



Department for Transport

Iain Stewart MP
Chair of the Transport Select Committee
House of Commons
London
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From the Minister of State
Huw Merriman MP

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2 October 2023

Dear Iain,

I write to you following the Committee's hearing on 6 September regarding the work of the Operator of Last Resort in response to the questions from the Member for Stoke-on-Trent South, Jack Brereton MP. He enquired when Single Leg Pricing will be rolled out further and asked for an update on Demand Based Pricing. He also wanted to know the numbers of staff working at the Department and in rail over the past few years.

Single Leg Pricing and Demand Based Pricing

We extended Single Leg Pricing (SLP) to the rest of LNER's network in June this year following a successful trial of SLP between London and Leeds, Newcastle and Edinburgh that commenced in 2020. We will carefully consider the impacts of expanding SLP to most of LNER's network before taking decisions on any wider extension to other long-distance operators. At the same time, we have committed to expanding contactless payment in the southeast, with 53 stations to be delivered in December 2023, which will also move these stations to Single Leg Pricing.

LNER is developing the proposal for the forthcoming trial of Demand Based Pricing and more details will be announced in due course. We expect Demand Based Pricing to better manage capacity, as well as raise revenue.

Departmental staffing

Mr Brereton put it to me that the number of Departmental officials had approximately doubled. The total head count in August 2023 was 3,860. For the head count in rail teams specifically, there were 845 people working in rail at the Department – this equates to 22% of the Department's total head count.

I have provided a table with the head count back to 2020. The Departmental figures are taken from published management information and the rail

numbers are from our internal staff systems, however rail teams underwent a re-organisation in 2021, so the more recent figures are not directly comparable with the early numbers.

Date	Head Count - Rail	Head Count - All staff	Rail as Proportion of the Department
31 March 2020	629	2937	21%
31 March 2021	736	3422	22%
31 March 2022	837	3666	23%
31 March 2023	879	3834	23%
31 August 2023	845	3860	22%

Source: HR systems. Note: 'Rail' figures exclude High Speed Rail group

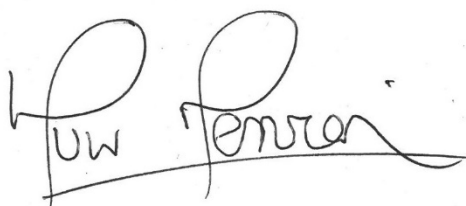
Since 2020 the number of staff working on current rail issues (not HS2) within the Department has increased from 629 on 31 March 2020 to 845 on 31 August 2023. This increase has been driven by the requirement for managing the emergency contractual arrangements introduced during COVID and the successor National Rail Contracts where government carries both cost and revenue risk, an increased focus on the delivery of major infrastructure programmes and the recruitment of staff to deliver rail reforms.

Rest-day working

In addition, I would like to clarify my remarks regarding rest-day working at Avanti West Coast (AWC). AWC does have a rest-day working agreement in place with ASLEF. However despite this, on 30 July 2022 AWC experienced an immediate and near total cessation of drivers volunteering to work passenger trains on rest days, which remains the case to this day. Since the introduction of its recovery timetable in December 2022, aided by over 100 drivers having been brought on since April 2022, performance has significantly improved, and AWC-caused cancellations have been consistently below 3% since March 2023.

I hope this information has been helpful.

Yours ever,

A handwritten signature in black ink, appearing to read 'Huw Merriman', with a stylized flourish at the end.

HUW MERRIMAN MP

MINISTER OF STATE FOR TRANSPORT