

# **WRITTEN EVIDENCE SUBMITTED TO THE BUDGET COMMITTEE IN RELATION TO TUBE AND BUS FARES**

## **1) LONDON BOROUGH OF LAMBETH'S RESPONSE**

**Your Ref: 09/06/06tflfares**

Laura Warren  
Scrutiny Manager  
London Assembly  
Greater London Authority  
City Hall, The Queen's Walk  
London, SE1 2AA

**Tuesday, September 19, 2006**

Dear Laura,

### **LB Lambeth Comments on TfL Tube and Bus Fares**

Thank you for inviting comments on the forthcoming London Assembly's Budget Committee in relation to its investigation into TfL fares. Lambeth would like to make the following points:

- Whilst Lambeth welcome the improvements made by Transport for London (TfL) in public transport (particularly with buses), it is evident that further improvements are still needed in terms of mass transit provision in Lambeth. Indeed, public transport is a critical priority within Lambeth as, being a relatively deprived borough; many of its residents are without access to private vehicles. In addition, many potentially socially excluded groups such as elderly, ethnic minorities and the disabled rely on the Borough's network of public transport.

Anecdotal evidence from Lambeth's Equalities Impact Assessment (EQIA) contained within Lambeth's Local Implementation Plan (LIP) 2005-2011 suggests that access to transport (through fare structure and travelling times) is worse (in particular) for some Black and Minority Ethnic (BME) groups and BME areas. Similarly, in parts of the Borough, where underground coverage is non-existent, it is essential to provide an efficient, effective, sustainable and affordable transport system.

- For many of Lambeth's residents, buses offer the only economical and accessible transport solution as well as being the most appropriate for local journeys. Generally, the bus network in Lambeth is extensive; however more could be done to meet the needs of residents in certain areas. For instance, a particular problem in Lambeth relates to the difficulty in making orbital journeys by public transport. This has led to limited access for those in the borough to job opportunities, shops, schools or medical centres – even though in some cases they are not actually that far away. Whilst Lambeth recognise that the improvement of radial routes is key, in terms of other factors, such as traffic reduction and social inclusion, there is a good case for focusing on the orbital routes also.

The Council therefore, would be concerned about the impact of fare rises above inflation and the affect this would have on particular socio-economic groups within the borough. Additionally, due to their being no differences in fare structures for the length of journeys; the fare for a very short bus journey can be high. In view of the fact that these are the types of journeys which low-income groups make, and are ideal journeys for alleviating congestion in local areas there would seem to be a case for re-introducing or examining the possibility of a short-hop fare. Similarly, current prices on the underground (for those without pre-pay Oyster or travelcards are high in relation to distances travelled. For instance a single stop in Zone 1 currently costs £3.00. As such it is felt that many residents in Lambeth are priced out of using the underground system.

- Finally, in relation to the use of oyster cards, Lambeth are supportive of their use and in particular an extension of pre-pay oyster to cover rail services. However Lambeth would be interested to see the Committee's views on how low-income groups are coping with the move towards cashless fares as many low-income people only deal with cash in their day to day lives and often tend not to have credit or debit cards which the Oyster system tends to favour.

Yours sincerely

**Dawn Haines**  
Transport Policy Manager

## 2) LONDON BOROUGH OF TOWER HAMLETS' RESPONSE

### Text of e-mail

**From:** Tony Davis , **Sent:** 11 May 2006 15:00

**To:** Laura Warren , **Subject:** TfL Tube & Bus Fares

Hi Laura

I was very interested in speaking to you earlier today regarding the investigation into TfL fares by the London Assembly's Budget Committee.

The third bullet point of your letter "What has been the impact of the Oyster card and the move to cashless ticketing? In particular, what has been the impact on different socio-economic groups (e.g. those on low income) and on tourists?" is an issue that we have also been grappling with, so to speak.

Operationally it makes sense to move in this direction but I am not entirely convinced that the move away from cash fares (and the cost penalties applied) is necessarily conducive with social inclusion. Locally we find cash a favoured method of payment for some Council services and this is likely to equally apply to public transport fares.

