

Title: The Railways Infrastructure (Access and Management) and (Licensing of Undertakings) (Amendment) Regulations 2018 IA No: Lead department or agency: Department for Transport Other departments or agencies:	Impact Assessment (IA)		
	Date: 06/07/2017		
	Stage: Consultation		
	Source of intervention: EU		
	Type of measure: Secondary Legislation		
Contact for enquiries: Jonathan Gay 07966513257			
Summary: Intervention and Options			RPC: GREEN

Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB in 2014 prices)	In scope of One-In, Measure qualifies as Two-Out?	
NQ	NQ	NQ	No	N/A

What is the problem under consideration? Why is government intervention necessary?

Existing Great British (GB) legislation is not aligned with Directive (EU) 2016/2370 and therefore we need to amend domestic legislation. If we do not amend our legislation we are at a high risk of being infringed by the European Commission. The European legislation amends an existing EU Directive which aims to further increase competition in the rail single market. In particular it introduces additional safeguards which ensure the independence and impartiality of the infrastructure manager. However overarching GB objectives and existing policy means that the impacts will be limited.

What are the policy objectives and the intended effects?

We aim to: implement the mandatory requirements whilst maintaining flexibility by making use of provisions which reduce burdens for UK businesses; demonstrate the UK's commitment to maintain competition in the GB market; provide greater opportunities for GB based operators by working towards harmonisation with EU Member States; and secure additional freedoms in the direction of Government policy on a case by case basis once the UK has exited the EU.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Five options have been considered, option 4 is the preferred option because it best meets the policy objectives. It involves implementing the mandatory requirements in the Directive by making minimal amendments to existing GB legislation with which stakeholders are already familiar. This will minimise the cost of adaptation compared to completely new Regulations based on copy out. It also takes advantage of the optional provisions which allow further flexibility and reduce burdens on businesses. The options considered are:
 Option 1 "do nothing".
 Option 2 implements the Directive by "copy out".
 Option 3 implements only the mandatory requirements.
 Option 4 implements the mandatory requirements plus the optional provisions which provide further flexibility to GB businesses and public authorities.
 Options 5 implements the mandatory requirements plus all optional provisions (including those which increase burdens).

Will the policy be reviewed? It will be reviewed. If applicable, set review date: December 2023

Does implementation go beyond minimum EU requirements?			Yes (optional exclusions implemented to reduce burdens in GB)		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro No	< 20 NA	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: NA		Non-traded: NA

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.

Signed by the responsible Minister: _____

Date: _____

Summary: Analysis & Evidence

Policy Option 2 (Option 1 is do nothing)

Description: Implement the Directive through a “copy out” approach

FULL ECONOMIC ASSESSMENT

Price Base Year 2018	PV Base Year 2018	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: NA	High: NA	Best Estimate: NQ

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised costs by ‘main affected groups’

Due to limitations in the available evidence base, it has not been possible to monetise the potential costs of adapting to copy out Regulations identified under Option 2.¹ During public consultation consultees will be invited to provide evidence on the likely costs that would be incurred as a result of using copy out to transpose the Directive.

Other key non-monetised costs by ‘main affected groups’

The Directive amends existing EU legislation which has already been implemented in GB by the Railways Infrastructure (Access and Management) and (Licensing of Undertakings) Regulations 2016. Businesses and public authorities are very familiar with these Regulations. However, because a copy-out approach was not used in the 2016 Regulations, if a completely new set of Regulations based on copy-out is introduced, those organisations would incur significant costs in complying with the regulations, particularly in trying to ascertain whether and when the new wording was intended to convey a new meaning. A new set of Regulations based on copy out would also give the impression that significant changes had been made rather than the relatively minor (for GB) amendments being introduced. The exact scale of these additional costs is uncertain and would vary from one business to another. Other costs are as per Option 4 below.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised benefits by ‘main affected groups’

Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential benefits, which include not receiving an infraction from the Commission, identified under Option 2. During public consultation consultees will be invited to provide evidence on the likely benefits that would be seen as a result of using copy out to transpose the Directive.

Other key non-monetised benefits by ‘main affected groups’

N/A

Key assumptions/sensitivities/risks

Given the limitations of the available evidence base, it has not been possible to monetise the costs or benefits that have been identified in this impact assessment. Therefore a full qualitative description of the cost or benefit is provided in the evidence base of this impact assessment. Following responses received from the public consultation, an attempt will be made to quantitatively analyse the impacts described in this impact assessment.

Discount rate (%)

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs: NQ	Benefits: NQ	Net: NQ	No	NA

¹ During the preparation of this impact assessment the Department has had discussions with rail stakeholders, and we have set out the reasons why it has not been possible to quantify the impacts in section 5 - Monetised and non-monetised costs and benefits of each option (on page 9).

Summary: Analysis & Evidence

Policy Option 3

Description: Amend the 2016 Regulations to implement only the new mandatory requirements (listed in Themes 1 – 5)

FULL ECONOMIC ASSESSMENT

Price Base Year 2018	PV Base Year 2018	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: NA	High: NA	Best Estimate: NQ

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	NQ		NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised costs by ‘main affected groups’
 Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise any of the potential costs identified under Option 3. During public consultation consultees will be invited to provide evidence on the likely costs that would be incurred.

Other key non-monetised costs by ‘main affected groups’
 1) In a couple of instances the infrastructure manager and regulatory body will need to implement the new process, and in these cases administrative costs are likely to be incurred in order to comply. However, the scale of these costs is uncertain and will likely vary depending on the process. This element of the costs is the same as in options 4 and 5.
 2) This option only implements the mandatory provisions in the Directive and would increase compliance costs to businesses by not taking advantage of optional provisions to reduce burdens. This would be inconsistent with the guiding principles of EU Regulation to reduce costs and burdens wherever possible.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	NQ		NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised benefits by ‘main affected groups’
 Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential benefits identified under Option 3. During public consultation consultees will be invited to provide evidence on the likely benefits that would be incurred.

