LONDONASSEMBLY

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Sian Berry AM Chair of the Transport Committee

The Rt Hon Mark Harper MP Secretary of State for Transport (Sent by email)

31 March 2023

Dear Secretary of State,

I am writing on behalf of the London Assembly Transport Committee regarding progress on taking forward the William-Shapps Plan for Rail, which was published on 20 May 2021.

Due to the importance of rail services in London and the impact of changes on passengers, the Committee has held investigations across several meetings on what the proposals in the Plan for Rail will mean for Londoners.

In February 2022, the Committee published its report, *Williams-Shapps: The Committee's response to the Plan for Rail*, setting out eight recommendations, a number of which were directed to the Department for Transport. These are attached as an appendix to this letter and they were also sent to you on 25 February 2022. The Committee is disappointed that it has not yet received a response from the Department on this.

In November 2022, the Committee held a meeting on Rail Reform and the Railways in London to understand what progress has been made on the reforms and their implementation. Officials from the Department for Transport were invited to appear on the panel at the meeting, but were not available.

During that meeting London TravelWatch Chair, Arthur Leathley, told the Committee that reform delays are having an impact on passengers in London, particularly in the context of two years of disruption during the pandemic:

"It is passengers who are uncertain...While these discussions continue — and we absolutely understand why it takes time — the discussion about financing and funding is getting in the way of the real changes that people now need."

The Committee is concerned about the slow progress being made on implementing rail reform, in particular regarding the speed of legislation and the timeline for legislative and non-legislative reforms.

Anit Chandarana, Lead Director of the Great British Railways Transition Team, told the Committee that, as of November 2022, it did not even have a rough timetable for the reforms, but that the target is for before the next election. While the Committee understands that preparation work is being done, it is concerned by the lack of timetable given the importance of the reforms.

Recommendation 1

The Department for Transport should provide an update on why planned reforms are so delayed, what progress has been made so far and a timetable for implementation. The Department should provide an update on the reasons for the delay to its response to the consultation on Williams-Shapps Plan for Rail: legislative changes to implement rail reform, which ran from 9 June 2022 to 4 August 2022, and a timescale for when a response can be expected. Ministers should also confirm when they expect parliamentary time to be made for legislative reforms.

The evidence we heard highlighted a number of non-legislative reforms, which can be progressed more quickly, and which have the potential to improve passenger experiences. The Committee is broadly in favour of the following:

- the Fares, Ticketing and Retail Reform Programme, including simplifying fares structures and modernising fares
- improving communication with passengers about the benefits of rail travel, and other mechanisms to get passengers back on trains
- improving partnership models between Great British Railways and Transport for London, with more structured, formal and transparent processes.

The Committee also heard that the Great British Railways Transition Team continues to work on developing a number of strategies that can be progressed without legislative reform. These include:

- the Whole Industry Strategic Plan
- the Rail Freight Strategy
- the Accessibility Strategy.

Recommendation 2

¹ London Assembly Transport Committee, <u>Transcript of Agenda Item 6 – Rail Reform and the Railways in London</u>, November 2022

The Department for Transport should provide an update on progress being made in these non-legislative reforms highlighted above, and a timescale for the publication of the strategies currently in development.

The Committee heard about proposals to review ticket office provision. Arthur Leathley told the Committee that it is not yet known what this might look like, but covers a range of possibilities including ticket office closures, changes to ticket office opening times or staffing, or a hybrid combination of these options. Several guests, including Andy Bagnall, Chief Executive of Rail Partners, Anit Chandarana and Arthur Leathley, gave evidence to the Committee that an important factor is ensuring that there continues to be staff on site at stations to assist passengers where needed.

Recommendation 3

The Committee recommends that the railway remains accessible so that any changes to ticket offices should not affect the ability of people to buy a ticket. Instead, there should be improvements to ticket machines and stations should continue to be staffed.

Concerns were also raised about the impact of recent short-notice route and timetable changes in London, which have changed the frequency and destination of services many Londoners depend upon.

Recommendation 4

The Department for Transport should prevent dramatic variations of this nature in future without proper consultation, and should aim to work with train operating companies to reduce the frequency of these disruptive changes.

The Committee also noted in our November meeting that it had been over 1,000 days since the last update on the Rail Network Enhancements pipeline and therefore requests any information on its progress. On 18 January 2023 when questioned on the Rail Network Enhancements pipeline by the House of Commons Transport Committee the Rail Mininster Hew Merriman said:

"We have a pipeline that has far too many projects in it for the funding envelope that has been awarded to it.

[...]

I have to be transparent and open with colleagues that there will be projects that colleagues may have been told would be going ahead but which actually have not been proceeded with and will not go ahead."²

Recommendation 5

The Department for Transport should publish an update to the Rail Network Enhancements pipeline and confirm that funding for projects in London will not be cut.

In May 2021, Great British Railways: The Williams-Shapps Plan for Rail was published. It said:

² House of Commons Transport Committee, Oral evidence: Rail services and infrastructure, HC 1041, January 2023

"A simpler, more integrated structure will cut duplication, increase Great British Railways' purchasing power and economies of scale, and make it easier and cheaper to plan maintenance, renewals, and upgrades. These and other efficiencies will take time to bear fruit, but after five years it is expected that they could be saving around £1.5 billion a year, equivalent to 15 per cent of the network's pre-pandemic fares income."