The take-up of child oyster cards in the borough has been low, despite our best efforts to publicise availability with schools, albeit consequently due to our efforts we did have one of highest increases in take-up which nonetheless remains proportionately low.

Furthermore Oyster use generally amongst BME's has been low - 26% from a small sample of 140. I suspect that this also applies to people on low incomes.

We are not certain of the reasons for this (poor publicity or structural due to the demographics of the borough) and would welcome some original research.

We have a 50% BME population - almost highest in London and average household income is the fifth lowest from the bottom (£21,200)

What research there is indicates, the most important mode of public transport for people on low incomes is the bus, and there are great benefits for people to have Oyster Cards - as they save 50p on the cost of £1.50 bus ride. Only 14% (if you exclude Freedom Passes) of low income population uses Oyster card, as opposed to 26% using cash, and other ticketing (60%) for buses.

We are engaging with TfL to see if we can develop initiatives to increase the take up of Oyster across the community and in particular amongst those on low incomes.

We would be happy to discuss how we might contribute to the review that you are undertaking and Tower Hamlets would offer the diversity required to get a fully representative picture. Furthermore you could cover tourism at Tower Hill which is the other area you are interested in.

I look forward to hearing from you.

Tony Davis, Project Manager Public Transport

London Borough of Tower Hamlets, Council Offices, 60 Southern Grove, London E3 4PN

### 3) FRIENDS OF CAPITAL TRANSPORT CAMPAIGN'S RESPONSE

#### Text of e-mail

**From:** AndrewBosi, **Sent:** 12 June 2006 14:36  
**To:** Laura Warren, **Subject:** London fares scrutiny

Thank you for the invitation to respond to this inquiry. The following comments are based on a draft circulated to our members and their responses to it. As always we are happy to have them placed in the public domain, or to answer questions on what we have said.

Andrew Bosi

Chair

Friends of Capital Transport Campaign

· *What underpins TfL's fares income projections for future years of its business plan?*

This is covered by the response to your second point.

· *What drives the Mayor's annual fares package? Is it short-term gains or long-term aims and how does it fit in with the Mayor's other policies and strategies?*

For the first four years of its existence, there was a clear and coherent policy to achieve a net increase in bus usage, and a net decrease in use of the private car. Changes in use of the tube were equally coherent if more complex, since there was to be a shift from tube to bus and from car to tube, but outside zone 1 a net increase in tube use as well. The policy was spectacularly successful, based on four key points of which reducing or freezing bus fares was only one. This was successful only because it was coupled with improvements in bus drivers' pay, and consequently a reduction in lost mileage and an improvement in standards; an increase in the number of bus conductors, reducing journey times for users and increasing confidence in safety; and the introduction of a congestion charge which scored highly on reducing congestion even if it under-achieved on income.

We have now moved to a policy of seeking to maximise income. This could be justified by the timebomb that the service improvements created (a funding gap in 2009/10), or by the need to pay for the Olympics. However, once again it is the case that motoring costs are rising by less than public transport costs. The fact that a few selfish motorists can overturn a sensible and necessary central government policy designed to achieve modal shift and address global warming undermines the case for persuading an individual contemplating car purchase to go with public transport instead. The argument that it is car use not car ownership that is the problem simply does not wash. The start-up costs of motoring are so high a proportion of the total cost, that once an individual is committed to their car use of public transport will be severely curtailed. **Fares must be reviewed in conjunction with motoring costs.**

Consequently, we are now in uncharted waters and it could be that the fare increases undermine the Mayor's policy of seeking modal shift and improving air quality. This year the increase has been masked by the opportunity for cheaper fares with Oyster (except in the south-east where heavy rail predominates). That saving occurs only once in percentage terms; next year it will not be there and in 2008 it will apply to the south-east of London. The Mayor has recognised this problem and taken action where he can, but increasing the congestion

charge only helps in zone 1 and reduced fares for children misses many low income groups and potential mode-shifters.

*· What has been the impact of the Oyster card and the move to cashless ticketing? In particular, what has been the impact on different socio-economic groups (e.g. those on low income) and on tourists?*

A recent study for Friends of Capital showed 12% of day time passengers paying £1.50 in cash. However, this should be compared not with the other 88%, but with those paying 80p using Oyster pre-pay: not much higher at 14%.