Other key non-monetised benefits by ‘main affected groups’
 Implementing these provisions by amending the 2016 Regulations would avoid the high chance of infringement proceedings in the event of non-implementation. It would also evidence the UK’s commitment to maintain competition in the rail sector and has the advantage of not requiring businesses and public bodies to adapt to a completely new set of “copy out” regulations.

Key assumptions/sensitivities/risks	Discount rate (%)
Given the limitations of the available evidence base, it has not been possible to monetise the costs or benefits that have been identified in this impact assessment. As this has not been possible, a full qualitative description of the cost or benefit is provided in the evidence base of this impact assessment. Once we receive the responses from the public consultation, we will aim to monetise the costs and benefits described in this impact assessment.	

BUSINESS ASSESSMENT (Option 3)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs: NQ	Benefits: NQ	Net: NQ	No	N/A

Summary: Analysis & Evidence

Policy Option 4

Description: Amend the 2016 Regulations to implement the new mandatory requirements and the optional provisions which reduce burdens on businesses.

FULL ECONOMIC ASSESSMENT

Price Base Year 2018	PV Base Year 2018	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: NA	High: NA	Best Estimate: NQ

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised costs by ‘main affected groups’
Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential costs identified under Option 4. During public consultation consultees will be invited to provide evidence on the likely costs that would be incurred.

Other key non-monetised costs by ‘main affected groups’
In a couple of instances the infrastructure manager and regulatory body will need to implement new process, and in these cases administrative costs are likely to be incurred in putting the processes in place in order to comply. However, the scale of these costs is uncertain and will likely vary depending on the process.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised benefits by ‘main affected groups’
Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential benefits identified under Option 4. During public consultation consultees will be invited to provide evidence on the likely benefits that would be incurred.

Other key non-monetised benefits by ‘main affected groups’
Implementing these provisions by amending the 2016 Regulations would avoid the high chance of infringement proceedings in the event of non-implementation. It would evidence the UK’s commitment to maintain competition in the rail sector, meaning better value for money for the UK Government, and has the advantage of not requiring businesses and public bodies to adapt to a completely new set of “copy out” Regulations. It would also further reduce burdens on businesses by implementing the optional provisions, allowing further flexibility.

Key assumptions/sensitivities/risks	Discount rate (%)
Given the limitations of the available evidence base, it has not been possible to monetise the costs or benefits that have been identified in this impact assessment. As this has not been possible, a full qualitative description of the cost or benefit is provided in the evidence base of this impact assessment. Once received the responses from public consultation will be used to monetise the costs and benefits described in this impact assessment.	

BUSINESS ASSESSMENT (Option 4)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs: NQ	Benefits: NQ	Net: NQ	No	N/A

Summary: Analysis & Evidence

Policy Option 5

Description: Amend the 2016 Regulations to implement the new mandatory requirements and all the optional provisions.

FULL ECONOMIC ASSESSMENT

Price Base Year 2018	PV Base Year 2018	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: NA	High: NA	Best Estimate: NQ

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised costs by 'main affected groups'

Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential costs identified under Option 5. During public consultation consultees will be invited to provide evidence on the likely costs that would be incurred.

Other key non-monetised costs by 'main affected groups'

This option would implement all mandatory and optional provisions in the Directive. By failing to take advantage of flexibility not to implement burdensome provisions that we don't have to, the costs on businesses would increase under this option. This would not be consistent with the guiding principles of EU Regulation on gold plating. Costs are otherwise as per option 4 - in a couple of instances the infrastructure manager and regulatory body will need to implement new process, and in these cases administrative costs are likely to be incurred in putting the processes in place in order to comply.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	NQ	NA	NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	NQ

Description and scale of key monetised benefits by 'main affected groups'

Due to limitations in the available evidence base (as explained in footnote 1), it has not been possible to monetise the potential benefits identified under Option 5. During public consultation consultees will be invited to provide evidence on the likely benefits that would be incurred.

Other key non-monetised benefits by 'main affected groups'

This option would also have the advantage of not requiring businesses and public bodies to adapt to completely new "copy out" Regulations. It would avoid the high chance of infringement proceedings in the event of non-implementation as it does implement mandatory provisions, however, the benefits by implementing the optional provisions in option 4 are reduced significantly by also introducing optional provisions that increase burdens.

Key assumptions/sensitivities/risks

Given the limitations of the available evidence base, it has not been possible to monetise the costs or benefits that have been identified in this impact assessment. As this has not been possible, a full qualitative description of the cost or benefit is provided in the evidence base of this impact assessment. Once we receive the responses from the public consultation, we will aim to monetise the costs and benefits described in this impact assessment.

Discount rate (%)

BUSINESS ASSESSMENT (Option 5)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs: NQ	Benefits: NQ	Net: NQ	Yes	N/A

Evidence Base

1. Problem under consideration

Since the mid-1980s, the European Union has sought to establish a common transport policy via legislation. For the rail sector, this has meant gradual steps towards harmonisation of the regulatory regime and, increasingly, the opening up of the rail market to competition. Previous “packages” of rail legislation have opened up the European freight network, further integrated the EU railway area on legal and technical bases, and increased competition for international rail passenger services.

Directive 2012/34/EU of the European Parliament of 21 November 2012 establishing a single European railway area (recast), repealed and consolidated (“recasts”) a tranche of this legislation into one place for ease of reference, but also made changes to substantive law in some places.

While there are some signs of increasing competition, rail markets in most EU Member States continue to be dominated by state-owned companies: for example, SNCF in France or DB in Germany. In most cases, these are “vertically-integrated”, (i.e. active in both infrastructure management and train operations).

