

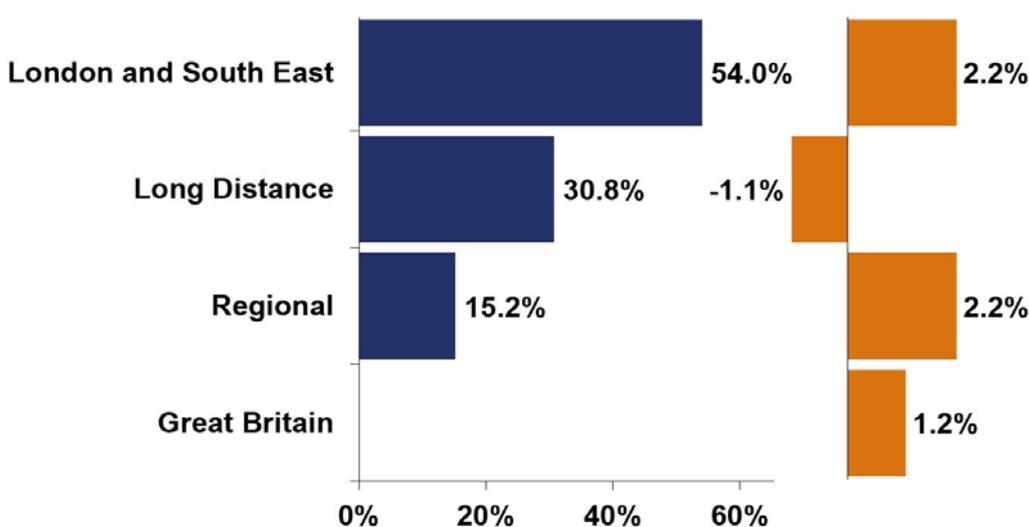
17 June 2021

Due to the Coronavirus (COVID-19) pandemic, the [government delayed the usual annual January change to rail fares](#) until 1 March 2021. This release compares prices between January 2020 (the previous round of fare changes) and March 2021.

**Rail fares** in Great Britain increased by, on average, 1.2% in March 2021 compared with a 1.5% increase in the Retail Prices Index (RPI) between March 2020 and March 2021.

Increases of 2.2% in the London and South East and Regional sectors were partially offset by a 1.1% fall in Long Distance fares.

## Revenue share and annual change in rail fares by sector, 2021



The average change in the price of regulated fares was 2.5%. This is below the [2.6% cap set by government \(RPI plus 1%\)](#) based on the [July 2020 increase in RPI](#).

**Advance** fares fell by 4.1% compared with the last annual fare change. All other ticket types increased by between 1.0% and 2.5%.

All data tables and quality and methodology report associated with this release are published on the [rail fares page](#) of the data portal. Key definitions are in [annex 1](#).

### Background:

This annual statistical release contains information on rail fares in Great Britain. It covers the **average change in fares** for mainline operators.

Statistics are presented by **sector, ticket type, class** and **regulated/unregulated status**.

**Sources:** LENNON ticketing and revenue system, Rail Delivery Group, and Office for National Statistics.

**Latest year:** 2021 (change since January 2020)

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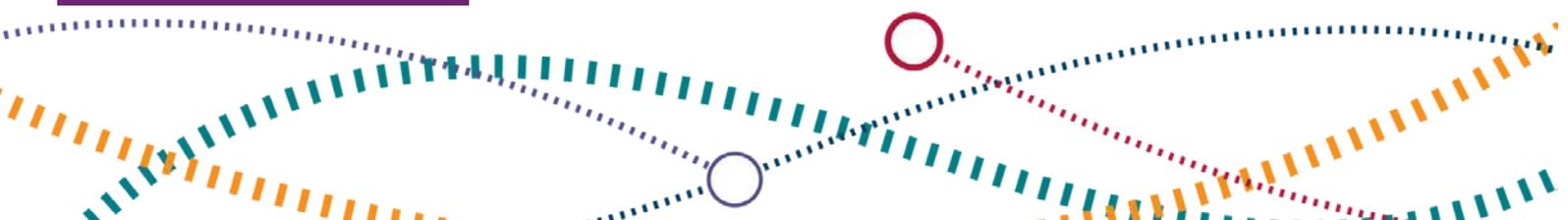
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### Next publication:

2022 (TBC)

The RPI measures the change in price of a sample of retail goods and services. We use it as a comparison for rail fares as the July RPI is used by government as a basis for capping regulated fares.



# Impact of the pandemic

In response to the pandemic, the government announced in December 2020 that the [usual annual January change to rail fares would be delayed until March 2021](#), freezing prices at 2020 levels during January and February 2021.

At this point in time, it is not possible to quantify the impact of the price freeze on the average change in fares across the whole of 2021. Due to the ongoing uncertainty over loosening of restrictions, it is difficult to predict to what extent passenger rail travel will recover during the remaining months of 2021.

