

202100265976 - Appendix A

1. – Email 25/10 & response 29/10

From: [REDACTED]

Sent: 29 October 2021 09:36

To: [REDACTED] Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED] **Subject:** RE: Chancellors Budget - 2022 Rail Fares Increase

[REDACTED]

Mr Dey has noted

Many thanks

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 25 October 2021 15:59

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: Chancellors Budget - 2022 Rail Fares Increase

PS/Minister for Transport

Priority: Routine (noting statement due on 27 October)

Through recent discussions with [REDACTED] it has been indicated that an announcement may be made on the plans for next year's rail fares increase during the [REDACTED] Budget and Spending Review statement on Wednesday (27 October).

It has been suggested that their fare increase will be by a flat rate RPI (3.8%), although for their franchises, they are contracted to an increase of RPI plus 1% on regulated fares. It is also likely that they will apply their fares increase in March 2022.

A briefing is being developed with a recommendation on [REDACTED] 2022 fare increase, which will be provided after the announcement is made. The holding line can be issued for any media enquiries meantime;

- We will consider the announcement by the UK's Office of National Statistics on the July 2021 RPI figure in the wider review of options on future fares which will take account of the impact of the pandemic on Scotland's railway

Kind regards,

[REDACTED]

[REDACTED]
[REDACTED]

2 – Email 15/11 & response 23/11

From: [REDACTED]
Sent: 23 November 2021 13:27
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Afternoon [REDACTED]

Mr Dey is content to proceed with the RPI increase.

Thanks,

[REDACTED]
[REDACTED]
[REDACTED]

From: [REDACTED]
Sent: 15 November 2021 16:53
To: Minister for Transport <MinisterFT@gov.scot>
Cc: [REDACTED]
Subject: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Priority: Urgent - [REDACTED] require approval by 18 November otherwise it will impact timeline for inputting the new fares into the ticketing system

Purpose

Further to the briefing previously provided regarding consideration on whether the July RPI increase (3.8%) is applied to [REDACTED] regulated rail fares in January 2022, Transport Scotland officials have explored the options on applying the RPI fares increase and a recommendation is presented for the Minister in the attached briefing.

Kind regards,
[REDACTED]
[REDACTED]
Attachment

SCOTRAIL'S JANUARY 2022 REGULATED FARES INCREASE

Section 30 (b)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

3 – Email 9/12, Minister response 10/12, Cabinet Secretary response 14/12

From: [REDACTED]

Sent: 14 December 2021 15:30

To: Minister for Transport <MinisterFT@gov.scot>; [REDACTED]

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hi [REDACTED]

Mr Matheson is also content for his interests.

Thanks,

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 10 December 2021 15:35

To: [REDACTED] Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hi [REDACTED]

Mr Dey has noted and is content.

Thanks

[REDACTED]

From: [REDACTED]

Sent: 09 December 2021 17:12

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

I understand that you discussed this briefly with [REDACTED] earlier today :

Priority: Urgent - [REDACTED] would need a decision by **14 December** in order to meet the timeline for inputting the new fares into the ticketing system.

Purpose

Further to the briefing previously provided (15 November attached for information only) regarding consideration on whether the July RPI increase (3.8%) is applied to [REDACTED] regulated rail fares in January 2022, [REDACTED] has presented a proposal that RPI +0% should also be applied to Off-peak fares, instead of RPI -1%.

Background

The Scottish Government has hitherto maintained a policy for regulated rail fares of rpi increases for peak fares, and rpi-1% for off-peak fares. This policy was intended to encourage passengers to avoid more crowded trains in the peak period. [REDACTED] regulated fares within the Franchise Agreement are Anytime singles and returns, Off-Peak singles and returns, and Season Tickets. Unregulated [REDACTED] fares include Super Off-peak, Advance and First Class.

Currently, travel patterns have changed such that there is no longer a peak associated with commuting. Off peak weekend travel is now the heaviest period of demand. The railway trade unions have argued that a differential ticket price rise for peak travel is unfairly penalising workers, and suggest the rate rise for peak should be reduced to the off-peak level. Regrettably, this is not affordable, but it is true that the historic case for differentiating between levels of peak and off peak fare price rises no longer exists.

Therefore [REDACTED] has now proposed that all regulated fares should increase by RPI (3.8%). [REDACTED] modelling suggests by applying the same RPI uplift (of 3.8%) to off-peak fares, [REDACTED] **Section 33(1)(b)**

The off peak differential has been in place now for nearly 10 years and over that time it has driven a substantial difference between peak and off peak fares.

We also understand that [REDACTED] will announce their fares increase towards the end of next week and current intelligence suggests this will be in line with what has been previously advised. (RPI uplift of 3.8%).

The proposal has been discussed with [REDACTED] and the pros and cons of the proposal are noted below;

Pros

[REDACTED] **Section 30(b)(i)**

Cons

[REDACTED] **Section 30(b)(i)**

Timing

- With this proposal requiring further time for consideration, it is unlikely **[REDACTED]** fares will now increase on 2 January and will possibly be a few weeks later.
- As **[REDACTED]** will be submitting mass data out-with the industry timescale (with rest of UK fares due to increase in March) to the Rail Delivery Group Fares Service (PMS), they require adequate resource to be allocated within RDG to complete the submissions.
- **[REDACTED]** also have to inform suppliers **[REDACTED]** they are pushing through data changes in the next few weeks to ensure these are actioned. If the proposal is agreed a further briefing note will be provided with the confirmed date of the fares increase.

Lines to take

- On average, Scottish rail fares remain 20% lower than across the rest of Great Britain.
- Demand for off peak travel has been returning faster than for the previous “peak” times – this reflects changes in post-covid travel patterns. Therefore the case for a higher fare increase for workers and other who must use peak tickets no longer exists.
- For a decade the Scottish Government has kept fares increases down by ensuring they are in line with no more than RPI, or even lower in the case of off-peak fares, as well as supporting various promotional fare offers with lower-still fares. As we seek to emerge from the pandemic, we are focused on making a green recovery however the challenging financial position means we need to make difficult decisions
- Throughout the pandemic, we have supported our rail franchises with more than £1bn including £450m in the Emergency Measures Agreements – this level of funding is not sustainable in the longer term. The fares increases we are implementing this year, while not ideal, forms part of our wider recovery plans. We have challenged ScotRail to develop robust plans, including fares initiatives, that will encourage more people back to rail as we work towards Net Zero.

Recommendation

As indicated above, as this proposal is estimated to generate an **[REDACTED] Section 33(1)(b)** in revenue, in light of the pressing financial challenges **[REDACTED] Section 33(1)(b)** a decision to implement an across the board RPI increase (3.8%) is recommended.

The Minister has previously asked for a Scance note to be provided before Christmas: this will be completed to reflect the Minster’s decision in this matter.
[REDACTED]

From: [REDACTED]

Sent: 16 December 2021 19:57

To: [REDACTED] Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hi [REDACTED]

Mr Dey is content with this, [REDACTED] **Section 30 (b)(i)**

Thanks

[REDACTED]

From: [REDACTED]

Sent: 15 December 2021 09:19

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Minister for information and awareness, [REDACTED] have advised the fares increase will now be implemented on 24 January 2022.

[REDACTED] has recommended a SCANCE note is provided closer to this date, in the new year.

Kind regards,
[REDACTED]

5 – Email 17/12

From: [REDACTED]

Sent: 17 December 2021 14:43

To: First Minister <firstminister@gov.scot>

Cc: [REDACTED]

Subject: DfT / ScotRail fares announcements

PS/First Minister

For information and awareness, Department for Transport (DfT) have today announced their rail fares will increase by 3.8% in March 2022. Attached are the DfT and Transport Scotland press releases and previous ministerial briefing attached for reference.

[REDACTED] for Monday 20 December will be updated and a SCANCE note for [REDACTED] on 21 December provided.