Directive (EU) 2016/2370 (“the Directive”) aims to further increase competition by introducing safeguards which ensure the independence and impartiality of the infrastructure manager, particularly where they are part of a vertically integrated undertaking (definition provided within Theme 1 section). This includes requirements around financial transparency and ensuring the independence of the essential functions (infrastructure charging and capacity allocation) by requiring separation of an infrastructure manager, or any other body carrying out the essential functions, from any other legal entity.

Although existing GB policy and overarching objectives means that this problem does not exist in GB, our domestic legislation is not currently aligned with the Directive and therefore we need to amend existing domestic legislation. If we do not amend our legislation to implement the Directive the UK is highly likely to be infracted² by the European Commission for failing to comply with the EU legislation, which will result in high fines for the UK Government.

2. Rationale for intervention

The Fourth Railway Package Market Pillar, comprises amendments to two pieces of European legislation – Directive 2012/34/EU (amended by Directive (EU) 2016/2370) and Regulation (EC) 2007/1370 (amended by Regulation 2016/2338).

The Regulation essentially introduces mandatory competitive tendering of public service obligation (franchised) passenger rail services however it has been given no further consideration here as it is directly applicable and therefore does not need transposing.

Fair and open competition within the rail sector provides benefits in increasing the sector’s competitiveness compared to other modes and in decreasing the costs of rail transport to its users and funders such as passengers, freight shippers and taxpayers. The package was planned as a measure by

² https://ec.europa.eu/info/law/law-making-process/overview-law-making-process/applying-eu-law/monitoring-implementation-eu-directives/infringement-procedure_en

which the market for all EU rail passenger services would be opened up to competition, aiming to mirror the success of GB rail liberalisation.

The changes introduced by the Directive are as follows:

- New requirements to ensure the independence and impartiality of the infrastructure manager in their decision making of the essential functions (further set out in Theme 1).
- Additional provisions for infrastructure managers that are part of a vertically integrated undertaking (further set out in Theme 1)
- Additional financial transparency requirements for infrastructure managers that are part of a vertically integrated undertaking (further set out in Theme 2)
- Additional co-ordination requirements between infrastructure managers (further set out in Theme 3)
- Additional co-ordination requirements between regulatory bodies on decisions concerning cross-border issues (further set out in Theme 3)
- Additional regulatory body powers to allow regulatory body to regulate added provisions (further set out in Theme 4)
- The right of access has been extended from covering only international passenger services to all passenger services (further set out in Theme 5).
- The right for a member state to limit the access via the economic equilibrium test has been extended from covering only international passenger services to all passenger services (further set out in Theme 5).
- Existing exemptions extended, new exemptions added (further set out in Theme 6)
- Option to introduce common information and ticketing scheme (further set out in Theme 7)

At present GB policy and overarching objectives are generally aligned with the mandatory requirements introduced by the Directive. GB legislation is not compliant with the Directive and therefore in order to satisfy our obligations as an EU member state we are required to amend existing GB legislation. The risk of being infringed if we do not transpose the Directive is very high and will likely result in fines of greater than €14m (€10 – 14m lump sum plus daily fines)³.

GB does not currently have any undertakings which would be defined as a vertically integrated structure within the meaning of the Directive, therefore the impact of transposing this legislation is expected to be very low. However the new rules set out in Theme 1 below will ensure continued transparency and

³ http://ec.europa.eu/atwork/applying-eu-law/docs/c_2016_5091_en.pdf

prevent future discrimination should any vertically integrated structures be set up in GB, therefore continuing to encourage competition in the GB market.

3. Policy objective

The Directive seeks to further liberalise EU railways by ensuring equal access to the infrastructure. The main obligations are as follows:

- extending the principle of “open access” to domestic rail markets, including high speed (i.e. allowing new rail operators to enter the market in competition with franchised operators), provided that the “the profitability of existing public service rail franchises is not compromised.
- introducing additional measures to safeguard the independence and impartiality of “infrastructure managers” within “vertically integrated” structures. “Infrastructure managers” are defined in the Directive, but include for example, Network Rail, TfL, HS1, Crossrail, Heathrow Airports Ltd.

As explained above GB is already largely aligned with the new requirements introduced by the Directive and therefore our policy objectives are to:

- 1) Implement the mandatory requirements introduced in a way which maintains flexibility by making use of any derogations or optional provisions which reduce burdens for GB businesses.
- 2) Demonstrate the UK’s commitment to maintain competition in the GB railway market.
- 3) Provide greater opportunities for GB based operators by working towards harmonisation with other EU member states.
- 4) To be able secure additional freedoms in the direction of Government policy on a case by case basis once the UK has exited the EU.

4. Description of options considered (including do nothing)

4.1. Option 1: Do nothing

If the UK adopts a “do nothing” approach in respect of GB, and does not amend its existing legislation to reflect the amendments made in the Directive then we will be in breach of our EU obligations. Since the outcome of the EU referendum in June 2016 the UK Government position is clear that while we remain in the European Union, we continue to be full members with all the rights and obligations that brings, including the obligation to implement adopted legislation in full. To follow a do nothing option now would contradict this position, which could cause reputational damage to the Government.

Additionally it is highly likely that the European Commission would conclude that the UK has failed to implement the Directive. The Commission would then initiate infringement proceedings against the UK with a high probability of a judgement against the UK in the Court of Justice of the European Union. Eventually non-compliance could lead to significant fines. The UK would also incur significant costs in contesting a case before the Court.

The costs and subsequent fines are unlikely to represent good value for money, given the low chance of success in such a case and the availability of other options for implementation. If, following a court judgement, the UK was required to amend its domestic legislation rapidly to comply with that judgement, there would be less time to consult UK stakeholders on amendments than if the UK implements the Directive within the implementation deadline.

