



A Future for Public Transport in London

RMT submission to the reviews of TfL

August 2020

1. The centrality of public transport in London

Public transport plays a huge role in supporting London's economy and society and it will be critically important to public health and the sustainability of life in the city.

- London's population is growing and is projected to be over 11 million by 2050.
- Londoners are more dependent on public transport than most of the population, being less likely to own a car than people living in other parts of the UK. Car ownership is also socially variegated, with lower income households, women and BAME communities less likely to own cars.¹
- In spite of this, air quality in London is poor and an estimated 9,000 Londoners' lives end sooner than they should each year because of air pollution. Respiratory conditions caused by air pollution are also linked to greater vulnerability to the coronavirus. London also remains over-reliant on fossil fuels that contribute to global warming and the city is not on track to meet national or international climate goals.²
- Public transport lies at the heart of promoting equality, public health and tackling environmental crisis in London. Yet the coronavirus crisis has seen a dramatic contraction in the number of people using public transport, while car use has recovered to its previous levels.³ If this trend becomes embedded, or worse still, if car use grows to fill the space vacated by public transport, it will be disastrous for public health, the environment and social equality.
- Transport investment can also play a critical role in mitigating the economic effects of the coronavirus and strengthening London's economy, creating more and better jobs. It will not be enough just to put money in people's pockets and hope that they spend it. London will need more and better jobs and more economic activity. It's

¹ <http://content.tfl.gov.uk/technical-note-12-how-many-cars-are-there-in-london.pdf>

² https://www.london.gov.uk/sites/default/files/london_environment_strategy_0.pdf

³ <https://www.rmt.org.uk/news/rmt-on-todays-transport-use-statistics-from-the-dft/>

been calculated that investing in London's infrastructure could generate around £2.50 in the economy for every pound spent.⁴

If London is going to play its part in stopping the coronavirus crisis accelerating the climate crisis and helping to tackle the new economic crisis we need to massively expand transport operating subsidy, capital investment and capacity to make bus, metro and rail passenger and freight services more frequent, affordable, attractive and safer to use.

⁴ https://www.londonfirst.co.uk/sites/default/files/documents/2018-05/Londons_Infrastructure_Investing_for_Growth.pdf, p. 3.

2. London's failed funding model

For decades now, public transport in London has been run on a false promise: that a world city's transport system can become commercially self-sustaining by maximizing farebox revenue while driving down operating costs in the name of 'efficiency'. Before the Covid-19 pandemic, footfall on London Underground and Overground rose consistently, generating more fare revenue, while successive Mayoral administrations have boasted of their efficiency in driving down operating costs. This delusion reached its height in 2015 when the Conservative government turned its austerity programme on London's transport network and cut TfL's £700 million a year operating grant. This made London one of the most fare dependent cities in the world and one of the only ones without any operating grant.

At the point when the pandemic broke, 72% of TfL's income came from fare revenue. This is highly unusual for a world city transport system and compares unfavourably with New York (38%), Singapore (21%), Beijing (22%), Tokyo (20%), Hong Kong (37%), Paris (38%) and Madrid (47%).⁵

In the same period, TfL has had to take on increasing levels of debt to fund capital spending on the maintenance, renewal and enhancement of its assets. This followed the debacle of previous attempts to lever in private finance to fund maintenance and renewal work on the Underground through the failed PPPs run by Metronet and Tubelines between 2003 and 2010.

TfL's debt has risen to £11.7 billion, forcing it to maintain a £1.2 billion cash reserve in order to maintain its credit rating and hold down the cost of this debt burden. Most of this debt is incurred in the form of either Treasury or market bonds to cover capital spending costs but some covers operational shortfalls too.⁶

It is quite clear that the fundamental assumptions underpinning this approach to funding are no longer valid, if indeed they ever were. Farebox revenue can no longer cover operating costs and finance borrowing. In the immediate term, the maximum capacity of the

⁵ <http://content.tfl.gov.uk/board-20200729-item09-finance-report-revised-budget.pdf>, p. 20; <https://www.itf-oecd.org/funding-urban-public-transport-case-study-compendium>

⁶ <https://www.london.gov.uk/questions/2020/1765>

Underground with 2 metre social distancing in place is 12% of normal levels, placing a limit on the capacity of the Tube for as long as social distancing is necessary. In addition, *Transport Focus* surveys indicate that there is potential for long-term damage to footfall on the Underground, suggesting that only one in five respondents will be happy to use public transport as restrictions are lifted and one third of respondents will not use public transport again unless social distancing remains in place. TfL itself is using government modelling that predicts a slow recovery in metro system use to around 30% demand levels.⁷

With the delusion of passenger-funded public transport rudely shattered, there is an opportunity now to turn away from this failed model and set TfL's funding on a sustainable basis for the future. But to do this, the government and TfL must also recognise the damage that has been done to London's transport network over recent years.