Lines to take

- For a decade the Scottish Government has kept fares increases down by ensuring they are in line with no more than RPI, or even lower in the case of off-peak fares, as well as supporting various promotional fare offers with lower-still fares.
- Throughout the pandemic, we have supported our rail franchises with more than £1bn including £450m in the Emergency Measures Agreements – this level of funding is not sustainable in the longer term.
- As we seek to emerge from the pandemic, we are focused on making a green recovery however the challenging financial position means we need to make difficult decisions
- **[REDACTED] Section 30(b)(i)**
- ” times – this reflects changes in post-covid travel patterns. Therefore the case for a higher fare increase for workers and others who must use peak tickets no longer exists.
- **[REDACTED] Section 30(b)(i)**
- On average, Scottish rail fares remain 20% lower than across the rest of Great Britain.

Kind regards,
[REDACTED]

Attachments:-

1. Correspondence supplied above dated 9 December 2021
2. Rail Strat Comms – Media – Media Release – Fares Increase – Dec 2021

Rail fares increase level confirmed

Revenue recovery key to rail sustainability

Transport Scotland has today confirmed the fares increase it will put in place as it seeks to recover rail revenues lost throughout the pandemic.

From late January, both peak and off-peak regulated fares will increase by July 2021 RPI (3.8%). This is a necessary step away from previous years where the off-peak fares increase was lower (RPI-1).

Throughout the pandemic, the Scottish Government has supported our rail franchises with more than £1bn including over £450m in the Emergency Measures Agreements. This level of funding is not sustainable in the longer term.

As is only prudent, ScotRail has looked at ways to address the financial challenges. After lengthy consideration, Ministers agreed this fares increase proposal.

Graeme Dey, Minister for Transport said

“For over a decade the Scottish Government has kept fares increases down by ensuring they are in line with RPI, or even lower in the case of off-peak fares. Scottish rail fares remain, on average, 20% lower than across the rest of Great Britain

“We know that any increase is unwelcome for passengers however the changes we are implementing this year are essential to our wider recovery plans.

“We challenged ScotRail to develop robust plans to increase revenue, while also seeking to identify efficiency savings that help put rail services on a sustainable footing. It is only right we implement proposals, such as this increase, where they make sense given the changes in passenger travel patterns.

“However, we know that there is much work to be done in encouraging people back to rail if we are to achieve our net zero targets. That is why we have instructed ScotRail to identify ways to encourage increased demand at the right time, in the right place, as we continue to recover from the pandemic.

“Work also continues on Transport Scotland’s Fair Fares review.”

The fares increase will come into effect on 24 January 2022

Background

- Demand is currently 42 percent down on pre-pandemic levels (compared with period 9 in 2019).
- Specifically, weekday demand is 46 percent down, but Sunday demand is only 30 percent down, and Saturday demand is 28 percent down. Saturday is consistently the busiest day of the week.
- Peak demand is 59 percent down on 2019, but nonpeak demand is only 25 percent down.
- The reduction in peak travel means it is no longer supporting off-peak travel in terms of revenue therefore we need to make the increase more equitable across all travel

3. DfT Fares Release – 17 Dec

Rail fares capped to prevent high increases for passengers

- Government caps annual fare increase at 3.8%
- Book with Confidence scheme extended to 31 March 2022, supporting passengers as they return to the railway
- Changes to rail fares will come into force in March next year, giving passengers more time to purchase cheaper flexible and season tickets at the existing rate

Next year's rail fare rise will be 3.8 per cent, below current retail price inflation of 7.1 per cent.

The government will not increase fares by RPI plus 1%, as it did in 2021.

Until the pandemic, fares were raised in January each year by a formula based on the RPI rate of the previous July, six months before.

2022's increase will be in March, giving passengers more time to purchase cheaper flexible and season tickets at the existing rate.

Taxpayers have already invested over £14bn to keep services running during the pandemic. The rise will help meet some of these costs and will also help pay for the service increases and improvements on many lines which began this week.

To further support those returning to the railways, the Book with Confidence scheme has been extended, meaning that until 31 March 2022 passengers can change their travel plans up until the evening before departure without being charged a fee, or cancel their trains completely and receive refunds in the form of rail vouchers.

Rail Minister Chris Heaton-Harris said:

“Capping rail fares in line with inflation while tying it to the July RPI strikes a fair balance, ensuring we can continue to invest records amounts into a more modern, reliable railway, ease the burden on taxpayers and protect passengers from the highest RPI in years.

“Delaying the changes until March 2022 offers people the chance to save money by renewing their fares at last year's price. That includes the 100,000 people who are already making savings with cheaper and more convenient flexible season tickets.

“We're driving ahead with the reforms in our Plan for Rail, creating a more passenger-focused railway that delivers a truly first-class service for everyone.”

The Government has also announced that the recently launched flexible season ticket has already been purchased by more than 100,000 passengers, offering savings for customers. This new product offers regular passengers the potential to save hundreds of pounds and far greater flexibility for those travelling two or three days a week.

Andy Bagnall, Director General of the Rail Delivery Group, said:

“The government's decision to hold fares down in line with July's inflation is welcome compared to last years' above inflation increase and the rate of inflation right now.

“It is important that fares are set at a level that will encourage more people to travel by train in the future, helping to support a clean and fair recovery from the pandemic.

“We know the railway must not take more than its fair share from the taxpayer which is why the rail industry is working to create a financially sustainable and more passenger-

focussed service – that will both keep costs down long-term and attract people back to the train.”

Flexible season tickets are part of the reforms set out in the Government’s Plan for Rail, to give a better deal to commuters adopting new ways of working. Alongside this option are a whole host of railcards offering discounted travel for young people, veterans, seniors and more, helping ensure our railways are an affordable way to commute, travel and see the country.

The Government is also pressing ahead with creating Great British Railways, to provide passengers with a single, familiar brand responsible for the railways.

6 – Email & Minister response 17/12

From: [REDACTED]
Sent: 17 December 2021 11:51
To: [REDACTED]
cc: [REDACTED]
Subject: RE: Press Release for clearance - Rail fares increase

[REDACTED]

Mr Dey is content.

Many thanks

[REDACTED]

From: [REDACTED]
Sent: 17 December 2021 10:19
To: Minister for Transport <MinisterFT@gov.scot>
cc: [REDACTED]
Subject: Press Release for clearance - Rail fares increase

Morning Private Office

As discussed on the call yesterday, attached for Mr Dey’s consideration is the draft fares increase release which we plan to issue today when the [REDACTED] issue their own announcement. [REDACTED] are content; we will share the release with [REDACTED] once we know a more definitive time for issue.

We noted in the meeting that timing for this release will be critical as we expect [REDACTED] to announce their increase today; that fares are already being loaded into the system; they will be visible to passengers from early next week; [REDACTED]
Section 30(b)(i)

[REDACTED] **Section 30(b)(i)**

Grateful if this can be passed to Mr Dey for clearance.

Kind regards
[REDACTED]

EXTERNAL SENDER: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

NEWS FROM SCOTTISH LABOUR

BIBBY: SNP MUST COME CLEAN ON RAIL FARES

EMBARGOED: 00.01 SUNDAY 19 DECEMBER

Scottish Labour have demanded the SNP come clean on plans for rail fares, as questions mount about their plans for the public ownership of ScotRail.

The ScotRail-Abellio franchise agreement allows for fares to be raised every January based on RPI - usual practice would therefore see peak regulated fares set to increase by 3.8 per cent in the new year.

This would be the biggest increase in ten years but with days before possible implementation, the SNP have refused to confirm whether it will go ahead.

In a Written Answer given on December 16 – just two weeks before the hike is due to hit – the Transport Secretary claimed “the rail fares strategy for next year remains under consideration”.

This is the latest question mark hanging over the SNP’s plans for ScotRail, which is due to come into public hands in March.

Despite this fast approaching, virtually no details have been made available about what we can expect. Scottish Labour’s Transport spokesperson Neil Bibby has written to the Transport Secretary urging him to set up cross-party talks on their plans for the new publicly owned service.

Commenting, Scottish Labour’s Transport spokesperson Neil Bibby said:

“The SNP must come clean about whether they are hiking rail fares next month.