It remains unexplained why people will even go into a shop to buy a bar of chocolate in order to obtain change for the bus, and not buy a Saver Six, let alone take advantage of Oyster. Clearly the £3 deposit is a deterrent to the latter. Clearly, tourists, including many people who use buses in the rest of the UK, are baffled by the London system. With the exception of this writer, tourists in the West Midlands seem not to use buses. The inaccurate information at bus stops and the refusal to give change serve as a reminder that things in London could be worse. Nonetheless, the availability of Saver Six tickets is not well enough known to visitors, and it is of little use to people using a mix of bus and tube.

The cost effective way of getting on to Oyster was to buy a seven day travelcard and thereby avoid the deposit. For occasional users, such as part-time workers who form a significant part of the socio-economic group most disadvantaged by the new fare structure, considerable planning ahead was required to work out when a 7-day travelcard would be better value than one-day or pay-as-you-go tickets. The withdrawal of single zone travelcards has reduced the likelihood of a 7-day card being worthwhile but this has also reduced the scope for obtaining a deposit free card. We recognise why a deposit is called for. **There must be an incentive not to throw away the plastic whenever pre-pay falls to zero, but the scrutiny should explore ways of meeting this concern without continuing the deterrent. Using the Oystercard to pay water rates or Council tax (Thames Water already issues a personal payment card), for instance, could provide all Londoners with free access to the card.**

The biggest dilemma that Oyster poses is of course when to use it and when to buy a paper one-day ticket. If you live in south-east London, the chances are that you will always need the paper ticket, but close to the North London lines (including the West London line) you may well not know the answer at the time of your first journey. It is a real irony that the ticket that seeks to take the thinking out of ticket purchase has, until the agreement enforced by the Transport Secretary takes effect, actually made it more complicated. One area of disquiet about the new fares package has been the demise of the weekend travelcard. A key concern about free bus travel as a means of helping families has been its failure to distinguish between travel as a family and travel by groups of youths.

The mayor has addressed both with his announcement that accompanied children under 11 will be allowed on the tube without charge outside the morning peak on Mondays-Fridays. Explaining that the weekend family travel card had had to go because it had been open to fraudulent use, the Mayor put forward this scheme as a partial recompense to families

disadvantaged as a result. It is only a partial recompense: some single parents with two or three children are seriously out of pocket, again particularly in the south-east since the concession does not apply on heavy rail services. It is unclear whether this will change when Oyster extends there: the scrutiny panel should urge that it does, if it does not call for the reinstatement of the weekend family railcard. It needs to satisfy itself, possibly in private session, that the risk of fraud is indeed greater than that posed by cashless buses with unguarded points of entry. **If not, the family travelcard should be reinstated.**

*· How the Tube and bus fares systems compare to metro and bus fare systems in other capital cities?*

Most people make a journey from A to B and back in one day. If this can be done on one bus, or wholly by train, it is significantly cheaper in cities outside London. Newcastle offers single tickets on metro and bus combined, although information is difficult to find as most Metro stations are unstaffed. If on the other hand you make a multiplicity of journeys, even where travelcards are available London fares compare favourably. Outside the UK of course, fares are far lower. All sorts of silly restrictions are imposed by the EU (ignored in every other EU country but rigorously enforced here) which have the effect of depriving us of any service; it is a great pity that the UK never seems to enjoy the benefits such as low fares which obtain throughout the rest of the EU.

*· Who the Mayor consults on his annual fares package? Are Londoners given sufficient opportunity to comment on fares changes?*

As was highlighted by London Travelwatch last year, although there is extensive consultation on the budget (for those who take the trouble to respond), the most significant element to many of us, fares, is reported as a given and thus outside the scope of the consultation.

*· What is the future for fares on the Tube and buses? Can Londoners afford further increases?*

Many Londoners represent a captive audience but eventually people in the voluntary sector will cease to contribute to the London economy and people in low-paid but essential jobs will relocate, distorting costs still further and possibly undermining London's status as a world city in which to do business.

