



MEETING WITH GWENYTH DUNWOODY - LABOUR MP - 25TH NOV 2002

The above meeting was taped and is transcribed here verbatim therefore grammar or spelling should be excused! Interesting meeting with some very good advise that will be taken into account in our future campaign. **This is for internal PSG use only.**

At the meeting: Gwenyth Dunwoody - GD
 Pam Warren - PW
 Helen Mitchell - HM
 Peter Warren (chauffeur!!)

PW: I am much more behind the scenes in PSG but basically am here to represent the chairman and Helen and I have been set the task of doing the background and research for others to carry forward in our campaign.

One of the things that has intrigued us enormously is what exactly is a Select Committee?

GD: The select committees are set up by parliament to monitor the works of various departments. They report to the house of commons not to the government and they also are equal in number to the numbers of departments therefore if you have 17 departments in Whitehall there are 17 select committees. The members volunteer to go onto the committees, they are not dragooned. There is usually a battle for the interesting ones to get on because the Whips want people who are going to be amenable and others people want to do things. They choose their own Chairman, they then decide how they are going to monitor the work, there is a kind of set of indicators to give you some idea as to how to look at a department, but in fact most select committees have got a Chairman who has done it for some while and have developed their own system. We (the Transport Select Committee) for example, try over a parliamentary year to look at something to do with aviation, something to do with railways, something to do with maritime affairs. We look at all of the independent agencies which are part of the Department of Transport (DTR) and answer to the DTR, so that is like the SRA, the DVLA all of the maritime, coastguards all of these things, and usually you can decide the pace at which you work. No-one is saying to you you must do a report over so many months, but we try to do reports firstly which are relevant to the work of a department, secondly once they are printed the government then has 6 weeks to reply, we then print the governments reply so that is in the public sector and then we try to get a debate in the House of Commons on what is being said. You are kind of a political audit of everything the departments do.

And if you are also sensible what we do when people join the committee we give them a sort of matrix and say this is what we have done. We have done more reports than any other committee in the last parliament, we did 33 reports which is going some. We not only set out this information for a new member but we say to them this is probably what you will try to do, just too....we may go back on these, quite often you will go back on a report and say 'this is

what the government said' 'we did this report two years ago' or whatever and we would like to know what has happened since then.

PW: And how many people are there normally on a select committee?

GD: Well at the moment we have just re-jigged them. There were 17 on ours because it was a very large committee because the department it was monitoring included environment and transport now that is split we are now just monitoring transport. There is now only 11 of us and that is the average size.

PW: And am I right in saying it is cross party?

GD: Yes. Always and the membership is decided according to the numbers of votes that were cast at the last General Election so the Labour party will have the majority on it is this time, although for many years I sat under Tory Chairmen, I sat under 4 different Tory Chairmen as they had the majority then.

In our committee I do rather make the point of having cross party members so, for example, we have a liberal member and we also have a member of the unionists because it is important to have people from all over.

PW: When it comes to you producing these reports, I am assuming here that they could be suggestions, advice or even criticism (GW: Both) so how much power do you then have as the select committee.

GD: In theory we don't have any power at all because you are replying to parliament's needs, you are telling parliament, you are informing parliament what is happening, what has gone wrong and what your recommendations are, mostly you will have 40 or 50 recommendations so the government department can, with some justice say we taken on board 60% of those but have not done the other 40%. You can't insist because the government was elected on a particular manifesto and you can't say to them we think you have done this badly. But what we find in our committee, and I am now only talking about transport, is that initially there is a kind of 'Oh my goodness they criticising us - this report must be wrong' but within a very short period of time people take up a lot of the things we have done and over the years we have been absolutely amazed at the number of recommendations that have been picked up.

As I said we do go back, so for example you get a very politically sensitive or economically sensible problem like the National Air Traffic services which we were very concerned about, we did 4 reports on that and we shall go back to that again this year. In each case you are saying to them this is what we recommended, how much of this have you undertaken? What is it now costing? What number of staff do you have? You are going back over, you try not to do it in a repetitive way, but we said to you do this recommendation we want to know how much have followed it up.

