

# ASLEF ATTACKS NEW RAIL UNION

Aslef, the train drivers' union, has described as 'pathetic' an attempt to form a breakaway union.

The Associated Train Crew Union (Atcu) was launched last month in the wake of a period of unprecedented turmoil at the top of Aslef, which led last year to the resignation of the union's president, Martin Samways, and the sacking of its general secretary, Shaun Brady.

Atcu claims to have 'dozens' of members and hopes to attract more members from within the ranks of Aslef.

A statement issued by the new union said: 'This union's aim is to promote a safe, efficient and rewarding railway industry.

'It will seek to encourage the growth of the rail network by encouraging the re-opening of old lines and improvement of current ones.'

Steve Trumm, a leading member of the new union, was expelled from Aslef last year after launching a rival website. He said that Britain's rail workers had 'massive concerns' over their union representation.

However, Andy Reed, Aslef's national organiser, hit back at the breakaway union. He said: 'Over the last 12 months we have had problems with a handful of members who refuse to accept democratic decisions and trade union principles. Some of these have been expelled from the union.

'Rather than reconsider their attitudes, they have set off on the hopeless task of taking over our union's membership.

'They will not be successful because Aslef is made up of members who are decent, responsible and practical.'

He concluded: 'I'm frankly surprised that their somewhat pathetic efforts have attracted any media coverage at all.'

- Train drivers working for Central Trains have voted to take strike action over a dispute concerning disciplinary action taken against two union members. Strikes will take place over three Saturdays, starting on 12 February.

## In brief

### NEW PAY DEAL FOR TRAIN DRIVERS IN SCOTLAND

First ScotRail has agreed a pay and conditions deal with its 850 train drivers. Qualified drivers will receive a four per cent rise this year, taking salaries up to £29,120. A further four per cent increase next year will increase a train driver's salary to £30,285. First ScotRail has agreed to an increase of 8.4 per cent for newly qualified drivers this year, with another four per cent in 2006, taking their salary up to £23,920 in 2006. Trainee drivers will receive an increase of up to 30 per cent this year with a further increase in 2006, raising salaries to £17,212.

### MAYOR WANTS MORE FROM NEWSPAPER DEAL

London Mayor Ken Livingstone is threatening to stop the distribution of the freesheet *Metro* on the London Underground, unless the paper's owner, Associated Newspapers, agrees to pay up to five times what it currently pays.

In a radio interview, Livingstone said he believed he could increase the value of the current exclusive contract from £1m a year to between £4m-£5m a year. He admitted he had been approached by other newspaper groups, including News International, about the possibility of distributing a free afternoon paper that would be collected by commuters from 'bins' at station entrances.

### POTTERS BAR REPORT HIGHLIGHTS SAFETY FAILURES

Jarvis, the rail contractor and support services company, is facing prosecution after an inquiry by the Health and Safety Executive highlighted failures in safety measures that could have resulted in the Potters Bar train crash in May 2002. The HSE report has now gone to the Crown Prosecution Service.

Seven people died in the accident and 72 were injured when a WAGN train from King's Cross to King's Lynn derailed after a set of points broke. The stretch of track was maintained by Jarvis.

### EAST COAST BID REFERRED TO COMPETITION COMMISSION

First Group's bid for the East Coast Main Line franchise has been referred to the Competition Commission in advance of a decision over the future of the route being made this month.

The Office of Fair Trading said First Group, which also operates Hull Trains and the TransPennine Express franchise, would have a monopoly on routes from Doncaster and Grantham to London and in parts of North Yorkshire if it won the ECML franchise. The OFT said it had decided against referring Virgin Rail's bid for the ECML if 'undertakings are given to address competition concerns' on the route between Doncaster and Edinburgh.

## Rail journeys reach 45-year high

More than one billion passenger journeys were made on Britain's rail network in 2004, the second year in a row that this figure has been exceeded.

Figures published by the Association of Train Operating Companies (Atoc) showed that more than one million extra rail journeys a week are being made, compared with last year. The final number of passenger journeys in 2004 is predicted to be about one billion and

50 million, the highest number since 1959 when the network was nearly double the current size.

The number of journeys made on regional services was up by 7.8 per cent in 2004, with a 4.1 per cent increase recorded on long distance routes and a rise of 2.6 per cent in London and the South East.

