

Net Zero, Energy and Transport Committee

9th Meeting, 2022 (Session 6), Tuesday 15 March 2022

Transfer of operation of ScotRail

Note by the Clerk

Background

1. On 1 April 2022, operation of ScotRail services will transfer to an arms-length company owned and controlled by the Scottish Government.
2. The Committee has agreed to hear views of stakeholders on this, as well as take evidence from the Minister for Transport, Jenny Gilruth MSP.

Public ownership of ScotRail

3. On 17 March 2021, the then Minister for Transport, Michael Matheson MSP, [announced](#) his decision not to extend the franchise arrangements for operation of ScotRail. He said—

“I therefore confirm that the operator of last resort will run ScotRail services after the end of the current franchise contract. That means that from the expiry of the current franchise, ScotRail services will be provided within the public sector by an arm’s-length company owned and controlled by the Scottish Government.”

4. On 3 February 2022, the Scottish Parliament [debated](#) the transfer of ownership of ScotRail.
5. On 8 February 2022, the current Minister for Transport, Jenny Gilruth MSP, [announced](#) the transfer would take place on 1 April 2022—

“Today, I can confirm that the transition of ScotRail into Scottish Government control will take place on 1 April 2022. Although that is good news, it is clear that much work still needs to be done, in a collaborative way, to ensure the long-term sustainability of rail operations in Scotland, to best meet the needs of the people whom we represent.”

6. Both the debate and the statement highlighted a number of issues for consideration during the transition of operation including—
 - Levels of service provision, including ticket office facilities;

- Employment terms and conditions for ScotRail staff, including union engagement and the existing policy of no compulsory redundancies;
- Ticket prices and concessions;
- Changes to rail travel patterns for both passengers and freight since the pandemic;
- Investment in rail services both as emergency measure during the pandemic and also to transition to decarbonisation of the railway;
- Passenger safety; and
- The role of railway in active travel and modal shift.

Net Zero, Energy and Transport Committee consideration

7. The Net Zero, Energy and Transport Committee agreed to hear from stakeholders ahead of the transfer of operations.
8. At its meeting on 8 March 2022, the Committee heard from—
 - Robert Samson, Senior Stakeholder Manager, Transport Focus;
 - Mick Hogg, Regional Organiser, National Union of Rail, Maritime and Transport Workers (RMT);
 - Michael Clark, Programme Director, Strategy and Transformation, Great British Railways Transition Team;
9. The Committee will hear from the Minister for Transport, Jenny Gilruth MSP at its meeting on 15 March 2022.
10. The Committee has received written submissions from the following organisations (Annexe A)—
 - National Union of Rail, Maritime and Transport Workers (RMT)
 - Associated Society of Locomotive Engineers and Firemen (ASLEF)

Clerks

Net Zero, Energy and Transport Committee

National Union of Rail, Maritime and Transport Workers (RMT) – Written Submission – 7 March 2022

NZET Committee

ScotRail Ownership

Ticket offices

As the Committee will be aware, in January 2022, ScotRail announced proposals to reduce ticket office opening hours at 117 of its 143 managed stations, including the complete closure of three ticket offices.

Already c60% of ScotRail stations do not have a staffed ticket office, and the proposals amounted to a weekly reduction in ticket office opening hours of more than 3200 hours.

RMT is fully opposed to the proposed cuts for a number of reasons including: the impact on services and the level and quality advice available at the station and passenger accessibility, safety and security. A more detailed briefing on the ticket office proposals, and a copy of RMT's submission are available here - <https://www.rmt.org.uk/campaigns/rail/stop-the-cuts-to-scotrail-ticket-offices/>

RMT is also critical of the decision to hold the consultation in January 2022 when Scottish Government 'work from home' advice remained in place and passenger numbers were therefore significantly reduced. RMT also queried why the outgoing operator Abellio was consulting on major changes to a franchise that is soon entering public ownership, and the Scottish Government's level of involvement in this decision given that it has been managing the franchise via its Emergency Measures Agreement since March 2020.

There was widespread and significant opposition to the proposals including from MSPs, councillors and councils, campaign groups, charities etc. For instance, the group Disability Equality Scotland polled its members about the proposals with 95% opposing the cuts¹.

