

George Bradshaw Address 2020

Rt. Hon. Sir Patrick McLoughlin CH

Check against delivery

Thank you, it is a great privilege to be invited to deliver the annual Address named in honour of George Bradshaw – Victorian map-maker, publisher, railway enthusiast,

and the man who has done more than any other

to make Michael Portillo wealthier and even more famous – if only for his new-found dress sense.

Michael, of course, is an old friend who I served alongside as a Minister in the Department of Transport, and his TV programmes are a great advertisement for our railway, reviving interest in the old routes, the stations, viaducts and tunnels,

and bringing the Bradshaw Guides back into print.

Bradshaw has a fantastic, enthusiastic turn of phrase:

I note that when he describes the ‘new’ Palace of Westminster in his guide for tourists, he writes:

‘let us hope that the future representatives of Great Britain will not prove inferior to their predecessors in genius and patriotism.’

Well – that’s one for others to judge! And we’ll all have our own views.

I first came into Parliament in a by-election in 1986, winning by just 100 votes.

I was 28 years old.

I left Parliament last year, a little older – well, 33 years older - perhaps wiser, having served Prime Ministers from Margaret Thatcher to Boris Johnson, and seen John Major, Tony Blair, Gordon Brown, David Cameron, and Theresa May come and go from No.10.

I was fortunate enough to serve in the Thatcher and Major Governments as a junior minister, including in transport. Then later, as Chief Whip, Chancellor of the Duchy of Lancaster and Conservative Party Chairman.

But I can honestly say the greatest privilege of my life was the four years I spent as Secretary of State for Transport.

I was happy to work alongside many of you here this evening, and some excellent officials, including my fantastic private secretary Mark Reach, who covered rail.

And my superb special adviser Julian Glover, whose recent book about Thomas Telford, ‘Man of Iron’, is a must-read for anyone enthusiastic about early infrastructure and its history.

I am very grateful to them both.

Part of the problem with the rail industry is that we all tend to look back with nostalgia. Perhaps in this Address I can share a little of what I learned in those roles – looking back, of course.

When I arrived in the Department of Transport as Secretary of State, my very first duty was to lead a debate, called by the Opposition, on fares on the railway.

This did not come as a surprise, because the job I was doing was Chief Whip, in regular contact with the Labour chief whip Rosie Winterton through what we call ‘the usual channels’.

I knew Labour wanted a debate on fares.

But what I knew that Rosie Winterton didn’t know, was that there was a government reshuffle planned for the day before.

And I also knew, because the Prime Minister David Cameron had told me six weeks earlier, that I would be the new Transport Secretary.

So I tried very hard to persuade Rosie that a debate on fares would be a wasted opportunity and they should focus on something else!

Anyway, I arrived at the Department with the fares debate still timetabled to take place.

I was briefed by knowledgeable and earnest civil servants on the issue, and as the bewildering complexity of the system was revealed to me,

I declared 'this is just ridiculous'.

'Well', said my official, "you're the Secretary of State. If you want to change it, you can.'

That's the difference between being a junior minister and a Cabinet Minister – a junior minister gets told the government line.

The Cabinet Minister can change the policy – at least up to a point.

Because of course without approval of both Treasury and Number 10, nothing can fly.

As Harold Wilson once said 'whichever party is in office, the Treasury is in power.' This is something the present Prime Minister is trying to change, as recent events show.

As we all know, four years later, despite great improvements on the railway, things had not much improved on fares, and nor have they to this day.

I'll talk more about fares later.

As Secretary of State, you never quite know what will hit you next. In my first week, Philip West, my principle private secretary said, 'Secretary of State – you have a problem'.

Now, in Government, that's never what you want to hear...

'Yes', he said, 'You cannot serve legally as Secretary of State without the Seals of Office.'

These are ceremonial metal stamps for sealing official letters with wax, and they sit in a cupboard in the private office.

You receive them from Her Majesty the Queen.

Her Majesty was in Balmoral. I was in London.

And Her Majesty wasn't coming to London.

So I caught the train from Derby to Aberdeen,

a salutary reminder of how much of the UK lies above the East

Midlands, and how much railway there is.

As we proceeded north through Newcastle, the trolley came round serving coffee and snacks.

A lady opposite called the onboard supervisor over – she was obviously a regular passenger and knew everyone – and said 'why are we getting coffee after Newcastle? We never get coffee after Newcastle...'

and he passed her a note which read 'because the gentleman sitting opposite you is the new secretary of state for transport!'

I got in a minibus to see the Queen.

And of course the content of our conversation must remain private.

On the way out, a Lady-in-Waiting caught up with me and said 'you're the new Transport Secretary, aren't you? I want to talk to you about the upgrade to the A303 in the West Country!

My time as Secretary of State was a time of rapid change on the railway – Crossrail, Thameslink, electrification of the Great Western main line, and of course HS2.

