

TfL funding: “tens of thousands” of jobs at stake

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Sadiq Khan, the Mayor of London, has said that tens of thousands of jobs could be at risk if there is no long-term and capital funding provided to Transport for London (TfL) by the government.

In a statement, the Greater London Authority (GLA) described the situation TfL was dealing with, caused by the pandemic, as an “unprecedented financial crisis”.

There is now less than a month until the current funding deal – which itself is the second of two extensions agreed with the UK Government – ends.

The statement said if there is no deal forthcoming, the impact will be felt by the whole country.

It said because of the importance of the capital, tens of thousands of jobs, many outside of London, will be put at risk. As an example it said buses support 3,000 jobs across the UK, reaching as far as Scarborough, Falkirk, Leeds and Ballymena. New bus contracts have been paused by TfL since November.

55 pence of every pound spent on the London Underground goes outside the capital, as part of a £7 billion

contribution to the UK Economy.

It said the London Underground renewal projects also account for a significant number of jobs across the country. 100 per cent of track labour is UK-based, with an estimated 20 per cent (£16m) supplied from North West England and Wales. The Central Line Improvement Programme, (CLIP) has already begun investing millions into rolling stock, infrastructure and equipment for the Central Line fleet.

Following TfL's order for 94 new Piccadilly Line trains, Siemens is building a manufacturing facility at Goole in Yorkshire, representing an investment of £200m into the area, creating 700 direct jobs and 1,700 indirect jobs once the factory is in operation. Half of the new Piccadilly line trains will be assembled there in the coming years. TfL also has options built into its contract with Siemens to build new Bakerloo and Central line trains in the future, so if TfL has sufficient funding to activate these options that could provide ongoing work for the Yorkshire manufacturing base and its supply chain.

The Mayor of London, Sadiq Khan, said: "London's transport system is not only fundamental to the success of the capital, but to driving economic prosperity right across the length and breadth of the country.

"That is why it is so important that the government urgently comes forward with the long-term funding TfL desperately needs, so we can keep services running and deliver much-needed improvements to our transport infrastructure.

"It is no exaggeration to say that tens of thousands of highly skilled jobs – many of which would be from outside the capital – will be at risk if Ministers fail to properly fund TfL. In addition, our strides towards bus electrification will be halted, and the capital will suffer with fewer buses on the roads and an unreliable Tube service with aging trains.

"The Government needs to realise that a properly-funded transport network in London is an issue of great national importance. Failure to provide sustainable funding will lead to less economic prosperity across the country, with fewer jobs created, fewer homes built – and, crucially, less revenue generated for the Treasury to invest around the country."

Frances O'Grady, general secretary Trade Union Congress, said: "A fair, long-term funding settlement [for TFL] is vital not only for the London economy but the national economy too. Another temporary deal would hold London back, and it would put jobs at risk in London's transport system and in transport supply chains across the country, including high quality manufacturing jobs that we need more of.

"Government, employers and unions must work together to make sure working people do not pay a price for the impact of the pandemic. We need a settlement that protects good quality jobs and services, and that creates work upgrading transport infrastructure to reach zero transport emissions."

TfL said it is currently having to plan on the basis of a managed decline of the capital's public transport network. It added it is having to look at going further and potentially closing a whole Tube line.