4.2. Option 2: Implement the Directive through a “copy out” approach

According to The Guiding Principles of EU Regulation⁴, the preferred approach to implementing EU legislation for GB in general is to adopt the requirements of a Directive by “copying it out” in domestic law. It is also policy to minimise the burdens imposed by implementing Regulations on businesses and public bodies.

Existing EU railway legislation, which this Directive amends, was implemented in respect of GB mainland by The Railways Infrastructure (Access and Management) and (Licensing of Undertakings) Regulations 2016 (2016 Regulations). Businesses, such as railway infrastructure managers, train operating

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/185626/bis-13-774-guiding-principles-for-eu-legislation.pdf

companies and public bodies such as the UK's independent rail regulator, the Office of Rail and Road (ORR), are highly familiar with the structure and drafting of those regulations and associated guidance.

However, a strict copy out approach was not followed in the 2016 Regulations by the UK Government. This means that following a copy out approach to implement the relatively minor changes made by this Directive would involve a complete review of the 2016 Regulations, with amendments containing new and unfamiliar terminology and structure, often where no change in meaning is intended. If we copy out the Directive both businesses and public bodies would incur costs in adapting to the new "copy out" Regulations, particularly in trying to ascertain whether and when the new wording was intended to convey a new meaning.

4.3. Option 3: Amend the 2016 Regulations to implement only the new mandatory requirements (listed in Themes 1 – 5 below).

Mandatory obligations in the Directive have been grouped into Themes 1 to 5 in this document. Implementing these requirements by amending the 2016 Regulations would fulfil objectives 2 and 3 and this option would also have the advantage of not requiring businesses and public bodies to adapt to completely new "copy out" regulations. It would also avoid the high chance of infringement proceedings in the event of non-implementation.

This option would avoid the implementation of the optional provisions which are assessed not to be of benefit to industry, however it would also not enable GB to take advantage of those optional derogations in the Directive which would further reduce burdens on businesses and public bodies in GB. This would be inconsistent with the Guiding Principles for EU Regulation to reduce costs and burdens wherever possible.

4.4. Option 4: Amend the 2016 Regulations to implement the new mandatory requirements (listed in Themes 1 – 5 below) and the optional provisions which reduce burdens on businesses (listed in Theme 6 below).

The costs and benefits of this option have been assessed on the basis that full implementation of this Directive would involve implementing all mandatory requirements plus those optional derogations that reduce the burdens on businesses, individuals and public bodies.

The adoption of some of these optional provisions would benefit industry by offering more flexibility, cost effectiveness and / or clarity. This approach will mean going beyond the minimum requirements, however it will avoid the gold plating that would arise from not taking full advantage of derogations, and therefore the effect will be deregulatory.

4.5. Option 5: Amend the 2016 Regulations to implement the new mandatory requirements (listed in Themes 1 – 5 below) and all the optional provisions (listed in Themes 6 and 7 below).

This option would mean implementing all new provisions introduced by the Directive. The optional provision listed in Theme 7 has been assessed in section 6.5 as either increasing burdens or introducing additional legal requirements on businesses, individuals or public bodies. Implementing this provision

would therefore be inconsistent with wider policy on gold plating and the increase of burdens on businesses. This does not fulfil the policy objectives and is therefore not the preferred option.

Option 4 is preferred because it ensures the new Regulations allow maximum flexibility to achieve the lowest cost or greatest benefit where possible. It also fulfils all the policy objective set out in section 3.

A table has been included at **Annex A** which summarises the provisions and the likely costs and benefits of the new provisions. This table will be updated after the public consultation to reflect the responses received.

5. Monetised and non-monetised costs and benefits of each option (including administrative burden);

5.1. Current evidence base and stakeholder gathering exercise

The Department carried out a pre-consultation evidence gathering exercise in March 2017 to gain an early understanding of the main stakeholders concerns on how they might be impacted by this piece of legislation. Although this exercise was useful in confirming our initial qualitative impact assumptions, Stakeholders were not able to provide detailed information on the monetised costs and benefits. As a result, in most cases it has not been possible to monetise these at this stage.

The Department has also discussed the changes with the ORR and from our initial discussions it appears that although the scope of the regulatory body's powers has been extended to reflect the new independence and impartiality requirements, and the need for the ORR to monitor for further discriminatory behaviours, in practice the ORR do not expect that it creates any significant administrative burdens for them.

The changes which are introduced by the Directive do not bring new stakeholders into scope, therefore we do not consider there to be any impact on anyone new.

The most significant amendment that the Directive introduces are the new mandatory independence and impartiality requirements for the infrastructure manager (explained in more detail in Theme 1, section 5.5.1 on page 12) where they are part of a vertically integrated structure. GB does not, at present, have any existing vertically integrated structures as defined in the Directive therefore we do not expect there to be any significant direct impact on infrastructure managers from this new requirement.

In order to strengthen the evidence base, the public consultation will seek additional evidence on the impacts of the policy options explored below and taking that evidence into consideration, we will review the costs and benefits already identified, and monetise these where possible. .

As this is a consultation stage IA, we are requesting evidence of costs and benefits in the consultation, which will help to monetise the impacts. We are also requesting that, wherever possible, any evidence submitted is accompanied by the underlying data and analysis behind the calculations as well as any key assumptions.

In this consultation stage IA, where it has not been possible to monetise a cost or benefit, a qualitative description of the cost or benefit has been provided to the extent that it is possible at this time. The consultation will also be useful in further confirming our initial qualitative assessments.

In this impact assessment, where the magnitude of marginal costs/benefits are described, the following terms should be used as a guide:

- No / zero – costs/benefits equal to zero
- Negligible - costs/benefits close to zero

Where the magnitude of costs/benefits has not been mentioned, it is because we have insufficient evidence to comment at this stage, but hope to do so after we have received additional evidence from the consultation (though we recognise this may not be possible).