“It is utterly absurd to claim they haven’t made their mind up yet, a fortnight before the passengers are set to be hit by the biggest hike in a decade.

“This is the worst possible time to inflict a fare increase of this scale, as people are struggling with a cost of living crisis and we are falling behind our emissions targets. It simply beggars belief that the SNP have refused to rule it out.

“Questions are piling up by the day about what the SNP are planning to do when they take over ScotRail – but even on something as basic as fares they seem to be making it up as they go.

“We need real ambition to design a true People’s ScotRail that meets the challenges we face, and the SNP must work with rail unions and opposition parties to make this a reality.”

ENDS
Notes

16 December 2021

Neil Bibby (West Scotland) (Scottish Labour Party): To ask the Scottish Government by what date it plans to confirm rail fares for 2022; whether rail fares will increase, and, if so, what the increase will be.

S6W-04764

Graeme Dey: The rail fares strategy for next year remains under consideration.

[REDACTED]

Attachment

1. Rail Strat Comms – Media – Media Release – Fares Increase – Dec 2021

Rail fares increase level confirmed

Revenue recovery key to rail sustainability

Transport Scotland has today confirmed the fares increase it will put in place as it seeks to recover rail revenues lost throughout the pandemic.

From late January, both peak and off-peak regulated fares will increase by July 2021 RPI (3.8%). This is a necessary step away from previous years where the off-peak fares increase was lower (RPI-1).

Throughout the pandemic, the Scottish Government has supported our rail franchises with more than £1bn including over £450m in the Emergency Measures Agreements. This level of funding is not sustainable in the longer term.

As is only prudent, ScotRail has looked at ways to address the financial challenges. After lengthy consideration, Ministers agreed this fares increase proposal.

Graeme Dey, Minister for Transport said

“For over a decade the Scottish Government has kept fares increases down by ensuring they are in line with RPI, or even lower in the case of off-peak fares. This has meant they have been lower than average than other parts of the UK.

“We know that any increase is unwelcome for passengers however the changes we are implementing this year are essential to our wider recovery plans.

“We challenged ScotRail to develop robust plans to increase revenue, while also seeking to identify efficiency savings that help put rail services on a sustainable footing. It is only right we implement proposals, such as this increase, where they make sense given the changes in passenger travel patterns.

“However, we know that there is much work to be done in encouraging people back to rail if we are to achieve our net zero targets. That is why we have instructed ScotRail to identify ways to encourage increased demand at the right time, in the right place, as we continue to recover from the pandemic.

“Work also continues on Transport Scotland’s Fair Fares review.”

The fares increase will come into effect on 24 January 2022

Background

- Demand is currently 42 percent down on pre-pandemic levels (compared with period 9 in 2019).
- Specifically, weekday demand is 46 percent down, but Sunday demand is only 30 percent down, and Saturday demand is 28 percent down. Saturday is consistently the busiest day of the week.
- Peak demand is 59 percent down on 2019, but nonpeak demand is only 25 percent down.
- The reduction in peak travel means it is no longer no longer supporting off-peak travel in terms of revenue therefore we need to make the increase more equitable across all travel

7 – Email – media enquiry 17/12

From: [REDACTED]

Sent: 17 December 2021 11:14

To: Minister for Transport <MinisterFT@gov.scot>; [REDACTED]

cc: [REDACTED]

Subject: RE: Press Release for clearance - Rail fares increase

DfT release now issued (copied below) – we have a query from [REDACTED]

Rail fares capped to prevent high increases for passengers

- Government caps annual fare increase at 3.8%
- Book with Confidence scheme extended to 31 March 2022, supporting passengers as they return to the railway
- Changes to rail fares will come into force in March next year, giving passengers more time to purchase cheaper flexible and season tickets at the existing rate

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2022's increase will be in March, giving passengers more time to purchase cheaper flexible and season tickets at the existing rate.

Taxpayers have already invested over £14bn to keep services running during the pandemic. The rise will help meet some of these costs and will also help pay for the service increases and improvements on many lines which began this week.

To further support those returning to the railways, the Book with Confidence scheme has been extended, meaning that until 31 March 2022 passengers can change their travel plans up until the evening before departure without being charged a fee, or cancel their trains completely and receive refunds in the form of rail vouchers.

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“Capping rail fares in line with inflation while tying it to the July RPI strikes a fair balance, ensuring we can continue to invest records amounts into a more modern, reliable railway, ease the burden on taxpayers and protect passengers from the highest RPI in years.

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The Government has also announced that the recently launched flexible season ticket has already been purchased by more than 100,000 passengers, offering savings for

customers. This new product offers regular passengers the potential to save hundreds of pounds and far greater flexibility for those travelling two or three days a week.

Andy Bagnall, Director General of the Rail Delivery Group, said:

“The government’s decision to hold fares down in line with July’s inflation is welcome compared to last years’ above inflation increase and the rate of inflation right now.

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“We know the railway must not take more than its fair share from the taxpayer which is why the rail industry is working to create a financially sustainable and more passenger-focussed service – that will both keep costs down long-term and attract people back to the train.”

Flexible season tickets are part of the reforms set out in the Government’s Plan for Rail, to give a better deal to commuters adopting new ways of working. Alongside this option are a whole host of railcards offering discounted travel for young people, veterans, seniors and more, helping ensure our railways are an affordable way to commute, travel and see the country.

The Government is also pressing ahead with creating Great British Railways, to provide passengers with a single, familiar brand responsible for the railways.

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Cc: [REDACTED]
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Morning Private Office

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We noted in the meeting that timing for this release will be critical as we expect DfT to announce their increase today; that fares are already being loaded into the system; they will be visible to passengers from early next week; [REDACTED] **Section 30(b)(i)**

[REDACTED] **Section 30(b)(i)**

Grateful if this can be passed to Mr Dey for clearance.

Kind regards
[REDACTED]

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This is the latest question mark hanging over the SNP’s plans for ScotRail, which is due to come into public hands in March.

Despite this fast approaching, virtually no details have been made available about what we can expect. Scottish Labour’s Transport spokesperson Neil Bibby has written to the Transport Secretary urging him to set up cross-party talks on their plans for the new publicly owned service.

Commenting, Scottish Labour’s Transport spokesperson Neil Bibby said:

“The SNP must come clean about whether they are hiking rail fares next month.

“It is utterly absurd to claim they haven’t made their mind up yet, a fortnight before the passengers are set to be hit by the biggest hike in a decade.

“This is the worst possible time to inflict a fare increase of this scale, as people are struggling with a cost of living crisis and we are falling behind our emissions targets. It simply beggars belief that the SNP have refused to rule it out.

“Questions are piling up by the day about what the SNP are planning to do when they take over ScotRail – but even on something as basic as fares they seem to be making it up as they go.

“We need real ambition to design a true People’s ScotRail that meets the challenges we face, and the SNP must work with rail unions and opposition parties to make this a reality.”

ENDS
Notes

16 December 2021

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S6W-04764

Graeme Dey: The rail fares strategy for next year remains under consideration.

[REDACTED]

7 – Email – Scance note 20/12

From: [REDACTED]

Sent: 20 December 2021 14:04

To: Cabinet Secretary for Net Zero, Energy and Transport <CabSecNetZET@gov.scot>; Minister for Transport <MinisterFT@gov.scot>

cc: [REDACTED]

Subject: ScotRail fares increase announcement - SCANCE note

PS/Cabinet Secretary for Net Zero, Energy and Transport / Minister for Transport

Please find attached SCANCE note on ScotRail fares increase announcement.

Kind regards,
[REDACTED]

Attachment
1. SCANCE note

[REDACTED]

Section 30(b)(i)

Third Party correspondence

1 – Email 17/12

From: [REDACTED]
Sent: 17 December 2021 11:26
To: [REDACTED]
Cc: [REDACTED]
Subject: 2022 Fares

Good morning [REDACTED]
I hope this email finds you well.

I am writing to inform you that those fares regulated by [REDACTED] will rise by RPI+0% on the 1st March 2022. This means a maximum 3.8% increase based on July's RPI figure. There will be no advance sales of fares at the new prices prior to 1st March 2022, meaning passengers will benefit by paying existing fares up to this date.

