Citizen Participation and Public Petitions Committee

8th Meeting, 2023 (Session 6), Wednesday 17 May 2023

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

Lodged on 28 March 2022

Petitioner George Eckton

Petition 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 <u>23 November</u> <u>2023.</u> At that meeting, the Committee agreed to write to the Scottish Government and Scottish Rail Holdings Ltd.
- 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 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 <u>petition's webpage</u>.
- 5. Further background information about this petition can be found in the <u>SPICe</u> <u>briefing</u> for this petition.

- 6. The Scottish Government's initial position on this petition can be found on the <u>petition's webpage</u>.
- 7. Every petition collects signatures while it remains under consideration. At the time of writing, 48 signatures have been received on this petition.

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/clearscotrailfare

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 23 November 2022

The Convener: The next petition is PE1930, which was lodged by George Eckton, on ensuring that, as part of any new ScotRail contract, customers are always given information on the cheapest possible fare.

The petition calls 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 to recognise the vital role of the existing ticket office estate in delivering on that aim.

We are joined by Monica Lennon. Good morning, Monica; it is lovely to have you with us again. We will hear from you in a moment.

The committee previously considered the petition at our meeting on 29 June, just before the summer recess, when we agreed to write to the Scottish Government and Transport for London. I am pleased to say we have now received responses from Transport Scotland and TFL, as well as two submissions from the petitioner.

Transport Scotland has indicated that the Scottish Government is considering whether Scottish Rail Holdings Ltd will be covered by the consumer duty legislation. Its response also contained information on the progress and purpose of the fair fares review, which is expected to be concluded in full at some point during 2023, and on the work that is being undertaken to develop and trial smart ticketing options.

The response from Transport for London provides information on how its farecapping and pay-as-you-go system operates, and on the work that goes into ensuring that customers can trust that they will always be charged the correct fare for their journey.

The petitioner has also been in touch to update the committee on the freedom of information requests that he has made to ScotRail about how the £5 city-to-city advance fares are advertised. Mr Eckton has shared information on how easy it is for passengers to miss out on cheaper fares when using the ScotRail app, and he has set out his view on why ScotRail should be included in the consumer duty.

Before I open it up to wider discussion, I invite Monica Lennon to speak in support of the petition.

Monica Lennon (Central Scotland) (Lab): Good morning. It is lovely to be back at this award-winning committee. That is me trying to get in with you all.

I was listening patiently at the back of the room. I was in West Lothian, which is not my region, at an event where Callum Isted was mentioned. He is a superstar with lots of fans, so I wish the committee well with your endeavours on his petition.

I wanted to come along to support George Eckton's petition because the issues that he has raised are of no surprise to me or my staff, given the emails that we get. Even before the pandemic, people would get in touch out of frustration about the price of rail travel and the reliability of services at times.

I have taken on the role of patron of Disability Equality Scotland, which has helped me to appreciate even more the points that Mr Eckton has made about the ease of getting information. I commend him for the efforts that he has made. I have looked at the correspondence between him and the Advertising Standards Authority. It should not be so difficult to get cheap fare information. The issue of access to staff and ticket offices is really important, too.

This issue has been of interest to me since before the pandemic, especially in the context of the climate emergency, because we need a modal shift to get people on to Scotland's sustainable rail network. We can do that only if the public have confidence in and can afford to use our rail services.

I know that your predecessor committee looked at a previous petition that was lodged by Mr Eckton. The petition was closed on the basis that the Scottish Government had given undertakings, but, from reading the petitioner's submissions, it looks as though they have not been fulfilled.

Colleagues might know that I am a member of the Net Zero, Energy and Transport Committee. I do not speak on behalf of the committee today, but I note that we have had the chance to ask the Cabinet Secretary for Net Zero, Energy and Transport and his officials about the fair fares review. It is frustrating that we do not have a clearer timeline for its completion. It was indicated that it will be "early 2023", but, from my experience in the Parliament, that could become the summer, and then summer could become winter or Christmas. We need certainty, which is why I feel that, although the fair fares review is looking at wider issues, Mr Eckton's petition should be considered and should inform that work.

This meeting is timely. I was looking at today's newspapers, in which there are reports that ScotRail's commuter numbers are down by 40 per cent, which means that revenue is down—it looks as though it is down by around 20 per cent on pre-pandemic figures—so making people feel confident about the service is a big issue. Part of the explanation for commuter numbers being down is that people who have the option to work from home are choosing to do so. However, many workers are taking into account the cost of getting to work and getting around, so, if they have the choice, many are saying that they will work at home and that they will not go to the office.

