



Department
for Transport

The Williams-Shapps Plan for Rail

Impact Assessments Supporting the Consultation on Legislation to Implement Rail Transformation

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Impact Assessments

This document includes a number of Impact Assessments supporting the legislative changes proposed as part of this consultation. These have been developed based on the best existing evidence available of the expected costs, benefits, disbenefits and risks of the changes proposed as part of this consultation and will be updated as policy develops post-consultation. To provide views or evidence which can inform these assessments, please see questions 24 and 25. The Impact Assessments are in the following order:

- Great British Railways (page 5)
- Passenger Champion (page 21)
- Accessibility (page 32)
- Data (page 46)
- Environment (page 57)

Question 24

Are there impacts or risks of the policies proposed which have not been covered by the impact assessments? Please explain or provide evidence.

Question 25

Do you have evidence relating to the impacts and risks identified and discussed in the impact assessments? Please provide it to us.

Title: Great British Railways Lead department or agency: Department for Transport Other departments or agencies: N/A	Impact Assessment (IA)			
	Date: June 2022			
	Stage: Consultation			
	Source of intervention: Domestic			
	Type of measure: Primary Legislation			
Contact for enquiries: railconsultation@dft.gov.uk				
Summary: Intervention and Options				RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
NQ	NQ	NQ	Not a regulatory provision

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

This intervention addresses a number of issues with the performance and efficiency of the railways, as set out in the Williams-Shapps Plan for Rail. The creation of a new rail body, Great British Railways, is fundamental to implementing the key recommendation of the Plan for Rail by establishing a single guiding mind for rail. In doing so, this proposal is expected to tackle inefficiencies relating to fragmentation, misaligned incentives (moral hazard) and information failure. Without government intervention these issues would continue to have an impact across the rail sector, negatively affecting the customer (passengers and freight) experience and the cost of the railways to the government.

What are the policy objectives of the action or intervention and the intended effects?

The objectives of this proposal are: to improve the offering for passengers and freight, to improve the cost efficiency and financial sustainability of the railways, and to support the wider package of rail reforms. As result of this proposal Great British Railways will be established, bringing track and train together and will manage both rail infrastructure and design of the passenger services offer. The success of this proposal can be monitored by changes to customer (passenger and freight) satisfaction and to the efficiency of delivering rail services, as well as the extent to which this intervention enables other components of rail reform.

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

Do Nothing: No single guiding mind established. Assumes the continuation of arrangements prior to the publication of the Plan for Rail.

Option 1 – Do Minimum: Establish an Interim Guiding Mind – Great British Railways Transition Team (GBRTT) – without additional legislative changes. This reflects the maximum achievable within existing legislation.

Option 2 – Do Something (Preferred): Establishment of Great British Railways with legislative change. This is the preferred option because it fully delivers the key recommendation of the Plan for Rail.

Will the policy be reviewed? Yes If applicable, set review date: TBC

Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded: N/A		Non-traded: N/A

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister:



Date: 9-6-2022

Summary: Analysis & Evidence**Policy Option 1**

Description: Do Minimum: Use of interim guiding mind (GBRTT) without additional legislative changes

FULL ECONOMIC ASSESSMENT

Price Base Year 2022/23	PV Base Year 2022/23	Time Period Years 5	Net Benefit (Present Value (PV)) (£m)		
			Low: NQ	High: NQ	Best Estimate: NQ
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant	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' Costs have not been monetised in this impact assessment.					
Other key non-monetised costs by 'main affected groups' Government: transition costs associated with establishment of GBRTT, ongoing costs associated with the running of GBRTT. Businesses: adjustment costs associated with familiarisation with the new structure of the rail sector.					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant	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' Benefits of this option are not monetised. They are expected to be of the same nature as those provided by the Do Something but will be smaller as the full benefits will not be realised without the proposed additional legislation.					
Other key non-monetised benefits by 'main affected groups' Government: reduced costs of operating the railways. Businesses: benefits from simplified market structure (improved decision making). Consumers: improved experience for passengers, benefits to freight operators who will engage with a more coherent body.					
Key assumptions/sensitivities/risks				Discount rate (%)	3.5%
Costs and benefits of the Do Minimum option have not been quantified in this Impact Assessment. For this option the costs and benefits have been described qualitatively only. Further work will seek to quantify these so that the incremental benefits of the proposed changes to legislation can be established. The key risk of this option is that without the changes to legislation proposed in this Impact Assessment Great British Railways' ability to drive forward change would be limited, and it will not be possible to realise the full benefits of structural reform.					

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

Summary: Analysis & Evidence

Policy Option 2

Description: Do Something: Establishment of Great British Railways with legislative change (preferred option)

FULL ECONOMIC ASSESSMENT

Price Base Year 2022/23	PV Base Year 2022/23	Time Period Years 5	Net Benefit (Present Value (PV)) (£m)		
			Low: NQ	High: NQ	Best Estimate: £262m ¹

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant)	Total Cost (Present Value)
Low	NQ		NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	£318m

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

Government: transition costs associated with establishment of GBRTT, administrative costs of establishing Great British Railways in legislation, ongoing costs associated with the running of Great British Railways. The total costs of structural reform are estimated to be £318m over the five year period starting in 2022/23 (2022/23 prices, discounted).

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

Businesses: adjustment costs associated with familiarisation with the new structure of the rail sector.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant)	Total Benefit (Present Value)
Low	NQ		NQ	NQ
High	NQ		NQ	NQ
Best Estimate	NQ		NQ	£579m

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

Only cost savings to the government are monetised- these are expected to be £579m over the five year period starting in 2022/23 (2022/23 prices, discounted).. Other benefits are not monetised but are expected to exceed those for the Do Minimum due to the positive impact of the proposed legislative changes.

Government: reduced costs of operating the railways.

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

Businesses: benefits from simplified market structure, improved decision making, reduced costs and reduced barriers to entry for bidders for passenger service contracts.

Consumers: improved experience for passengers and other operators (including freight) who will benefit from engaging with an organisation focused on serving the user.

Key assumptions/sensitivities/risks	Discount rate	3.5%
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This Impact Assessment quantifies some of the financial costs and benefits of structural reform. These financial costs and benefits are not exhaustive, and there is substantial uncertainty associated with the figures presented, which are subject to change. The figures are based on early stage policy and may not fully reflect changes to the proposals through the policy development cycle. Only high-level five-year cumulative estimates are presented.

The success of this proposal will depend on changes in the culture of the industry and effective non-legislation governance to ensure Great British Railways successfully delivers the objectives of the Plan for Rail.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

¹ Figures are rounded to the nearest £m.

Evidence Base

Background

This Impact Assessment is supporting the Department for Transport (DfT)'s public consultation on several areas surrounding reforms to the rail industry, following the publication of the Williams-Shapps Plan for Rail².

Legislation around railways has not been comprehensively updated since privatisation in 1993. This gave different bodies power over different aspects of running the railway, reinforced through EU policy which aimed to break up state monopolies.

The key recommendation of the Plan for Rail is the establishment of a single guiding mind for the industry, namely Great British Railways. This new public body will own the infrastructure, receive fare revenue, run and plan the network and set most fares and timetables. Great British Railways will procure passenger services from private Train Operating Companies (TOCs) to run trains to a timetable set by Great British Railways, with incentives to improve customer service and attract new passengers. A key feature of the proposed contractual arrangement is that government will take on increased revenue risk.

The rail sector receives a large government subsidy, which has increased substantially due to the COVID-19 pandemic. HMG therefore has a direct and legitimate interest in the efficiency of the rail system and ensuring value for money is secured for the taxpayer by maximising benefits to passengers and other users.

The Plan for Rail cannot be delivered without changes to the existing legislation, and retained EU law, to introduce a guiding mind for the industry, and to realise the full benefits of the reforms.

Problem under consideration and rationale for intervention

The Williams Rail Review of the rail industry was conceived after timetable changes in 2018 led to disruption across the network, with a remit of carrying out a root and branch review of the railways. The impact of COVID-19 on the railways has reinforced the need to review the way they are run.

The Williams-Shapps Plan for Rail identified six key issues with the rail industry³:

- The rail sector too often loses sight of its customers, both passengers and freight (trains often do not run on time, for example).
- It's missing opportunities to meet the needs of the communities it serves.
- It's fragmented and accountabilities are not always clear.
- The sector lacks strategic direction.
- It needs to become more productive and tackle long term costs.
- It struggles to innovate and adapt.

In particular, this intervention is therefore designed to address the following issues:

² Great British Railways: Williams-Shapps plan for rail. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

³ Great British Railways: Williams-Shapps plan for rail. Page 18. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

Fragmentation

A central finding of the Plan for Rail was that the current fragmentation in the industry has led to confusion and a lack of joined-up decision-making across 'track' and 'train' at all levels, ranging from strategy to delivery of change and day-to-day operations. As the Plan for Rail finds, too many decisions are limited by fragmented accountabilities, and the complex and often misaligned incentives, contracts and processes introduced to make the system function. The lack of systemic working has had major impacts for taxpayers, communities and users of rail.

Fragmentation is not a new issue. Almost a decade ago the McNulty Review⁴ highlighted the lack of whole system thinking and adversarial relationships as key reasons for high costs, poor value and inefficiency in the rail sector. Key impacts of fragmentation include:

- inefficiency and lack of system value
- increased risk of operational and project delay/mismanagement
- reduces focus on passengers and freight customers.

Moral Hazard

The misaligned incentives between different parties is known as moral hazard, which results in inefficient outcomes, and is a form of market failure. For example, under franchising, although DfT could specify the services to be provided, Train Operating Companies (TOCs) were incentivised to schedule these services to maximise their own profits, rather than best serving the needs of passengers or optimising whole industry efficiency. This proposal to establish a single guiding mind seeks to provide strategic direction for the sector, coordinate change, make trade-offs between assets. In doing so, the proposal will reduce fragmentation, re-align incentives and therefore correct this market failure.

Information Failure

Where parties make sub-optimal decisions due to the complexity and uncertainty involved in the current sector design, this is known as information failure, a form of market failure that this proposal seeks to address. The current system results in inefficiency due to lack of understanding of the structure of the sector. There is a lack of clear accountability, with uncertainty regarding who is responsible for areas such as integrated delivery or improving passenger experience.