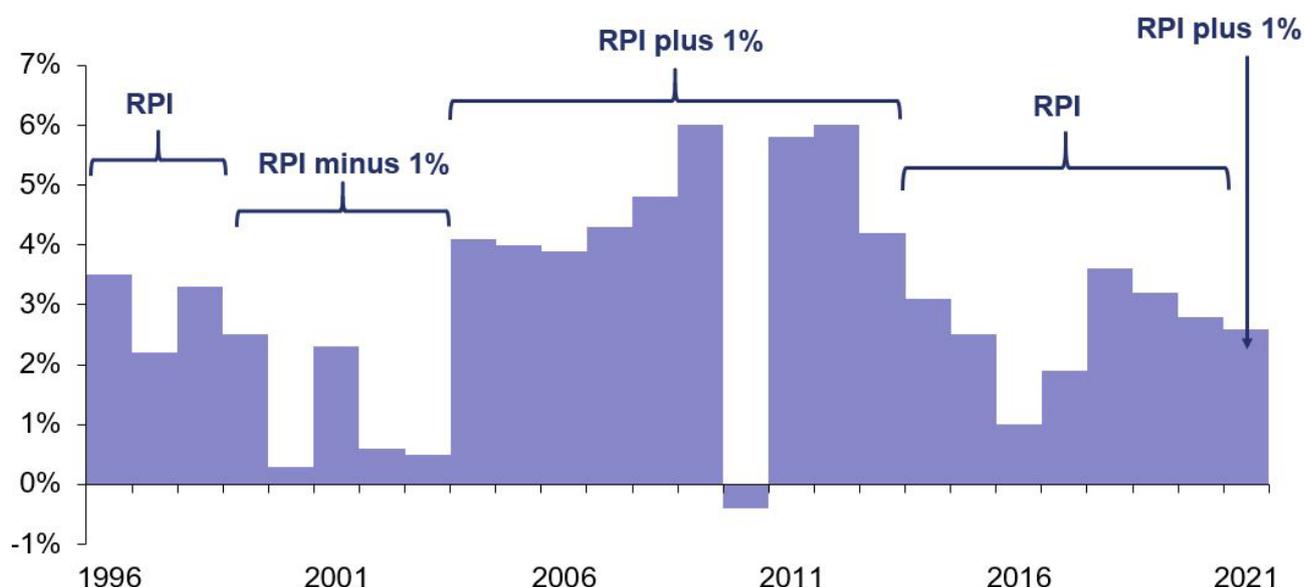
In addition, ticket purchasing patterns have changed because of the pandemic and it remains to be seen whether this is a permanent shift or not. Over recent years, revenue market share for ticket types has remained relatively stable. However, this year has seen a reduction in the market share for longer-term season tickets with passengers opting for on the day travel or shorter-term season tickets.

# 1. Average change in regulated and unregulated fares

**Regulated fares** are standard class fares including saver returns, standard returns, off-peak fares between major cities and season tickets for most journeys. Price changes for regulated fares are capped by government based on the annual change in the RPI in July of each year.

The average change in regulated rail fares from March 2021 was 2.5%. This was slightly below the 2.6% cap (RPI plus 1%) set by government for 2021.

**Figure 1.1: Regulated fare caps as set by government, 1996 to 2021**



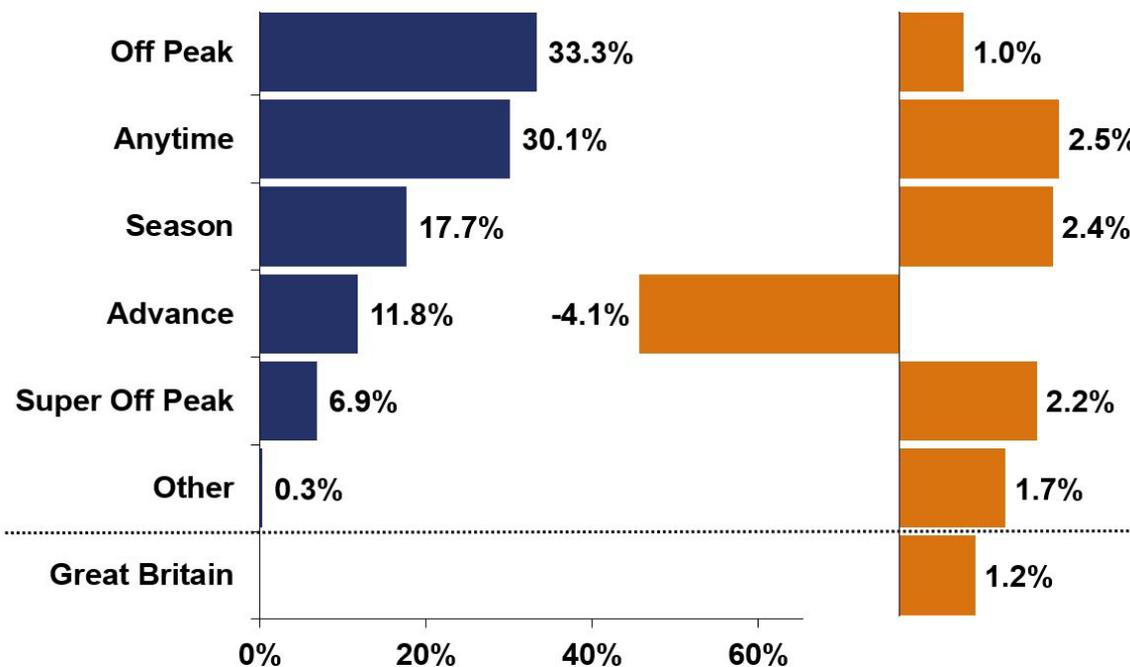
**Unregulated fares** include first class, advance purchase and saver tickets. Train operators are free to determine these fares, although these can also be capped in certain circumstances.

