RailBusinessDaily

Rail fares rise capped at 3.8% in 2022 to "prevent high increases for passengers"

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The UK Government has said it has capped the next fares increase to 3.8%, below current retail price inflation of 7.1%.

The last rise saw fares go up by 2.6% in March this year. The upcoming rise is the biggest for 13 years, according to figures from the Rail Delivery Group.

In a statement, the government said it will not increase fares by RPI plus 1%, as it did in 2021 – the formula leading up to the pandemic. This would, it said, "prevent high increases for passengers".

Before the pandemic, the prices would be raised in January, based on the RPI of the previous July.

2022's increase will be in March, similar to the delay we saw this year. The government said this is to give passengers more time to purchase cheaper flexible and season tickets at the existing rate.

In response, shadow secretary of state for transport, Louise Haigh, described the implied increase as "brutal" and said it was a "nightmare before Christmas". "People up and down this country are paying the



price of a Tory inflation bombshell," she said on Twitter.

The TSSA's, Manuel Cortes said: "This government seems hell bent on discouraging rail travel. This latest fares hike will put yet more people off and price many out of rail travel completely." He added: "This has to stop. Fares rises are staggeringly counter-productive. Rail should be incentivised and the government should look at free travel – as many other countries do – as a positive way to change travel behaviour and cut emissions in our efforts to meet climate commitments."

The government, meanwhile, said the rise will help meet some of the costs of keeping services running 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.