The Williams Rail Review, published as the Plan for Rail, concluded that the creation of a new rail body is fundamental to addressing these issues. Without intervention, these issues will continue to have an impact across the rail sector, negatively affecting the customer (passenger and freight) experience and the cost of the railways to the government. The review concluded that a body, which is accountable to ministers and the public, is needed to act in the interest of Great Britain as a whole. Its focus should be on delivering the services and infrastructure required across the rail network in an efficient and financial sustainable way for the taxpayer, rather than maximising profits or delivering for its shareholders. Government is best placed to deliver this role and resolve these issues whilst also encouraging the use of the private sector. The proposed changes to legislation set out in this proposal are pre-requisites for the establishment of a single guiding mind, which could not be achieved without government intervention.

Rationale and evidence to justify the level of analysis used in the IA (proportionality approach)

This Impact Assessment presents initial high-level estimates of the financial costs and benefits of this proposal, to demonstrate the scale of the proposal's impacts for the government. However, estimates of the wider economic costs and benefits of the proposal are not quantified due to the difficulty and

⁴ McNulty Review: <https://www.gov.uk/government/publications/realising-the-potential-of-gb-rail>

uncertainty involved with doing so. Instead, the costs and benefits of policy options for businesses and consumers are described qualitatively.

This proposal seeks to implement the recommendation of the Williams-Shapps Plan for Rail in establishing a single guiding mind for the industry. The proposed changes to legislation set out in the preferred option are pre-requisites for the establishment of Great British Railways and are not expected to impose significant direct costs on businesses. Furthermore, the proposal is not expected to have significant distributional impacts, it is not expected to place disproportionate burdens on small businesses, and is not expected to create significant wider social, environmental, financial or economic impacts.

Description of options considered

In this Impact Assessment, the “Do Nothing” option assumes that no single guiding mind is established, and the design of the rail sector remains as it was before the Williams-Shapps Plan for Rail.

The Great British Railways Transition Team (GBRTT) has been established to deliver benefits achievable with minimal sector reform and no further legislation. Therefore, the continuation of GBRTT as an ‘interim’ state without wider legislation to enact further reforms is presented as the “Do Minimum” option.

Due to the formation of GBRTT, the “Do Nothing” option does not represent a likely scenario but is included as a benchmark against which to assess the costs and benefits of structural reform.

The options considered for this intervention are set out as follows:

- **Do Nothing:** No single guiding mind established. Assumes the continuation of arrangements prior to the publication of the Plan for Rail and assumes that GBRTT is not established.
- **Option 1 – Do Minimum:** Use of an interim guiding mind (GBRTT) without additional legislative change. This reflects the maximum achievable without the proposed legislation.
- **Option 2 – Do Something:** Establishment of Great British Railways with legislative change (**preferred option**).

There have previously been several non-structural initiatives aimed at dealing with some of the issues set out in this Impact Assessment, some of which are still in progress. Initiatives such as alliances or other forms of joint working have targeted alignment between Network Rail and train operators. This is also a key feature of the evolving regulatory approach, and Network Rail’s own organisational reform (“Putting Passengers First”).⁵ Putting Passengers First seeks to make Network Rail more responsive to rail users, stakeholders and Network Rail’s track access customers (passenger and freight train operators).

However, none of the current initiatives can change the fundamental role of Network Rail as the infrastructure manager, and all of them leave major specification and integration responsibilities (including franchising) with DfT. Even in principle, alignment between Train Operators and Network Rail can only join up a sub-set of decisions, largely focussed on operational and delivery issues rather than specification. These are important features of integration, but the broader decisions about what’s on offer to customers (such as train service design, improvements at stations, fares, ticketing and fleet) or efforts to ensure different parts of the sector are linked-up are often controlled or facilitated by DfT.

Whilst these types of initiatives do help, they cannot address the key recommendation of the Williams Review which highlighted the need for industry reform in order to manage system risk and integration. Therefore, this Impact Assessment does not discuss these smaller-scale initiatives in detail, instead focusing on an assessment of the impacts of Option 1 (“Do Minimum”) and Option 2 (“Do Something”).

⁵ <https://www.networkrail.co.uk/putting-passengers-first>

Policy objectives

The purpose of this proposal is to implement the key recommendation of the Williams Review by establishing a simpler industry structure, with single guiding mind for the sector that is responsible for delivery of rail infrastructure and operation. Outcome 10 of the Williams-Shapps Plan for Rail⁶ is a simpler industry structure, with Great British Railways bringing track and train together. In doing so, the specific objectives of this proposal are to:

- Improve the offering for passengers and freight users.
- Improve the cost efficiency and financial sustainability of the railways.
- Support the wider package of rail reforms.

The success of this proposal can be measured by the extent to which the single guiding mind is able to deliver the outcomes set out in the Plan for Rail⁷. Particular indicators include:

- Customer satisfaction (passengers and freight users).
- Efficiency of operating the railways. Emphasis should be played on the long-term financial sustainability not only the short-term costs.
- The extent to which this reform facilitates a wider package of rail reforms.

Summary and preferred option with description of implementation plan

The preferred option will be delivered following the introduction of primary legislation and wider governance arrangements to reflect the new sector structure. Great British Railways will be established as the single guiding mind for the sector, empowered by an enhanced remit across the railway, as set out in the Williams-Shapps Plan for Rail. The power to award and manage Passenger Service Contracts will be transferred from DfT to Great British Railways. It is expected that Great British Railways will be established in 2024. In the interim, key roles will continue to be operated by DfT and Network Rail to minimise the potential for disruption to passengers and users of today's railway. Where possible, GBRTT's role in the sector will be progressively enhanced to support the introduction of Great British Railways.

Changes to Legislation

Current legislation creates separation between components of the railway and may prevent Great British Railways from planning and coherently managing track and train. Where necessary we will propose new legislation to remove this separation and, subject to wider funding considerations, enable planning across both track and train. Legislation will also be used to ensure Great British Railways has a clear remit and responsibilities.

Legislative changes to the access and management regime may also be required to facilitate reform. Changes may also be required to ORR's general duties in order to support the facilitation of GBRs' policies on matters of access to and use of the railway and to widen ORR's duty to promote competition in the provision of railway services for the benefits of the users of railway services to include public sector funding considerations.

⁶ The Williams-Shapps plan for rail. Figure 2, page 23.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/gbr-williams-shapps-plan-for-rail.pdf

⁷ Great British Railways: Williams-Shapps plan for rail. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

Governance and Accountability Framework

The new industry structure proposed by the Williams-Shapps Plan for Rail is intended to enable clearer accountability and stronger oversight. This will require a new governance and accountability framework for Ministers to set direction, define what Great British Railways must do and hold Great British Railways to account. The Plan for Rail has already committed to several mechanisms that will form part of the governance framework to hold Great British Railways to account, such as Secretary of State powers for appointing the Chair of Great British Railways. The proposed governance framework for Great British Railways is underpinned by a number of strong, effective, levers which are described below. This approach resembles other sectors (such as regulated utilities and highways) but has been tailored to reflect the rail sector. The governance framework must ensure that the Government retains sufficient power to enable, steer and direct Great British Railways whilst allowing Great British Railways the necessary autonomy in its day-to-day operational decisions and activities.

Government's focus will be on setting requirements and directions to Great British Railways for the long and medium term. This is important in ensuring Great British Railways has the day-to-day autonomy and authority to make operational decisions in the public interest. Secretary of State will retain the ability to intervene if necessary, but this will be subject to transparent and structured mechanisms. The statutory nature of the Licence means that any requirements on Great British Railways which are included in it are binding and can be enforced by ORR.

Legislation. Great British Railways and its governance framework will be underpinned by a combination of new and existing legislation enshrining the essential requirements for the establishment and functioning of the new organisation in the sector. Legislation will: enable the Secretary of State to appoint an integrated Rail Body (Great British Railways) as a new body responsible for the mainline railway in Great Britain; reflect a requirement for Great British Railways to comply with a Secretary of State-issued Licence, which will be consulted on and then issued under the Railways Act 1993, as well as make any legislative changes required to facilitate the granting (and modification) by the SoS of a licence to Great British Railways which reflects its role as an integrated rail body; give powers to the Secretary of State to issue directions and guidance to Great British Railways and require Great British Railways to follow them.

Secretary of State-issued Licence to Great British Railways. The Secretary of State will issue a statutory Licence to Great British Railways focused on enduring duties, activities and behaviours in respect of railway management and delivery. This will be redesigned and go beyond the current Network Licence to reflect that Great British Railways will have integrated responsibilities across track and train and is not just an infrastructure manager.

The Licence will be produced and issued by the Secretary of State. Given it is a key instrument in protecting stakeholders across the rail sector, particularly freight, devolved bodies and open access operators, government intends to consult on the new Great British Railways Licence in due course. We envisage that the Licence will be reviewed approximately every five years, at an appropriate point in the business planning cycle to ensure it remains fit for purpose. A new provision will be made in legislation to give powers to the Secretary of State to modify the Licence, maintaining the requirement to give notice and consult with industry before making amendments

Directions & Guidance. The Secretary of State will also have powers to set further requirements on Great British Railways separately from the Licence, through Directions and Guidance. These will typically cover areas that may be more changeable or dynamic or which are not suitable for the Licence, such as multi-modal policy related issues (such as decarbonisation and levelling up), and areas such as passenger service contracts where it would be appropriate for the Secretary of State to have a more direct or bilateral relationship with Great British Railways. We propose new primary legislation should require Great British Railways to take account of Secretary of State Guidance and comply with Directions. Introducing these mechanisms will enable Great British Railways to be responsive to government priorities as it makes decisions. They are not designed to be used as tools for government to be drawn ever closer into operational matters. Ministers have made clear they will not as a rule be involved in such issues. Rather, Directions and Guidance are intended to establish a clear and transparent route for the Secretary of State, to exercise policy functions. A key principle is that Directions

and Guidance should not put Great British Railways in breach of its Licence. Directions and Guidance will also work alongside the Licence and other governance mechanisms as one coherent mandate for Great British Railways.

Transfer of Contracting Authority to Great British Railways

Franchising powers will transfer to Great British Railways, but the Secretary of State for Transport will continue to retain approval rights for contract specifications and awards via approval points in the Directions and Guidance. As part of the Government's reforms, franchising will be replaced with new Passenger Services Contracts. This new commercial model for passenger services will enable the delivery of structural benefits set out below as well as additional commercial benefits not considered in this Impact Assessment.

