

Rail Delivery Group respond to RMT's comments

November 22, 2022



Further to yesterday's announcements from the RMT and Network Rail, the Rail Delivery Group, who represent the TOCs in the ongoing negotiations, have thrown their hat into the debating ring.

The RDG released a statement last night offering their take on the breakdown on negotiations, and offered some detail on why a resolution hasn't been able to be found.

The statement, released on Monday evening, read:

"We have made real progress over the last fortnight and for the first time in months we can see the outline of a credible deal.

"Any strikes will only cause further misery for customers and struggling businesses in the run up to Christmas and beyond. The RMT leadership should now remove any uncertainty around Christmas and commit to protecting everyone's first festive period post Covid from any strike disruption.

"The alternative is a bleak winter of industrial action, making it harder to find workable solutions to bring

about the much-needed changes that will help secure the railway's future and unlock the funds for a pay offer. Revenues are still 20% down on 2019 level and this dispute has brought the industry's post-pandemic recovery to a shuddering halt – with strikes since June resulting in lost revenue of £250-£300m.

“We urge the RMT leadership to stay at the negotiating table so we can build on that progress and end a dispute that is harming passengers and businesses, the industry, and their members.”

As well as releasing a statement, the RDG offered a little background information, addressing some of the frequently asked questions about why the reaching a conclusion isn't quite as simple as it may be being made out.

They said: :

It is frequently asked “why can't TOCs pay for a pay rise out of profits as the RMT has claimed that rail operators made £500m last year?” they answered this question with the following:

1. This figure is not accurate and is based on projections rather than reality.
2. How the railway is funded has changed. The franchise model no longer exists, and train operators are paid on a performance-related fixed fee basis. They make a small profit margin to provide service like all other government suppliers.
3. In the years prior to the pandemic under franchising, operators averaged 2% profit margins – much lower than many would assume. Profit margins are now typically 0.5%.
4. What this means is the taxpayer loses money every time the RMT leadership call a strike, adding to the £600 per household already provided by government to support the railway during the pandemic.

They also issued the following statement:

Our reforms will help ensure a better service for our passengers and help secure the railways' future. That means:

1. More reliable services to help meet the growing demand from passengers for leisure travel including reliable Sunday services.
2. Increased punctuality, making staff terms and conditions more flexible, so the railway is more resilient as well as bringing in new technology for quicker, more efficient and safer railway maintenance
3. Customer-friendly stations with more multiskilled staff on hand, and using modern technology to offer help with tickets, journey planning and preventing anti-social behaviour.

As of this morning (Tuesday) the RMT hasn't responded to the RDG's statement officially.

An announcement on further strike action is expected today.