

Cashless Trams

London Borough of Merton
Public Transport Liaison Committee
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Agenda Item 5



Cashless trams

- London Trams is intending to move to cashless ticketing and is seeking your views
- Trams currently accept variety of 'tickets'
 - Paper single tickets issued at the tram stop at a tram Ticket Vending Machine (TVM)
 - Paper Day Travelcard that includes Zone 3, 4, 5 or 6
 - Paper One Day Bus & Tram Pass
 - Bus & Tram Pass on your Oyster card
 - Contactless Payment Cards (CPCs) on debit and credit cards
 - Cards issued by Integrated Transport Smartcard Organisation Cards (ITSO) such as the Southern KeyCard
- Electronic tickets - Oyster, and other Contactless Payment Cards are very popular ways of paying for travel on trams, so use of TVMs has declined dramatically, with less than 0.3% of journeys undertaken with a ticket purchased at a TVM



Paying for tram travel today

- In 2016 c30 million passenger journeys were made on Trams. In December 2016 99.7 per cent of journeys undertaken without using the tram TVMs, 0.3 per cent are using tickets from tram TVMs
- Each stop has at least one TVM (70 across the network)
 - Installed when system opened in 2000, so now over 15 years old
 - 8 of every 10 tickets issued is a single
 - Do not accept credit or debit cards for payment
 - Do not service Oyster
 - Do not sell child or concessionary fares or non-Travelcard tickets to National Rail
 - Average of six tickets purchased from each TVM per day
- One of the machines at King Henry's Drive only sells 3 tickets a fortnight

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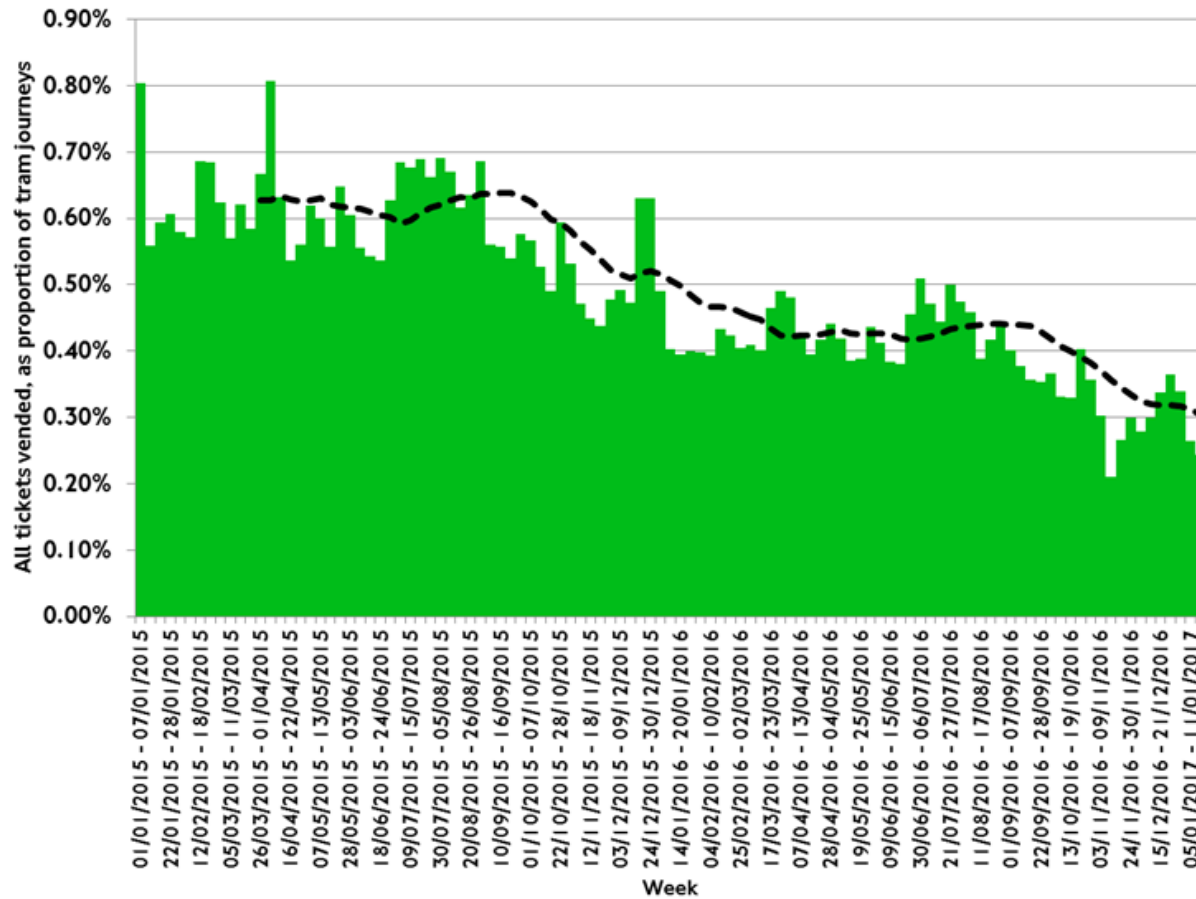


