



Pay-as-you-go on rail consultation
Department for Transport
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Dear Sir/Madam

PAY-AS-YOU-GO-ON-RAIL CONSULTATION

England's Economic Heartland established the Strategic Transport Forum in February 2016. Membership of the Forum covers the area from Swindon, through Oxfordshire, Milton Keynes and across to Cambridgeshire, and from Northamptonshire across to Luton and Hertfordshire.

The Strategic Transport Forum is the Sub-national Transport Body for the Heartland region. It is the focus for a single conversation on strategic transport issues and maintains the overview of strategic investment priorities for the region and its partners.

The Forum works closely with the Department for Transport, Highways England and Network Rail, all of whom are members of the Forum.

STRATEGIC CONTEXT

The National Infrastructure Commissions (NIC) has identified the economic potential of the Heartland area as being of national significance to the long term future of the UK economy. The Commission identified improved connectivity as being one of two critical issues that needs to be addressed in order to realise that opportunity.

The Government's response to the NIC in the Budget (2017) endorsed the Commission's view of the national significance of realising the economic potential of the Heartland area.

England's Economic Heartland as the Sub-national Transport Body for the region recognises the value its users place on a public transport network that is 'easy to use and straightforward to understand'.

Increasing the attractiveness of rail, by introducing more opportunities to roll out smart ticketing (pay-as-you-go), should continue to be a key focus of future planning and investment in public transport. Engagement with our users, through partnerships like the EEH Bus Operators Association and with rail operators have told us that convenience and seamless interchange are the two key concerns for users.

England's Economic Heartland therefore supports the Department's ambitions to roll out smart ticketing in commuter areas across London's hinterland. In doing so, applying a fairer and simpler fare structure that recognises changes to commuting patterns brought about by flexible working practices.



We welcome a pricing structure change that helps make it easier for passengers to understand what they will be charged when they complete their journey, and the need for new technology to not inadvertently exclude sections of society.

A fairer pricing structure aligns with the vision of our emerging Transport Strategy: 'connecting people and places with opportunities and services'. Any preferred technology, selected to take this forward, should allow for integration with a range of train operator discount schemes to harness these incentives in smarter ways, as well as having the capability of linking with other transport services.

Traditional ticketing/pricing systems can, at worst, create unnecessary frustration for users who like many are concerned with whether best value is being applied to their journeys. In many cases, peak/off peak tickets are purchased in advance, only for people's plans to change later. The inflexibility of this model and the need to que for tickets can leave people with a negative perception of public transport. This system can discourage people accessing new types of public transport in the first place; threatening the growth we have enjoyed in rail use in recent years.

Although England's Economic Heartland agree that passenger demand at stations is one way of deciding where pay-as-you-go technology should be applied, there is a need to take into account the opportunities created by the delivery of transformational infrastructure – such as East West Rail. Stations such as Oxford, Bicester, Milton Keynes, Bedford and Cambridge are dense urban areas in their own right, strategic hubs indicative of typography well suited to pay-as-you-go technology.

We therefore recommend efforts are made to undertake feasibility work to understand the viability associated with an 'alternative expanded pay-as-you-go travel area' illustrated in Figure Four that captures East-West Rail stations. We believe benefits here would extend further than purely interoperability with the capital.

Seamless journeys East-West of London will help create new labour markets to emerge, accompanied by new commuting patterns. An East-West Rail coterminous with London bound services through pay-as-you-go ticketing will help attract the necessary skills and talent for these towns and cities to continue to thrive and enable the delivery of transformative growth in the Heartland. These principles are echoed in our continued dialogue with the William's Rail Review Team.

Finally, whilst we agree that a fare structure that is proportional to users' actual travel holds value, we acknowledge that this will require complex and sensitive changes to the existing fare structure. To this end, we are happy to invite the Department for Transport to use England's Economic Heartland as a platform for further engagement with political organisations, business leaders and public transport companies to test proposed changes to fare structure, and see how the pay-as-you-go scheme could also extend to local transport services.

Yours faithfully

Martin Tugwell
Programme Director