PW: Obviously we are more concerned with the train industry, which I know is a particular area of concern for you, so may I ask, having checked the internet and I have gone through the HSE reports etc, although there seems to be some improvement in the railway sector there seems to be a lot of lack of official recognition of what has happened with Lord Cullens recommendations. Where does your select committee stand on this issue?

GD: I don't think I would quite accept that. I agree that there is a problem in getting it done at the speed we want which is a different thing and I think there is a very strong commitment on behalf of the government to carry out as much of Cullen as they possibly can. The hazard is at the moment there are 3 other things coming into place, there are 2 European Directives on the management of railway which will cost a great deal of money and there is an argument raging as to whether it should go for number 1 or number 2, the usual thing in railways where to change something takes years simply because the amount of money you need and the length of time it takes to bring it on stream. The difference is I think **one of the things you can take credit for is** that originally the old Health & Safety & Railway Inspectorate was part of the overall health background but now they are to be brought together into one safety unit, which we recommended 2 years ago, which I think will produce a very different kind ofI mustn't let them down as they are very honest and hardworking people... but we thought they were perhaps a little too reactive because they worked in a very integrated system where they all knew one another and the whole industry knew one another, so if there was a problem in one part of the industry within 24 hours the information connected with the problem would be disseminated around, particularly if it was a safety problem, and everybody would know. Once the thing was privatised a new element entered the game because lawyers in the new company said to them 'you may not do that' 'do not make statements you have not cleared with us in case they appeared to give a liability'. The old British Rail after an accident simply held up its hands and said 'we are responsible and we will take whatever is happening as part of our responsibility'. Now the new company, because they were split, because they were operating in a different atmosphere they then gave completely different instructions to their staff and for quite a while after privatisation my own view was that they were will operating as though they were an integrated system where if they told one part it would automatically be disseminated throughout the whole of the tree and I don't think that was happening. I think they were behaving quite correctly, I am not criticising them, but they were rather assuming that safety information was being treated as it had always been treated and it wasn't! So when we took this up with them, and we also made recommendations as you know in our reports, and Cullen has made a lot of recommendations, there has now been acceptance by government that we need to operate differently. So in this Queens speech you got a new safety organisation coming into being and I hope that we will, as a committee, look at legislation. I don't particularly want my members to sit on the bill which is a technicality which may seem pretty unimportant to you but I think we are better off looking at what people are doing and telling them where we think they are going wrong, and also tell them where they are going right, than actually sitting looking hour after hour at the structure of the bill. So I hope that committee members, although they will be involved in looking at the structure, will not be involved in the actual passing of the bill, that should be a different set of MPs. That is the way that we operate.

PW: Are you hoping that (because we were really pleased when we heard about the new separate investigation body) can you see it running along the same lines as the CAA?

GD: Yes we think it will because we did point out that there are models in existence so we do not have to make it up from the word go, there are other industries that have already done this, and know how it works, and to be fair to them they have picked up on some things we recommended very quickly such as this confidential information reporting line which is very important, we encouraged the Scots to experiment with and we have used that as an example of how

PW: I see use it up in Scotland first and if it works bring it down to England! ☺

GD: Well...its not quite like that... I am afraid that in the railway system because the Scots system is an integrated system itself it is sometimes easier to ask them would they be prepared to do an experiment on safety, than it is to come this side of the border and you are immediately dealing with 2 companies this side and 3 that side and then you have the problems in the south east. It is good that this is taking off and we are very pleased

PW: We were pleased with Network Rail - we anticipate that this is a huge step forward.

GD: It is a huge step forward and I think also that you have now got large numbers of engineers pushing on this now ...this is a very real but subtle change ie a change in the culture. You had a railway culture, then you had privatisation where it appears everything went wrong...

PW: well that's because it became run by accountants

GD: Yes , now you have a return under Network Rail where engineers will be able to say 'well that might be a good idea in theory but in practice it does not work'. They are trying very hard. There are a lot of things we want done, things wrong with the industry still and it is in very great difficulties at the moment and faces even more difficulties over the next 5 years.

PW: I have noticed, not from the reports themselves as safety is very high up on the agenda when you look in depth, but we have to put ourselves into the publics perception as well and when you hear criticism of the railways or whatever, safety is quite 1 know down on the agenda when it comes across to the public which worries us, especially after last nights derailment, luckily with no injuries.

