Item:
**23**

**Report to Partnership Meeting 6 November 2026**

**Partnership**

**House of Commons Transport Committee:**
***Fare play? Government's role in ticketing and pricing***

## PURPOSE OF REPORT

The purpose of this report is to present HITRANS' draft response to the House of Commons Transport Committee inquiry, Fare play? Government's role in ticketing and pricing, and to invite Members to approve the submission, subject to any amendments agreed by the Partnership Board. The inquiry examines Government intervention in public transport fares, pricing and ticketing, including the objectives Government should seek to achieve, the effectiveness of existing interventions and the potential wider economic, social and environmental benefits of fares policy.

The draft response proposes that fares policy should not be considered simply as a mechanism for pricing transport. Transport is largely a derived demand, people travel because they need to access employment, education, training, healthcare, services, family and wider opportunities. Fares policy should therefore be considered as part of the infrastructure enabling access to those opportunities.

## BACKGROUND

The Transport Committee launched the inquiry on 25 September 2026. It is considering what objectives Government should pursue through fares and ticketing policy, how ticket prices influence travel choices, how fare policy can support passengers and financially sustainable transport networks, and how interventions might generate wider public benefits.
This is particularly relevant to the Highlands and Islands, where the affordability of transport cannot sensibly be separated from its availability, accessibility, reliability or integration. HITRANS' Regional Transport Strategy is centred on delivering connectivity that enables sustainable economic growth and allows communities to participate in economic and social activities. The inquiry also complements HITRANS' existing Transport to Employment programme, which identifies availability, accessibility and affordability as interconnected barriers capable of preventing access to jobs and training.

## DRAFT RESPONSE

The draft response at Annex A recommends that fares and ticketing policy should pursue complementary objectives of:

- affordability, particularly where transport costs constrain participation;
- accessibility, ensuring people can make effective use of transport;
- availability and connectivity, recognising that low fares have limited value where the necessary service does not exist;
- simplicity and transparency, reducing the expertise passengers need to understand and purchase travel;
- integration, particularly for journeys involving several services, operators or modes;

- inclusive economic participation, recognising transport's relationship with employment, education and training;
- modal shift and decarbonisation; and
- financial and network sustainability.

**KEY MESSAGES**

**1. Transport is a derived demand**

People generally do not purchase transport simply because they want to consume transport. They travel because an activity or opportunity is located somewhere else. For a young person, parent or jobseeker, that could mean: Work. An interview. College. Training. An apprenticeship. Healthcare. Childcare. Family.

The fare is therefore more than the price of transport. It can be part of the price of accessing an opportunity. This distinction should be reflected in how Government determines the purpose and value of fares interventions and national funding for wider systems of training, employability, health etc.

**2. Fares policy is part of accessibility policy**

Affordability should not be separated from accessibility. For example, a £2 fare is of limited value if the required service does not operate. Equally, an available service may provide limited practical accessibility if its cost makes regular use unaffordable. HITRANS' Transport to Employment programme already approaches the issue through the interconnected challenges of availability, accessibility and affordability. Its stated objectives include removing transport obstacles to interviews and employment and improving retention in employment.

The submission therefore proposes a broader chain:

*Availability + Accessibility + Affordability + Integration*
↓
*Effective Mobility*
↓
*Access to Opportunity*

This should be reflected in the objectives and evaluation of fares interventions.

**3. Government should consider the whole journey not fares for each mode.**

Passengers do not necessarily experience transport through the administrative boundaries used by government or the industry. A journey may involve rail, bus, ferry, community transport or other connections. For the passenger, affordability is ultimately determined by the total journey, not necessarily the price of an individual component. This is particularly important across the Highlands and Islands, where journeys can cross operators, modes and administrative boundaries. The submission therefore recommends moving progressively from thinking about the affordability of a ticket and more towards the affordability and accessibility of the whole journey.

**4. Fares and ticketing should reduce complexity for passengers**

Pricing and ticketing are related but distinct. Lower prices alone do not necessarily create a simple or accessible passenger experience. Future policy should therefore adopt a principle that the transport system should absorb complexity from the passenger rather than require the passenger to understand the complexity of the transport system. Passengers should not need detailed knowledge of operators, ticketing arrangements or institutional boundaries simply to identify and

purchase an appropriate journey. Technological sophistication should result in a simpler passenger experience, rather than require greater passenger expertise.