At the end of February 2022, the passenger watchdog Transport Focus published its response to ScotRail following the three-week public consultation.

There was overwhelming opposition to the proposed cuts. Of the 1550 responses received by Transport Focus, just 1% were in favour of the cuts. The Transport Focus response summarised respondents' 'widespread concerns' relating to issues including buying a ticket, accessibility, access to NHS hospitals, anti-social behaviour, station facilities and ticket office closures.

¹ <https://yoursayondisability.scot/scotrail-ticket-offices/>

Yet, as Transport Focus also acknowledged 'the narrow focus of the TSA consultation did not give an opportunity for passengers' wider concerns about staffing to be addressed'. This is because the Ticketing and Settlement Agreement (TSA) process, which is set by the Westminster Government, only permits Transport Focus to object to proposals on a very narrow criteria, essentially based solely on average ticket sales transactions. This process of course ignores the much wider role played by the ticket office and ticket office staff.

Despite the widespread opposition, ScotRail's response to Transport Focus makes clear that it is still planning to make the vast majority of the cuts. In fact, it has only committed to reinstating 33 hours a week (c1% of the total cuts).

At 51 stations ScotRail states that it will retain current staffing hours when the ticket offices are closed. The reality is that in many cases this will mean moving staff from the ticket office to the platform at night, putting both them and passengers much more at risk from anti-social behaviour and assaults by removing access to the ticket office which acts as a place of safety and security.

At a further 54 stations ScotRail wants to reduce ticket office hours in line with its original proposals, with no guarantee that staff will remain present at the station when the ticket offices are closed. These cuts risk making many stations no-go zones at night and are completely at odds with the Scottish Government's stated agenda for ScotRail and public transport in Scotland.

ScotRail has paused the closure of three ticket offices for two years, and again, RMT believes that the Scottish Government should scrap these proposals entirely.

The Transport Focus response states that ScotRail first made it aware of its plans to review ticket office hours in July 2021, yet the trade unions were only informed of the proposals in January 2022, the day before the consultation opened. This lack of transparency is very disappointing and RMT would expect that the Scottish Government conducts its industrial relations in a far more collaborative manner.

It is clear that despite the spin from ScotRail, it is proposing that the vast majority of the proposed cuts to ticket office hours will go ahead. But the ultimate responsibility sits with the Scottish Government's and there is no reason why it cannot decide to listen to passengers who clearly opposed the cuts and scrap them and instead commit to investing in an affordable, sustainable and comprehensive rail network for Scotland. This is what RMT is demanding and has already put to the Transport Minister.

Fares

In January 2022, Scottish Rail fares increased by 3.8%. At the time RMT warned of the 'climate cost' of the fare hike and published analysis which showed that the price of using rail had risen more than four times quickly than the cost of petrol. Combined with the proposed service and ticket office cuts, RMT warned that rail passengers would be paying 'more for less'.²

² <https://www.rmt.org.uk/news/rmt-warns-of-climate-cost-of-latest-scottish-rail-fare-hike/>

Services

In February 2022, ScotRail announced that its timetable from May 2022 would run c10% fewer services than pre-pandemic levels. RMT believes that service cuts are short-sighted and will deter passengers from the sustainable rail network and has called on the Scottish Government to commit to returning rail services to pre-pandemic levels.

No compulsory redundancy agreement

The current ScotRail franchise has a no compulsory redundancy commitment for all ScotRail staff. Despite multiple requests from the Unions and MSPs for it to do so, the Scottish Government has, so far, not agreed to continue this commitment under the public sector operator. This means that perversely, rail workers who worked heroically throughout the pandemic to keep Scotland's railway running, now risk losing the protection of a no compulsory redundancy agreement as they transfer into the public sector.

National Conversation / Women's Safety on Public Transport

The new Transport Minister recently announced a 'National Conversation' for the future of ScotRail and a consultation on women's safety on public transport in Scotland. Ultimately, RMT believes that ploughing ahead with the overwhelming majority of ScotRail's proposed cuts to ticket offices which will worsen passenger safety, security and accessibility, fits with this approach. As Transport Focus' response stated, 'this conversation should include ScotRail listening to the concerns expressed by passengers and stakeholders replying to this consultation'.