GD: Well an old system you see, you are going to get enormous pressures on it. I think the individual companies have a very clear idea of where they want the safety thing to go, but at the moment it takes a long time to get it to move, not that it doesn't want to move, just that the message down from the head to the feet takes quite a long time to get through. You have to keep things moving in the same general direction.

PW: But then how do you feel about the private train operators commissioning a report stating that Lord Cullens recommendations should not be implemented.

GD: Well, it is inevitable really, because if you and I, well if I was running a private service and you a running a public service we are going to have arguments as to where the money is going to come from and who should do it, and I think the train operating companies have got the right to do that, that is they have the right to say they disagree with what you are saying, but I happen to think that they are wrong. But that is an argument that will continue because it is so directly tied up with 2 of these other management systems, because Europe says, which in abstract is perfectly sensible, you should not still be running a different system from us. It should be possible to run railways in such a seamless way that I come off one system onto your system and there is no operating problem. They (the TOC's) have gone ahead with very considerable management changes which are incorporated into systems which are causing considerable difficulty because every time you replace a safety system it is going to cost a lot more because you are going to be doing something slightly different and the companies anyway are in a very difficult situation, irrespective of that safety should be number one anyway, because their costs have gone up enormously, for which I blame them I don't its an abstract, I don't think its just happened, they have systems driven up because they are using contractors so instead of competition driving the prices down they have driven the prices up! We have been worried on my committee for a long time that there is a de facto cartel operating, not within the legal sense of the word, or we could do something about it if it was a legal cartel that could be defined, but their costs have now soared out of all proportion and it is undoubtedly why the train operating companies, particularly because of the difficulty with the local franchises, have begun to say 'no we do not want any further costs put on top of that'. I understand that but I do not support it and I don't accept it but I know why they are doing it.

PW: Yes but surely common sense would dictate that you are going to have to bite the bullet eventually.....

GD: Oh yes I think so but on the other hand what I am saying to you at the moment it is multi layered, it is like a mille feuille , hundreds of layers all coming together, so you've got European Directives, you've got the argument about the length of franchises, you've got the city being difficult about giving money even to those companies which are viable, because they can see a much better rate of return on a hundred other things and therefore the companies reaction is to say 'don't force us into any extra expenditure, we have looked at this and we do not think it is good value for money'. Well I don't accept that. But I am not surprised that they have done it because that is how they exist....

PW: Private companies need to make a profit.

GD: Yes, absolutely. And if they think that they can change one particular overhead to save money then they will do it.

(Chauffeur!) Network Rail, they took over from Railtrack didn't they?

PW: Yes Pete, Armit is at the top of Network Rail and....

(Chauffeur) Who owns Network Rail?

GD: We all own Network Rail. It isn't a profit making company and it has a management board consisting of representatives of the rail passengers council and...

(Chauffeur) So Network Rail are in a position to tell the TOC's that if they want to run trains on their track this is how they are going to do it.

GD: Oh yes, and they will do that anyway, that is one of the problems that the TOCs are facing but the rail access charges which are decided by the Independent Rail Regulator have to be looked at in conjunction with all of these other factors, and then a lot of the TOC's, at the moment have reached a stalemate as the franchises are not being granted for the length of time they want - they work on the theory that if I have a 20 year contract then I can go to you as my banker and say look that is the amount of money I am going to earn so can I borrow X, Y and Z.

HM: So that disincentives them anyway

GD: It does and it is also very difficult because there is no easy way around that. In a sense I think that government looked at all this and said this is a god awful mess, we need a period of time to sit down and work out how we are going to get the private companies to put money in, because you were getting into the very strange situation where private companies were getting large sums of public money without producing the levels of service that you want on things like this but unable to raise the cash and then being given in affect being given a kind of management contract, well, that's perfectly workable for a while but the taxpayer is going to eventually turn around and say excuse me but why I am involved in this, because if I am involved in this surely it would be better for me to employ people directly so I do not have to pay a dividend to the people who are not putting the money in!

PW: Would it not be possible, I am just thinking out loud here, for the private companies, even if they have short term franchises, which with the state of the railways at the moment strikes me as sensible, would it not be possible for the government to act as the banker and give loans?

GD: Yes but of course the treasury would say what is the point of having a private company if we are underwriting their loans....