Is 'cashless buses' a model suitable for trams?

- Similar issues were emerging at London Buses before cash free ticketing was introduced in 2014, with declining use of cash
- Consultation conducted in 2013 concluded that removal of on-bus ticket sales appropriate
- Successful conversion to Cashless in 2014
- 2016 less than 0.09 per cent of customer complaints related to lack of ability to pay cash to driver.
- In light of declining use of TVMs, we are intending to move all customers to electronic tickets and remove TVMs from tram stops



Ticket sales on trams (proportion of journeys)



Why are electronic tickets popular on trams?

- Over 99.7% of journeys use them for tram travel
- Contactless is convenient to use
 - 20.7 million Oyster cards are registered
 - 106 million (increase of 23 per cent in a year) CPC enabled payment cards
- Journeys are cheaper.
 - Paper single £2.60 - £1.50 on CPC/Oyster
 - Daily capping means many journeys can be free
 - Hopper only available on contactless and Oyster
- Safer way of paying
 - No need to carry cash
 - Lost cards can be cancelled



Who uses a tram TVM ?

- Independent research undertaken in 2015 interviewed passengers using TVMs
- 92% of those interviewed had another means of payment available to them, using the TVM as a 'back-up' - vast majority (over 80%) had forgotten cards or not topped up their Oyster
- 8% of users use TVMs less than once a week
- Of the 8% who don't currently have another means of payment
 - 80% use less than once a week
 - Less price aware - 61% didn't realise TVM more expensive
 - Older, less frequent travellers likely to live outside London. Probably a National Concessionary Bus Pass holder
 - 70% said they didn't use the trams enough to justify an Oyster Card or didn't live in the London area.



Lessons learned from Buses

Focus on passenger benefits of converting to non-cash payments

- Importance of better value for money
- Technology and availability – contactless payment card acceptance on all TfL modes
- Fare simplicity and added features, such as capping and Hopper.

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Once decision has been made, deploy the strategy as quickly as possible:

- Buses - Mayoral Approval - May 2013; Consultation process – Autumn 2013; Mayoral Approval of mitigation methods - Jan 2014; implementation July 2014
- If consultation positive, and approval given from Mayor, anticipate changing relevant legislation and deploying marketing campaign to support the move to full electronic ticketing mid 2018
- Marketing, staff and stakeholder communications essential, with high levels of awareness