**5. Rural and island geography must form part of national fares policy**

National consistency does not necessarily produce spatial equity. The Highlands and Islands combine remote and very remote communities, dispersed labour markets and significant distances between people and opportunities. More than half of the population of the HITRANS region is classified as living in remote or very remote areas. A nationally available fare intervention may therefore generate very different practical benefits depending on the underlying transport network. **This creates an important distinction between equality of entitlement and equity of accessible opportunity.**

## FROM CHEAPER TRANSPORT TO ACCESSIBLE OPPORTUNITY

The draft HITRANS consultation response proposes an important shift in how fares interventions are evaluated. Traditional measures such as passenger numbers, revenue and network sustainability remain important. However, where Government intervention is intended to deliver wider benefits, evaluation should also consider whether it has improved:

- affordability;
- accessibility;
- participation in employment and education;
- access to essential services;
- passenger behaviour and modal choice;
- outcomes for particular communities and groups;
- the passenger experience of understanding and purchasing travel; and
- the sustainability of relevant transport networks.

## PRINCIPLES FOR GOVERNMENT INTERVENTION

The draft response recommends six principles:

1. Establish the outcome before selecting the intervention

Government should state explicitly whether an intervention is intended to improve affordability, accessibility, connectivity, modal shift, inclusion, network sustainability or another outcome.

2. Evaluate the whole journey

Affordability should increasingly consider the passenger's complete journey rather than each fare or mode in isolation.

3. Treat simplicity as a passenger benefit

Technically sophisticated systems should reduce, rather than transfer, complexity for passengers.

4. Design for rural and island circumstances

National policy should recognise that identical interventions can produce significantly different outcomes in different transport markets and geographies.

5. Integrate ticketing without excluding passengers

Integration and digitalisation should expand access and convenience while preserving inclusive ways to access and pay for transport.

6. Connect fares policy to wider outcomes

Transport is an enabling service. Where fares interventions are designed to improve access to employment, education, healthcare or other opportunities, those outcomes should be reflected in appraisal and evaluation.

## RECOMMENDATIONS TO THE TRANSPORT COMMITTEE

The draft submission recommends that the Committee asks Government to consider:

1. establishing a clear outcomes framework for fares and ticketing policy, identifying what public intervention is intended to achieve;
2. making affordability, accessibility, simplicity, integration and network sustainability explicit considerations;
3. assessing affordability increasingly at whole-journey level, particularly for journeys involving connections or different modes;
4. supporting integrated ticketing and payment arrangements which reduce complexity for passengers while retaining inclusive means of access and payment;
5. integrating rural and island considerations into fares policy and impact assessment;
6. providing appropriate scope for regional and local bodies to shape and evaluate interventions according to local transport markets and geography; and
7. evaluating significant fares interventions against relevant wider outcomes, including access to employment, education, opportunity and essential services.

**CONCLUSION**

The Transport Committee inquiry provides an opportunity to move the policy debate beyond the price of individual tickets or fares for certain modes.

For the Highlands and Islands, transport is fundamentally an enabling service.

Transport enables mobility, Mobility enables participation. Participation enables opportunity.

Fares policy sits within that chain.

A low fare cannot compensate fully for a service which does not exist. An available service will not necessarily enable opportunity if it is unaffordable. An integrated digital product achieves little if some passengers cannot access it and the price of one journey leg does not determine whether a multimodal journey is affordable overall.

The central policy question should therefore not simply be:

***How much should public transport cost?***

Should it be:

***What do we need fares and ticketing policy to enable people to do?***

For HITRANS, success should increasingly mean a system viewed through the eyes of the passenger:

- Available enough to provide the journey.
- Simple enough to understand.
- Affordable enough to use.
- Integrated enough to make the whole journey work, and
- capable of connecting people to the opportunities and services for which transport demand exists in the first place.

