

George Bradshaw Address 2016

Given by Sir Patrick McLoughlin MP, Secretary of State for Transport

24 February 2016

Good evening.

It is a great honour to be asked to give this lecture.

I would like to start by recognising the hard work of everyone who makes the railways work. From cleaning staff. To drivers. Civil engineers. Managers.

People working long, unsocial hours. Often out in awful weather conditions.

Thank you.

When the invitation came I thought about what I should say.

It was easy to think of the things I don't need to tell an expert audience like this.

Railways matter.

The railways are – by and large - growing.

The passenger expects more.

More services, more reliability, more choice.

And that the government backs all this with a record investment programme.

And will continue to back it.

I am now in my fourth year as Transport Secretary.

Some think this is a record. However Alistair Darling did longer and went on to be appointed Chancellor of the Exchequer.

So I will not be sending a copy of this speech to George Osborne.

It is however 27 years since I first came to the department as a junior minister.

Today I want to reflect on the difference between then and now.

And between now and where we will be in a decade's time.

Back in 1989, the railways were seen as yesterday's industry.

Remember what it was like.

A difficult safety record.

Managers struggling against the odds with minimal, unsustained, investment.

Government's attention - elsewhere.

What a difference today.

It is an absolute pleasure to be able to work with a confident, expanding rail industry and supply chain.

Something that would have been unimaginable to many of my predecessors.

So there is a positive future for the railways.

And today I want to talk a bit about how we might best shape the future.

About how future ministers might look back and see where we are – not just as a high point for the railways.

But part of a route to something better still.

This starts with a challenge.

All of us here face it.

The challenge of growth.

It is a great challenge and opportunity to have.

So how do we deal with it?

The answer, I think, is that we need to see the opportunities.

Be honest about the things that aren't working.

And change things, where that's required.

And that's the difficult bit.

Finding this confidence to change can be hard.

Mark Carne touched on this in his speech last year.

The railways, in particular, like to look back not forward.

You can see this in the title of this lecture: the George Bradshaw address.

Named after a map-maker who began his life drawing canals but saw an opportunity in the confusing new technology of the railways.

Who realised the companies themselves were failing to give out passenger information properly and produced an independent solution... today we would call it an open-data app... a timetable so detailed that it spurred the sales of reading glasses in Victorian England.

Now we like to talk of Bradshaw's time as the golden age of the railways.

A period described vividly in Simon Bradley's recent book on the social impact of the rail system.

And it was an amazing time.

Today, though, we're not competing with the Victorians. We are competing in a global market to attract investment to this country.

With countries such as China building amazing networks of fast lines.

And our past has only 1 lesson to teach us about that.

About the speed of change.

As Simon Bradley's book shows, the Victorian railways kept reinventing themselves.

With new technology: proper brakes, safer signals, more powerful engines, and even paper tickets.

A journey in 1838 was utterly different to one in 1862 or 1912.

And the answer to our challenge, the challenge of growth, must be change too.

Of kinds we can't even imagine today.

Because as our railways grow, we're not trying to restore them to a lost glory.

But build something even better, doing a very different job.

Back in the 1970s passenger numbers hit rock-bottom and the network had shrunk to its smallest extent.

I've had a look at Hansard for that period.

Ministers faced a barrage of complaints.

Rail fares from some commuter stations into London trebled between 1974 and 1979 – way ahead of inflation.

Everyone thought trains were cold, dirty, slow, delayed and late.

Stations were grim places too.

You mostly didn't travel by train if you had a choice of something else.

So no, we're not going back to that. Not back to the past. Forward to the future.

Just as countries across Europe are moving towards models we pioneered in Britain.

Including private operators and open-access.

It's great that companies such as Go Ahead and National Express are winning contracts in Germany.

But though much about the way we run the railways in Britain works, there are things that we need to change.

Speak to passengers and they are clear about it.

I want to focus on 3 areas in particular.

All 3 are linked.

And all 3 will take change from the government, as well as the industry.

The first is to be much more flexible and respond to the people who want to use the system.

Opening up new markets. Communicating better. Testing new ideas.

Not just doing things the same way because the rules require it.

And being more representative. Employing more women and more young people. Being part of the communities they serve.

The second is to work with technology better.

In obvious things like ticketing where it is absurd we still require people to print out bits of paper when almost no other part of the transport industry does so.

