

Citizen Participation and Public Petitions Committee

16th Meeting, 2022 (Session 6), Wednesday
23 November 2022

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

Note by the Clerk

Lodged on	28 March 2022
Petitioner	George Eckton
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.
Webpage	https://petitions.parliament.scot/petitions/PE1930

Introduction

1. The Committee last considered this petition at its meeting on [29 June 2022](#). At that meeting, the Committee agreed to write to the Scottish Government and Transport for London.
2. The petition summary is included in **Annexe A** and the Official Report of the Committee's last consideration of this petition is at **Annexe B**.
3. The Committee has received new responses from Transport Scotland, Transport for London and the petitioner, which are set out in **Annexe C**.
4. Written submissions received prior to the Committee's last consideration can be found on the [petition's webpage](#).

5. Further background information about this petition can be found in the [SPICe briefing](#) for this petition.
6. The Scottish Government's initial position on this petition can be found on the [petition's webpage](#).

Action

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

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://external.parliament.scot/GettingInvolved/Petitions/clearscotrailfares>

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

Extract from Official Report of last consideration of PE1930 on 29 June 2022

The Convener: Item 2 is consideration of new petitions. The first is PE1930—1, 9, 3, 0: we are getting to my mother’s age, now. It has been lodged by George Eckton and calls on the Scottish Parliament to urge the Scottish Government to ensure that a requirement of future rail contracts is that customers, as a matter of course, be given information on the cheapest possible fare, and to recognise the vital role of the existing ticket office estate in delivering the same.

Members will be aware that our predecessor committee considered a similar petition from Mr Eckton in the previous session. That petition was closed on the basis that the Scottish Government had committed to introducing an obligation on the operator to provide customers with clear and straightforward information on all fare options, including identification of the cheapest possible fare.

In his written submission accompanying the petition, Mr Eckton highlights that the previous commitment that was made by the Scottish Government is yet to be fulfilled. He has suggested that, because ScotRail is now in public ownership and is the property of the Scottish Government, it should be subject to the consumer duty. Mr Eckton has also suggested amending the price promise guarantee, to further assist passengers in accessing the lowest possible fare for their journey.

I wonder whether colleagues have, having balanced and considered the evidence, any suggestions for action or comments. Paul Sweeney looks like he is bursting to step forward with a suggestion, although I might have misread his signs.

Paul Sweeney: Certainly, when we look at alternative technologies that are available in other jurisdictions—particularly in London, where there is an automatic fare-capping system that was introduced five or six years ago—we see that there are solutions that could offer a remedy, particularly on intra-Scotland travel as opposed to travel to other parts of the UK. Perhaps it is worth inviting submissions from the likes of Transport for London about its fare-capping technology and how it has been rolled out. That could offer a basis for how a system could be delivered in Scotland.

The Convener: That seems to be an eminently sensible suggestion. Are there any other suggestions?

David Torrance: We should write to the Scottish Government to seek clarification on whether there are plans to extend the consumer duty to include ScotRail and other companies that are in public ownership. In writing to the Scottish Government, the committee may also wish to ask for a further update on the fares review—

specifically, on the timeline for completing the review—and to ask what action is being taken to strengthen the commitment to a price promise guarantee.

The Convener: We have those recommendations. Are there any more?

Paul Sweeney: We could add to that correspondence to the Scottish Government a question to ascertain its view on the fare-capping “tap in, tap out” technology. I know that it has been promoted for buses in Scotland, but I have not heard much in relation to rail.

The Convener: We can do that, too. Thank you very much. We agree to those suggestions.

Annexe C

Transport Scotland submission of 11 August 2022

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

Thank you for your letter of 6 July 2022 requesting further information on a number of areas relating to ScotRail ticket pricing.

Transport Scotland officials have provided an update on the following areas, attached as Appendix A:

1. Any plans to extend the Consumer Duty to include ScotRail, now that the company is in public ownership
2. The progress of the Fair Fares Review, specifically an update on the anticipated timeline for completing this review.
3. Any action being undertaken to strengthen the commitments of the price promise guarantee.
4. What consideration the Scottish Government have given to the use of fare-capping, tap in/tap out technology for rail travel across Scotland.

