



Policy Briefing



February 2024

Rail Cuts Cost Lives - Railway funding in Scotland – RMT Member's briefing for lobby of Scottish Parliament

Introduction

On Thursday 29th February RMT will be heading to the Scottish Parliament to hold a Parliamentary Rally and lobby of MSPs as part of our **Rail Cuts Cost Lives Campaign** calling on the Scottish Government to ensure our railway has the funding it needs to run safely and effectively. This briefing should provide you with all the information you need for the campaign and lobby of your MSPs.

How to lobby your MSP – Four easy steps

- If you want to book a meeting with your MSPs then please go to <https://www.parliament.scot/msps> and enter your postcode to find your MSPs contact details.
- Email your MSPs making sure to include your name and address letting them know you will be attending the Rally on 29th February as part of the RMT's Rail Cuts Cost Lives Campaign and ask them to come out and meet you.
- Please let Ann Henderson know if you contact your MSP and get a meeting A.Henderson@rmt.org.uk
- Turn up, meet your MSP, ask questions and raise key points. Ask them to write to the Cabinet Secretary for Transport – Fiona Hyslop MSP

Rail infrastructure investment

On 31st October the Office of Rail and Road (ORR) Published its Final Determination¹ for Control Period 7 (CP7). This final determination provides details on the proposed Network Rail Strategic Business Plans² for the next five-year period (CP7) from 2024 to 2029. ORR acts as the financial and safety regulator for our railways and is in charge of the process of holding Network Rail to account and secure value for money for users and funders of the railway.

A summary briefing of the headline announcements for Scotland can be found below.

Headlines

The office of Rail and Road's Final Determination shows that Network Rail's CP7 expenditure in Great Britain will be approximately **£43.065 billion** in the five year control period starting from 1 April 2024 and ending on 31 March 2029 (CP7). This is a 1% cut on total CP6 funding for Great Britain down from **£43.470 billion to £43.065 billion**

- This is a £1.7 Billion cut in the original £44.8 Billion Statement of Funds Available (SOFA) included in ORR's Draft Determination which ORR explain is "**primarily because of higher than anticipated inflation.**"
- The Final Determination shows that Network Rail's CP7 expenditure in Scotland will be approximately **£4.553 billion** in the five-year control period starting from 1 April 2024 and ending on 31 March 2029 (CP7). This is a 1% cut on total funding for Scotland down from **£4.598 billion to £4.553 billion**
- Network Rail Scotland's overall CP7 spend has reduced from £4.8 billion in ORR's draft determination to £4.6 billion in the final determination, **a reduction of £0.2 billion.** ORR claim this is to do with higher inflation which reduces the value of the CP7 settlement in real terms.
- Total renewals expenditure for Scotland in CP7 **is £2.147bn which is £315m or 13% lower than in CP6 (£2.462bn)**³ renewals cover track, off-track, signalling, level crossings, earthworks, drainage, buildings, electrification and fixed plant, and telecommunications.
- ORR state that "the funding available for CP7 reflects wider fiscal conditions and is constrained relative to the needs of the asset renewal cycle. This means that Network Rail will conduct fewer renewals, with more refurbishment, life-extending repairs and maintenance in comparison to CP6.
- Expenditure on maintenance is planned to increase by approximately 8% in CP7 to £1.135 bn an increase of £82m (£1.053) in CP6.

¹ https://www.orr.gov.uk/sites/default/files/2023-10/03-pr23-final-determination-overview-england-and-wales_0.pdf

² <https://www.networkrail.co.uk/wp-content/uploads/2023/07/Scotland-CP7-Strategic-Business-Plan.pdf>

³ P.17 <https://www.orr.gov.uk/sites/default/files/2023-10/04-pr23-final-determination-conclusions-and-settlement-scotland.pdf>

Network Rail Maintenance RMT Member's Survey

As the rail union with the overwhelming majority of members working for Network Rail in Scotland we regularly hear of the impact that funding cuts to infrastructure are already having so following the confirmation of the cuts to the renewals budget we surveyed our members working in Network Rail Scotland maintenance and the results are nothing less than startling and shocking.