But also in making the system more reliable and cost effective.

Getting the most from HS2.

And perhaps most of all in understanding that even if railways don't adapt to new technologies, others will anyway.

That a system which feels modern today could quickly seem as dated as the steam engine if it doesn't adapt.

Finally the third area in which I think change is needed is the way in which we join all this up.

Today, there is confusion as to who is responsible for what.

That holds things back.

And it adds cost and inefficiency.

The answer isn't to lump everything together, let alone put the state in sole charge.

But common sense reform, so that a system which works today can work even better.

Untangling the knots so that... we can bring in new ways of finding more funding and use it better to cope with growth.

So having set out what I see as the challenges let me touch on each of these areas in turn.

First, flexibility.

The truth is that we have only begun to touch on the possibilities for growth in the railways.

Where the system has been adaptable enough to provide something new, we've seen an extraordinary hunger to use it.

That's true of things like the direct electric service from Manchester to Scotland, run by TPE, which has gone from virtually nothing to being some of the busiest trains in Britain.

Or Chiltern's innovation, with fast trains to Birmingham and now Oxford from Marylebone station in London which British Rail thought so redundant it wanted to close it down.

Or intermodal freight, from ports such as Felixstowe to new hubs such as DIRFT (Daventry International Rail Freight Terminal).

Or, to take an example from my own constituency.

The railway from Derby to Matlock has seen traffic more than double since it got a proper hourly service.

But getting change like this is often painfully slow, and there are lots of opportunities which aren't taken.

For instance online shopping has created a massive new market for the express delivery of packages from distribution hubs.

So why do the railways, with a reliable express network and stations through which millions of people pass, play little part?

We've seen a welcome increase in frequency on many routes.

So why are journey times are often no better than they were 20 years ago?

And why do we insist on doing engineering works often in winter, at night, over a very long period?

Rather than putting in place quicker, ambitious plans for major reconstruction with proper alternatives and information for passengers?

Like the successful project at Nottingham station in 2013.

Now, it is not for a government minister to spell out in detail what might be done differently. The industry has to look after its customers.

The point is that the industry needs more confidence and more freedom to respond.

And also the confidence to admit that building for the future isn't an excuse for below-standard service today.

However, I have to acknowledge that when work is being done, it is not possible without inconvenience.

But the industry can work together better to respond.

I know there have been a lot of reviews in recent years.

Leading up to Nicola Shaw's review, coming out soon.

But these reviews are making a difference.

For instance Richard Brown's review of franchising.

And I am delighted with the way franchising has improved since then.

We have seen successful, creative bids for routes such as the East Coast and both franchises in the north.

Making a real difference to places like Huddersfield, which will soon be able to enjoy a direct service to London, for the first time since the 1960s.

And brilliant proposals for services to places which in the 1960s and 70s were in danger of losing their rail links altogether.

Places like Buxton, Saltaire or Chester-le-Street.

It's this sort of creative intelligence that is both going to support growth and bring growth about.

Working, at the local level with community rail partnerships which are a way for users to get involved in running the services they want.

Working, too, with powerful city regions that can take the responsibility of shaping their transport systems far more effectively than Whitehall ever could.

That's the way, for instance, that we have seen a reversal of some of the Beeching cuts.

Finding ways to bring trains back to towns that should never have lost them and whose growth requires them.

Like the Chase Line project did for Rugeley, Cannock and Hednesford.

Or for places such as Tavistock and Wisbech, which have well-advanced plans.

And to do all this, I think we need to think about a second kind of change – in technology.

We're on the brink of big things.

Autonomous vehicle technology is going to affect the way goods are distributed, cars are driven, cities are run.

Mobile data has produced very rapid change in the choices and information available to travellers.

With things like the rapid growth of ride sharing in countries such as France.

There are lots of opportunities for our railways in this.

But if they aren't taken others will gain instead.

Because the demand is there.

This year, our national transport system carried more people than ever before in its history.

And next year it will carry even more people still.

Every advance in communication technology has increased demand for travel.

But if the railways are to make the most of this they will have to use technology better too.

That's obvious in ticketing.

Passengers carry computers in their pockets that are far more powerful than the ones in ticket machines.

Constantly online, aware of their location, able to communicate.

So we can use that technology to create a better system, not for the sake of it, but because it make journeys easier.

