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Officials reinstated in West Coast fiasco

By Jim Pickard and Mark Odell

Three officials at the Department for Transport who were suspended over the West Coast fiasco have been reinstated, as the government on Thursday published the full findings of the report into the debacle.

Patrick McLoughlin, transport secretary, told MPs he would “not hide from the seriousness” of the findings of the report by Sam Laidlaw, a non-executive director of the DfT and chief executive of Centrica.

He announced immediate changes within the department, under which a new director-general will be appointed with responsibility for rail policy and franchising, reversing a decision made a few years ago to split those roles.

The reinstatement of the trio of suspended officials was made by Philip Rutnam, the permanent secretary, after he received a separate report by human resources into the role and conduct of the officials.

The DfT said the lifting of the suspension came before any conclusions were drawn by Mr Rutnam: “He is now considering the report and decisions on action following this investigation will be made shortly. The permanent secretary decided yesterday [Wednesday] to lift the suspensions of three DfT officials imposed on the 3rd October. The decision to suspend a member of staff, or to lift that suspension, is separate from the disciplinary process and does not imply any conclusion on culpability.”

The three were taken off their jobs after the discovery of “completely unacceptable” mistakes in the process that led to the cancellation of the award of a new contract to [FirstGroup](#) to run the UK’s busiest intercity route. The mistakes were uncovered after incumbent Virgin Rail launched a legal challenge to the decision.

At the time the department said this was taking place “while the full facts are established”. It did not name the three individuals, but they were later named in the press as Kate Mingay, director of commercial and technical services; John Gilbert, head of rail procurement; and Supriya Bhol, another more junior civil servant.

Ms Mingay on Thursday dropped her legal challenge against the department. She had been due to appear in the High Court on Friday to ask a judge to order the department to reinstate

her.

Mr McLoughlin, who replaced Justine Greening as transport secretary in September, said on Thursday the Laidlaw report showed that ministers had been given “inaccurate reports” of the bidding process before they made their decision on August 14.

The department was found to have made errors in the way it had calculated the size of the bond the winning bidder needed to put down as a guarantee to the taxpayer.

Mr McLoughlin also said the final report had found no evidence of bias against Virgin Rail by anyone in the department, as had been alleged.

It was confirmed earlier on Thursday that Virgin Trains would continue to operate the West Coast rail franchise for a further 23 months

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