*· What are the alternatives to the current Tube and bus fares package?*

If market forces can justify a £6 ticket from London to Sheffield off-peak, there must be scope for lower fares where there is spare capacity within London, e.g. the extremities of tube lines, zone 1 buses on Sunday mid-mornings. **A multi-modal cheap day return ticket, again for off-peak periods, would also meet the needs of the less well-off who do not qualify for freedom passes, and of tourists for whom the Oyster is unlikely to be an option. Hotels and guest houses could be given incentives to supply Oystercards on loan for the duration of stay.**

#### **4) LONDON TRAVELWATCH'S RESPONSE**

##### **From the Chairman**

Tel 020 7726 9985

Fax 020 7726 9999

brian.cooke@londontravelwatch.org.uk

Sally Hamwee  
Chair, London Assembly Budget Committee  
City Hall  
The Queens Walk  
LONDON  
SE1 2AA

**Our Ref:**  
**Your Ref:**

20 June 2006

##### **Transport for London tube and bus fares**

Thank you for your letter of the 8<sup>th</sup> May 2006 inviting London TravelWatch to submit evidence regarding Transport for London (TfL) fares.

You asked us to identify answers to the following questions:-

- What underpins TfL's fares income projections for future years of its business plan?

The business plan says very little about fares policy, except to say that TfL's fares and ticketing policy aims to make public transport more attractive and affordable, provide greater simplicity and convenience for passengers, encourage a shift from car use to public transport and make multi-leg journeys easier and more affordable (Paragraph 2.58). However, it does clearly link fares policy with the investment programme (Paragraph 4.3), stating that the investment programme is predicated upon above-inflation increases in fares, the congestion charge and other non-transport related income. It also assumes we believe that there will be a continued increase in usage of public transport, reflecting the current forecasts of population, employment and income growth of the London Plan and current trends in demand. The prudential borrowing programme for investment is underpinned by the cash-rich nature of public transport operations which reduces risk to financial institutions.

- What drives the Mayor's annual fares package? Is it short-term gains or long-term aims and how does it fit in with the Mayor's other policies and strategies?

The Mayor's annual fares package has been driven, we believe, by two factors. Firstly to fund the investment programme as noted above, but secondly to achieve part of the Mayor's social inclusion and environmental agendas, by for example extending free travel to children under the age of 16, and soon to students in full-time education under the age of 18 on the buses, and to accompanied children on the Underground/DLR under the age of 11 after the morning peak hour. These changes have been designed to benefit low income families, and encourage others to change from (or not to start) using cars or motorbikes.

London TravelWatch has continued reservations about behavioural issues of children in receipt of these benefits, and would recommend for example that all children aged 11 or over should be required to carry an Oystercard for example. In addition, other parts of recent packages have not been advantageous to families – such as the removal of the Family Travelcard product, which in areas such as South London where the principal rail links are

provided by National Rail rather than the Underground has meant that families travelling together have faced significant cost increases particularly at weekends.

When he spoke to London TravelWatch earlier this year, the Mayor said he thought that Underground fares are 40% too high and bus fares 10% too high. But the alternative of holding them down would be not to improve the system.

Rather than being based on some objective assessment of what constitutes the optimal price, the general level of fares appears to be set simply by the need to bridge the gap between grant income (and borrowing) and projected outgoings, though within the total there is scope for shifting the impact between different categories of user by tweaking the ticketing structure.

- What has been the impact of the Oyster card and the move to cashless ticketing? In particular, what has been the impact on different socio-economic groups (e.g. those on low incomes) and on tourists?

Pay as you go Oyster has had a major impact on the way in which Londoners use and pay for their public transport usage. It has brought enormous benefits to bus users for example by speeding up bus boarding times. This in turn will have had a benefit in terms of operating costs in resource terms and in the costs associated with the handling of cash, and also in reducing the opportunity for fraudulent travel. Similar benefits have accrued from the introduction of cashless ticketing on some of the bus network. This is also producing cost savings on the Underground, tram and DLR.

