

TravelWatch NORTHWEST

Princess St Manchester: Tel 07807 768124
 Email: admin@travelwatch-northwest.org.uk
 Website: www.travelwatch-northwest.org.uk
 Correspondence address – 11 Harvelin
 Park, Todmorden, OL14 6HX

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CMA - Ticketing block exemption review
 Competition and Markets Authority
 Victoria House
 Southampton Row
 London WC1B 4AD

24th May 2016

Dear Sir/Madam

The public transport ticketing schemes block exemption - Consultation document

1. Introduction

1.1 TravelWatch NorthWest (TWNW) is an independent Community Interest Company representing the interests of public transport users throughout North West England. We welcome the opportunity to respond to this consultation. We are looking at the proposals from the viewpoint of what is best for the passenger

2. General Comments

2.1 TWNW regards the Ticketing Block Exemption as essential for enabling public transport users to travel unimpeded by unnecessary single operator ticketing. This arises because public transport is provided by many different operators and modes of transport, bus, train, light rail, ferry etc. and passengers need to use whatever combination of operators enables them to make their journeys simply and easily. Hence we strongly support the continuation of the Ticketing Block Exemption, welcome the opportunity to comment on the revisions and are pleased to see it incorporates new form of ticketing such as smart cards.

2.2 We must emphasise that while we appreciate that the legislation is there to prevent public transport operators acting in an anti-competitive way, the main competition is not between individual bus/train/tram operators, but competition between public transport and the private car. Therefore, the overarching aim must be to make public transport as easy to use as travelling by car.

2.3 A general question is that the wording of the document, apart from Appendix C, seems to suggest the Block Exemption is about one mode of public transport, presumably bus. We believe it should be multi-modal (bus, train, tram, ferry etc). We would like to see the document revised to make it clear at the beginning that it covers all modes of public transport.

3. Responses to the specific questions

3.1. Question 1 -

- a) Yes. We are pleased to see that the scope includes all forms of electronic ticketing.
- b) None

3.2 Question 2 –

- a) Yes
- b) Yes
- c) Yes
- d) See 'e' below
- e) While the explanation of substantial the same/not the same is clear, there are further factors which we feel should be taken into account. One of these is time, for example, Route A may be operated commercially by 'Redbus' during the daytime and operated by 'Bluebus' in the evening under contract to a Local Authority. In such circumstances, the Block Exemption should include return and period tickets which can be used on both Redbus and Bluebus. Similarly, in rural areas the service between A and B may be operated by different operators on different days.

The second situation is to allow return and period tickets to be used on two (or more) modes of transport. For example, between Rochdale Town Centre and Manchester City Centre, there are bus services, a rail service and a Metrolink service and we would like to see it made easy for operators to provide tickets which enable passengers to be able to choose a different modes for their outward and return journeys; this is especially useful if one mode is disrupted.

3.3 Question 3 -

- a) While understanding what is said in the proposals, in the real world, transport networks are much more complex than the examples shown, with more routes, more journey patterns and different operators on individual services at different times of day and different days of the week. The situation is also different in urban and rural areas. The real test is what happens in the real world and we would not like to see actual and potential passengers being disadvantaged by too strict criteria. In particular, referring to 3.34 Box 2, if Route D is a rural one, we would not like to see the people that live on it being unable to benefit from a Multi Operator Travelcard.
- b) Yes, but bear in mind our comments in (a) above.
- c) It can be difficult to make an assessment, especially as there may be small areas of population/travel needs where the benefits of a multi-operator ticketing scheme are very significant to a small number of people. We would not like to see these people disadvantaged by over rigid rules or their application.

- d) The answer is probably to use common sense and not have rigid rules which could result in small numbers of people being significantly disadvantaged by excluding them from any multi-operator ticketing scheme.
- e) No.

3.4 Question 4 -

- a) Yes
- b) If any of the example occurred, we would be concerned. Assuming that the Block Exemption prevents them from occurring, we are content.
- c) No.

3.5 Question 5 -

- a) Yes
- b) If any of the example occurred, we would be concerned. Assuming that the Block Exemption prevents them from occurring, we are content.
- c) No

3.6 Question 6 -

- a) Yes
- b) 4.10, Box 5, example 2, we would like to see operators encouraged to co-ordinate timetables e.g. so that services connect and so that services run at 30 minute intervals rather than three minutes apart then a gap of 57 minutes. It is more in passengers' interests to benefit from a half hourly service than from a form of competition that gives big gaps in service frequency. Hence we do not want to see this legislation resulting in operators being discouraged from co-ordinating services as this is not in the passenger's interests.
- c) No

3.7 Question 7 –

- a) Yes
- b) We suggest that the use of neutral third parties to administer schemes is encouraged.
- c) See point (d) below.
- d) We do not agree that the revenue from MIT's should necessarily lie where it falls (4.1.5), for example, there may be long trunk route(s) feeding into a short bus service linking a town centre to an employment area; in such a case, MIT's would inevitably be purchased on the trunk route, leading to the operator of the short bus service receiving no revenue from the MIT's which is clearly wrong.

3.8 Question 8 -

- a) Yes
- b) Our understanding of this section is that the price of a through ticket from A to C sold by operator 1 may be different from the price a through ticket from C to A sold by operator 2; if our understanding is correct, then this is nonsense.

3.9 Question 9 -

- a) We are pleased to see that the Block Exemption considers the real world situation where the daytime service is provided by one operator and the

evening service provided by a different operator and permits appropriate revenue distribution.

3.10 Question 10 -

- a) Yes. We are pleased to see that what is suggested is common sense and practical.
- b) We have a slight concern that if there are one or two dominant operators, they could in practice e.g. by voting rights, set pricing or revenue sharing in a way which benefits them and disadvantages passengers and/or small operators.
- c) No

3.11 Question 11 -

- a) Yes, it is helpful, especially as it refers to benefits to passengers.
- b) No

Thank you for the opportunity to respond

Yours faithfully

John A Moorhouse

John Moorhouse
Company Secretary

Response prepared by Colin Kennington FCILT BA (Hons)