

## Consultation questions

### Response ID ANON-CN5F-RE4G-X (Re-formatted for clarity)

*Please answer as many or as few questions as you wish and please continue onto a separate page if you have additional comments to make.*

*There are questions relating to each chapter of the consultation, then at the end you will find some additional questions about how you use the rail network - answering these will help us understand how the proposals we are consulting on might affect different groups of rail users around the country differently.*

Your name: **BR Fares.com**

Your email address, if you have one: **info@brfares.com**

Your postcode (so that we can analyse responses by region): **Not located in UK**

*If responding on behalf of an organisation, please state which category below best describes your organisation:*

- ~~Representative organisation~~
- ~~Trade Union~~
- ~~Interest group~~
- ~~Local Government~~
- ~~Central Government~~
- ~~Rail industry~~
- Other (please specify): Independent Website providing user-friendly Rail Fares Information**

## Chapter 1: Principles of fares and ticketing regulation

*The consultation document sets out the Government's objectives for regulating rail fares and ticketing as:*

- Protect passengers from possible market abuse and ensure that rail travel remains affordable for a wide group of people, particularly where they do not have a realistic alternative*
- Allow more scope for innovation in fares and ticketing and encourage train operators to make better use of the capacity that is available*
- Ensure passengers are treated fairly when they are buying tickets, and have easy access to a complaints handling system if problems occur when buying or using tickets*
- Ensure that from a passenger perspective the rail network operates as an integrated whole*

*1.1 Do you agree these are the right objectives? Is there anything we've missed?*

- ~~Agree~~
- Disagree**
- ~~Not sure~~

*Additional comments :*

### **Innovation in Fares and Ticketing**

I agree with the first, third and fourth objectives. The second objective, “*Allow more scope for innovation in fares and ticketing and encourage train operators to make better use of the capacity that is available*”, seems to me to go contrary to recent policy and developments. In particular, the 2008 fares simplification exercise, which was widely supported, brought a “one size fits all” approach to all the different types of advance purchase tickets offered by the TOCs. Previously there was a lot of scope here for individual TOCs to innovate to spread demand, for example with return fares that were binding to a single booked train for the outward journey, but more flexible on the return journey. This confusing variety has been removed, with the removal being widely hailed as a success.

I would also note that there are various existing examples of TOCs offering innovative products to reduce demand in the morning peak, for example Transpennine Express offer “Early Bird” season tickets for travel from Leeds into Manchester that aren't valid for arrival in the morning peak nor departure in the evening peak. One-off supplements are payable to upgrade these to peak tickets for a day at a time. First Capital Connect offer carnet tickets to London in peak and off-peak variants, which can be “mixed and matched” for people working sporadically at odd hours, and provide a good saving over purchasing anytime returns.

I therefore take issue with the suggestion that there is a need to allow more scope for innovation in fares; the scope is there already if TOCs choose to take advantage of it, and indeed it has been reined in somewhat by the 2008 fares simplification exercise.

### **Ensuring an Integrated Network from the Passenger Perspective**

I believe that objective 4, “*Ensure that from a passenger perspective the rail network operates as an integrated whole*”, is not currently being fully achieved. There is already plenty of evidence to suggest that passengers are confused by different TOCs strongly marketing fares that are only valid on their services, and that for example website booking engines do not make it clear to passengers that non-advance fares are valid on later trains other than the booked one, and also valid on other operators. Other protections such as the ability to obtain excess fares to allow travel out by one route and back by another, and to break a journey overnight on certain fares, are not promoted by TOCs at all. Obviously it is in their financial interest for passengers to buy separate, more expensive, single tickets in these sorts of situations.

There is evidence too that even very senior staff at TOCs are not fully aware of the extent to which the rail network operates as an integrated whole, such as the answers given by CrossCountry's Head of Communications in an interview in the *Guardian* on 12th April 2012, when he incorrectly stated that passengers would not be covered for delays when making a single rail journey using two separate advance single tickets.

I believe more attention should be given to achieving objective 4.