That wider concept of accessible opportunity, rather than price alone, should be an important measure of successful Government fares policy. A final observation related to price would be around the nature and length of funding fare interventions. Short-term funding can be valuable for testing new approaches, but it is poorly suited to addressing structural transport-to-employment barriers. The purpose of transport-to-employment/health/training interventions is not simply to fund

individual journeys. It is to enable people to enter employment, access healthcare or start apprenticeships and sustain that participation over time. That requires greater continuity. People need confidence that the transport which enables them to accept an opportunity will remain available once they have taken it. Employers need confidence when designing recruitment, shift patterns and workforce arrangements. Transport operators and regional partners need sufficient certainty to develop services and interventions rather than repeatedly mobilising short-term pilots.

This exposes a wider policy tension e.g. when the outcome delivered employment is expected to be sustained but the transport fare intervention enabling it may be temporary. For rural and island areas, that uncertainty can be particularly significant where there is no realistic alternative to the supported transport arrangement. Multi-year funding should not mean continuing every pilot indefinitely. It should mean giving interventions that demonstrate value sufficient certainty to become part of the transport infrastructure which enables people to access and sustain opportunity. In that sense, funding certainty for fares is not simply a transport issue. It is part of systemic accessibility to a whole range of underpinning services for society.

**RISK REGISTER**

RTS Delivery

Impact - Positive

Comment – The submission reinforces RTS priorities on inclusive, accessible and sustainable transport and strengthens HITRANS' advocacy role

Policy

Impact – Positive

Comment – The response supports national policy development and ensures rural and island perspectives are represented in UK parliamentary scrutiny

Financial

Impact – Neutral

Comment – No direct financial impact but recommendations emphasise the need for multi-year funding certainty for rural transport systems and associated fare interventions.

Equality

Impact – Positive

Comment – The submission highlights intersectional disadvantage and advocates for targeted support for young people facing multiple barriers

**RECOMMENDATIONS**

Member are asked to:

1. Note the House of Commons Transport Committee's call for evidence.
2. Approve HITRANS' draft response, subject to any amendments agreed by members.

3. Delegate authority to the Chair and Partnership Director to finalise and submit the response on behalf of HITRANS.
4. Support continued engagement with UK Government, Scottish Government and regional partners to strengthen the rural evidence base and advocate for multi-year funding certainty for fare interventions

**Report by:** Ranald Robertson
**Designation:** Partnership Director
**Date:** 20th October 2026

ANNEX

**Written evidence to the House of Commons Transport Committee**
**Fare play? Government's role in ticketing and pricing**

**Submission from the Highlands and Islands Transport Partnership (HITRANS)**

## 1. About HITRANS

HITRANS is the statutory Regional Transport Partnership covering Eilean Siar, Orkney, Highland, Moray and most of Argyll and Bute. Its Regional Transport Strategy provides the strategic framework for transport across the region, with a vision centred on connectivity which enables sustainable economic growth and allows communities to participate in economic and social activities.

The current Regional Transport Strategy places emphasis on reducing inequalities, climate action, inclusive economic growth and improving health and wellbeing.

The Highlands and Islands therefore provide an important perspective on the Committee's inquiry into the role of Government in fares, pricing and ticketing.

In rural, remote and island communities, the affordability of transport cannot be considered separately from its availability, connectivity or accessibility. Public transport provides connections to employment, education, healthcare, public services, family and wider economic and social opportunities.

Our starting proposition is therefore:

Fares policy should not be considered simply as a mechanism for pricing transport. It should be treated as part of the infrastructure that enables people and places to participate in economic and social life.

## 2. What outcomes should Government seek from fares policy?

The Committee is examining how Government intervenes in fares, what outcomes it seeks and what wider outcomes intervention could achieve.

From a Highlands and Islands perspective, fares and ticketing policy should pursue several complementary objectives:

- Affordability, particularly where transport expenditure represents a significant barrier to participation.
- Accessibility, so that different groups and communities can make effective use of public transport.
- Simplicity and transparency, reducing the knowledge required to understand what a journey will cost.
- Integration, particularly for journeys involving more than one service, operator or transport mode.
- Connectivity, recognising transport's role in accessing employment, education, public services and opportunities.
- Modal shift and decarbonisation, where affordable and attractive collective transport can provide a viable alternative to private car use.
- Financial and network sustainability, recognising that fares policy needs to support the continued provision of services.

These objectives should be explicit.

The Committee's inquiry provides an opportunity to move away from viewing individual fare interventions in isolation and towards a clearer understanding of what the public investment is intended to achieve.