Examples of questions for each of the changes that have been outlined in section 6 include, but are not limited to:

Does the stakeholder believe themselves to be in scope of the change?

If they do believe they are in scope of the change what is the cost impact? (We will ask them to provide evidence of how they came to that conclusion).

What other impacts will they experience?

Does the stakeholder believe the optional provisions in Theme 7 should be transposed?

5.2. Risks, benefits, costs and assumptions

We have assumed that by the time we implement this legislation the UK will still remain a member of the EU. This means that the transposing legislation will fully comply with the requirements of the EU Directive, and it will need to be transposed on time if we are to avoid the risk of infractions for non-notification of transposition, and non-compliance.

We have assumed that we will not, in the approach under consideration, be seeking also to implement any part of the Directive for Northern Ireland, which has competence for its implementation, and that the Northern Ireland Executive (NIE) will have done so itself.

We have assumed that the impact of the Directive on GB's rail sector will be minimal because the UK has fully implemented the predecessor Directives to this Directive, as detailed above.

Additionally, during negotiations, *the UK achieved many of its negotiating objectives*. In doing so we have ensured that GB's flexibilities are safeguarded to the greatest possible extent. This means that the final agreed text is, in the majority of cases, aligned with existing UK policy and therefore the impact of transposing the Directive will be minimal on UK rail industry.

The impact of these amendments will also be limited in respect of GB because as it currently stands GB does not have any structures that would fall under the definition of vertically integrated undertakings given in the Directive. For this reason we have assumed that any impact of the new requirements for vertically integrated undertakings will be negligible and therefore these changes have not been assessed in detail in this impact assessment.

Where the existing GB legislation, guidance or practice aligns with the approach set out in the Directive we have assumed that the costs incurred in implementing the measures will be of a transitional nature only and will not be material. This will result in greatly reducing the impact of implementing the Directive for stakeholders.

By using the same terminology and by deciding not to use a copy out approach we assume that familiarisation costs will be negligible because stakeholders will already be familiar with the terminology used. Stakeholders may experience some familiarisation costs where provisions are completely new although these are limited to a small number of stakeholders. Many of the stakeholders affected were kept informed during the negotiation stages, and the Department has held workshops to introduce the Directive and introduce the changes, which will also reduce the impact of transposition on stakeholders.

There are some provisions in the Directive which provide for subsequent elaboration of detailed methodologies and approaches through development by the Commission of Implementing Acts. Because these Acts are yet to be developed, it is not possible to calculate the costs or benefits of the associated provisions to infrastructure managers or railway undertakings, particularly in respect of the economic equilibrium test (how the economic impact of requests for open access passenger services – non-franchised - are assessed). This causes uncertainty for stakeholders because until a text is finalised or nearing completion it is not possible for industry to properly prepare. The Department mitigates this risk as much as possible by negotiating towards two overarching objectives: 1) to align new text as far as possible with existing practices in the UK and 2) to create opportunities for UK operators in EU member states.

5.3. Option 1: Do nothing

The main reason that the 'Do nothing' approach is not the preferred approach relates to the high risk of being infringed for not fulfilling our responsibilities as a Member State of the EU by not transposing the

Directive. It is highly likely that the Commission would conclude that the UK has failed to implement the Directive and would initiate infringement proceedings which will lead to significant fines.

The Commission can levy the lump sum fine much sooner in the process than in the past, which is around €10-14m (see footnote 3), in addition to the daily fines.

This option would also not align with the Government's clear position that while we remain in the EU we will continue to all fulfil rights and obligations that come with that, including the implementation of agreed EU legislation.

5.4. Option 2: Implement the Directive through a “copy out” approach

Following a copy out approach for the relatively minor (for GB) changes made by this Directive would introduce new and unfamiliar terminology inconsistent with the existing 2016 Regulations. This option has therefore not been considered further here for reasons set out in section 4.2.

5.5. Option 3: Amend the 2016 Regulations to implement only the new mandatory requirements (listed in Themes 1 – 5 below).

5.5.1. Theme 1: New independence and impartiality requirements (articles 7, 7a, 7b, and 7c)

The Directive introduces new requirements which ensure the independence and impartiality of the infrastructure manager in their decision making of the essential functions (capacity allocation and infrastructure charging), in particular where they are part of a vertically integrated undertaking.

Vertically integrated undertakings are defined in the Directive as:

- (a) an infrastructure manager is controlled by an undertaking which at the same time controls one or several railway undertakings that operate rail services on the infrastructure manager's network;
- (b) an infrastructure manager is controlled by one or several railway undertakings that operate rail services on the infrastructure manager's network; or
- (c) one or several railway undertakings that operate rail services on the infrastructure manager's network are controlled by an infrastructure manager.

It also means an undertaking consisting of distinct divisions, including an infrastructure manager and one or several divisions providing transport services that do not have a distinct legal personality.

Examples of these new requirements are:

- Members of the supervisory board and of the management board of the infrastructure manager must act in a non-discriminatory manner and must ensure that their impartiality is not affected by any conflict of interest.
- Members of the management board of the infrastructure manager and the persons in charge of taking decisions on the essential functions within a vertically integrated undertaking shall not receive performance based remuneration from any other legal entity from within that vertically integrated undertaking.
- A railway undertaking or any other legal entity within the vertically integrated undertaking must not have a decisive influence on appointments and dismissals of persons in charge of taking decisions on the essential functions.
- Member states shall ensure that the functions of traffic management and maintenance planning are exercised in a transparent and non-discriminatory manner.
- Persons in charge of taking decisions on traffic management and maintenance planning must not be affected by any conflicts of interest.

The Directive allows for an infrastructure manager to be exempt from some of the new requirements if GB chooses an allocation or charging body to carry out the essential functions. However if the UK appoints an allocation or charging body, this body must be independent in their legal form from any

railway undertaking and must comply with certain provisions in the Directive to ensure their independence.

