

# Fare play? Not for rail passengers

## Railfuture challenge to train operators

By Mike Crowhurst

There appears to be a connection between high premium franchise bids and high fare increases.

This trend, already established by GNER, and now seemingly adopted by First Western, consists of seeing off your rivals with an unbeatable offer to the Department for Transport, then making your passengers pay through the nose to fund it.

So much for the myth that competition for franchises would be in the interests of users!

A detailed record of fare increases and franchise bids needs to be kept from now on. Then we will see if this link is demonstrated statistically in future.

According to some reports, a national railcard has been ruled out because, according to the Association of Train Operators, train companies would lose revenue.

Back in 2003 Railfuture (with assistance from the Rail Passengers Council) commissioned research by the Railway Consultancy into the commercial viability of a national railcard.

That independent work concluded that a national railcard "can foster usage of the railways during off-peak periods, making more efficient use of the available capacity, yet generating profit".

In other words, any revenue lost from existing users would be more than offset by revenue from newly generated business.

Experience with similar schemes in other countries was also examined.

This study was widely acclaimed at the time, even by Transport Secretary Alistair Darling who commended it to ATOC and the Strategic Rail Authority.

But Railfuture was unable to fund a full market research analysis at the time.

I challenge ATOC to commission such a study from the same consultancy now, to follow this work up.

Instead of which we have yet more rumours about the future of Saver tickets. Again, GNER seem to be leading the pack, having already driven a coach and horses through Saver regulation. If Anthony Smith



**TICKETS PLEASE: A Swiss rail traveller shows her ticket (an image on a mobile phone screen) to the ticket collector on board her train. Passengers can now order their tickets in this way from home or on the journey to the station as long as they have an MMS (picture messaging) mobile phone. The phone shows a return ticket from Bern to Zurich**

Pictures: SBB

of the Rail Passengers Council is right, we could see another attempt to abolish Savers altogether.

Regulation, it is clear, is no safeguard.

Railfuture will back the RPC all the way in fighting abolition of Savers, which would be disastrous to millions of ordinary rail users.

## Cash points

£ Midland Mainline has managed to increase ticket prices by 130% in some cases by the simple expedient of barring the return half of Savers before 09.01. Previously, this restriction only applied to trains towards London. Information from Dave Burbridge.

£ In Ireland employers can buy Taxsaver Commuter Tickets for their workers tax free. The scheme was introduced in 1999 and has grown significantly over the past two years with over 1,000 companies now purchasing monthly and annual commuter tickets for their employees. The employees enjoy benefits of between 26%-48% in tax-free travel while the company receives savings of up to 10.75%. The majority of annual tickets are based on a 10-month price so the individual not only receives a saving on their tax bill but they get two months of free travel. Canada is also set to give income-tax relief on the price of season tickets.

£ There seems little incentive for train operators to offer cheap fares. Receiving massive public subsidies virtually guarantees them profits. The Gov-

ernment fails to include proper requirements in franchise agreements for socially inclusive fare levels. In January, the Government gave the go-ahead for even higher fares.

There are not enough incentives for train operators to offer low fares on trains that are running empty.

£ If train operators made more effort to collect existing fares, they might not feel the need to put them up so much, suggests Graham Larkbey. Some lines are effectively free railways.

£ A Saver ticket from Ely to Birmingham now costs £39.50, an increase of 3.95% on last year. But Railfuture member Jerry Alderson has found that by buying two separate day return tickets for Ely-Stamford and Stamford-Birmingham, you can travel for £21.80. He advises that you can buy both tickets before you travel and you do not have to get off the train at Stamford. There are probably many other examples of similar journeys around Britain where you can also save money in this way.

£ GNER is reported to have put up the cost of unregulated fares by 8.8% but the cost of some business Saver tickets from Newcastle to London went up by 28%.

£ The open return fare from London to Manchester now costs £202, an increase of 8% on last year. The first class fare is now £311, an increase of 7.4%

£ Midland Mainline runs a system where passengers who buy their tickets on the train cannot benefit from any reductions

or railcard discounts. Your co-editor has witnessed a bemused traveller (an American tourist) from London to Nottingham having to pay £98 for a return ticket. In Switzerland, people who have to buy tickets on board trains now have to pay a surcharge of £2. That seems a fairer system.

£ The RMT rail union says that British rail fares are up to three times more expensive than many countries in Europe.

£ South West Trains has launched a cut-price ticket selling tickets from £1, plus a 50p booking fee. Megatrain tickets are available at very low prices on early morning, late evening and other unpopularly timed trains from some SWT station. The discounted tickets have to be bought on the internet, cannot be used on Sunday and will not be available to buy at stations. Stagecoach chief executive Brian Souter said: "Megabus has caught the imagination of the travelling public. We hope the Megatrain pilot scheme will enjoy the same success." More information at [www.megatrain.com](http://www.megatrain.com)

£ Most of the National Trust's travel expenses are used on rail, with the monthly bill being around £15,000. Since the trust moved its headquarters from London to Swindon, the most common journey is to London. The trust uses the online booking service run by Harry Week. "All our staff now do their bookings themselves," said an NT spokesman. "They type in the journey, the date and the number of seats and our budget code, and reception gets back on email to say the booking is made. We then print our own tickets here. We have always been an organisation that has used the train and we travel generally everywhere." Information from *Business Travel World* magazine.

£ Every month there are up to 500 employees of department store John Lewis travelling across the country by train. John Lewis uses the Harry Weeks Travelpack online system and has its own ticket printing machine at its headquarters in London.

Travel manager Marcia Gibbs said: "We encourage travellers to book well ahead. You can get superb fares online. If you book far enough ahead you can get first class as cheaply as standard or you can get a single each way which is cheaper than a return. We are delighted about this as a company." Information from *Business Travel World* magazine.

For more information and views about fares, please see Your Letters on page 8.