

Rural Economy and Connectivity Committee

Transport (Scotland) Bill: Video Conference with London travel stakeholders

26 September 2018

The Committee held an informal video conference with London transport stakeholders (below) about their experience of low emission zones, smart ticketing and bus regulation, in the context of the Committee's work on the Transport (Scotland) Bill.

- Tim Bellenger – Director of Policy and Investigation – London TravelWatch
- Tom Cunnington – Head of Buses Business Developments – Transport for London (TFL)
- Shashi Verma, Director of Strategy and CTO – Transport for London (TFL)
- Caroline Pidgeon AM MBE – London Assembly Member – Chair of the London Assembly's Transport Committee

This is a summary of the main points of their discussion

Low Emissions Zones (LEZs)

- The current London LEZ is very successful in terms of compliance. It has been in operation for about 10 years.
- TFL put in place alternative means of travelling to help increase that compliance. Bus network increased in frequency and other developments were put in place around rail and cycling. There was a change in the type of vehicle that freight operators use. A decline in very large vans but increase in smaller vans which bring them below the charge.
- There has been a recent push for tougher air quality measures such as the toxicity charge and the introduction of an Ultra Low Emissions Zone which will cover the same geographical area but will broaden the number and types of vehicles covered and extend to operate 24/7. It is proposed that this will be widened in 2021 to include a larger area of London.
- The policy decision was taken to work incrementally to start small and work up to the goal of zero emissions.
- London uses automatic number plate recognition. It processes images and detects vehicles then look at contravention and penalty charge notices if required.
- It was noted that the cost of running may exceed any revenues generated through penalties. The goal is not income generation it is air quality.
- To improve the public's acceptance and compliance it was suggested that policy implementation must be extremely transparent and put in place with sufficient notice. There was a focus on making buses compliant in order to lead by example. The aim is for all buses to be zero emission. Recognise that the authority should take the opportunity to show it can be done.
- All policy efforts have had a very strong consumer focus. For example, they have a powerful appeals process e.g. cloned number plate or

accidentally driven in zone. It was noted that the system shouldn't be seen as punitive in the same way as a traffic warden enforcing parking. The goal is to make publicly acceptable. There are also exemptions for sections of the population, for example, blue badge holders. As well as grace periods for compliance.

- It was noted that it is essential to look at the aspects of the policy that may cause hardship – need to promote social acceptability as it is a social measure. Impact assessments should be considered for various groups in relation to factors such as income, disability or location.

Buses

- It was noted that it has been a range of factors which has made London bus franchising a success.
- One thing that made a real difference is that they are regulated by TFL which specifies the vehicles, frequency of service, first and last, bus stops, stands and infrastructure and the mayor sets the fares. It's not a free market. TFL has strategic role overseeing a network of this size and scale.
- It is a comprehensive and inclusive service planned from a London wide economic and social perspective. TFL tenders out the provision of specified services, some are considered to be routes for social benefit. Contractors meet standards set and they receive a price. If they are better than TFL standards they can receive a bonus. If they fall below those standards they get penalties. Although the operation is contracted out the revenue comes back to TFL. Bus operators are incentivised and TFL can think long term.
- It is very important for the bus network to be planned holistically. Some routes are more profitable than others and some are necessary for lifeline services. You can rely on almost getting bus anywhere and anytime. If it only relied on profitability you wouldn't run as many off peak services.

Passenger experience

- Think about things from the consumer experience - every London bus looks like London bus despite the operator– consistency in appearance and experience. E.g. frequency, safety, quality, reliability, cleanliness.
- Bus networks are very complicated. Network planning and centrally controlled information helps.
- Bus passenger numbers have fallen slightly in recent years – due to more active travel and congestion making journey times unreliable.
- Consideration of more express routes for outer London commuters which will have a slightly different feel. E.g. considering the reintroduction of bendy buses for those routes.
- I-Bus network – announcements every stop. Helpful for people with varying needs and people new to the city. Data is also very helpful as it feeds into apps to show when the next bus is coming. Really helped people use the network in London effectively.

- Due to mayoral policies there are a wide range of concessionary travel schemes. This needs to be accounted for in costs. It also generates demand which impacts on the size of the fleet. However, policies are there to support a range of social outcomes. Access to school and work, environment etc. Allowing people access to work creates wider social benefits.

Tendering and types of services

- TFL tenders at a route level. This has been done historically. If they did it now they may consider other options. There are 79 bus depots meaning most routes could be competed for by 2 or 3 operators. This creates good competition. It also creates batches that could be bid for collectively as joint bid. E.g. town centre can offer discount for batch.
- TFL don't tend to bundle profitable and less profitable routes together. It tends to be done based on vehicle type – eg. if the route can't fit double decker.
- It is a mix of municipal and private contractors. TFL is actively engaging with those who want to enter the tender market.
- TFL also manages some services which cross boundary into neighbouring authorities. They tend to run to the closest conurbation. They are included as part of their duty fare structure.
- For buses which originate outside London there is a permit system. TFL continues its role as regulator. It almost acts like a traffic commissioner. They don't run under the full requirements but TFL provides bus stops, numbers and timetables will be posted free of charge.
- National express services etc are a mix of permits and non permits.
- Point to point coaches run to locations in and around London without good rail links. Bus stop space especially for coaches.
- It was noted that bus franchising could possibly work for remote areas. However, there is an element of risk as taking responsibility for the franchise means you are ultimately responsibility for the level of service.
- There are pilots in London for 'demand responsive buses' (shared mini bus that you book onto) which are licenced differently. Scheme could help rural areas.
- It was noted that private companies may expect a profit return of 5% or 6% on average. This can reduce depending on circumstances like roadworks. The maturity of the market has reduced profit margins to a degree.

Smart ticketing

- The goal is not to take a ticket and create a version of that ticket on a plastic card or on an appl. The focus is the customer experience. Commuting is necessary we should make it as pain free as possible.
- The heart of the policy is thinking about the user perspective and not from the perspective of fare policy specialists.

- Oyster card was the beginning and that has been continued by contactless payment technology. With contactless you never need to get a card or top it up – you get same payment experience as with any other merchant. Life on public transport is about convenience.
- The use of payment capping takes away the painful decision of which tickets to buy and what is best value. Commuters don't need worry as the system works out the best fare. Burden moved away from people.
- Oyster card works on 9 private train operators. It was painful at times to hammer out the commercial agreements but it was important for Londoners that the card works on all transport services.
- Half of all pay as you go journeys now made using contactless cards. Considering it was only launched 4 years ago it has been very successful.
- General oyster card usage is in decline. However, it won't go away entirely as a solution will always be needed for people who don't have a bank card e.g. children or low income earners or people may not prefer to use their bank card that way.
- Number of new oyster cards issued every day - 40,000 cards a day at peak in 2014, now about 20,000 a day. 50,000 new contactless cards are being used on the system every day. Visitors to London are finding it easier to navigate.
- TFL want people to move from oyster to contactless. Processing 10p in pound for Oyster and and 1p for contactless. The benefit of a weekly price cap is only available using contactless which is a bit of a weakness in system.
- Contactless really helps part time workers, particularly women, as they don't need to buy a full week travel card.
- All buses are now cashless and people need to pay by oyster or bank card. The tube is moving to no manned no ticket offices – change in culture.
- Refunds are available on balances for oyster cards. Tap card at the machine and get deposit and pay as you go value back (under £10). Over £10 have to send card back and they'll do it for you.