Please contact [REDACTED] (CC'd) if you would like to discuss this further. [REDACTED] can be contacted by email at [REDACTED] or by phone at [REDACTED]
Kind regards,
[REDACTED]
[REDACTED]

Internal Correspondence:

1 – Email 3/10

[REDACTED]
Sent: 03 October 2021 15:23
To: [REDACTED]
Subject: FW: Daily Record - Labour Release - Fares increases

For info

From: [REDACTED]
Sent: 03 October 2021 13:12
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Daily Record - Labour Release - Fares increases

I've sent [REDACTED] the below.

Thanks,
[REDACTED]

A spokesperson for Graeme Dey said;

“Labour’s position on rail lacks any credibility. If they want more routes, more stations and lower fares they need to be honest with people and explain how this would be paid for especially when the cost of running Scotland’s railway has already increased by nearly half a billion pounds as a result of the pandemic.

“The Scottish Government is committed to ensuring that rail fares are affordable for people in Scotland. We will consider the announcement on the July RPI figure while looking at options for future fares, and as part of wider work to create a fully operational and functioning rail network post the Covid-19 pandemic.”

[REDACTED] [OUT OF SCOPE]

**[REDACTED]
[REDACTED]**

From: [REDACTED]
Sent: 03 October 2021 12:08
To: [REDACTED]
Subject: RE: Daily Record - Labour Release - Fares increases

Thank you – I will let **[REDACTED]** know you’ll be sending something across

From: [REDACTED]
Sent: 03 October 2021 11:40
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Daily Record - Labour Release - Fares increases

Will do.

[REDACTED]

From: [REDACTED]
Date: Sunday, 03 Oct 2021, 11:16 am
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Daily Record - Labour Release - Fares increases

No worries – **[REDACTED] Section 30(b)(i)**

[REDACTED] – can you pick this up?

From: [REDACTED]
Sent: 03 October 2021 11:15
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: Daily Record - Labour Release - Fares increases

[REDACTED] Section 30 (b)(ii)

Sent from my iPhone

On 3 Oct 2021, at 11:02, **[REDACTED]** wrote:

[REDACTED]

[REDACTED] is looking for comment on the Labour release below; he is focusing on potential fares rises. I plan to send the previously cleared lines below if you are both content.

I've cc'd **[REDACTED]** for awareness given the FM event at Queen Street tomorrow morning.

A Transport Scotland spokesperson said:

“The Scottish Government is committed to ensuring that rail fares are affordable for people in Scotland. We will consider the announcement on the July RPI figure while looking at options for future fares, and as part of wider work to create a fully operational and functioning rail network post the Covid-19 pandemic.”

[REDACTED] [OUT OF SCOPE]

ENDS

Thanks

[REDACTED]

From: [REDACTED]

Sent: 03 October 2021 10:35

To: [REDACTED]

Subject: stories for tmrw

Hi **[REDACTED]**

[REDACTED] [OUT OF SCOPE]

In addition, Labour are calling on the SG to scrap any rail fare rises for 2022 (below). Want to comment?

[REDACTED]

Scottish Labour's Transport spokesperson Neil Bibby said: “It is staggering that the SNP are set to impose the biggest fare hike in a decade as the cost of living crisis bites.

“For years now they've let fares spiral out of control, while wages lag far behind.

“It is wildly reckless to raise fares again while so many households are struggling to make ends meet.

“If we are serious about building a green transport system we need to put a stop to rip-off rail fares.

“The SNP have failed passengers and rail workers time and time again, refusing to oppose cuts to services or stand up for fair pay and condition. They must take a different approach this time.

“The SNP must show us that a publicly owned ScotRail will mean more than just a fresh coat of paint for Scotland’s trains.”

2 – Email 15/10

From: [REDACTED]
Sent: 15 October 2021 16:12
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: RPI Fares increase

[REDACTED]

I’m on leave next week so here is something very quick:

As you are aware, the Scottish Government, and by extension Transport Scotland, are currently facing an extremely difficult financial position with recent NZET budget allocations suggesting a [REDACTED] **Section 33(1)(b)**

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 15 October 2021 16:05
To: [REDACTED]
Subject: RPI Fares increase

Hi [REDACTED]

Hope all well with both of you?

Putting together the fares briefing for the minister and was hoping you could provide a couple of lines on the financial position? (hopefully there may already be some lines around this).

Previously we have used: ‘Finance colleagues have evaluated the potential costs of a fares freeze [REDACTED] **Section 30(b)(i)**

Would be helpful if you could share any contributions by end of next week?

Thanks
[REDACTED]

[REDACTED]

3 – Email 28/10

-----Original Message-----

From: [REDACTED]

Sent: 28 October 2021 19:12

To: [REDACTED]

Subject: RE: Emailing: ScotRail 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing October 2021

[REDACTED]

[REDACTED] February is short and we have factored in patronage continuing to grow through 2022 as we rebound from COVID). Similarly, if the increase remains in March in future years, then this cost of lower fares in January and February will recur each year (and at a higher level if patronage is higher in future years). Hopefully [REDACTED] can advise tomorrow if you want to follow up on that. [REDACTED] **Section 30(b)(i)**
Otherwise happy to discuss on Monday morning.

[REDACTED] **Section 30 (b)(ii)**

Cheers

[REDACTED]

-----Original Message-----

From: [REDACTED]

Sent: 28 October 2021 17:04

To: [REDACTED]

Cc: [REDACTED]

Subject: Emailing: ScotRail 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing October 2021

Hi [REDACTED]

Fares briefing for approval, hopeful to get this to [REDACTED] early on Monday if possible.

All - happy for any suggested comments/additions/alterations (before COP Friday).
[REDACTED] **Section 30 (b)(ii)**

To note - [REDACTED] information has been shared in confidence, so would prefer it is not widely shared.

Thanks
[REDACTED]
Attachment

Section 30 (b)(i)

SCOTRAIL'S 2022 REGULATED FARES INCREASE

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]		
			[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			[REDACTED]		[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
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[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4 – Email 1/11

From: [REDACTED]
Sent: 01 November 2021 17:38
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: ScotRail 2022 Fares increase - *Urgent*

Dear [REDACTED]

Thank-you for this advice.

[REDACTED] **Section 30 (b)(ii)**

[REDACTED] **Section 30 (b)(ii)**

Regards,

[REDACTED]

From: [REDACTED]
Sent: 01 November 2021 10:41
To: [REDACTED]
Cc: [REDACTED]
Subject: ScotRail 2022 Fares increase - *Urgent*

[REDACTED]

[REDACTED] **Section 30 (b)(ii)**

January

Pros [REDACTED] **Section 30(b)(i)**

Cons [REDACTED] **Section 30(b)(i)**

March

Pros [REDACTED] **Section 30(b)(i)**

Cons [REDACTED] **Section 30(b)(i)**

[REDACTED]
Section 30 (b)(ii)

It would be helpful to receive your comments by COP Tuesday.

Thanks

[REDACTED]

[REDACTED]

5 – Email 9/11

From: [REDACTED]

Sent: 09 November 2021 12:35

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: RPI Fares

Thanks [REDACTED]

Can I suggest the following:

[REDACTED] **Section 30 (b)(i)**

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 09 November 2021 12:11

To: [REDACTED]

Cc: [REDACTED]

Subject: RPI Fares

Hi [REDACTED]

[REDACTED] has come back with a couple of queries on the fares increase; I anticipate the Minister will wish to know what the cost of two month's delay to the uplift would be, noting that would be in this financial year, not next, and *what the budget pressure this year would be*.

As discussed the estimated cost of delaying [REDACTED] **Section 33(1)(b)** can you help with a line on what pressure this would put on this year's budget?