Current legislation includes a prohibition on appointment of a Public Sector operator as a franchise operator other than in emergency circumstances where an existing franchise ends and it is not possible to appoint a replacement, in which case the Operator of Last Resort (OLR) duty to secure the provision of passenger services applies. The OLR emergency duty can only be used following market failure once all private sector options have been exhausted.

Following the COVID-19 Pandemic all franchises are operated under Directly Awarded Management Contracts. Government is working to deliver an ambitious industry reform agenda, some of which will take considerable time to fully deliver. In these circumstances it may represent poor value for money to try to compete these contracts or enter into further single tender direct award negotiations with incumbent operators. We therefore propose to amend the prohibition on Public Sector Operators to allow for Direct Awards in certain specific circumstances. The prohibition on Public Sector operators bidding in competitions for Rail Contracts will remain in place.

Monetised and non-monetised costs and benefits of each option

Quantitative analysis of the costs and benefits of structural reform for government was produced in collaboration with Network Rail and was carried out assuming that Great British Railways is established in legislation, as captured by the Do Something Option. Therefore, in this section we first present the costs and benefits of the Do Something option (Great British Railways is established with legislation), and then qualitatively describe the costs and benefits of the Do Minimum option (Great British Railways established without legislation), as quantitative analysis is not available for the latter.

Do Something: Establishment of Great British Railways with legislative change (preferred option)

Costs and Benefits to Government

In this section, we set out the value of costs and benefits to government of the Do Something option compared with the Do Nothing. Costs and benefits of structural reform have been estimated for the next five years. Beyond this, estimates of the financial costs and benefits to government would be extremely uncertain as the future structure of Great British Railways is to be determined. However, the costs and benefits of structural reform for government will extend beyond the 5 years assessed so the figures presented here should not be viewed as the total costs and benefits to government. The proposal is expected to continue to have a financially positive impact on government finances beyond the 5-year figures included in this Impact Assessment.

Costs to Government (Do Something v Do Nothing)

The key costs to government of the proposal include branding costs, change management, external support and associated delivery costs relating to the establishment of GBRTT. Beyond these transition

costs, the ongoing costs associated with Great British Railways are uncertain but are not expected to substantially exceed current Government costs associated with the delivery of rail operations and infrastructure.

The total costs of structural reform are estimated to be **£318m** over the 5-year period starting in 2022/23 (2022/23 prices, discounted). This figure is based on bottom-up estimates of the expected costs of implementing the new operating model. There will be further costs to government that are incurred outside this five-year period so this figure should not be viewed as the total cost to government.

There are likely to be additional administrative costs to establish the change in legislation. These include costs associated with external support and change management. Additionally, there may be a cost associated with renewing the licence, which will be renewed roughly every five years, alongside costs associated with implementing the levers of the new governance framework. These costs have not been quantified in this Impact Assessment but are expected to be relatively small.

Benefits to Government (Do Something v Do Nothing)

The Do Something option will unlock benefits which are currently prevented by current legislative structures. The key benefits to government of this option derive from streamlining industry processes and avoiding duplication.

Streamlining Industry Processes

There are several savings that could be achieved by streamlining industry processes. Examples of these benefits include:

- **More efficient use of the rail network.** Great British Railways will have increased visibility of the profit and loss for the industry and having the control to make decisions that drive greater cost effectiveness. In particular, Great British Railways will be able to guide capacity, and to rationalise costs from reviewing the whole industry profit and loss. In doing so, Great British Railways will deliver substantial cost savings.
- **More efficient possession planning.** In having responsibility for the whole industry profit and loss, Great British Railways will be able to plan more efficiently. In doing so, this will generate efficiencies in the cost of infrastructure works.
- **Implementing industry standards efficiently.** Industry standards can be highly complex and result in inefficiencies in the delivery of infrastructure projects. This benefit delivers benefits by simplifying, and reducing overspecification, of infrastructure solutions.
- **Efficiencies relating to the use of digital technology, data services, IT and insurance.**

Avoiding Duplication

The fragmented nature of the current industry structure inherently means that there are many different industry bodies with different accountabilities and functions. A lack of clarity over roles and responsibilities between organisations has resulted in some duplication across the sector and consolidating many of these functions into one organisation – Great British Railways – will lead to financial savings. For example, there are currently multiple payroll and finance systems operating across the different organisations in the sector which will be brought into Great British Railways leading to cost savings. Additionally, currently DfT and Network Rail both have substantial planning, strategy and policy roles, which will largely be brought into one organisation under Great British Railways. There may also be savings from a reduction in duplication of some management roles which currently exist between organisations.

Estimates of the savings to Government of the Do Something compared with the Do Nothing have been developed. The cumulative 5-year benefits of structural reform are set out in Table 2 below.

Table 2: 5-year cumulative benefits of structural reform (Do Something v Do Nothing)

£m, 22/23 prices, discounted	5-year cumulative benefits
Streamlining Industry Processes	499
Avoiding Duplication	80
Total	579

The estimates have been developed using a bottom-up analysis of potential opportunities for government savings. These are consistent with top-down estimates of the total savings that can be made based on examples of savings made within industry. The estimates take into account the benefits that are directly attributable to the establishment of a new rail body and do not include other benefits of wider policy reform. These figures also exclude benefits attributable to the move to new Passenger Service Contracts because these benefits are not contingent on the establishment of Great British Railways. The savings to government will continue to accrue beyond the 5-year period presented here and some savings are expected to increase after year 5 as the full annual benefits of reform are realised.

Costs to Businesses

- **Transition costs:** the establishment of the new guiding mind may impose some short term adjustment costs as businesses familiarise themselves with the new structure of the rail sector.
- **Ongoing costs:** this proposal is not expected to impose any substantial direct ongoing costs on businesses. It is possible that this proposal may lead to indirect costs that affect businesses, such as through its impacts on competition for passenger service contracts, but these do not follow directly from the establishment of Great British Railways.

Benefits to Businesses

- Businesses will benefit from a simpler market structure. Simplification will provide a clearer set of incentives for businesses and will make it easier for businesses to make optimal decisions.
- Great British Railways is expected to facilitate the introduction of more simple passenger service contracts, which will reduce the costs and barriers to entry for bidders.

Costs to Consumers

This proposal is not anticipated to impose any substantial costs on consumers.

Benefits to Consumers

Great British Railways is expected to improve the experience for passengers and freight users. The Williams-Shapps Plan for Rail highlights that one of Great British Railways' primary mandates will be to serve the interests of passengers and freight customers.⁸

- The Plan for Rail sets out “A new deal for passengers”, outlining improvements in accessibility, reliability, comfort, affordability, information, integration, consistency and trust. Great British Railways will be crucial in setting the direction of the industry as a whole to drive through these improvements for rail users.
- The review found that rail freight will benefit from national co-ordination, through safeguards on access which will help it grow and thrive. The value this benefit will bring will depend upon the extent to which Great British Railways successfully promotes access for freight on the network, including the incentive structure it implements. Given the early stage of development, this can be factored into the design of Great British Railways.

Do Minimum: Use of an Interim Guiding Mind without legislative change

The Do Minimum scenario will produce costs and benefits compared with the Do Nothing scenario in which there is no structural reform. These costs and benefits are described qualitatively in this section and are later compared to the costs and benefits anticipated in the Do Something scenario to indicate the expected costs and benefits of the proposed changes to legislation.

Costs to Government

The costs to Government in the Do Minimum are expected to be of similar value to those described in the Do Something scenario. These include the same transition costs, which include branding costs, change management, external support and associated delivery costs relating to the establishment of GBRTT.

Benefits to Government

As for the Do Something, benefits of the Do Something to government are expected to derive from streamlining industry processes and avoiding duplication.

Table 2 below sets out a rating of the extent to which the benefits of structural reform can be achieved without the changes to legislation proposed in the Do Something. This is based on assessments made by DfT and Network Rail on the proportion of benefits that could be achieved in the current legislative system. It is expected that a large proportion of benefits from avoiding duplication can be delivered without legislation, for example through greater collaboration between DfT and Network rail or through consolidation of duplicated duties within one organisation. However, benefits from streamlining industry processes, which make up the majority of benefits over the 5-year period, are likely to be more difficult to deliver without the proposed legislation. This is because a new body would not have full control of decisions that could drive improved cost-effectiveness and would rely on other organisations with different duties to drive changes. Enabling reforms without legislation may also result in complex governance structures, which could risk the extent to which these benefits are achieved.

Table 2: Proportion of reform benefits that can be achieved without legislation

Benefit	Proportion of benefit that can be achieved without legislation
Streamlining Industry Processes	Medium

⁸ The Williams-Shapps plan for rail.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/gbr-williams-shapps-plan-for-rail.pdf

Avoiding Duplication	High
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Further analytical work will seek to establish an improved estimate for the proportion of benefits that can be achieved without the proposed changes to legislation, and through evidence gathered in the consultation that this Impact Assessment supports.

Costs and benefits to consumers and businesses

The costs and benefits of the Do Minimum option are expected to be qualitatively similar to those described for the Do Something option. However, as for the benefits to government, the benefits to consumers and businesses are expected to be smaller in the Do Minimum than the Do Something.

Incremental Costs and Benefits of Proposed Changes to Legislation (Do Something v Do Minimum)

The incremental costs and benefits of establishing Great British Railways with additional legislative change, compared with the Do Minimum, are set out qualitatively as follows.

Costs to Government

As set out in the Do Something, it is likely that there will be some additional costs associated with establishing Great British Railways with additional legislative change, however these are expected to be small. Therefore, the costs of the Do Something option are not expected to be substantially different to those in the Do Minimum.

Benefits to Government

The establishment of Great British Railways with additional legislative change will increase its ability to drive forward change. Today's legislative structures restrict the integration of track and train, a key benefit of the Plan for Rail. The proposed change to legislation will remove separation between components of the railway and will therefore increase the scope of Great British Railways to plan and act coherently across track and train. Without legislation, Great British Railways would not have control of decisions that could drive improved cost effectiveness and would rely on other organisations with different duties to drive changes.

