every journey is taken care of. Our commercial bus companies work hard to attract and retain customers and we are proud that for another year we have achieved leading national ratings of 89% customer satisfaction in the national bus passenger survey. Features that many of our services outside London have, such as onboard Wifi, USB phone charging points, and new way-finding apps all assist to increase satisfaction. As expectations increase we need to be agile and find new ways to take care of every aspect of journeys and deliver even better experiences.

We also appreciate that every customer is unique, so has different needs and expectations, increasing personalisation is key to people feeling taken care of. Whether it is an 'app' remembering a passenger's

'home' station, a customer service system automatically calculating a refund that is due, or a bus driver recognising the signs that a customer may have dementia and responding appropriately, it is increasingly important to offer a personal service that suits the needs of the individual.

We are investing in technology, and through our industry groups, working with information technology companies to build a substantial portfolio of innovative transport apps. Providing information at people's fingertips helps people make decisions about their journeys from start to finish. We know every minute counts for many of our customers, and providing people with the best information is essential to building trust.

Increasing accessibility

An important element of public transport is providing an inclusive service. Whether customers are using wheelchairs or mobility scooters, have difficulty walking, are pregnant or travelling with young children, or have learning difficulties or mental health issues – all our bus and rail companies strive to make their services as accessible as possible to everyone.

We invest approximately up to £70m per annum in new buses and this year all vehicles acquired have audible announcements and electronic visual signage (AV) onboard, also we have made a commitment that future purchases will be fitted with AV. Our bus companies have signed up to the RNIB charter, using the 'Stop for Me, Speak to Me' training material to help drivers appreciate some of the experiences and problems blind and partially sighted people face.

We continue to deepen our people's understanding of the issues facing customer with dementia and – particularly in the coastal areas we serve which have higher percentages of elderly people – have used the Dementia Friend training along with other accessibility training to positive effect. Practical ways to assist passengers with hidden disabilities, such as the introduction of 'helping hand cards' at many of our operating companies, enables us to provide a more personal service. The Samaritans work with our train companies to promote mental health and wellbeing and also, as part of their 'safeguarding' programme, to assist identifying young people who may be vulnerable and at risk.

All our trains are wholly accessible for users of wheelchairs, but there is still some way to go before most stations have step-free access as many stations were built at a time when step-free accessibility was not a consideration. However, many of the barriers to increasing accessibility of our bus and train services are not physical ones, and can be overcome with increased employee awareness and training.

89%

Joint highest bus regional passenger satisfaction score of the large transport groups in the UK



Customers

To provide high quality, locally focused passenger transport services.

Like for like passenger volume growth

What does it mean? We measure the number of passenger journeys taken on our regional bus and rail services compared with the previous year. This is measured on a like for like basis, adjusting for acquisitions, new franchises and the effect of the 53rd week.

As we are contracted on the basis of mileage in our London bus division, we do not measure passenger numbers.

Why is it important? We track this metric closely as performance against our rail franchise bid assumptions and progress towards our bus operating profit targets are significantly impacted by passenger volumes.

Risks Decreasing volumes could be an indication of performance issues within our operations or changes in economic or market conditions, all of which could impact on the Group's overall performance.

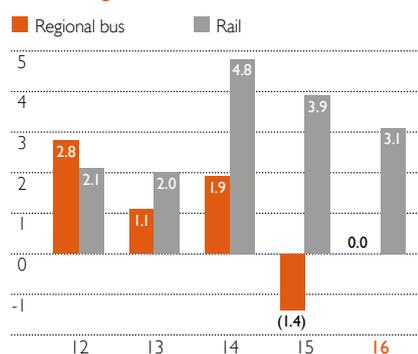
2016 performance In regional bus, like for like volumes remained steady with ongoing weakness in the north east economy and redevelopment roadworks around Oxford. This decline follows many years of consistent growth, against a backdrop of declining volumes in the wider UK bus industry, outside London. This growth has been supported by our geographical focus in more economically resilient areas and our approach to marketing our high quality services.

In rail, we continued to deliver consistent growth throughout the challenging economic period from 2008 and this has continued in the year, with like for like growth of 3.1%.