Thanks
[REDACTED]

[REDACTED]

6 – Email 11/11

From: [REDACTED]
Sent: 11 November 2021 09:35
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 - *Urgent*

I have. We need to discuss. I have time this afternoon - [REDACTED] can you help find a slot please? [REDACTED] **Section 30 (b)(ii)**

Sent with BlackBerry Work
(www.blackberry.com)

From: [REDACTED]
Date: Thursday, 11 Nov 2021, 9:20 am
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 - *Urgent*

[REDACTED] Just checking if you have had an opportunity to review the submission before it goes to the Minister?

Thanks
[REDACTED]

From: [REDACTED]
Sent: 09 November 2021 15:37
To: [REDACTED]
Cc: [REDACTED]
Subject: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 - *Urgent*

[REDACTED]

As per your phone call with **[REDACTED]**, please find attached brief on **[REDACTED]** 2022 fares setting round. **[REDACTED]** has reviewed and **[REDACTED]** suggestions have been actioned. There are a number of sensitivities, if recommendation of 2nd January is accepted that are highlighted in the brief (against the affordability of delaying until 1st March).

There is some urgency as **[REDACTED]** will require a decision by the end of the week, to allow time to apply the fares changes for the start of next year (if 2 January implementation date is agreed).

Thanks

[REDACTED]

7 – Email 11/11

From: **[REDACTED]**

Sent: 11 November 2021 12:14

To: **[REDACTED]**

Subject: RE: Fares increase

Thanks **[REDACTED]**

[REDACTED] **Section 30(b)(i)**

[REDACTED]

[REDACTED]

From: **[REDACTED]**

Sent: 11 November 2021 11:44

To: **[REDACTED]**

Subject: Fares increase

[REDACTED]

For awareness, **[REDACTED]** has asked to speak to **[REDACTED]** on the fares paper (1400-1445), so we may be looking for your expertise soon afterwards.

Will let you know how it goes!

Thanks

[REDACTED]

[REDACTED]

8 – Email 15/11

From: [REDACTED]
Sent: 15 November 2021 08:57
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Abellio ScotRail: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 (1) (A35337324)

Thanks [REDACTED] and [REDACTED] **Section 30 (b)(ii)**

[REDACTED]
[REDACTED] **Section 30 (b)(ii)**

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 14 November 2021 07:57
To: [REDACTED]
Subject: RE: Abellio ScotRail: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 (1) (A35337324)

Can I ask that colleagues review and update briefing (link below)

Thanks

[REDACTED]

From: [REDACTED]
Sent: 11 November 2021 18:03
To: [REDACTED]
Cc: [REDACTED]
Subject: Abellio ScotRail: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021 (1) (A35337324)

Hi All,

Link to revised fares paper;
[REDACTED] **Section 30(b)(i)**

[REDACTED]– can you review the financial details and update as required

[REDACTED]– can you review the lines to take & add any additional information as required

Happy for any other changes/suggestions being made. Can you review/update by COP Monday, hoping to get it sent up on Tuesday.

Thanks for all your input so far!

Thanks
[REDACTED]

Attachment

Section 30(b)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

9 – Email 16/11

From: [REDACTED]

Sent: 16 November 2021 15:02

To: [REDACTED] Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Minister

[REDACTED] **Section 30(b)(i)**

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 15 November 2021 16:53

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Priority: Urgent - [REDACTED] require approval by 18 November otherwise it will impact timeline for inputting the new fares into the ticketing system

Purpose

Further to the briefing previously provided regarding consideration on whether the July RPI increase (3.8%) is applied to ScotRail's regulated rail fares in January 2022, Transport Scotland officials have explored the options on applying the RPI fares increase and a recommendation is presented for the Minister in the attached briefing.

Kind regards,
[REDACTED]

[REDACTED]

Attachment

SCOTRAIL'S JANUARY 2022 REGULATED FARES INCREASE

Section 30 (b)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]		
			[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			[REDACTED]		[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

10 – Email 23/11

From: [REDACTED]
Sent: 23 November 2021 16:48
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hello,

To confirm, Mr Dey is also of this view.

Grateful if officials can take forward preparing a SCANCE prior to Xmas, for Mr Dey’s clearance.

Thanks,
[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 23 November 2021 13:58
To: Minister for Transport <MinisterFT@gov.scot>; [REDACTED]
Cc: [REDACTED]
Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

I’d do a scance before Christmas to Cabinet on this

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 23 November 2021 13:27

To: [REDACTED] Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Afternoon [REDACTED]

Mr Dey is content to proceed with the RPI increase.

Thanks,

[REDACTED]

From: [REDACTED]

Sent: 15 November 2021 16:53

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Priority: Urgent - [REDACTED] require approval by 18 November otherwise it will impact timeline for inputting the new fares into the ticketing system

Purpose

Further to the briefing previously provided regarding consideration on whether the July RPI increase (3.8%) is applied to [REDACTED] regulated rail fares in January 2022, Transport Scotland officials have explored the options on applying the RPI fares increase and a recommendation is presented for the Minister in the attached briefing.

Kind regards,
[REDACTED]

[REDACTED]

Attachment

SCOTRAIL'S JANUARY 2022 REGULATED FARES INCREASE

Section 30(b)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 25 November 2021 09:50
To: [REDACTED]
Cc: [REDACTED]
Subject: Off peak rate differentiator
Importance: High

[REDACTED]

At RMT today we discussed the removal of the off-peak rate differentiator i.e. minus 1% point on that of RPI, so for January it would be peak 3.8% and for off-peak 2.8%. The off peak differential has been in place now for nearly 10 years and has driven a substantial difference between peak and off peak fares. [REDACTED] **Section 30 (b)(ii)**

[REDACTED]
[REDACTED]

12 – Email 15/12

From: [REDACTED]
Sent: 15 December 2021 11:19
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hi [REDACTED]

[REDACTED] **Section 30 (b)(i)** we will need to issue something in advance of the fares going into the system (usually several weeks ahead so it is likely [REDACTED] will be loading them now). [REDACTED] has already been on asking when we will say anything, and [REDACTED] will need time to brief staff who will handle queries and deal with passengers face to face etc.

[REDACTED] **Section 30(b)(i)**

[REDACTED] **Section 30(b)(i)**

Best
[REDACTED]

From: [REDACTED]
Sent: 15 December 2021 09:19
To: Minister for Transport <MinisterFT@gov.scot>
Cc: [REDACTED]
Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Minister for information and awareness, [REDACTED] have advised the fares increase will now be implemented on 24 January 2022.

[REDACTED] has recommended a SCANCE note is provided closer to this date, in the new year.

Kind regards,
[REDACTED]
[REDACTED]

From: [REDACTED]

Sent: 10 December 2021 15:35

To: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Hi [REDACTED]

Mr Dey has noted and is content.

Thanks

[REDACTED]
[REDACTED]

From: [REDACTED]

Sent: 09 December 2021 17:12

To: Minister for Transport <MinisterFT@gov.scot>

cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

I understand that you discussed this briefly with [REDACTED] earlier today :

Priority: Urgent - [REDACTED] would need a decision by **14 December** in order to meet the timeline for inputting the new fares into the ticketing system.

Purpose

Further to the briefing previously provided (15 November attached for information only) regarding consideration on whether the July RPI increase (3.8%) is applied to [REDACTED] regulated rail fares in January 2022, [REDACTED] has presented a proposal that RPI +0% should also be applied to Off-peak fares, instead of RPI -1%.

Background

The Scottish Government has hitherto maintained a policy for regulated rail fares of rpi increases for peak fares, and rpi-1% for off-peak fares. This policy was intended to encourage passengers to avoid more crowded trains in the peak period. [REDACTED]

regulated fares within the Franchise Agreement are Anytime singles and returns, Off-Peak singles and returns, and Season Tickets. Unregulated **[REDACTED]** fares include Super Off-peak, Advance and First Class.

Currently, travel patterns have changed such that there is no longer a peak associated with commuting. Off peak weekend travel is now the heaviest period of demand. The railway trade unions have argued that a differential ticket price rise for peak travel is unfairly penalising workers, and suggest the rate rise for peak should be reduced to the off-peak level. Regrettably, this is not affordable, but it is true that the historic case for differentiating between levels of peak and off peak fare price rises no longer exists.