The policy fixation on driving down operating costs to create surpluses against which it can borrow cheaply was not just financially precarious, but it has led to a succession of 'de-staffing' initiatives which have damaged the safety, security and resilience of London's public transport system.

⁷ *TransportFocus* Travel during Covi-19 Tracking Research Week 8, 26 June 2020 - <https://d3cez36w5wymxj.cloudfront.net/wp-content/uploads/2020/06/26094253/Travel-during-Covid-19-survey-%E2%80%93-week-8.pdf>

3. Heading down the wrong track – the de-staffing of London’s transport

Under the pressure of this commercial model, successive administrations in London have viewed staff as a cost to be cut instead of an asset to be nurtured. This myopic approach has created a less safe and secure travelling environment for passengers, even before the Covid-19 crisis. It has also created a dangerous working environment for the keyworkers whose heroism has kept London’s transport networks running throughout the pandemic.

London Underground – the PPP debacle

The fixation with efficiency and driving down operating costs lay behind the disastrous failures of the Public Private Partnership on London Underground. Between 2003 and 2010, thousands of skilled maintenance and engineering staff were transferred into the employment of private sector consortia Metronet and Tubelines who were handed responsibility for maintenance and renewal of three groups of lines. This generated significant profits for the PPP consortia but resulted in a disastrous loss of control both of work and costs. The PPPs rewarded their own shareholders handsomely but poor performance led to financial penalties which pushed Metronet into insolvency. The taxpayer had to bail out Metronet, compensate its shareholders and pick up the tab for the backlog of incomplete work. The PPPs also performed poorly in their core business, generating wasteful contracting costs, duplication of management teams, cost overruns, failure to deliver large-scale projects and the fragmentation of maintenance and engineering work. A series of derailments, attributable in part to the fragmentation of management systems under the PPP, indicated that safety was being compromised. In 2007, Metronet went into administration and in December 2008, around 6,000 employees were TUPE transferred back into direct employment by London Underground. TfL acknowledged that this move would be in the interest of staff and customers, and would "provide greater stability and integration" to its operations.⁸ In October 2019, Tubelines staff TUPE’d over to London Underground, bringing to an end this sorry chapter in the Tube’s history.

⁸ <https://www.nao.org.uk/wp-content/uploads/2009/06/0809512es.pdf>;
<https://publications.parliament.uk/pa/cm200708/cmselect/cmtran/45/45.pdf>
<http://news.bbc.co.uk/1/hi/england/london/7687426.stm>

London Underground – de-staffing stations and ticket offices

During the years of austerity cuts, as the Conservative government axed TfL's operating grant, hundreds of jobs were also cut from London Underground. Between 2016 and 2017 almost 900 station staff jobs were cut as ticket offices were closed. Station staff numbers fell from 6,007 in 2016 to 5,222 in 2017. At the same time, passenger numbers on the Underground were consistently rising, leading to dangerous overcrowding situations in understaffed stations.⁹

- Unsurprisingly, in 2016, 45% of London TravelWatch survey respondents indicated that they now feel less safe in Underground stations.¹⁰
- In January 2017, the disastrous cuts resulted in the tragic death of a passenger at Canning Town station – a station with multiple lines, lifts and escalators which had formerly been equipped with a hi-tech working control room. As a consequence of the 'Fit for the Future' cuts in station staff, ticket offices and control room staff, the control room had been closed and there was one member of staff working.¹¹
- In 2019 it was revealed that the number of platform-train-incidents (PTIs) in London had increased by 114% between 2006 and 2018. The number of incidents of people falling between the platform and the train over the same period had increased by 250%.¹²

The increasing vulnerability of overstretched staff has also made the Underground a potentially dangerous place for staff. An RMT survey of Tube staff in March 2019 found that when dealing with passengers:

- Three quarters of those surveyed had been verbally abused with one in five experiencing abuse more than 20 times a year.