We have made improvements over a period of time including sales channels, off-peak services and marketing.

2020 target To maintain growth at broadly similar levels to those consistently delivered in recent years.

Like for like passenger volume growth (%)



Customer satisfaction

What does it mean? Customer satisfaction is measured by the independent passenger watchdog Transport Focus. Surveys are conducted twice a year for our rail franchises and annually for our regional bus operations. Our primary customer in London bus is TfL. We measure satisfaction by performance against TfL performance targets, such as excess waiting time.

Why is it important? Providing high quality service is a strategic priority for the Group and monitoring customer satisfaction is a key measure of our performance. Identifying potential issues allows us to take action to improve our services.

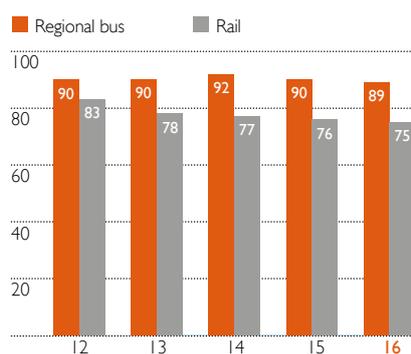
Risks If customers are not satisfied with the service they receive, they may switch to other operators or other modes of transport. The satisfaction figures receive media attention and our reputation can be harmed if these are low. Our rail franchise contracts have satisfaction targets and our operating companies could face penalties if the targets are not achieved.

2016 performance In bus, we achieved the joint highest passenger satisfaction score of the large transport groups in the UK at 89%.

Rail scores declined a percentage point to 75.3% as a result of significant disruption for both Southeastern and GTR franchises, primarily due to the £6.5bn government funded Thameslink Programme upgrade and resulting lack of resilience in the network. London Midland, which is not impacted by significant infrastructure work, achieved 85.8%. The average score for train operators in London and the south east is 80%.

2020 target To maintain our sector-leading bus passenger satisfaction scores and improve on levels of customer satisfaction in the rail division, bringing them in line with the industry average for the London and south east network.

Customer satisfaction (%)



Regional bus punctuality

What does it mean? The punctuality of our regional bus operations is measured as the percentage of buses which arrive at their stop between one minute before and five minutes after their scheduled time. Therefore, the higher the percentage the better.

Why is it important? Service punctuality is important to our passengers and is key to helping us grow passenger numbers.

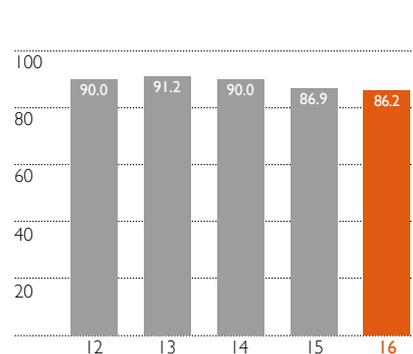
Risks Punctuality is a key driver of customer satisfaction. If our customers are not satisfied with the service they receive they may switch to other operators or other modes of transport. There is a direct correlation between journey times lengthening and fewer passengers travelling.*

2016 performance 86.2% of our regional bus services ran on time. This is in line with last year's performance, lower than previous years due to congestion and roadworks in some of our operating areas preventing punctual service running.

2020 target Achieve regional bus punctuality of over 95% in line with industry targets.

* The Impact of Congestion on Bus Passengers report (Greener Journeys, 2016).

Regional bus punctuality (%)





London bus punctuality

What does it mean? The punctuality of London bus operations is measured by excess waiting time. This is the time passengers have to wait for a bus above the average scheduled waiting time. The lower the excess waiting time, the better the performance.

Why is it important? Service punctuality is important to the passengers we carry on behalf of TfL. We earn extra revenue through Quality Incentive Contract (QIC) bonus payments if we exceed TfL punctuality targets, on a contract route basis. Contract extensions are based on performance.