Therefore **[REDACTED]** has now proposed that all regulated fares should increase by RPI (3.8%). **[REDACTED]** modelling suggests by applying the same RPI uplift (of 3.8%) to off-peak fares, **[REDACTED]** **Section 33(1)(b)**

The off peak differential has been in place now for nearly 10 years and over that time it has driven a substantial difference between peak and off peak fares.

We also understand that **[REDACTED]** will announce their fares increase towards the end of next week and current intelligence suggests this will be in line with what has been previously advised. (RPI uplift of 3.8%).

The proposal has been discussed with **[REDACTED]** and the pros and cons of the proposal are noted below;

Pros

[REDACTED] **Section 30(b)(i)**

Cons

[REDACTED] **Section 30(b)(i)**

Timing

- With this proposal requiring further time for consideration, it is unlikely **[REDACTED]** fares will now increase on 2 January and will possibly be a few weeks later.
- As **[REDACTED]** will be submitting mass data out-with the industry timescale (with rest of UK fares due to increase in March) to the Rail Delivery Group Fares Service (PMS), they require adequate resource to be allocated within RDG to complete the submissions.
- **[REDACTED]** also have to inform suppliers **[REDACTED]** that they are pushing through data changes in the next few weeks to ensure these are actioned. If the proposal is agreed a further briefing note will be provided with the confirmed date of the fares increase.

Lines to take

- On average, Scottish rail fares remain 20% lower than across the rest of Great Britain.
- Demand for off peak travel has been returning faster than for the previous “peak” times – this reflects changes in post-covid travel patterns. Therefore the case for a

higher fare increase for workers and other who must use peak tickets no longer exists.

- For a decade the Scottish Government has kept fares increases down by ensuring they are in line with no more than RPI, or even lower in the case of off-peak fares, as well as supporting various promotional fare offers with lower-still fares. As we seek to emerge from the pandemic, we are focused on making a green recovery however the challenging financial position means we need to make difficult decisions
- Throughout the pandemic, we have supported our rail franchises with more than £1bn including £450m in the Emergency Measures Agreements – this level of funding is not sustainable in the longer term. The fares increases we are implementing this year, while not ideal, forms part of our wider recovery plans. We have challenged ScotRail to develop robust plans, including fares initiatives, that will encourage more people back to rail as we work towards Net Zero.

Recommendation

As indicated above, as this proposal is estimated to generate an **[REDACTED] Section 33(1)(b)** in revenue, in light of the pressing financial challenges and with Transport Scotland unlikely to get a Network Rail rebate (separate briefing being prepared), a decision to implement an across the board RPI increase (3.8%) is recommended.

The Minister has previously asked for a Scance note to be provided before Christmas: this will be completed to reflect the Minster's decision in this matter.

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 23 November 2021 13:27

To: [REDACTED]

Minister for Transport <MinisterFT@gov.scot>

cc: [REDACTED]

Subject: RE: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

Afternoon **[REDACTED]**

Mr Dey is content to proceed with the RPI increase.

Thanks,

[REDACTED]

From: [REDACTED]

Sent: 15 November 2021 16:53

To: Minister for Transport <MinisterFT@gov.scot>

Cc: [REDACTED]

Subject: January 2022 fares setting round (July 2021 RPI) - Transport Minister Briefing Nov 2021

PS/Minister for Transport

Priority: Urgent - [REDACTED] require approval by 18 November otherwise it will impact timeline for inputting the new fares into the ticketing system

Purpose

Further to the briefing previously provided regarding consideration on whether the July RPI increase (3.8%) is applied to [REDACTED] regulated rail fares in January 2022, Transport Scotland officials have explored the options on applying the RPI fares increase and a recommendation is presented for the Minister in the attached briefing.

Kind regards,
[REDACTED]

[REDACTED]

Attachment

SCOTRAIL'S 2022 REGULATED FARES INCREASE

Section 30 (b)(i)

SCOTRAIL'S JANUARY 2022 REGULATED FARES INCREASE

Section 30 (b)(i)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]			[REDACTED]		[REDACTED]
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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

13 – Email 16/12

From: [REDACTED]

Sent: 16 December 2021 09:26

To: [REDACTED]

Cc: [REDACTED]

Subject: Release for clearance - Rail Strat Comms - media - media release - fares increase - Dec 2021

Importance: High

Morning [REDACTED]

Attached for clearance is a draft release regards the fares increase.

It is really for TS to announce this given it is a policy decision. The fares will be visible in the system from next week [REDACTED]

Section 30(b)(i)

Kind regards
[REDACTED]

Attachment

1. Rail Strat Comms – Media – Media Release – Fares Increase – Dec 2021

Rail fares increase level confirmed

Revenue recovery key to rail sustainability

Transport Scotland has today confirmed the fares increase it will put in place as it seeks to recover rail revenues lost throughout the pandemic.

From late January, both peak and off-peak regulated fares will increase by July 2021 RPI (3.8%). This is a necessary step away from previous years where the off-peak fares increase was lower (RPI-1).

Throughout the pandemic, the Scottish Government has supported our rail franchises with more than £1bn including over £450m in the Emergency Measures Agreements. This level of funding is not sustainable in the longer term.

As is only prudent, ScotRail has looked at ways to address the financial challenges. After lengthy consideration, Ministers agreed this fares increase proposal.

Graeme Dey, Minister for Transport said

“For over a decade the Scottish Government has kept fares increases down by ensuring they are in line with RPI, or even lower in the case of off-peak fares. We know that any increase is unwelcome for passengers however the changes we are implementing this year are essential to our wider recovery plans.

“We challenged ScotRail to develop robust plans to increase revenue, while also seeking to identify efficiency savings that help put rail services on a sustainable footing. It is only right we implement proposals, such as this increase, where they make sense given the changes in passenger travel patterns.

“However, we know that there is much work to be done in encouraging people back to rail if we are to achieve our net zero targets. That is why we have instructed ScotRail to identify ways to encourage increased demand at the right time, in the right place, as we continue to recover from the pandemic.

“Work also continues on Transport Scotland’s Fair Fares review, which is expected to report in 2024.”

The fares increase will come into effect on 24 January 2022

Background

- Demand is currently 42 percent down on pre-pandemic levels (compared with period 9 in 2019).
- Specifically, weekday demand is 46 percent down, but Sunday demand is only 30 percent down, and Saturday demand is 28 percent down. Saturday is consistently the busiest day of the week.
- Peak demand is 59 percent down on 2019, but nonpeak demand is only 25 percent down.

[Data sources: for the split of weekday and weekend demand, ScotRail's revenue/ patronage report for period 9; for the trends in peak and nonpeak demand, ScotRail's most recent weekly trends report]

- The reduction in peak travel means it is no longer supporting off-peak travel in terms of revenue therefore we need to move to make the increase more equitable across all travel

14 – Email 16/12

From: [REDACTED]

Sent: 16 December 2021 13:17

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: Release for clearance - Rail Strat Comms - media - media release - fares increase - Dec 2021

Afternoon [REDACTED]

For info, [REDACTED] has made [REDACTED] aware that [REDACTED] will announce their increase tomorrow [REDACTED] **Section 30(b)(i)**

With this in mind I will bring this up on our call with [REDACTED] later this afternoon.

Thanks

[REDACTED]

From: [REDACTED]

Sent: 16 December 2021 09:26

To: [REDACTED]

Cc: [REDACTED]

Subject: Release for clearance - Rail Strat Comms - media - media release - fares increase - Dec 2021

Importance: High

Morning [REDACTED]

Attached for clearance is a draft release regards the fares increase.

It is really for TS to announce this given it is a policy decision. [REDACTED]

[REDACTED] **Section 30(b)(i)**

Kind regards
[REDACTED]

15 – Email 16/12

From: [REDACTED]
Sent: 16 December 2021 17:38
To: [REDACTED]
Cc: [REDACTED]
Press Transport Scotland <media@transport.gov.scot>
Subject: Rail fares increase
Importance: High

[REDACTED]

As discussed on call this afternoon, attached for your consideration is the draft fares increase release [REDACTED] **Section 30(b)(i)**

[REDACTED] **Section 30(b)(i)**

Kind regards
[REDACTED]
[REDACTED]

[REDACTED]

Attachment

1. Rail Strat Comms – Media – Media Release – Fares Increase – Dec 2021

Rail fares increase level confirmed

Revenue recovery key to rail sustainability

Transport Scotland has today confirmed the fares increase it will put in place as it seeks to recover rail revenues lost throughout the pandemic.

