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Dear Val

First anniversary of contactless payment on buses

I promised to write to you with an update to the recommendations in the Committee's "The Future of Ticketing" report based on the experience from contactless payment card (CPC) acceptance on buses.

Since we successfully launched CPC acceptance on buses on 13 December 2012, more than 6.5 million journeys have now been made using an American Express, MasterCard or Visa Europe contactless payment card.

I am pleased to say that usage continues to rise strongly and now an average of 33,000 bus journeys a day are paid for using the debit, credit or charge cards. Further information and data on CPC usage can be found on our website at www.tfl.gov.uk/transparency.

There have been no technical issues since the system launched. Customers appear to be willing and comfortable in using a CPC to pay for bus fares, and no security concerns have been detected either by us, our contractors, or the Payments Industry as a consequence of this facility. The steady growth in usage – around 1,300 new cards every day – suggests that customers are comfortable with the technology.

Before CPCs were introduced on buses, we launched a customer information campaign to advise customers to keep their card (Oyster or bank card) separate when presenting it to the card reader. This campaign has continued since the launch through a range of channels including messages at bus stops, on the real-time information displays and via emails to customers. Since launch refunds requests for the incorrect card being charged have averaged less than three per day, out of

around 4 million daily bus journeys paid for on Oyster. Other issuers are also promoting contactless payment and customer feedback on social media has been particularly welcoming of this new payment method. No issues regarding CPC acceptance have been reported back to us by bus operating staff.

As you know, acceptance on the Tube, London Overground, DLR and Trams will launch early next year, when London will become the first city in the world to fully integrate contactless payments cards into the fares system. A controlled pilot will take place over the next few months to test the system on these modes, including additional customer messages, to rectify any operational issues before the full launch. My teams continue to work closely with the payments industry to prepare for the next phases.

I hope this is helpful and please do let me know if you have any questions.

Shashi Kant Verma

Shashi Verma
Director of Customer Experience