

# The Telegraph

## Train operators cashing in on delays

Train operators are pocketing millions of pounds in compensation for delays without passing the money onto rail passengers, it has emerged.



A spokesperson for the Association of Train Operating Companies defended the industry Photo: ALAMY

---

By [David Millward \(http://www.telegraph.co.uk/journalists/david-millward/\)](http://www.telegraph.co.uk/journalists/david-millward/) , Transport Editor



7:00AM GMT 26 Jan 2012

Follow

425 followers

According to the latest figures, Network Rail paid train companies £91 million last year, of which £12 million was to recompense operators for disruption caused by cable theft.

But the Association of Train Operating Companies declined to disclose how much of this money had been paid out.

Train operators are entitled to compensation for delays as short as five minutes but passengers can normally only claim compensation if the service is more than 30 minutes late.

In their latest report the Transport Select Committee called on train operators to demonstrate that they "are not profiting from the disruption caused by cable theft".

Louise Ellman, the committee chairman added: "It is passengers who are being inconvenienced, but we don't know how much is being paid to them. Without transparency it is not possible to make a proper judgement."

---

[Rail journeys delayed by more cable thefts \(http://www.telegraph.co.uk/news/uknews/road-and-rail-transport/8875983/Rail-journeys-delayed-by-more-cable-thefts.html\)](http://www.telegraph.co.uk/news/uknews/road-and-rail-transport/8875983/Rail-journeys-delayed-by-more-cable-thefts.html)

[Rail services being crippled by rise in cable thefts \(http://www.telegraph.co.uk/news/uknews/road-and-rail-transport/8001989/Rail-services-being-crippled-by-rise-in-cable-thefts.html\)](http://www.telegraph.co.uk/news/uknews/road-and-rail-transport/8001989/Rail-services-being-crippled-by-rise-in-cable-thefts.html)

---

In addition many passengers do not bother to claim compensation, either because they are unaware their rights or cannot face going through the necessary paperwork.

It is the latest example of the companies appearing to benefit from disruption.

Last year The Daily Telegraph revealed that train operators were also cashing in from engineering delays by not only receiving compensation from Network Rail but also pocketing a grant from the Department for Transport for running replacement buses.

The disclosure that rail companies were able to cash in on delays came within weeks of passengers being hit with above inflation fare rises.

"Passengers will expect any money paid by Network Rail to be passed onto them," said Norman Baker, the local transport minister.

The failure to hand all the money over to passengers was condemned by Manuel Cortes, general secretary of the Transport and Salaried Staffs Association.

"So called fines for rail companies are just part of the money-go-round which sees taxpayers billions shared out between Network Rail and the private train operators," he said.

"Meanwhile, the passengers who foot all the bills, have to wait and wait for their tiny amounts of compensation caused by the incompetents who are not fit to run a railway."

A spokesperson for the Association of Train Operating Companies defended the industry. "The government designed and regulates the system under which operators receive payments from Network Rail when there are problems which cause disruption to services.

"As a general principle train companies will provide compensation for any passenger who has bought a ticket for a journey that is cancelled or substantially delayed. Compensation has become increasingly generous and easier to apply for in recent years, and overall it is significantly better than that which is offered in many other European countries.

"We are always looking at how we can improve services for passengers, and we will look at the Committee's recommendations carefully."

© Copyright of Telegraph Media Group Limited 2012