The Directive also allows an infrastructure manager to outsource its functions to a different entity, and includes requirements to ensure that if outsourced to another entity the independence of the essential functions are safeguarded. Where an Infrastructure manager chooses to outsource its functions however, it still bears the ultimate responsibility for those functions.

Costs and Benefits of Theme 1

Directive 2012/34/EU had already introduced the principle of separation of accounts and the independence of the essential functions of the infrastructure manager, and the UK's existing legislation was drafted to implement this. Therefore the UK is already generally aligned with the independence and impartiality requirements which the Directive expands on and we assume the costs of these requirements to be negligible.

The Directive, however, goes further and sets out more detailed requirements for infrastructure managers within vertically integrated undertakings. Although GB does have an alliance agreement in place, this structure is not defined as a vertically integrated structure within the meaning set out in the Directive, and therefore we expect the overall costs of meeting these requirements to be zero.

The benefits for the UK have not been possible to quantify, but it is assumed that additional revenue will arise from the increased likelihood of operators being able to more successfully compete for public service contracts in other member states.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.5.2. Theme 2: Financial transparency (article 7d)

The Directive extends the requirements around financial transparency. These are additional safeguards to ensure the independence of an infrastructure manager, particularly within vertically integrated undertakings. For example:

- An infrastructure manager may use the income it receives from infrastructure network management activities to fund its own business. It may also use this income to pay dividend to owners of the company, including private shareholder, but excluding undertakings which are part of a vertically integrated undertaking.
- Railway undertakings and infrastructure managers must not grant loans to each other.
- The accounts of the infrastructure manager and any other legal entity within a vertically integrated undertaking shall allow for separate accounting and transparent financial circuits within the undertaking.

The Directive includes a provision which requires an allocation or charging body carrying out the essential functions to comply with the financial transparency requirements.

Costs and benefits of Theme 2

As in Theme 1 GB policy is already aligned with these new requirements around financial transparency, and therefore it is assumed that costs associated with this theme are negligible.

It has not been possible to quantify the benefits of these new requirements, however as with Theme 1 these new requirements for financial transparency are expected to remove access barriers to GB operators more successfully competing for franchised services in other member states.

Further clarification of these assumptions will be sought during the public consultation exercise.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.5.3. Theme 3: New co-ordination and cooperation requirements (articles 7e, 7f and 57 as amended)

The Directive adds to existing co-ordination and cooperation requirements for infrastructure managers and regulatory bodies. The Directive now requires Member States to have mechanisms in place to ensure co-ordination between the main infrastructure manager and interested railway undertakings concerning for example:

- The content and implementation of the network statement
- Issues of intermodality and interoperability
- Other issues related to the conditions for access, the use of the infrastructure and the quality of the infrastructure manager service.

The Directive also now mandates a single Member State infrastructure manager to co-operate in the European Network of Infrastructure Managers and to represent the infrastructure managers in that Member State. Other infrastructure managers are also welcome to join the network if they wish but it is not mandatory. This network meets to discuss a number of things including the development of the Union rail infrastructure, exchange of best practice and tackle cross-border bottlenecks. The membership of this network was previously voluntary.

Article 57 of the Directive which sets out the cooperation requirements between regulatory bodies in different member states, now requires that where decisions concerning an international service are required by two or more regulatory bodies, those regulators co-operate when preparing their respective decisions.

Costs and benefits of Theme 3

GB infrastructure managers are already required to consult and co-ordinate on many of the areas introduced by the new article. Infrastructure managers are required to consult on the Network statement already, and Network Rail is also already a member of the European Network of Infrastructure Managers (PRIME).

It is anticipated that these additional requirements will not bring any additional costs or benefits for infrastructure managers.

The ORR is already cooperating with the French regulator (ARAFER) in respect of the international services that run through the Channel Tunnel, including where decisions are needed concerning the international service. This is a requirement of the co-operation agreement which was set up following the laying of the Bi-national regulation. We therefore do not expect there to be any additional costs or benefits as a result of this new provision.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.5.4. Theme 4: Additional Regulatory Body powers (article 56 as amended)

Within existing legislation an applicant has the right to appeal to a regulatory body if it feels it has been treated unfairly in a number of circumstances. The Directive adds traffic management, renewal planning and scheduled or unscheduled maintenance, and compliance with independence, impartiality and financial transparency requirements. The Directive amends article 56 to extend the powers of regulatory bodies to regulate these additions on its own initiative.

Regulatory bodies are also now required to monitor the competitive situation of high speed in the rail services market, and the Directive extends the regulator's powers to carry out audits of vertically integrated undertakings and all legal entities within them.

Regulatory bodies are also given new powers to monitor the financial flows, loans and debts which Article 7d introduces.

Costs and benefits of Theme 4

Although the Directive has extended the areas in which applicants can appeal to the ORR, and which the ORR is required to monitor, Pre-consultation discussions with the ORR has confirmed that they believe it

will have little practical impact on their administrative processes and therefore we do not anticipate any additional costs to the ORR.

The UK railway market is already open to competition and transparent, it is therefore expected that adding these items to the ORR's responsibilities will not likely result in any change in terms of removing discriminatory practices, however further clarity will be sought on whether stakeholders believe that this will have beneficial effects for them during the public consultation.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.5.5. Theme 5: Extension of existing requirements around the ability to limit the right of access to railway infrastructure (articles 10 and 11 as amended and 11a)

Existing legislation provides that all railway undertakings operating an international service are entitled to non-discriminatory access to the railway infrastructure in a member state, and have the right to pick up passengers at any station located on the international route and set them down at another. However a member state can limit this right of access if the economic equilibrium of a franchised service would be compromised. The criteria and procedure to be followed for determining if the economic equilibrium would be compromised is set out in an implementing act.

