

# Our submissions to the House of Lords Built Environment Committee

## inquiry on Williams Shapps & rail fares: a Summary

On 1 July 2021, the House of Lords Built Environment Committee announced an [inquiry into the Williams Shapps rail fare reforms](#). Railfuture appeared before the committee to give [oral evidence](#) and also submitted 3 papers: on fares generally, on the flexi-season and on ticketing. These are [available on our website](#); this is a one page summary of our key messages in those papers.

There are considerable risks with remaining with the status quo

Show intent by switching from the traditional RPI (+ X) inflationary rise for 2022

Two strands are needed: Tactical improvements + the strategic redesign

Simplify: Definitely, but passengers still need plenty of choice

Headline high prices, cliff edge pricing and uncertainty = significant disincentives to using the railway = a low trust view = results in lost revenue

Switching away from RPI – and avoiding an uplift above (eg use CPI), will send an important message of intent. Of course, no increase would be better, but we recognise the current budgetary pressures.

Fundamental reform will take time: too much time, so a second strand needs to make improvements to current fare arrangements to address the worse of the current anomalies

Simplification is a must: but too much could reduce choice too much: It is the core design that needs to be simple – not the number of fares

### 19 improvements in the shorter term

(QW = Quick Win)

**Split Tickets:** 1. Reduce prices for Anytime and Off-Peak through tickets to less than the sum of the parts QW & 2. Improve the selling process for remaining situations.

**The multitude of ticket restrictions:** 3. Better explain them (eg “Super Off-Peak” is vague) QW & 4. Merge and eliminate the smaller differentiations in validity periods etc.

**Operator only fares:** 5. Eliminate single operator fares where there is just a small difference in price QW & 6. Rationalise fares where multiple operators have set materially different fares.

**Fares:** 7. Tactical improvements to the Flexi Season QW; 8. Add “Missing fares”; 9. Reduce headline fares where these fares are only a small portion of sales; 10. Consider tactical options to encourage travel on Mondays & Fridays & 11. Consider encouraging “upselling” from Standard to First.

**E-Ticketing:** 12. Extend existing National Rail Smartcard PAYG to cover more stations QW [starting this]; 13. Increase visibility of different Contactless and National Rail prices QW; 14. Find e-ticket solutions for more cross London journeys; 15. Improve the usability of e-tickets (including when responding to disruption); 16. Extend use of Bank Contactless Cards for PAYG ticketing.

**Railcards:** 17. Simplify conditions QW; 18. Consider a national Railcard (using purchase price of the Railcard as the differentiator).

**Other:** 19. Not strictly Fares: Related activity.

### 4 key principles for the longer term

1. **Retain the “Turn up and go” Railway** for all types of journeys and route > These fares need competitive pricing [and, we agree: Pay in advance & choose a specific train = a better price].

2. In the new world, **the start point for pricing single legs needs to be 50% of the current applicable return fare** (eg for an off-peak day return) not the existing single fare / care will be needed to avoid unwanted / unintended consequences.

3. **The approach to rewarding regular travel to work should be revised.** Comments on the Flexi-Season show how this design is sub-optimal. Options including capping, loyalty bonuses, reducing prices as usage increases, free days etc (the traditional season ticket offering (unlimited travel in a period for a set price) is still needed).

4. Consideration needs to be given as to how to **reward very regular travel that doesn't qualify for travel to work** like rewards – eg “Railmiles” and a switch to a single Railcard, with cost of the card varying according to personal circumstances.