

Proposed revision to the Concession Fare Structure

Date of meeting 14 August 2025

Date of report 6 August 2025

Report by Treasurer

1. Object of report

To recommend the Strathclyde Concessionary Travel Scheme Joint Committee approve a temporary revision to the fare structure, effective from 1 September 2025, to align with the pending removal of peak fares on Scotrail services.

2. Background to report

The Joint Committee previously approved a significant revision to the concession fare structure effective from the 1 April 2025. This revision was necessary to ensure the long-term financial viability of the Scheme which is funded by the 12 local authorities in the SPT area.

In effect this introduced a concession fare of 50% of the regulated standard fare (also referenced as the Anytime fare) on Scotrail services, but with a cap of £2.50 for a single and £4.00 for a return between stations within designated rural zones.

Subway and Ferry services within the Scheme area were also revised to ensure alignment. The decision to implement this change followed a detailed review of the Scheme and the resources available to support the Scheme, and its implementation was based on the information known at the time.

3. Current Position

The decision to implement the revised structure was not taken lightly but sought to safeguard the Scheme. Since this time however, the decision has been taken to remove “peak fares” on Scotrail Services permanently. This has significant consequences for the Scheme structure and the reimbursement to Scotrail unless further revisions are made.

Discussions have taken place with Scotrail and Transport Scotland to understand more fully the revised fare structure operating on Scotrail, and any restrictions that may apply to other discounted tickets. In addition, these discussions have confirmed that no additional funds are available to offset any additional costs that will arise. The income to Scotrail is also anticipated to be cost neutral. Reimbursement to operators is calculated on the basis of “no better, no worse off” and recognises that the Scheme generates journeys. As a result, operators receive in addition to the fare box income at the time of the ticket sale a percentage of the fare via the reimbursement mechanism.

Applying the current reimbursement formula to the revised Scotrail fare structure would potentially increase the reimbursement by approximately £1m per annum. Taking all of this into account it is proposed that the concession fare be adjusted with effect from 1

September 2025 to a discount of one third on the new off peak return tickets (the vast majority of tickets sold) and single fare tickets.

To illustrate the impact of this, see below:

Example Journey 1

Anytime single	£4.50
Anytime Return	£7.10
Off peak Return	£4.70

Current Concession Single Fare	£2.25
Current Concession Return Fare	£3.55

New Concession Single Fare	£3.00
New Concession Return Fare	£3.15

Example Journey 2

Anytime Single	£10.10
Anytime Return	£16.90
Off peak Return	£10.70

Current Concession Single Fare	£5.05
Current Concession Return Fare	£8.45

New Concession Single Fare	£6.70
New Concession Return Fare	£7.15

The majority of rail concession tickets are sold on a return basis and this proposal would maintain the price of return concession fares within the previous fare bracket and in some instances result in a small reduction for passengers, although it is acknowledged that single concession ticket prices while still being significantly less than a full price single fare would increase.

This change will allow the cost of rail reimbursement to Scotrail to remain within the available resources previously budgeted for, circa £2.1m reimbursement to Scotrail.

While it is acknowledged that the proposed changes would deliver discounts comparable to those offered by existing ticketing products, namely the Over 60s Senior Railcard and the Disabled Persons Railcard, both of these require an upfront payment of £35 and £20 respectively, but do apply UK wide.

In addition, the concession Scheme was designed to support access to essential services and facilities, it is not intended to be used for commuting and/or travel in what has previously been known as “peak” time. It is proposed to maintain this restriction at this time, aligning with other discounted ticket restrictions.

Members are advised that the proposed changes apply only to rail concession for 60+ card holders, with the previous half fare structure applicable to Subway and Ferry services still applicable. The rural fare cap between stations within designated rural zones also remains unaffected by the proposed changes.

It is proposed that this change is effective from 1 September 2025 on a temporary basis to allow a detailed review of the impact of the new off-peak fares and re-imbursement arrangements with Scotrail to be more fully understood.

4. Committee action

The Committee is recommended to:

- (i) approve the fare structure as applicable to rail services be amended to a discount of one third;
- (ii) approve that the eligibility times exclude previous “peak” services; and
- (iii) agree that further work to review the Scheme structure and reimbursement arrangements with Scotrail are undertaken, having consideration to other available discounted tickets an available funding.

5. Consequences

Policy consequences	Maintains provision of rail concession within available resources.
Legal consequences	None directly.
Financial consequences	Failure to adjust the Scheme will result in a significant overspend on the Scheme budget.
Personnel consequences	None directly.
Equalities consequences	Maintains rail concession and return fares within previous price brackets.
Risk consequences	Risk to Scheme long term viability if not action taken.
Climate Change, Adaptation & Carbon consequences	Supports access to transport.

Name Lesley Aird

Title **Treasurer**
Strathclyde Concessionary Travel Scheme Joint Committee

For further information, please contact Martin Breen at martin.breen@spt.co.uk