Unregulated first-class fares fell by 1.4% compared with January 2020 fares. This was driven by a 2.0% fall in the Long Distance sector, which accounts for more than three quarters of first-class fare revenue. London and South East first-class fares also fell, by 0.1%, whilst the Regional sector saw an increase of 2.0%.

Unregulated standard class fares saw an increase of 0.5% compared with 2020. Fares in the London and South East and Regional sectors increased by 1.9% and 2.3% respectively. These increases were partially offset by a 2.0% fall in the Long Distance sector. This was due to the fall in Advance fares as well as a [franchise commitment for Avanti West Coast to reduce saver single fares \(Section 88.3\)](#).

## 2. Average change in price by ticket type

Figure 2.1: Revenue market share and percentage change in rail fares compared with 2020 by ticket type



The average fare increase across Great Britain from 1<sup>st</sup> March 2021 was 1.2% compared with prices in January 2020.

Anytime and Season ticket prices increased by 2.5% and 2.4% respectively. A significant proportion of these tickets are regulated fares so the overall increase for these ticket types was close to the 2.6% regulated fares cap set by government.

Off Peak fares increased by 1.0%. This increase was lower than anticipated partly due to the commitment within [Avanti West Coast's franchise agreement](#) to reduce the price of Off Peak saver singles to no more than 70% of the equivalent return fare.

Advance fares fell by 4.1% between the 2020 and 2021 fare change, which could be attributable to greater availability of the cheapest Advance fares during the pandemic.

The pandemic also affected revenue market share with Off Peak and Anytime tickets increasing their share at the expense of Season and Advance tickets. Uncertainty over travel restrictions impacted sales of longer-term season tickets and advance fares. Passengers instead opted to travel on a day-to-day or weekly basis as well as travelling outside of the traditional peak to avoid busier trains.

# 3. Annexes

## Annex 1 – Definitions

**Coverage:** The data presented in this release are for all **mainline operators** in Great Britain. The data do **not** include London Underground, light rail, heritage and charter services. Each mainline operator is assigned to one sector:

- **London and South East:** c2c, Chiltern, Govia Thameslink Railway, Greater Anglia, London Overground, Southeastern, South Western Railway, TfL Rail.
- **Long distance:** Avanti West Coast, Cross Country, East Midlands Trains, Hull Trains, Grand Central, Great Western Railway, London North Eastern Railway.
- **Regional:** Caledonian Sleeper, Merseyrail, Northern Trains, Scotrail, TfW Rail, Transpennine Express, West Midlands Trains.

These sectors differ from those used in our [passenger rail usage statistics](#) where operators can cover more than one sector.

The ticket types are broken down into the following categories:

- **Anytime:** fully flexible tickets that can be used on most trains and at most times. These are usually more expensive.
- **Advance:** single, one-way tickets for a specific train. These are usually cheaper than other ticket types.
- **Off Peak:** cheaper than anytime fares but cannot be used at busy times of the day.
- **Super Off Peak:** cheaper than off-peak fares but subject to similar restrictions (previously known as Super Saver tickets).
- **Seasons:** allows unlimited travel between two locations for a specified period (from a week up to a year).
- **Other:** includes promotional fares, rover tickets, group tickets and package tickets.

## Annex 2 – Quality and methodology

### Data sources

The data contained within this release are primarily sourced from the rail industry's Latest Earnings Nationally Networked Over Night (LENNON) ticketing and revenue system.

This is supplemented by data from Rail Delivery Group (RDG) and the Office for National Statistics (ONS).