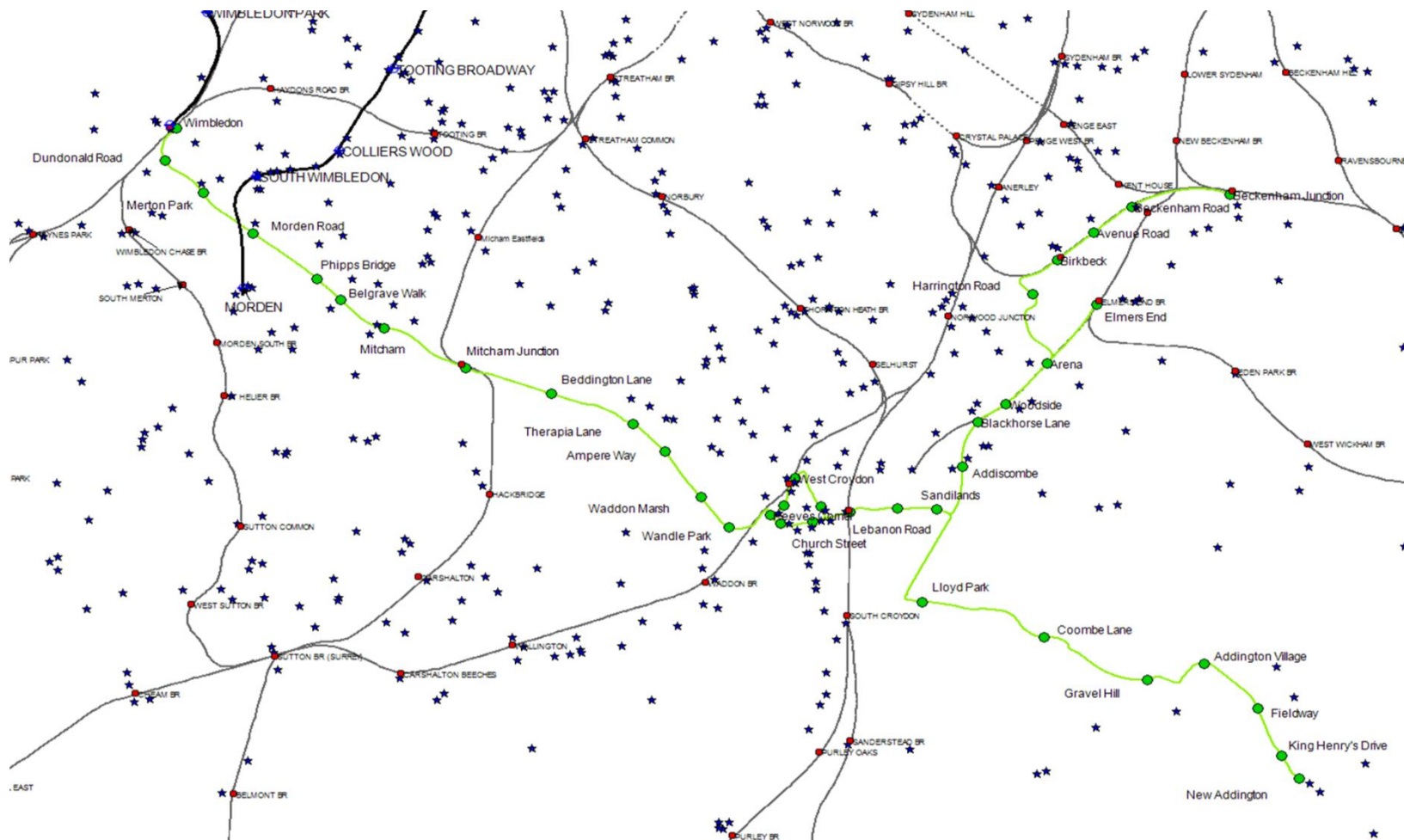
Key issues

- Equality impact assessment
- Security – am I advertising where my wallet is ?
- Removal of ‘last resort’ payment
- Fear of being left behind and feeling vulnerable if you only have cash
- Access and range of alternate payment methods
- Access to information
- Arrangements for tourists & visitors (can apply in advance for Oyster card by post)
- Temptation to fare evade
- Recognise need for time for people to adapt to the change
- Some locations have sparse ticket sale options ‘off-network’