- We asked our members **“Do you think the railway is safer or less safe than it was 2 years ago?”** In total 34% in Scotland said that the railway was substantially less safe and 32% said it was moderately less safe, **so 66% of our Network Rail maintenance members in Scotland believe the railway is less safe than it was 2 years ago.**
- We asked our members **“To what extent do you think the proposed cut in renewals in the next five-year control period (CP7) will impact rail safety?”** In total 73% of members in Scotland said that it would substantially impact rail safety and 21% of members said it would moderately impact safety **so 94% of members in Scotland believe these cuts to renewals budgets will impact on rail safety.**
- We asked our members **“Based upon your experience do you think there is an increased risk of a major rail safety incident occurring on the railway within the next two years?”** In total 45% of members in Scotland said that a rail safety incident was very likely and 47% said it was likely **so 92% of our members in Scotland believe a rail safety incident in the next two years is very likely or likely.**
- We asked our members **“To what extent do you think the proposed cut in renewals in the next five-year control period (CP7) will impact rail performance and reliability?”** In total 64% of members in Scotland believe the cuts to renewals budgets will substantially impact performance and reliability whilst 27% said it would moderately impact performance and reliability **so, 91% of respondents believe cuts to renewals budgets will impact performance and reliability in the next five-year control period.**

Scottish Parliament Motion - Cuts to Railway Funding - Motion text

- Submitted by: [Richard Leonard](#), Central Scotland, Scottish Labour.
- Date lodged: Tuesday, 05 December 2023
- Submitting member has a registered interest.
- Motion reference: **S6M-11512**

That the Parliament notes with concern reports that the Scottish Government funding settlement for the next five-year Railway Control Period 7 (CP7), from 2024 to 2029, will result in a £315 million (13%) cut in Network Rail Scotland's budget for what it sees as vital safety critical railway infrastructure work, compared with the previous five year period; understands that these cuts will fall on the renewal of track, signalling and other assets at a time, it believes, of increased degradation of railway assets and structures, and extreme weather events linked to climate change; considers that this will lead to an increased risk of structural and earthwork failures, similar to those that caused the Carmont rail disaster in 2020; is concerned that a reduction

in Network Rail Scotland's spend on railway renewals and an increased reliance on railway maintenance could lead to an increase in safety risks and a reduction in performance, including through speed restrictions and "go slows", and the loss of rail workers' jobs and skills, which, it believes, are needed for now and in the future; believes that these cuts to infrastructure funding are part of Network Rail's drive, under the Scottish Government's instruction, to make efficiencies; considers that these rail cuts are a false economy that will increase economic inefficiencies within the railway and wider economy, and calls on the Scottish Government to reverse the reported £315 million cut in renewals, and, instead, to protect rail safety, services and jobs and deliver efficiencies by reducing fragmentation and moving to a unified, integrated, publicly-owned railway.

Supported by the following MSPs: Sarah Boyack, Foysol Choudhury, Katy Clark (Registered interest) , Pam Duncan-Glancy, Monica Lennon (Registered interest) , Michael Marra, Carol Mochan, Alex Rowley, Colin Smyth, Paul Sweeney, Mercedes Villalba (Registered interest)

Please ask your MSPs to take action

RMT has serious concerns with Network Rail Scotland's Strategic Business Plan for Control Period 7 (CP7) and ORR's final determination of these plans. For a railway that is still emerging from the impacts of the Covid-19 pandemic, we believe the current and future cost-cutting at Network Rail poses increased risks to health and safety, to asset and train performance which will have a negative effect on both passengers and railway workers.

Please if ask your MSPs to sign S6M-11512– Cuts to Railway Funding and/or write to the Cabinet Secretary for Transport Fiona Hyslop MSP

These are the points we would recommend you ask your MSPs to raise with the Cabinet Secretary for Transport Fiona Hyslop MSP

- I am deeply concerned about the proposals to significantly cut the funding for safety critical renewals work on the railway which include track, off-track, signalling, level crossings, earthworks, drainage, buildings, electrification and fixed plant, and telecommunications. At a time when extreme weather events linked to climate change are becoming much more common and railway performance is no-where near good enough cutting investment in renewing our railway is dangerous and wrong.
- RMT Union whose members work in Network Rail is demanding that the funding for safety critical renewals over the next five year funding period, Control Period 7 (CP7) is restored to at least the same levels in the previous five year funding period and I support these demands so we have a railway fit for the 21st Century.

Address

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