- **LENNON** provides revenue data for each origin-destination flow in Great Britain. This dataset uses the post-allocation dataset within LENNON that distributes passenger revenue to train operators who operate on all, or part, of the origin-destination flow. The revenue data is used to determine the weights that will be applied to calculating the average price change and are based on total revenue in the twelve months prior to the annual rail fare change. As the annual fare change occurred on 1 March 2021, this year's revenue weights cover March 2020 to February 2021 inclusive.
- **RDG** provide a [fares data feed](#) containing the price for every ticket sold through the LENNON system. This is used to calculate the price change between the two reference periods.
- **ONS** 'All Items' RPI data is used to compare the average change in rail fares with the average change in other goods and services. Whilst the RPI is no longer the headline measure of inflation, it is used as a comparator due to its relationship with rail fares. The annual change in regulated fares continues to be based on the 12-month change in the July 'All Items' RPI that precedes the annual fare change. We also use the March 2021 'All Items' RPI in our data tables to compare how the overall change in rail fares compares with the price change in other goods and services over the same period.

### Methodology

Due to the high volume of refunds processed since March 2020, we have updated our weightings methodology to take this into account. Within the LENNON system, there are two broad entries for refunds: refunds by flow (ordinary) and refunds by flow (season). Refunds by flow (ordinary) captures refunds on any non-season tickets (Advance, Anytime, Off Peak, Super Off Peak, Other) and, by default, revenue from these refunds were mapped to the Anytime ticket type. The effect of this on the index was negligible as refunds typically account for around 2% of total fare revenue.

For this year's release, we have re-allocated refunds between each individual ticket type based on the distribution of ticket sales data. For example, Off Peak tickets account for 40.4% of all non-season ticket revenue (33.3% of total revenue) so 40.4% of the refunds by flow (ordinary) revenue has been assigned to Off Peak.

Please note that revenue per journey figures at sector level were unavailable for publication with this release. These are usually derived from our [passenger rail usage statistics](#) but further work is required to improve the methodology for allocating non-LENNON usage data to sectors. Therefore, [Table 7182 - Average change in fares by ticket type](#) only includes revenue per journey data at Great Britain level. We will re-instate the sector level revenue per journey data in the 2022 release.

## Annex 3 – List of data tables associated with this release and other related statistics

### Data tables

All data tables can be accessed on the [data portal](#) free of charge in OpenDocument Spreadsheet (.ods) format. We can also provide data in csv format on request.

All tables associated with this release can be found under the Data tables heading at the bottom of the [rail fares page](#).

### Rail fares

- Average change in fares by ticket type – Table 7182
- Average change in fares by regulated and unregulated tickets – Table 7180

### Other related data

We publish two further finance-related statistical releases:

- [Rail industry finance \(annually\)](#) – includes the income, expenditure and government funding of the UK rail industry
- [Passenger rail usage \(quarterly\)](#) - includes revenue statistics from the LENNON ticketing system

Further information on rail finance is available in [Network Rail's regulatory financial statements](#).

Railway finance data are also part of the [HM Treasury's country and regional analysis](#).

## Annex 4 – ORR’s statistical publications

### Statistical Releases

This publication is part of ORR’s [National Statistics](#) accredited releases, which consist of seven annual publications: **Estimates of Station Usage; Rail Industry Finance (UK); Rail Fares Index; Rail Safety Statistics; Rail Infrastructure and Assets; Rail Emissions; Regional Rail Usage**; and four quarterly publications: **Passenger Rail Performance; Freight Rail Usage and Performance; Passenger Rail Usage; Passenger Rail Service Complaints**.

In addition, ORR also publishes a number of Official Statistics, which consist of three annual publications: **Train Operating Company Key Statistics; Rail Statistics Compendium; Occupational Health**; and four quarterly publications: **Signals passed at danger (SPADS); Delay Compensation Claims; Disabled Person’s Railcard (DPRC); Passenger assistance**.

All the above publications are available on the [data portal](#) along with a list of [publication dates](#) for the next 12 months.

### National Statistics

The United Kingdom Statistics Authority designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. National Statistics status means that official statistics meet the highest standards of **trustworthiness, quality** and public **value**.

Our [statistical releases were assessed in 2012](#) and hold National Statistics status. Since our assessment we have improved the content, presentation and quality of our statistical releases. In addition, in July 2019 we launched our new data portal. Therefore, in late 2019 we worked with the OSR to conduct a compliance check to ensure we are still meeting the standards of the Code. On 4 November 2019, [OSR published a letter](#) confirming that ORR’s statistics should continue to be designated as National Statistics. OSR found many positive aspects in the way that we produce and present our statistics and welcomed the range of improvements made since the statistics were last assessed.

For more information on how we adhere to the Code please see our [compliance statements](#). For more details or to provide feedback, please contact the Statistics Head of Profession (Lyndsey Melbourne) at [rail.stats@orr.gov.uk](mailto:rail.stats@orr.gov.uk).



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