Costs and Benefits to Consumers and Businesses

It is expected that the full benefits of structural reform to consumers and businesses are likely to be achieved only through legislative reform. Therefore, the benefits to businesses and consumers are expected to be greater under the Do Something than the Do Minimum scenario.

Therefore, there are expected to be significant incremental benefits of establishing Great British Railways with additional legislation changes, and these benefits are expected to substantially outweigh the incremental costs of establishing Great British Railways in legislation. As a result, the Do Something is preferred to the Do Minimum option.

Direct costs and benefits to business calculations

The direct costs and benefits to business of this proposal are limited:

- **Costs:** the establishment of Great British Railways is not expected to impose any substantial direct costs to business beyond the initial costs of becoming familiar with the updated design of

the sector, and costs relating to the indirect impacts of the establishment of Great British Railways. Any costs to business of the proposal are unlikely to result from the changes in legislation to establish Great British Railways.

- **Benefits:** there are likely to be benefits to businesses as a result of a simplified industry structure, but the size of these benefits is highly uncertain and has not been quantified in this impact assessment. As with the costs to business, it is unlikely that there will be significant benefits to business resulting from changes in legislation.

Furthermore, the changes proposed in this Impact Assessment are not regulatory changes.

Therefore, this Impact Assessment does not include an Equivalent Annual Net Direct Cost to Businesses (EANDCB) or a Business Impact Target (BIT) score.

The impacts on businesses of this proposal are likely to be indirect, through changes to the structure as a result of the establishment of the single guiding mind.

Risks and assumptions

Analytical risks and assumptions

There is uncertainty in the cost and benefit figures contained in this Impact Assessment and they are subject to change. The figures are based on early stage policy and may not fully reflect changes to the proposals through the policy development cycle. At this stage, figures have only been presented to underpin the costs and benefits to government of the Do Something option compared with the Do Nothing option. Costs and benefits of the Do Something compared with the Do Minimum have been described qualitatively only. Further work will be required to refine the figures included in this Impact Assessment and build evidence of the incremental impacts of establishing Great British Railways in legislation (Do Something option) compared with the Do Minimum.

Policy risks

Risks relating to the new legislation

The legislative framework for the railway is a complex landscape, with numerous legislative packages creating this framework. This includes both railway-specific legislation and wider legislative requirements that apply to the railway. By making changes to the existing legislation, there is a risk that it may produce unintended consequences or interact negatively with other wider legislation. This risk is being mitigated through consultation and wider engagement, and utilising expert advice.

The success of Great British Railways as a guiding mind for the railway will be dependent not only on new legislative changes, but changes in the culture of the industry. This cannot be legislated, and so will need strong engagement, leadership and a clear and shared vision to achieve.

The policy objectives of the Williams-Shapps Plan for Rail may not be achieved in full if changes made in legislation are not adequately reflected in the non-legislative governance structures across the sector.

Risks relating to the new governance framework

The new governance framework is intended to ensure Great British Railways successfully delivers the objectives of the Plan for Rail. If the framework does not effectively enable clearer accountability and stronger oversight of the sector then that will impact Great British Railways' ability to deliver these objectives. A key risk is around the balance of Secretary of State's ability to point Great British Railways towards policy priorities with Great British Railways' freedom to operate the railway effectively. Substantial work has been undertaken to develop the proposed governance framework to ensure it delivers on its objectives.

Risks relating to the transfer of contracting authority to Great British Railways

Amending the prohibition on public sector operators to allow for Directly Awarded PSOs in defined circumstances may discourage private sector participants.

Impact on small and micro businesses

This proposal is not expected to have a significant impact on small or micro businesses. As set out above, the direct costs to businesses of this proposal in itself are likely to be limited.

The 2021 business population estimates for passenger rail transport (interurban) are set out in the table below, which represents the number and percentage of businesses in the sector in the UK and regions that are micro, small, medium or large businesses.⁹ According to the estimates, the majority (66.7%) of businesses in passenger rail transport are medium or large. Although the estimates indicate that there are some small and micro passenger rail transport businesses, we expect that this proposal is most likely to affect medium and large businesses.

Table 4: Business population estimates for passenger rail transport (interurban)

Business size	Number of businesses	Proportion of businesses
Micro (1-9 employees)	10	22.2%
Small (10-49 employees)	5	11.1%
Medium (50-249 employees)	10	22.2%
Large (250+ employees)	20	44.4%

As this proposal involves a change to the structure of the sector, it is not possible to exempt small or micro businesses. However, where small or micro businesses may face costs as a result of this proposal, these costs are unlikely to disproportionately or unduly affect such businesses.

Wider impacts

The establishment of Great British Railways is expected to play a facilitating role in enabling wider benefits. Many of these are set out in the Williams-Shapps Plan for Rail¹⁰.

- **Equalities:** The establishment of Great British Railways may indirectly positively affect equalities. The new rail body will strive to provide a consistent passenger experience and will have the ability to drive improvements in equality, such as by improving accessibility, across the rail industry. Please see the 'Accessibility' Impact Assessment.
- **Environment:** Similarly, Great British Railways will have the opportunity to instigate system wide improvements in the sector's environmental impact, which is one of the 10 key outcomes set out in the Williams-Shapps Plan for Rail.¹¹ Additionally, as rail is a low emission transport sector, mode shift from more polluting forms of transport to rail will result in benefits to the UK's emission levels. By improving the experience for passengers and freight users, this proposal could support mode shift to rail, though it is unclear the extent to which this will take place.
- **Innovation:** Chapter 7 of the Plan for Rail sets out proposals for 'accelerating innovation and modernisation' – Great British Railways will become the primary funder of research, development and innovation initiatives for the rail sector and will lead the delivery of these projects. The establishment of Great British Railways is therefore expected to facilitate innovation within the rail

⁹ Business Population Estimates for the UK and Regions 2021. Table 7 – UK Groups. Passenger Rail Transport, Interurban. <https://www.gov.uk/government/statistics/business-population-estimates-2021>

¹⁰ Williams-Shapps plan for rail. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

¹¹ Williams-Shapps plan for rail, p. 22. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

sector.¹²

- **Other Economic Impacts:**

- A network with improved performance which attracts more passengers could bring wider economic impacts. Improved connectivity generates agglomeration benefits and positive employment impacts.¹³ Improved network performance would also deliver benefits for freight users and leisure passengers.
- The new Passenger Service Contracts are expected to reduce barriers to entry for bidders and raise competition in the rail industry. The introduction of Passenger Service Contracts is expected to deliver efficiencies to government and wider benefits such as increased competition. Great British Railways will aim to have competition for all contracts and to receive more competitive bids.¹⁴ However, the benefits of the move to Passenger Service Contracts can be realised without the establishment of Great British Railways, and the new model is expected to come into effect before Great British Railways is fully established. Therefore, although Great British Railways will help to facilitate these benefits, they are not included as direct benefits in this Impact Assessment.

A summary of the potential trade implications of measure

This proposal relates to domestic rail passenger travel and is therefore not expected to have any implications for trade.

Monitoring and Evaluation

With the Rail Transformation Programme now in the design and delivery phase, DfT is currently developing a structured benefits management approach to measure, monitor and report on the progress of the Programme. We are also progressing further work to scope additional evaluation activity, which is likely to involve an evaluation scoping study to assess data requirements and explore impact evaluation methods. Evaluation of the reforms is likely to draw on a range of data sources, such as passenger surveys and internal monitoring data, as well as bespoke data collection.

¹² Williams-Shapps plan for rail, Chapter 7. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

¹³ Rail Delivery Group. https://www.raildeliverygroup.com/files/Publications/2017-10_benefits_of_investment_in_rail.pdf

¹⁴ Williams-Shapps plan for rail, p. 59. <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

Title: Passenger Champion Lead department or agency: Department for Transport Other departments or agencies: N/A	Impact Assessment (IA)		
	Date: June 2022		
	Stage: Consultation		
	Source of intervention: Domestic		
	Type of measure: Primary Legislation		
Contact for enquiries: railconsultation@dft.gov.uk			
Summary: Intervention and Options			RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
NQ	NQ	NQ	Not a regulatory provision

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

The passenger champion has been identified as part of the solution to the problem of how passengers (and non-passengers) should optimally be represented in the new rail industry structure. The creation of Great British Railways has the intention to deliver significant improvement for passengers and independent passenger representation has been identified as a crucial component in ensuring this aspiration is met. Government action is necessary to ensure that there is a resourced solution that will deliver quality independent advice and insight into passenger priorities, will provide a watchdog function to ensure the accountability of Great British Railways is robust and will work at a regional level to benefit passengers.

What are the policy objectives of the action or intervention and the intended effects?

There are four broad policy objectives associated with creating a passenger champion, these are:

- Ensure the new rail industry structure has effective formal independent passenger representation at a regional level.
- Provide a robust accountability framework (alongside the Office of Rail and Road and the Rail Ombudsman).
- Ensure that the passenger champion role is cost efficient.
- Support the wider package of rail reforms.

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

The following options were considered as a long list.

- DN – Transport Focus remains passenger watchdog with existing powers and responsibilities
- DS1 – leave to industry to deliver – no formal independent passenger input/accountability
- DS2 – new organisation created to be passenger champion
- DS3 – ORR delivers passenger accountability, NRB provides internal passenger strategic input
- **DS4 – Enhance role of Transport Focus [Preferred]**
- DS5 – Provide another organisation with the powers/resource to deliver the role.

The preferred option, DS4, is the most cost-effective, legislatively logical option and has been subject to detailed consideration throughout the Williams Review.

Will the policy be reviewed? Yes If applicable, set review date: TBC					
Is this measure likely to impact on international trade and investment?			No		
Are any of these organisations in scope?		Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A	Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits, and impact of the leading options.

Signed by the responsible Minister: W. Mahon Date: 9.6.2022.

Summary: Analysis & Evidence

Policy Option DS1

Description: DS1: Leave to industry to deliver – no formal independent passenger input/accountability

FULL ECONOMIC ASSESSMENT

Price Base Year 2022/23	PV Base Year 2022/23	Time Period Years N/A	Net Benefit (Present Value (PV)) (£m)		
			Low: NQ	High: NQ	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'

Government: increase in government funding to Great British Railways for industry to deliver the role of the passenger champion. The best estimate of this is the current size of the budget of Transport Focus (£6.4m) plus additional funding required to adequately fulfil the role of the passenger champion (up to £5m).

