



CRISPIN BLUNT MP
Member of Parliament for Reigate

HOUSE OF COMMONS
LONDON SW1A 0AA

Rt Hon Philip Hammond MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Rd
London, SW1A 2HQ

Our reference: CB/AH

6th January 2017

Dear Philip,

Compensation for Southern Rail passengers

I am writing to you regarding the urgent need to provide an appropriate package of compensation and reduced fares whilst the rail service for Southern Rail passengers continues to be inadequate, degraded and disrupted.

I implore you to give the Secretary of State for Transport all the options he needs to provide serious compensation and reduced fares on this part of the rail network so adversely affected by the ongoing industrial action but, even prior to that, by the London Bridge Thameslink improvement works from 2015 to 2018.

The case for compensation has been clear ever since the beginning of the London Bridge upgrade works over Christmas and New Year 2014-2015, which has left commuters from my constituency with a reduced peak time service, including a cut in the number of peak time trains from Redhill to London Bridge of 55% between 2012 and 2015, and longer journey times to both London Bridge and London Victoria.

The unacceptable industrial action currently taking place piles misery on top of an already strained and disrupted service and has left many of my constituents and tens of thousands more across the region at breaking point.

Whilst many operational aspects and the industrial disputes are largely outside the Government's control, particularly if the Government is not to give in to this disgraceful politically motivated industrial action, it is within the Government's control to do something about fares and compensation on this part of the railway because of the nature of the franchise agreement with Govia Thameslink Railway. The agreement is a management contract whereby the ticket revenues are passed directly to the Government rather than retained by Govia. Given the scale of these revenues, estimated to be £2.9 billion from 2015/16 to 2021/22 (though likely to be lower due to the industrial action), it is now necessary for the Government to be prepared to set aside a significant proportion of these revenues for the purpose of properly compensating passengers and reducing fares.

The Transport Secretary recently reassured colleagues in terms that fares would be frozen. I understood this to mean a cash terms freeze not RPI+0%. This should be addressed for starters, but it doesn't begin to address the scale of the issue, but was more insult added to injury for the users of this line.

I wrote about this, without success, to the Chief Secretary to the Treasury in July last year. It is now necessary for you to intervene and enable the Transport Secretary to carry the paying public with his strategy. Please give him the freedom to tap into a serious quantum of the fare revenues in order to offer a compensation and fare reduction package that will appear as if we are on the same side as my long-suffering constituents. Given the scale and persistence of the disruption suffered since the beginning of 2015, one month's compensation announced on 2nd December and the extension of Delay Repay to provide some compensation after 15 minute's delay doesn't remotely cut it. The Treasury's support now is essential to reinforce the efforts of the Prime Minister and Transport Secretary to bring some justice and recompense to passengers who have suffered an intolerable service, quite apart from the rather obvious politics of regaining the support and understanding of the customers of this service for the Government's position.

I look forward to hearing from you. Given the ongoing anxiety and stress on my constituents, I will publish this entreaty on my website.

Yours Ever,

A handwritten signature in blue ink that reads "Crisp". The signature is stylized, with a large 'C' and a horizontal line extending to the right.

Crispin Blunt