I am concerned for those constituents who, due to medical appointments or other issues, cannot be flexible about when they travel and are therefore not getting access to the most affordable fares. We should be abolishing peak-time fares—that should be looked at in the fair fares review.

As I said, I cannot speak for the Net Zero, Energy and Transport Committee, but, in his petition, Mr Eckton is clearly raising matters that are of interest to that committee. I note what Transport Scotland has said, and I note the information that has come from Transport for London—it was very helpful that Paul Sweeney prompted it to send that.

It is important to look at good and other practice where we can, but it is also really key for Mr Eckton's aspirations that we have a rail service in Scotland that is properly staffed. If committee members are not aware of it, I point them to the document, "A Vision for Scotland's Railways", which was prepared by Scotland's four rail unions and published in October 2021.

In Parliament, we often talk about challenges instead of solutions. That document has lots of good policy in it and, to be fair to the Scottish Government, some of it has already been actioned. It is important to look at the document, because, to achieve the sustainable rail network that we want to see, the executive summary says that we should

"Reduce ticket prices, abolish peak fares and simplify the ticketing system".

My understanding is that the Scottish Government has not formally responded to that document from the four rail unions. I declare an interest in that I am a member of Unite the union and the National Union of Rail, Maritime and Transport Workers parliamentary group. It is a good document that has cross-party support.

I am really pleased to have the chance to speak in favour of the petition, and I will be happy to answer questions. I hope that it is an issue that can be kept open and explored by colleagues across the Parliament and the Government.

The Convener: You are not a witness, so we cannot ask you questions.

Monica Lennon: Of course.

The Convener: You are just here to speak to the petition. Do colleagues have any recommendations for how we might proceed?

Paul Sweeney: I thank Monica Lennon MSP for coming along today and offering such a compelling account of why the petition is so important and why the committee should consider it.

I was struck by the submissions from Transport Scotland and Transport for London. According to Transport Scotland, "ScotRail delivered a pilot for Account Based Ticketing ... allowing for fare capping and tap in/tap out technology. The pilot took place on the Cathcart Circle ... 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 ... an account based ticketing trial has been included within its business plan".

I am not satisfied with that response. It is totally inadequate, particularly when viewed in contrast with the submission from Transport for London, which says:

"The core principle of our fares system is to make it as simple as possible".

TFL has a "best value promise" that,

"when travelling using pay as you go ... on Oyster or contactless"

debit or credit card,

"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."

The cheapest fare is no more than the cost of the equivalent travel card, and there is an automatic refund when a journey has not been completed. The contrast between the two submissions is striking—it is night and day. It is the greatest contrast between submissions to the committee that I have seen in recent times, and I think that there is an opportunity for the committee to probe further.

The Convener: I would certainly be willing for the committee to try to tease out an explanation. Transport for London deals with tens of millions of people using the system. The Glasgow pilot is referred to as being useful but not necessarily cost-effective on a commercial basis, which may reflect the numbers involved in relation to the cost of setting it up. I do not know. Any citizen of Glasgow who travels abroad is surprised at how far behind the smart technology is in the largest city in Scotland. There is more that we could tease out in relation to that.

Paul Sweeney: It is interesting that I knew nothing about the pilot, and I do not know how many Glaswegians knew about the pilot. However, I note that TFL says that it issues

"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)."

It goes on to say that it has seen "strong growth" in the adoption of pay as you go, with

"over 70 per cent of all journeys now made using PAYG."

I take the point about population density and scale, but, nonetheless, there are cities of equivalent size to Glasgow that have that technology and it works very successfully. I wonder whether, sometimes, there is risk aversion, leading to our not persisting with a measure that might initially make a bit of a loss but that, in the longer term or even in the medium term, would result in a perception change and in a lot more people using a service because it has become much more convenient for them to do so. Perhaps we can be too timid.

The Convener: It strikes me as peculiar that we have introduced barrier technology at a series of stations but that we cannot programme the barriers to be pay as you go. I would not have thought that that was impossible.

Who should we try to pursue these issues with? Meanwhile, we should write to the Scottish Government to clarify whether Scottish Rail Holdings Ltd is covered by the consumer duty legislation. If it considers that SRHL is not covered, we should ask what action it proposes to take to ensure that it is. It would be a deficiency if it is not.