PW: Because it would help out over a transitional period

GD: I accept that but the truth of the matter is that the government can always borrow money cheaper than you or I, always, whatever the state of the government. I mean even the Argentinian government can borrow money more cheaply than Argentinian private companies. But the downside of that is that is then, of course, why do I need the private companies at all? The theory of handing over to a private company was that it would not only

take over the responsibility of making the thing run but that it would also put investment in, it would have new rolling stock.....

PW: Then you would have to take a long term view on that.

GD: I think that is what they would say but at the moment they have put this to one side

PW: You could say that they have got new rolling stock....

GD: Yes but they have got very considerable benefits, I mean they have got debt written off which they should have paid which was some billions, they've then got other things which are somewhat complex but considerable.

PW: It does not surprise me that it was great western and thames trains, I mean there are just too many franchises on the network a the moment.

GD: Absolutely, what was so irritating about the whole thing, if you did believed in it, I did not believe in it, but if you did believe in it, British Rail had already arranged its own internal management into regions, and those would have worked, I mean there would have problems where they overlapped but that is a system that would have worked and the wouldn't have it – they just said no. It just the same as selling Railtrack was a nonsense right from the beginning and they got themselves in trouble, anyway we've dealt with the government ... The real problem at the moment is the money. Some of the private companies are saying that they are not getting any public subsidy but that was envisaged, you know they took over the assets in order to make sure that when the time came they did not have to contribute to the system. Some of the others did receive considerable amounts of public subsidy money and are not actually delivering. So the Strategic Rail Authority is trying to do 2 things at once, not very successfully as human being find themselves doing. We are trying to get them all brought up to a certain standard by saying that they must deliver for the passenger, you must maintain clean and proper trains, they are also looking at how many trains run on the system , they are simultaneously looking at the fare structures, whether some of these companies are ripping of the public in some circumstances.....

PW: We've always held the view that if you have safe, clean, punctual trains you are going to get more people off the roads onto the trains which means they are spending money on the system. It seems quite barmy to us that the rail industry seem to shoot themselves in the foot by doing things that makes people get in their cars.

GD: Absolutely.

PW: But there again how is it then possible for various transport ministers, both conservative and labour, to say that money is not the issue?

GD: Well that's because it is not the safety element, it is the companies having a sort of collective nervous breakdown, which is not a good atmosphere to which you take major

decisions. There is an enormous amount going on under the surface and I think the Railway Safety Bill will help as you will concentrate peoples minds on one aspect.

PW: We have read all the HSE reports that keep coming out and have also reviewed some independent statistical analysis on SPADS and have noticed that SPADs are not really declining, they have not declined since Hatfield. We, as a group, are confused about who to turn to get accurate and truthful information. I mean we have spoken to the HSE and have asked 'well where are you getting your information from' and they have stated that they are relying on the train companies themselves to supply the HSE with the information required which is terrible.

GD: Well they have to rely on the industry for information because there is not independent place to go. I mean I could not tell you what the individual problems are between here and Crewe and I am in a very privileged position, I mean the railwaymen do not let me get on a train without giving me a blow by blow account of what is happening but the ordinary passenger doesn't get that.

PW: Well how can we take Lord Cullen's recommendations forward?

GD: I think you have to accept the departments evaluations because the department firstly is double checked, it is audited by a national audit office and a national statistical office who have no vested interest in fiddling the figures, and because they are statisticians or auditors they will be asking the same sort of awkward questions that you or I would ask. In fact the auditors would ask more targeted questions than you or I as they have access to more information than you or I could possibly have.

PW: Then we have one final problem from that point of view, in so much, as Alistair Darling who appeared promising and we were beginning to get on with well, we had a leak which we have not made public that he has been warned off talking to us as a group.

GD: Why? What are you supposed to have done?

PW: Apparently we are political with a hidden agenda, which of course we are not.

GD: what sort of politics is that?

PW: Basically we are working for the conservatives! It angers us no end

GD: Well where did this come from?

PW: The guy who said it actually said it to a survivor that works in the railways, we were then sat there thinking well how do we get proof of this as we are not prepared to reveal our sources, but is it not proof enough that the DTR have stopped contacting us?