⁹ <https://www.rmt.org.uk/news/rmt-to-ballot-london-underground-staff-for-action-over-jobs/>; <https://www.london.gov.uk/questions/2018/5505>

¹⁰ https://www.londontravelwatch.org.uk/documents/get_job?id=4291&field=file, p. 17.

¹¹ <https://www.rmtlondoncalling.org.uk/content/rmt-calls-tube-job-cuts-inquiry-after-canning-town-death>

¹² <https://tfl.gov.uk/corporate/transparency/freedom-of-information/foi-request-detail?referenceld=FOI-2755-1819>; <https://www.standard.co.uk/news/transport/mind-the-gap-new-tube-trains-blamed-for-huge-rise-in-passenger-accidents-a3264531.html>

- Over a third of this abuse related to race whilst one in ten examples related to gender.
- Almost one in five (18%) of Tube staff have been physically assaulted
- 1 in 10 staff has reported being sexually harassed by passengers.

On 14 August, staff working at Warren Street station were attacked by a passenger who forced his way into the control room. This quickly followed an attack on a member of staff at Wembley Park, four days earlier.

Outsourcing and the de-staffing of cleaning on the Tube:

In the name of 'efficiency', London Underground's cleaning is outsourced to a US company called ABM. The contract was signed in 2017 and runs out in 2022. The contract contains a clause committing it to seeking to cut costs every year, while its performance measurement mechanism weights its success in cost cutting four times more heavily than its performance in cleaning trains and stations. In cleaning contracts, typically, around 85-90% of costs come from labour, which means that the outsourcing companies can only generate efficiencies that create savings and profits by targeting staff costs.

Figures published in July revealed that ABM have cut the Full-Time Equivalence of cleaners working on the tube every year since 2017. At the point when the Covid-19 crisis broke, London's Underground there were 139 fewer FTE cleaners working on the Tube, a reduction of 6%.¹³

ABM contract year	FTE
17 September 2017 - 31 March 2018	2,314
1 April 2018 – 31 March 2019	2,245
1 April 2019 - 31 March 2020	2,175
1 April 2020 - 31 March 2021*	2,175

*Forecast

¹³ <https://www.london.gov.uk/questions/2020/2361>

While ABM cleaners are paid the London Living Wage, there are simply not enough of them to ensure that their workloads are manageable. In addition, compared with other TfL personnel they have inferior sick pay, inferior pension provision and no access to the TfL travel pass that is given to other staff.¹⁴ In February this year, RMT published a report on working conditions for the cleaners which showed that

- 68% of ABM's said that that they sometimes or regularly struggle to make ends meet.
- More than one in three (35%) said they thought they had been treated unfairly at work or by their employer because of a characteristic they have (such as gender, age, race religion of sexual orientation).
- 68% said they believed their employer put profits before working conditions or passenger concerns.
- 91% said they would rather be employed in-house.
- 78% said that they believed passengers would benefit more if their jobs were brought in-house.¹⁵

This reduction and targeting of staff is also dangerous in public health terms. Studies from the NHS and US hospital systems have demonstrated that where cleaning services were outsourced patients reported dirtier wards and there were higher incidences of Hospital Acquired Infections like MRSA. Research has shown the importance of high quality cleaning regimes on public transport to prevent the rapid transmission of infectious respiratory diseases like Covid-19, SARS ad MERS. Outsourcing cleaning, with its imperative to cut staffing costs, represents an unacceptable gamble with public health.¹⁶

¹⁴ <https://www.london.gov.uk/questions/2020/1415>

¹⁵ <https://www.rmt.org.uk/news/publications/dirty-work-abm-and-the-outsourcing-of-londons-underground/?preview=true>

¹⁶ See, for example, Shima Elkomy, Graham Cookson, Simon Jones, 'Cheap and Dirty: The Effect of Contracting out Cleaning on Efficiency and Effectiveness' *Public Administration Review*, Vol 79, Iss 2, (2019) pp. 193-202; Litwin, A. S., Avgar, A. C., & Becker, E. R. (2017). 'Superbugs versus outsourced cleaners: Employment arrangements and the spread of health care-associated infections' [Electronic version]. *Industrial and Labor Relations Review*, 70(3), 610-641; Veronica Torfolluti, Aaron Reeves, Martin McKee, David Stuckler, *Outsourcing cleaning services increases MRSA incidence: evidenced from 126 English acute trusts*, *Social Science and Medicine*, 174, (2017) pp. 64-69.

