



18 November 2021

## Londoners facing massive public transport cuts as government drives capital's decline

### Introduction

In its recent Comprehensive Spending Review, the government stated that it would not fund investment in decarbonising London's transport system, leaving the capital to operate ageing assets for longer. Now, as the deadline for negotiating a new funding deal for London's transport system approaches on 11 December, TfL has revealed that the government has made no effort to negotiate a long-term package. TfL's statutory status as a Local Authority binds it to operate a balanced budget, so it has had to model a programme of massive cuts to services to cover its budget shortfall.<sup>1</sup>

This includes:

- Projecting an 18% cut in bus services that would lead to the withdrawal of 100 routes and a less frequent service on 200 more and would drive fare levels up, sparking a spiral of declining usage;
- Modelling a 9% cut in Underground services. As TfL note, because of the fixed costs of Underground services, the savings that can be made from cutting tube services are generally too low to compensate for lost revenue. To make savings through cutting tube services would mean cutting every service where there is a saving regardless of its wider social impact.
- Stopping the introduction of new electric buses.
- Cutting funding to London boroughs for road improvements.

### Betrayal of keyworkers

London's transport workers did their duty during the coronavirus, continuing to work on the frontline of the UK's pandemic response at personal risk to themselves. Almost 100 transport workers have died from the Coronavirus, together with unknown numbers of taxi and private hire vehicle drivers.

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<sup>1</sup> <https://board.tfl.gov.uk/documents/s16939/fc-20211124-item11a-Impacts-of-Reduced-Funding.pdf>

These keyworkers have done everything asked of them and they kept the capital moving throughout the pandemic, even when this has seen an upsurge in violence targeted at them by some members of the public. In a recent survey, 78% of staff in public facing roles said they'd been experienced violence in the workplace since the pandemic began.<sup>2</sup>

Their reward from the government has been a series of attacks on their livelihoods and standards of living attached as conditions to emergency funding bailouts.

- The government has forced TfL to implement a pay freeze at a time of skyrocketing inflation This week, RPI reached 6%.
- It forced TfL to accelerate its cuts programme and introduce a 4% cut in bus services;
- It forced TfL to begin a wholly needless review of the TfL pension scheme, targeting keyworkers' futures in retirement in spite of the fact that the scheme is well-funded and not in any form of crisis.
- It has commissioned a study of the feasibility of bringing in more driverless operation on the Underground, a measure that would be fantastically expensive to deliver and would increase risks for passengers.

Now, the modelling of swingeing cuts to the transport system mean that these heroic keyworkers are facing job losses on top of the spiteful assault on their living standards.

## **London needs a stimulus package in transport**

London desperately needs a new transport funding package. Cuts such as the ones TfL are currently modelling would be catastrophic for London's economy and society.

Londoners did everything that was asked of them during the pandemic and endured great hardship. Nearly 18,000 have died from the virus. London's economy has suffered heavily from the economic effects of the virus. London has the highest unemployment in the UK.<sup>3</sup> London accounts for around 25% of SMEs in the UK. Around 40% fear closure as a consequence of the pandemic<sup>4</sup>. Access to a world-class transport infrastructure will be crucial for recovery.

Transport investment also supports longer-term challenges in London. London's population is projected to continue to grow from 8.9 million people in 2018 to 10.8 million in 2041. 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.<sup>5</sup>

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<sup>2</sup> <https://www.rmt.org.uk/news/3-in-4-tube-staff-subjected-to-violence/>

<sup>3</sup><https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/regionallabourmarket/latest>

<sup>4</sup> <https://www.londonfirst.co.uk/sites/default/files/documents/2021-05/CentralGovtsRoleInLdnRecovery.pdf>, p. 9.

<sup>5</sup> <http://content.tfl.gov.uk/technical-note-12-how-many-cars-are-there-in-london.pdf>

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.<sup>6</sup>

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.<sup>7</sup> 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. That's why Transport for London needs a proper funding settlement that moves away from bailouts or the destructive fantasy of 'commercial self-sustainability'. London's transport system needs a stimulus package.

## **London is uniting against these cuts**

Support for an approach that involves funding and investing in London's transport unites groups representing London's businesses, unions and civil society groups across the capital.<sup>8</sup>

- On 20 October 2020, a coalition of organisations wrote to Prime Minister Boris Johnson, calling on him to end his government's attack on the capital's transport system. The letter was signed by 13 organisations representing London's transport workers, passenger groups, children, young people, students, pensioners, disabled people and anti-poverty campaigners, condemns the government for imposing what is in effect 'a new round of austerity cuts that will throw more families into poverty and increase hardship for ordinary working people and small businesses across the capital.'<sup>9</sup>
- In October 2020, the London Chambers of Commerce revealed that London's businesses want to see the return of consistent central government financial support, with 67% of firms stating that the grant which was relinquished in 2018 should be started again.<sup>10</sup>

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6 [https://www.london.gov.uk/sites/default/files/london\\_environment\\_strategy\\_0.pdf](https://www.london.gov.uk/sites/default/files/london_environment_strategy_0.pdf)

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

8 See, for example, London First's recent document

<https://www.londonfirst.co.uk/sites/default/files/documents/2021-05/CentralGovtsRoleInLdnRecovery.pdf>

9 <https://www.rmt.org.uk/news/coalition-of-londoners-calls-for-an-end-to-appalling-attack-on/>

10 [https://www.londonchamber.co.uk/news/press-releases/lcci-express-tfl-funding-negotiation-concern-\(1\)/](https://www.londonchamber.co.uk/news/press-releases/lcci-express-tfl-funding-negotiation-concern-(1)/)

- In March 2021, business lobby group London First warned that “Cutting back public transport services in the coming months risks undermining economic recovery and rolling back the clock on carbon reduction.” In May 2021, they published a call for a stimulus package for London including investment in London’s transport infrastructure.<sup>11</sup>
- Earlier this year, a coalition of Mayors, workers, unions, transport authorities, regulators and civil society partners all call on national governments to collectively double public transport journeys in cities by 2030 and advance a just transition to zero-emissions public transport, if they are to meet their climate goals and limit global heating to 1.5°C. This includes moving away from emergency bailouts to stimulus packages.<sup>12</sup>

## Conclusion

If these cuts go ahead and London is not given a fair, long-term funding package, the future for Londoners will look bleak. Fewer buses, trains and Underground services means higher levels of unemployment, poverty and inequality, more businesses going to the wall, greater use of cars, more congestion, poor public health and a total betrayal of our ambitions around carbon emissions.

The government must stop its attack on London’s keyworkers, end the spiteful and needless review of their pensions and the futile study into driverless trains. A new funding package must be agreed that restores operating grant to Transport for London as part of a stimulus package for the capital.

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<sup>11</sup> <https://www.londonfirst.co.uk/news-publications/news/london-first-response-to-tfls-funding-extension-to-may-2021>;  
<https://www.londonfirst.co.uk/sites/default/files/documents/2021-05/CentralGovtsRoleInLdnRecovery.pdf>

<sup>12</sup> <https://thefutureispublictransport.org/coalitionstatement/>