

Rail Privatisation: A Timeline of Failures

1993 RAILWAYS ACT
One of the most heavily amended bills
in British parliamentary history

SEPTEMBER 1997

Southall rail crash kills seven people and injures 139.¹ Great Western Trains is fined £1.5 million for health and safety violations.²

DECEMBER 1998

National Audit Office report finds that taxpayers lost £1.5 billion as a result of the government's rushed sale of shares in Railtrack in May 1996,³ (in 2016, the equivalent of £2.3 billion).

OCTOBER 1999

Ladbroke Grove rail crash kills 31 people and injures 52. Thames Trains' poor driver training is cited as a major contributing factor.⁴

OCTOBER 2000

Hatfield rail crash kills four and injures 70. Railtrack's lack of knowledge and failure to maintain its track is blamed,⁵ leading to plans to transform the company into a 'not-for-profit' trust.⁶

OCTOBER 2000

Strategic Rail Authority strips Connex of the South Central rail franchise, following criticism of poor customer service and financial management.⁷

OCTOBER 2001

After severe financial difficulties, Railtrack is placed into administration by Transport Secretary Stephen Byers⁸ and replaced by the arms-length public body Network Rail in 2002.

MAY 2002

Potters Bar rail crash kills seven people and injures 76. Private contractor Jarvis is blamed for its failure to maintain points.⁹ In 2010, Jarvis and Network Rail (having taken on Railtrack's liabilities) are charged under the Health & Safety at Work Act,¹⁰ prompting Network Rail to take its track maintenance back in-house.¹¹

JUNE 2003

Strategic Rail Authority strips Connex of the South Eastern rail franchise for poor performance and financial management.¹²

DECEMBER 2006

Department for Transport strips GNER of the East Coast rail franchise, after it falls into financial difficulties.¹³

NOVEMBER 2009

Department for Transport is forced to re-nationalise the East Coast rail franchise after National Express (which had taken over operations following GNER's failure in 2006) walked away with more than £1 billion of debt.¹⁴

AUGUST 2012

Department for Transport awards the West Coast rail franchise to FirstGroup prompting a legal challenge by Virgin Trains.¹⁵

OCTOBER 2012

The West Coast franchise competition is cancelled at a cost of £50 million to the government.¹⁶ Virgin Trains and many other incumbent franchise holders are directly awarded extensions instead of opening them up to tender.¹⁷ This undermines the very purpose of the franchising process.

SEPTEMBER 2014

Network Rail is finally fully re-nationalised to reduce its borrowing costs, enhance transparency and make it accountable to parliament.¹⁸

APRIL 2015

East Coast rail franchise is re-privatised, despite having returned nearly £1 billion profit to HM Treasury and delivering record passenger satisfaction and punctuality, whilst in public ownership from 2009 to 2015.¹⁹

APRIL 2015

West Coast Railways has its operator's licence suspended by Network Rail amid concerns over the company's ability to perform its safety obligations.²⁰

SEPTEMBER 2016

The government announces a £20 million fund to address the crisis with the Southern rail franchise,²¹ after it axes 341 services a day on the London to Brighton route to make the remaining services 'more reliable'.²² Meanwhile Southern's parent company Go-Ahead reports £99 million annual profits.²³