George Muir, director general of Atoc, commented on the figures by saying: 'More people than ever are

voting with their feet and travelling by train, which is good news for the environment.

'With nearly 1,400 new trains introduced this year alone and an additional 320 new timetabled services running in the new annual timetable, rail travel is attracting more passengers than in the late 1950s when we had a much bigger rail network. It also means we have the fastest-growing railway in Europe.'

## SCOTTISH EXECUTIVE HANDED £325M TO RUN RAILWAYS

The Government has agreed to provide £325m in funding to the Scottish Executive to enable Scottish Ministers to carry out new responsibilities devolved to them in the Railways Bill.

Under the Bill, which is currently before the Parliaments at Westminster and Holyrood, the Scottish Executive will plan rail strategy as well as let, monitor and manage the ScotRail franchise.

Part of the funding will be used to carry out improvements to Edinburgh's Waverley Station, a move that was welcomed by Scotland's First Minister Jack McConnell.

In a statement, he said: 'This is the most significant devolution of new powers to Scottish Ministers since 1999.

'The substantial funding will allow progress on, amongst other things, the first phase of the Waverley redevelopment.'

## In brief

**HATFIELD TRIAL STARTS**

The trial of five men charged with manslaughter after the Hatfield train crash was due to begin at the end of January. Jurors were warned that proceedings could last a year.

Alistair Cook and Sean Fugill, asset managers with Railtrack at the time of the accident, and track engineer Keith Lee, who also worked for Railtrack, deny manslaughter. Two Balfour Beatty employees, Anthony Walker, the company's rail maintenance director, and civil engineer Nicholas Jeffries, also deny manslaughter.

Four passengers died in the accident in October 2000.

**JAPANESE TO FUND  
CHILTERN UPGRADE**

Japan's Sumitomo Mitsui bank is providing £80m of funding for improvements to Chiltern Railways' network, including two additional platforms at London's Marylebone station and track straightening at Beaconsfield.

The deal is the first time a so-called 'special purpose vehicle' has been put together to deliver major enhancements to the rail network.

**MUSIC HATH CHARMS...**

Mozart and Pavarotti are the latest weapons in the fight against crime on London Underground. Classical background music has proved so successful in tackling the problem on parts of the District Line that London Underground will now extend the trial to 35 more stations.

Since the trial was introduced 18 months ago, robberies have come down by 33 per cent, assault on staff by 25 per cent and vandalism on trains and at stations by 37 per cent.

**SWT SECURITY MEASURES**

South West Trains and Transport for London are investing £750,000 to improve 26 London Metro stations.

Improvements will include enhanced lighting, additional cycle facilities and waiting rooms and ticket offices that comply with new disability discrimination laws.

# Four compete for Integrated Kent franchise

Four companies will bid for the Integrated Kent Franchise (IKF), the SRA announced in January.

The franchise covers routes currently operated by South Eastern Trains throughout Kent, parts of East Sussex and south east London. It will also include new high-speed domestic services on the Channel Tunnel Rail Link from St Pancras to the Medway towns, Ashford, Ramsgate and east Kent.

The four shortlisted bidders are: South Eastern Railways, a joint venture between the Danish national operator, DSB and Stagecoach; First Group's First Kent Integrated Railways; London & South Eastern Railway Ltd, a joint venture between Go-Ahead and the French company Keolis; and Great South Eastern Railway, a joint venture between GNER and Hong Kong's Mass Transit Railway Corporation.

The decision to effectively reprivatise the network, which has been publicly run ever since Connex was stripped of the South Eastern franchise in 2003, attracted a barrage of criticism from the major rail unions.

Since the Strategic Rail Authority began running

the franchise, through its South Eastern Trains subsidiary, punctuality has improved from 79.6 per cent to 85.1 per cent.

Bob Crow, general secretary of the RMT union said: 'The re-privatisation of South Eastern Trains is unnecessary and unjustifiable and should be shelved for good. The Government has said it will stick with what works, and they now have the chance to prove it by leaving South Eastern Trains in the public sector to continue improving.'

But the Transport Secretary, Alistair Darling, said passengers would benefit from faster journeys and improved reliability and capacity: 'There will be a 10 per cent increase in the number of services arriving in London in the morning peak once the new service pattern is introduced.'