The consultation document explains that Government regulates by:

- *Protecting the availability and level of certain fares, generally:*
  - *commuter fares;*
  - *off-peak fares for longer-distance journeys;*
  - *Anytime fares for shorter-distance journeys;*
- *Requiring train operators to participate in the National Rail Enquiries service and the National Rail Conditions of Carriage and ensuring that:*
  - *a through fare can be purchased between any two stations even if it involves using the services of more than one train operator;*
  - *a ticket from A to B can be used on the trains of any operator for that journey, unless it is specifically stated to be valid on only one operator's services;*
  - *where train operators have a station ticket office or machine, they are required (except in certain defined circumstances) to sell tickets for any journey by any operator.*

*1.2 How effective do you think the current system is in achieving the Government's regulatory objectives?*

- ~~*Very effective*~~
- ~~*Effective*~~
- **Ineffective**
- ~~*Very ineffective*~~
- ~~*Don't know*~~

*Additional comments:*

### **Time Restrictions on Regulated Fares**

First of all, I believe the requirement that regulated off-peak returns need not be valid before 10:30, while it certainly would be appropriate when applied to fares in commuter areas, is inappropriate for long-distance journeys and is overly draconian. For example, CrossCountry have recently applied a blanket "not valid before 09:30" restriction to virtually all off-peak returns priced by them. Plymouth to Aberdeen is an example: although CrossCountry run a daily through train in each direction on this route, it is now impossible to make the journey on this train using a normal off-peak return.

Some even longer journeys, e.g. Plymouth to Kyle of Lochalsh, are now impossible to make in one day using the regulated fare, and require an overnight stop. I find it hard to reconcile this situation with the statutory requirement of the Franchise Director to ensure that fares are reasonable (paragraph 2.27, Rail Value for Money Study "Research Project on Fares"). I do not believe it is reasonable to require than an overnight break of journey must made (with all the additional expense that entails) in order to make use of a regulated fare.

Historically most long-distance saver fares for journeys avoiding London were unrestricted in terms of the times they could be used. I believe it is worth investigating the possibility of separate restrictions on **morning** validity for regulated fares to and from the London commuter area, and perhaps for other shorter-distance regulated fares, and for (long distance) regulated fares that avoid London.

I also do not believe that DfT are currently effectively enforcing the requirements on validity for regulated fares. For example, earlier this year a member of the public noticed that London Midland had introduced afternoon peak restrictions on some of their off-peak returns to Birmingham. This is contrary to the requirement for these fares to be available after 10:30 Monday to Friday. This was pointed out on an internet forum, responded to by a member of staff from London Midland, and the restrictions were changed. But I believe DfT should be actively monitoring these and not relying on members of the public to spot when TOCs try to circumvent the rules.

### **Impartial Ticket Machines**

I was not aware that “*where train operators have a station ticket office or machine, they are required (except in certain defined circumstances) to sell tickets for any journey by any operator.*” I was under the impression this only applied to ticket offices. As far as I am aware, Southern are the only TOC that operates ticket machines that can sell walk-up tickets for any journey. All other TOCs operate ticket machines that only sell tickets for journeys starting at the station they are located at. There are many and varied reasons why someone might need to buy a ticket starting from a different station, the most obvious being that they will later be returning to a different station further along the line.

I also do not believe there are any ticket machines currently in service that can sell tickets for which a compulsory reservation is required, for example advance fares.

I believe it would be a major step forward if TOCs were required to ensure that ticket machines, as well as ticket offices could sell tickets for any journey by any operator.

### **Regulation of Excess Fares**

The Ticketing & Settlement Agreement (TSA) enforces a number of requirements relating to excess fares, whereby a ticket may be changed to have a different origin (for example when the origin station only had ticket machines available, that would only sell tickets from that station, but the passenger needed a ticket from a different origin), or a change of route to allow an outward and return journey via a different route, or an upgrade to first class, or a number of more obscure scenarios. The availability of excess fares is in my opinion an important part of the integrated passenger network, allowing as it does a passenger to change their plans or to not be penalised because of limited ticket selling facilities where they started their journey.

Obviously it is in TOC's financial interest to sell passengers separate single tickets rather than excessing the ticket they already have—and it follows that it is not in their interest to advertise the availability of excess fares, thus not many passengers are likely to avail of them.

