

Mayor Khan – travelling safely?

In March the London Mayor told us travelling on buses and the tube did not pose a threat of catching the virus. More recently he has supervised a major cut back in services and expressed worries about the safety of staff and passengers.

The background to his astonishing U turn on public transport safety is the fast deteriorating financial position of London Transport on his watch, which pre dated the collapse of revenues on lock down but worsened when that happened. His early comments on the virus were probably motivated by the need to keep revenues up and to hit targets for more people using the tube and bus. His lower fares policy left LT short of revenue to pay all the running costs and finance the improvements and expansions this growing business needed.

He has now been forced into asking for a big bail out from central government and national taxpayers. Last week the Transport Secretary agreed a grant of £1.095 billion and a loan of £505m just to see the Mayor through to October. In return the Mayor had to accept the need for a government review of the finances and efficiency of LT, and to two government representatives on the Board.

Mr Shapps the Transport Secretary now needs to sharpen up central analysis and supervision of this expensive state business. The writer of the official government release said this:

“In order to reduce the risk of crowding and to encourage vulnerable groups to from using (sic) public transport at the busiest times when there is greater risk of transmission it may not be possible to socially distance, (sic) the deal will see the temporary suspension of the Freedom Pass and the 60+ card concessions to off peak hours. It will also see temporary suspension of free travel for under 18s and special arrangements will be made to ensure children eligible under national legislation can still travel to school for free. The changes will take place soon as (sic) practicable”

There is immediate work to be done on how many services and what the rules are over the number of people allowed on each train and platform. It will also be complex to allow free travel to school but not for other junior journeys.

The new Board members need to examine the impact of Mayor Khan's fares policy on the finances of LT before the virus hit, and to help LT find the right fares policy to maximise permitted use and generate more revenue relative to costs. The whole structure of costs has just changed substantially with revenues much down for the next few weeks at least. They need to re-examine the whole business approach, with safety and costs in mind.