



Date issued: 16 March 2020

FoI request

I am writing in response to your Freedom of Information request. Your request has been considered in accordance with the requirements of the Freedom of Information Act and our information access policy.

You asked for the following information:

- What is the value of TIL's contract with TFW and over what period?
- Does TIL, or its staff who work at TFW stations, receive commission or additional financial recompense (bonuses) in relation to the number of people reported for ticket irregularities and/or onward revenue from fines (administrative settlements) obtained from people reported by TIL staff for ticket irregularities? If so, what are the levels of commission or bonus paid to either TIL or individual staff members?
- Does TIL as a company have targets agreed with TFW for number of people reported for ticket irregularities? If so, what are those targets (in numbers of people per time period)?
- Does TIL as a company have targets agreed with TFW for onward revenue from fines (administrative settlements) obtained from people reported by TIL staff for ticket irregularities? If yes, what are those targets (in GBP per time period)?
- Do TIL staff who work at TFW stations work towards targets for numbers of people they report for ticket irregularities? If so, what are those targets (in numbers of people per time period)?
- Do TIL staff who work at TFW stations work towards targets for onward revenue from fines (administrative settlements) obtained from people they report for ticket irregularities? If yes, what are those targets (in GBP per time period)?
- If targets exist for any of the four scenarios described above, do targets vary across the week or across the calendar year? For example, are targets higher on certain days of the week or at certain times of year?
- If targets exist for any of the four scenarios described above, how are these targets linked to commission or bonuses for TIL or its staff, if applicable?
- If TIL's services for TFW were procured by TFW, what were the decision-making criteria when TFW selected a supplier for these services and what due diligence was carried out on the practices of TIL and its staff? If this was a legacy contract inherited from Arriva Trains Wales (ATW), what due diligence was carried out by TFW on this contract, its terms and conditions and any targets relating to number of passengers reported for ticket irregularities and revenue from fines?
- Does income from fines (administrative settlements) issued by TIL to passengers reported for ticket irregularities from TFW stations form part of TFW's financial or income plans and/or strategy for the coming years? If so, how much is the desired income from this source and over what period of time?



- TFW does not take part in the Penalty Fare System. What are the reasons for which it does not participate in this scheme? If this was a legacy practice inherited from Arriva Trains Wales (ATW), what due diligence was carried out by TFW on this practice?
- TFW stations are exempt from Great Western Railways' (GWR) penalty fare scheme, which came into force in April 2019 across the GWR network, except South Wales. What are the reasons for which TFW stations on GWR routes are not covered by this scheme?
- Does the Agreement between TFW and GWR which governs TFW's non-participation in the GWR penalty fare scheme state or foresee any kind of financial compensation or payment by TFW to GWR?

Having reviewed these questions, we have determined that this information is commercially sensitive, the disclosure of which is considered likely to prejudice the commercial interests of Transport Investigations Limited and Transport for Wales Rail Services.

The following exemptions to the right of access under the Freedom of Information Act (2000) have been applied:

- S.41 (Actionable Breach of Confidence). Some information in the contracts were supplied to Transport for Wales Rail Services under an obligation of confidentiality.
- S43(1) & S43(2) (Prejudice to Commercial Interests). Information would likely affect Transport Investigations Limited's competitive advantage.

The use of this exemption is subject to an assessment of the public interest in relation to the disclosure of the information concerned. In this instance, factors in favour of disclosure, such as the general public interest in transparency and openness are outweighed by the potential damage to the effective operation of any competitive bidding process. Disclosure would therefore be likely to prejudice Transport for Wales Rail Services' ability to obtain best value from its procurement processes. There are a limited number of companies able to bid for this type of contract Transport Investigations Limited are likely to find themselves competing for similar contracts in the future. In this instance we consider that the public interest lies in obtaining the best value from the market, whilst respecting the implied and explicit obligations of confidentiality which are created through the procurement process.

Transport for Wales recognises the need for openness and transparency by public authorities, but in this instance as disclosure of this information would be likely to prejudice Transport for Wales Rail Services' ability to obtain best value from its procurement process and Transport Investigation Limited's ability to compete with other companies, it is considered that the public interest favours the use of the exemption.

If you have any queries, please do not hesitate to contact Transport for Wales.

Yours sincerely

Transport for Wales