I believe that it is important to ensure that this apathy on the part of TOCs to advertise the availability of excess fares does not therefore lead to their removal “through the back door”, and consideration should be given to clearly defining the rights of passengers

under the excess fare arrangements in the TSA and enforcing the requirement for TOCs to offer these fares through regulation.

### **Regulation of National Routeing Guide**

I am very surprised that the consultation document does not appear to mention regulation of the National Routeing Guide (NRG). Paragraph 10-6 (1) of the TSA says *“The Routeing Guide may, with the consent of the Authority, be altered from time to time by a resolution of the Ticketing and Settlement Scheme Council, passed by a 75 per cent. majority. Before giving his consent, the Authority will consult with any relevant RPC(s).”*

There is much evidence that many changes are being made to the NRG, often severely restricting the routes available to passengers and thus requiring them to pay higher fares, without consent being sought from the DfT nor consultation with Passenger Focus taking place. For example, a Freedom of Information request to the DfT earlier this year ([http://www.whatdotheyknow.com/request/reason\\_for\\_withdrawl\\_of\\_easement](http://www.whatdotheyknow.com/request/reason_for_withdrawl_of_easement)) describes a change made to the NRG that required customers travelling to Motherwell from the south to purchase a ticket to Glasgow, and an additional separate ticket from Glasgow to Motherwell, to make their journey, when previously it was allowed with only a ticket to Motherwell.

The response to the FOI request appears to show that that the DfT were neither consulted about nor aware of this change, which was in force in the published version of the Routeing Guide for a number of months. In my opinion this situation is not acceptable. I believe this example is only the tip of the iceberg in relation to unauthorised changes that have been made, many of which have required passengers to pay substantially more for their journeys.

The DfT must start to fulfil its obligations and enforce regulation of the National Routeing Guide. It would also be very worthwhile to investigate the extent to which unauthorised changes have been made over the years. In my opinion, maintaining the validity of regulated fares over the permitted routes for the journey is of similar importance to keeping the price of the fare within a certain limit.

### **DfT Micro-management of Fares Database**

Finally, I note that there appears to be no definitive list of which fares are regulated; rather fares are regulated if they existed in the fares database at a certain date. I believe the way this regulation is framed means the structure of the fares database is effectively set in stone and amounts to unnecessary micro-management by DfT.

I believe a more robust long-term solution would be to provide a detailed list of every point-to-point fare that is regulated. Extracting this should not be beyond the capabilities of modern computers, and would free the TOCs to work with a more flexible database structure suited for modern needs.

## Chapter 2: Smart ticketing and season tickets

*The consultation document identifies the main benefits of smart ticketing as:*

- *Greater speed and convenience for passengers*
- *Better journey data, allowing for new ticket types designed around the way passengers travel today*
- *Potential to attract more passengers to the railway*
- *Potential to make more efficient use of rail capacity*
- *Reduced risk of overpaying*
- *Improved security features*
- *Savings from reduced cost of sales*
- *More accurate allocation of revenue between train operators*

*And it identifies the main risks and issues of smart ticketing as:*

- *Greater complexity from a wider range of fares/tickets*
- *Data security issues*
- *Functionality issues (does the technology work?)*
- *The need to ensure systems remain inter-operable across the whole rail network despite a potential proliferation of technologies*

*2.1 Do you agree with the benefits and with the risks and issues we've identified in relation to smart ticketing? Is there anything we've missed? How might we address the risks and issues?*

- *Agree*
- **Disagree**
- *Not sure*

*Additional comments:*

I think the additional complexity has been underestimated as a risk. The structure of the fares database is impenetrable even to many rail staff at present; in the time-scale presented (smart ticketing by 2014) it is clear there will not be time to completely overhaul the fares database in that time. Consequently I can foresee smart ticketing options being "grafted on" to the existing fares database, and unfathomable complexity resulting.

I would note also that many of the stated advantages of smart ticketing (speed, convenience, reduced risk of overpaying, etc.) seem to assume a PAYG system, where there would be a specific single fare, carefully calculated to be fair and optimal, for every point-to-point journey - such as with the PAYG Oyster system in London. It is worth noting that this required major restructuring of fares including very significant reductions in single fares, and the removal of many return fares.