GD: Well wouldn't read too much into it, its like when something happens and you think there is some great conspiracy theory.

PW: Are you saying that it is best to go straight to Alistair Darling?

GD: Yes. Talk to Alistair. To be honest if he is not seeing you at the moment it is simply because he is trying to do 118 things all at once. He came into the DTR where I do think that he, because he came in from the treasury, I mean coming via something else, I think he thought it was going to be like social security in that he could read a brief and he could then say well this is the line we are going to take and this is what we are going to do and it will happen because I have said that it will happen that way, whatever the rights and wrongs of it.

PW: Yes, at our first meeting he did say give me 2 weeks to get up to speed with things which I suppose was naive.

GD: That's right. This man, it is his forte, he is what I call a details man and he has a very good view of where he wants to go which is why I think he worth supporting and giving a little bit of room to. The hazard is, as I can tell you, I am very concerned with railways in general. I think the environmental benefits of railways have been totally underplayed, not deliberately, but the roads lobby is always very powerful. Nobody ever says why aren't you panicking as you have killed 3000 people on the roads – one of them actually said to me seriously, well of course that is their choice – as if they get up in the morning and think I am going to drive along this road and I am going to kill myself rather than get into work – well really what kind of theory is that! As a committee we are working hard on that side of it as well. The reality is that the roads lobby is getting itself together to say this is costing far too much money and its money that could be better spent on improving the roads.

PW: So we will be fighting the road lobby as well.

GD: You will be fighting the road lobby who are very powerful, but that is exactly why it is so important that you should not give up.

PW: We have no intention of giving up.

GD: What I saying to you is that the roads lobby is always very well organised in this country. Afterall there is an awful lot of them and the same people that ride on trains also use cars. But this does not mean that we do not support railways.

PW: I have always said that if it could be proved that railways were safe I would get back onto a train.

GD: Absolutely, I get on a train every week a couple of times a week and I am doing a long journey and I am sitting there and thinking am I in the wrong coach if we crash etc. The other day was even stranger as there was an enormous smell of burning and I had to tell the guard where the problem was. That is not the point though, if we are going to maintain a train system it is going to cost and at the moment the structure of the rail industry is militating

against the investment that it wants. I think this is a major problem for Alistair that was not seen.

Pete: If I might highlight a common problem – my accountant recently went to a motor show by train and paid £279 for a first class ticket so that he could work as he travelled. The train he was going up on did not turn up so he had to catch the second train but that was fine. On the way back 2 trains were cancelled, he eventually got on the train which was absolutely jam packed with an outrageous number of people on it. If there had been crash I hate to think how many people would have been killed or injured.

GD: Exactly. Monies have to be raised from somewhere. You have a structure on the railways that for whatever reason individual companies are finding it difficult to raise the cash that they want but on the other hand you need a more immediate investment of cash to make any difference. It won't all come from the taxpayer as the tax payer will begin to cut up rough and say well why - what am I getting for my money? That is why they are simultaneously looking at these two new things, which I think are very important, one is going to be the structure of rail fares and one is going to be the capacity of the system, both of which is very important. I can quote from my own experience. Recently I had to get from surgeries within my constituency to be in Wales for a speech the following morning. After various talking to and negotiating with various train companies it turned out to be cheaper by £10 to get a chauffeur driven Mercedes from my home to Wales. Well that is just barmy. So there are 3 things going on – there is the fare structure, the regulator is looking at the access charges what they charge various companies, there is the work going on in the house of commons on the safety which is very important , there is an overlay of European Directives which frankly are not very helpful at the moment as no-one has thought it through – I mean if the first system is not going to work you automatically go to the second system and not force everyone to put in something that you know is going to be obsolete in a short period of time. It would be better to force them to have the higher standard in the first instant. If needs be you give them some incentive or some assistance in order to get that.

PW: Although any system that goes in should always be reviewed and upgraded as new things emerge.

GD: Of course. I know for example that Germany are on their second system already and when I was in Hong Kong recently they were actually operating the equivalent of the ERTMS at the 2nd and 3rd grade. Well if you know that that works we ought to be going for that first it seems to me, go for it now – don't wait.

PW: Although one of the systems that everyone thought Lord Cullen was recommending, which he wasn't, was a form of ERTMS which was proven not to work. It failed. And yet this is the system that the UK industry keeps referring to....