I know that there is a huge amount of good work being done in the industry to overcome this.

But as this happens it's important that we don't end up with isolated, competing systems.

We need to use technology to make travel simpler.

Citymapper, a transport app founded in London, does a great job of getting you from one place to another using all kinds of transport, with live information on costs and performance.

But though there's some brilliant work being done there's nothing yet like it for the national rail network.

I'm sure there will be soon... And the opportunities are great.

Things like door-to-door ride sharing from commuter stations, so that people don't have to leave their cars in busy, expensive car parks.

But of course to make the most of this technology we also need to invest in infrastructure.

There's been some good progress on Wi-Fi on trains.

But as anyone who has tried to use it knows, the demand is much greater than the system supports.

So we need to press on with plans to sort that out.

Just as we need to press on with using better technology to sort out the physical constraints on the system.

More efficient, in-cab signalling has transformed the Northern and Victoria tube lines.

It's going to do the same on Thameslink - where it is already being tested.

And on Crossrail, or as I will be proud to call it from now on, the Elizabeth Line.

And of course on HS2.

That is a nation-changing investment which will link up our cities, free up capacity and which is on track with legislation progressing well.

But technology isn't just about big projects.

Heavy rail isn't always the answer. We need more innovation, affordable alternatives too.

And that takes me to the third challenge I've mentioned, of joining things up better.

This isn't a crisis. Our railways work well. Better, sometimes, than we say.

They are safe and growing.

But also under strain because of demand and because of the age of the system.

The structure has been built up over a long time, sometimes almost by chance.

But as the recent overspends and delays on Network Rail's electrification programme show, the structure isn't perfect.

I think everyone here would agree with that.

And we are now at the point where HS2 is about to become a reality, and part of the day-to-day planning and then operation of the network.

It's a massive, transformational opportunity but to make the most of it we are going to need new ways of working.

Because HS2 isn't going to be an alternative to the current rail network but part of it.

To make the most of all this we need a structure that's clearer.

Fewer competing sources of authority.

Quicker decision making.

More responsibility with fare payers' and taxpayers' money.

A structure which can build a partnership of the public and private sectors working together, and draw in greater investment from both.

Because a growing industry, with a long term future, strong revenues and solid, physical infrastructure should be able to attract that investment.

Nicola is carrying out her review.

She will say more in a few weeks.

But her thinking is straightforward and right.

She's talked to passengers, the unions and operators.

She wants to put the people who run your train back in charge of your train.

So they can make the decisions that are right for their route.

A clear, accountable system where you know who's in charge and who needs to put things right when they go wrong.

And a system where money can be spent where it's really needed.

Not poured in by a distant central structure or misguided regulatory rules.

This isn't, by the way, a revolution.

It's common sense.

And a lot of it is starting to happen already under Mark and Sir Peter Hendy.

Network Rail has already begun to give more power to its routes, working more closely with operators.

It is clear that while some things need to change, it is in no one's interest to rip everything apart.

We must improve what is working already.

I'm confident that we can do that.

A system where the routes answer to customers and the centre doesn't call all the shots.

Not fragmentation.

But keeping a common system in order to support local strengths not to hinder them.

Take what's happening in the north.

Already the Northern and Transpennine franchises bring with them over £1.2 billion of private sector investment in those railways.

And decisions are being made not just at the DfT but by Transport for the North, responding to passengers, too.

I want to see that not just in the north but the south west, East Anglia, the Midlands too.

The network is a key public service.

But to make the best of it we need to draw on wider sources of funding.

So whatever Nicola returns with when she reports, the future will need to create more opportunity for private investment alongside public funding.

This is essential in helping us maintain a balanced rail economy while we continue to invest in our future and at the same time safely manage the public debt.

And put together these things - responsiveness, technology, investment and reform – will make the next few decades the most exciting, ever, for our railways.

I began this speech by reflecting on the railways when I first came to the Department, in the 1980s.

By the time the George Bradshaw lecture is given in 2026, by another Transport Secretary, perhaps, who will be able to reflect... not just on the success of the Elizabeth Line, the transformation of services in the north, electric trains to the west and the Midlands, and the impending opening of the first part of HS2... but also a massive shift in the experience of using the transport system, through technology... and an industry which is more prosperous, more self-confident and more efficient.

The challenge for all of us in this room is to ensure that we have a railway which will serve the nation in the generations to come.