Citizen Participation and Public Petitions Committee

12th Meeting, 2022 (Session 6), Wednesday 29 June 2022

PE1930: Ensure customers are always given information on the cheapest possible fare in new Scotrail contract

Note by the Clerk

Petitioner George Eckton

Petition summary

Webpage

Calling on the Scottish Parliament to urge the Scottish Government to ensure that a requirement of future rail contracts is for customers to be given information on the cheapest possible fare as a matter of course and recognize the vital role of the existing ticket office estate in delivering on this aim.

https://petitions.parliament.scot/petitions/PE1930

Introduction

- 1. This is a new petition that was lodged on 28 March 2022
- 2. The petition follows on from a similar petition, <u>PE1760</u>, which was closed in 2020 and which called on the Scottish Government to ensure that a requirement of future rail contracts would see customers be given information on the cheapest possible fare as a matter of course. This petition restates the call for such a requirement to be included in future rail contacts, and in light of proposals to reduce ticket office opening hours, calls for greater recognition of the role face-to-face advice to passengers plays in ensuring they are able to access the cheapest available fares. A full summary of this petition and its aims can be found at **Annexe A**.
- 3. A SPICe briefing has been prepared to inform the Committee's consideration of the petition and can be found at **Annexe B**.

- 4. While not a formal requirement, petitioners have the option to collect signatures on their petition. On this occasion, the petitioner elected to collect this information. 47 signatures have been received.
- 5. The Committee seeks views from the Scottish Government on all new petitions before they are formally considered. A response has been received from the Scottish Government and is included at **Annexe C** of this paper.
- 6. A submission has been provided by the petitioner. This is included at **Annexe D**.

Action

The Committee is invited to consider what action it wishes to take on this petition.

Clerk to the Committee

Annexe A

PE1930: Ensure customers are always given information on cheapest possible fare in new Scotrail contract

Petitioner

George Eckton

Date lodged

28 March 2022

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to ensure that a requirement of future rail contracts is for customers to be given information on the cheapest possible fare as a matter of course and recognize the vital role of the existing ticket office estate in delivering on this aim.

Previous action

I raised a previous petition on this issue which was closed on 3 September 2020.

http://wayback.archive-

<u>it.org/10682/20210428230507/https:/archive2021.parliament.scot/GettingInvolved/Petitions/clearscotrailfares</u>

Background information

The current system of pricing for rail fares is complex. As such it is difficult for the customer, especially in a digital purchase environment, to be assured that they are getting the best fares. The proposed reduction in ticket office opening hours will do little to improve the delivery of face to face advice to passengers to reduce the rail fare system complexity and ensure best value.

Annexe B

SPICe The Information Centre An t-lonad Fiosrachaidh

Briefing for the Citizen Participation and Public Petitions Committee on petition PE1930: Ensure customers are always given information on cheapest possible fare in new ScotRail contract, submitted by George Eckton

Background

The rail industry is currently undergoing significant change at a British and Scottish level.

The UK Government published <u>Great British Railways: The Williams-Shapps Plan for Rail</u> in May 2021. This proposed a fundamental restructuring of the rail industry, the main change being the ending of the current franchising system and the creation of Great British Railways (GBR). GBR will assume ownership of the rail infrastructure from Network Rail, collect fare revenue, plan the network and set most fares and timetables. Passenger rail services will be provided by private operators delivering services specified by Government in management contracts. The implications of this for Scotland are not yet clear, although there is a general commitment in the paper that:

"The devolved authorities in Scotland and Wales have a range of devolved powers in relation to rail which they will continue to exercise, as will TfL [Transport for London] and other metropolitan authorities, in relation to rail and light rail in their areas."

Legislation establishing GBR is expected to pass through the UK Parliament during 2022/23, with GBR being operational by 2024.

Progress towards the creation of GBR is being led by the cross-industry Great British Railways Transition Team (GBRTT), which is currently working on a Whole Industry Strategic Plan for Rail.

At the Scottish level, from 1 April 2022 ScotRail services have been operated by ScotRail Trains Ltd, which is owned and overseen by Scottish Rail Holdings Ltd, itself wholly owned by Scottish Ministers. This is the first time ScotRail services have been operated by a public sector provider in 25 years.

Previous petition: The Session 5 Public Petitions Committee considered a very similar petition to this one (<u>PE1760: Clear Pricing for Train fares</u>) during 2019/20. This was closed on 3 September 2020, as the Scottish Government had <u>stated in written evidence</u> that:

"It would be our intention to build on the Price Promise Scheme and ensure in future rail contracts that there is an obligation placed on the operator to provide customers with clear, straightforward information on all fares' options and that includes the identification of the cheapest possible fare together with any conditions that may relate to that fare."

