

## Bank card contactless around London – Turning it from “for the few” to “for all of us”

The industry and the Government is rolling out payment by bank card for stations around London. Adding a post pay option is welcomed, but the use cases for the current functionality are very limited – in most circumstances a traveller is still best off with a paper or e-ticket.

**At present most people should not be using it.** That's because it is missing key features.

You should be using it now:

- If you can't use a railcard for the journey
  - But everyone is eligible for the Network Card that is only valid after 10am Monday to Friday and also has a Monday to Friday minimum fare of £13.
- When travelling in the morning peak (unless you have a Disabled Railcard, or in some circumstances, a 16-25 or 26-30 Railcard).
- You are not returning the same day.

You should not be using it now:

- If you are entitled to a Railcard discount for the journey.
- For children under 16, particularly if the children are eligible for Kids for £2.
- If cost capping will apply – but that is unlikely for most travellers<sup>1</sup>.

We think that Railcard discounts should be made available quickly and that a Pay as You Go alternative for families and children travelling on their own should be developed – more on those below.

**Also, there are wanted and unwanted side effects on fare choices.** Recent practice has been to remove all existing national rail fares other than Travelcards and replace them with just two single fares – peak and off-peak. We think this has the following impacts:

- Wanted:
  - Fares are much simpler and easier to understand.
  - The return price can be set at the start of the return journey and doesn't have to be chosen at the start of the inbound journey (but this is a noticeable nuisance for anyone who purchases paper tickets and some nuisance for e-ticket buyers).
- Mixed
  - Some Monday to Friday travellers will pay more and others will pay less.
- Unwanted
  - Any available cheap weekend fares are removed.
  - In the evening peak a peak fare is now always applicable.
  - New fares can be in place well before contactless is available.

We think that rationalising fares is a good thing. But lower fares at weekends are designed to encourage travel and they are removed as part of this change. We think they need to be retained – more on this below.

## Is contactless coming to my station?

Contactless is being rolled out in waves – it is already available at around 100 stations outside Greater London. A further 49 are due this year and the final extent is expected to include

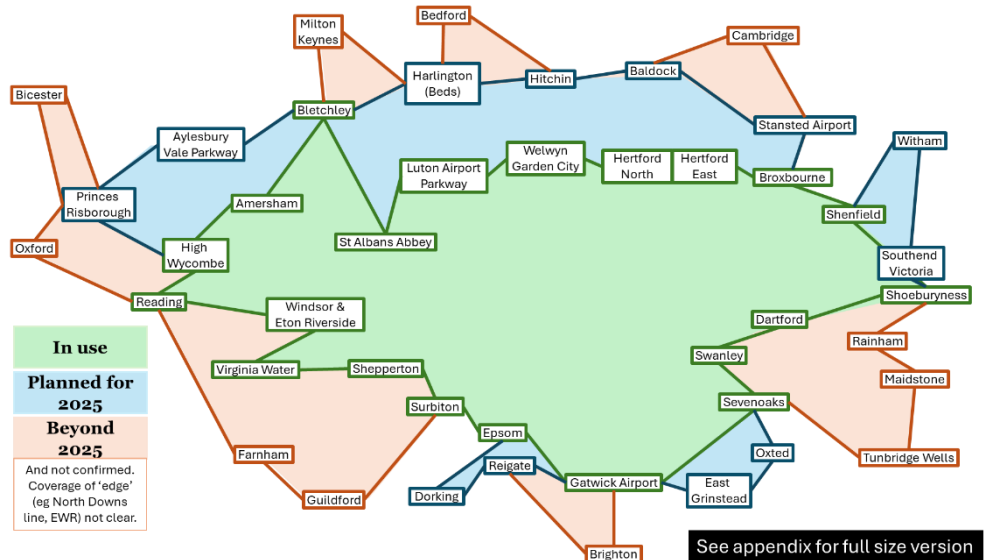
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<sup>1</sup> If you travel many times in a day, or many times in week, you do need to do the maths to work out if capping offers a saving – this doesn't need to be done for a single day's return travel, nor if you are travelling on less than three days in a week ~ in some circumstances a season ticket is better value.

Cambridge, Bedford, Milton Keynes, Bicester, Oxford, Guildford, Brighton, Tunbridge Wells and Chelmsford – see the appendix for full details.