I was also struck by what Mr Eckton said in his latest submission about how easy it is to miss the advertising on fares. We should ask SRHL about the action that it is taking to ensure that people can easily identify that. I would be very interested to know what advertising it does and how it evaluates whether that advertising has been successful.

Are there any other thoughts or comments?

Alexander Stewart: I, too, thank Monica Lennon for her presentation; she made some very valid points on the petitioner's behalf about the way forward.

Convener, you have identified that advertising is one of the biggest issues. There is a need to find out what action is being taken. These days, when someone purchases a ticket, nine times out of 10 it is not from an individual but through a machine. The machine tells them what the price of the ticket is, so they are not necessarily able to understand what options are available. They hit the button and it tells them what they can have. That process may not give them the cheapest or best-value ticket. Some of that needs to be looked at.

We have talked about technology and ensuring that developments can be made, but there is room for improvement as to how that can be managed on the ground.

Fergus Ewing: I preface my remarks by saying that I still feel as if I am serving my apprenticeship on this committee, so it may be slightly premature for me to say this. I wonder whether we are moving a bit beyond the specific ask in the petition towards a general tour-de-table discussion about the rail service in Scotland. That is perfectly interesting and valid, but to go back to what the petition says, it is very narrowly focused. I am not dismissing any of the points that have been made before the committee today, but is it not our primary role to focus pretty forensically and

ruthlessly on what the petitioner has actually asked for, rather than fish every sea in the ocean? Let us stick to our own waters.

The Convener: That is a perfectly fair observation. The actions that we have discussed can be linked back to the actual aim of the petition, but I agree that we have to be careful. Although I welcomed everything that Monica Lennon had to contribute, it invited us to stray slightly beyond, in a number of areas, the specific ambition of the petition.

We are always willing to receive an additional petition from another party on all those other matters. If we opened up an inquiry in the broadest possible terms in relation to every petition, we would—to extend your metaphor, Mr Ewing—be trawling very deeply.

Are members content to proceed on the basis of the various recommendations that we have had?

Paul Sweeney: On Mr Ewing's point, the important thing to focus on is TFL's submission, which discusses a technological solution that would deliver on the petitioner's request. The question then is why ScotRail is reticent to adopt such technology, when it is clearly deliverable in other jurisdictions in the UK and internationally. I am not convinced by its response.

The Convener: No. That is a fair point, which—as I said—relates to the petition.

Paul Sweeney: It may be analogous to the Highlands and Islands Airports Ltd investigation, which involved technology for the air traffic control system. It is perhaps not entirely similar with regard to the impact on jobs, but there is something in the fact that it involves a technological solution to deliver a performance outcome in transport. There is also the matter of the unconvincing response from ScotRail.

I do not know whether there is some engineering expertise that we could approach.

The Convener: Let us, in the first instance, pursue the issue a little bit further and see where that takes us. We can consider that response in due course. I thank Monica Lennon for her evidence.

Are members agreed on the way forward?

Members indicated agreement.

Annexe C

Transport Scotland submission of 25 January 2023

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

Thank you for your letter of 25 November 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 to this letter:

- 1. Will Scottish Rail Holdings Ltd be covered by the Consumer Duty legislation?
- 2. If Scottish Rail Holdings Ltd is not covered, what action is proposed to ensure that the organisation will be covered by the Consumer Duty legislation, and what is the timescale attached to that action?
- 3. What action is the Scottish Government taking to support transport operators in developing and deploying tap in/tap out PAYG technology?

I hope this information is helpful.

Annex A

1. Will Scottish Rail Holdings Ltd be covered by the Consumer Duty legislation?

2. If Scottish Rail Holdings Ltd is not covered, what action is proposed to ensure that the organisation will be covered by the Consumer Duty legislation, and what is the timescale attached to that action?

The Scottish Government is currently considering whether Scottish Rail Holdings will be covered by this legislation. Whilst the Scottish legislation predates the creation of Scottish Rail Holdings, the intention is that all public bodies will be covered by the Consumer Duty.

However, as highlighted in the previous response to the Committee, the sale of tickets is a reserved matter and the contract with the consumer is governed by that. Consideration of the interaction of devolved and reserved matters will form part of the Scottish Government's Consumer Duty scoping work which is expected to begin in 2023.

3. What action is the Scottish Government taking to support transport operators in developing and deploying tap in/tap out PAYG technology?

Transport Scotland, on behalf of the Scottish Government is committed to supporting the industry, operators and transport authorities to enhance their smart ticketing.