ASLEF - Associated Society of Locomotive Engineers and Firemen founded 1880

Scottish Parliament Net Zero, Energy and Transport Committee – Transfer of Ownership of ScotRail

Whether the rail industry structures being put in place by the Scottish Government are conducive to good industrial relations?

Aslef is the union that represents train drivers in Scotland Railways. We represent 98% of train drivers in Scotland.

The transition and planning around the move from operating under the private franchise to under the public sector owned operator of last resort has not been done in a way that fosters good industrial relations.

Trade unions have not been included in the planning. We contend that our members, and other members of trade unions, the workers across all rail services in Scotland have the most expertise and knowledge about the rail industry and should be the first group of people involved in helping to develop our passenger services, and indeed all rail services.

Not including the workers and their representatives in the trade unions when designing the new ScotRail and governance structures, was a significant omission that was damaging to good industrial relations. It was not a good start. We should have been included from the start of the planning process about the structures, governance and regulation of the new publicly owned operator of last resort.

At this stage, it is unknown whether the governance structures within the newly created public ScotRail will help or hinder industrial relations. We still do not know whether trade union representatives will be on the board or not and whether they will play an active role in the governance or not. If a truly public service, it should ensure that the voices of the public are heard, inclusive of workers and passengers. Not including workers in the governance would be a backward step and not something that would result in good industrial relations.

The Abellio years were a disaster for good industrial relations. The development of a new publicly owned passenger service should be drawing a line under the damaging industrial relations presided over by Abellio. However, it has not been a good start and how workers and trade unions are treated by the new arrangement and their senior managers has not inspired confidence.

What impact the creation of Great British Railways might have on rail service provision within Scotland and on cross-border services?

We made clear in our report ‘A Vision for Scotland’s Railways’ our concerns about GB Railways and the values that underpin it. GB Rail will still be built around the failure of privatisation with private involvement, profiteering and capital extraction all still central characteristics in the new GB Railways structures.

How GB Railways interacts with ScotRail and what impact it has on cross border services is still unclear and the Scottish Government must clarify as a matter of urgency.

For example, it is important to understand where responsibilities lie over rail infrastructure. Whilst we are supportive of increasing devolved powers over rail infrastructure, we are still committed to an integrated rail network across the UK.

Given GB Railways is absorbing Network Rail it is important to understand how this will impact on Scotland and how GB Railways will work with devolved administrations to ensure local, Scottish priorities are fulfilled.

We are concerned with the idea of driving efficiencies, by cutting the operating base, which appears to be a shared objective of the Scottish and UK Governments under GB Rail and the new ScotRail. Too often we hear it said by both the UK and Scottish Governments that current levels of investment are unsustainable. We refute this. Rail and transport are vital public services that help deliver economic growth, social policy and environmental objectives.

Rail services are a vital public service just as health and education are and, quite rightly, you wouldn't hear it said that spending public money on them is

unsustainable. Neither should it be said about rail services. On the contrary, we believe that more investment, not cuts is required so that we can grow and build our railways.

How the rail industry successfully copes with changes in travel patterns and the currently reduced farebox income caused by the coronavirus pandemic?

The pandemic has obviously brought significant challenges to the rail industry. Lock-down and Government instruction not to travel saw a huge reduction in passenger numbers. This must however be seen in context. It was and is a short-term, not a long-term challenge. We have to consider how we invest in and improve rail services based on long term considerations. If cuts are made based on short-term considerations, then this will impact long term outcomes. Long Term if we are to meet Scotland's climate change targets then we must shift people from the car to rail and other forms of public transport. We will not accomplish this if we cut rail services, make trains too expensive and unaffordable for too many, inaccessible, unwelcome, and unattractive for passengers.

The new publicly owned ScotRail has the opportunity to put a line under the failures of the past few years and re-build confidence in our railways. There is the opportunity to make rail travel the natural mode of travel for more people. For example, by removing peak fares and making it free for our young people so that they are naturalised and socialised into choosing rail travel before any other mode.