I hope this information is helpful.

Annex A

1. Any plans to extend the Consumer Duty to include ScotRail, now that the company is in public ownership

The Scottish Government is currently considering if Scottish Rail Holdings will be covered by this legislation. The Scottish legislation predates the creation of Scottish Rail Holdings, however, the sale of tickets is a reserved matter and the contract with the consumer is governed by that.

Consumers' interests are already represented by Transport Focus, which will continue to report into the ScotRail Trains Limited Board and compensation arrangements for consumers will continue under the Customer Charter. Scottish Rail Holdings/ScotRail Trains Limited will ensure that consumer rights are protected.

2. The progress of the Fair Fares Review, specifically an update on the anticipated timeline for completing this review

The Fair Fares Review is being undertaken in a phased manner, to enable potential options to be considered and potentially announced/trialled or delivered throughout the course of the Review. However, it is expected to conclude in full during the course of 2023.

The purpose of the Fair Fares Review is to ensure a sustainable and integrated approach to public transport fares that supports the long term viability of our public transport system as we recover from the pandemic but also now includes consideration of increasing inflationary pressures and Cost of Living crisis, impacting both costs of operating and the affordability of using public transport.

The Fair Fares Review is considering both the availability of services and the range of discounts and concessionary schemes which are available on all modes including bus, rail and ferry. Also, options to create a fairer, more transparent system of fares across all modes that maintain and increase affordability for those who need it most, taking cognisance of the relative changes to the overall cost of travel.

3. Any action being undertaken to strengthen the commitments of the price promise guarantee.

As part of the recently published Framework Agreement ([transport scotland rail services post 2022 Policy compendium](#)) between the Scottish Ministers acting through Transport Scotland and Scottish Rail Holdings Limited, ScotRail Trains Ltd is expected to explore what more can be done to enhance the price promise guarantee:-

11.7 Assess potential benefits / financial impacts of strengthening the existing Price Promise Guarantee

4. What consideration the Scottish Government have given to the use of fare-capping, tap in/tap out technology for rail travel across Scotland.

The Scottish Government's vision is 'that all journeys on Scotland's bus, rail, ferry, subway and tram can be made using some form of smart ticketing or payment.' Rather than a 'one size fits all' Oyster system, research indicates that passengers want choice for their smart travel options and this informed the smart programme developments towards a smart 'blended' estate including smartcard, mobile apps and contactless payment for passengers. This provides varied methods of smart ticketing and payment to reflect the varied journeys passengers make in Scotland.

We have supported ScotRail to launch their mobile app ticketing service in July 2021. This provides passengers with the choice to purchase advance single and return journeys, using digital mobile app tickets. Since this launch smart uptake on Scotrail has increased to 26%, despite a reduction in smartcard commuter travel.

ScotRail delivered a pilot for Account Based Ticketing in January 2019, allowing for fare capping and tap in/tap out technology. The pilot took place on the Cathcart Circle, including Neilston and Newton, for a period of four months and although proving to be a good customer proposition it was deemed unsuccessful on commercial grounds. Since ScotRail has been transferred to public ownership SRH has advised that an account based ticketing trial has been included within its business plan for ScotRail.

ScotRail Trains Ltd is currently developing a Fares & Ticketing Strategy that aims to accelerate growth of integrated ticketing by maximising utility of existing ITSO and bar-code infrastructure, and make travel across rail and other public transport modes a more convenient and attractive choice.

We are also continuing to support transport operators and Local Authorities with developing, adopting and strengthening their regional smart and integrated commercial ticketing schemes so these can be available across more of Scotland. This includes measures in the 2019

Transport (Scotland) Act that expanded the definition of ticketing arrangements to cover connecting rail and ferry services. This means rail and ferry can now be part of integrated ticketing schemes, where passengers pay one fare to travel on multiple modes in a defined area.