However paragraph 61 in the consultation document acknowledges that a PAYG approach is **not** necessarily the best model for longer distance journeys. And anything more complicated will likely just involve storing of existing fares in electronic format rather than paper. Thus things will not really be simplified at all and I don't believe the stated advantages will be achieved.

In summary, I feel the conclusions about the advantages smart ticketing will bring are far too optimistic, given the existing complexity of the fares system.

The consultation document identifies the following issues with the current system of season tickets:

- High upfront cost
- Commuters who travel fewer than five days a week pay more per journey than 5-day a week commuters, which may be acting as a barrier to some people wishing to enter or re-enter the job market
- Perceived financial disincentive to work flexibly or part-time
- No incentive to travel outside the busiest periods

2.2 Do you agree with the issues we've identified with the current system of season tickets? Is there anything we've missed?

- ~~Agree~~
- **Disagree**
- ~~Not sure~~

Additional comments:

In general I believe the criticisms mentioned are valid ones, however I disagree with the way they are drawn together because it neglects to mention the fact that season tickets offer an extremely substantial discount over buying daily tickets. As the document mentions, in many cases they are still the best value fare for someone who does not commute every day - however I disagree with the conclusion that someone who uses them in this way is getting a bad deal; rather I would counter with the argument that people who use them every day are getting an extraordinarily good deal, and are in effect being subsidised by less frequent travellers.

I would note also that there is nothing in fares regulation to prevent TOCs offering cheaper deals for less frequent travellers, such as Early Bird seasons and flexible carnets. I would hypothesise that the reason this is not very common is because season tickets are artificially cheap due to regulation. Most TOCs could likely charge a lot more for season tickets if they were allowed to, and not see much of a reduction in peak commuter traffic. So there is no financial incentive to offer cheaper, less flexible season tickets, unless regulation were changed to permit the prices of fully flexible seasons to be increased.

2.3 What features would you expect to see in a smart, flexible and more tailored season ticket? (Please select all that apply)

- **Fares vary by time of day**
- ~~Fares vary by day of the week~~
- **Fares reflect the number of journeys actually made**
- **Other (Please state): Ideally all fares would be singles, and set at one tenth of the current season ticket price.**

2.4 Do you have any other suggestions as to how season tickets could be tailored to better meet the needs of particular groups?

No answer.

*If you are responding primarily as an employee or member of the public:*

*2.5 Could you work more flexibly in order to avoid the busiest trains? (Working more flexibly could include working at home or from a different work location some of the time; changing the total number of hours worked and/or start and finish times) If not, why is this?*

Not applicable.

*2.6 Are there any other factors that prevent you from changing your commuting patterns? (Please select all that apply)*

- *Domestic or caring responsibilities*
- *School or nursery opening hours*
- *Availability of rail service at other times*
- *Other (please state)*

Not applicable.

*If you are responding primarily as a business or employer:*

Not applicable.

*2.7 Do you already, or could you in future, allow your employees to work more flexibly by:*

- *Working at home some of the time*
- *Working from a different work location some of the time*
- *Changing their total working hours*
- *Changing their start and finish times*

Not applicable.

*2.8 If you answered no to any of the above, what prevents you from offering this flexibility (now or in the future), and under what if any circumstances could you envisage being more flexible?*

Not applicable.

### Chapter 3: Using fares to achieve more efficient use of rail capacity

*3.1 Do you agree that introducing new commuter fares could help the railway operate more efficiently by encouraging some commuters to change their travel patterns?*

Yes.



### *3.2 What do you consider to be the main benefits and the main risks/issues with introducing new commuter fares?*

Main Benefit: If the price charged was based on the journeys made, there would be less incentive to travel on crowded, presumably expensive peak trains.

Main Risk: But implicit in this is that fares for travelling on the most expensive trains would have to rise, which would be unpopular. There would also be a lot of extra complexity added to the fares database, which is very complex already.

