



Consultation response

To: Amendment of Railways (Penalty Fares) Regulations 1994

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1. Introduction

- 1.1** *pteg* represents the seven Passenger Transport Executives of England and Scotland which between them serve more than thirteen million people in Strathclyde, Tyne and Wear ('Nexus'), West Yorkshire ('Metro'), South Yorkshire, Greater Manchester, Merseyside ('Merseytravel') and the West Midlands ('Centro').
- 1.2** Britain's PTEs are the driving force behind the development of public transport in some of Britain's largest City Regions. Their responsibilities include:
- producing the strategies for the development of local public transport networks
 - planning and managing local rail services (in partnership with the SRA)
 - planning and funding socially necessary bus routes
 - working in partnership with private operators to improve bus services—for example through bus priority schemes
 - running concessionary travel schemes—including those for older, disabled and young people
 - investing in local public transport networks—including new rail and bus stations
 - developing and promoting new public transport schemes—like light rail and guided bus networks
 - providing impartial and comprehensive public transport information services – including by phone and internet
 - managing and maintaining bus interchanges, bus stops and shelters

In some cases PTEs are the operators of public transport, such as the Tyne and Wear Metro, Glasgow Subway and some ferry services. However, most public transport in PTE areas is operated by private companies

The PTEs have a combined budget of more than a billion pounds a year, and are funded by a combination of local council tax and grants from national government. They are responsible to Passenger Transport Authorities (PTAs), made up of representatives of local councils in the areas they serve

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- 2.** 137 million a year use heavy rail services in PTE areas. Outside London, PTEs are home to the majority of light rail and underground systems, including Manchester Metrolink, Midland Metro, Sheffield Supertram, the Tyne and Wear Metro and the Glasgow Subway.
- 3.** *pteg* has been pressing for a review of penalty fare levels and strongly welcomes this consultation exercise.
- 4.** Penalty fares need to act as a meaningful deterrent against ticketless travel. The current £10 fine is no longer adequate in that regard. The penalty fare has remained at £10 for over 10 years. During this period inflation and real growth in traveller's incomes has reduced the effectiveness of the £10 penalty fare. As a result its deterrent effect has been weakened. For example the level of ticketless rail travel on West Midlands local services currently stands at around 7% - or one in every fourteen passengers

5. **pteg** supports the proposal to raise the penalty fare to £20, or to twice the single fare, whichever is the more expensive. However, we would like to see a mechanism in place which will ensure that penalty fares remain a meaningful deterrent which takes into account the relative cost of ticket purchase. The options here include: an element of index-linking (triggering rises in units of £5); and a higher level of fine for those who refuse to pay on-the-spot.
6. The requirement for a consultation, and Secretary of State decision, every time that the level of penalty fare is increased, appears to be unduly onerous and bureaucratic. It would seem appropriate that, in future, some mechanism ought to be put in place to allow the level of penalty fares to increase in line with an agreed formula without having to go through this formal process. This could in future be reserved solely for increases above the level of inflation. Alternatively responsibility for penalty fares could be transferred to the ORR.