De-staffing London Overground

TfL's London Overground concession, operated by Arriva Rail London, has also implemented significant cuts to staff, even as passenger footfall rose. Passenger journeys on the Overground have increased overall from 102 million in 2011/12 to 190 million in 2017/18.¹⁷ However, over the period from 2015-16 to 2018-19 the Full Time Equivalence of staff across Overground's 81 stations fell from 1,466 to 1,451.¹⁸ 46 ticket offices were targeted for closure or a reduction in hours that would make them almost inaccessible for many Londoners. As with the Underground, there has been an increase in lone working and assaults on staff, a growth in shift lengths with long periods of standing, resulting in fatigue and exhaustion among staff.

Financial year	Passenger journeys (millions)	Passenger kilometres (millions)	Passenger train kilometres (millions)	Full-time equivalent (FTE) employees	Number of stations managed
2015-16'	183.2	1,237.0	8.1	1,466	81
2016-17	188.8	1,293.5	7.9	1,413	81
2017-18	189.8	1,296.4	8.2	1,440	81
2018-19	188.1	1,287.6	8.7	1,451	81

<https://dataportal.orr.gov.uk/statistics/compendia/toc-key-statistics/>

¹⁷ <http://dataportal.orr.gov.uk/displayreport/report/html/2b2e2c38-c822-4e1f-9fb4-b049b3c13899>

¹⁸ <https://dataportal.orr.gov.uk/statistics/compendia/toc-key-statistics/>

4. Rising to the crisis: Keyworkers keep London moving

“Thanks for doing so much, thanks for all your hard work, I don’t know how you do it.” Prince Charles to London Underground staff, 2 July 2020

“Given the current challenges of Covid-19, the work of ABM’s staff on London Underground has never been more important. They are doing an amazing job in these extraordinarily difficult times and I thank each and every one of them for their commitment and service to our city.” Sadiq Khan, 29 April 2020

Even before the Covid-19 crisis broke, it was clear that the job cutting on London’s transport network was unsound.

- In February 2017, London Underground effectively admitted it had a problem when it began rehiring Customer Service Assistants to tackle the desperate shortage of station staff on the tube.
- Similarly, London Overground hired an additional 50 staff in 2019-20 in recognition that its cuts were no longer sustainable.
- When the Covid-19 crisis broke, TfL paid ABM for a temporary additional number of cleaners, recognising that it was understaffed to deal with the pandemic.

These measures are too little, too late but they do show a belated recognition that TfL does not have the resources it needs to ensure a safe, secure public transport system to meet London’s needs.

In spite of the challenges posed by years of cuts, when the pandemic broke across the city, London’s transport keyworkers rose to the challenge. They have put their lives on the line to keep essential services moving and make them as safe as their resources allow.

- Cleaners paid no more than the London Living Wage, working long shifts in dangerous conditions went into the Tube and Overground day and night to ensure the hygiene of the network.
- Drivers and Station Staff have kept services running and worked with London Underground and Overground managers to increase services as lockdown eases,

trying to ensure that social distancing can be maintained and London's workforce can travel safely on the tube. Some have lost their lives as a consequence.

Now is the time to recognise the bankruptcy of the approach that sees staff as a cost to be cut.

The government and TfL have an opportunity to turn the page on this failed experiment and build a public transport system in London based on the needs of its people, recognising the centrality of staff.

5. Staffing a people-centred transport system in London

We need more station staff

Station staff provide advice and information about travelling, assist passengers on and off the train, deter violence and crime and generally provide a reassuring presence to passengers. As London Travelwatch reported, a majority of surveyed passengers seek travel advice and information from staff in Underground stations, even among those familiar with the network. As the report said, 'Across our research, passengers cited being able to see staff as fundamental to their feelings of safety when using the Underground.'¹⁹ This presence of station staff will be even more necessary as we manage the current and any future pandemics through social distancing and the use of face masks. Station staff will be essential to help monitor numbers onto and through stations and when boarding trains. Their presence will ensure a higher level of adherence to requirements from passengers.²⁰

We need more train crew

Even before Covid-19, train crew performed a range of vital safety critical functions in responding to emergencies, ensuring the security of passengers on board trains or assisting disabled or vulnerable passengers in using public services.

