

Why Ken Livingstone can't cut fares

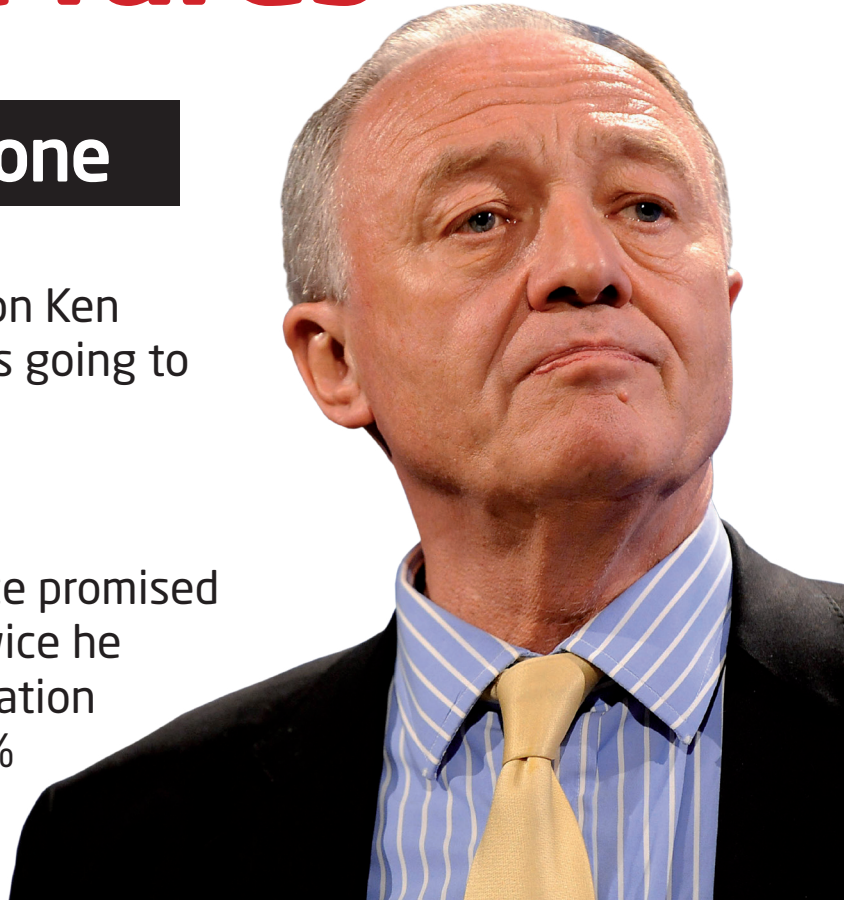
By Ken Livingstone

In the lead-up to this election Ken Livingstone claims that he is going to cut fares.

He's done that before.

When he was Mayor he twice promised not to increase fares and twice he broke that promise with inflation busting rises as high as 43%

(TfL website, 2 January 2004).



In Livingstone's own words - why he can't cut fares

Now there's an election, Ken says:

There is an 'excess profit'...

'Each year London fare payers pay far more in fares than even the Mayor's own budget projections say they will. Last year alone that excess profit was over £700 million. Without touching either future investment budgets, reserves, or existing operating budgets we can put the excess money to work for Londoners by holding down their fares.'

Ken Livingstone campaign website

But back when he was Mayor, Ken said:

There is no such thing as 'excess profit'...

"We do not make a profit; we are not allowed to make a profit."

Mayor's Questions, 25th January 2006

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Now there's an election, Ken says:

Surpluses are separate from investment...

'The operating surplus is a completely separate budget to capital budgets which fund investment.'

Ken Livingstone campaign website



Now there's an election, Ken says:

He will cut Travelcard fares.

Claims the savings; 'range from the lowest annual saving in 2016 under Ken of £228.80 for a weekly 1-2 Zone Travelcard to £395.20 for a weekly 1-6 Zone Travelcard. Therefore the average saving for Londoners will be at least £1000.'

Ken Livingstone campaign website

But back when he was Mayor, Ken said:

Surpluses are used to fund investment...

'capital investment will be funded from grant provided by government grant and revenue surpluses.'

Ken Livingstone, press release, 12 October 2004

And anyone who wants to cut fares must say what will be cut to fund it...

"That is fine as long as it also has the honesty to go on and say what I should cut whilst cutting the fare increase"

Mayor's Question Time, 25 January 2006

Because any surplus in the budget is already allocated...

'There has been some fascinating speculation in the press that I have a £500 million slush fund that I can spend between now and the election. You know me; if I had it I would, but I do not. There is the small matter of the need for TfL to balance its budget in law, and the balances we carry are all allocated against the range of projects coming forward. If I were to start spending TfL's reserves I would have to remove wonderful projects like the West London Tram and other issues from our list of future projects.'

Mayor's Questions, 20 June 2007

But back when he was Mayor, Ken said:

You can't cut Travelcard fares...

"Unfortunately, by law I have to increase travel cards by 1% above the rate of inflation, because they are virtually jointly locked in to the train operating companies. I would need the agreement of the train operating companies to avoid increasing those fares, and much though I would love to say I can appeal to their generosity of spirit, I am not optimistic." (ibid.)

You just can't trust Ken.