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

All passengers: do not have independent representation and a dedicated passenger watchdog with the ability to investigate Great British Railways if failings do occur.

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'

Government: £6.4m reduction in spend on Transport Focus (equal to size of current budget).

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

Consumers: An industry-led passenger champion could bring benefits for passengers because:

- It would be likely to have greater buy-in from the industry.
- It would be focused on issues that it can do something about.

Government: An industry-led passenger champion may deliver cost savings for government because it would have pressure to deliver efficiently and could keep costs down

Key assumptions/sensitivities/risks	Discount rate	N/A
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Assumptions: It is expected that the additional costs that the sector would face to deliver the passenger champion role would be similar to those suggested for the new role of the passenger champion, but this is uncertain. The additional setup costs of an industry-run passenger champion have not been quantified and are also highly uncertain.

Risks:

- **Delivery of objectives** – industry may be unable to effectively deliver on the objectives of this proposal, particularly on delivering accountability which could result in worse outcomes for passengers.
- **Other modes** – would require an alternate solution including additional funding.

BUSINESS ASSESSMENT (Option DS1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

Summary: Analysis & Evidence

Policy Option DS4

Description: DS4: Updating the role of Transport Focus [Preferred]

FULL ECONOMIC ASSESSMENT

Price Base Year 2022/23	PV Base Year 2022/23	Time Period Years N/A	Net Benefit (Present Value (PV)) (£m)		
			Low: NQ	High: NQ	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'

Government: additional cost of the new role of Transport Focus (estimated up to £5 million additional funding per year)

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

No non-monetised costs have been identified for this option. This will be reviewed policy development continues.

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'

Benefits have not been monetised for this option.

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

The following benefits were not monetised due to the uncertainty and difficulty involved with doing so:

- Improved quality of monitoring and evaluation of operators' performance and passengers' complaints.
- The investigative 'Watchdog' function will enable ministers to hold Great British Railways to account on passenger experience matters.
- Additional research and insight into the experience of passengers.
- Improved ability to deal with passengers' complaints.

These activities will provide a benefit to passengers by improving their experience of using rail. In turn, this should deliver increased passenger demand, improved passenger retention and therefore, increased revenue. The independence of Transport Focus from Great British Railways is an important benefit of this option, as it will allow the Passenger Champion to effectively hold Great British Railways to account for passengers' interests.

Key assumptions/sensitivities/risks

Discount rate

N/A

Assumptions: The estimate of increased financial costs for Transport Focus to deliver their new role is subject to some uncertainty and will depend on the exact responsibilities of Transport Focus. The additional budget for Transport Focus will be no larger than £5m per year, which we have used as our estimate in this Impact Assessment. This should therefore be regarded as a top-end estimate of the additional cost to government.

Risks:

- **Financial** – should the final budget be lower than envisaged then the extent of Transport Focus' activities would be reduced.
- **Relationships** – should the relationships between Transport Focus and industry bodies break down for whatever reason then it will adversely impact passenger advocacy.

BUSINESS ASSESSMENT (Option DS4)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

Evidence Base

Background

There is a long history of statutory, independent passenger representation on the railway. Broadly, the current model of an independent passenger council began with the nationalisation of rail in 1947 and continued through privatisation in the mid-1990s into the franchise-based industry approach in existence today¹⁵. The Williams-Shapps Plan for Rail proposes a new structure for rail operations in Great Britain which involves the creation of a new rail body, Great British Railways, designed to bring track and train together to address the issues caused by fragmented responsibility. One of the core principles throughout the Plan for Rail is improvement for passengers. To ensure this improvement is delivered and to attract new people to the rail network it is important that the views of both passengers and non-passengers are well represented and that users of rail services are able to hold those running them to account.

Problem under consideration and rationale for intervention

The passenger champion has been identified as part of the solution to the problem of how passengers (and non-passengers) should optimally be represented in the new industry structure. Passenger representation is a wide-ranging subject and, whilst Great British Railways will be required to comprehensively engage with existing customers, an independent viewpoint, which the passenger champion will provide, will be vital on several levels, including:

- Independently informing and validating Great British Railways' understanding of passenger priorities
- Providing Ministers with an independent view of how services are being delivered against those priorities
- Enabling a thorough understanding of what passengers want, need, and think
- Ensuring that differing groups within the broad 'passenger' term are appropriately represented at a regional and national level
- Maintaining oversight from a passenger perspective to help improve standards across the railway
- Giving passengers a voice that is embedded in the industry structure if issues do arise.

The outputs delivered by a passenger champion with a well-designed remit will also help to safeguard against some potential instances of market failure in the future model. If operators are not exposed to revenue risk, which could be the case under the Plan for Rail proposals, then there is potential for service quality to drop or be delivered to a minimum level. Independent passenger oversight and monitoring will be able to identify such instances and swiftly report back for any problem(s) to be addressed. The passenger champion will not be the only part of the accountability framework to safeguard against any failings and provide accountability but, without it, there would not be an entity in place to purely represent the passenger with an ability to escalate matters to Ministers for resolution.

Rationale and evidence to justify the level of analysis used in the IA (proportionality approach)

As Transport Focus is an independent passenger watchdog, changes to either its remit or funding are unlikely to have significant direct consequences for businesses. Any impact on private rail operators will likely be indirect, through working with the Secretary of State or Great British Railways. Transport Focus will not be directing Great British Railways or private businesses what to do, more so ensuring they deliver what has been agreed. Furthermore, the proposal is not expected to have significant distributional impacts between sectors, it is not expected to place disproportionate burdens on small businesses, and is not expected to create significant wider social, environmental, financial, or economic impacts.

¹⁵ <https://www.transportfocus.org.uk/about/history/>

In this proposal we estimate the financial costs of the passenger champion role. These are the additional costs to government associated with the new scope of the passenger champion. These estimates have been established through initial high-level engagement with Transport Focus and take into account the new responsibilities that will be expected. Figures are, however, subject to change. Benefits in terms of improvements in passenger experience have not been quantified due to the difficulty and uncertainty involved in doing so.

Description of options considered

Six high level options were considered for the passenger champion role.

- DN – Transport Focus remains passenger watchdog with existing powers and responsibilities
- DS1 – Leave to industry to deliver – no formal independent passenger input/accountability
- DS2 – New organisation created to be passenger champion
- DS3 – ORR delivers passenger accountability, Great British Railways provides internal passenger strategic input
- DS4 – Updating the role of Transport Focus [Preferred]
- DS5 – Provide another organisation with the powers/resource to deliver the role.

Three of these options, DS2, DS3 and DS5 have been discounted for the following reasons.

DS2 – a completely new organisation would effectively replicate, to a large degree, the role that Transport Focus currently undertakes. Furthermore, as Transport Focus currently holds a range of powers in relation to bus operations and strategic roads these would either require transfer through legislation or would be split from the new organisation which would hinder integrated thinking on transport. There are additional complexities to creating a new arm's length body that also contributed to DS2 being discounted.

DS3 – ORR's statutory responsibilities prevent it from being explicitly partial in the interests of passengers. As there is an identified need for independent advice on passenger priorities this option was not considered further.

DS5 – Transport Focus is the best placed organisation to undertake the passenger champion role outlined within the white paper. It has the existing powers, the expertise in the majority of the new role, connections within industry and is already an arm's length body. There are no known organisations with the expertise, particularly in a multi modal context and with the existing knowledge of passenger matters who could swiftly take on the intended role.

Rejecting the DS2, DS3 and DS5 options leaves a shortlist of three for more detailed appraisal, including the do-nothing scenario.

DN – Retaining the existing role and capacity of Transport Focus would allow for them to engage passengers to an extent and to undertake a very limited number of investigations into issues with rail passenger services and the provision of rail station services. The Plan for Rail outlines changed responsibilities for Transport Focus as passenger champion. Retaining the do nothing approach would not enable Transport Focus to fully undertake their envisaged role in the new rail industry structure as there would be insufficient resource available to work effectively at the regional level desired and to comprehensively undertake anything other than a small number of investigations each year. The level of reporting and insight that could be delivered would remain at current levels with no expansion possible. With a major shift in structure by creating Great British Railways, retaining existing levels of insight and advice risks leaving Ministers under-informed on passenger matters and as a result potentially ill-equipped to hold industry to account on behalf of passengers. No additional funding would constrain Transport Focus' ability to respond to complaints that fall under their remit and also to deliver the new responsibility assigned to the passenger champion in the Plan for Rail on monitoring complaint volumes and themes.

DS1 – The proposed mandate for Great British Railways to have serving the interests of passengers, freight customers, taxpayers and growing rail usage as its primary focus provides an element of security to the

success of the future model from a passenger perspective. However, with such an extensive organisation it is important that there is independent oversight of delivery of the customer offer, as there is in other UK industry models, such as water and aviation. In order that Great British Railways is held to account effectively, it has been established that both a regulator and customer watchdog (the passenger champion in this case) are necessary to ensure that issues can be identified, investigated and escalated should there be evidence of a problem. Industry would not be able to deliver an effective watchdog operation on itself therefore separate investigations may need to be commissioned at additional cost should any passenger experience failings occur. This option also causes complications for Transport Focus with respect to their role in relation to other modes and fragments transport user representation which could result in less integrated transport thinking which is not in line with Department for Transport priorities.

DS4 – Updating the role of Transport Focus is the preferred option as it has the majority of the duties, powers and experience in place to undertake the passenger champion role outlined in the Williams-Shapps Plan for Rail and its role can be relatively easily updated to cover new responsibilities. This option is cheaper than creating a new organisation and ensures an appropriate level of passenger accountability for the new structure. Additional funding and new mechanisms, likely to be contained in memoranda of understanding rather than legislation, will enable increased regional working and oversight, improved passenger engagement and more comprehensive advice and insight for both Great British Railways to help improve the passenger offer and for Ministers to inform on priorities when holding industry to account. Much of the increased cost (to be finalised) will be to deliver similar functions, but more thoroughly and at a more regional level of detail, discussed in more detail below.

Policy objective

The key objectives of creating the passenger champion role are to:

- Ensure the new rail industry structure has effective formal independent passenger representation at a regional level.
- Provide a robust accountability framework (alongside the Office for Rail and Road and the Rail Ombudsman).
- Ensure that the passenger champion role is cost efficient.
- Support the wider package of rail reforms.

