

# GREATER **LONDON** AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2308

### Amendment of the Croydon Tramlink (Penalty Fares) Order 2009

#### Executive Summary:

The Mayor amends the Croydon Tramlink (Penalty Fares) Order 2009 ('Penalty Fares Order') to reflect Tramtrack Croydon Limited's decision to remove ticket machines from tram stops across the Croydon Tramlink. The Penalty Fares Order provides the decriminalised basis by which fare evasion is enforced on the tram network. The Penalty Fares Order includes a reference to ticket facilities at tram stops which is now redundant. It is for the Mayor to make and amend the Penalty Fares Order under Schedule 17 of the Greater London Authority Act 1999.

#### Decision:

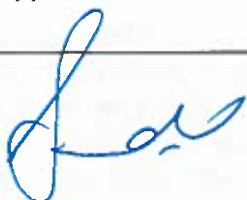
The Mayor makes the Croydon Tramlink (Penalty Fares) Order 2018 to amend the Croydon Tramlink (Penalty Fares) Order 2009.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

12/6/10

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1 Following public consultation and stakeholder engagement, the directors of Tramtrack Croydon Limited, a subsidiary of Transport for London (TfL), have decided that Ticket Vending Machines ('TVMs') should be removed from tram stops across the Tramlink network. TVMs are only able to sell cash paper tickets, which are almost twice the price of 'pay as you go' (PAYG) fares, and are considered life expired in their current form.
- 1.2 The option of replacing the TVMs was considered. They have low and declining use: only around sixty-five tickets are purchased per day across sixty-nine TVMs, equating to 0.3% of journeys. Therefore it was concluded that the capital and ongoing maintenance costs of new machines could not be justified. To mitigate removal, better value fares such as PAYG and the Hopper fare (which allows transfer between bus and tram services within an hour for no additional cost) continue to be promoted. Oyster Cards with £3 credit pre-loaded on them (equal to two tram journeys) may be sent to passengers who contact the trams operator and say that they cannot afford the £5 deposit needed to obtain an Oyster Card.
- 1.3 The decision to remove the TVMs necessitates an amendment to the Croydon Tramlink (Penalty Fares) Order 2009 ('the Penalty Fares Order') to remove a redundant reference to ticket facilities at tram stops. The Order modifies the application of Schedule 17 of the Greater London Authority Act 1999 to Croydon Tramlink. It provides the basis for issuing penalty fare notices which is the decriminalised means by which fare evasion is enforced by Tramtrack Croydon Limited. The modified version of paragraph 4(2) of Schedule 17 in the Penalty Fares Order states that a person is not liable to pay a penalty fare if ticket facilities were not available at the time when and the tramstop where the passenger started their journey. With the removal of the TVMs, ticket facilities will no longer be available at tram stops and the defence included in the Penalty Fares Order should no longer apply.
- 1.4 Amendment of the Penalty Fares Order is a matter for the Mayor and will be achieved by the Mayor making the Croydon Tramlink (Penalty Fares) Order 2018. An equivalent amendment has been made to the Tramlink Byelaws by Tramtrack Croydon Limited as the power to do so is exercisable by Tramtrack Croydon Limited rather than the Mayor. The amendment of the Byelaws is subject to confirmation by the Secretary of State, who will shortly be notified of this change, with the amendment likely to come into force in mid to late summer. Until the Byelaws are confirmed, the amended Penalty Fares Order will provide the basis on which fare evasion across the Croydon Tramlink is enforced. The current level of penalty fare is £80 reduced to £40 if paid within 21 days.

#### **2. Objectives and expected outcomes**

- 2.1. The objective of this amendment is to ensure the continuing effective operation of the penalty fares regime across the Croydon Tramlink. If the Penalty Fares Order is not amended, passengers would be able to travel without a ticket and rely on the defence that they were unable to purchase one at the stop where they commenced their journey because there were no facilities available for them to do so.
- 2.2. The decision to remove the TVMs which has already been made by Tramtrack Croydon Limited will only be implemented once the Penalty Fares Order has been amended.

#### **3. Equality comments**

- 3.1 Under the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010, as a public authority, the Mayor and GLA must have due regard to the need to eliminate unlawful

discrimination, harassment and victimisation, and any conduct that is prohibited by or under this Act; and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only). Compliance with the Act may involve, in particular, removing or minimising any disadvantage suffered by those who share a relevant protected characteristic, taking steps to meet the needs of such people; and encouraging them to participate in public life, or in any other activity where their participation is disproportionately low, including tackling prejudice and promoting understanding. In limited circumstances it may require treating people with a protected characteristic more favourably than those without the characteristic.

- 3.2 The decision to amend the Penalty Fares Order is derivative of the decision by Tramtrack Croydon Limited to remove TVMs from tram stops. An Equality Impact Assessment ('EIA') was undertaken in respect of the proposal to remove the TVMs and was taken into account by the directors of Tramtrack Croydon Limited when they made their decision.
- 3.3 The EIA found that only a small number of people will be affected by the proposal. Elderly, non-London residents were likely to be the most impacted. This is because this demographic is unlikely to hold an Oyster Card and erroneously believe that the English National Concessionary Bus Travel Scheme pass is valid on trams. Usually, on learning that this isn't the case, they revert to purchasing a ticket from a TVM. Removal of the TVMs means passengers will not be able to turn up to a tram stop and travel on a tram unless they have an alternative means of paying the fare.
- 3.4 The impact will be mitigated by appropriate publicity, signage and training of revenue protection officers to assist vulnerable persons to travel safely. A campaign has already commenced to identify passengers who purchase paper tickets and to promote better value fares, such as the Hopper fare, and the advantages of daily and weekly capping while, Oyster Cards with £3 credit pre-loaded on them may be made available to customers who contact the trams operator with concerns about whether they can afford to obtain an Oyster Card. It is also proposed that information about ticketing will be included on tourist maps of Croydon.

