

Report on Continuous Improvement in the Provision of Delay Compensation 2023-24

Introduction

1. Passenger are entitled to compensation from train companies when they are delayed beyond certain thresholds (typically referred to as 'Delay Repay').
2. All operators must comply with ORR's Delay Compensation Code of Practice (CoP). The CoP is designed to establish a common level of good practice and, beyond that, improve passengers' access to the delay compensation to which they are entitled, through measures that will raise awareness and improve processes.
3. We monitor train companies' performance to ensure that passengers benefit from the standards established by the CoP. To help us do so, train companies must report to ORR monthly on their performance and provide to ORR an annual summary of steps taken to improve passenger awareness of delay compensation and the claim process.
4. This note summarises that information for 2023/24, setting out how train companies have performed in processing delay compensation claims within 20 working days, made improvements to the claims process, and raised passenger awareness of their eligibility to claim. The report for 2022/23 can be found here: [Delay Compensation Licence Condition \(orr.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118422/delay-compensation-licence-condition-2022-23.pdf)

Delay Compensation Claims Performance

5. The time taken for passengers to receive a decision has reduced and the proportion of claims closed that were approved has increased. Overall, between April 2023 and March 2024, 99.0% of delay compensation claims were closed within 20 working days. This was an increase of 1.9 percentage points (pp) from the previous year. 80.6% of claims closed were approved (an increase of 1.4pp from the previous year).
6. The proportion of rail complaints that are about delay compensation has also dropped. Between April 2023 and March 2024, complaints about delay compensation made up 11.3% of all rail complaints. This was a drop of 2.0pp from the previous year. The rejection of a claim was the most common subject of complaints about delay compensation, making up 4% of all rail complaints. This was a drop of 0.7pp from the previous year.
7. More detailed information, including on the performance of individual train companies, can be found on ORR's online data portal: [Delay compensation claims | ORR Data Portal](#).
8. Where performance drops below the standard expected, ORR engages with the train company to understand the reason for the lower performance and to secure the improvements necessary to return to compliance.
9. Passenger propensity to claim has increased. According to DfT research into rail delays and compensation ([Rail delays and compensation 2023 – full report \(publishing.service.gov.uk\)](#)), which surveyed over 10,000 passengers, 47% of eligible passengers claimed delay compensation in 2023, an increase of 10pp since 2020. This proportion rises to 54% for longer delays (of 30 minutes or more), an increase of 8pp since 2020. 71% of eligible season ticket holders claimed delay compensation, an increase of 14pp since 2020.
10. In 2023, 75% of claimants made their claim online, an increase of 6pp since 2020.
11. In total, £138.6 million pounds was paid out in compensation in 2023-24 by train companies operating under contract in England, up from £101.3 million pounds in the previous year. See the DfT website for further details: [Rail passenger compensation paid by train operating companies - GOV.UK \(www.gov.uk\)](#)

Continuous Improvement

12. 22 of 24 train companies submitted an annual continuous improvement report to ORR. We are following up with Caledonian Sleeper and Heathrow Express, the two companies that did not provide a report on request. A small number of reports contained insufficient detail on the improvements delivered and underway. In future, we expect train companies to clearly describe how initiatives were developed, and the positive impact they have had on passengers.
13. The improvements described in these reports vary between train companies; we have set out below a selection of initiatives that are being used by some train companies to improve the claims process and raise awareness of passengers' entitlement to compensation, which we consider could be implemented more widely:

Improvements to the Claims Process

- Increased automation of claims processing
- Increased provision of 'one-click' compensation for passengers buying e-tickets or using smartcards
- Advertising QR codes to passengers to enable quick access to webforms
- A single point of contact for transferring claims between train companies
- Website clarifications to make it easier to differentiate between delay compensation claims and full refund claims, and to explain what compensation is eligible when Action Short of a Strike takes place
- Increased resource and attention on delay compensation processing in response to increased demand / ORR's concerns over performance

Efforts to Raise Awareness of Delay Compensation

- Posters and cards with QR codes that link to claim webforms
- Weblinks to delay compensation webpages in ticket purchase confirmation and pre-journey e-mails

Next Steps

14. Overall, we welcome the improvements made by train companies to the delay compensation claims process and their efforts to increase passenger awareness of Delay Repay, which have resulted in higher claim rates, quicker processing times and a reduction in the proportion of complaints about compensation, relative to other subjects of complaint.
15. Where not already implemented, we encourage all train companies to consider implementing the full range of good practice set out here, for the further benefit of passengers.
16. ORR will continue to monitor the performance of train companies and hold them to account for delivery of their delay compensation licence obligations.



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