

# Christian Wolmar



Transport writer & broadcaster

## Quick-fix ways for Grayling to subdue rail fares anger

THE annual collective moan about rail fares has started. The complainants against these rises have three bites at the cherry - when the Retail Prices Index (RPI) figure is announced in early August, in the autumn when the precise fare rises are announced, and in January when they are imposed.

Consequently, the pressure mounts up, especially given that August is a quiet month for news and the fares rises inevitably get widespread publicity, even though many of those affected are on holiday. This time there has been even greater interest because the rise is far larger than in recent years, because of the inflation caused (let's not beat about the bush) by Brexit.

In recent years, the Government made concessions to the protestors. An attempt to raise fares by 3% above inflation had to be scrapped, and rises were reduced from RPI +1% (which had been the rate of increase for several years) to simply RPI. But given that RPI is currently at 3.6%, well above the rate of increase of average wage levels, there was bound to be widespread anger.

The anger of commuters has been compounded (rightly) by the long-standing chaos of Southern and (unfairly) by the work at Waterloo. Whatever the reasons, many

**The fares system is "a complete mess", but it does include complex issues that could be smoothed out, argues CHRISTIAN WOLMAR**

passengers are at the end of their tether. Therefore, this time the protests will be even bigger and further concessions are highly likely.

Secretary of State for Transport Chris Grayling is in a difficult position, however. Clearly money is tight in the industry, as a result of Network Rail's overspending which may well result in essential work being delayed and consequently further deterioration in performance. The Southern dispute rumbles on with no sign of any solution, and may well spread. And just to add to his woes, the scrapping of electrification schemes in the North and elsewhere has widespread political repercussions.

So, Grayling needs some good news. However, reducing the 3.6% rise will be expensive. Under the contracts with train operators, they will be entitled to compensation for any lost revenue, which he would have to stump up (it is, incidentally, a very complex issue because the elasticity of demand has to be

taken into account - in other words, determining how many passengers would decide not to use the railways if the fares increases were waived through is an art rather than a science, and subject to much interpretation).

Therefore, Grayling ought to announce other passenger-friendly measures which could soften the blow.

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Because of franchise contracts and the consequent demands from the train operators if there were any potential of lost revenue, it is quite impossible to restructure the whole system. Nevertheless, there are a lot of anomalies that could be sorted out.

Firstly, Grayling should press ahead with the changes proposed in a joint industry and Government action plan published last December.

conveniently rail access to the South has been left as an option with Waterloo. The innovative aspect of the idea is that the trains would terminate not in Terminal 5 (terminal stations are a bad idea operationally), but instead run through to Guildford or Basingstoke and even possibly further afield. Trains originating in Surrey could also run through the airport and onto Paddington, thereby reducing pressure on Waterloo for commuters with jobs in west or north London.

The company promoting the idea estimates the cost of the scheme at £1.2 billion, which it says would be 'privately financed', although there would need to be guarantees from Government that the train paths would be purchased in order for the company to raise the necessary capital.

This is similar to the way that the Channel Tunnel was underwritten, which resulted in

many unused train paths being funded by British Rail (and its successor body) that represented a hidden subsidy. In the case of this scheme, there is less likelihood of paths going unused, given the high demand for rail travel in the South East.

Of course, the figures might not stack up, but at least this is a genuine private initiative which could bring about a great improvement to connections to Heathrow and other parts of the railway in the South East.

It is a far more interesting idea than Network Rail contracting out more services to the private sector, which is exactly the opposite of what it needs to do. How the scheme progresses will be a test of whether the Government is genuinely interested in private investment in the railways, and indeed whether such schemes are feasible in the current structure of the industry.



South West Trains 455868 and 455705 stand at the former international platforms at London Waterloo on August 12, with the 1047 to Shepperton. The anger from commuters regarding the highest fare rises for several years have been compounded, unfairly says Wolmar, by the improvement project at Waterloo. ALEX DASI-SUTTON.

There were several good ideas in the document, but its implementation appeared to be tentative and patchy. In particular, it failed to properly address one of the great hidden scandals in the industry - the failure of ticket vending machines to provide clear information on which people could base their purchases and to offer the full range of tickets, which means many people are paying over the odds.

The document promised to end the use of jargon such as 'any permitted' and 'London terminals' by the end of this year, but I suspect that this target will not be met.

Moreover, the reason why there are still queues at ticket offices while machines remain unused is the complexity of the process for buying a ticket. Even an old hand like me has ended up paying more than necessary, especially if I am in a hurry to catch a train.

When Claire Perry was rail minister a couple of years ago, she took a great interest in this issue. She suggested, for example, that all vending machines should have a sticker saying that cheaper options might be available at the ticket office. That has not happened, presumably because the operators are unwilling to push people towards using a more expensive (for them) option. Indeed, some operators are keen on closing offices - something which Grayling could stop, as Lord Adonis did when he was Transport Secretary in the late noughties.

Grayling should therefore press ahead with these long-needed improvements to the machines, ensuring (in particular) that they provide a service like those offered by ticket clerks.

In other words, the software should be changed so that rather than offering a bewildering complexity of fares - some of which are not valid at the time of purchase

anyway, such as off-peak at 0800 - the machines should be reprogrammed to respond to customer demands such as 'I want a ticket to Swansea for me and my pensioner dad travelling now' or 'how much is a ticket to Newcastle?'

The machines should also have a 'help' button which would enable users to communicate immediately with a help line, just as is happening now on increasing numbers of websites. Sure, that would require

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some extra staff, but it would give people confidence in using the machines.

Here are a couple of other ideas that could be implemented reasonably easily if there was a will. Firstly, Grayling could kickstart the process of offering people part-time season tickets. This idea has been pushed by consumer groups (in particular the Campaign for Better Transport) for a long time, but with only vague promises of future action.

How about issuing regular rail users who want to travel on the same route two or three times a week with a discount card allowing them to buy tickets at the same rate as full-time season ticket holders? Their use could be monitored, and if they are not travelling

sufficiently regularly to qualify for the discount, their card could easily be cancelled.

The other one is the long-standing ridiculous situation of returns being £1 more than the single trip. Some companies have partly addressed this, but it is time that this type of pricing - incomprehensible to most passengers - is scrapped. I know some people say it is a good system that rewards return travel, but it makes no commercial or economic sense. Again, there may be issues with the train operators, but this could be implemented in new and renewed franchise deals.

All this - and there are other ideas floating around - is aimed at softening the blow of these big rises. I suspect they will end up not being as high as 3.6%, but they will still be higher than most people's wage rises. Therefore, they need to be alleviated with these improvements, which would go some way to restoring the fast-draining consumer confidence in the industry.

Grayling needs to present himself as the passenger's friend, rather than the operators' accomplice in fleecing them. ■

### Write to Christian Wolmar

c/o RAIL, Bauer Media, Media House, Lynchwood, Peterborough Business Park, Peterborough, PE2 6EA.  
Christian Wolmar can be contacted via his website [www.christianwolmar.co.uk](http://www.christianwolmar.co.uk).