Increasing passenger numbers.

More rolling stock.

More modernisation and improvements.

All of this a direct result of the involvement of private companies after privatisation in 1993.

This private sector investment, innovation and energy has transformed our railway.

The combination of private investment and public service ethos is the hallmark of successful railways across the world.

In 2013, as Transport Secretary at the twentieth anniversary of the Railway Act, I said 'Rail privatisation has made Britain a better country.'

It has certainly delivered a better railways system.

Seven years on – I stand by that.

Indeed, I sometimes compare my time in the Department for Transport in the late 80s to my time there in the 2010s,

In the 1980s I saw a railway in the doldrums,

run by bureaucrats not entrepreneurs,

dirty and unsafe,

and declining in the nation's esteem.

Since then, it has been utterly transformed into a growing, thriving modern railway with more than double the number of passengers.

But that's not to say everything is perfect – far from it.

Just consider the complexity of the franchise system.

I was told by Brian Souter, when I met him for the first time, that when the process started in the 90s, a bid might consist of a single folder.

When I arrived at the Department, I asked to see the 2 bids for the West Coast Mainline. My officials wheeled in two trolley-loads of documentation.

Just barmy.

The nature of a vast, complex system like Britain's railway is that it requires constant modernisation and reform.

If we take our foot off the pedal, we don't slow down, we go backwards.

That's why I am delighted HS2 has been given the final green signal.

I was responsible for bringing forward the paving bill and the main bill.

It feels like I have been saying this for years – HS2 will make a significant contribution to the nation's wellbeing and prosperity.

It will transform the life chances of millions of people.

It will create opportunities for new communities, new businesses, new jobs and new futures.

Our grandchildren will thank us for getting it done but ask why we didn't do it sooner. And we will scratch our heads and wonder too.

The lesson of HS2 is that big projects need big leadership and big advocates, otherwise things can get stuck in the mud.

A major project during my time in charge was the renovation of London Bridge station – it was a nightmare, month after month – passengers complaining about the disruption, the *Evening Standard* on our backs, huge upheaval – and yet the results are there for all to enjoy.....

A pleasant, modern public space,
with plenty of places to shop, eat or just sit and chat
but still serving one of the busiest parts of the network.

Pain in the short-term leads to gain in the long-term.

We also saw this with the rebuilding of stations in Birmingham's New Street and Manchester Victoria, showing that we are investing in our great cities outside London.

So it will prove with HS2 – and dare I say HS3 and 4.

I was intrigued by the offer made recently by the China Railway Construction Corporation to build HS2 line in five years.

In China, they don't have to worry about local residents' action groups, planning permissions, the environment agency or the media.

In a free democracy, things can take a little longer.

But we are now at the point that we get on with things, and bring the remarkable promise of HS2 to life.

It would have been ridiculous if we could get HS trains to Paris, Brussels and beyond and not substantially upgrade connections to our great cities outside London.

I mentioned fares earlier – this surely is the next big reform that is long overdue.

This must be the next big moment of change.

Now I'm just an ordinary rail traveller, I am even more aware of the complexities of the current system.

Let me try a quiz with you.

Who can tell me what time is off peak, from Euston, Kings Cross and St Pancras? Anyone know?

As a passenger, if you get it wrong, you can end up not only paying a lot of money but be treated as a fare evader. So this matters.

Not only are the times different at each station, on different days and on different operators, but it's almost impossible to find out, even via the national rail website. My new operator, EMR, just says, 'Off-Peak and Super Off-Peak train tickets are available on certain routes at specific times of the week', which while true, isn't much help.

I know rail companies are advocating a root-and-branch reform of the fares system.

I believe this is the right course of action.

In 1995, the Ticketing Settlement Agreement (TSA) laid down regulations about how tickets should be sold.

It was well-intentioned.

But like many complex systems designed by experts, the good intentions paved the way to the hellish system we have today,

The overall impression is of unfairness,

with its baffling system of fares and prices,

the many and varied ways to game the system, which are only available to those potential passengers with both the time, confidence and expertise to even attempt

When I was working underground as a coal miner at the Littleton Colliery in Cannock, I saw the effects of ages of geological compression on rock formations, placing layer upon layer, ever more dense and compacted.

That's a bit like what has happened to the fares system!

Since 1995, further layers of requirements have been added through individual franchise agreements, with little or nothing removed, like layers of sedimentary rock, each layer of regulation sits on top of the last.

It has resulted in a system with over 55 million fares, created in fixed bundles within a restrictive straight-jacket.

Passengers and ticket office workers then must try and untangle which ones might work best, sometimes without success, leaving customers feeling frustrated.

Our system of fares no longer reflects passengers' expectations, nor the modern world of work,

with people working at different times and in different places,

not the same seat on the same train to the same office for 30 years.

Reform requires Government and industry to work together.