London TravelWatch whilst recognising the benefits of speeding up boarding times of buses at stops resulting from cashless operation does have severe reservations about TfL's proposals for extending this, especially in areas in the outer suburbs where there are very few alternative means of purchasing tickets or topping up an Oystercard close to the bus stop.

Our members have also raised concerns that there has been in some cases a disproportionate effect on low income groups of high cash fares compared to those offered on Oyster, particularly if they are not part of the groups of people who have benefited from the introduction of free fares by the Mayor (children aged under 16, students etc) or who are entitled to the Freedom Pass provided by the London boroughs (people with disabilities and those aged over 60). This occurs because either they are infrequent users of public transport or live in areas where the opportunities to obtain Oyster cards (such as in areas of South London where National Rail services predominate) or bus saver tickets is limited, or if they are part of an ethnic/faith group that has limited access to mainstream information sources. TfL have in response claimed that cash fares are mainly paid by better-off people who are price-insensitive and that poorer people are much more likely to use Savers. We have however not seen any evidence to substantiate this.

There has also been a disproportionate impact on visitors to London, who may not find it very easy to understand how to obtain and use the Oyster product range, and may not find it financially attractive either because of the shortness of the duration of their stay or until very recently the inability to reclaim unused credit when they leave. Other perhaps unintended side effects have included significant increases in through fares from the National Rail network outside of London to the Underground/DLR network due to the full cash £3 Underground Zone 1 single fare being added to the cost of a national rail fare to London without the benefit of the Oyster discount. We believe that TfL have not seized the opportunity to market Pay as you go Oyster to tourists to any significant degree.



- How the Tube and bus fares systems compare to metro and bus fare systems in other capital cities?

Comparisons with other networks are always difficult and care must be taken to ensure that the comparison is on a like-for-like basis. For example, it may be that in other cities capital investment is funded directly from taxation and is therefore not included in the costs of operation. Differing fare and ticketing structures make like-for-like comparisons difficult, as do differing policies regarding concessionary fares, and whether or not fares carry VAT. However for basic cash fares London is clearly more expensive than comparable other systems. A better comparison might be to look at cost recovery ratios.

- Who the Mayor consults on his annual fares package? Are Londoners given sufficient opportunity to comment on fares changes?

The Mayor has previously 'consulted' London TravelWatch on his annual fares package, but only to the extent of telling us about what was to happen, with no real opportunity to influence the process or to examine possible options within the package. TfL does consult on its Business Plan, and the London Assembly consults on TfL's budget, but these documents do not contain any details of fares policy options. London TravelWatch believes that this is a serious omission as the Mayor does consult on his overall budget proposals. We believe that the Mayor should consult more fully on the fares package so as to give passengers and taxpayers the opportunity to comment on the proposals and for the Mayor to modify it in the light of public comment.

- What is the future for fares on the Tube and buses? Can Londoners afford further increases?

Londoners have experienced substantial increases in fares, particularly cash fares for single journeys in recent years, and are likely to continue to do so in the future if the current policy is maintained. However, when multiple journeys on different modes are undertaken, using Travelcards for example, then the overall cost of the journey has not risen as steeply, and in fact may represent better value for money. It is interesting to note that usage of public transport in London has continued to increase despite the real increases in fares (and the effects of 7/7).

- What are the alternatives to the current Tube and bus fares package?

The alternatives to the current package of fares would be either to reduce fares and increase support from the public purse, or to reduce fares and scale back either the level of services provided by TfL or the investment programme to match the reduced financial resources available, or to reshuffle the mix of fares and tickets whilst keeping the total fares yield constant. There would be no guarantee that reducing fares would increase usage to cover the resulting funding gap, especially as many peak hour services (and some off-peak) are already operating at or near maximum capacity. It is interesting to note that despite substantial increases in cash fares, demand for public transport usage continues to increase. However, there is no guarantee that this trend might continue into the future, particularly if economic changes, such as downturn in the economy substantially changed circumstances. However, in any reworking of the fares and ticketing system London TravelWatch would advocate fares (including National Rail fares within the London area) that are seen to be simple, understandable (and therefore transparent) and give value for money. Perhaps most importantly fares must be collected – fares evasion effectively puts up the fares of those passengers who are honest enough to pay the correct fare and reduces the amount of resources available for ongoing investment. In your Transport Committee's report on the North London Railway (which uses the London Underground fare scale and which TfL will

