Cabinet Secretary for Transport, Net Zero and Just Transition Mairi McAllan MSP



T: 0300 244 4000 E: scottish.ministers@gov.scot

Edward Mountain, MSP Convener, Net Zero, Energy and Transport Committee The Scottish Parliament Edinburgh EH99 1SP

15 June 2023

Dear Edward

ScotRail 2023 Fares Increase

In August 2022 the previous First Minister postponed the ScotRail fares increase scheduled for January 2023 until March 2023 as a contribution to the cost of living crisis. This is in keeping with the Scottish Government's long-standing approach of keeping fare increases low by ensuring that they are in line with RPI, or even lower in the case of off-peak fares. Fares have now been frozen for almost 18 months however that is no longer sustainable, particularly in light of the most fiscally challenging budget that the Scottish Government has had to manage.

In order to maintain a high quality of service and continue investing in Scotland's railways and its people, it is necessary for ScotRail to increase fares. We have undertaken a robust analysis in identifying the most workable increase, which balanced the need to increase revenue with maintaining the affordability and attractiveness of rail travel. We recognise that any increase is unwelcome for passengers and therefore we have kept the ScotRail fares rise as low as possible at 4.8% from 3 July 2023. This does not include season tickets and flexi-passes which will remain frozen at current prices. This remains well below the rate of inflation which is normally used to inform the level of fares rise. Fares on average also remain lower than across the rest of Great Britain where the most recent increase was 5.9%.

We know that there is much to be done in encouraging people back to rail if we are to achieve our net zero targets, along with other forms of public transport and active travel. This is reflected in the decision to maintain the fares freeze on season tickets and flexi-passes, which will mitigate the impact of a fare rise on those passengers who have no alternative option than to travel regularly on peak time services.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot





Further efforts to increase rail usage and accessibility continue, including the delivery of a ScotRail peak fares removal pilot from October 2023 for six months and the wider Transport Scotland Fair Fares review.

I will of course keep Parliament informed on progress as the increase is implemented.

Your sincerely

MAIRI MCALLAN

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See <u>www.lobbying.scot</u>