I commissioned five reviews relating to the railways: Shaw, Laidlaw, Brown, Hendy and Bowe.

We await the recommendations of the Williams Review, of course, which seems to be running a little behind schedule. But when it arrives, it will set out the big changes for the future, including a strategic guiding body to oversee the whole railway.

But the industry cannot move forward on fares reform unless ministers – and the Treasury -untie the fetters.

Once the TSA is reformed, then franchises can start to free up fares, and introduce the kinds of customer-friendly innovations we have seen in other markets such as the aviation and hotel industries.

I'm not one for regrets, but as I look back on my years in the Cabinet as transport secretary, with the benefit of hindsight, I wish I had done more to grasp the nettle of fares reform.

I can see clearly now that we could have benefitted not just passengers, but Britain as a whole.

If we had succeeded in refashioning a simpler, better value, and more logical system,

I am sure hundreds of thousands more people would have been encouraged to use trains, bringing millions of pounds into the system.

This is especially true of the long-distance routes.

This is more than a hunch, by the way.

There is polling which shows a third of the railway's potential customers are put off by complex ticketing.

More people would have made connections between the towns and the cities of our nations and regions, levelling up local economies.

And the extra revenues could have paid for more improvements, encouraging yet more people to board a train.

A classic virtuous circle.

As they say, hindsight is a wonderful thing.

But in wishing Transport Secretary Grant Shapps every success in the role, I hope he will forgive a tiny piece of advice: making the fares fairer would be a fantastic legacy.

Where the railway has failed to deliver a simpler system, the market has sought to find a way through the complexity.

The railway provides the data about how and what tickets are available.

Third parties have then created innovative platforms to help customers to a better deal.

By splitting tickets and other ruses, these third parties can use the broken system, by helping people to work around the current complexity.

I admire their inventiveness, but I regret that the money they make does not go back into the railway.

The commission that customer pay to these companies is in effect a ‘do nothing dividend’ – money gained because of inaction, not earned by adding value.

The market has spoken. Passengers have spoken.

People want a better, simpler system.

Not just cheaper, but a system which reduces overcrowding by encouraging people to travel at different times,

price caps for part-time workers,

and a simple one-stop shop for all tickets, guaranteeing the best price and the best type of ticket.

Ministers must now deliver what the travelling public wants.

I would urge my former colleagues across government to get on with it, and for the rail industry to play its full part in making their proposals a reality – because one thing I learned when I was in their shoes is that progress can take time.

And there are bound to be winners and losers.

For example in 2015, we took a decision to phase out Pacer Trains. It’s taken five years to happen.

Progress can be frustratingly slow.

It takes real drive and energy. I believe the new government will want to see real delivery.

David Cameron and George Osborne loved putting on a hi-vis jacket and visiting big projects. They insisted on keeping such projects, despite the need to reduce public spending.

I believe Boris Johnson wants to use his time in office to get things done. With his experience as Mayor of London, the Prime Minister understands how vital transport is.

There's a white paper coming down the track, even if it's a bit delayed. Even the best service runs a bit late sometimes – I am sure it will be worth the wait.

The white paper should herald real change, real clarity and ambition.

Back in the days of British Rail, when Cecil Parkinson was the Secretary of State, he would play a round of golf with Bob Reid, the Chairman of BR, to find out what was going on. As neither play golf, I can't see Peter Hendy and Grant Shapps doing the same.

Today, perhaps we've gone too far the other way, into the realms of micromanagement.

The Department for Transport sometimes feels like a Department for the Railways.

I hope we achieve a clear industry structure, a better sight of commercial reality, strategic decisions shaped at the right level of central or devolved government, and then an industry which can get on with the job.

Finally, I want to draw a broad lesson from my time in politics – and that is we cannot take anything for granted.

If we support something, it needs defending in each generation.

That is why I am proud to wear a badge marking 175 years of the railway in Derby – now 180 years.

The Victorians, whose portraits look down upon us in this Institute, believed their railway would last forever.

They had a vision.

But since then, we had Beeching, and decades of underinvestment, and the decline of the railway, and a false belief that road was better than rail.

Then a renaissance – with tremendous advances, tremendous achievements, and a public demand to move further and faster forward.

So in each generation, we have to make the case for the railway.

During the debates over HS2 we heard people say it would be a white elephant, redundant technology, a vanity project.

They are wrong.

It will be the biggest boost to capacity for over a century.

There is nothing more modern and necessary than efficient, fast, high-speed railway – better for passengers and better for the planet.

The desire to travel is part of our human soul.

George Bradshaw understood that.

That's why he sold timetables and travel guides in their millions.

People have always wanted to explore and connect, to travel and learn, to meet new people and to be united with old friends.

Britain's railway is what will help us to fulfil our desires to meet, work, and explore our country, with its cities, towns and coastal resorts, in Bradshaw's time, in our time, and I believe, for centuries to come.

Thank you.