

Who pays for transport services.

Evidence from the London Forum of Amenity & Civic Societies

The London Forum welcomes this timely scrutiny by the GLA. Most of our members have cause to take up issues relating to public transport, walking and cycling. A number of common themes emerge from the experiences of different member societies.

Public transport is as vital to the London economy as running water and electricity. In common with the mayor and the GLA, we would like to see more affordable housing (in the widest sense of housing in which people can afford to live) closer to the places where people work, but realistically for the foreseeable future there is going to be a need for a sizable number of commuters from places too remote to be within walking or cycling distance.

The public transport system requires the capacity to deliver these people to their places of work, at the time they are needed for that work. T/L is to be congratulated on the extent to which they have maximised the capacity of the existing network.

The Mayor has recognised that it is not acceptable, and ultimately self defeating, to raise fares as much as possible for a captive public with no alternative means of travel. At a time when salaries are rising by less than the rate of inflation, and vital council services are continuing to be squeezed, we do not think it is desirable or practicable to raise fares in real terms. A more attractive way of increasing income is to utilise the capacity created to deliver the peak hours service in the off-peak periods.

Over the past thirty years, two measures stand out as having been successful in this regard. The first was the introduction of the zonal based travelcard. The second was the series of measures associated with the successful introduction of a congestion zone. The travelcard had the scope to encourage people to use routes with relatively more capacity in the peak periods, particularly where such capacity existed outside of zone 1 and reasonable journeys could be made avoiding that zone. It also had the benefit of making supplementary journeys free at the point of use. This was of great benefit to the retail and leisure sector. There was no longer a travel cost associated with staying in town for a drink, a meal, or a theatre visit. People were willing to pay slightly more than the cost of return journey in return for the freedom to make other journeys, and the marginal cost of supplying those extra journeys was less than the additional income received.

The congestion zone was preceded by an enhancement of bus services so that when it was introduced, buses were sufficiently reliable for people to switch to their use within zone 1. Average bus occupancy rose from 12 to 15, a figure far higher than that achieved anywhere else in England. (It should be noted that at the start and end of the bus route occupancy is zero and that a full bus only remains full if there are as many passengers boarding as alighting, which in practice would mean leaving people behind at busy stops.) This ensured that crush crowding on the tube network was less of a problem than it would otherwise have been.

Unfortunately a number of factors, some within Mayoral control, some not, have reduced the effectiveness of the travelcard and the congestion zone. A replacement road pricing scheme may be considered to be outside the scope of this scrutiny, but we believe it is fundamental to meeting the concerns of the scrutineers, particularly the need to optimise income from buses. Unless congestion and reliability of bus services is addressed the proportion of costs recoverable from fares will continue to decline, the more so if cuts are made to bus services. In contrast to the success of the pre-CCZ measures is the effect of cuts to bus services in the 1980s. Fewer buses resulted in lesser occupancy of the ones that remained. Before embarking on an extensive programme of cuts to bus services, there should be an assessment of the likely impact and whether the increase in population and activity since the 1980s is sufficient to prevent the same experience of diminishing returns from a reduced service.

The success of the travelcard (now the daily or weekly “cap”) has been dented by three factors, all of which the Mayor could and should address without delay. First, the fact that pay-as-you-go Oyster or Contactless payments are more attractive for many users has, we believe, contributed to the problems of the high street and the leisure industry. They have been greatly exacerbated by the previous Mayor’s decision to reduce the relative price of peak hours single journeys. The motivation for this seems to have been a crude attempt to outdo the government in its attempts to make public transport more affordable for the growing number of people who travel for fewer than five days in each working week. The changing pattern of work is something that T/L must accept, but it can and must control the relative pricing of fares to maximise use and income in the times and at the places where capacity exists.

A second own goal was the abolition of the zone 2-6 and 2-9 travelcards. It is absurd that someone making multiple journeys in zones 5 & 6 pays more than someone making the same number of journeys in zones 1 & 2. The particular anomaly of journeys in East London between two zone 2 destinations, with the options of routing via zone 1 or zone 3 has been addressed by the creation of a large area in both zones 2 & 3, but the effect of this has been to reduce income from fares by more than was necessary. This anomaly still exists in West London.

TfL must assess what is the optimum level of service outside the peaks. Clearly 36 tph is not sustainable for a whole day, because scope for recovery after an incident is insufficient. Equally, too low a level of use would undermine the sustainability of public transport: people who need to travel in the course of their working day (or who can tailor their working hours to avoid the height of the peaks) need a reasonable level of service. Once this assessment is made, the fares should be recast so as to best tailor demand to supply.

A significant minority of passengers are granted free travel. Any curtailment of these benefits is unlikely to be popular, and could undermine the stated objective of the London Plan to achieve 80% of journeys by sustainable mode by 2041. Some of our members consider that it would be reasonable to tax the freedom pass, generating income in some proportion to the ability to pay. However, there are a number of objections to this proposal not related to popularity. Most of the freedom passes are funded by the Boroughs, and so have little adverse impact on TfL budgets. Most are part of a National scheme, so there is little likelihood of taxes raised finding their way into TfL coffers. There is a dearth of information on the effectiveness of the freedom pass: the extent to which it increases economic activity, fosters healthier life-style, or achieves modal shift. Consequently it is difficult to estimate the effect of taxing the benefit on economic activity and modal shift. An alternative might be to restrict the hours of use, to avoid the morning peak when capacity is stretched to the limit. One of the main objections to this could be overcome if hospitals were persuaded to reflect transport needs in their appointment systems. The main justification for the all hours concession was to facilitate out-patient hospital attendance.

TfL is making efforts to raise revenue from other sources. Some of the advertising is visually intrusive. This is of particular concern around bus stops which form part of the public realm which extends beyond public transport and its users. On tube stations the main concern is that cameras etc. introduced solely for the purpose of raising advertising revenue should not obscure screens and signage detailing future train arrivals or directing passengers to the appropriate platform. Schemes to raise revenue by providing new facilities on TfL property, e.g. collection points for goods ordered on line, need a careful assessment of their impact on travel patterns and pedestrian flow before they are approved.

A contribution from public funds (ideally central government as well as London precept payers) is inevitable however successful TfL can be in meeting the foregoing. There is ample justification for this, as outlined above.