## **4 Other considerations**

### *a) key risks and issues*

- 4.1 The TVMs will only be put out of service and removed once the Penalty Fares Order is amended. This is to mitigate against the risk of passengers travelling without paying a fare and relying on the defence that there were no ticket facilities available at the tram stop when they commenced their journey. If the Penalty Fares Order is not amended, the decision to remove the TVMs will not be implemented.

### *b) links to Mayoral strategies and priorities*

- 4.2 The Transport Strategy highlights the importance of passengers being charged the cheapest fare. The removal of the TVMs supports this proposal as paper tickets from TVMs are not the best value. Contactless or Oyster card PAYG payments are cheaper – the single cash fare is £2.60 as compared to £1.50 for the PAYG single fare – and passengers will also benefit from daily capping and the Hopper Fare.

### *c) impact assessments and consultations.*

- 4.3 The Mayor is not required to consult on proposals to amend the Penalty Fares Order unless the amendment is to increase the level of the penalty fare.

- 4.4 An eight-week consultation was undertaken in Autumn 2017 on the proposal to cease accepting cash payments for paper tram tickets bought from TVMs and to remove the TVMs. Before commencing the consultation, a workshop with passenger groups and local borough representatives was held to seek their opinion on the proposal and possible mitigation measures. In addition to the usual channels, the consultation was promoted by hand delivering a flyer to 8,000 residents and businesses in areas where passengers use the TVMs. During the consultation period, pop up stands were placed at Wimbledon, Croydon and Beckenham Junction to encourage the public to come and talk about the proposals and to respond to the consultation.
- 4.5 852 consultation responses were received with the majority being supportive of the proposal. Key themes raised by respondents included:
- (a) there should be more opportunities to top-up at tram stops (118);
  - (b) the need to raise awareness among tourists and visitors (76);
  - (c) retaining the ability to pay with cash (27); and
  - (d) the need for more validators at Tram stops (34).
- 4.6 Mitigation measures were suggested by some respondents. TfL is taking steps to help passengers move to alternative payment methods through information campaigns, signage about how to pay and where ticket shops are located and by providing assistance to vulnerable persons. Around 8,000 wallet sized cards were also handed out on the Tram network informing passengers about cheaper ways to pay for tickets. Prior to the ticket machines being removed, stickers will be placed on them to inform users that the machines are due to be put out of service on 16 July 2018.

## **5 Financial comments**

- 5.1 There are no financial implications for the GLA.
- 5.2 There will be some costs incurred by TfL in providing information, signs and training in respect of the decision taken by Tramtrack Croydon Limited to remove the TVMs. These costs must be considered in the context of the ongoing maintenance and cash collection costs associated with providing the TVMs. There are no specific costs associated with amending the Penalty Fares Order.

## **6 Legal comments**

- 6.1 The penalty fares regime in Schedule 17 to the Greater London Authority Act 1999 ('the GLA Act') is able to be applied to Croydon Tramlink by virtue of the service being a 'qualifying train service' for the purposes of paragraph 9 of Schedule 17. Pursuant to that paragraph, the Mayor made the Croydon Tramlink (Penalty Fares) Order 2009 which provides that the penalty fares regime contained in Schedule 17 will apply to Croydon Tramlink, subject to the modifications set out in the Order. The penalty fares regime provides for the civil enforcement of fare evasion by the issue of a penalty fare notice.
- 6.2 Existing paragraph 4(2) of Schedule 2 to that Order states that "A person shall be liable to pay a penalty fare under this paragraph if at the time when and the tramstop where he started to travel on the tram service there were no facilities available for the sale of the necessary fare ticket for his journey". In light of Tramtrack Croydon Limited's decision to remove TVMs from tramstops, paragraph 4(2) is redundant and should no longer form part of the penalty fares regime which applies to Croydon Tramlink.
- 6.3 The Mayor is being asked to make the Croydon Tramlink (Penalty Fares) Order 2018 which provides that Schedule 17 is modified in its application to Tramlink services by paragraph 4(2) of Schedule 17 being omitted. No other changes will be made by the Order other than consequential changes to do with numbering and referencing. The Croydon Tramlink (Penalty Fares) Order 2018 will come into force on 16 July 2018 which is the day on which the TVMs will be put out of service.

6.4 Once the Croydon Tramlink (Penalty Fares) Order 2018 is made it will be published.

## 7. Planned delivery approach and next steps

Activity	Timeline
Croydon Tramlink (Penalty Fares) Order 2018 made	June 2018
Publish notice in London Gazette and provide information on TfL's website that the Secretary of State will be asked to confirm the Tramlink (Variation) Byelaws and representations may be made to the Secretary of State.	4 June 2018
Publish results of Public Consultation on the issue	4 June 2018
Six week marketing campaign informing the public of the pending removal of the TVMs including stickers being placed on TVMs	June/July 2018
Removal of TVMs at tramstops	15/16 July 2018

### Appendices and supporting papers:

#### 1. Croydon Tramlink (Penalty Fares) Order 2018

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? NO**

If YES, for what reason:

Until what date: (a date is required if deferring)

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to  
confirm the  
following (✓)

**Drafting officer:**

Claire Hamilton has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Lucy Owen has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Valerie Shawcross has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on the 11 June 2018.

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

11.6.18

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature



Date

11 / 6 / 2018.