The Directive extends this right to all passenger services, including high speed services and requires the Commission to set out an implementing act which provides the procedure and criteria to be followed for testing whether the economic equilibrium of a franchised (public service obligation) service would be compromised. The starting point for this implementing act is likely to follow that which has already been agreed by member states for international passenger services.

It also requires the regulatory body, where they have decided that the economic equilibrium of a franchised service would be compromised, to suggest possible changes to the intended passenger service to ensure that conditions to grant the right of access can be met.

Costs and benefits of Theme 5

Generally, because the ORR is already required, through its statutory duties, to consider the impacts of open access services on a range of stakeholders (including other operators, the infrastructure manager, and the Government) we assume that additional costs of this measure will be low. In particular the ORR has developed the not primarily abstractive test (this tests new domestic open access services to ensure they do not abstract from existing franchised services, and consequently Government finances) to help balance a range of its duties. However this assumption is made on the basis that the implementing act setting out the procedure and criteria for the economic equilibrium test for domestic passenger services will be broadly equivalent to that which has already been agreed for international services.

There is an additional burden placed on the ORR in respect of this new requirement because they must now suggest possible changes to the open access service to allow it to run. Initial discussions with the ORR suggest that this is likely to impact the workload, however it is not yet clear what the level of that impact will be, and we intend to seek further information during the public consultation. Initial assumptions from the ORR suggests that this is likely to be difficult to quantify as each case will be different and will depend on the complexity of the request from the open access operator.

This may provide additional benefit for open access operators, as prior to this new requirement if their intended service was assessed as compromising the economic equilibrium of a franchise service then

their request would be rejected, whereas this new requirement provides the opportunity to make changes to their intended service so that it can still be run.

However it is difficult to understand the costs and benefits of this new provision without knowing the exact details that will be set out in the economic equilibrium test implementing act (this is trying to achieve similar to what the not primarily abstractive test does but on an EU wide basis).

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.6. Option 4: Amend the 2016 Regulations to implement the new mandatory requirements (listed in Themes 1 – 5 above) and the optional provisions which reduce burdens on businesses (listed in Theme 6 below).

Theme 6: Optional and deregulatory exemptions (article 2 as amended)

The Directive both extends some existing exclusions and introduces some new exemptions.

The existing exclusions, which are extended, are for local and regional standalone networks for passenger services, networks intended for the operation of urban or suburban passenger services, regional networks used for regional freight services and privately owned infrastructure that exists only for use by the infrastructure owner for its own freight operations. The exclusion is amended to include the new independence, impartiality, financial transparency, and outsourcing requirements.

The new exemptions allow a member state to exclude from the application of the new independence, impartiality, financial transparency, and outsourcing requirements:

- Local, low traffic lines, not exceeding 100km, and that are used for freight if they are not managed by an infrastructure manager and are either used by a single freight operator or the essential functions in relation to those lines are performed by a body not controlled by a railway undertaking. This can be applied equally to lines for local passenger services.
- Regional low-traffic networks managed by an entity other than the main infrastructure manager and used for the operation of regional passenger services provided by a single railway undertaking other than the incumbent railway undertaking of the member state. This can be applied equally to regional lines used for freight services.

In both cases Member States are required to inform the Commission of their intention to apply these exemptions.

Costs and benefits of Theme 6

If transposed, this may enable some stakeholders to dis-apply certain parts of the Directive, such as the independence and impartiality, and financial transparency requirements, and this could potentially reduce burdens on small businesses. However it is not yet clear how many (if any) stakeholders will be able to take advantage of the new exemptions. We anticipate that the public consultation will help us to assess this further.

Whereas it is unlikely that these measures will result in any additional revenue for stakeholders, there will be some benefit seen by those stakeholders that are able to disapply certain parts of the Directive where they come under the exemptions as it will save them the cost of becoming compliant. Although

there may some administrative costs where businesses need legal guidance to interpret their eligibility to apply these exemptions.

The likelihood of stakeholder using these exemptions and how the cost and benefit of this impacts them will be tested during public consultation.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

5.7. Option 5: Amend the 2016 Regulations to implement the new mandatory requirements (listed in Themes 1 – 5 above) and all the optional provisions (listed in Themes 6 and 7).

Theme 7: Optional requirement for railway undertakings operating domestic services to participate in a common information and through-ticketing scheme

The Directive introduces a new option for member states to decide whether to require railway undertakings which operate a domestic passenger service to participate in a common information and integrated ticketing scheme. The Commission will monitor the market developments in those member states which do decide to require this scheme and they will assess the need for action. Industry have been informally consulted on this and have advised they would be reluctant for the UK to apply this in domestic legislation.

The provision itself is left open to interpretation as to what the system might look like, and therefore in practice we could legislate for something similar to what is currently UK practice. However because the EU provision allows for the Commission to make legislative proposals, there is the potential that GB would have to comply with these legislative proposals which may not be compatible with existing practice.

Costs and benefits of Theme 7

Many GB operators already participate in a common information and ticketing scheme in the UK, which is required as part of the franchise agreement, although this only covers franchisees and not open access operators. There is a condition in the Statement of National Regulatory Provisions which requires an operator to be a party to and comply with through ticketing arrangements which covers all other operators.

We therefore do not assess that there is a need to include an additional legislative requirement in this implementing legislation. Particularly as this is not a mandatory provision and is set out at European level, which could introduce additional burdens at a later date.

However it is noted that there is a desire from industry that railway undertakings to take part in a common and integrated ticketing scheme, and therefore the public consultation will formally ask stakeholders if they believe the existing requirement to participate goes far enough, or if they would like to see this optional provision transposed in implementing legislation.

(Consultees are invited to comment and submit evidence on whether any of the measures are likely to result in additional administrative costs and/or additional revenue.)