Transport for London submission of 13 August 2022

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

Thank you for inviting Transport for London (TfL) to provide information on fare-capping across the TfL network.

The core principle of our fares system is to make it as simple as possible for our customers to pay for their journeys and trust that we will always charge them the correct fare.

Our best value promise means that when travelling using pay as you go (PAYG) on Oyster or contactless, customers just need to touch in and out when travelling on our services and we ensure that customers pay the cheapest fare for the journeys they make. Daily and weekly capping on PAYG limits how much our customers pay by ensuring they will never pay more than the equivalent travelcard. It makes PAYG far more convenient than many other forms of paying for travel, as customers only need to turn up and touch at either end of their journey. We do all the calculations for them to ensure they pay the correct price.

We have enhanced PAYG by developing automated systems that can auto-complete journeys where customers were unable to or had forgotten to touch at either end of their journey. If this process finds that a customer is due a refund it will be automatically loaded back to the customer's card. Additionally, we may also proactively issue a refund if we can see a customer's journey has been affected by a major disruption or incident that has severely impacted their travel.

The development of PAYG has to be coupled with the approach we have taken to providing information on fares and pricing. It is a fundamental element of any fares system. It is essential that information on fares is accessible and clearly set out through a variety of channels - digital, in-person and printed media.

At TfL we have developed a range of digital channels - web and mobile app - through which we communicate how customers can pay for travel, understand what concessions and discounts they may be eligible for, and what fares they can expect to pay for the travel they make or the prices of products they can purchase. It is critical this information is kept up to date so that we can maintain customer trust. We have a digital team focused on these customer tools to ensure this information is continually updated and accurate.

The use of PAYG on our services has become the dominant method of paying for travel. This has meant that the need for ticket offices at Tube stations diminished to such an extent that it was possible to close them and provide a better customer experience through our trained station staff and by improving our ticket machines. These systems help inform customers of the cheapest and easiest way to pay for travel with station staff trained to provide advice and guidance.

While we have a web-first approach to customer information, we make extensive use of printed media to provide updated fares information. This includes issuing press releases publishing changes to fares, and advertising campaigns to highlight the cheapest way to travel around London (these can be seen in media advertising and on our services). Improvements to our systems mean that customers can easily find the fare for their journey before they travel. They can also easily check their journey history and fares charged through an online account and the free TfL Oyster & Contactless app.

The approach set out above has led to strong growth in the adoption of PAYG, with over 70 per cent of all journeys now made using PAYG. This growth continued throughout the COVID pandemic, as the flexibility and best value proposition offered by PAYG matched the changing needs of our customers.

I hope this is helpful.

Petitioner submission of 19 August 2022

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

In response to Transport Scotland's comments regarding Scottish Rail Holdings and the consumer duty, I would note elements of consumer law and consumer protection which are devolved, with advertising governed by a mainly voluntary but significant codes of practice via the Advertising Standards Authority (ASA). My request for ScotRail to be covered is not so much around the point of sale and the legal underpinning of a contract of sale, but the wider scope of the duty and the thought process to protect consumer interests before the point of sale. For example, in how advertising policy or fare policy is developed.

I have received responses to Freedom of Information Requests (FOIs) from ScotRail, which suggest they haven't followed rules on clarity of the number of advance fares for sale as part of their £5 inter-city promotion.

I have always been interested in how ScotRail apply their "from £5" promotional offers in the context of [ASA marketing code 3.22](#) (i.e. the seller should ensure a significant proportion of items for sale are discounted at the maximum saving, and that these claims represent the true overall picture of the price promotion).

