

PE2120/D: Permanently remove peak fare pricing from ScotRail services

Transport Focus written submission, 16 January 2025

Transport Focus welcomed the introduction of a fares pilot for the removal of ScotRail peak-time fares that began in October 2023 and ended in September 2024.

We note that the Final Evaluation Report found that the fares pilot has been somewhat successful in meeting the objectives of increasing awareness of rail and improving access but has had minimal impacts on overall car travel and has tended to benefit those on higher incomes within the Central Belt.

To permanently remove peak fare pricing from ScotRail services it is estimated that the annual costs would be in the range of £25 million to £30 million with a (less likely) downside scenario of up to £40 million.

In 2018 Transport Focus published a report looking at the views and aspirations of non-users (those who had not travelled by train in the last 12 months) and infrequent users (those who travel every six months or less)¹. The report looked at the characteristics of those who use trains more frequently and compared this with those who had not travelled by rail in the last 12 months.

Unsurprisingly, many of the barriers to using rail are also linked to cost and convenience. This has also remained consistent across various pieces of research and over time, with the top five reasons for not using rail:

- Cost (31 per cent of respondents)
- Too much hassle/takes too much organising (18 per cent)
- Total time taken for the door-to-door-journey (18 per cent)
- Total time taken for the rail journey (15 per cent)
- Car is more convenient (10 per cent)

(note: respondents were able to select more than one reason)

There are clearly some people for whom rail travel is not a realistic option. If services do not go where people want to travel or at the time they need to go, then there is little ScotRail can do. Likewise, there will be people who simply will not switch from their current mode of travel, usually their car. Transport Focus's research found that, for one-fifth of people, there was nothing that would persuade them to use rail. However, that still leaves the remaining four-fifths as a potential market.

The common overriding theme throughout all the research is that the main barriers to travel surround cost and convenience. Similarly, the main things that could overcome these barriers are to do with the price of the ticket and the quality and level of service provided (frequency, reliability, comfort). It is equally clear, however, that it is not just the actual cost or convenience that can act as a barrier – perceptions also matter.

¹ Tomorrow's passengers: understanding how to make rail travel more attractive to infrequent and non-users. Transport Focus. April 2018

Negative perceptions create their own barrier to rail travel. There is a relationship between the things that existing users want to see improved and the barriers identified by non-users. Transport Focus's research sets out the top five priorities for improvement identified by passengers:

- Price of ticket offers value for money
- Improved reliability/punctuality
- Sufficiently frequent trains
- Getting a seat on the train
- Accurate and timely information

What this suggests is that Scottish Government can broaden the appeal for those currently not using their services by continuing to focus on the improvements identified by their current passengers.

This requires continued investment to improve capacity and frequency, a focus on driving up levels of punctuality and much more attention on how disruption is managed.

This raises the issue of trade-offs to fund the removal of peak fares. What are the implications for the priorities identified above, reliability, frequency, capacity and the quality of rail services?

The Fair Fares Review (2024) acknowledged financial pressures faced by individuals and households following the emergence of the cost-of-living crisis, further impacting on the demand for public transport. These financial pressures are particularly pronounced for people living in poverty for whom public transport fares account for a greater proportion of their disposable income.

The Poverty Alliance Report that supported the Fair Fares Review noted –

“Participants agreed that those living on a low income were unlikely to use trains at all as they were too expensive, even with off-peak fares.”

Pathfinder pilots as part of the Fair Fares Review should focus on public transport interventions that work for people living on low incomes, meeting the vision of the National Transport Strategy (2) of reducing inequalities.

People have different incomes and our public transport system cannot exclude people from mobility by making it unaffordable. Actions should be targeted to deliver the Strategy towards those needing most help, including those living in poverty.