Passengers seek simplification and ease of use. That is why we supported the creation of integrated 'smartzones' across Scotland, providing smart multi-operator bus travel in Aberdeen, Dundee, Glasgow and the South East. In 2019 we further enhanced the interoperability of ITSO smartcards in Scotland, meaning passengers are able to use just one 'universal' smartcard to travel on bus, rail, tram and subway, including the NEC card.

Working with bus operators, we recognised that more passengers wanted to use contactless bankcards to pay for services and since 2018 have supported its growth on buses through our £1.1m Smart Pay Grant Fund to upgrade ticketing retail equipment. As a result, over 95% of buses in Scotland now accept contactless payment, vastly simplifying on-board payment for passengers. This provides the infrastructure to allow PAYG on buses, should operators aspire to do so.

First Glasgow has recently launched tap-on-tap-off on all of their services and a number of the larger operators (Lothian, First Aberdeen, McGills) have coupled contactless payment with capped fares, which provides passengers with the convenience of a set daily fare calculated by the number of tap on's (and no need to tap off). This reflects feedback from usage which indicates passengers often forget to tap off and, coupled with the costs of installing tap off readers, a set fare could be a better alternative. Our engagement with operators indicates they continue to review customer feedback, whilst making significant enhancements to their ticketing technology to provide PAYG, noting its popularity with passengers. We also note and support the Glas-go Bus Alliance aspirations to introduce multi-operator capping across Glasgow in 2023, with a view to incorporate other modes in 2024.

We recognise there is more to do. Therefore we are progressing measures in the Transport (Scotland) Act 2019, setting a framework to enhance delivery and the standard of smart ticketing.

This includes establishing the National Smart Ticketing Advisory Board to advise the Minister on smart ticketing and a technological standard to enhance the consistency and interoperability of smart ticketing. This standard should create more opportunity for integrated smart ticketing schemes between operators and modes.

There is also opportunity for further enhancing smart ticketing on rail. Currently m-tickets and ITSO smartcards are available and used for around 33% of journeys. Transport Scotland is strongly supportive of multi-modal Account Based Ticketing – on mobile, ITSO or contactless – and recognise the significant benefits this provides to both passengers and operators, improving journey interactions, enhancing data, increasing trust and encouraging modal shift. ScotRail is evaluating the options to upgrade the infrastructure to support usage of contactless bankcards on the rail network.

Following a trial in 2019 of ABT using ITSO smartcards linked to the customer's bank account, Transport Scotland is currently engaging with ScotRail on future opportunities for ABT introduction. The trial in 2019 demonstrated that the proposition was popular with customers, however a wider implementation and maintenance costs were unsustainable at that time. As more technology solutions come to market, we are keen to identify any new opportunities in this arena, albeit mindful of the current fiscal situation.

We also believe that more information should be available to passengers, so they are more empowered and confident to use public transport and trust they are paying what they need to. That is why we are upgrading the digital travel data services that sit behind Traveline Scotland and other journey planner providers, and will develop the Open Data provisions in the Transport (Scotland) Act 2019. This will result in more bus fares information being made available in an open format, as well as information on accessibility, active travel and realtime data meaning they are more informed about their journey and feel empowered to shift to public transport.

Noting the significant impact of the pandemic on travel behaviours, and advances in technology, Transport Scotland will be refreshing the 2018 Smart Delivery Strategy. This will set the vision for smart ticketing in Scotland, recognising the significant enhancements operators are making, and how Transport Scotland can guide and support operators and local authorities to provide simpler, easier, smarter journeys for passengers across Scotland. This will include recognition of PAYG/Account Based Ticketing as a key opportunity to enhance the attractiveness of public transport.

Update on Fair Fares Review

The Scottish Government is progressing the Fair Fares Review to ensure a sustainable and integrated approach to public transport fares.

The Fair Fares Review is considering both the cost and availability of services and the range of discounts and concessionary schemes which are available on all modes, including bus, rail and ferry. It will develop and assess 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.

The review is expected to conclude in early 2023 with the launch of a public consultation on a Draft Vision for Public Transport which will give people across the country the opportunity to shape the future of public transport in Scotland.

Petitioner submission of 1 March 2023

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

My response, in relation to the consumer duty, is quite short.

My concern is not just about point of sale but the wider advertising environment to all customers, and also to specific group by characteristics or barrier such as digital exclusion. It's welcome the Scottish Government are considering whether Scottish Rail Holdings will be covered by the Consumer Duty legislation, but presumably all public bodies should be subject to it by default with a case being made for those considered for exclusion.