Therefore, when ScotRail became a public body subject to FOI legislation, I submitted a request for the number of tickets on sale for £5. Over the course of my correspondence with ScotRail, and consideration of the data they provided, it became clear to me that a significant proportion of tickets were not being made available for £5. Furthermore, in the final FOI reply ScotRail outlined that the information requested was not held in a format which is easily extractable to answer my question. The revenue management system only holds daily information on the availability for every reservable train - the origin, destination and price point for every possible future travel date (which will differ throughout the full 12-week booking window). ScotRail's answer was that there was an extremely large and complex dataset that is not set up

in such a way that allows for data to be easily extracted to respond to this query. This suggests the evidence wasn't ever available in a format to back up the pricing claim, clearly and easily for the advertising in question.

I have raised this issue with the ASA, who have indicated they have provided ScotRail with advice that this promotion was likely to have breached advertising codes, and that ScotRail should take steps to make their advertising clearer in the future, particularly in relation to the number of £5 on offer.

For me, this points to a culture and practice within ScotRail of not considering or fully applying the advertising codes when advertising fares to passengers. I remain hopeful that this will change now ScotRail are a public body, and believe this would be helped with the consumer duty obligation applying to them. In my view, doing so would ensure that legal, decent and honest advertising would always be at the forefront of any consideration of future fare promotions, enabling claims to be verified and supporting passenger confidence in price claims.

Should the consumer duty be applied, I believe, ScotRail would be reminded to actively consider the impact of their decisions on customers, particularly their more vulnerable customers. This might include:

- consideration of proposals to only sell tickets via digital means;
- avoiding the need for a public outcry before introducing telephone sales (as has happened previously); and
- consideration of face-to-face ticket sales for this, or any other, promotion (e.g. [Club50](#) where older people save less when booking by non-digital means – only 10% compared to a 20% saving when booking online).

The Scottish Government have said that Consumer Scotland Bill will establish the consumer duty on relevant public authorities in Scotland to ensure that they safeguard the consumer interest in policy making. In doing so, they recognised that consumers will not have undue primacy - public health outcomes or environmental concerns may still take precedence, for example - but efforts should still be made to minimise negative impacts on consumers where there are competing policy interests.

By imposing the duty, they anticipate that:

- Considering and safeguarding the consumer interest will form part of the policy-making process from an early stage.
- There will be an increase in meaningful consultation with consumers and consumer groups during policy development.
- Reviews of consumer impacts of policies will be carried out after implementation to ensure that consumers are not being unreasonably or unintentionally impacted by the real-world consequences of the policy.

In my view, it would seem appropriate on this basis for ScotRail to be subject to the duty alongside the equality duty and other duties as a new public body.

Surely having a national railway with a duty to actively consider, with an open mind, whether there are opportunities to better promote consumer interests would be a good thing? Consumer rights should not be seen as a quick tick box exercise, but one where serious consideration of consumer impacts takes place as early as possible in any decision-making process. My question is why wouldn't the Scottish Government want to include ScotRail in the Consumer Duty?

Petitioner submission of 2 November 2022 PE1930/F: Ensure customers are always given information on the cheapest possible fare in new Scotrail contract

Following Freedom of Information Requests and a number of complaints, I have received news that ScotRail are now ensuring that 10% of advance fares are available from £5.

While the additional 5000 available £5 fares is great news, it only brings ScotRail up to the bare minimum requirements that should be available under the advertising standards.

Unless you have special knowledge and aren't simply travelling from one of the 6 or 7 cities which make the £5 ticket available, it is easy to miss out on the £5 fares. For example, someone booking a ticket to travel

from Aberdeen to Garrowhill on Saturday 12 November would see, on the ScotRail app, the cheapest single fare offered at £31.30. What they wouldn't see is the availability of a £5 fare to travel from Aberdeen to Glasgow Queen Street, and the £3.60 fare from Glasgow Queen Street to Garrowhill. This despite the fact the passenger would be travelling on the same trains to make this journey.

Without being able to see or ask for these fares via the ScotRail app, or through advice at a ticket office, it's easy for passengers to miss out on the cheapest fare and make savings, particularly during a cost of living crisis.

It is quite sad when a member of the public has to do so much to get a public body to do the bare minimum for its consumers, perhaps the next stop will be including Scottish Rail Holdings in the Consumer Duty?