'The CTRL domestic services will operate on both domestic railway tracks and the new high speed channel tunnel rail link track where they will reach speeds of 140mph. Journeys from Ashford to central London will be reduced by 40 minutes each way.'

The eight-year franchise will begin in December 2005 with high speed services due to start in 2009.

## MORE THAN 100 JOBS COULD GO AT VIRGIN TRAINS IN BID TO CUT COSTS

Up to 120 managers at Virgin Trains could lose their jobs in a cost-cutting clearout ordered by the Strategic Rail Authority.

Four directors have already left the company, as a decision over the future of the franchise has been put on hold until September. Virgin Trains has been running West Coast services under a management contract for the past two years, following the collapse of Railtrack and delays to the upgrade of the route.

Talks over the future of Virgin's Cross Country franchise broke down last year. The SRA is expected to invite bids for the sprawling network following its rejection of

Virgin's best offer to run the service until 2012 as too expensive.

A Virgin spokesman refused to confirm the names of the four directors who had lost their jobs, but they are widely believed to be: Jackie Townsend, operations director for the West Coast; Andrew Holl, her counterpart at Virgin Cross Country; Debbie Younger, director of on-board services for both franchises; and Charlene Kane, in charge of the group's stations.

The spokesman said that the job losses reflected Virgin's transition from a project-led company to one focussed on customer service.

However, a senior source at Virgin said the way the four directors had

been told of their fate was 'brutal', adding: 'They were asked to hand over their company mobile phones and then escorted off the premises.'

The decision to axe jobs is not believed to relate to performance on the West Coast, where Pendolino tilting trains have suffered from a series of embarrassing teething troubles, including faulty toilets that have resulted in delays whilst passengers use station toilets.

'The SRA believes there is scope to save large sums of money by cutting out great swathes of middle management,' said one insider. 'There are a lot of people who are very worried that their jobs could be next to go.'

## Crisis deepens at Eurotunnel

Eurotunnel's revenues dropped by four per cent in 2004, plunging the company deeper into crisis.

A slump in income of seven per cent from its vehicle-carrying shuttle services is being blamed on increased competition from cut price ferry operators and low cost airlines.

Analysts predict that the latest downturn raises the

prospect of Eurotunnel's bankers stepping in and taking over the company, which is struggling under a debt mountain of £6.4bn.

Stephen Clapham, of stockbrokers Williams de Broe, told BBC News that although minority French shareholders were likely to object to such a move, the options were limited. 'The only alternative is to accept a reduction in their ownership of the business or bankruptcy,' he said.

# Eurostar clocks up the numbers and keeps time

Eurostar notched up record passenger numbers, punctuality and sales figures in 2004.

Passenger numbers were boosted by the company's busiest ever Christmas and New Year period, in which 250,000 passengers were carried.

Figures released in January showed that 7.27 million passengers travelled on the service in 2004, up 15 per cent on 2003. Expected sales in 2004 were £433m, up 15 per cent on the previous year total of £376m.

Eurostar's highest monthly market share in 2004 was 68 per cent on the London to Paris

air/rail route and 63 per cent on London to Brussels.

A fresh strategy, focusing on business travellers, has also helped to increase passenger numbers, with an 18.5 per cent increase in UK business sales on the same period last year.

Paul Charles, Eurostar's director of communications, said: 'Eurostar has set new, higher standards for short-haul carriers over the last year. These record figures prove that business and leisure travellers have recognised the transformation in our service. We are not seeing customers downgrade or switch to low-cost

airlines – they are choosing to travel in high-speed comfort and style by train. In 2005, we will invest more in our onboard product, in a climate where many airline competitors are investing less in their short-haul service.'

Eurostar has run more than 22,400 trains since the first section of the Channel Tunnel Rail Link was opened in September 2003. Punctuality in 2004 was 89.2 per cent, up by more than 10 per cent on the same period in 2003.

The company received a further boost last month when it recorded its best ever

punctuality; 97.58 per cent of scheduled trains arrived on time or early between 10-16 January. On three days during that week, 100 per cent punctuality was reached.

Due to substantial demand, Eurostar ran 17 extra trains over the Christmas and New Year period as many travellers chose either to visit family and friends or spend money on a French or Belgian city break during the festive season.