Drivers play a safety critical role through their knowledge and experience of technology, different lines and different stations. This accumulated experience gives them a greater ability to respond more effectively to emergencies. During technical failures or stoppages, it is drivers who reassure passengers. Drivers are more likely to be able to react to platform accidents or suicide attempts. And as the London bombings showed, drivers play an absolutely critical role in serious emergencies. A safe network demands more, not fewer drivers, in order to ensure that they have reasonable shift times and do not spend too long in cabs.

¹⁹ https://www.londontravelwatch.org.uk/documents/get_job?id=4291&field=file p. 27

²⁰ TfL have recognised this to an extent already, advertising to customers the role that staff play in enabling and supporting safe travel on Underground on their website (<https://tfl.gov.uk/transport-accessibility/help-from-staff>).

There is now an overwhelming case for revisiting the decision to strip the Underground and Overground networks of guards and other on-board staff. It is already recognised that this decision, coupled with the de-staffing of stations, has made railways less accessible to disabled people. Now, with the possibility that use of face masks and some form of social distancing may become a regular part of safe use of public transport for the foreseeable future, it becomes even more important that train crew are present on all services, able to help regulate passenger numbers and seating, assisting and reassuring passengers and trained to provide quick responses when safety concerns arise. Every Overground and Underground train should have a safety critical second member of staff on board.

We need more cleaners, integrated and brought in-house

For years, cleaners have been viewed as ‘non-core’ workers and on this basis they have been outsourced, paid at minimum wage levels with poor employment conditions. The Covid-19 crisis has transformed this position. There is a better understanding now that far from being ‘non-core’ cleaning is absolutely essential to the safe operation of the railway. The cuts to cleaners; numbers under ABM should be permanently reversed. Cleaning should become more regular, more intensive, more visible and quality checked. This will mean increasing cleaning complements, revising cleaning standards and practices and integrating cleaning with the provision of other functions in a safe railway. Cleaning as a specialist role should be maintained and its pay and status enhanced but it should also be in-sourced to London Underground and Overground so that cleaning staff are employed by the same employer as other staff and can work more effectively across functions and teams. Cleaning should also be integrated into career paths with other station and on-board staff.

We need a sure supply of properly employed engineering and maintenance workers

London’s public transport infrastructure is expanding and it needs constant maintenance and renewal deploying skilled workers. Under the failed PPPs, thousands of these workers were transferred to the private sector. When Metronet collapsed in 2008/9 and then again when TfL took over Tubelines, these workers transferred back into London Underground and the result was immediate improvement in the performance of maintenance and renewals work. As London Underground’s managing director said in 2009, ‘day-to-day maintenance ... has generally improved since Metronet came into TfL’. Bringing these workers in-house

eliminated fragmentation and 'enabled greater stability and integration' in maintenance work.²¹

Within London Underground these workers are employed properly, have proper pensions and engage in effective collective bargaining arrangements with LU management. However, much engineering work contracted by TfL remains determined by the profit margins of contracting firms like Babcock and Amey and an approach to contracting that encourages bidding on the lowest price. Investment in London's transport infrastructure should be tied to the need to protect and improve the engineering and maintenance jobs of the future, using steady programmes of rolling funding in long-term projects, coupled with negotiated industry-wide agreements to create consistent pay rates, expand in-house employment, end zero hours contracts and agency work and create better, steadier employment.

²¹ <https://tfl.gov.uk/info-for/media/press-releases/2009/january/tube-public-private-partnership-ppp-annual-report-published>; <http://news.bbc.co.uk/1/hi/england/london/7687426.stm>

6. A new funding settlement

A new funding settlement must be based on steady operating and capital funding, supported by government borrowing. Government borrowing costs are at an all time low and the economic case for investment in transport infrastructure is strong.

But investment must not be seen purely in terms of capital projects. It must be seen as holistic investment in the full range of TfL's assets, including its staff.

Already, before the Covid-19 crisis, the failed funding assumptions of the past were generating a crisis on London's transport network. Decades of de-staffing were posing increasing problems of safety and security on public transport. Building back better and creating a safe, accessible transport system that can play its part in meeting the environmental crisis after the Covid-19 pandemic will require more staff, more closely integrated and no longer seen as a cost to be cut.