Scottish Government Action

The Scottish Government made a commitment regarding fares under future rail contracts, as set out above. However, it is unclear what impact bringing ScotRail under direct public control and proposed changes to rail ticketing at a British level might have on the delivery of this commitment.

Scottish Parliament Action

The Scottish Parliament has not considered the issue of passengers being provided with information on best value rail fares since the closure of petition PE1760 in September 2020.

Alan Rehfisch Senior Researcher

31 March 2022

SPICe research specialists are not able to discuss the content of petition briefings with petitioners or other members of the public. However, if you have any comments on any petition briefing you can email us at spice@parliament.scot

Published by the Scottish Parliament Information Centre (SPICe), an office of the Scottish Parliamentary Corporate Body, The Scottish Parliament, Edinburgh, EH99 1SP

Annexe C

Scottish Government Submission of 19 April 2022

PE1930/A: Ensure customers are always given information on cheapest possible fare in new Scotrail contract.

Calling on the Scottish Parliament to urge the Scottish Government to ensure that a requirement of future rail contracts is for customers to be given information on the cheapest possible fare as a matter of course and recognize the vital role of the existing ticket office estate in delivering on this aim.

We want more people to choose to travel by train on our publicly controlled and operated railway, so people need to feel confident that they can book a ticket easily and that they have got the best fare.

ScotRail Trains Limited will be expected to explore what more can be done to achieve this. One aspect might involve strengthening current commitments such as the price promise guarantee, which will refund the difference if passengers find the same Season, Anytime or Off-Peak ticket (or combination of tickets) cheaper elsewhere with the same terms and conditions, and Transport Scotland will work with Scottish Rail Holdings and ScotRail Trains to progress this work.

Currently the onus is on the purchaser however ScotRail's Price Promise Our Price Promise on Rail Tickets | ScotRail is in place and within the Policy Compendium as part of the move to ScotRail Trains Ltd there is a requirement to "Review, remove and prevent future fares anomalies, where possible so as to ensure passengers can clearly understand pricing and choose the lowest fare available for their journey".

We know how challenging the cost of living crisis is for people who need to use public transport right now and are looking carefully at what more can be done to ensure that passengers can get the best value fare for their journey at all times. Transport Scotland is taking forward a Fair Fares Review to ensure a sustainable and integrated approach to public transport fares. The review will look at the range of discounts and concessionary schemes which are available on all modes.

We support calls for simplification of the current system and will be exploring how we can make the case for this and also what we might be able to do with the powers the Scottish Government has to make fares easier for all, including through the Fair Fares Review.

We also note that the Williams –Shapps Review identified a need for simplification and that Great British Railways (GBR), once established, is to address this issue. Transport Scotland officials will be making clear in their discussions with GBR of Scotland's priorities and needs in respect of a future, simplified fares system.

In 2011, ticket office sales accounted for 40 per cent of all transactions but by 2019 it dropped to 28 per cent and is now currently at 19 per cent. ScotRail has installed 355 ticket vending machines which, based on current data, accounts for 32 per cent of all ticket sales. Increased usage and familiarity of the internet has opened up an entirely new retail channel, which currently accounts for 25 per cent of all ticket sales.

The Office of Rail and Road (ORR) – the independent economic and safety regulator for Britain's railways – advises that ticket sellers are required to provide their customers with information, but it is up to customers to choose the most suitable ticket for their journey.

The information that might be important to customers, and how this should be provided, is set out in the industry's code of practice on retail information.

National Rail Conditions of Travel stipulates that Train Companies will make available:

...clear information about the range of Tickets to help customers make a well-informed choice about the most appropriate and best value Ticket.

Additionally, the ORR's Code of Practice on retail information for rail tickets and services states the following:

The rail industry offers passengers a range of products and services, and ways of choosing and buying them. In order for passengers to capitalise on the choices available to them, plan their journeys with confidence, and achieve value for money they need good information in order to make informed decisions. This will enable them to select the most appropriate ticket for their journey (and choose from the other services that might be available to them), to understand how they can use their ticket, and to exercise their rights.

The legislation that governs these arrangements, including the Ticketing and Settlement Agreement which includes the National Rail Conditions of Travel, is reserved to the UK Parliament.

On 22 March 2022, Transport Focus – the independent watchdog for transport users – published its advice on 'Tips on finding cheaper train tickets' which included:

'Buy directly from the operator's website'

 Sign up for email alerts – from time to time, they might send customer offers

'Book in advance'

Booking an Advance ticket will usually save customers money.
 Companies start selling tickets up to 12 weeks before the journey

'Split your journey'

 If customers are travelling long distance, it might be cheaper to buy two separate tickets to the destination

On the option of splitting journeys they note:

If you want to do this, you'll need to do this yourself as staff at ticket offices are not required to search for the cheapest ticket.

