

Lewis Salter: “This is a great time to be involved in rail”

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“We are on the brink of a rail boom and it’s an exciting time for all of us”. That’s according to Lewis Salter from specialist recruitment company Stride.

He joined the company in August 2020 and has been tasked with developing the brand’s presence within the rail market.

Lewis has written an article with a recap of his last four years in rail.

“After what I’m told have been the quietest years the rail market has seen in decades the recent news of HS2 being given the greenlight has come as music to everyone’s ears. I myself started my venture into the sector back in 2016, early talk of HS2 was gathering momentum, CP5 was winding down with lots of excitement around the CP6 frameworks and Crossrail was due for completion. What followed was years of turmoil and various obstacles for the government and industry to overcome. These came in many forms including: Brexit, IR35 and more recently COVID-19. As with many railway people I persevered through and now am seeing that light at the end of the tunnel we were all waiting for.

I recall my first conversations with those working within the industry late 2016 and hearing about the temporary lull that was taking place but could still detect excitement in their voices as they spoke of HS2. Crossrail was well underway and supposedly imminently due for completion. A few of the more seasoned Rail veterans were a little sceptical of this but my eyes and ears were focused solely on the positivity I was hearing.

One morning I walked into work and first heard the term IR35. That was a bit of baptism of fire. We had London Underground lifers handing in their notice overnight and consequently flooding the market looking for opportunities to break into the private sector clients. The Underground had been quiet for a while with Sadiq Khan putting a recruitment freeze on TFL meaning that in light of IR35 they lost over 50% of their workforce with no real intention to replace them. This then caused serious repercussions to LU projects such as 4LM amongst others. Having to take an influx of calls from angry contractors about the new legislation really did consume us for weeks and for me personally meant I quickly had to become an expert on the subject and find solutions to offer them in their masses.

TFL weren't the only ones affected of course, Crossrail themselves now faced a huge battle to retain their staff and lost many of them to their Tier 1 contractors eventually having to put a ban in place to stop this happening. What I noticed quickly from working with Crossrail was that in order to get people working for them or retain staff they had to inflate their rates rather drastically to accommodate for the national insurance and tax deductions. A £400 a day LTD contractor who was ushered inside of IR35 would be looking at taking home £240 a day in the public sector, whereas a move to a sub contractor on the same project meant they were exempt and would take home what they had previously. That same £400 a day contractor would be looking to inflate their rate to £550/600 a day in order to counteract the changes. TFL weren't prepared to do this and held firm on their stance whereas Crossrail, which was already coming under fire for late delivery, had no other choice. I think it's fair to say that this was a very difficult time for the market which subsequently led on to a series of other events that damaged the market.

At the time there wasn't a project in the sector that Carillion didn't have some part in. They were Network Rail's contractor of choice and once again I unexpectedly walked into the office to hear of their dramatic fall from grace. This again was followed by thousands of contractors losing their jobs with nowhere to re-home them. It was devastating not only for their staff but the market in general as it highlighted how fragile the market was at the time. Crossrail was having many difficulties, LU was still fighting the backlash of IR35 and those operating within the market were looking at opportunities abroad or moving to other sectors to avoid the uncertainty. Each day there was a new fresh challenge to overcome. HS2 and the excitement that had previously generated was dulled by disgruntled contractors angered by the hand they had been dealt by the industry they loved. Even those within the private sector knew IR35 was imminent for them and were looking for loopholes to avoid getting stung.

Brexit consumed not only the rail market but the whole of the UK and all trade within it for 18 months. The back and forth between the government officials caused no end of uncertainty for everyone and naturally had very negative effects on Britain in general let alone the rail market. Rail was an afterthought for the government and HS2 seemed like a thing of the past. CP6 funds were not a priority either leaving rail companies from Tier 1 down at a loss for any work to keep them ticking over with no real end in sight. The UK essentially was put on ice whilst an agreement was decided in Parliament. Boris was very vocal about his intentions to invest in British infrastructure and when he eventually took over the HS2 whispers again

started. Once it was declared that we would be leaving the EU and Boris's plans to invest in the region of £5bn to rail and infrastructure, things started to really look promising and a lot of faces seemed to light up within the industry, mine included.

Everything was looking very promising, bids and tenders were going in thick and fast. Frameworks were being awarded and at long last HS2 was really catching steam. JV's had been formed to carry out the works with a promise of thousands of jobs. Some of the key Crossrail Stations were essentially completed, the likes of Paddington had dramatically been turned around and it was just a back log of Assurance documentation left for many of them before final Commissioning works. IR35 was looming in the background of course, but morale was nonetheless high. A lot of excellent candidates who had been out of work for too long given their ability were back in roles and doing what they do best. There was a real buzz about the Industry and it seemed like those miserable few years were behind us. Cue COVID.....

The Coronavirus obviously caught the world off guard not just the UK rail market, every corner of the world was caught in the crossfire and just when everything was looking up it came in like a hurricane and it looked like we could be back to square one. I for one was furloughed through the majority of it however I know many others were not so lucky. Coming back to work to hear of the implications the virus had had on many of the friends I had made in my 4 years was tough to hear. Various clients had gone bust, more work shelved and again uncertainty in the market.

One thing that I have always admired about rail amongst many things, is its resilience both physically in the strength and the complexity of its systems but also within its people. We are now at a point after many difficult years where we have an influx of money and work to keep its loyal and patient work force busy for what seems like many, many years. HS2 has alone promised 22,000 jobs along the line and it seems rail in general will be vital in the upturn of the British economy. CP6 Frameworks are finally moving, East West Rail is underway. HS2 has overcome its various obstacles and boots are at last on the ground. This is a great time to be involved in rail and everyone who has stuck with it should be feeling very optimistic and excited about the years to come. Graduates are again interested in the industry and those who have ventured overseas are returning to seek work back on British shores. There will no doubt be further hurdles to overcome and yes IR35 will be coming into play in April but we are on the brink of a rail boom and it's an exciting time for us all."

Lewis Salter, senior consultant rail, Stride

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