TravelWatch
NORTHWEST

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Winner of CILT award for best practice in passenger transport (2013)

***promoting quality public transport**……….*

Siobhan Carty
Competition and Markets Policy Team
Office of Rail and Road
One Kemble Street
London WC2B 4AN

11th September 2015

Dear Siobhan,

Retail market review emerging findings

1. Introduction.

TravelWatch NorthWest (TWNW) is an independent Community Interest Company representing all public transport users in NW England. We have little to add to our previous comments on this subject.

2. Questions

2.1 Chapter 1 – Do you agree with our description of the features of the market for ticket selling?

Agreed

2.2 Chapter 2 - Do you agree with our emerging findings with respect to passengers' ticket buying experiences regarding their choice / ability of a) retailer/sales channel; b) how they buy tickets; c) their ticket format; d) the range of tickets; and e) opportunities to find cheaper prices?

We agree that passengers would benefit from a wider choice of retailers including smaller retailers and/or sales channels as we have previously stated. There is anecdotal evidence that independent ticket retailers are faced with large amounts of bureaucracy and that this could deter potential new entrants. Also there is no definitive list anywhere of independent/non-National Rail retailers at or near stations; examples are Ledbury, Gobowen, Chester-le-Street, Millom and Whitby. There is enormous scope for improving TVMs but we again emphasise the value of the personal face to face services provided by station ticket offices. (The existence of a ticket office at a station is often based on historical factors and may be illogical, so that a station with no ticket office may handle more passengers than a staffed station on the same line). The provision of a small retail outlet, also selling rail tickets, within or adjacent to the station buildings - as common on Merseyrail - may be the best answer for marginal stations. We agree with your comments on the range of tickets.

2.3 Chapter 3 - What are your views on our emerging findings that TOCs' incentives to introduce new fares and products are somewhat limited? What are your views on our suggestions around DfT's role and, more specifically, the role of franchising? What are your views on our proposed recommendations that improvements be made to the industry processes to make it easier for TOCs to introduce new fares or products? Specifically, do you agree this should be taken forward now, as a matter for TOCs and governments?

We agree with this and that the recommendations be taken forward now. We have previously referred to the availability of multi journey tickets over a consistent set of routes (Carnet tickets) and more flexible season multi day season tickets.

What are your views on the role TIS machines play in enabling TOCs to differentiate the way they sell tickets to passengers? What are your views on the appropriate response, in particular around the balance between providing the TIS market with more direction about the design of the TIS machines and in facilitating choice?

We agree with your recommendations

What are your views on the possibility that the price of (permanent) fares could vary by sales channel? What are the merits of considering this further at this stage?

The key consideration here should be passenger awareness of the ticket retailing opportunities open to them and how they can be signposted to the optimum sites that give best value to suit their circumstances.

2.4 Chapter 4 - What are your views regarding our emerging findings on the incentives potential and existing retailers face in entering and expanding in the market? Specifically, what are your views around having an independent body overseeing the third party retailers' arrangements, including the identity of the body; on having greater transparency of retailers' likely costs and remuneration; on having a formal obligation on the relevant TOC governance bodies to consult on significant changes to the industry regime; and on having an appeal mechanism to enable a third party retailers raise a dispute?

We agree generally with the sentiments here but would not wish any added bureaucracy. There does need to be a review of costs and remuneration to agents. An appeal mechanism is a good idea.

What are your views around the ways that industry could reduce the barriers smaller retailers face in selling rail tickets?

We agree that the industry should reduce these barriers by keeping costs down.

What are your views regarding our emerging findings that there could be increased scope for third party retailers to compete in selling tickets? Specifically, what are your views that all retailers should have access to all fares and products? What are your views on retailers' ability to discount fares, and to what extent should other retailers have access to these discounted products (at the cheaper price)? What are your views around third party retailers' inability to create new fares and products, and do you consider further consideration could be given to options that provide for a net pricing (or something similar)?

There should definitely be greater access to a wider range of ticket products including season tickets. Again if there is to be variation in discounting passengers need to be able to access the information they need to know where to find the best fares.

2.5 Chapter 5 - Do you agree with our emerging findings that TOCs have limited incentives to collaborate with each other in the development of shared systems? To what extent do you consider that having increased emphasis through innovation funding mechanisms of the role of an integrated, national network (and thus the role of shared IT systems) could address the issues? To what extent do you consider that a strategy, led by governments with input from across industry, on future ticketing can play a role?

Yes there should be more collaboration and the government/industry should take forward.

What are your views on the merits, as a possible longer-term option, to consider relaxing the obligations on TOCs to facilitate a fully integrated, national network?

We believe these obligations should continue. The accessibility of inter-available and through tickets is a key benefit and selling point of our national rail service.

What are your views on the role of third parties (including third party retailers, passenger representatives and technology providers) in the development of shared IT systems? To what extent could formal working groups address the issue?

We agree that working groups as suggested would help.

Yours faithfully

John

John Moorhouse Company Secretary