A total of 61 million people have now travelled on Eurostar since its first service in November 1994.

## Merger creates 'largest independent train operator'

In a move described as 'a merger of equals', Fragonset, the locomotive hire company, and the train operator Merlin have combined to form FM Rail Limited.

With a combined turnover of £7m FM Rail (Fragonset Merlin Railways) claims to be the UK's largest independent train operating company with its own rolling stock fleet and heavy engineering capability.

The merger was welcomed by supporters of the SRA's Community Rail Development Strategy. Dr Paul Salvesson, general manager of the Association of Community Rail Partnerships, said: 'ACoRP is delighted at the news of the marriage of Merlin and Fragonset. FM Rail is now in a strong position to deliver innovative services on Britain's regional lines as well as to the newly designated Community Railways.'

Martin Sargent, chairman of FM Rail, said: 'By bringing together Merlin's train operating capability with Fragonset's fleet and engineering

skills we have created the UK's largest independent supplier of trains, operations and engineering services.

'With our Operating Licences and Railway Safety Case we can meet the complete train needs of both passenger and freight customers. At the same time we can continue to grow our rolling stock engineering and vehicle spare parts business.'

Bob Gordon, managing director of FM Rail, added: 'The economies of scale that this merger brings will offer significant benefits to both existing and new customers of FM Rail. It will also allow the new business to capitalise on the opportunities presented by the Community Rail Development Strategy and changes in the UK rail freight market. As we continue to grow the business we will be actively recruiting both train crew and rolling stock engineers to ensure that FM Rail remains the UK's leading independent train operating company.'

## FREIGHTLINER BOSSES HIT THE JACKPOT

Freightliner has made changes to its ownership that will make some of its directors millionaires, and more than half of its staff considerably better off.

Management Consortium Bid (MCB), the holding company set up to submit the £5.4m bid that won ownership of the loss-making BR subsidiary back in 1996, has sold its 40 per cent holding to 3i and Electra, the two institutional shareholders that backed the original purchase and which already held the majority of Freightliner's shares, each having a 30 per cent stake in the company.

Shares now worth £9.6m were given to staff of the rail freight company at the time of privatisation.

Since then, they have had the opportunity to buy and sell the shares at share dealing days.

The restructure creates a new holding company under the banner Freightliner Group Ltd. Valued at £96m, it is on course to reach a turnover exceeding £200m for 2004-2005.

In 2003-2004 Freightliner reported a £19m operating profit compared to a £22m loss in the year before privatisation.

## NATIONAL EXPRESS PREDICTS GOOD RESULTS

On the back of a strong performance from its trains division and a reduced loss at Eurostar, National Express Group says it anticipates reporting earnings ahead of expectations. The company issued a trading statement covering the 12 months to 31 December 2004, prior to entering its closed period.

In the statement, the company said: 'Our trains division has

continued to experience passenger growth of five per cent.

'Following the announcement by the Secretary of State for Transport on the rail industry's new franchise map, we have commenced discussions with the Strategic Rail Authority around the re-mapping of our Central Trains franchise.

'We look forward to taking part in the competitions for both the Greater Western and Great

Northern/Thameslink rail franchises.

'At Eurostar, settlement has been reached with Network Rail over the historic application of performance regimes over the period 2001-2003.

'This has resulted in a one-off credit of £5m, reducing our associate losses this year.'

National Express said it would announce its preliminary results on 24 February.



David Waboso at London Underground.

### WABOSO TO BE LONDON UNDERGROUND'S NEW DIRECTOR OF ENGINEERING

London Underground has appointed David Waboso as its new director of engineering. Waboso will move from his current post as technical director at the Strategic Rail Authority in April.

Commenting on the appointment, LU managing director Tim O'Toole said: 'David has a wealth of experience to bring to the engineering challenges facing the Underground. He has a successful track record in leading engineering and projects across light rail, metro and mainline railways, and experience of both the private and public sector.'

Waboso was project manager on the resignalling scheme for Docklands Light Railway and also worked on the Jubilee Line Extension. Since 2003 he has led the SRA on technical strategy issues including technical harmonisation with Europe. He represented the UK on the board of the European Rail Agency and worked closely with the Rail Safety and Standards Board on a review of standards.