From late January, both peak and off-peak regulated fares will increase by July 2021 RPI (3.8%). This is a necessary step away from previous years where the off-peak fares increase was lower (RPI-1).

Throughout the pandemic, the Scottish Government has supported our rail franchises with more than £1bn including over £450m in the Emergency Measures Agreements. This level of funding is not sustainable in the longer term.

As is only prudent, ScotRail has looked at ways to address the financial challenges. After lengthy consideration, Ministers agreed this fares increase proposal.

Graeme Dey, Minister for Transport said

“For over a decade the Scottish Government has kept fares increases down by ensuring they are in line with RPI, or even lower in the case of off-peak fares. We know that any increase is unwelcome for passengers however the changes we are implementing this year are essential to our wider recovery plans.

“We challenged ScotRail to develop robust plans to increase revenue, while also seeking to identify efficiency savings that help put rail services on a sustainable footing. It is only right we implement proposals, such as this increase, where they make sense given the changes in passenger travel patterns.

“However, we know that there is much work to be done in encouraging people back to rail if we are to achieve our net zero targets. That is why we have instructed ScotRail to identify ways to encourage increased demand at the right time, in the right place, as we continue to recover from the pandemic.

“Work also continues on Transport Scotland’s Fair Fares review.”

The fares increase will come into effect on 24 January 2022

Background

- Demand is currently 42 percent down on pre-pandemic levels (compared with period 9 in 2019).
- Specifically, weekday demand is 46 percent down, but Sunday demand is only 30 percent down, and Saturday demand is 28 percent down. Saturday is consistently the busiest day of the week.
- Peak demand is 59 percent down on 2019, but nonpeak demand is only 25 percent down.
- The reduction in peak travel means it is no longer supporting off-peak travel in terms of revenue therefore we need to make the increase more equitable across all travel

16 – Email 17/12

From: [REDACTED]

Sent: 17 December 2021 10:02

To: [REDACTED]

Cc: [REDACTED]

Press Transport Scotland <media@transport.gov.scot>

Subject: RE: Rail fares increase

[REDACTED] **Section 30(b)(i)**

From: [REDACTED]
Sent: 17 December 2021 09:58
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Rail fares increase

[REDACTED] **Section 30(b)(i)**

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 17 December 2021 09:54
To: [REDACTED]
Cc: [REDACTED]
Press Transport Scotland <media@transport.gov.scot>
Subject: RE: Rail fares increase

Hi [REDACTED]

We discussed this on the call – [REDACTED]

[REDACTED] **Section 30(b)(i)**

Revised version now attached – will copy [REDACTED] when I send to Mr Dey.

Thanks
[REDACTED]

From: [REDACTED]
Sent: 17 December 2021 09:42
To: [REDACTED]
Cc: [REDACTED]
Press Transport Scotland <media@transport.gov.scot>
Subject: RE: Rail fares increase

[REDACTED] **Section 30(b)(i)**

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 17 December 2021 09:30
To: [REDACTED]
Subject: RE: Rail fares increase

Morning [REDACTED]

Apologies for chasing on this one given it only came up at close of play last night. Looking to send it to Mr Dey this morning for clearance, to then issue asap afterwards [REDACTED] **Section 30(b)(i)**

Thanks
[REDACTED]

From: [REDACTED]
Sent: 16 December 2021 17:38
To: [REDACTED]
Cc: [REDACTED]
Press Transport Scotland <media@transport.gov.scot>
Subject: Rail fares increase
Importance: High

[REDACTED]

As discussed on call this afternoon, attached for your consideration is the draft fares increase release [REDACTED] **Section 30(b)(i)**

[REDACTED] **Section 30(b)(i)**

Kind regards
[REDACTED]

[REDACTED]

Third Party correspondence:

1 – Email 8/10

From: [REDACTED]
Sent: 08 October 2021 16:27
To: [REDACTED]
Subject: RE: [REDACTED] [OUT OF SCOPE] / RPI Fares

Thanks [REDACTED]

Enjoy the time off. I am not working on Thursday but I think it's worth us having a discussion on Friday next week as if Scotland applies the increase earlier than the rest of the UK, this requires engagement with [REDACTED] to manage at their end for Scotland in isolation.

Speak Friday.

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 08 October 2021 16:23
To: [REDACTED]
Subject: RE: [REDACTED] [OUT OF SCOPE] / RPI Fares

Hi [REDACTED]

Thanks for sending this over.

Think my earlier email wasn't very clear. [REDACTED] **Section 30(b)(ii)** hence the question on when you would need to ask for the system to be opened.

I'm off for a few days at the start of next week, but happy to have a chat Thursday or Friday if that suits?

Thanks
[REDACTED]

From: [REDACTED]
Sent: 08 October 2021 15:00
To: [REDACTED]
Subject: RE: [REDACTED] [OUT OF SCOPE] / RPI Fares

Hi [REDACTED]

[REDACTED] [OUT OF SCOPE]

Thanks for update on RPI, the more time goes on without confirmation, the less likely a January 22 increase would be. Most Pricing Managers need around 4 weeks' time to do all the models,

agreement etc and the Fares Setting Round for January usually closes end of October, beginning of November. By this stage, work would usually be in full flow across all TOCs and I haven't heard anything. I'll drop a service desk ticket today on the Fares Service to hear if they know anything and report back but I sense it will be similar to what you know.

Thanks,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 08 October 2021 12:49

To: [REDACTED]

Subject: [REDACTED] [OUT OF SCOPE] / RPI Fares

Hi [REDACTED]

[REDACTED] [OUT OF SCOPE]

Not much to report on the RPI front at the moment, we were supposed to meet [REDACTED] last week, but they cancelled, so catching up with them in a week or two [REDACTED]
Section 30 (b)(ii)

If we do go for January, when would you need to formally ask for the PMS system to open? (or can you informally start the discussion in advance of that?).

Have a good weekend!

Thanks

[REDACTED]

[REDACTED]

[REDACTED]

2 – Email 15/10

From: [REDACTED]
Sent: 15 October 2021 16:05
To: [REDACTED]
Subject: RPI/Fares Increase Date

Hi [REDACTED]

Sent a service desk ticket to the fares team and they have responded with the below.
It doesn't sound like there will be any issues, more just that I would need to make them aware when I was submitting the fares models.
Have a good weekend.
[REDACTED]

Dear [REDACTED]

Thanks for the advance warning.
As there is no FSR in place then extra approvals will be required. Can I ask you to let us know before you submit your models so that we can just check with [REDACTED] regarding the PMS performance threads to give you go-ahead to submit.
Also before you submit your agreements (PMS thread Count will need adjusting). You can get these into status Ready in Drafts processing, it is just the final submission we will need to do something.
Thanks again.

[REDACTED]
[REDACTED]

[REDACTED]

3 – Email 29/10

From: [REDACTED]
Sent: 29 October 2021 16:37
To: [REDACTED]
Subject: RE: Fares increase

Hi [REDACTED]

[REDACTED] **Section 30(b)(i)**

Thanks,
[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 29 October 2021 11:08
To: [REDACTED]
Subject: Fares increase
Hi [REDACTED]

Apologies asking for this at the eleventh hour, but would you be able to provide an estimate of a cost in delaying the fares increase until March?

