

Compensation For Delayed Passengers – Rail Regulator Acts

Background: Which? Super-complaint

Last December, the Consumers' Association, Which? issued a 'Super-complaint' on behalf of all rail passengers asking the Office of Rail and Road (ORR) to investigate how easy it was for passengers to claim compensation payments for train delays.

ORR has responded, in line with our general role of protecting the interests of road and rail users. When rail passengers do not receive the level of service they have paid for, they can become entitled to compensation.

ORR has over the past 90 days investigated whether train operators contribute to what is a low up-take of compensation by passengers. We have also assessed whether changes are needed to ensure that passengers are aware of their rights; and that it is easy for them to claim.

We interviewed all train operators and reviewed their claims processes, websites and social media content. We also commissioned 392 'mystery shopper' assessments across the country to see how passengers experience compensation.

We asked the Plain English Campaign to review written communications with passengers; we met Government officials; and we have worked with the Transport Focus passenger watchdog to develop their own research and to extend the number of passengers sampled to 8,000 travellers.

What we found

We found that written information on company websites is generally accurate. However, communication with passengers on trains and at stations is less reliable. It is often left to the discretion of staff rather than having them follow clear procedures and training.

Passenger awareness generally is also too low. Some passengers who are aware of their entitlement do not claim because they think the payments will be too small. In other cases, it is because they find the process just too complex to cope with.

The Office of Rail and Road is committed to making compensation more transparent and easier for passengers. We have identified concrete measures to make it easier for passengers to make a compensation claim if their train is delayed. And while we have concluded that the system does work in favour of passengers overall, there is much more that can be done.



OFFICE OF RAIL AND ROAD

ORR's 7 Steps To Improve Passenger Compensation

Train operators need to improve their performance when it comes to passenger compensation.

In the longer term, rail franchises – the government contracts under which train companies operate train services – could also promote best practice; for instance, where train operators could use technology better to provide automatic compensation.

Meanwhile, we are proposing seven steps that can make a real difference to passengers now.

Seven steps to improvement

We recommend seven steps to improve performance in the short-term.

1 We recommend a national promotion this autumn to raise passenger awareness of compensation procedures. The campaign should be accompanied by better training of train and station staff.

2 Train operators should provide clearer information about compensation as a condition of their licences to operate. We will use our powers to ensure that they inform passengers at the time of disruption, following their licence conditions.

3 Passengers should expect consistent information. We recommend that the Department for Transport harmonises requirements placed on train operators over how and when passengers are informed about compensation.

4 Train and station staff should be trained to provide clearer, accurate information. Our 'mystery shopper' research found that some staff failed to provide basic information while some provided wrong information. We will ensure compliance by train

companies with the terms of their licence and the legal framework

5 Train operators should use clearer, 'plain English' language when dealing with passengers. We are working with them to make relevant changes right away.

6 Compensation procedures should be made more consumer-friendly by increasing the use of online systems and making passengers aware that they may need to retain tickets to make a successful claim.

7 Monitoring and transparency of information should be improved. We will work with Governments and train operators to quantify the 'compensation gap' – the difference between the maximum theoretical compensation payments and the amount actually claimed. We will also work with the passenger watchdog and train companies to produce more regular research.

And we will do further work to see whether compensation systems should be more closely aligned with industry rules used to compensate train operators themselves for delays caused by Network Rail.



Key Statistics

A record **1.7 billion** journeys were made by rail in Great Britain in the past year.¹

89.7% of trains last year ran on time.

About **80%** of passengers who could claim compensation, didn't.²

Of those passengers who could claim, but didn't, **50%** did not even consider it and **34%** considered it but did not think they would be entitled.³

In 2014/15 **2.8%** of a total 7.3m trains caused significant disruption to some passengers, due to either being late at their final destination or because the train was fully or partly cancelled.

206,000 trains caused significant disruption to passengers, due to either being late at their final destination or because the train was fully or partly cancelled.

£25.6m compensation was actually claimed last year.⁴

1. ORR statistics 2014/15. 2. ORR Super Complaint Analysis, 2016. 3. The remaining 16% did not claim for other reasons. Figures are percentages of all those who did not claim. Transport Focus Research, 2013. 4. DfT Statistics 2014/15.

Claiming Compensation For A Delayed Rail Journey