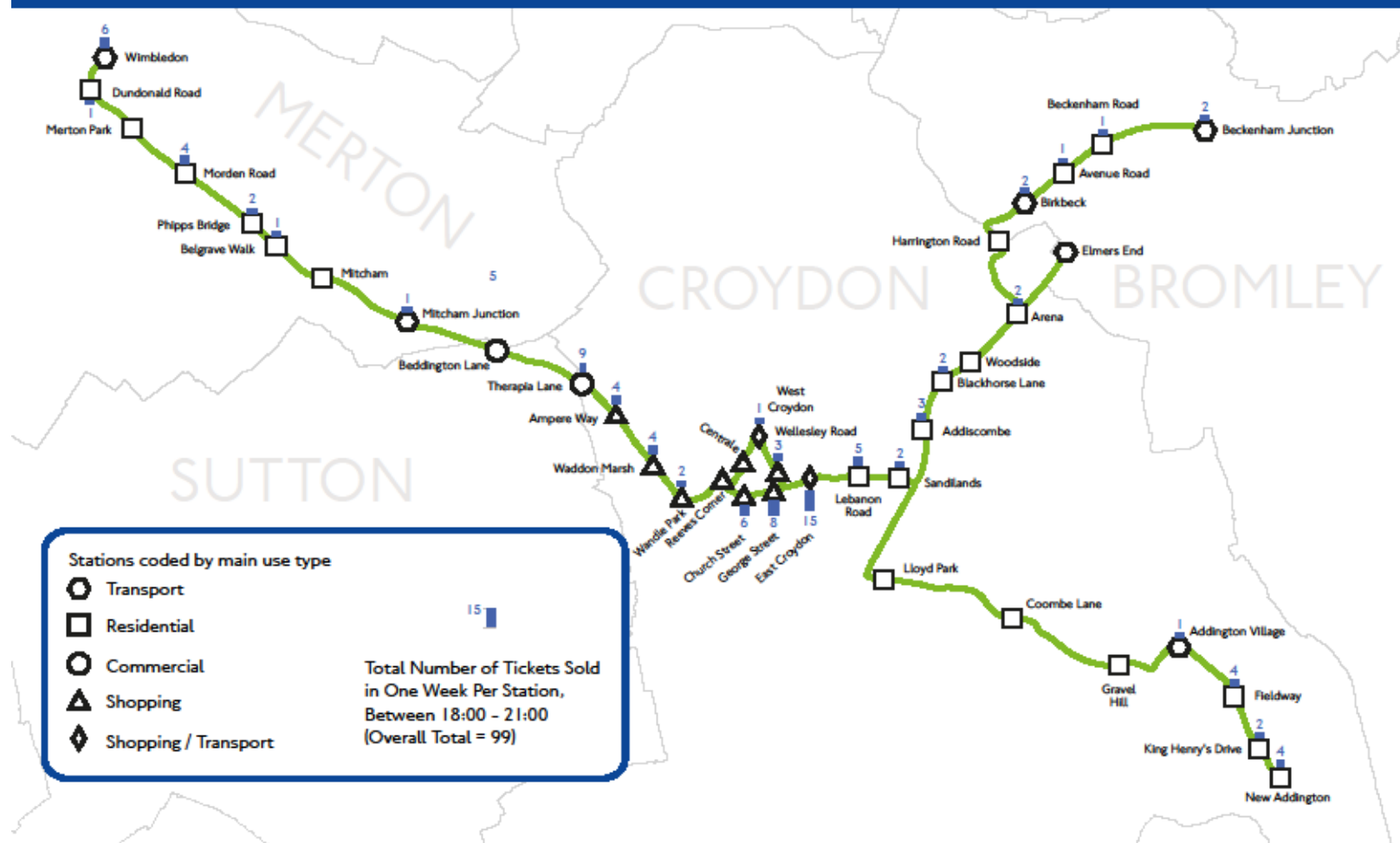
Key issue – Ticket Stops

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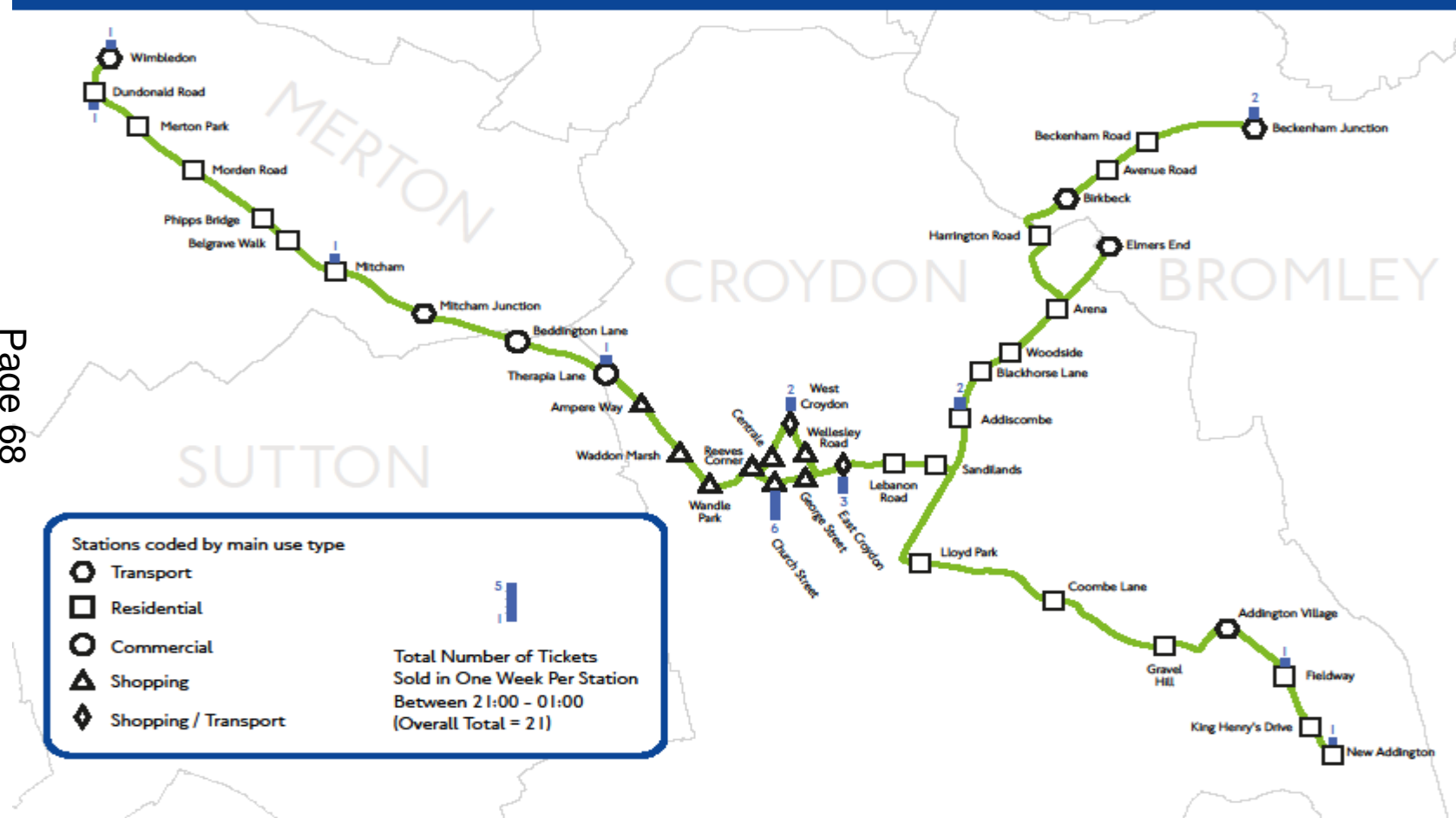
Total Number of Ticket Sales Per Station, between 18:00 - 21:00 1st - 7th February, 2017

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Total Number of Ticket Sales Per Station between 21:00 - 01:00 1st - 7th February, 2017

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Off peak demand is very low

Between 18:00 – 21:00

- 10 stops do not sell a ticket at all
- 8 sell just one
- 21 sell 2 or more, Maximum 15 at East Croydon

After 21:00

- 28 stops did not sell a ticket
- 6 sold just one
- 5 sell 2 or more, Maximum 6 Church Street.



Boost awareness of and access to range of alternate payment methods

Ways
to
pay

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Promotion of alternative methods of payment,
eg. Apple pay, Android pay

Oyster Ticket Stops



Mitigations - information

Targeted marketing and communications campaign

Reconfirm Trams vulnerable passenger procedure

Targeting visitor / tourist websites



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MAYOR OF LONDON



Next Steps

- Public consultation – for 8 weeks – start in September 2017
- Consultation results published – January 2018
- 'Go live' (subject to a decision to proceed following consultation) – 8 April 2018
- 'Go live' publicity campaign - February to May 2018
- TVMs decommissioned and removed from tram stops – April to September 2018





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EVERY JOURNEY MATTERS

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