The exact final scope of the passenger champion is currently under development as it will need to complement the structural approach of Great British Railways which is also to be confirmed. At this stage the proposed passenger champion role has been segmented into four broad themes with associated responsibilities, these are.

- **Passenger advocacy** – championing accessibility across all stages of the passenger journey, considering unresolved passenger complaints not covered by the Rail Ombudsman, ensuring the passenger (and non-passenger) voice is heard by Great British Railways and other contracting authorities and working with them to help resolve identified issues (while respecting the parameters of the agreed settlement and supporting good value for money).
- **Strategy development** – providing ministers and Great British Railways with advice on passenger priorities to feed into five-year business plans, holding Great British Railways to account through reporting to Secretary of State on how it is deploying its funding against passenger priorities, inputting on strategy development where this impacts on the customer experience, and ensuring greater focus on multi-modal whole journey thinking.
- **Monitoring** – engaging passengers on their experience (adding value to work undertaken by Great British Railways and the Department for Transport), monitoring Great British Railways' performance in relation to passenger experience, and monitoring passenger complaint volumes and themes¹⁶. ORR will continue to lead on the collection, monitoring and reporting of complaints data where it concerns regulatory compliance.

¹⁶ New function as outlined in the Plan for Rail.

- **Passenger watchdog** – investigate matters relating to rail passengers and station services generally to understand whether commitments to passengers have been met, conduct investigations at the request of Secretary of State, on receipt of a complaint or proactively, and work closely with Great British Railways to address problems or pass the matter to ORR where necessary. Transport Focus will retain its ability to escalate issues to the Secretary of State or the relevant devolved authority for action where resolution cannot be reached.

Some of these outcomes are currently delivered, to a certain extent, by Transport Focus in their role today. The updated future role for the passenger champion is intended to provide increased capacity at a regional level, greater investigative capability, and an ability to deliver detailed advice to ministers and Great British Railways on passenger priorities. The increased capacity will enable passengers to be appropriately represented in the new model and will provide greater assurance that Great British Railways will deliver for its customers.

The success of this proposal will depend on how well the outcomes and responsibilities listed above are delivered. The indicators of success will also be closely related to how Great British Railways performs. In effect, if Great British Railways performs well and delivers rail services to a high standard then there should be less work for the passenger champion to undertake in the holding to account sphere. It is expected that Transport Focus advice and collaborative working with Great British Railways regions would help deliver an improved passenger experience and initiatives to benefit passengers which, in turn, should translate into increased rail patronage and revenue. As further work is undertaken into the creation of Great British Railways a more detailed framework to assess performance of the passenger champion in their rail role will be developed. This could include measures on complaint resolution, passenger satisfaction, qualitative assessment of the quality and impact of strategy input and cross modal initiatives introduced.

Summary and preferred option with description of implementation plan

The preferred option is to modify the current role of Transport Focus to undertake the role of passenger champion. In order to enable Transport Focus to effectively undertake the roles and responsibilities assigned to it in the future rail industry model a range of mechanisms will need to be utilised. Primary legislation will be updated to reflect the changing rail industry structure. Further conditions, such as a duty to cooperate or data sharing agreements will need to be applied below legislation to protect the necessary working relationships.

Implementation will follow a similar trajectory as will be the case for Great British Railways – in effect, the passenger champion role will expand as Great British Railways begins to operate and deliver services.

Monetised and non-monetised costs and benefits of each option

The work to understand costs and benefits of the new role for Transport Focus is at a relatively early stage as any revisions to Transport Focus' operating structures and ways of working will need to complement how Great British Railways is set up. There are, at this stage in the process, several uncertainties, and unquantified benefits and disbenefits associated with the shortlisted options. These are summarised in the table below.

Option	Summary
Do Nothing	Retaining the existing model would enable Transport Focus to undertake some of the duties assigned to it to some extent but will not provide sufficient resource to enable the envisaged passenger representation at the regional level sought in the Plan for Rail. The grant to Transport Focus would remain at £6.4m. There is a risk that regional issues go undetected/unaddressed and may adversely affect passengers.
DS1 Leave to industry to deliver	<p>Advantages:</p> <ul style="list-style-type: none"> • An industry-led solution is likely to have greater buy-in from the sector. • The industry-led passenger champion would be focused on issues that it can do something about. • Pressure to deliver efficiently could keep costs down. <p>Disadvantages:</p> <ul style="list-style-type: none"> • Unlikely to provide sufficient representation for passengers due to conflict of interest – cannot hold itself to account and potentially less rigorous. • No straightforward reduced cost to government as cost of engaging passengers and advising ministers will need to be incorporated into industry expenditure somewhere.
DS4 Update the role of Transport Focus	<p>Advantages:</p> <ul style="list-style-type: none"> • Provides the most cost-effective way of delivering independent passenger representation at the requisite level of detail and uses existing organisations, skills, and experience to deliver the function. • Better serves the interests of passengers (rather than having conflicting interests). Transport Focus would be able to take a cross-modal perspective, including sharing lessons learnt from other modes. • Reducing free-riding and duplication within the industry, for example, relating to research. • Independence of Transport Focus may enhance passenger trust when dealing with complaints. • Powers largely already in place. <p>Disadvantages:</p> <ul style="list-style-type: none"> • Likely to increase costs to government by up to £5m per annum dependent on final scope of the role.

Do Nothing

The cost to the government of Transport Focus, across all modes, was £6.4m in 2020/21.¹⁷ The government Grant funding covers: staffing costs, expense of delivering the National Rail Passenger Survey, operational costs, and wider multimodal duties.

¹⁷ [Transport Focus Annual Report and Accounts 2020-21](#)

DS1 – leave to industry to deliver – no formal independent passenger input/accountability

Costs

However, leaving the rail industry to replicate this passenger champion role would likely result in additional costs to the rail sector, or government, in some form to sufficiently fulfil the advocacy and engagement elements of the role. The size of these additional costs are uncertain but likely to be similar to those additional costs required for Transport Focus to deliver the objectives of this proposal in order to deliver these objectives with an industry-led passenger champion. Our assumption for this cost is therefore cost of Transport Focus fulfilling this role, which is up to an additional £5m on top of its current budget of £6.4m. These costs would be borne by the government through additional funding to Great British Railways to provide this role. There would also likely be additional set-up costs involved with delivering the passenger champion role within the industry, but these have not been quantified. Should Ministers, or the Department for Transport, require independent advice on passenger priorities or insight and evidence to support decision making then this would have to be separately commissioned at additional cost. A decision would also need to be made on how functions Transport Focus currently delivers in relation to other modes are undertaken as there are cost efficiencies associated with combining these with rail.

Benefits

This option could result in cost savings to government as it involves removing Transport Focus as the passenger watchdog for rail. The cost saving would be equal to the current budget of Transport Focus, so moving to an industry-based passenger watchdog would result in this being saved by the government. It is also possible that an industry-led passenger champion may be able to deliver cost savings due to the increased pressure to keep costs down.

DS4 – Updating the role of Transport Focus (preferred)

Costs

The change in responsibilities that involves changing Transport Focus' remit away from being a watchdog to becoming the passenger champion (the preferred option of DS4) will result in a notable rise in its costs. These cost increases include higher staff costs due to a change in Transport Focus' structure, and costs for enhanced user awareness, engagement and participation, including developing and maintaining online user communities. Initial discussions suggest that additional costs to government are expected to be up to £5 million per year, though this is subject to confirmation through further policy development around the size of the role of Transport Focus, which has an element of scalability.

This £5m estimate should be regarded as a top-end assumption of the additional cost to the government, it is possible that the additional financial costs of Transport Focus will be smaller than this.

Benefits

The future role of Transport Focus will bring additional benefits to the future rail industry compared with the Do Nothing scenario. Some elements of the passenger champion role for Transport Focus will revolve around monitoring and being a part of the process by which Great British Railways is held to account. These monitoring and accountability functions, whilst difficult to quantify, are essential components in ensuring that Great British Railways provides an excellent service for passengers. Without this oversight there is a risk that Great British Railways may not deliver as expected on some of the customer orientated priorities for rail reform which would have service delivery, reputational and cost implications. In summary, Transport Focus will be a key part of ensuring that government gets what it pays for.

Research and insight developed by Transport Focus will complement work by Great British Railways to improve the customer offer to drive passenger (and therefore, revenue) growth. Great British Railways will own the customer offer but effective joint working between the two organisations is intended to deliver an improved customer product.

Advice from Transport Focus on passenger priorities will feed into the funding settlement process to provide evidence on what passengers are looking for from the railway. Great British Railways will use this information to create a business plan that is responsive to customer priorities and as such, provides an excellent customer experience with a good chance of growing revenue and realising strategic benefit for users in line with Department for Transport aspirations.

Direct costs and benefits to business calculations

The preferred option (DS4) does not impose or create significant direct costs and benefits for businesses.

- **Costs:** This proposal seeks to ensure that passenger service contracts are delivered to a high standard and that a high quality of service is provided to passengers. Therefore, the proposal may result in costs to businesses in cases where contracts are not delivered to the required level. Under option DS4 the additional financial costs of the Passenger Champion are borne by the government.
- **Benefits:** the key benefits of this proposal are associated with improvements in quality of service and ensuring that contracts are delivered to standard in terms of quality of service. These benefits will be realised by passengers rather than businesses.

Furthermore, the changes proposed in this Impact Assessment are not regulatory changes.

Therefore, this Impact Assessment does not include an Equivalent Annual Net Direct Cost to Businesses (EANDCB) or a Business Impact Target (BIT) score.

Risks and assumptions

The estimate of increased financial costs to government of the proposal is based on engagement with Transport Focus on the expected cost to deliver their new role. This estimate is subject to uncertainty and will depend on the exact responsibilities of Transport Focus. Other economic costs and benefits are not quantified in this Impact Assessment due to the lack of available evidence and uncertainty. There are several wider risks to successful delivery of the policy, two core risks include:

- **Financial** – much of the revised Transport Focus role depends on having additional staff. Should the final budget be lower than envisaged then the extent of Transport Focus' activities would be reduced.
- **Relationships** – for Transport Focus to be effective it will need to have good working relationships with industry bodies. Should these relationships break down for whatever reason then it may adversely impact passenger advocacy in the new rail model. This will be mitigated by the creation of memoranda of understanding to protect core functions.