## How do your fares change?

The project to extend Bank Card contactless is known as Project Oval. The final extent of coverage is set out as an appendix. It is subject to change.



Fare arrangements for Contactless planned and enabled stations varies.

This table summarises the current situation:

	Kids for £2	All purchase options: just two fares	Railcards	Map colour and list
Inside the GLA – Zones 1-6	No <sup>1</sup>	Yes	Only with Oyster	
2019 deployment: parts of Great Northern, Thameslink and Southern	Only with paper and e-tickets <sup>2</sup>	No	Only with paper and e-tickets <sup>2</sup>	A
Others before Project Oval		Yes		B
First two Project Oval extensions		Yes		C & D
The 49: announced as next <sup>3</sup>		Expected, but not announced		E
Many more: In the ultimate project				F

1 Londoners can apply for Oyster Zip cards offering free and discounted travel.

2 **Not yet with contactless.**

3 <https://www.gov.uk/government/news/simpler-train-travel-for-the-south-east-as-contactless-ticketing-rolls-out-at-47-more-stations>

## What should change: Railcard discounts need to be available as a priority

Railcards have been absent from Contactless functionality since inception. As alternative options (e-tickets, TVMs and Ticket Offices [and occasionally operator Smartcards]) already allow Railcard discounts these should be the preferred option for now for many leisure travellers.

The Mayor of London said on 21 January 2025 “TfL is working closely with the Department for Transport and Rail Delivery Group to progress work to allow us to implement this in the future as ..... TfL has not yet agreed a date when this will be delivered.”<sup>2</sup>.

We think that “in the future” urgently needs to become “committed” with a high priority. Delivering this means that individual travellers aged 16 or more, having registered their Railcard can use it as their routine payment option.

<sup>2</sup> <https://www.london.gov.uk/who-we-are/what-london-assembly-does/questions-mayor/find-an-answer/linking-railcard-discount-contactless-cards>

## **What should change: Families**

Contactless Bank cards are a payment product for an individual (which could include children, with a registration system similar to that for Railcards).

Contactless could be set up to operate features like Kids for £2, but it would require complex programming and discipline from families – eg register 4 bank cards, remembering that 2 of them can't then be used by adults, the system detecting all cards as being used in the same place at the same time then clustering them.

More investigation and review is required in this area. Railfuture thinks that non contactless products might well be better for families. Contactless is not the only option for post pay – for instance, Scotrail's Tap & Pay uses single use QR codes (whilst this does limit the service to Smartphone users, it may well be that taking practical use factors into account this is a better option for families.

## **What should change: Weekend fares should come back / remain**

We have reviewed the impact of these changes on fares for journeys that start after the morning peak on Mondays to Friday ~ see appendix B. We think the simplicity of the contactless model, combined with the flexibility of only needing to pay the fare due at the time of travel (rather than paying more at the start of the day for future flexibility), means that some will pay more is tolerable.

However, we think the loss of weekend fares, designed to encourage leisure travel is more significant. The strategic goals need to be add a third fare to TfL's systems, which can then be used for weekends.

In the interim, we believe a weekend fare should be available as an e-ticket, from TVMs and Ticket Offices is an essential product to encourage travel and increase the fare box.

## **Some background**

Contactless fares in the South East use Transport for London's applications and infrastructure. As such it is limited to the features that TfL has in place to support its own fare offering. Critically, this means that the 'menu' of choices:

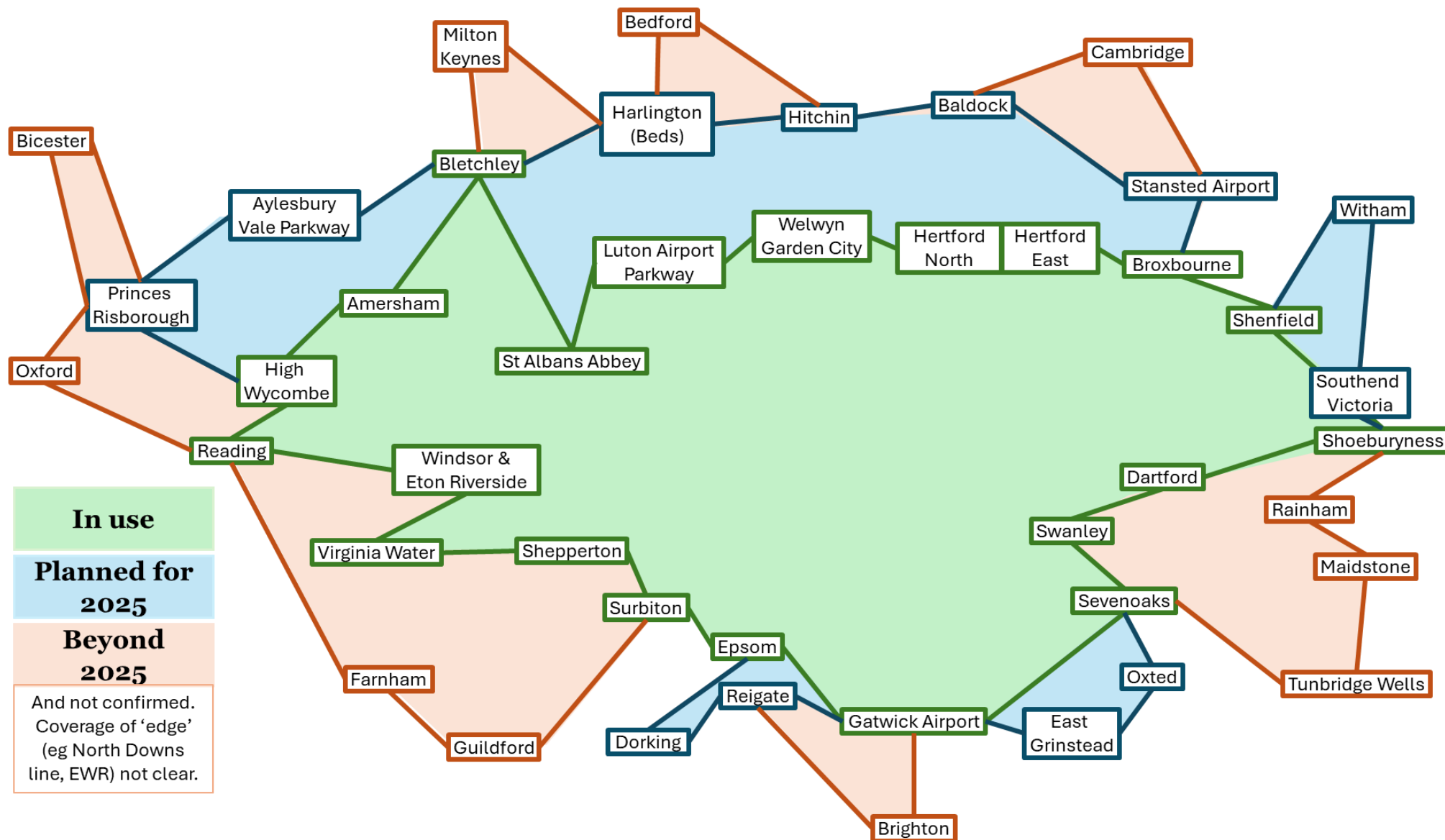
1. Can only support 2 fare types – in practice, peak and off-peak, and involves the loss of weekend fares.
2. Supports only single fares – which generally is to be welcomed, but does mean that discounts for return fares cannot be offered.
3. Does support weekly and daily capping.
4. Does not yet offer Railcard discounts.
5. Does not offer child fares (nor family discounts in general).

TfL operates 2 main applications for contactless payment – their original development for Oyster and a later application for Bank cards. The Oyster application is based around a zone design and is limited to 16 zones. Because of this, Oyster cannot be extended beyond a few stations beyond London's Zone 9.

Railfuture does not look for future extensions of the Oyster product, but there are two important riders:

1. As outlined above, Railcard and child discounts need to be available for bank cards.
2. Because Oyster uses a dedicated card, it does manage the challenge that not everyone has access to a bank contactless card with sufficient funds / credit. It remains essential that options other than bank cards are fully supported, including cash payment at time of travel.

## Phasing of Contactless roll out around London



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## By station

A (2019 deployment): Bayford, Brookmans Park, Cuffley, Earlswood, Gatwick Airport, Harpenden, Hatfield, Hertford North, Horley, Luton Airport Parkway, Merstham, Potters Bar, Radlett, Redhill, Salfords, St. Albans City, Welham Green, Welwyn Garden City.