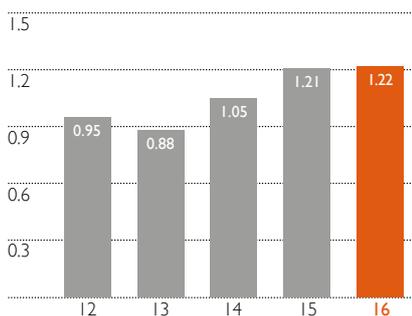
Risks Poor performance could result in lower QIC bonus payments and contracts not being extended.

2016 performance Average excess waiting time held at a similar level to last year at 1.22 minutes in excess of the average scheduled wait time. The industry average excess wait is 1.15 minutes.

Performance has been impacted by roadworks and congestion associated with public realm improvements, including the cycle super highway, affecting our ability to run services in line with targets.

2020 target Achieve low average excess waiting time of below one minute, in line with TfL's targets.

London bus punctuality (minutes)



Rail punctuality

What does it mean? The punctuality of our rail operations is measured on the basis of the DfT's Public Performance Measure (PPM) on a moving annual average basis. PPM is the percentage of trains that arrive at their final destination within five minutes of their scheduled arrival time.

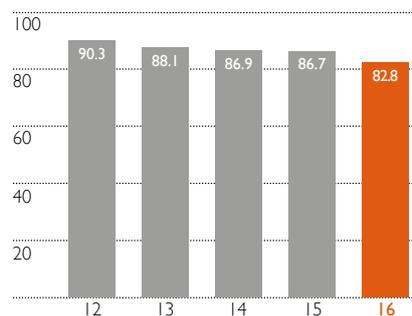
Why is it important? Service punctuality is important to our passengers. It is the strongest indicator of passenger satisfaction with the service and is fundamental to building trust and advocacy among customers. PPM performance forms part of our franchise agreements with the DfT.

Risks Punctuality is a key driver of customer satisfaction. Poor performance could result in customers stopping using our services and harm to our reputation. Breach of franchise agreement terms could lead to financial penalties or ultimately result in the loss of a franchise.

2016 performance Overall PPM for our rail companies was 82.8%. This is a significant decline of 4.6ppt against the prior year. This metric has been impacted for the last few years by weak network resilience in the Southeastern and GTR networks which saw a decline of 3.6ppt and 9.7ppt respectively. Conversely, London Midland's PPM saw an increase of 1ppt taking it to 88.5% and average for the year. We continue to work closely with Network Rail to improve performance on the networks on which we operate, but infrastructure will remain restricted during the Thameslink upgrade programme and it will not be until the end of 2018 that the full benefits of the investment will be realised.

2020 target Increase levels of punctuality in all our franchises to meet 90% PPM in accordance with the ORR's Network Rail and London and south east operators' 2019 target. The industry is currently reviewing how it measures performance from 2018 to 2022.

Rail punctuality (%)



Key drivers of satisfaction

Research strongly demonstrates that what bus and rail passengers want first and foremost is a punctual, reliable service that offers value for money. A reliable network is fundamental to both bus and train services running on time.

Over the past year roadworks in places such as London and Oxford have caused congestion leading to an increase in journey times and decrease in bus reliability which has impacted on the number of passengers travelling. A 2016 study* into congestion describes the impact of slower speeds leading to higher costs, higher fares, increased journey times, punctuality and reliability decline and service decline; all leading to fewer passengers. Go-Ahead's bus companies work in partnership with local authorities in their regions to ensure that both operators and local authority planners can mitigate as much as possible against the deterioration experienced through necessary roadworks.

It has been accepted that after years of underinvestment and increasing passenger numbers the London and south east network is not providing the reliable network trains companies need to operate a punctual service and this is having an effect on overall customer satisfaction. The spring 2016 rail passenger survey included pilot survey where an 'emotional tracker' was used to monitor commuter experiences through a period of disruption linked to London Bridge rebuild and the Thameslink Programme. The two factors strongly affected passengers' sentiment were being on time and the ability to get a seat. The Thameslink Programme will create additional capacity and stabilise the network supporting a more reliable train service which will improve customer satisfaction.

* The impact of Congestions on Bus Passengers (Greener Journeys, 2016).