Impact on small and micro businesses

This proposal is not expected to have a significant impact on small or micro businesses.

The 2021 business population estimates for passenger rail transport (interurban) are set out in the table below, which represents the number and percentage of businesses in the sector in the UK and regions that are micro, small, medium or large businesses.¹⁸ According to the estimates, the majority (66.7%) of businesses in passenger rail transport are medium or large. Although the estimates indicate that there are some small and micro passenger rail transport businesses, we expect that this proposal is most likely to affect medium and large businesses.

Business size	Number of businesses	Proportion of businesses
Micro (1-9 employees)	10	22.2%

¹⁸ Business Population Estimates for the UK and Regions 2021. Table 7 – UK Groups. Passenger Rail Transport, Interurban. <https://www.gov.uk/government/statistics/business-population-estimates-2021>

Small (10-49 employees)	5	11.1%
Medium (50-249 employees)	10	22.2%
Large (250+ employees)	20	44.4%

Furthermore, as set out above, the direct costs to businesses of this proposal are anticipated to be small and are expected to occur in cases where contracts are not being delivered to an appropriate standard. Therefore, where small or micro businesses may face costs as a result of this proposal, they are unlikely to disproportionately or unduly affect such businesses.

Wider impacts

The new role of the passenger champion is anticipated to have positive wider impacts through acting to support the interests of passengers and raising issues of passenger interest. This includes issues such as equality and the environment. Additionally, the new role of the passenger champion may encourage innovative solutions to deliver increased passenger satisfaction.

One of the key elements of the Transport Focus role will be to champion accessibility on the rail network. As a key priority for Department for Transport, Transport Focus will help to ensure that the new industry model positively delivers on accessibility.

Further consideration of wider impacts will be made through policy development as the programme develops.

A summary of the potential trade implications of measure

This proposal relates to domestic rail passenger travel and is therefore not expected to have any implications for trade.

Monitoring and Evaluation

With the Rail Transformation Programme now in the design and delivery phase, the Department for Transport is currently developing a structured benefits management approach to measure, monitor and report on the progress of the programme. We are also progressing further work to scope additional evaluation activity, which is likely to involve an evaluation scoping study to assess data requirements and explore impact evaluation methods. Evaluation of the reforms is likely to draw on a range of data sources, such as passenger surveys and internal monitoring data, as well as bespoke data collection.

Specific to Transport Focus, as an arm's length public body, it will be required to agree workplans with the Department for Transport and will also be subject to periodic review at least once in the lifetime of a parliament.

Title: Accessibility Lead department or agency: Department for Transport Other departments or agencies: N/A	Impact Assessment (IA)
	Date: June 2022
	Stage: Consultation
	Source of intervention: Domestic
	Type of measure: Primary legislation
	Contact for enquiries: railconsultation@dft.gov.uk
Summary: Intervention and Options	RPC Opinion: Not applicable

Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
NQ	NQ	NQ	Not a regulatory provision

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

Most railway stations in Great Britain were designed during the Victorian era, meaning that despite recent efforts to improve accessibility or build new stations to accessible design standards, a lot of the rail estate remains below accessible standards. An urgent need to improve how accessibility is delivered on the railway was acknowledged in the Williams-Shapps Plan for Rail¹⁹, which identified ‘accessibility’ - the need for passengers to access the network as easily as possible - as one of nine core passenger needs. The establishment of Great British Railways as the guiding mind of the rail industry will provide it with considerable power over the planning and management of the railways. It is therefore necessary to ensure the appropriate legal and policy framework exists to ensure it has the correct incentives to enable the accessibility ambition as set out in the Plan for Rail.

What are the policy objectives of the action or intervention and the intended effects?

The policy objectives are to: (i) Stimulate positive changes in the current culture surrounding accessibility (ii) Drastically improve the way accessibility is administered across the network and (iii) Lead to an improved passenger offer. A transformed passenger experience will be the most fundamental indicator of success. The creation of a publicly-owned body subject to an accessibility duty presents a vital opportunity: establishing a single guiding mind for accessibility – with the spending power to make meaningful, long-term change across the network – will ensure that disabled passengers and those with additional needs are put at the heart of the railway.

¹⁹ [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/Great British Railways-williams-shapps-plan-for-rail.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/Great_British_Railways-williams-shapps-plan-for-rail.pdf)

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

Do nothing:

- Great British Railways is not required through any mechanism (e.g. neither through primary legislation nor the Great British Railways Licence) to improve accessibility on the railways.
- Great British Railways is still subject to the Public Sector Equality Duty (PSED) and any further legal requirements stemming from its day-to-day activities e.g. accessibility design standards where applicable.
- The Disabled Persons Transport Advisory Committee (DPTAC) retain their role as statutory advisor to the Secretary of State for Transport.

Do something:

- A specific accessibility duty on Great British Railways is established.
- *There are options, described below, for the mechanism by which this is created.*
 - **Option 1-** the duty is established in primary legislation
 - **Option 2-** the duty is established in the Great British Railways Licence.
 - **Option 3-** a combination of 1 and 2. A requirement is placed in primary legislation for the scope of the Great British Railways Licence to include a duty on accessibility. **(Preferred implementation option)**.
- The role of DPTAC is expanded in primary legislation to become a statutory advisor to Great British Railways, as well as to the Secretary of State.

The proposals relate to the legislative changes required to ensure Great British Railways is established with the appropriate framework to fulfil a guiding mind role on accessibility in rail. They are not direct proposals for accessibility upgrades on the network, although the ambition is that will be the indirect effect of the changes proposed.

Will the policy be reviewed? Yes If applicable, set review date: TBC

Is this measure likely to impact on international trade and investment?	No			
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: N/A		Non-traded: N/A	

- ***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

W Mamm

Date: 9.6.2022

Summary: Analysis & Evidence

Policy Options 1, 2 and 3

Description: A specific accessibility duty is established on Great British Railways and the role of DPTAC is expanded in primary legislation to become a statutory advisor to Great British Railways

FULL ECONOMIC ASSESSMENT

Price Base Year N/A	PV Base Year N/A	Time Period Years N/A	Net Benefit (Present Value (PV)) (£m)			
			Low:	High:	Best Estimate: NQ	
COSTS (£m)		Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant	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’						
No costs have been monetised for this IA.						
Other key non-monetised costs by ‘main affected groups’						
<ul style="list-style-type: none"> • Cost of implementing legislation and familiarisation costs to operators and private companies. • Cost to Great British Railways of establishing capability to adhere to legislative framework set out. • Cost to ORR of monitoring the statutory duty on Great British Railways. • Cost to Great British Railways of consultation with stakeholders, including DPTAC. • Cost to DPTAC (incurred by the DfT) of expanded advisory role. 						
<i>These apply under all duty implementation options</i>						
BENEFITS (£m)		Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant	Total Benefit (Present Value)		
Low		N/A				
High						
Best Estimate			NQ	NQ	NQ	
Description and scale of key monetised benefits by ‘main affected groups’						
No benefits have been monetised for this IA.						
Other key non-monetised benefits by ‘main affected groups’						
<ul style="list-style-type: none"> • Greater accountability and visibility of accessibility policy. • Improved value for money in decision making regarding accessibility. • Greater focus on accessibility in decision making leading to passenger and operator benefits. • Wider societal and economic benefits of accessibility improvements. 						
<i>These apply under all duty implementation options</i>						
Key assumptions/sensitivities/risks				Discount rate	N/A	
<ul style="list-style-type: none"> • There is a risk that the policies fail to lead to a change in behaviour. This might arise if: <ul style="list-style-type: none"> ○ Compliance, monitoring and evaluation framework surrounding the duty is not sufficiently robust, allowing Great British Railways to not comply with measures set out. ○ The duty doesn't drive cultural change. ○ Great British Railways only undertake the minimum required consultation with accessibility stakeholders and do not go beyond this. • Under Option 1, there is a risk of a loss of flexibility on the statutory duty. This includes making the duty more specific or amending it if policy objectives change. • Under Option 2, there is a risk that an accessibility duty could be excluded from future Great British Railways licences. There is also a risk that the lack of obligation to include an accessibility duty in primary legislation reduces confidence among industry and passengers that GBR will be committed to accessibility improvements long term. <p>Option 3 balances both these risks by retaining flexibility for future decision-makers through including the duty in the Great British Railways licence rather than in primary legislation itself, whilst containing a requirement in primary legislation to continue to include a duty in the licence acts as a signal of government's commitment to longer-term accessibility policy. Option 3 is therefore the preferred option.</p>						

BUSINESS ASSESSMENT (Options 1, 2 & 3)- Not applicable

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

Evidence Base

Background

This Impact Assessment (IA) is supporting the Department for Transport's (DfT's) public consultation on several areas surrounding reforms to the rail industry, following the publication of the Plan for Rail.²⁰

Great British Railways

Legislation around railways has not been comprehensively updated since privatisation in 1993. This was intentionally fragmented, giving different bodies power over different aspects of running the railway, reinforced through EU policy which aimed to break up state monopolies.

The key recommendation of the Plan for Rail is the establishment of a single guiding mind for the industry, namely Great British Railways. This new public body will own the infrastructure, receive fare revenue, run and plan the network and set most fares and timetables. Great British Railways will procure passenger services from private Train Operating Companies (TOCs) to run trains to the timetable Great British Railways sets, with incentives to improve customer service, maintain a safe network and attract new passengers. A key feature of the proposed contractual arrangement is that the government will take on revenue risk, which along with the other proposed changes affect the assumptions underpinning the current legislative regime. These have prompted a rethink in terms of whether it is fit for purpose and the proposals within this consultation.

As set out in the Great British Railways Impact Assessment, the Secretary of State will issue a licence to Great British Railways – 'The Great British Railways Licence'. The Licence will broadly codify 'what' Great British Railways does and 'how' it does it. The ORR will be responsible for monitoring Great British Railways' compliance with the Licence across the whole of Great Britain.

Accessibility

As part of wider structural changes, Great British Railways will be accountable for the passenger offer – including accessibility. This will build on the work of ORR over recent years and help to reduce fragmentation and split accountabilities in the industry.