shortly be taking responsibility for by letting the concession and taking the revenue risk), you highlighted unacceptably high levels of fare evasion on this service, and it is our experience that this also occurs elsewhere, often with the potential for 'leakage' into the more closed parts of the system such as London Underground. Therefore, we would suggest that measures to reduce the level of such evasion throughout the transport system should feature highly in any business plan which encompasses the fares package - e.g. investment in ticket gates at places where they are not present on the Underground or National Rail networks, or and in revenue protection officers on all forms of public transport.

I hope that this sheds some light on the questions to which you were seeking answers. We would be very pleased to come and speak to your committee if you require further clarification.

Kind regards

**RECEIVED**

City of Westminster

12 JUN 2006  
SAFE STREETS

**SECRETARIAT**

Laura Warren  
Scrutiny Manager  
London Assembly  
Greater London Authority  
City Hall, The Queen's Walk  
London, SE1 2AA

**TRANSPORTATION DEPARTMENT**

Director of Transportation:

**Martin Low**

This matter is being dealt with by:

**Louise Bond**

Direct Line: **(020) 7641 3468**

Fax no: **(020) 7641 2658**

Email: [lbond@westminster.gov.uk](mailto:lbond@westminster.gov.uk)

My ref: **T/SP/LB/441.7A**

Your ref:

Date: 9 June 2006

Dear Ms Warren

**TfL Tube and Bus Fares**

Further to your request for comments from the ALG relating to TfL tube and bus fares, please find the City Council's comments below. These are officer level comments and do not necessarily represent the views of elected Council Members. I am copying my response to Councillor Chalkley and Councillor Evans, who may wish to supplement this response.

The City Council is concerned about the level of consultation that TfL undertakes on proposed changes to the fare structures and the ticket types available. A greater level of consultation should be undertaken with the London Boroughs, potentially utilising the Association of London Government, key stakeholders, such as London TravelWatch, and users. This greater level of consultation should have included the changes proposed in the Mayor of London's annual fares package and the removal of all single-zone travelcards.

The removal of the Zone 1 Travelcard has affected residents of the City of Westminster particularly badly, and requires many residents to pay approximately 20% more for a travelcard. I attach for information a copy of a recent letter from TfL on this issue.

In addition, there is a need for greater transparency in TfL's decision making processes. Questions have been raised about whether the income raised from tube and bus fares is being directed towards the right improvements and investments. It would be helpful if TfL was more transparent in its decision making, make supporting information available and also be required to feedback to the GLA Scrutiny Committees with further information about the issues that have been raised.

The TfL Business Plan 2006/07 – 2009/10 states that the Plan is predicated upon above-inflation increases in fares. This does not appear to be compatible with the statement, also in the business plan, that that "TfL's fares and ticketing policy aims to make public transport more attractive and affordable". The high cost of single trips on the underground acts as a deterrent for travel by occasional users and may be resulting in some tube passengers transferring to buses. This appears to be happening to Route 18 along Harrow Road, which is an alternative to the tube.

Increasing fares to make improvements to public transport impacts particularly negatively on lower income groups and therefore goes against the Mayor of London's goal of promoting equality and inclusion.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Martin Low', with a stylized flourish at the end.

Martin Low  
Director of Transportation

- cc. Councillor Danny Chalkley, Cabinet Member for Economic Development & Transport.  
Councillor Nicolas Evans, Deputy Cabinet Member for Economic Development & Transport.  
Damian Price, Association of London Government.

