
Confidential Minutes

Agenda item : 12
Drafted : 24.10.12

**Confidential minutes of the Consumer Affairs Committee held on 16 October 2012
at Dexter House, Royal Mint Court, London EC3**

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.

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Present

Members

David Barry (in the Chair), Gail Engert, Sophia Lambert, David Leibling (Deputy Chair)

Guests

Vernon Everitt	Managing Director of Marketing and Communications, Transport for London
Shashi Verma	Director of Customer Experience, TfL

Wilco Chapels	London Pricing Manager, Association of Train Operating Companies
Simon Feast	Fares & Passenger Benefits Manager, Department for Transport
Caroline Murdoch	Corporate Affairs Director, TfL
Matt Winfield	Stakeholder Engagement Manager, TfL

Secretariat

Tim Bellenger	Director, Research & Development
Janet Cooke	Chief Executive
Susan James	Casework Manager
Sharon Malley	Executive Assistant

Minutes

1 Confidential minutes and matters arising

The confidential minutes of the Consumer Affairs committee meeting held on 10 July 2012 were agreed and signed as a correct record. There were no matters arising.

2 Customer service at Transport for London

Vernon Everitt, Managing Director of Marketing and Communications at Transport for London, gave a presentation on customer service at the organisation. He outlined a number of issues that TfL were considering to improve customer service and said he sought London TravelWatch's views on the proposals.

TfL was considering revising the terms of its charter refund policy. At the moment, the Docklands Light Railway charter and the Overground charter allowed passengers to claim refunds for delays of 30 minutes or more whereas the Underground charter allowed passengers to claim refunds for delays of 15 minutes or more. In all cases, passengers had to apply for the refunds in order to receive them.

The proposed change would see the length of delay before claims could be made on the Underground extended to 30 minutes, in line with the other charters. However, rather than requiring passengers to make claims to obtain refunds, the refunds would be processed automatically and loaded straight on to passengers' Oyster cards.

Mr Everitt noted that the proposed change would result in increased costs for TfL although they would be partly offset by a reduction in the cost of administering the existing system. It would be a significant change and TfL would welcome London TravelWatch's view. It was noted that the proposal was currently confidential and had not yet been approved by the Mayor of London.

Shashi Verma confirmed that the refund would be available to passengers travelling with a travelcard loaded onto an Oyster ticket, and that the value of the refund would be added to the Oyster card in the form of a Pay As You Go credit. Mr Everitt said that TfL would retain the ability to issue refunds to holders of paper tickets but that the 30-minute delay period would apply to both Oyster and paper ticket holders.

The Chief Executive said it would be useful to see details of the number of passengers who would be affected by the changes before finalising the London TravelWatch view. Members were largely supportive of the proposal to move to a longer period of eligibility for refunds but have them paid to Oyster cards automatically.

Mr Everitt said that TfL hoped to move from its 0845 customer contact number to a local rate or freephone number. Members welcomed this move, having called for a move away from the 0845 number for complaints and refunds for some time.

Mr Everitt said that a significant problem for Oyster Pay As You Go users was having to pay a maximum fare after failing to touch out at the end of a journey. TfL hoped to be able to move to a system where Oyster users would be able to complete one journey per month online, thereby avoiding the need to pay a maximum fare for a journey where the passenger did not touch out. This would allow 80% of unresolved journeys to be resolved by the passengers themselves rather than having to go through the Oyster helpdesk.

Mr Verma said that the Oyster data held online had been improved considerably so that passengers were now able to see more clearly the journeys they had been charged for. Oyster users had recently been given the option of having transaction statements emailed to them.

The TfL website would be updated from March 2013 to focus more on providing travel information.

From December 2012, passengers would be able to use their existing contactless bank cards to pay for single tickets on buses. The fare would be at the Oyster Pay As You Go rate rather than the single cash fare. From November 2013 contactless bank card payments would carry full functionality including daily and weekly capping levels. Ticket inspectors would be issued with new devices that could read payment details from contactless bank cards.

Mr Verma said that TfL believed that contactless payments were better for passengers than the developing ITSO technology.

It was noted that journey planner gave fare information but automatically gave details of the more expensive route. It would be useful if it provided more comparative details of alternative, cheaper routes.

Members welcomed the thrust of the proposals in TfL's presentation and thanked Mr Everitt and Mr Verma for their contribution. It was agreed that officers would arrange a bilateral meeting shortly to provide more detailed feedback.

Action: Chief Executive

3 Use of differential fares to modify passenger behaviour

Mr Verma said that in 2002 TfL looked carefully at pricing and decided that travel that had the most significant impact on the network, particularly travel in the peak direction at peak times, should cost more than travel that did not have the same impact on the network. He said that there was some small impact on passenger behaviour around the edges of the existing peak as people timed their journeys to take place either just before or just after the peak periods and that no changes to the pricing policy were proposed at present.

The pricing of contra-peak journeys followed the same logic in that journeys on relatively empty trains should cost less than those on very full trains. However, this had little impact on passenger behaviour as people generally travelled in the direction they did for a reason and pricing would not influence people to travel in a different direction.

Members noted that if the pricing structure were too complicated for passengers to understand it would not have the influence on behaviour that TfL were seeking.

4 Fare changes for 2013

It was noted that an announcement had been made at the Conservative party conference that the level of fares increase for 2013 would be RPI+1%. TfL's business plan was based on a fare increase of RPI+2%, with TfL's fares being set by the Mayor of London. There were unlikely to be structural changes to fares this year although provision may be made for encouraging passengers away from using paper tickets.

5 Meeting review

Risk issues: Members considered that the meeting had not resulted in any reputational risks for the organisation. It was noted that TfL appeared to have made considerable progress in its focus towards improving customer relations. The quality of discussion

showed between TfL and London TravelWatch showed a good maturity of the relationship and this was to be welcomed.

It was agreed that it was important to continue to provide private space for the DfT, TfL, ATOC and London TravelWatch to discuss confidential issues.

Press and Media opportunities: No specific press or media opportunities were identified during the meeting.