



HOUSE OF COMMONS

30 March 2020

LONDON SW1A 0AA

The Rt Hon Grant Shapps MP
Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London
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Dear Grant,

I was pleased to read your announcement that refunds on rail tickets would be available so that "no-one is unfairly out of pocket for doing the right thing". It is essential that those helping the country by staying at home are not paying for a service they are now unable to use. With this in mind, I would like to highlight a particular predicament for rail season ticket holders. This applies to each of the five rail lines across Tonbridge, Edenbridge and Malling, covering both Southeastern and GTR services.

As you would expect, the majority of people with season tickets are no longer travelling to work, in line with Government instructions. Indeed, the reduced train service now on offer wouldn't be able to accommodate them if they did. However, those who exchange their annual season ticket for a refund do not receive the refund on a pro-rata basis. This is because the refund is calculated on the basis of the cost of the ticket minus the amount the passenger would have spent had they purchased monthly period tickets up to the point of exchanging the ticket. In one example of a commuter in East Malling, the commuter is left £1,380 worse off.

With a usual train timetable this makes sense because casual passengers would otherwise buy annual season tickets to take advantage of lower prices to which they are not entitled. However, these are extraordinary times as recognised by the lengths that the Department has gone to in order to assist Train Operating Companies. There has been a fundamental change in the contract between the passenger and train company in that most passengers are required by Government not to travel and the train company is only providing a vastly reduced service. In this situation, passengers applying for a refund will be significantly out of pocket. In particular, exchanging any annual season ticket with less than about eight weeks remaining will not result in any refund. Despite the Government's significant efforts to mitigate the economic fallout of the current crisis, it is inevitable that many of these passengers will be going through a time of considerable economic hardship. Getting a fair refund would make a great difference to them.

I am therefore asking that a fairer system of refunds for season tickets be put in place as a temporary measure during the current pandemic. This could be allowing refunds to be processed on a simple pro-rata basis, based on cost of the ticket and the proportion of validity remaining on the ticket – I include a worked example below showing how much fairer this would be compared to the current system. Alternatively, a system of season ticket suspensions could be offered with, say, three months' travel refunded on pro-rata basis before travelling is resumed. Under the current system, season ticket suspensions are only

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allowed when the ticket holder is sick, as certified by a doctor. The current situation surely demands that any passenger is allowed to take a season ticket suspension for the period during which the Government discourages non-essential travel for medical reasons.

To demonstrate the first solution I reference above, the cost of an annual Travelcard from Tonbridge station to London Terminals, not via HS1, from 1 June 2019 to 31 May 2020 is £5,085. If the commuter was to exchange the ticket on 31 March 2020 the refund due under the current system is just £203. This is because it is calculated as the price paid for the ticket, minus the amount the commuter would have had to spend to get a monthly ticket for the 10 month period actually used. The cost of 10 monthly tickets for this journey is £4,881, leaving just a £203 refund.

However, under a pro rata system the commuter on exactly the same route would be entitled to £847. This is because there would be 61 unused days of travel, which is 16.6% of the 366 days travel which the annual season ticket applies for. The refund of 16.6% of £5,084 would be £847. It is clear that this calculation means that every season ticket holder from Tonbridge station loses out on hundreds of pounds of refunds which they should be able to claim given the need to act fairly in these extraordinary times.

With the emergency measures coming in to support the rail franchise system, the Government is now in a good position to implement the changes as suggested in a way which is fair to passengers and that protects the finances of rail operators. This should be done without delay and should apply retrospectively to those passengers who have already exchanged their tickets under the current rules. I know you will share my aims in this respect, so look forward to hearing about how we work together to achieve this.

Best wishes,

Tom Tugendhat

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