**3. Affordability should be understood in the context of accessibility**

The Highlands and Islands experience demonstrates why a nominally affordable transport product is not necessarily an accessible one. The current £2 bus fare cap provides a useful contemporary example of deliberate Government intervention.The scheme operates on participating services in the Highlands and Islands as well as Strathclyde. Eligible single adult and child bus journeys are capped at £2, with provision for journeys crossing fare-cap areas. The stated objective is to make bus travel more affordable and improve access to employment, education and leisure.This illustrates the important principle that a fares intervention should be related to a clearly defined public-policy outcome.

It should also be evaluated against those outcomes.

The relevant question is therefore not simply:

*"Has the intervention reduced the price of a ticket?"*

but:

*"Has that change improved people's ability to access the opportunities, services and activities that matter to them?"*

This distinction is particularly important for rural and island communities.

**4. Government should consider the whole journey, not simply the individual fare**

The passenger does not necessarily experience public transport as separate administrative systems.A journey may involve different services or modes.That makes integration an important component of affordability. A passenger's experience of affordability is ultimately determined by the total journey rather than simply the price of one component of it. Government fares policy should therefore increasingly consider the affordability of the journey rather than only the affordability of the individual ticket.

This is also relevant to ticketing.

Transport Scotland's smart and integrated ticketing policy seeks a simple and consistent smart travel experience across public transport modes and identifies availability, affordability and accessibility as objectives. Its Smart Delivery Strategy identifies three principles for smart and integrated ticketing, payment and journey-planning data: being more available, simple and consistent; being accessible and inclusive; and promoting affordable travel.These principles are particularly relevant to geographically dispersed areas where passengers may need to combine services in order to complete their journey.

**5. Ticketing should simplify complexity for passengers**

Pricing and ticketing are related but distinct issues.

Government may intervene successfully to make public transport more affordable while passengers still face complexity in establishing what they should buy and how different services

connect. An important objective for future ticketing policy should therefore be to shift complexity away from the passenger and into the design of the transport and retail system. The emergence of smart and integrated ticketing provides opportunities to do this.HITRANS participates in the National Smart Ticketing Advisory Board through representation of Scotland's Regional Transport Partnerships.Previously, the Board's Standards and Technology Advisory Report envisages a nationally integrated, customer-focused ticketing ecosystem covering bus, rail, ferry, coach, tram and future mobility services, while retaining different forms of ticketing media for passengers.

This is important in the Highlands and Islands. The objective of technological change should not be digitalisation for its own sake. It should be to make journeys easier to understand, access and pay for. Technology should accommodate the passenger's journey rather than expecting passengers to understand the organisational architecture sitting behind it.

**6. Integration must not create digital exclusion**

While digital and account-based ticketing offer considerable opportunities, public policy should retain a strong focus on accessibility and inclusion. Scotland's National Smart Ticketing Advisory Board's work acknowledges the continuing importance of customer choice in ticketing media, including contactless payment cards, smartcards, mobile ticketing, barcode products and future digital technologies. That principle is welcome. A more integrated transport system should not inadvertently create new barriers for passengers who cannot or do not wish to rely exclusively on a particular technology or purchasing channel. The appropriate goal should therefore be integration of passenger outcomes, rather than technologically identical experiences for every passenger. People should be able to access understandable and affordable transport without the system unnecessarily privileging one type of passenger or one means of payment.

**7. Rural and island outcomes need to be reflected in national policy**

A nationally consistent fares and ticketing strategy needs sufficient flexibility to recognise different geographical circumstances. The Highlands and Islands encompasses rural, island and remote communities whose distinctive transport requirements need to be recognised in national investment and policy decisions. HITRANS' own annual reporting identifies resilient transport connections and recognition of those distinctive needs as continuing priorities.

Uniformity and fairness are therefore not always synonymous.

National Governments have an important role in establishing clear principles and objectives for pricing and ticketing, interoperability and passenger rights. However, Regional Transport Partnerships and local transport authorities can contribute an understanding of the different outcomes required by communities and transport markets. An effective future framework should combine national objectives and standards with regional understanding and delivery.

