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## Confidential Minutes

Agenda item : 11

Drafted : 22.7.09

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### **Confidential Minutes of a meeting of the Fares and Ticketing Committee held on 22 September 2009 at 6 Middle Street, London EC1**

This meeting was held in private session with reference to 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.

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#### **Present**

##### Members

David Barry, Onjali Bodrul, Kevin Davis, David Leibling (Chair) and Sharon Grant (London TravelWatch Chair)

##### Guests

Michael Dollin	Manager, Fares, Ticketing and Passenger Benefits Team, Department for Transport (DfT)
Wilco Chapels	London Pricing Manager, Association of Train Operating Companies (ATOC)
Peter Twigg	Head of London & South East Support, ATOC
Lucy Preston	Ticketing Policy Manager, Transport for London (TfL)
Shashi Verma	Director of Fares and Ticketing, TfL
Matt Winfield	Stakeholder Engagement Manager, TfL

##### Staff

Chief Executive; Committee Administrator; Director, Public Liaison (min. 2 and 3); Director, Research and Development

#### **Confidential minutes**

##### **1 Confidential minutes**

The confidential minutes from the meeting of the Committee on 21 July 2009 were agreed and signed for the record.

## **2 January 2010 fares increases for National Rail and Transport for London (TfL)**

Mr Verma reminded the committee that fares for TfL services were set by the Mayor, and fare levels for 2010 were subject to current deliberations. The new fares had to be entered in to the system by 24 October 2009 with income from journeys being substantially invested into the network.

There had been a 6% decrease in journeys on the tube year on year, and National Rail and other rail systems round the world were suffering similar reductions.

The Director, Research and Development asked whether the decline in journeys was across the board or was focused on particular times or stations.

Mr Verma replied that there had been a large decline in the City and Canary Wharf areas, and some variation in journey numbers at weekends. There had been an increase in Outer London bus and tube journeys with the high price of petrol in previous years, but this trend had since reversed.

A member asked if a 6% declines had also occurred on the bus network. Mr Verma confirmed that bus journeys were in decline, and that in previous recessions bus had been more robust. It was not clear whether passengers were switching from London Underground to buses or other modes of transport.

Mr Twigg reported that TOCs in London would dovetail their fare structures with TfL's and were awaiting the decision by the Mayor, working to a similar timescale, but regulated by the DfT. There was a similar trend in train passenger numbers as TfL had reported on bus and tube. Rail journeys into central London were sensitive to employment patterns. A decline in passenger numbers had begun slightly before February 2009, and there were also signs of passengers trading down from first class to standard.

On the question of relaxation of season ticket adjustments Mr Dollin suggested that would not take place until after a change in administration or Government in 2010.

The Director, Public Liaison explained that there were still some inconsistencies in fares which he hoped would be resolved : the anomalies were not understood by passengers. Mr Dollin replied that TOCs were responsible for setting season tickets, but if companies divulged information to each other it would be a breach of competition rules. The Director, Research and Development suggested that the situation may be resolved when Oyster PAYG was introduced.

## **3 Oyster Pay As You Go roll out on National Rail**

Mr Verma talked through the several strands of activities leading up to the 2 January 2010 launch. There had been intense negotiations with TOCs and the DfT to ensure compatibility on all levels and any difficulties had either been agreed or were in the process of being resolved. Ticketing hardware would be installed by October 2009 and the software changes went live in early September. There were 2 million journeys on Oyster PAYG/day. The system was subjected to 6000 tests before it went live and the contractor carried out a further 8000 tests.

Mr Verma noted that Oyster PAYG was already running on five TOCs with no formal agreement, which bode well for those agreements yet to be signed.

The Chair raised issues on International Transport Smartcard Organisation (ITSO) compatibility and gating at Waterloo, Lewisham and Waterloo East.

Mr Dollin reported that advice on these matters had been given to the Ministers, who were not minded to approve the closure of Lewisham station. There were a number of similar issues on Southeastern, eg, the gate line at Waterloo East. Mr Verma explained that the business case for rolling out Oyster PAYG on Southeastern would not work without gating Lewisham and Waterloo East stations; at Waterloo East there needed to be 2 gate lines or it needed to be opened up completely. Tickets were checked at Waterloo East, but the crush of the crowd became dangerous, and Mr Twigg agreed that the level of people at peak periods meant there was a safety issue there.

Members then discussed the introduction of the intermediate validators which had recently been installed on the London Overground (LOROL) network. Whilst they made the system more complicated, they would also allow passengers to get a fairer price for the journey as they would be charged a fare for not going through zone one. Mr Verma clarified that the fares manual would now change to give both options (either through zone or 1 or travelling outside zone 1).

Issues relating to ITSO had been parked so that they did not interfere with the roll out of Oyster PAYG and TOCs were satisfied with this.

On communicating the roll out to passengers, ATOC had set up a group to draw up a communications strategy, and it would consult with London TravelWatch. The customer information needed to be timed carefully and there would be a lot of publicity post launch.

The Director, Public Liaison raised the issue of Oyster PAYG users being charged £1 for touching-in and out at a station due to the service not being available. He suggested that this would probably happen more often on national rail, and asked that this be picked up in the information provided to passengers. Secondly, he noted that passengers may be waiting on platforms to meet people and may not be aware of the maximum journey times inherent in touching-in and out. Mr Twigg replied that they would give these two examples some thought, and Ms Preston reported that LUL Oyster PAYG staff had been training their national rail colleagues on such matters.

The Director, Research and Development asked about top-up of Oyster cards on TOC Ticket Vending Machines (TVMs). Some had been installed on First Capital Connect (FCC) machines, some passengers will be in areas with a low coverage of agents. Mr Twigg replied that the decision to introduce Oyster top-up availability was a contractual decision by TOCs. Some TOCs have signed up, but it is unclear what one or two other TOCs would do.

#### **4 Meeting review**

It was agreed to withdraw the proposals outlined by the Director, Research and Development in the matters arising report (3.3, FT32). The Director, Research and Development and the Committee Chair would work on the proposals further.

**Action : Director, Research and Development**

It was also agreed to come up with a better way of managing the way that members of the public in attendance at meetings would ask questions.

Members were concerned that after three years of planning and attempts at rolling out Oyster PAYG on National Rail there was no draft communication strategy.

## 5 Glossary

ATOC	Association of Train Operating Companies
DfT	Department for Transport
FCC	First Capital Connect
ITSO	International Transport Smartcard Organisation. Founded in 1998 as a result of discussions between various UK Passenger Transport Authorities concerning the lack of suitable standards for inter-operable smartcard ticketing ( <a href="http://www.itso.org.uk/content/Presentations/About%20ITSO.pdf">http://www.itso.org.uk/content/Presentations/About%20ITSO.pdf</a> )
LOROL	London Overground
LUL	London Underground
PAYG	Pay as you go (Oyster cards)
RPI	Retail Price Index
TfL	Transport for London
TOCs	Train Operating Companies
TVMs	Ticket Vending Machines