Consumer Affairs Committee 10.07.12



Confidential Minutes Agenda item: 11

Drafted: 29.05.12

Confidential minutes of the Consumer Affairs Committee held on 8 May 2012 at 6 Middle Street, London EC1

These minutes are in addition to the public minutes of a meeting of the Committee on the same date. In that meeting it was resolved, under section 15(2)(b) of schedule 18 of the Greater London Authority Act 1999, that by reason of the confidential nature of the item(s) to be discussed, it was desirable in the public interest that the public should be excluded for this part of the meeting.

Contents

- 1 Implementing new ticketing technologies beyond the London area
- 2 Government consultation on rail fares and ticketing
- 3 Confidential minutes and matters arising
- 4 Passing complaints between London TravelWatch and Passenger Focus
- 5 Meeting review

Present

Members

Terry Bennett, Gail Engert, Sophia Lambert, David Leibling (in the Chair)

Guests

Peter Twigg Head of London Support, Association of Train Operating Companies (Items 1-2)

Matt Winfield Stakeholder Engagement Manager, Transport for London (Items 1-2)

Sally Delgado Department for Transport (Items 1-2) Ruther Harper Department for Transport (Items 1-2)

Secretariat

Tim Bellenger Director, Research & Development

Janet Cooke Chief Executive
Sharon Malley Executive Assistant

Minutes

1 Government consultation on rail fares and ticketing

Ruth Harper from the Department for Transport gave a presentation on the Government's consultation on rail fares and ticketing. She said that the last fares review was 10 years ago and that the regulations in place since then were not necessarily fit for the way we used railways today.

The Government was seeking to end above-inflation fare increases. There would be a focus on season tickets, which were designed to assist people travelling to work five days a week during the peak. They did not recognise other patterns of working, particularly part-time working, and they did not incentivise passengers to travel outside peak hours.

Using paperless ticketing technology, the Government was considering introducing parttime season tickets, off-peak season tickets and carnet options. Paperless ticketing was being introduced through the franchise process, with ITSO being specified as it allowed more flexibility than Oyster.

The Government wanted to give operators tools to manage capacity more effectively, to maximise existing capacity by encouraging off-peak travel and improve the case for additional investment in capacity on the routes. It was noted that even during the peak there are is unused capacity and this was leading to a 'super peak' option being considered.

There was some confusion among passengers about validity of tickets which led to passengers either buying more expensive tickets than they needed or else finding themselves liable to penalty fares. This did not inspire trust in this system and more information was needed for passengers about ticketing terms and conditions.

Over the past 10 years, sales from ticket offices, while still being the channel for the greatest number of ticket sales overall, had been steadily declining, whereas other channels such as ticket vending machines, the internet and Oyster, had been increasing. Selling through ticket offices was expensive compared to the other channels and operators were expected to look at this, for example through moving some staff from ticket offices to stations. In Merseyrail, some ticket offices had been turned to general shops.

It was noted that the paper covered two distinct areas: the process for buying tickets and the level of fares. Within the level of fares were questions of subsidy and the relative cost of season tickets compared to other fares. It was noted that London TravelWatch had carried out research showing passengers did not always know the value of fares when paying by smart card, which meant that fares were not able to influence passenger behaviour.

Options were considered such as the extension of validity of Advance fares from a single train to any train within a short period (for example, two hours), and the purchase of kilometres of travel, with greater discounts the more kilometres bought. The latter system, although sometimes requested by passengers, would not allow differential pricing for peak travel and therefore would not give any incentive to passengers to travel at less busy periods.

It was noted that fare options had been established when ticket offices were the primary means of purchasing tickets and that ticket vending machines had not always been able to respond to the complexity of the different fares. As an example, it was not always clear from the TVMs what was meant by 'London terminals'. TVMs were being re-coded so that this information would be readily available to purchasers.

It was agreed that London transport users had considerable experience of smart ticketing and that London TravelWatch had done a large volume of work on how smart ticketing could benefit passengers. It would be useful for the Department for Transport to make use of this knowledge and experience.

The Chair thanked participants for the contributions to the useful and interesting discussion.

2 Confidential minutes and matters arising

The confidential minutes of the Consumer Affairs committee meeting held on 14 February 2012 were agreed and signed as a correct record. The Director, Policy and Investigation, said that the London TravelWatch website now had a special page with information relating to the Olympics.

3 Passing complaints between London TravelWatch and Passenger Focus

The Casework Manager presented a chart showing the procedure for passing complaints between London TravelWatch and Passenger Focus. London TravelWatch passed relatively few cases to Passenger Focus, while more cases were passed from Passenger Focus to London TravelWatch.

In general there were few differences in interpretation of policy and regulations between the two organisations and information was shared when appropriate. In general the system for passing complaints worked well.

4 Meeting review

Risk issues: Members considered that the meeting had not resulted in any reputational risks for the organisation. However, there was some concern about potential inaccuracy of data in the Casework Report and that inaccurate or uncertain data should not be put into the public realm.

Press and Media opportunities: It was noted that media opportunities had been identified during the meeting.