



## The Fair Fares Charter

We already have by far the highest rail fares in Europe. Ticket prices have increased by over 45 per cent in real terms in just 10 years. Such high fares risk pricing people off the trains, with negative consequences for passengers, the environment and the economy. Although the Government has committed itself to fair pricing for rail travel, there has been no clarity as to what is meant by fair fares. This Charter sets out what we want to change, highlighting what we think fair pricing is, along with simple and affordable ways this could be delivered.

### We believe rail fares should be:

1. **Cheaper:** Regulated fares should fall gradually, over time to the European average. The high premium paid for flexibility and peak-time travel should be reduced
2. **Fairer:** reasonable peak times, options for part-time workers, and above all services that provide good value for money
3. **Simpler:** straightforward, transparent pricing and smart tickets that remove barriers to choosing the train

Fairer fares are achievable within the mechanisms that are available to the Government or by train companies themselves. The proposals below show how the Government, working with the rail industry, could deliver fairer fares.

### Cheaper

Cap annual regulated fare increases below inflation using a more widely recognised formula to bring the UK in line with other European Countries

Regulate and set a ceiling on the price of all walk-on fares bought on the day

Allow Advance tickets to be bought up to a few minutes before the train's departure from its originating station, and make public the number of Advance tickets initially released for specific time bands

Introduce a National Railcard for everyone, with a one-off fee that provides discounted travel (similar to the current Network Railcard for south-east England)

### Achieved by

The Department for Transport (DfT) should change the formula it uses to regulate fare increases from the Retail Price Index to the more widely recognised Consumer Price Index (CPI), and move towards a goal of improving affordability with a CPI -1 per cent formula in future

DfT should bring all walk-on fares under the regulated fare system and include requirements in individual franchises

DfT should work with Association of Train Operating Companies (ATOC) to amend the ticketing and settlement scheme so that individual train companies move to deliver this

Following the recent introduction of the 'Two Together' railcard for couples the DfT should work with ATOC to introduce a railcard for everyone, which covers joint ticket products and allocates the revenue back to train companies

## Fairer

Introduce flexible ticketing for part-time workers across the whole of the rail network using smart ticketing technology

Allow passengers to pay the difference between what they have paid already for an Advance ticket and the appropriate new ticket if they miss their train or need to change their plans

Invest in new trains for the most overcrowded routes, and provide stronger incentives for operators to meet the requirement of providing peak-time passengers with a seat within 20 minutes of boarding

Improve on current network coverage (number of routes and frequency of services) and incentivise train companies to improve punctuality and reliability

Increase capacity in standard class by taking a more flexible approach to First Class. For example, where First Class is consistently under-used, re-allocate some first class carriages to standard class

## Simpler

Transparency from the rail industry with open data and information on train fares, cancellations and platforms to encourage innovation and competition

Regulate the periods that can be classed as 'peak', and reduce the premium that can be charged for peak travel

Require that the cheapest ticket for a particular journey is clearly displayed and offered, and require that the through fare never exceeds the sum of walk-on fares for individual legs of the journey, therefore eliminating anomalies such as split ticketing

Introduce a simple, zoned, integrated fare structure in metropolitan areas outside London, standardised across cities, with smartcards

## Achieved by

The DfT should provide a clear timetable for the promised introduction of flexible ticketing for part time workers, whilst ensuring that this is rolled out to commuters as quickly as possible

DfT should work with ATOC to allow passengers to pay the difference between what they have paid already for an Advance ticket and the appropriate new ticket

DfT should set out a clear strategy for reducing overcrowding and ensure that this is followed through in awarding and monitoring individual franchises. It should provide incentives including clear responsibility for investing in new trains and should ensure that the Office of Rail Regulation enforces current requirements to prevent overcrowding

On individual franchises, the DfT should increase the weight given to punctuality and reliability proposals in assessing bids, and should maintain train frequency and first/last train specifications in new franchises

DfT should work with ATOC so that First Class signage on new and refurbished rolling stock is more flexible and include as a requirement in new franchises that First Class should be allowed to be occupied by standard ticket holders on shorter-distance journeys when Standard is full

## Achieved by

DfT should work with ATOC and Network Rail to ensure that new and existing ticketing retailers and train information providers are able to access the same amount of data as National Rail Enquiries, with appropriate quality controls

DfT should include a common definition of peak time in rail franchises as they come up for renewal, and introduce a relative price formula for peak time compared to off-peak fares

DfT should ensure all ticketing data is relevant and up to date, and require that all new rail franchises ensure that station ticket offices and machines are able to sell the cheapest tickets for journeys at any time

DfT should work with the passenger transport executives in the main cities outside London to introduce new fare structures with tickets valid across operators, as recommended by the initial Competition Commission report on the bus market. This should be a core aim of the DfT smart ticketing strategy