

**THIS ITEM IS FOR INFORMATION ONLY**

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

<b>Title of meeting:</b>	Cabinet Member for Transport Decision Meeting
<b>Date of meeting:</b>	16 November 2023
<b>Subject:</b>	Update on the plan to withdraw the London One Day Travelcard from January 2024
<b>Report by:</b>	Kerri Farnsworth, Interim Director Regeneration
<b>Report Author:</b>	Simon Bell, Principal Public Transport Officer
<b>Wards affected:</b>	All

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- 1. Requested by** Councillor Vernon Jackson, Cabinet Member for Transport.
  - 2. Purpose:** To update the Transport Cabinet on progress of the plan by the Mayor of London to withdraw the One Day Travelcard from January 2024.

**3. Information Requested**

- 3.1. Between 18 April and 6 June 2023, Transport for London (TfL) commenced an engagement process to withdraw the One Day Travelcard which allows travel on buses, underground and train services in the capital and has been in use since 1995. Many of these tickets are sold combined with rail tickets from Portsmouth, and stations across the region and beyond, and make travel easy for visitors as well as offering a saving. Cabinet requested an update on what has happened since.
- 3.2. On 23 October 2023, Transport for London announced that the One Day Travelcard would be retained following agreement with the Train Operating Companies. The rest of this report sets out the importance of that decision.
- 3.3. In May, the Council submitted the objection to the proposal set out below, one of 12 local authorities to object.
  - 3.3.1. Portsmouth City Council would like to object to the Transport for London proposal to withdraw the sale of One Day Travelcards on train tickets to London from stations outside the Oyster card area.

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- 3.3.2. Many of Portsmouth's residents travel to London by rail and use travelcards to get around the city by public transport. Many people need to travel to London to access business and attractions which are not available elsewhere, including the national museums, foreign embassies and sport/cultural venues.
- 3.3.3. The proposed alternative will be both more expensive and more complex, and therefore harder to understand - the opposite of what public transport needs to be to encourage sustainable travel.
- 3.3.4. Specific groups of passengers, including families, the disabled, Armed Services veterans (all of whom are eligible for railcards) and those without bank cards, will be particularly disadvantaged. At a time when there is a strong policy need to encourage the use of rail and public transport, to realise the environmental and social inclusion benefits, this change will deter such travel choices. Any optional trips are more likely to be made to other (non-London) destinations. Some trips will probably be made by car - increasing traffic congestion, pollution and accidents, including on roads in Greater London.'
- 3.3.5. The present simple system of Travelcards as an add-on to day return tickets to London, including Railcard discounts, should be retained. This will benefit both residents of London and those of other areas of the UK.'
- 3.4. On 20 July, the Mayor of London gave six month's notice to withdraw from the scheme from January 2024. The reason given was that a condition of post-pandemic funding from Government is for TfL to generate additional revenue, or make savings, of £500 million to £1 billion per year. 14 million One Day Travelcards were sold last year and TfL estimate that this represented lost income of £40 million compared to passengers using pay as you go fares.
- 3.5. TfL stated that the decision is reversible if either Government or the Train Operating Companies (TOCs) come forward with proposals. For example, the revenue going to the TOCs includes a share of the mainline fare, which could mean 69.5% of the total ticket price going to South Western Railway.
- 3.6. One of the complications, is that TfL are unclear on how many journeys are made with One Day Travelcards as these are not recorded. Therefore, if a passenger only makes two bus trips in London and has paid for a One Day Travelcard, TfL will be disadvantaged, as they will be if passengers decide that a day in London is too expensive.
- 3.7. Similarly, the 'add on' fare for the One Day Travelcard varies from station to station. An Off Peak return from Portsmouth to London is £50.10 and with a One Day Travelcard £61.40. This makes the cost of the Travelcard £11.30, a saving of £3.90 on the cost of the One Day Travelcard on its own of £15.20.

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- 3.8. Portsmouth residents could be disadvantaged if they have a discount railcard such as a Network Railcard or a Disabled Persons Railcard which makes an Off Peak Return £33.05 and with a One Day Travelcard £40.50, making the cost of the Travelcard £7.45, a saving of £7.75 (compared to the full price of £15.20). The pay as you go cap for travel across zones 1-6, which the One Day Travelcard covers, is £14.90 so they would be paying £47.95 without the One Day Travelcard (£33.05 + £14.90) a rise of £7.45, almost 20%, in the cost of a day to London by train with similar travel flexibility in the capital.
- 3.9. An adult travelling with a child using a Family and Friends Railcard would currently pay £58.10 for an Off Peak Return and £71.20 for a One Day Travelcard for both of them, but if the Travelcard is withdrawn, the only way that they can get a discount for a child over age 10 on buses, underground and trains in London is to apply for an 11-15 Zip Oyster Photocard, which allows free travel, or a 16+ Oyster Photocard which allows 50% of adult fares for children who live outside London. Adults who do not have a contactless payment card will have to obtain an Oyster card and load value on it to pay for journeys.
- 3.10. Rail operators stand to lose too. The revenue split between the TOC and TfL varies between TOCs. In each case though, £15.20 for the Travelcard is deducted from the combined price, the rest goes to the TOC and the £15.20 is split between the TOC and TfL. In the case of SWR, it is understood that they retain 73.1% of £15.20 (£11.11) and 29.1% (£4.09) goes to TfL. So, for the ticket from Portsmouth including the Travelcard, SWR gets £61.40 - £15.20 = £46.20 plus 73.1% of £15.20 (£11.11) total £57.31. If the One Day Travelcard is withdrawn SWR will only sell the Off Peak return at £50.10, so will be £7.21 or 12.6% worse off and as the second busiest mainline train operator into London, a lot of the 14 million One Day Travelcards sold in 2022 are likely to be through SWR so the revenue impact could be significant.
- 3.11. The benefits to TfL of withdrawing the One Day Travelcard in January 2024 are uncertain as the value of journeys made, as opposed to the sale of tickets, is not recorded. Passengers, especially those with railcards or travelling with children will be disadvantaged. Fewer journeys to or around London could impact on the economy of the capital. Rail operators are likely to be disadvantaged too, perhaps increasing pressure to raise fares, reducing use of public transport.
- 3.12. This a timely opportunity to update Transport Cabinet. The decision by TfL is good for all concerned. Had this not been the case it would have been the right stage in the six-month notice period to remind residents of the negatives of withdrawal of the One Day Travelcard and bring together public support for its retention.

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Signed by (Director)

**Appendices:****Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>