



From the Secretary of State

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Dear Colin,

FARES AND TICKETING STUDY

Thank you for inviting me to address your conference last week. I was pleased to hear that the rest of the day went well. When we met recently, we discussed the piece of work that I would like Passenger Focus to undertake on fares and ticketing. I write now to set down the issues on which I would welcome your advice.

Passengers' experience of the railway is crucial to their well-being and its success. Overall satisfaction rates have risen steadily in recent years as performance has improved. Yet less than half consider that they are getting good value for money when they undertake a journey. I am determined to remedy that, and to that end I am keen to develop a better and wider understanding of the evidence base to inform ongoing policy development.

I am therefore asking you to advise me on the following matters:

1. What does existing evidence show, in detail, about passenger perceptions of fares and ticketing? For example, to what extent do passengers understand the availability and pricing of different ticket types at different times? And what are passengers' perceptions of the price differentials between single and return tickets - would passengers prefer single leg ticketing to the current system, where returns can be just £1 more than single fares?

2. How far will improvements under way or planned, such as fares simplification and the Price Promise, meet passengers' expectations? Will there still be a gap to be addressed?
3. How else could we give passengers greater confidence in fares and ticketing? Is there anything more that can be done to improve passengers' confidence that they will be sold the most suitable ticket? How comfortable are passengers at using different technologies to access travel information and book tickets?
4. What evidence is there of meaningful comparative figures of UK and other European rail fares?
5. Are there areas where further research would be useful?

I am expecting that you will have some of the material available from your previous research in areas such as fares and ticketing and passenger expectations, but will need to commission some new work in order to produce a comprehensive answer to these questions. I hope that you will be able to offer me initial advice by the end of July.

With best wishes
Ruth

RUTH KELLY