GD: Hmm, yes, lots of systems do fail. One reason that the West Coast West line is in such trouble is that they brought in a new form of signalling which was desperately needed as they old boxes were over 100 years old, and the theory was based on the erroneous idea that if it

worked on the Docklands Light railway it would work on a major route like the West Coast. Well anybody, or should I say any woman, would have known that held no common sense! If you were an engineer you would have said that OK the Docklands is a very nice toytown type railway but you get on a nice train that travels in a straight line and then it stops. It simply is not the same thing as a major route.

Anyway I think there are 2 things happening at the moment. Alistair is faced with a whole lot of difficulties from which I don't think there is an easy way out but he is working at it very hard, so maybe what you perceive as a form of coolness is simply because he is too busy. I mean you are the 2nd group to see me this morning and said that Alistair won't talk to us and I said it was the possibly for the same reason. Its simply because he does not quite know what to say to you at the moment.

PW: We did say to him that when something good happens, like Network Rail, we are more than happy to give it some publicity and say that this is a good thing.

GD: I don't think its that Pam, I think that sometime the Civil Service are worried that you will or ministers will make some sort of statement that will be taken as commitment which is isn't. I think they do worry unnecessarily as Alistair is extremely cautious, but I think that is what it is or they are saying to him you haven't cleared up the problems with the franchising, or you haven't sorted out the licences, you're can't be sure about the finances or the speed that you can fit ERTMS, you've got so many things that you can't talk to them about leave it alone until you can.

PW: Then I would say trust the public. Talk to the public. We are not totally stupid. If you explain and keep us up to date we are going to understand.

GD: I couldn't agree with you more. That is the way I have always believed I act, although I must say that telling the public can be very damaging to ones career, the public don't always want to her the truth.

PW: Hmm – a bit like Ratner and his we sell crap jewellery.

GD: Exactly what he was trying to say at our prices you have to accept cheap products which was the truth. Look what has happened the public almost bankrupted him.

HM: From what I can see the industry morale is completely shot to pieces and they are not attracting or recruiting innovators as the industry don't view themselves as innovative, exciting or creative.

GD: They are much too defensive, they feel that they have been under the cosh for so long, I cringe at some of their public statements, instead of saying lets put this into proportion, this is what we are doing, this is what we are going to do. I keep saying begin to start talking seriously about the environmental cost of wiping out the railways. If we are in the situation where people are seriously talking putting more money into roads then you should to say to them what is that as an alternative to life and limb and damage.

HM: That would be a very powerful argument coming from us.

GD: It would be a very powerful argument coming from you. You should also start talking to people like the train drivers who are on your side 100% and are battling with exactly this kind of public perception.

PW: Have you seen the RMT proposed new structure of the railways. I mean you know that the current structure is complete gobbledey gook and what was really weird before RMT was that we had drawn up our perception of what the structure should be, much simpler with obvious responsibilities. That was by us, survivors who are not technical in the industry, just using common sense. Anyway it was almost identical to their proposed structure! It is just a shame that we did not pursue this further as the RMT should have come out publicly and said they backed PSG as we seemed to have the same envisaged future.

GD: What you should do also is when the bill for the new bit of legislation is announced, you should get it from the web and then you should work out who is on the committee as that is also in the public domain and you should send a letter to every one of them. Not a long one but one that says these are the points we hope that you will raise in the committee, and if you want, ask to go to see them. Backbenchers will send you very careful thank you very much but I am not going to say anything that would ruin my chances of becoming a minister however it will be a mixed group of about 24 people. It will definitely be worth your while doing a bit of homework and then writing to the people who will be on the committee. It might be a bit difficult but if you read the bill and noticed that they had forgotten this that or the other you should raise this with the people on the committee. You could even ask the committee whether they would prepared to get a 10 minute rule bill to get some weight on this.

PW: Sorry what is the 10 minute rule bill?

GD: The 10 minute rule bill is really a form of getting some publicity, members enter a ballot and they get the opportunity to introduce a bill which would say what you might want. Any help I can give you of course just ask. I think that as a group you must keep talking to the train companies and everyone surrounding the safety issue. Keep on pushing – you will make a difference.