

# JONATHAN BRAY



## I tried to stop a rail privatisation

Our high profile campaign failed to prevent rail privatisation. In the end it collapsed under the weight of its own contradictions

▶ Since the Williams-Shapps rail plan was published it seems like everybody has been telling their story of rail privatisation. So I'm going to tell mine, given that I was the coordinator of the 'Save our Railways' campaign that in the nineties tried to stop it. We came close too. Though, as it has turned out, it was its own inherent contradictions and fault lines that led to its downfall. A downfall that came through a long (and perhaps as yet incomplete) unwinding triggered by a series of nervous breakdowns.

But let's start with the origin of rail privatisation. Having worked their way through the foothills of other state sell offs, rail was a proper test of the prowess of the masters of the financial universe, as well as a way of sorting the true privatisation believers from the milquetoasts. Indeed, it was an act of high and supreme neo-liberalism to turn a boring old integrated rail network into an exciting bazaar, where government, passengers, and rail managers could shop around for just what they needed. The fact that you were making a market of something that required large amounts of public subsidy to support, what was largely a public service only added to the stimulation of the challenge. And if more public funding was needed to lubricate the process of meeting that challenge then so be it.

So far so baroque. But they also took two natural monopolies within the railway - the infrastructure and the existing rolling stock - and privatised them as well. Selling off the

infrastructure wasn't part of the original plan. But hell, why not? Plus it would make it harder to put it all back together again. The selling off of the existing rolling stock was only a disaster in terms of pointlessly handing over Securicor vans full of public money for no benefit whatsoever as the rolling stock monopolies rented out sometimes knackered trains (that

they had bought at a giveaway price) for eye watering amounts of money.

Selling off Railtrack was to prove to be a disaster, full stop. As a PLC Railtrack had a duty of sorts to invest in preventative maintenance and responsible stewardship of complicated and often ageing safety critical assets. It also had an absolute legal duty to maximise dividends for shareholders. Guess which was given priority?

Meanwhile, as the railway fragmented, and then fragmented again, a huge bureaucracy was necessary to service the various interfaces. And so the contradictions and fault lines embedded themselves. You could paper over the cracks with cash for only so long.

Could it all have been stopped before it even started? In December 1995 when we were standing on the steps of the Royal Court of Justices in the Strand, surrounded by camera crews and journalists, having just beaten the government in the Court of Appeal - it looked like it could be. This was the high point for the Save our Railways campaign. An alliance of the rail unions, local government and rail users, we had been running a take no prisoners campaign modelled on Alistair Campbell's 'attack, rebuttal, policy' mantra. In those

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days there was no social media (or email!), so warfare was conducted via the press. We worked with transport correspondents and gave them what they wanted - good stories and uncompromising quotes. Between us and them we gave the privatisation process a right battering. Shuttling from TV studio to the fax machine (that's how you put out press releases in those days), we were one of the most high profile campaigns of the day - in particular in London and the South East.

All of this prepared the way for the legal challenges which paid off with the Court of Appeal judgement. We knew that the courts wouldn't block the use of primary legislation, but the court actions were designed to give nervous Tory backbenchers the excuse to deliver the coup de grace. However, a series of unfortunate events for the railways meant that never happened.

The natural leader of a revolt, the rail enthusiast and committed privatisation opponent, Robert Adley MP, had died in 1993 of a heart attack. Those Tory backbenchers most concerned about whether privatisation was going too far had already rebelled to halt the privatisation of the Post Office and were reluctant to inflict any further damage to their own party with the opinion polls looking ominous. If the sequencing of the two privatisations had been different then it may have been the other way round - with the railways remaining in public ownership rather than the Post Office.

One further, and major factor, was that the furore around rail privatisation had also led to a whole series of concessions being made around minimum service levels and fares protection. This simultaneously reduced the perceived risk of privatisation for Tory backbenchers whilst at the same time somewhat undermining the point of doing it in the first place (as it trampled all over the idea that the railways would be a free market). This helped get rail privatisation over the line but also became another crack in its foundations.

Whilst all this was going on New Labour stood shoulder-to-shoulder with the campaign in public whilst staying their hand at key moments as the 1997 election drew close. After the election they continued to huff and puff whilst doing the bare minimum - which was eventually bringing the Strategic Rail Authority into being in 2001. Though, since it



was led by neo liberal true believers, nothing much of any consequence resulted.

Railtrack went into financial meltdown in the aftermath of the Hatfield crash in October 2000 (and the subsequent nervous breakdown of the rail network) and as the costs of the West Coast Main Line upgrade ran out of control. And so (with great reluctance on the then government's part) the unwinding began with the creation of the halfway house of Network Rail. This put the engineers in charge of the infrastructure again. This is good in lots of ways - given we need a safe reliable railway. Not so good if you want a railway that faces outwards to people and places rather than inwards to incomprehensible GRIP (Governance for Railway Investment Projects) processes.

Meanwhile, the passenger railway was still in the domain of financial engineers. Gaming the system to take the money in the contractual good times and handing back the keys in the bad times. Remarkably the Department for Transport fell for it every time. If a franchise bid looked too good to be true then... they signed on the dotted line. With few exceptions the franchisees left little trace and the public remained largely resentful, distrustful and apathetic about the whole project.

In particular the privatised railway struggled to define itself in relation to that object of continual fascination, British Rail. Why do preservationists paint everything that moves in British Railways livery whereas nobody celebrates the first privatised railway

operators? Because BR's replacements just feel too disposable and somehow illegitimate. They didn't feel part of the lineage because they really weren't adding very much.

As important as the periodic nervous breakdowns of the system have been (the last one being the timetabling meltdown on Northern and Thameslink) equally significant is the shape shifting of Johnson's Conservatives. Like bus deregulation, rail privatisation is no longer a totemic example of the benefits of free market competition which must be maintained and emulated as part of the wider neo-liberal project. Instead transport is again a means to an end. The ends being what bus and rail can do for the wider economy, for Levelling Up, for keeping passengers happy. If bus deregulation and rail privatisation don't do this then unceremoniously they can be thrown in a ditch.

To this end the Williams-Shapps review has brought the mother railway back in the form of GBR (sounds better when abbreviated). The unification of rail planning and rail infrastructure should lead to a less lopsided railway and a railway that is probably back in the same place that BR was. Trying to outwit and play the long game with DfT, the Treasury and Number 10 on behalf of the mother railway. Indeed how GBR plays its hand - and to what end - will be more important than a lot of the text of the Williams-Shapps review itself. The opportunity is there to bring back the 'Great' bits of British Railways, like a single intercity network that can give aviation a run for its money. Whilst at the same time working with the grain of the UK's nations and regions to prove itself indispensable to their green growth agendas.

One has to wonder though if this really is the last unwinding of rail privatisation. Or if the hassle, cost and risk of contracting out services, where operators have so little room for manoeuvre, will be the focus of a future review. But for now I'm happy to enjoy the delayed gratification. ■

## ABOUT THE AUTHOR

▶ Jonathan Bray is the director of the Urban Transport Group. Throughout his career in policy and lobbying roles he has been at the frontline in bringing about more effective, sustainable and equitable transport policies.