# Fares & Ticketing Committee 22.9.09



Minutes

Agenda item: 6
Drafted: 22.7.09

# Minutes of a meeting of the Fares and Ticketing Committee held on 21 July 2009 at 6 Middle Street, London EC1

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#### **Present**

Members

David Barry, Onjali Bodrul, Kevin Davis (Item 6 to 12), Daniel Francis, Sophia Lambert, David Leibling (Chair) and Sharon Grant (London TravelWatch Chair)

Guests

Michael Dollin Manager, Fares, Ticketing and Passenger Benefits Team, Department for Transport (DfT)

(min. 1 to 12)

Wilco Chapels London Pricing Manager, Association of Train Operating Companies (ATOC) (min. 1 to 12)

Peter Twigg ATOC (min. 1 to 12)

Peter Legg Ticketing Proposition Manager, TfL (min. 1 to 12) Lucy Preston Ticketing Policy Manager, TfL (min. 1 to 12)

Matt Winfield Stakeholder Engagement Manager, TfL (min. 1 to 12)
Daniel Maskell Press Officer, Transport for London (TfL) (min. 1 to 12)

Staff

Chief Executive, Committee Administrator and Director, Research and Development

#### **Minutes**

1 Chair's introduction, pre-meeting announcements and apologies for absence

The Chair welcomed members, visitors and the public to the meeting. Apologies were received from the Deputy Chair of London TravelWatch.

#### 2 Declarations of interest

The Chair of the Committee and Sophia Lambert both declared that they held Freedom passes.

#### 3 Minutes

The minutes of the meeting of held on 28 April 2009 were approved and signed for the record.

# 4 Matters arising (FT28)

The Chair asked Ms Preston about the issue on page 3 of the matters arising report (Board 25.11.08, minute 376), on the issue of a £1 charge Oyster Pay-as-you-go charge ((PAYG) for entry and exit at a station (without having boarded a train after 30 minutes). This was a particular issue for London Overground with the extension of PAYG to the National Rail network in London, on which scheduled frequencies were fewer, with the consequent higher likelihood of entering and leaving a station after 30 minutes due to lack of service. Ms Preston responded that there had been changes to the limits on journey times as shown in, the table below.

Journey time limit (in minutes) :	Mon- Fri peaks and interpeak	Mon-Fri eves and Sat	Sun
Travel within one zone	70	77	84
Each additional zone travelled through (e.g. a journey from Zone 6 to Zone 6 via Zone 1, would be 10 additional zones)	10	11	12

The maximum journey time was changed and varied according to the particular day of the week or time. The Chair highlighted that the example journey in the table would now allow almost 3 hours.

The £1 charge had been introduced to prevent people from defrauding London Underground Limited (LUL). Passengers could reclaim the charge from either the ticket office or the Oyster helpline, and LUL was reluctant to remove this charge. Staff on London Overground (LOROL) had been instructed to refund passengers in similar circumstances. The new functionality within the Oyster system would allow for 2 fares to be sewn together e.g. if touched in and out without boarding a train due to a delay at a particular station or line, the system would pick this up when the card was touched in at an alternative station or line.

The Chair commented that if passengers did not have a valid ticket when they walked through Southwark station to exit then they would be charged £1, but Ms Preston pointed out that there was no valid right of way for that station.

The Director, Research and Development, reported to members that similar issues might occur at Tulse Hill, Lewisham and Tower Hill stations when Oyster PAYG was rolled out. Members were invited to visit TfL's Oyster operations centre, and it was agreed that dates would be circulated and a visit confirmed.

**Action: Committee Services** 

# 5 Fares based on Retail Price Index (RPI)

Mr Dollin noted that if Train Operating Companies had raised their fares to the maximum allowed in the fares basket, they would have to reduce their fares in line with the July 2009 RPI figure (published mid August) to ensure compliance. The Secretary of State's intention was to remove the practice of train operators being allowed to increase some fares by up to RPI +5%. Instead operators would be permitted to increase fares only by up to RPI+1%. There may be some permitted exceptions on a case by case basis, but it would almost certainly apply to all fares within the Greater London zonal system to allow for the introduction of Oyster PAYG.

Ms Preston informed members that there would be a cost to TfL if its fares were reduced, particularly if refunds were issued to passengers who had purchased season tickets before the fare changes in January 2010.

The Chair noted that this item would be on the agenda for the next meeting, and that one of the recommendations that London TravelWatch made in its evidence to the London Assembly Budget Committee was that if the fare reduction was not implemented in January 2010 it should carry forward to the next year.

