## Rail emergency measures during the COVID-19 pandemic

In these uncertain times, the railway has a vital role to play in ensuring Britain's key workers can travel and vital supplies are kept moving. My absolute focus is on making sure services continue so that journeys that are vital in tackling this crisis can continue to take place, so today (23 March 2020), to make sure our railways stay open, we are providing train operators on franchises let by my department the opportunity to temporarily transition onto Emergency Measures Agreements.

These agreements will suspend the normal financial mechanisms of franchise agreements, transferring all revenue and cost risk to the government. Operators will continue to run day-to-day services for a small, predetermined management fee. Companies entering into these agreements will see a temporary suspension of their existing franchise agreement's financial mechanisms for an initial period of 6 months, with options for further extension or earlier cancellation as agreed.

Today's offer will provide greater flexibility to the train operators and the government and make sure the railway can continue to react quickly to changing circumstances and play its part in serving the national interest. It will ensure vital services continue to operate for key workers who are keeping the nation running and that we are able to reinstate a normal service quickly when the situation improves.

In the longer term these agreements will also minimise disruption to the rail sector. The railways have already seen up to a 70% drop in passenger numbers, with rail fares revenue reducing as people increasingly work from home and adopt social distancing, and total ticket sales down by two-thirds from the equivalent date in 2019. Suspending the usual financial mechanisms will not only guarantee that services can be sustained over this difficult period, it will also provide certainty for staff working on the railways, many of whom are working hard every day in difficult conditions to make sure we keep the railway running.

This is not a new model, it is a temporary solution, taking the steps necessary to protect services now in a cost-efficient way, and ensuring current events have as little impact as possible on the railway in the longer term. Allowing operators to enter insolvency would cause significantly more disruption to passengers and higher costs to the taxpayer.

Fees will be set at a maximum of 2% 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.

Alongside our focus on keeping the railways open to support key workers, we recognise there will be many who have heeded government advice and chosen not to travel. We don't want people to lose money for doing the right thing, so I am also announcing today that passengers will be able to get refunds for advance tickets they aren't able to use while the government advises against non-essential travel.

We have agreed with all the train operators that passengers who have already purchased an advance ticket will be eligible for a refund without any charge. Those holding a season ticket that they no longer wish to use will also be eligible for a partial refund, determined by the amount of time remaining on the ticket. Ticket holders should contact their operator for further details.

Given the significant timetable changes that have put been in place we are also asking operators to use discretion to allow passengers with advance tickets to travel on an alternative train at a similar time or date if their ticket is technically no longer valid as a result of cancellations, but they still wish to travel.

We are operating in extraordinary times, but today's announcement will make sure key workers who depend on our railways are able to travel and carry on their vital roles, that hardworking commuters — who have radically altered their lives to combat the spread of coronavirus, are not left out of pocket, and it will provide certainty to the industry's staff who are still working hard every day to make sure the railway plays its part in tackling this crisis.

Government ensures ticket refunds and protects services for passengers with rail emergency measures news story, 23 March 2020.

# 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 coronavirus (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 6 months. Operators will continue to run services day-to-day for a small predetermined management fee. Terms and conditions of employment for rail workers will not change.

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 (23 March 2020).

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% 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. Paul Plummer, Chief Executive of the Rail Delivery Group, which represents train operators and Network Rail, said:

The rail industry is working together so that people and goods can keep making essential journeys during this unprecedented national challenge, getting key workers to hospitals, food to shops and fuel to power stations.

The industry strongly welcomes the Department for Transport's offer of temporary support and while we need to finalise the details, this will ensure that train companies can focus all their efforts on delivering a vital service at a time of national need.

We would like to thank our people, who continue to do an incredible job in difficult circumstances.

Rail emergency measures during the COVID-19 pandemic written statement to Parliament, 23 March 2020.

### Government sets out plans to enforce closure of businesses and other venues

- Businesses who do not follow COVID-19 restrictions will be issued with prohibition notices
- Businesses who fail to comply will receive fines and could also face the loss of their alcohol license
- There will be no upper limit to the fines of businesses who continue to ignore restrictions

Local government will be responsible for enforcing regulations requiring those businesses <u>asked to close on 20 March 2020</u>, in new guidance issued today, 22 March 2020.

Businesses including pubs, cinemas, theatres and casinos were told to close from 21 March, as part of government drive to reduce the spread of the virus, protect the NHS and save lives.

Government confirmed today that Environmental Health and Trading Standards officers, with police support if appropriate, will work together to issue prohibition notices challenging unsafe behaviours where businesses do not follow these restrictions.

Environmental Health and Trading Standards officers will monitor compliance, and businesses who fail to comply can also receive fines. Continued non-compliance could then lead to the loss of alcohol licenses.

Under the Business Closure regulations introduced on March 21, officers will have powers to prosecute for breach of regulations.

#### Local Government Secretary Rt Hon Robert Jenrick

We recognise the pressure the emergency COVID-19 restrictions place on small businesses, which is why the government has announced an unprecedented package of support to help businesses and workers.

But we must follow the medical advice. That means staying at home, protecting the NHS and saving lives.

So far we have seen this crisis bring out the best in us, but some people are risking the safety of others by failing to act on medical advice. People must do this immediately to save people's lives.

#### Business Secretary Rt Hon Alok Sharma MP said:

I want to urge all businesses to look carefully at the package of measures we have announced to help them through this difficult time and allow them to comply with new regulations.

- You can find the full guidance on enforcing certain businesses to close here.
- The Government will ensure that local authorities are funded for the new requirements as quickly as possible, in line with the New Burdens doctrine.
- As of 2pm on 21 March 2020, these closures are enforceable by law in England and Wales due to the threat to public health. A business operating in contravention of the Health Protection (Coronavirus, Business Closures) Regulations 2020 will be committing an offence. As agreed with the devolved administrations these measures will be extended to Scotland and Northern Ireland by Ministerial Direction once the Coronavirus Bill is in force.

# New regulations created by Secretary of State for business closure (COVID-19)

The Secretary of State has made new regulations under the emergency procedure, to protect the public. The Health Protection (Coronavirus,

Business Closure) (England) Regulations 2020 came into force at 2pm on 21 March 2020. The following businesses are now required not to sell food or drink for consuming on the premises:

- Restaurants, including restaurants and dining rooms in hotels or members clubs.
- Cafes, including workplace canteens, but not including—
  - cafes or canteens at a hospital, care home or school;
  - prison and military canteens;
  - services providing food or drink to the homeless.
- Bars, including bars in hotels or members' clubs.

The following businesses must remain closed:

- Public houses.
- Cinemas.
- Theatres.
- Nightclubs.
- Bingo halls.
- Concert halls.
- Museums and galleries.
- Casinos.
- Betting shops.
- Spas.
- Massage parlours.
- Indoor skating rinks.
- Indoor fitness studios, gyms, swimming pools or other indoor leisure centres.

The closure lasts until a direction is given by the Secretary of State. The Secretary of State is required to keep the need for these restrictions under review every 28 days.

The Health Protection (Coronavirus, Business Closure) (England) Regulations 2020

### COVID-19 essential travel quidance

Following on from the government's guidance on <u>social distancing</u> in relation to COVID-19, people should avoid travelling unless it is essential.

This guidance is for people planning to visit second homes or holiday premises during the coronavirus (COVID-19) pandemic.

Essential travel does not include visits to second homes, camp sites, caravan parks or similar, whether for isolation purposes or holidays. People should remain in their primary residence. Not taking these steps puts additional

pressure on communities and services that are already at risk.

Read further travel guidance for <u>British citizens travelling abroad</u> and <u>foreign travel advice for each country</u>.