### *3.3 How could we ensure that any new commuter fares structure was as fair as possible?*

By identifying which groups of passengers it was important to be “fair” to, and engaging with them to sell the ideas to them.

### *3.4 How could we use fares to achieve more efficient use of rail capacity on intercity services?*

No answer.

## Chapter 4: Fares and ticketing complexities

*Currently, passengers with Advance fares valid only on one specified departure who miss that departure must buy a new ticket to travel on the next train (unless the missed departure is due to a missed national rail connection, in which case train operators generally accept the original ticket on the next service). We are considering whether passengers could be allowed to “pay the difference” instead (potentially on payment of a fee, if this was considered necessary to avoid perverse incentives).*

### *4.1 What do you see as the main advantages and disadvantages of such a change?*

Undoubtedly there will be perverse incentives, if the combined price of the original advance fare plus excess charge is less than the equivalent walk-up fare. I would also note that the current situation with advance fares can in part be considered the making of the 2008 fares simplification exercise, which imposed these uniform, draconian conditions on all advance fares.

I agree that the general perception of the railway is of a “turn up and go” network, and the proliferation of advance fares, especially those priced at only a little bit less than fully flexible walk-up fares, is confusing to passengers and detrimental to the railway's reputation. Removing some of the effects of fares simplification here might well improve perceptions here.

I feel that rather than posing this simplistic question, it may be more helpful to analyse in more depth the reason for today's proliferation of advance fares in the first place. The perceived wisdom is that they allow TOCs to sell otherwise unused capacity at a discount in a market-based pricing approach. Yet many TOCs sell advances on very crowded

services, at a price just below or in some cases above that of the equivalent off-peak return. There are undoubtedly incentives for them to do this, since they receive almost all the revenue from a “booked train only” advance fare, compared to a flexible fare where the revenue is divided between the possible operators a passenger might use based on a statistical modelling process.

*There is evidence of an imbalance (even after taking account of differences in average income) between fares in the London commuting area and other parts of the country, and that passengers on higher yield services are effectively cross-subsidising passengers on lower yield services. This is something we intend to explore further as part of the review, but we do believe that there is a case for reducing any significant regional imbalance in fares levels.*

#### **4.2 What would you see as the main advantages and disadvantages of such an approach?**

The InterCity and London & South East commuter networks already have a much higher farepayer than taxpayer contribution to revenue. The regional networks have a higher taxpayer contribution, which is deemed undesirable—however it would be politically unpopular to close the regional networks.

In summary, I don't believe it is meaningful to group these very disparate railways together and make comparisons as a whole, and I believe this question is flawed.

*The Government is working with ATOC to consider how to provide open access to rail fares data. This could allow private sector companies to develop more innovative approaches to delivering rail fares information in a way which helps passengers to better understand the fare options available to them. However, we would need to minimise the risk of data being provided in a way that inadvertently resulted in passengers buying invalid tickets for their journey. We also need to consider possible wider consequences e.g. train operators changing their pricing strategies.*

#### **4.3 What steps could the Government take to protect passengers' overall interests as part of providing open access to fares data?**

I find it mildly amusing, the suggestion that “*there is a risk that third party providers could misinterpret it and offer recommendations for travel with invalid tickets*”. I have in the past had access to copies of the data that ATOC supplies to third party booking engine providers, and it is riddled with errors and inaccuracies. There are already many cases where even the National Rail Enquiries site offers recommendations for travel over invalid routes or with invalid tickets, and plenty more where valid ticket and route combinations are not offered. There was a relatively high profile case earlier this year, when the WebTIS booking engine run by Atos, supplier of services to many of the train companies' own websites, sold many tickets valid via non-permitted routes, in some cases many hundreds of miles longer than the permitted routes.

I strongly believe that open data can bring nothing but benefits, through greater scrutiny from interested third parties calling the TOCs to attention and forcing them to improve the quality of their data. Having no charge for the data “levels the playing field”, and allows voluntary and non-profit making organisations to make use of the data. Experience with open data in other fields shows that this encourages innovation in

presentation of the data, and is almost guaranteed to lead to improved clarity in the way passengers perceive rail travel.