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Transport for London

**London Buses**

Our Ref: 293403/RJ  
 Your Ref: p.hendy  
 Date: 2 February 2006

Councillor Danny Chalkley  
 Cabinet Member for Economic Development and Transport  
 City of Westminster Council  
 City Hall  
 64 Victoria Street  
 London  
 SW1E 6QP

**London Buses**  
 ST Customer Services

84 Eccleston Square  
 London SW1V 1PX  
 Phone 0845 300 7000  
 Fax 020 7027 9914  
 customerservices@tfl-buses.co.uk  
 www.tfl.gov.uk

Dear Councillor Chalkley

**Mr O Reiz, 32 Queen's Mews, Bayswater W2 4BY**  
**Withdrawal of the Zone 1 Travelcard**

Thank you for your letter of 20 January, addressed to Peter Hendy, on behalf of one of Westminster's residents Mr O Reiz, regarding the withdrawal of the Zone 1 Travelcard. Peter has referred this case to me for investigation and reply.

The decision to withdraw the Zone 1 Travelcard needs to be seen in the context of the reduction in the Zone 1 Oyster Pay-As-You-Go (PAYG) fare on the Tube from £1.70 to £1.50, and the freezing of Oyster bus fares at 80p (£1 morning-peak, Mon-Fri).

We estimate that around 50% of those who formerly held a Zone 1 Travelcard will, if they switch to PAYG, pay only a little more (or in some cases, less) than in 2005. These are people making, typically, 10 or 12 trips a week on the Tube; or 10 Tube trips and 5 bus trips a week. For such customers, the cost per trip will be less than £1.50 per single journey.

Former Zone 1 Travelcard holders for whom pay-as-you-go may not be appropriate are those who make more trips, typically around 20 - 25 per week. For these passengers, we would recommend the 'Zones 1 and 2 Travelcard'. This costs £22 per week, ie the cost-per-ride is around £1 or less. This is in line with the rates most Travelcard users pay, and is approximately 1/3 less than the Underground PAYG fare.



**MAYOR OF LONDON**



2004-2008  
 Better Local Public Transport



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 authority is Transport for London

It should also be noted that the great majority of former Zone 1 Yearly Travelcard holders would have travelled beyond Zone 1 on several occasions throughout the year, and would therefore have incurred the expense of purchasing 'extension' tickets. These additional purchases are, obviously, no longer required for travel to Zone 2.

All single-zone Travelcards are being withdrawn across London, not just in Zone 1, with PAYG fares reduced to compensate. In total, around 5% of Travelcard season ticket holders are affected by these changes. Allowing for inflation, these passengers will not have to pay significantly more for their travel, and in some cases their total travel costs will be reduced.

PAYG provides much the same convenience as a season ticket, but enables users to travel intermittently and to 'mix and match' their modes of travel. Surveys show that many users prefer to walk or cycle when the weather is fine; and to use the bus and the Tube flexibly to travel across London at affordable prices.

Overall I believe that the new arrangements, based on pay-as-you-go fares, will benefit a very wide range of TfL users who live or work in central London, or who visit the centre periodically.

TfL fares also need to be seen in the context of recent improvements to the quality of London's transport network. Operated bus mileage in London is now higher than at any time since 1957, reliability is at its highest level since modern records began; and fares are at their lowest level (in real terms) since the late 1970s. Network coverage also continues to expand.

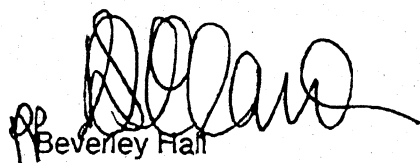
The Underground network is also benefiting from year-on-year increases in investment, and total operated kilometres increased again in 2005. We continue to increase the number of station assistants deployed on the network to assist passengers with their journeys, and improvements continue to trains, track and signals. The most recent example of this is the introduction of an extra seventh carriage on all Jubilee line trains. This has increased capacity by nearly a fifth across the whole line, or an extra 6,000 passengers in both directions every morning and evening-peak. Four new trains have also been added, increasing the train fleet to 63 trains. These enhancements were brought in over the recent Christmas/New Year Period, both on-time and on-budget.

All these improvements are part of TfL's £10 billion five-year investment programme to improve and expand London's transport infrastructure, which continues to be progressed.



Thank you again for raising this issue with me on behalf of Mr Reiz. Please contact me directly if you would like further information.

Yours sincerely



Beverley Hall  
Head of Surface Transport Communications