B (Others before Project Oval): Bourne End, Brentwood, Broxbourne, Burnham, Chafford Hundred, Cheshunt, Cookham, Epsom, Furze Platt, Grays, Henley on Thames, Hertford East, Iver, Langley, Maidenhead, Marlow, Ockenden, Purfleet, Reading, Rye House, Shenfield, Shiplake, Slough, St. Margarets, Taplow, Twyford, Waltham Cross, Ware, Wargrave, Watford Junction

C (The Chiltern 6 ~ from 30 June 2024): Beaconsfield, Denham, Denham Golf Club, Gerrards Cross, High Wycombe, Seer Green & Jordans

D (The 47 ~ from 2 February 2025): Apsley, Ashford (Surrey), Basildon, Bat & Ball, Benfleet, Berkhamsted, Bletchley, Bricket Wood, Chalkwell, Cheddington, Datchet, Dunton Green, East Tilbury, Egham, Eynsford, Garston, Hemel Hempstead, How Wood, Kempton Park, Kings Langley, Laindon, Leigh-on-Sea, Leighton Buzzard, Otford, Park Street, Pitsea, Sevenoaks, Shepperton, Shoeburyness, Shoreham (Kent), Southend Central, Southend East, St Albans Abbey, Staines, Stanford-le-Hope, Sunbury, Sunnymeads, Thorpe Bay, Tilbury Town, Tring, Upper Halliford, Virginia Water, Watford North, West Horndon, Westcliff, Windsor & Eton Riverside, Wraysbury

E (The 49 ~ due in 2025): Ashted, Aylesbury, Aylesbury Vale Parkway, Baldock, Box Hill & Westhumble, Billericay, Bishop's Stortford, Chelmsford, Dorking (Main), Dormans, East Grinstead, Great Missenden, Harlington, Harlow Mill, Harlow Town, Hatfield Peverel, Hitchin, Hockley, Hurst Green, Ingatestone, Knebworth, Leagrave, Leatherhead, Letchworth Garden City, Lingfield, Little Kimble, Luton, Monks Risborough, Oxted, Princes Risborough, Prittwell, Rayleigh, Reigate, Rochford, Roydon, Sawbridgeworth, Saunderton, Southend Airport, Southend Victoria, Stansted Airport, Stansted Mountfitchet, Stevenage, Stoke Mandeville, Watton-at-Stone, Welwyn North, Wendover, Wickford, Witham and Woldingham

F: (the final scope ~ due after 2025 and subject to change): A boundary of Bedford, Cambridge, Witham, Rainham, Maidstone, Tunbridge Wells, East Grinstead, Brighton, Guildford, Aldershot, Didcot, Oxford, Bicester and Milton Keynes, including Stevenage, Tonbridge, Three Bridges, Haywards Heath, Redhill, Woking, Wokingham, Farnham & Didcot.

## Example fares impact calculation

Fare type	Applicability	Now	Before (Oct 2023)	Predicted: Previous fares & inflation	Price movement
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Hemel Hempstead							
Peak Return Fare		£26.80		£25.50		£26.80	No change
Peak Single Fare		£13.40		£17.20	135%	£18.10	Cheaper
Travel after c 9am and return except late afternoon (at anytime on a Saturday)	Mon-Sat	£19.00	71%	£21.00	82%	£22.10	Cheaper
Travel After c 9am peak and return late afternoon	Mon-Fri	£22.90	85%	£21.00	82%	£22.10	More expensive
Travel after lunch time and return except late afternoon (at any time on a Saturday)	Mon-Sat	£19.00	71%	£16.10	63%	£16.90	More expensive
Travel before c 9am and return at any time	Saturday	£19.00	71%	£21.00	82%	£22.10	Cheaper
Travel at any time	Sunday	£19.00	71%	£16.10	63%	£16.90	More expensive

Basildon							
Peak Return Fare		£18.20		£17.20		£18.20	No change
Peak Single Fare		£9.10		£11.60	91%	£12.30	Cheaper
Travel after c 9am and return except late afternoon (at anytime on a Saturday)	Mon-Fri	£15.40	57%	£16.20	64%	£17.10	Cheaper
Travel After c 9am peak and return late afternoon	Mon-Fri	£16.80	63%	£16.20	64%	£17.10	Cheaper
Travel at any time	Sat-Sun	£15.40	57%	£12.40	49%	£13.10	More expensive

Different lines from London have variations in when the cheapest fare is available (or was available). The evening peak Monday to Friday may or may not be a pricing point.