



TravelMaster

Competitions & Markets Authority
The Cabot
25 Cabot Square
London
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Your Ref:
Our Ref:
Ask For: ✕ |
Tel: ✕

Date: Wednesday, 22 May 2024

To whom it may concern

CALL FOR INPUT – PUBLIC TRANSPORT TICKETING SCHEMES BLOCK EXEMPTION

I am writing to you from SCR Ticketing Company Limited who trades as TravelMaster in South Yorkshire, England. TravelMaster is the public transport multi-operator ticketing company for South Yorkshire which provides travel for tickets on bus, tram and train throughout the region. In addition, TravelMaster provides support to the Derbyshire Wayfarer multi-operator bus and train tickets. Both schemes currently use the Public Transport Ticketing Schemes Block Exemption (PTTSBE) to provide Multi-operator travel card (MTC) tickets.

The PTTSBE creates substantial benefits within South Yorkshire aiding public transport passengers to travel simply and cost effectively, whilst still allowing In 2023/24 TravelMaster recorded over 930k smart journeys alongside countless unrecorded journeys on paper tickets. In the same period TravelMaster sold over 1.2m ticket sales generating £17.1m in revenue.

TravelMaster is one of the larger schemes which makes use of the scheme, whereas the Derbyshire scheme is much smaller retailing 21k tickets. Within both areas there are also PLUSBUS tickets which make use of the PTTSBE.

Whilst schemes such as the TravelMaster scheme in South Yorkshire is established and has expertise to undertake a self-assessment of the application of the Chapter I prohibition to ticketing schemes, small schemes such as those in Derbyshire would be unlikely to without support.

In order for TravelMaster or other schemes to undertake the assessment it would be expected that external support would be required. Whilst this may be possible through larger operator group legal support, the likelihood is that external specialist advice would be required which could cost tens of thousands of pounds. This would still however need to be quantified.

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TravelMaster is the trading name of SCR Ticketing Company Ltd a Company registered in England and Wales at:
TravelMaster 11 Broad Street West Sheffield S1 2BQ.

Company Number: 10965919

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Derbyshire County Council's Enhanced Partnership (EP) required the creation of the Derbyshire Wayfarer Bus ticket, the Wayfarer scheme previous was just bus and rail. Whilst the EP could have been used as a mechanism for creation of the new product, for more efficient management and fair apportionment, the addition of this to the existing Derbyshire Wayfarer Ranger offer and PTTTSBE was used.

The PTTTSBE has been critical in transport operators' reliance in PTTTSBE in the region beyond buses. The case for continuing to operate the PTTTSBE is critical beyond EP powers to continue multi-modal ticketing. Whilst EPs do exist within the zones they do not cover the full range of tickets covered by the PTTTSBE. Unless the EP powers were increased to cover all transport modes then there is no reason that the PTTTSBE should not continue in perpetuity.

Franchise permitted operators and cross-boundary franchised services would benefit from greater clarity in guidance outside the PTTTSBE should the PTTTSBE be ended to provide a legal framework for different organisations (both public and private sector) to ensure no authority has too great an influence in fare setting across routes and zones. However, I should stress this is not a scenario which should be considered. If you consider each Franchise as its own business, the PTTTSBE will enable cross-boundary arrangements and a mechanism for LTA owned/arm's length bodies to participate in multi-modal ticketing schemes.

Ticketing schemes covered by PTTTSBE provide simplicity and best value to customers using more than one operator or mode. If you take the CityBus example in South Yorkshire a day ticket costs £5.60, for a multi-leg (at least two), multi-operator return journey the cost under the current £2 fare cap would be a £8.00 if bought as single tickets and more as single operator day tickets. The cost difference is even greater for multi-modal tickets. With CityBus and other TravelMaster tickets, consumers know they only need to buy a single ticket and understand the zone in which it is valid.

PTTTSBE's in my opinion do not restrict competition but facilitate it. Operators get a share of the revenue based on journeys in TravelMaster's case. Operators have the ability to provide their own tickets, create markets in cross-border travel outside the MTC zones and drive their own loyalty schemes. Subsidised MTCs potentially restrict competition as they are able to underprice single operator equivalent tickets. However, there is still an ability to operate outside the zones unless there is Franchising arrangements in place which restrict this.

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I believe that the classifications of categories of ticketing schemes is clear. Within the guidance published 16 September 2016 it is helpful that under 3.4 this covers situations where the ticket product is not determined until after the event for travel undertaken over a specified period such that day, combination of days, week and longer period caps are covered for contactless payment card post pay and stored value pre-pay scenarios.

Using the definition for 'ticket', the block exemption means 'evidence of a contractual right to travel' (Article 3) this covers most scenarios. Whilst not explicitly referenced in the guidance the contractual right to travel could cover a subscription-based Mobility as a Service (MaaS) model which includes travel within zones on public transport modes. However, there would need to be improvements to also include other services associated with travel such as taxi/private hire services (especially if used for Demand Responsive Transport), cycle/scooter hire, and car hire which are aspirations of many MaaS schemes under a subscription model. Furthermore, there are other elements such as parking used in MaaS schemes but could benefit from a subscription model.

MaaS schemes would be expected to deliver passenger benefits through simpler to understand tickets, easier budgeting, modal shift to sustainable choices which deliver health, environmental and economic (through reduced congestion and efficiency of networks) benefits.


The conditions for categories of ticketing scheme are currently clear in the exemption of an MTC and given the revenue distribution methods are suggested and not exhaustive there does not appear to be a requirement to update these.

If there is any of the above which you wish to discuss further then please feel free to contact me directly on ✂.

Yours Sincerely

✂

General Manager



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