In his new post, Waboso will oversee a major programme of maintenance and upgrading of the track. He said: 'My role is to meet the engineering challenges of this huge investment, notably the systems integration and providing assurance that the railway will remain reliable and available for the benefit of tube passengers.'

'It will be a huge challenge, but I'm looking forward tremendously to joining London Underground.'

LU has also appointed Keith Beattie to the new post of director,



Elsa Redpath... honoured.

Crossrail from March 2005. Beattie, currently LU's chief engineer, will work with Crossrail over integration issues. He said: 'Crossrail is vital for London's future transport capacity. Its construction will pose a massive challenge to London and London Underground, so it's very important that during the design and construction, Crossrail and LU work closely together.'

Waboso and Beattie will both report directly to O'Toole. Eddie Goddard, currently train systems engineer, will replace Beattie as chief engineer.

### SIR THOMAS LEGG APPOINTED INTERIM CHAIRMAN AT CENTRAL RAILWAYS

Central Railway, the company that wants to run a freight railway from Liverpool to northern France via the Channel Tunnel, has named Sir Thomas Legg QC as interim non-executive chairman following the death last November of the company's co-founder and chairman, Andrew Gritten. Chief financial officer Alan Stevens will act as interim chief executive.

Gritten had been chairman since Central Railway was formed in 1995 and was the driving force behind the project. He put together a consortium of engineers, bankers and property advisers to develop the scheme and was largely responsible for attracting resources and support from the business world.

Central Railway received a major setback last year when the Transport Secretary Alistair Darling rejected its plans on the basis that the taxpayer might be called upon at some point to fund



Jovan Basrak joins Serco.

the project. The company is currently fighting to have the decision overturned.

Sir Thomas Legg has been a director of Central Railway since 2001. A barrister, he joined the Lord Chancellor's department in 1962 and served as its Permanent Secretary from 1989 to 1998, when he retired from the civil service. In recent years he has conducted the Sierra Leone Arms Investigation, been chairman of Hammersmith Hospitals NHS Trust and an external member of the House of Commons Audit Committee.

### GONG FOR BOWKER... AND REDPATH TOO

Richard Bowker, the former chairman and chief executive of the Strategic Rail Authority, was awarded a CBE in the New Year's Honours List. Bowker resigned last September following the Government's announcement that the SRA would be scrapped with responsibility for railway strategy passing to the Department for Transport.

Also honoured was Elsa Redpath, secretary to Virgin Rail Group chairman Chris Green, who received an MBE for services to the rail industry. Redpath's secretarial career began in 1966 in British Rail's hotels division. She first became Chris Green's secretary in 1986 when he was managing director of Network SouthEast.

Redpath said the award was a complete surprise: 'I've thoroughly enjoyed my rail industry career of almost 40 years but would never have thought it would attract such recognition.'

### BASRAK ON SECONDMENT TO SERCO DOCKLANDS

Systems engineer Jovan Basrak has joined Serco Docklands, operator of the Docklands Light Railway, on a one-year secondment from the signalling and train control supplier Alcatel.

Basrak will be based at Serco Docklands' Poplar depot in east London, working on a project to improve the Alcatel automatic train control system used on DLR. He said: 'I am looking forward to this assignment to help ensure the continued success of the DLR.'

Punctuality on DLR is currently running at about 97 per cent, with a record 99.2 per cent recorded on one day last November.

### HALCROW STRENGTHENS RAIL TEAM

Halcrow, the international transport consultancy, has strengthened its 300-strong rail team with the appointment of four new specialists.

Jarek Karpijuck takes on the joint role of regional director, Poland and rail market sector manager, Europe. Based in Warsaw, he will be responsible for promoting Halcrow's transport business throughout Poland.

Ian Markham has joined the company from Bombardier Systems as technical manager, signalling and telecommunications. Based in Halcrow's York office he will lead a team of 40 signalling designers and testers.

Taking over as technical manager, electrification and plant, is Ian Scrowston, who will be responsible for work on design and project management of electrification and power supply equipment, specialist building services and plant for stations and maintenance depots and power supply simulation services.

Andrew Lim joins Halcrow as technical manager, track systems. Formerly with the Taiwan High Speed Rail Corporation, Lim has extensive experience of design and construction of high speed and metro lines, particularly in Asia.