# **Rail Delays and Compensation 2018**

# **Research Summary**

## 1. Background

Research has shown that recent improvements to rail compensation schemes mean that when things go wrong passengers know how to claim compensation. This research provides a robust review of passengers' propensity to claim for compensation when they experience an eligible delay. It also examines the experience of rail passengers who claim for their delays. This survey repeats earlier work conducted in 2016 and 2012 by the Department for Transport (DfT), in collaboration with Transport Focus and the Office of Rail and Road (ORR).

The full research report can be found at:

https://www.gov.uk/government/publications/rail-delays-and-compensation-2018

#### 2. Methods

The results are taken from a survey of over 10,000 rail users across Great Britain undertaken on behalf of the DfT by independent research agency, Breaking Blue.

This consisted of a stratified random sample survey with targets set by age, gender and region to represent the total population of rail passengers in Great Britain. Nearly 4,000 passengers from our sample had experienced an eligible delay in the past six months.

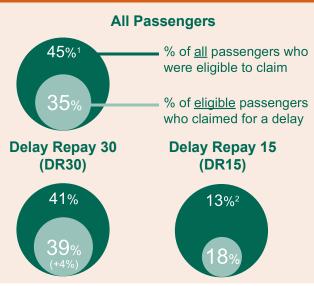
### 3. Policy Background

Since 2016 the DfT, ORR and Train Operating Companies (TOCs) have implemented a range of initiatives designed to increase passengers' awareness of their right to claim. These include: campaigns run by Rail Delivery Group (RDG); regular reviews of progress; TOC initiatives to make claiming easier and simpler; and, increased media coverage about compensation claims.

A number of compensation schemes operate in the UK. Depending on which TOC passengers travel on, the primary means through which they claim compensation is Delay Repay (DR). DR15 compensates passengers for a delay of 15-29 minutes, while passengers are eligible for DR30 when they are delayed by 30 minutes or longer.

## 1. The DR30 compensation claim rate has increased





On a like-for-like basis (customers claiming compensation for a delay of 30 minutes or longer), the number of passengers claiming compensation has increased in the past two years (by 4%). However, passengers are less likely to claim for a delay that is eligible for compensation under DR15 than they are for a 30 minute or longer delay. This is likely due to the lower amount of compensation available for a 15 minute delay, and a shorter delay to their journey.

<sup>&</sup>lt;sup>1</sup> Figure has been corrected from original publication (originally 41%)

<sup>&</sup>lt;sup>2</sup> Figure has been updated to reflect passengers on eligible DR15 TOCs rather than all passengers

### 2. Journey purpose and ticket value impact on the claim rate



**Journey Type** 



47% ()

Total

**DR30** 

Commuter 38% 40%









**Ticket Value** 





% of eligible passengers who claimed for a delay

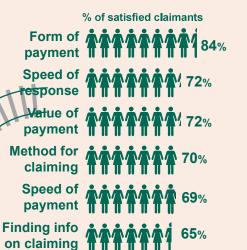
Journey type has an impact on passengers' propensity to claim for compensation. Business passengers are more likely to claim than commuters or leisure passengers. In addition, the proportion of passengers claiming compensation is strongly correlated to the price of their ticket and goes up signficantly when the value of the ticket is over £5. Finally, when the delay a passenger experiences reaches 45 minutes or longer, the claim rate increases significantly.

#### 3. Claimants' satisfaction has increased



### 4. Claims are resolved more quickly





2016 +30% +20% (1) +15%





67% of claims were settled within 2 weeks



88% of claims were settled within the 4 week ORR target





53% of claimants made their claim online





75% of claimants received an acknowledgment of their claim



There have been large increases in the overall satisfaction among claimants with all aspects of the claims process, especially the speed and form of payment. Satisfaction with the claims process has increased across most TOCs since 2016. Business and leisure passengers are slightly more likely than commuters to be satisfied with the process of claiming compensation.

More passengers report that they received a decision on their compensation claim withinthe Office for Rail and Road (ORR) deadline of four weeks (20 working days), and two-thirds received a decision within 2 weeks. There has also been a significant increase in the number of passengers receiving an acknowledgment of their claim. More passengers now go online to claim for compensation when they are delayed.

# 5. Number of delays experienced impacts on the decision to claim



28% of eligible passengers were unaware they could claim for their delay

30% of non-claimants said they never claim compensation

31% of non-claimants said the compensation was not worth the effort of claiming

42% of non-claimants only experienced one eligible DR30 delay in the past six months

The value of compensation and number of delays are most likely to impact on the decision to claim. Non-claimants are more likely to have only experienced a single eligible DR30 delay in the past 6 months. They are also more likely to say that they never claim for compensation. Whilst passengers' awareness of their eligibility to claim remained broadly consistent with 2016, 39% of DR15 eligible passengers weren't aware they were able to claim for compensation.