**8. How should fares interventions be evaluated?**

The Committee should encourage Governments to establish the objective and evaluation frameworks of significant fares interventions at the outset. Measures of success should look beyond passenger numbers and revenue alone. Depending on the objectives of the intervention, evaluation could consider outcomes associated with:

- affordability;
- accessibility;
- participation in employment and education;
- access to essential services;
- passenger behaviour;
- modal choice;

- accessibility for particular communities and groups;
- network sustainability; and
- the passenger's experience of understanding and purchasing travel.

These are suggestions for an evaluation framework rather than existing HITRANS measures. This matters because the same fares intervention can potentially serve several public-policy objectives.

The policy question should therefore begin:

*What problem are we seeking to solve for people and places?*

Price is then one potential policy lever, rather than the objective in itself.

**9. Rail reform and Great British Railways**

The Committee's inquiry is taking place alongside the transition of rail services towards Great British Railways. The Committee itself identifies that transition, alongside increasing devolution of responsibility for local public transport, as part of the context for considering who should have powers over fares. From a regional perspective, rail fare reform provides an opportunity to think beyond individual modes and institutions. Passengers in the Highlands and Islands are interested primarily in completing journeys. The policy framework should therefore encourage UK rail ticketing and fares to complement wider efforts towards integrated public transport rather than create new institutional boundaries for passengers. This is particularly important where journeys cross administrative or modal boundaries. The future model should therefore facilitate effective coordination between national rail structures, the Scottish Government, Regional Transport Partnerships, local authorities and transport operators.

**10. What principles should guide Government intervention?**

HITRANS would encourage the Committee to consider a framework based on the following principles.

First, establish the outcome before selecting the intervention. Government should be explicit about whether an intervention is intended principally to improve affordability, accessibility, modal shift, network sustainability or another outcome.

Second, evaluate the whole journey. The affordability experienced by a passenger may be determined by several components of a journey rather than a single fare.

Third, treat simplicity as a passenger benefit. A technically sophisticated system should result in a simpler passenger experience, not require passengers to develop greater expertise.

Fourth, design for rural and island circumstances. National fares policy should recognise that transport markets and accessibility challenges vary geographically.

Fifth, integrate ticketing without excluding passengers. Smart and integrated ticketing should expand passenger choice and convenience while preserving accessible alternatives.

Sixth, connect transport investment to wider outcomes. Public transport enables access to employment, education, services and social activity. The appraisal of fares interventions should recognise those wider policy relationships.

## 11. Recommendations

We recommend that the Committee considers asking Government to:

1. Establish a national outcomes framework for fares policy, setting out clearly what Government interventions in pricing and ticketing are intended to achieve.

2. Include affordability, accessibility, simplicity and integration as explicit objectives, alongside financial sustainability.

3. Assess affordability at whole-journey level, particularly where passengers depend on connecting services or multiple modes.

4. Support integrated ticketing and payment systems which reduce complexity for passengers, while retaining inclusive means of accessing and paying for transport.

5. Build rural and island considerations into fares policy and impact assessment, recognising that transport accessibility challenges differ substantially between geographical areas.

6. Give regional bodies an appropriate role in shaping and evaluating interventions, allowing national policy to benefit from knowledge about local transport markets and communities.

7. Evaluate fares interventions against wider outcomes, including access to opportunities and essential services, where those outcomes form part of the intervention's stated purpose.

8. Use rail reform as an opportunity to improve integration between rail and other public transport, particularly from the perspective of passengers making multimodal journeys.

## Conclusion

The central question posed by this inquiry should not simply be how much should public transport cost? The more valuable question could be what do we need fares and ticketing policy to enable people to do? For the Highlands and Islands, transport is fundamentally about connectivity: enabling communities to participate in economic and social activities, and supporting inclusive economic growth. That principle sits at the heart of the HITRANS Regional Transport Strategy.

Affordability matters but affordability cannot be separated from availability, accessibility, integration and simplicity. A £2 fare is of little value if the service required is unavailable. An integrated digital product is of limited value if somebody cannot access it. A competitively priced individual journey leg does not necessarily make the complete journey affordable.

The objective should therefore be a transport system that increasingly looks at the journey through the eyes of the passenger.

Simple enough to understand.

Affordable enough to use.

Integrated enough to make the journey work.

And, above all, capable of connecting people and communities to the opportunities and services that transport exists to enable.

That, rather than price alone, should be the measure of a successful fares policy.