In June 2021, train operators, Network Rail and unions began talks over realising these savings, which were now being reported as up to £2 billion per year. The London Assembly Transport Committee covered these savings in a February 2022 report, which recommended:

"The Committee is concerned about the anticipated savings in reorganising the railways; and recommends that any savings must not lead to cuts to rail services, in terms of frequency and quality, as well as cuts that may lead to safety concerns."

In August 2021, Network Rail opened a voluntary severance scheme to cut 9,000 posts, out of 42,000 in the organisation. In June 2022, Network Rail began formal proceedings to lay off 1,800 maintenance staff.⁵

The Committee points to its earlier recommendation and hopes that further reductions in staffing and services will be avoided while we await reforms.

The Committee also heard evidence on fare structures and the level of fares. The Committee was told by Andy Bagnall: "The issue is having a reformed system that allows people to have that confidence that they are getting a value for money product, based on what they want to do, and the price." In December 2022, the Department for Transport announced a new bus fare cap, which included bus companies and bus routes from across the country excluding London, Greater Manchester, Merseyside and West Yorkshire, that will currently remain in place until June 2023.

Recommendation 6

The Department for Transport should investigate and fund new ticketing projects that could help boost ridership and support cost of living pressures.

Recommendation 7

The Committee (with the exception of City Hall Conservative Members, who have concerns over this proposal at this time) reiterates its commitment to rail devolution in London, and its recommendation that suburban rail services in London should be devolved to TfL.

³ Department for Transport, <u>Great British Railways: The Williams-Shapps Plan for Rail</u>, May 2021

⁴ London Assembly Transport Committee, <u>Williams-Shapps: The Committee's response to the Plan for Rail</u>, February 2022

⁵ The Guardian, Network Rail to begin formal process to lay off up to 1,800 staff, June 2022

⁶ London Assembly Transport Committee, <u>Transcript of Agenda Item 6 – Rail Reform and the Railways in London</u>, November 2022

⁷ Department for Transport, £2 bus fare cap, December 2022 see also Department for Transport, £2 bus fare cap to be extended and bus services protected with new funding, February 2023

We would appreciate a response to this letter by 28 April 2023. Please copy your response to Eleanor Haigh (<u>eleanor.haigh@london.gov.uk</u>), the Committee's Policy Advisor.

Yours,

Sian Berry AM

Chair of the Transport Committee

Cc:

Huw Merriman MP, Minister of State for Rail and HS2

Seb Dance, Deputy Mayor for Transport

Iain Stewart MP, Chair, House of Commons Transport Committee

Appendix

Full list of Transport Committee recommendations made in its report Williams-Shapps: The Committee's response to the Plan for Rail⁸

Recommendation 1

The Committee reiterates its long-standing recommendation that suburban rail services in London should be devolved to TfL as part of the move to Great British Railways. This is to provide a truly integrated, reliable and affordable rail network for Londoners.⁹

Recommendation 2

The Committee recommends that, as part of the move to Great British Railways, existing devolved responsibilities, including London Overground, should remain devolved. TfL should retain control over the specification for the rail concessions in London.¹⁰

Recommendation 3

The Committee is concerned about the anticipated savings in reorganising the railways; and recommends that any savings must not lead to cuts to rail services, in terms of frequency and quality, as well as cuts that may lead to safety concerns.

Recommendation 4

The Committee recommends that both the passenger and frieght sides of the rail industry are brought together, to coordinate activity that will better use paths on the railway to maximise both passenger and frieght services at the appropriate times of day.

Recommendation 5

The Committee recommends that DfT places greater emphasis on passenger needs as part of the Rail Transformation Programme. This includes monitoring the long-term impacts of COVID-19 on passenger levels and travel needs; ensuring that TfL and other rail services are integrated as fully as possible; and considering station staffing for passenger safety.

Recommendation 6

The Committee recommends that the Rail Tranformation Programme examines further evidence on the root causes of a lack of trust from passengers with the current rail system, particularly with regards to ticketing and fares. DfT should ensure that TfL, the Mayor of London, the London Assembly and London TravelWatch are included in discussions about any changes to the fares and ticketing system, ensuring transparence for passengers in any future structure.

Recommendation 7

The Committee recommends that DfT ensures accessibility is at the heart of the Rail Transformation Programme's work and any associated legislation and looks to maximise

⁸ London Assembly Transport Committee, <u>Williams-Shapps: The Committee's response to the Plan for Rail</u>, February

⁹ The GLA Conservatives did not support Recommendations 1 and 2.

¹⁰ The GLA Conservatives did not support Recommendations 1 and 2.

enhanced technology with different partners to improve accessibility across the network. The new GBR should ensure consistent, high-level accessibility across all of its services.

Recommendation 8

The Committee recommends that through the Rail Transformation Programme, DfT must ensure that it carries out thorough and robust consultation with passengers, railway staff and other relevant stakeholders ahead of the implementation of changes outlined in the Plan for Rail, so that those who use and work on the railway, can shape its future.