[REDACTED] **Section 30 (b)(ii)**

Thanks
[REDACTED]

4 – Email 19/11

From: [REDACTED]
Sent: 19 November 2021 09:50
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: RPI clarity

Hi [REDACTED]

[REDACTED] **Section 30(b)(i)**

Thanks
[REDACTED]

From: [REDACTED]
Sent: 19 November 2021 09:43
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: RPI clarity

Thanks [REDACTED] **Section 30(b)(i)**

[REDACTED] **Section 30(b)(i)**

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: 19 November 2021 09:31
To: [REDACTED]
Cc: [REDACTED]

Subject: RE: RPI clarity

Hi [REDACTED]

[REDACTED] **Section 30(b)(i)**

Thanks
[REDACTED]

From: [REDACTED]
Sent: 19 November 2021 09:19
To: [REDACTED]
Cc: [REDACTED]
Subject: RPI clarity
Importance: High

Hi [REDACTED]

Hope you are well.

[REDACTED] **Section 30 (b)(ii)**

[REDACTED]

[REDACTED]

5 – Email 22/11

From: [REDACTED]
Sent: 22 November 2021 13:29
To: [REDACTED]
Cc: [REDACTED]
Subject: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]

Please see attached file outlining the pricing options for discussion on the RTF call tomorrow.

Thanks
[REDACTED]

Classified as INTERNAL

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

Attachment

1. 2022-23 Pricing Options – 22112021

Section 33(1)(b)

[REDACTED]

[REDACTED]

[REDACTED]

6 – Email 24/11

From: [REDACTED]
Sent: 24 November 2021 10:25
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]
Hope you are both well.
[REDACTED] **Section 30 (b)(ii)**

Many thanks
[REDACTED]

From: [REDACTED]
Sent: 22 November 2021 13:29
To: [REDACTED]

Cc: [REDACTED]

Subject: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]

Please see attached file outlining the pricing options for discussion on the RTF call tomorrow.

Thanks

[REDACTED]

[REDACTED]

Attachment

1. 2022-23 Pricing Options - 22112021

Section 33(1)(b)

7 – Email 25/11

From: [REDACTED]

Sent: 25 November 2021 11:54

To: [REDACTED]

Cc: [REDACTED]

Subject: Process for fares setting round

Hi [REDACTED]

Please find below a short explanation from [REDACTED] on the process for implementation of a fares setting round.

[REDACTED] **Section 30(b)(ii)**

[REDACTED] [OUT OF SCOPE]

Kind regards

[REDACTED]

[REDACTED]

8 – Email 30/11

From: [REDACTED]

Sent: 30 November 2021 17:51

To: [REDACTED]

Cc: [REDACTED]

Subject: [REDACTED] **Section 33(1)(b)**

Hi [REDACTED]

Please find attached [REDACTED] **Section 33(1)(b)** (with Exec Summary added) from today's Revenue Task Force meeting to be discussed with [REDACTED] on Friday.

Thanks,

[REDACTED]

[REDACTED]

Attachment

1. [REDACTED] **Section 33(1)(b)**

Section 33(1)(b)

9 – Email 13/12

From: [REDACTED]

Sent: 13 December 2021 11:41

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]

That's good news. The date we are working to is Mon 24th Jan. We can confirm on call tomorrow.

Thanks

[REDACTED]

[REDACTED]

From: [REDACTED]

Sent: 13 December 2021 11:12

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]

The Minister has responded to the briefing and is content with the Off-peak RPI increase (3.8%) being applied.

Can we now agree a date for the increase being applied? Happy if it can be confirmed at the task force call tomorrow.

Thanks
[REDACTED]

From: [REDACTED]
Sent: 22 November 2021 13:29
To: [REDACTED]
Cc: [REDACTED]
Subject: 2022-23 Pricing options 22112021.docx

Hi [REDACTED]

Please see attached file outlining the pricing options for discussion on the RTF call tomorrow.

Thanks
[REDACTED]

[REDACTED]

Attachment

1. 2022-23 Pricing Options - 22112021

Section 33(1)(b)

10 – Email 15/12

From: [REDACTED]
Sent: 15 December 2021 13:42
To: [REDACTED]
Cc: Communications <communications@scotrail.co.uk>
Subject: RE: Fares increase - visibility

Hi [REDACTED]

I have been liaising with the Fares service desk on this today for clarity. Essentially, as soon as the retailers pick up the data feed with the new prices they will show for travel from 24th January.

So for example, if I submit the model next Monday 20th December and retailers see the data from the 22nd December then if a customer was to buy a ticket that day for travel from 24th January it would be at the new increased price.

With this being the case, I am going to try and prepare all 13 models over the next week and submit them hopefully all on the same day (most likely Tuesday or Wednesday next week) so that all products fares are changed at the same time for travel from 24th January.

I have looped in **[REDACTED]** to this also so they are aware of this.

Thanks,
[REDACTED]
[REDACTED]

From: **[REDACTED]**
Sent: 15 December 2021 09:47
To: **[REDACTED]**
Subject: Fares increase - visibility

Hi **[REDACTED]**

Quick question, with the process of uploading the fares increases into the system starting, when will they be visible to passengers?

If you can advise as soon as possible, **[REDACTED]** want to know to plan any releases.

Thanks
[REDACTED]

[REDACTED]

11 – Email 17/12

From**[REDACTED]**
Sent: 17 December 2021 10:07
To: **[REDACTED]**
Subject: FW: Fares comms

For info

From: **[REDACTED]**
Sent: 17 December 2021 09:42
To**[REDACTED]**
Cc: **[REDACTED]**
Subject: Fares comms

Hi **[REDACTED]**

Here's our draft reactive line and employee notice.

Can you let us know if you ok with it?

Are you still going for early afternoon today?

Thanks.

Classified as INTERNAL

[REDACTED]

Attachment

1. Communications Pack – Fares Changes – Dec 2021

Communications pack - Fares increase confirmed

Media line – to be used reactively

A ScotRail spokesperson said:

“While some customers will understandably be disappointed by this announcement, the revenue generated from fares is essential to allowing ScotRail to run a service, help the economic recovery, and reduce the burden on the taxpayer.

“There is no profit being made by the business, and only with significant support from the Scottish Government can services continue to operate.

“Coronavirus has changed our railway fundamentally. We are working hard on plans to develop new ticket types, better technology, and different services to meet customer demand and attract as many people back to the railway as possible in the coming months.

“It's crucial we attract people to choose the train as the low-carbon alternative in the coming months and years.”

Employee notice

Hello,

2022 fare changes

Each year, the Scottish Government confirms by how much the vast majority of fares on Scotland's Railway will increase and the implements this in January.

A measure of inflation, the Retail Price Index (RPI) – which is how much the cost of goods and services in the economy have increased by – is used to determine the level of fares increases. A body called the Office for National Statistics (ONS) notes the prices of hundreds of everyday items, from cinema tickets to smart speakers, and publishes a monthly inflation figure.

Over the past 12 months, inflation has increased which has affected the cost of living for everyone, driven largely by rising fuel and energy costs. Unfortunately, rail fares are not immune from that.

The following fare changes have been confirmed by the Scottish Government and will take effect from Monday, 24 January 2022:

- Regulated peak fares will rise by a maximum of 3.8 per cent, including:
 - Anytime
 - Anytime Day
 - Flexipass
 - Seasons

- Regulated off-peak fares will rise by a maximum of 3.8 per cent, including:
 - Off Peak
 - Off Peak Day

- Advance fares will increase by 3.8 per cent, with the exception of the £5 advance fare.

[REDACTED] [OUT OF SCOPE]

Since the start of the current franchise, regulated off-peak fares have been set at RPI minus 1 – meaning one percentage point is removed from the inflation figure – with those fares costing slightly less than peak ones. That’s now been removed given the really challenging financial position that the railway is in.

Last year, I said that coronavirus has changed our railway fundamentally. That continues to be the case, perhaps even more so with the arrival of the new Omicron variant.

The revenue generated from fares is essential to allowing ScotRail to operate our trains. We know that fare increases will be disappointing for some of our customers, and that many of you will be on trains and in stations speaking to those customers.

We are working hard on plans to develop new ticket types, better technology, and different services to meet customer demand and attract as many people back to the railway in the coming months, where the service provided justifies the cost paid.

If you have any questions, please don’t hesitate to contact **[REDACTED]**

Best wishes,

[REDACTED]