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Eurostar bailout should trigger more rail support, say operators

'Open access' operators such as Hull Trains and Grand Central Rail have been denied government assistance available to rivals

By Oliver Gill

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Rail operators that have missed out on subsidies from UK taxpayers should be bailed out alongside Eurostar, according to a Brussels-based industry body.

Allrail, whose members include the owner of the Channel Tunnel as well as bus company Stagecoach, said operators such as Hull Trains and Grand Central Rail should receive financial support if the Government steps in to rescue Eurostar.

Taxpayer subsidies handed to train companies are expected to top £10bn this year. Ministers stepped in last March to prop up operators after they suffered a huge fall in passenger numbers.

“Open-access operators” such as Hull Trains and Grand Central Rail were unable to benefit from the subsidies unlike counterparts that operate under long-term contracts.

The two operators, which run long-distance services between London and the north of England, are wholly reliant on ticket sales. Both have suspended services until March.

Eurostar has also missed out on Government support. [It is in talks with the UK and French governments to secure rescue funding and has warned:](#) “Without additional funding from the Government, there is a real risk to the survival of Eurostar as the current situation is very serious.”

Allrail said: “Rail traffic between the two countries is run on a commercially driven open access business model. If the UK Government wants to give Covid-19 financial aid, then all other long distance open access passenger rail operators in the country such as Hull Trains, must also be supported.”



Demand for travel on Eurostar has plunged during the pandemic

Eurostar talks remain on a knife-edge after the operator suffered a 95pc fall in passenger numbers since March. It is currently running two trains a day compared with the 60 it would typically run.

Boss Jacques Damas warned last week that “a catastrophe is possible”.

David Cameron sold Britain’s stake in Eurostar in 2015 for £750m. It is now majority owned by French state operator SNCF.





French taxpayers have pumped in €200m (£178m) of emergency funding, but politicians in Paris are now calling on the UK to participate in a further rescue package.

On Monday *The Telegraph* revealed [that the potential failure of Eurostar risks costing UK taxpayers £80m under a little-known legal agreement.](#)

Conservative MP Paul Maynard, a former transport minister, warned that bailing out Eurostar “does flag up the challenge of how we support all open-access operators”.

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