

**23 March 2020**

**GWR update**

The Department for Transport have just issued the media release below, and I can confirm that GWR will be transitioning to an Emergency Measures Agreement.

Our focus – in fact the whole of the railway industry’s focus - is making sure we can continue to provide the services key workers need to get to where they want to go – the announcement this morning does that.

It also means we can refund Advance tickets purchased before 23 March, and administration fees are waived on season ticket refunds.

We continue to talk to government about the next steps for GWR after the Emergency Measures Agreement, and we hope to let you know what this means beyond that soon.

<https://www.gov.uk/government/news/government-ensures-ticket-refunds-and-protects-services-for-passengers-with-rail-emergency-measures>

**Government ensures ticket refunds and protects services for passengers with rail emergency measures**

- Government steps in to provide stability and certainty on key services and to rail staff during Covid-19 outbreak
- All train operators presented with opportunity to temporarily transition onto Emergency Measures Agreements, enabling greater flexibility and transferring revenue and cost risk to the government
- Offer includes measures to provide fee-free refund of all Advance tickets as passengers follow Government advice and work from home

The Government is taking emergency measures to support and sustain necessary rail services as operators face significant drops in their income.

The Department for Transport will temporarily suspend normal franchise agreements and transfer all revenue and cost risk to the government for a limited period, initially six months. Operators will continue to run services day-to-day for a small predetermined management fee.

This will allow us to ensure that trains necessary for key workers and essential travel continue to operate. No other passengers should travel. As we have already announced, services will be reduced from today.

Anyone holding an Advance ticket will be able to refund it free of charge. All season ticket holders can claim a refund for time unused on their tickets free of administrative charges. Ticket holders should contact their operator for details.

The railways have already seen up to a 70% drop in passenger numbers. Rail fares revenue has also reduced as people increasingly work from home and adopt social distancing, with total ticket sales down by two-thirds from the equivalent date in 2019.

The Government has provided today’s offer to minimise disruption to the rail sector, vital to the wider UK economy, through these difficult times. Allowing operators to enter insolvency would cause significantly more disruption to passengers and higher costs to the taxpayer. The management fee will allow operators to act in the national interest in tackling Covid-19.

Fees will be set at a maximum of 2 per cent of the cost base of the franchise before the Covid-19 pandemic began, intended to incentivise operators to meet reliability, punctuality and other targets. The maximum fee attainable will be far less than recent profits earned by train operators. In the event that an operator does not wish to accept an Emergency Measures Agreement, the Government’s Operator of Last Resort stands ready to step in.

**Secretary of State for Transport Grant Shapps said:**

“We are taking this action to protect the key workers who depend on our railways to carry on their vital roles, the hardworking commuters who have radically altered their lives to combat the spread of coronavirus, and the frontline rail staff who are keeping the country moving.

“People deserve certainty that the services they need will run or that their job is not at risk in these unprecedented times. We are also helping passengers get refunds on Advance tickets to ensure no-one is unfairly out of pocket for doing the right thing.

“These offers will give operators the confidence and certainty so they can play their part in the national interest.”