#### 6 Relaxation of season ticket adjustments for 2010

Mr Twigg reported that within London, zonal fares had been introduced for point to point season tickets over a 4 year period since 2006. However, the Secretary of State had since decided that this would not be fully implemented by January 2010 as originally planned. Whilst a majority of TOCs did offer common fares, Mr Chapels noted that South West Trains (SWT) had only partially enabled zonal fares. The reason for this change was that with the current economic climate it was unreasonable to increase some fares by substantially more than inflation. No date had been set for a completion of this programme.

# 7 Effect of London Underground peak fares changes

Ms Preston informed members that the overall effect of the introduction of peak and off peak fares had been a marginal shift of passengers to travel before the start of the evening peak (before 4pm). Most passengers had not changed their travelling pattern. She would look into whether TfL could provide better publicity on the difference between peak and off peak fares, which only affected Oyster single fares. She also agreed to enquire whether any extra income had been generated by this change.

**Action: Committee Services** 

A member asked whether TfL had considered publicising the peak and off peak fares to passengers. Ms Preston replied that TfL had not done so in a high profile way, but they had

included it on the website and in the fares and ticketing guide. The Chair asked whether it would be possible to include the price on journey planner in red. Ms Preston said she would take this back.

Members felt that patterns of travel may change gradually as more people became aware of the peak and off peak fares. Ms Preston agreed to take members views on this back and look at a marketing exercise on publicising peak fares.

**Action : Lead Officer** 

# **8** FCC schedule 17 response (FT 29)

London TravelWatch had previously stated that the minimum number of transactions to keep ticket offices open was 12 per hour. First Capital Connect (FCC) had revised its proposals and would measure the number of transactions at eight station ticket offices.

The Director, Research and Development indicated that London TravelWatch had obtained a good deal for passengers in this case. Detailed analysis was needed when operators submitted data to London TravelWatch – to establish both that it was verifiable and that the passenger's voice was heard in each case.

The Chair of London TravelWatch thanked staff who had worked on the response, and it was agreed that a watching brief would be maintained.

# 9 A Fare Decision? The Impact of the Mayor's Fare Decision (FT 30)

The Executive Summary of the report, A fare decision? The Impact of the Mayor's Fare Decision (<a href="http://www.london.gov.uk/assembly/reports/budget/fare-decision.pdf">http://www.london.gov.uk/assembly/reports/budget/fare-decision.pdf</a>) had been circulated in advance of the meeting. The Chair read through the key recommendations of the report (pages 31 and 32), and reported that London TravelWatch had given evidence to the Budget and Performance Committee.

The Director, Research and Development informed members that TfL had queried the assumptions of the report, and noted that one of the recommendations (that the Mayor should consult on the level of fares) had been a long held aspiration by London TravelWatch. The Chair agreed that the process should be made more transparent.

The Chair of London TravelWatch thanked the Chair and the Director, Research and Development for their work.

# 10 Information papers (FT31)

The paper, South West Trains Ticket Vending Machine improvements (FT31) was noted. This paper was an update from South West Trains on upgrades to their ticket vending machines.

#### 11 Any other business

The Chair raised an issue that had been discussed at the Transport Services committee in relation to the Victoria line closures regarding whether tickets were checked before passengers boarded rail replacement buses.

Ms Preston explained that a valid ticket was necessary before boarding a bus. A fair proportion of the passengers using these services would have season tickets, and there wass no Oyster equipment on rail replacement buses. London Underground had taken a conscious decision not to carry out ticket checks on these services as it did not wish to further inconvenience passengers, and to carry out revenue protection would be costly. There were always local teams at affected stations to direct passengers to rail replacement bus services. Once Oyster PAYG was available on National Rail, passengers could use those services rather than replacement bus services.

The Chief Executive asked whether revenue protection staff could use a hand held device on rail replacement services. Ms Preston responded that these devices were only designed to check credit, rather than deduct the fare, and it was not possible to adapt them in a cost effective way.

Ms Preston would take back the views of members on the Victoria line closure on ticketing and their observations on overcrowding on these services, and investigate whether rail replacement services could operate in a different way, and report back to the committee.

**Action: Committee Services** 

The Chair reported that the Director, Research and Development had responded to a consultation by the Department for Transport (DfT) on the administration of concessionary travel. This would be included in the Actions Taken report for the next committee meeting.

The next meeting would take place on 22 September 2009.

### 12 Resolution to move into confidential session

The Committee resolved, under section 15(b) of schedule 18 of the Greater London Authority Act 1999, that, by reason of the confidential nature of the following items, it was desirable in the public interest that the public should be excluded from the meeting.

In private session members considered the confidential minutes for the meeting held on 28 April 2009 and discussed the roll out of Oyster PAYG on to national rail.

### 13 Glossary

DfT Department for Transport LUL London Underground

PAYG Pay As You Go (Oyster cards)

SWT South West Trains
TfL Transport for London
TOC Train Operating Company