

Jacqui Russell
Head of Consumer



Licence holders who have SNRP Condition 29
[by email]

25 November 2022

Dear Licence holders,

Monitoring compliance with Licence Condition 29 on delay compensation

Following the introduction of the new licence condition on delay compensation (Condition 29) on 1 April 2022, I am writing to set out expectations on reporting on compliance with the Delay Compensation Code of Practice.

The Code of Practice applies to all passenger train operators in Great Britain whose Statement of National Regulatory Provisions (SNRP) or passenger train licence includes licence condition 29. It aims to improve passengers' awareness of delay compensation; make the process for claiming delay compensation simpler, quicker and more consistent; to encourage train operators to continue seeking to improve and innovate in how they provide delay compensation; and to provide transparency on the performance and progress of train operators.

Annual report on continuous improvement

We expect licence holders to have a constant focus on continuous improvement. This is supported by paragraph 5.2 of the Code of Practice which sets out that licence holders must provide to us an annual update of steps that they have taken to improve passenger awareness of delay compensation, and improvements that they have made to the claims process. We are asking licence holders to submit their first annual report, covering the period from April 2022 to March 2023, to us by 30 April 2023 (and each year afterwards). We would expect your report to be 2-3 pages long and welcome the inclusion of good practice initiatives and case studies as annexes, where appropriate.

We may publish a summary of these annual updates from licence holders, or the entire reports, on our website.

Compliance self-assessment

As this is the first year that the Code of Practice has been in place, we are asking all licence holders to complete a short self-assessment against some of the key requirements, to help identify any gaps so that you can put measures in place to address these. I have attached a self-assessment document (Excel spreadsheet) which asks licence holders to briefly explain how they are demonstrating some of the requirements in the Code of Practice. We request that you return these self-assessments by 31 January 2023.

Other reporting and/or monitoring

More generally, we intend to apply our usual regulatory principles, including that of proportionality, in our approach to monitoring compliance with this licence condition. In line with this, we have reviewed the delay compensation core data metrics that we already ask licence holders to report on and are not proposing to introduce additional metrics at the current time. We are ensuring that we make best use of the delay compensation core data that we collect to identify trends and issues, and we also look at data and research published by other stakeholders, to add to the picture. In line with our existing approach to monitoring licence requirements, we may request additional data or information from time to time on a case-by-case basis, for example where we have concerns about the compliance of an individual licence holder, or where there is concern that passenger awareness is not improving, or where there are systemic compliance concerns relating to a specific part of the claims process.

We strongly encourage licence holders to self-report any issues they are experiencing with compliance so that we can work with you to resolve these and return to compliance.

We invited Rail Delivery Group's Redress & Support Group, at their meeting on 26 October 2022, to consider carrying out an annual, cross-industry review of initiatives and examples of best practice in improving passenger awareness and the claims process, to support ongoing continuous improvement across the industry.

Next steps

As outlined above, we expect licence holders to:

- continue to supply core data on delay compensation as now;
- submit your completed self-assessment Excel document (attached) by 31 January 2023; and
- provide us with an annual summary of improvements as set out in paragraph 5.2 of the Code of Practice, with the first edition provided by 30 April 2023, covering 2022-23.



Please send all submissions to my colleague [redacted] via Consumer@orr.gov.uk. If you have any questions or feedback on this monitoring framework, please send them to the same email address and [redacted] will be happy to discuss this with you.

This letter is sent to all licence holders who have a requirement to comply with the Delay Compensation Code of Practice in Condition 29 in their SNRP, and copied to Rail Delivery Group for dissemination to members of their Redress & Support Group.

Yours sincerely

Jacqui Russell