6. Rationale and evidence that justify the level of analysis used in the IA (proportionality approach);

This is a specialist rail sector policy which is applicable to stakeholders in the rail industry, in particular to infrastructure managers. Overall, the policy is not novel or contentious, because the principles of fair and non-discriminatory access have underpinned the UK rail industry structure since privatisation twenty years ago.

It is expected that the impact will be limited to parties in the rail sector, which are generally members of industry associations, with whom the Department has already been working to raise awareness of these changes. The Department has frequent contact with those industry associations and has used this to

inform the level of analysis in this assessment, for example the more stringent independence requirements on infrastructure managers.

In advance of and during public consultation the Department plans to hold targeted workshops to raise awareness of the issues, seek further evidence and thereby deepen the level of analysis, particularly the impact on infrastructure managers.

The approach to this assessment has been considered appropriate to the costs imposed on businesses in this specialist sector. In most cases the UK was successful during negotiations in securing text which aligns with existing practice in GB and some flexibility in cases where Government position on policy could change. This has resulted in a text which, in practice, has a very limited impact on the rail industry.

The level of analysis is in line with the depth of available information, which in some cases will not bear meaningful scrutiny until after the consultation.

7. Direct costs and benefits to business calculations

This impact assessment outlines the minimum mandatory requirements as well as a set of optional provisions.

Our preferred option is the implementation of the minimum requirements as well as those optional provisions which provide greater flexibility to businesses, thereby taking advantage of derogations which reduce the costs to business.

The costs and benefits to businesses could not be monetised in this pre-consultation impact assessment due to the lack of available evidence. The Consultation will ask for further evidence on costs to businesses and the monetisation will be reconsidered after the public consultation.

8. Wider impacts

8.1. Equalities Assessment

We consider that the proposals will have no specific impact on the following:

- Social, wellbeing or health inequalities;
- The level of crime;
- Levels of skills and education
- Human rights and;

Responsibilities under the Equality Act 2010 – we have considered the impact on groups with protected characteristics under the Equality Act 2010 and have identified no impact

We have not identified any specific regional or local effects of this proposal or of any cases which would have specific rural or urban consequences.

8.2. Environmental

Environmental benefits would normally flow from more use of rail freight if it reflected transfer from road, but in this case there are no changes which are likely to lead to an increase in rail freight and therefore we do not expect there to be any environmental impacts (both positive or negative).

8.3. Competition Assessment

The proposed legislation will not directly or indirectly limit the number of competitors in the rail market in the UK, nor will it reduce firms' incentives or ability to compete vigorously.

The passenger train operating sector is characterised by competition across an international field of owning groups. There are currently over 20 firms operating passenger services in GB. The GB freight market is primarily served by the road haulage sector, with rail freight accounting for only 9% of total

tonne kilometres moved. The GB rail freight market is dominated by a few large firms, with a number of smaller, but growing, other firms.

The Directive applies to all EU Member States and therefore should not affect the relative position of companies in comparable businesses within the EU, and should not put GB rail industry at a competitive disadvantage.

In principle the implementation of the Directive aims to promote a more level playing field for all participants; but the already liberalised regime in GB means the additional benefit will be limited for UK based operators.

8.4. Family Assessment

We consider that the proposals will have no direct impact on family relationships, and we have therefore not assessed this in further detail in this impact assessment.

8.5. Small and Micro Businesses Assessment

We do not consider that there are any small or micro businesses within the rail industry that will be in scope of the requirements which the Directive introduces. Although we will test this assumption in the consultation exercise.

9. Summary and preferred option with description of implementation plan.

Options 1-3, 4 and 5 and 6 have already been assessed and the costs and benefits are set out in the sections above.

The preferred option is Option 4: Amend the 2016 Regulations to implement the new mandatory requirements (listed in Themes 1 – 5) and the optional provisions which reduce burdens on businesses (listed in Theme 6).

By implementing the mandatory provisions and taking advantage of optional provisions which reduce costs or increase benefits, the UK will avoid gold-plating and manage the risk of infraction.

Many of the provisions are in line with existing UK policy and therefore the costs and benefits to industry and other organisations are likely to be low. Due to the lack of data available it has not been possible to undertake a quantitative assessment of the impact of any of the provisions. We expect to be able to undertake further analysis of the impact using information and evidence gathered as part of the consultation.

After the consultation period has concluded, where necessary, this impact assessment will be modified on the basis of the consultation responses received.

The final stage Impact Assessment will set out more information on the implementation plan for the chosen option.

Theme	Brief description of provision	Cost	Benefit
1	New requirements to ensure the independence and impartiality of the infrastructure manager in their decision making of the essential functions.	Zero	None in the UK however UK operators likely to benefit from the further opening of EU markets as EU member states transpose
1	Additional provisions for infrastructure managers that are part of a vertically integrated undertaking	Zero	None in the UK however UK operators likely to benefit from the further opening of EU markets as EU member states transpose
2	Additional financial transparency requirements for infrastructure managers that are part of a vertically integrated undertaking	Zero	None in the UK however UK operators likely to benefit from the further opening of EU markets as EU member states transpose.
3	Additional co-ordination requirements between infrastructure managers	Zero	Zero
3	Additional co-ordination requirements between regulatory bodies on decisions concerning cross-border issues	Zero	Zero
4	Additional regulatory body powers to allow regulatory body to regulate added provisions	Zero	Zero
5	The right of access has been extended from covering only international passenger services to all passenger services.	None – UK market already open	None – UK market already open
5	The right for a member state to limit the access via the economic equilibrium test has been extended from covering only international passenger services to all passenger services.	Low (further consideration will be given on this following public consultation)	Assumed to be low
6	Existing exemptions extended, new exemptions added	Zero	Assumed small benefit to small operators– to be tested during public consultation
7	Option to introduce common information and ticketing scheme	Unable to quantify	Assumed to be zero – to be tested during public consultation.