

## Introduction

This briefing provides evidence from Consumer Scotland in advance of the Members' debate on the abolition of peak rail fares led by Bob Doris, MSP for Glasgow Maryhill and Springburn on Thursday 4<sup>th</sup> September. The briefing considers the impact that the abolition of peak fares for rail passengers may have for consumers and how it fits alongside wider Scottish Government aims to reduce transport emissions and promote sustainable travel.

<u>Consumer Scotland</u> is the statutory body for consumers in Scotland. Established by the Consumer Scotland Act 2020, we are accountable to the Scotlish Parliament. We have an ongoing policy and research workstream on consumers' experiences with public transport in Scotland.

## **Key Points**

Consumer Scotland supports the abolition of peak rail fares. This will contribute towards making rail travel more affordable for existing passengers and it may encourage a shift from private car use to more sustainable travel methods.

<u>Consumer Scotland research</u> found that 65% of consumers want to reduce their carbon emissions by using more sustainable methods of transport. However, many people face significant barriers to doing so – including cost-related barriers. Wider work is also required to address the issues consumers experience:

- The <u>evaluation</u> of the initial peak fare removal pilot shows that removal led to a 6.8% increase in demand for rail services, However, it was also concluded that the majority of this demand came from existing users, or additional journeys, with limited shift from private car use.
- Removing peak fares means that consumers will pay the same 'Anytime' fare, no matter
  what time of day they are travelling. However, Anytime fares are not necessarily the
  cheapest option. There is still work to be done to simplify fare structures for consumers to
  ensure they know how to get the best deal possible.
- Measures to reduce transport costs in order to encourage public transport use are most likely to be effective where consumers are well served by services. They are less effective where there are fewer services available or where services have long journey times.
- Our recent <u>briefing</u> on consumer attitudes and behaviours related to sustainable transport showed that affordability, convenience, safety concerns, and accessibility are all important factors influencing whether consumers, and especially those in vulnerable circumstances, are willing and able to make sustainable transport choices.
- Consumer Scotland has recently published a <u>consumer framework</u> for addressing climate change. This framework is based on a review of key evidence in relation to climate change and net zero legislation and policies. It has identified cost, convenience, clarity, and confidence (the 4 Cs) as key issues for considering the role of consumers in progressing the transition to a more sustainable future.

## **Simplifying Ticketing and Minimising Costs**

Removing peak fares is a welcome measure for rail consumers and will help to simplify ticketing and make fares more affordable. Beyond this, there are a number of other measures that should be considered.

**Further simplification of the ticket structures for rail users.** The structure of rail fares is reserved but there are proposals under the <u>Railways Bill</u> to simplify rail ticketing by developing a single UK-wide ticket structure. Consumer Scotland supports these proposals, but it is important that future structures are user tested with consumers to ensure that they are easy to understand and use.

**Prioritising the cheapest fares.** Simplification of the ticketing system should not come at the expense of the most affordable options for consumers. Some consumers still may be able to access cheaper tickets via advance or split ticketing options. Scotrail hosts a fare comparison tool allowing consumers to identify the cheapest fare for them, but this does not include advanced or split ticketing options. As the rail fare structure is simplified, there is a need to maintain and promote access to the most affordable fares. Consumers should be able to easily identify the cheapest fare option for them within the new structure, regardless of whether they purchase tickets in person, or via digital platforms.

Increased integration in ticketing. Increased integration of ticketing between modes and operators could further simplify fares and save consumers money. We support the continued work of the National Smart Ticketing Advisory Board and the delivery of the Smart, Digital, Integrated Ticketing and Payments Delivery Strategy, but it is important that this work does not lose momentum.

Measuring the impact of removing peak rail fares. Successful implementation of the Transport Just Transition Plan will require extensive evaluation of policy interventions. This is also the case with removal of peak rail fares. Ongoing measurement of the impacts of removing peak fares will be necessary to assess whether consumers are making new journeys, to establish consumer views about services and to estimate the impacts on transport emissions. This evaluation would help inform future policy interventions across the transport network.

## Other measures to promote take up of sustainable travel by consumers

Affordability, convenience, safety concerns, and accessibility are all important factors influencing whether consumers, and especially those in vulnerable circumstances, are willing and able to make sustainable transport choices.

While affordability of public transport is very important to consumers, <u>our research</u> shows that **availability of services** also strongly influences consumer behaviour. As with <u>concessionary fares</u> <u>for bus use</u>, cost savings alone may not make public transport more available or convenient.

Abolishing peak fares is more likely to encourage higher rail use by consumers in areas with more extensive rail services. The geographical differences between urban, rural, and island regions in

Scotland results in differing experiences for consumers in each respective area. In rural and island areas, with more sparse populations, lack of public transport services and infrastructure can render sustainable transport 'out of reach' for many consumers. We have previously recommended that the Scottish Government and Transport Scotland work to <u>identify regions</u> where strategic investment in underlying infrastructure, including new or refurbished lines or stations may help unlock rail travel for consumers who currently have limited links. Alongside this, efforts to integrate ticketing and journey planning, projects that help integrate physical infrastructure, such as mobility hubs, may also improve consumer experiences.

**Convenience** is important to consumers and 53% of respondents in our research cited journey time as a barrier to making sustainable choices. More work needs to be done to reduce journey times by reducing congestion and considering priority measures for sustainable transport methods. Improvements to journey planning and real time travel information can also support this

Our research showed that 11% of consumers felt a **lack of safety** was a barrier to adopting more sustainable travel methods. 38% of those with a disability or long-term health issue also considered **accessibility issues** to be a barrier. More work is required to address these issues for consumers in vulnerable circumstances if they are to be able to safely access services. Consumer Scotland is planning to publish a report on safety and accessibility on public transport in 2026.

Finally, our research found that **17% of consumers do not know how to reduce their transport carbon emissions**, while 15% didn't think their actions would have an impact. We have therefore recommended that Transport Scotland should design and deliver a new consumer engagement programme to support the implementation of the Just Transition Plan for Transport in Scotland.

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