Some kind of accreditation scheme could be developed, if it was deemed necessary to increase passenger confidence in third party sites - although I would note that this does not seem to have proved necessary with sites using the already released timetable data, e.g. OpenTrainTimes or traintimes.im.

I acknowledge the risk that revenue will fall when passengers are better informed about good value fares they can purchase, but I feel to take any action to try to prevent that through obscurity or obfuscation is morally questionable.

## Chapter 5: Buying tickets

*5.1 Selling tickets through ticket offices is a major cost for the railways. How can we reduce this cost without deterring passengers from using the railway?*

Passengers like to be well-informed. Innovation in computer systems, ticket machines etc., potentially made possible through the use of open data and innovations by third parties, has the potential to give passengers much more confidence in the tickets they buy and the journeys they make, and reduce the need to seek advice from a ticket office clerk.

It is very important though, that some kind of measure or safeguard is put in place, to be sure passengers can obtain information in other ways, before ticket office closures take place.

*5.2 What are the costs/benefits of reducing ticket office opening hours? What would you consider to be an acceptable alternative to the ticket office that met most of your ticket requirements?*

Ticket office staff can be redeployed to provide more personal, on-the-spot help to passengers and to improve the environment of stations.

An acceptable alternative to a ticket office for me would be a ticket machine such as those used in Germany, which can sell all kinds of walk-up fares and advance fares for all journeys. Other passengers may need something more advanced that would provide detailed information on routes, timetables, facilities etc.

*5.3 What safeguards would need to be put in place for passengers in the case of changes to ticket office opening hours?*

As above – that alternative ways of accessing all the information that can normally be obtained from a ticket office, are first put in place at the relevant station.

5.4 How important is it for passengers to be able to buy train tickets from a wider range of outlets (e.g. including post offices or retail outlets located away from the station)? Please feel free to make any additional comments about how you would like to be able to buy train tickets in future

- Very important*
- Important*
- Quite important**
- Not important*
- Don't know*

*Additional comments:*

It would be a useful alternative to ticket offices, but it should not be seen as an excuse for innovation in information presentation and data quality, allowing passengers to make travel decisions themselves without requiring the guidance of a clerk to take them through the complexities of the fares database.

5.5 What other improvements would you most like to see to make buying rail tickets easier?

All already mentioned: open data, innovations in information delivery, innovations in ticket machine technology.

## Chapter 6: Next steps

### **Not applicable.**

6.1 Do you have any other comments about the impact of anything in this consultation document on passengers or potential passengers, including by income group, equality group(s) or any other group?

6.2 Are there any other comments you would like to make about anything else in this consultation?

About you and how you use the rail network

If responding primarily as an employee or member of the public, please state:

How often you travel by train (select one option only):

- At least once a week (please specify how many days a week you travel in a 'normal' week)
- At least once a month (please specify how many days a month you travel in a 'normal' month)
- At least once a year
- Other (please specify)

The main reason(s) you travel by train (select all that apply):

- Commuter
- Leisure

- Business

If you travel mainly for commuting purposes, please state:

What type of organisation you work for:

- Small company (up to 50 staff)
- Medium sized company (50-250 staff)
- Large company (more than 250 staff)
- Public sector organisation
- Third sector organisation
- Voluntary organisation
- Other including self-employed (please specify)

Your profession or the nature of your work:

Your normal commute e.g. from Reading to London Paddington:

Your normal travel to work pattern:

- How many days a week you normally travel to work
- Which days you don't normally travel to work
- What time you normally start work
- What time you normally finish work

Which type of season ticket you hold (select one option only):

- Weekly
- Monthly
- Annual
- Other period
- None

If responding primarily as a business or employer, please state:

Whether your organisation is a:

- Small company (up to 50 staff)
- Medium sized company (50-250 staff)
- Large company (more than 250 staff)
- Public sector organisation
- Third sector organisation
- Voluntary organisation
- Other (please specify)

Thank you for taking the time to respond to this consultation.

Your response will be considered as part of the fares and ticketing review and a summary of responses will be published as part of the review's findings and recommendations. However, we are unable to enter into individual correspondence in relation to the issues raised in your response.