End

Annexe D Petitioner submission of 18 June 2022

PE1930/B Ensure customers are always given information on cheapest possible fare in new Scotrail contract

Firstly, since the last petition closed with a stated "promise/aim" for inclusion in this new contract it hasn't happened despite nearly 2 years to achieve it. In fact, not only is it not in the contract, indeed even the same Scottish Government aren't currently proposing that Scotrail should be subject to the new Consumer Duty in Scotland. If an explicit and clear promise can't be made for knowing the cheapest fare (seems a basic service principle to me), surely the very least that could happen is that one of the public bodies with the largest consumer base and presumably revenue from the Scottish public could be subject to the that duty? Last year's Scottish Government consultation on a consumer duty for public bodies proposed that Regional Transport Partnerships be subject to the duty (many of which don't run transport services), but why not include Scotrail directly?

This point was highlighted in an article in the Scottish Sun: *Ministers under fire for not including ScotRail's parent firm in bodies covered by anti-rip-off law:* https://www.thescottishsun.co.uk/news/scottishnews/8633273/scottish-government-scotrail-consumer-law/

Secondly, currently Scotrail has said that its aware that given historical fare anomalies its often cheaper to buy a split ticket across the Strathclyde boundary. If there was a cheapest fare requirement of information or the consumer duty on Scotrail, they would presumably market these fares and knowledge to passengers to encourage increased public transport journeys, at a lower cost especially during the Cost of Living Crisis? This is lacking in their current marketing. We have net zero ambitions, as a nation this would seem to be a good first step to get modal shift by making journeys as cheap as possible?

Also, in terms of marketing, Scotrail have been given advice following my own complaints a number of times since 2019. I've made FOIs around the issues of how many fares (total and %) are available at the starting cost advertised between the 7 cities. It's been less than

convincing the number (a significant number is required by ASA) that are on sale, and later FOIs seem uncertain from Scotrail that they can objectively substantiate the claims in line with Advertsing Standards Authority advice and guidance on pricing claims. Advertising should be clear about availability and its windows. I'm happy to share the FOI results with the Committee if helpful, and it would be great if a significant amount of travel on the network was available for £5.

In regard to the <u>Scotrail Price Promise</u>, and the issue of SPT boundary and lower fares, the Committee may wish to note I have recently been <u>successful in challenging Avanti West Coast</u> to change their price promise.

Given that ScotRail know and acknowledge they know (happy to provide correspondence from Alex Hynes to me from 2019) there is a differential in the price per mile charged in Strathclyde compared with elsewhere in Scotland, it would seem that at the very least their price promise should proactively demonstrate this lower fare option (and others) and not leave it for the customer to stumble on through their own research?

Maybe I'm being too right and proper here, but if you know something, as a public body, you should probably tell the public about that surely?

Given the recent ruling on Avanti West Coast, I will approach the ASA again to see if a price promise is fair when the operator of it already knows of these lower fares but doesn't acknowledge these proactively to the public, especially when the operator is a public body.

Finally, as shown by the recent reversal on the Scotrail sale, there is a continuing worrying presumption that everyone in Scotland has digital access. During that period it would be worrying if one passenger was charged a higher fare for the same journey, just because they weren't aware of the sale or unable to access it digitally. It seems that you would only know or get the cheaper fare if you had digital access, in my view that's a concerning premise to base any service upon, especially one Ministers have clarified is subject to the Equality Act 2010 and associated duties. It took a bit of pressure to get the introduction of a telephone line but for me, and for those most vulnerable or digitally excluded, having a face to face point of sale in local communities continues to be of real importance.

Again I would note that these concerns have been highlighted in the media: SNP's half-price ticket offer from newly nationalised ScotRail

could breach anti-discrimination laws

https://www.thescottishsun.co.uk/news/8741491/snp-ticket-offer-scotrail-discrimination/

It is also sad to see the ScotRail Price Promise is not valid for smart fares vs normal fares. In my view, this is the start of digital exclusion for passengers.

I doubt anything will happen here, and my feeling is it will be kicked into the Fair Fares review as a response, same way the previous petition was closed with a "aim/promise" but you can but try....you do have to wonder how much the Scottish public have been overcharged for a same journey between two places during recent years.

At the very least I hope we can get ScotRail to be subject to the new consumer duty as a reasonable outcome from this petition and amendments to the price promise to highlight the availability of known to the operator lower journeys proactively.