Accessibility on the railways, encompassing the need for passengers to access the network as easily as possible, has improved considerably in recent decades. Initiatives such as dedicated accessibility funds (including Access for All²¹), accessibility design standards, the introduction of the Public Sector Equality Duty (PSED)²² and Accessible Travel Policies (ATPs) have advanced the development of stations and mandated assistance availability for passengers with disabilities to board and change trains. These advances have been made despite the considerable challenge that most railway stations in Great Britain were designed during the Victorian era.

The Williams Rail Review highlighted the challenges that still remain and hinder a truly accessible network. Accessibility was identified in the Plan for Rail as one of nine core passenger needs and includes several accessibility commitments including:

- A new accessibility duty on Great British Railways (included in the public consultation).
- A National Rail Accessibility Strategy (not consulted on in the Great British Railways consultation, however, it will be separately).
- A reformed role for ORR and Transport Focus (included in the public consultation, see IA "Passenger Champion").
- An audit of network accessibility (not included in the public consultation).

²⁰ <https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail>

²¹ <https://www.networkrail.co.uk/communities/passengers/station-improvements/access-for-all-improving-accessibility-at-railway-stations-nationwide/>

²² <https://www.gov.uk/government/publications/public-sector-equality-duty>

- An accessibility audit of all railway stations in Great Britain has already begun. While the audit is being led by DfT in the transitional period, we propose that ownership is transferred to Great British Railways in the end state.
- An update of design standards for stations (not included in the public consultation, however, it will be consulted on separately).

This IA considers the policies which require legislative change. This includes the Plan for Rail commitment to a new accessibility duty, alongside an expansion of DPTAC's advisory role to also incorporate Great British Railways.

Current roles and responsibilities in the rail industry on accessibility

In the rail industry today, no single organisation is responsible for the accessibility of the network. Rail industry bodies have different roles and responsibilities in setting direction, monitoring and enforcement on accessibility.

The following sections look to provide a summary of key roles and responsibilities in the industry on accessibility today.

Please note that this is intended as a high-level summary and does not go into detail on each organisation's role.

DfT

The DfT, as the current Franchising Authority, has a variety of controls on accessibility, which it does primarily through franchise agreements.²³ If TOCs breach their accessibility obligations, the DfT can formally launch enforcement proceedings.

The DfT publishes several accessibility standards, which the rail industry must adhere to where applicable. These include the Design Standards for Accessible Railway Stations, the National Technical Specification Notices (NTSNs), and the Rail Vehicle Accessibility (Non-Interoperable Rail System) Regulations 2010 (RVAR 2010). The ORR, as an independent regulator, plays an important role in monitoring and enforcing compliance against these standards where appropriate. The RSSB also plays a role, including in the change management process of NTSNs.²⁴

The ORR

The ORR has an important role in accessibility policy. Under ORR's operating licences, each individual train and station operator is required to establish and comply with an Accessible Travel Policy (ATP), based on ORR's published ATP's guidance.²⁵ Each ATP must be approved by ORR. An ATP sets out, amongst other things, the arrangements and assistance that an operator will provide to protect the interests of disabled people using its services and to facilitate such use. As per the licence condition, ORR can require licence holders to submit their ATP for review and, in extreme cases, can revoke the licence of an operator that is not complying with its ATP.

The Rail Ombudsman

The Rail Ombudsman offers a free service to investigate unresolved complaints about participating service providers, including complaints about accessibility issues. The Ombudsman looks to resolve customers complaints, which can involve passing the complaint to another body where they believe it can be resolved more effectively.

Transport Focus

Transport Focus works to support improved accessibility on rail, to ensure that the views of passengers with disabilities are driving change. Transport Focus's activities include meeting regularly with rail

²³ [Rail franchising - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/topics/rail-franchising)

²⁴ <https://www.rssb.co.uk/en/standards/understanding-and-applying-standards/national-technical-specification-notices>

²⁵ <https://www.orr.gov.uk/sites/default/files/2021-03/September%202020%20ATP%20Guidance%20final.pdf>

companies, the industry and the DfT to discuss accessibility matters – including ATPs. Alongside this, Transport Focus undertake research on accessibility and are consulted on exemptions from the regulations on train and station design.²⁶

Network Rail (NR)

NR owns, operates, and develops Britain's railway infrastructure. NR manage 20 UK stations, with the remaining managed by TOCs.²⁷ The railway infrastructure is vital to the accessibility of the network. As examples of NR's work in this area, NR operate the built environment of the railways in compliance with accessibility design standards and deliver Access for All projects to improve the accessibility infrastructure at selected stations.²⁸

Problem under consideration

Despite recent efforts to improve the accessibility of the railways, there are several obstacles that hinder progress. These include:

- i. **Infrastructure:** Most railway stations were designed during the Victorian era, meaning completing accessibility improvements are often very expensive, difficult due to the age of the buildings and they are often listed. Infrastructure improvements are also challenging due to fragmentation of ownership, inaccurate data, challenges with enforcement of existing standards, and an inefficient investment strategy. Infrastructure shortfalls, including a lack of appropriate toilet facilities and a lack of priority seating, can create a barrier to rail travel for disabled passengers²⁹. This results in financial and social consequences (as set out below).
- ii. **Lack of long-term strategy and misaligned accessibility objectives:** There is an absence of a comprehensive plan to improve the accessibility of the railway – including and beyond addressing the challenges with the built environment. The absence of a clear strategy, with defined objectives and backed by a long-term investment programme, leads to misaligned activities across the network. This is compounded by the multiple organisations involved in setting, regulating, and enforcing accessibility standards (see previous section). This creates blurred responsibilities and a lack of accountability, making accessibility changes difficult to promote and deliver.
- iii. **Discrepancies in data collection:** The data on the accessibility of the network is inconsistent. There are both gaps in knowledge and discrepancies across different data sets. A lack of understanding makes it difficult to plan in the long-term, specifically, where to direct investment.
- iv. **Limitations surrounding the culture of accessibility:** Anecdotal evidence suggests that accessibility is not treated as a high priority across the industry i.e. a fundamental requirement of the railway and the passenger offer. TOCs and Station Owners can be reluctant to push for accessibility improvements as incentives and guidelines are ambiguous. Staff training and attitudes towards disabled passengers and those with additional needs can also fall short.

The above has culminated in a railway system with inconsistent and disjointed accessibility provisions which often do not meet the level required for disabled passengers and those with additional needs to travel by rail with confidence. Accurate information is not currently readily available on the proportion of stations which are inaccessible, which the accessibility audit ongoing currently is looking to address. Research carried out by the DfT found that two thirds of disabled rail users surveyed experienced at least one issue at some point during their rail journey, and 21% of disabled rail users found travelling by rail "difficult" or "very difficult".³⁰

²⁶ <https://www.transportfocus.org.uk/faq/passenger-focus-and-accessibility/>

²⁷ <https://www.networkrail.co.uk/who-we-are/about-us/>

²⁸ [Access for All – improving accessibility at railway stations nationwide - Network Rail](#)

²⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/814862/experiences-of-disabled-rail-passengers.pdf

³⁰ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/814862/experiences-of-disabled-rail-passengers.pdf

The arguments for an accessible railway, including the significant economic and societal benefits, are long-established. The government, through the Plan for Rail, has set a strong commitment to improve accessibility. Great British Railways, as the guiding mind for the industry accountable for the passenger offer, presents a key opportunity for much-needed leadership and accountability on accessibility.

The introduction of these policies will impact the day-to-day running of Great British Railways. It will also, therefore, impact on those contracted to provide services across the network. Most importantly, it will have a direct impact on passengers, including and beyond disabled passengers and those with additional needs e.g. parents with buggies and passengers with shopping or luggage.

Rationale for Intervention

The rationale for intervening to address the issues as set out in the previous section is driven by two market failures: that there are positive externalities associated with accessibility improvements, which operators do not consider when making decisions about how accessible to make stations and trains, as well as a coordination failure across the different bodies who run the railways.

It is well documented that there is a wider social value to accessibility improvements as well as a financial benefit to the operators who deliver them. Financial benefits arise from increased fare revenue and reduced operational costs, and operators would account for these benefits in undertaking an analysis of the commercial value of a potential intervention. Wider social benefits, such as improved social inclusion, improved health from more active travel and greater worker mobility do not accrue to the operator. Without intervention accessibility provisions would be undersupplied.

Under the current industry structure, there is a coordination failure in that the industry is fragmented – there is no single point of accountability for accessibility on the rail network with no single entity responsible for delivering improvements. The establishment of Great British Railways as the guiding mind of the industry will create that one point of accountability and give it considerable power over the planning and running of the railways. It is therefore necessary to ensure the appropriate legal and policy framework exists to ensure it has the correct incentives to enable the accessibility ambition as set out in the Plan for Rail.

Rationale and evidence to justify the level of analysis used in the IA (proportionality approach)

The changes proposed will largely impact a new publicly owned government body or private companies who sign up to working with it. It is not expected there will be direct impacts on businesses outside of these (including any disproportionate impacts on small or micro businesses) or any significant distributional impacts between sectors. Additionally, the changes proposed are setting out the framework for accessibility policy under the new industry structure and the resulting impacts will largely depend on how these changes are applied. The range of uncertainty of these impacts is significant.

At this stage we have not attempted to quantify or monetise the impacts of the changes for proportionality reasons. We have supplemented this IA with evidence from published studies carried out on the impacts of accessibility in the wider impacts section.

Analysis will continue to be carried out and further developed analysis will be included in the final stage IA.

Description of options considered

Do nothing:

Great British Railways is not required through any mechanism (e.g. neither through primary legislation nor the Great British Railways Licence) to improve accessibility on the railways.

In the 'Do Nothing' scenario, Great British Railways will be established without any specific framework to promote and require accessibility improvements on the network. It would therefore not become a single point of accountability for accessibility.

In this scenario, however, Great British Railways would be subject to the Public Sector Equality Duty (PSED), which would continue to apply to bodies including the DfT, ORR and Network Rail. Great British Railways would also be subject to further legal requirements stemming from its day-to-day activities e.g. subject to accessibility design standards where applicable.³¹

As today, DPTAC retain their role as statutory advisor to the Secretary of State for Transport.

Do Something - this is the preferred option:

A specific accessibility duty is placed on Great British Railways and the role of the Disabled Persons Transport Advisory Committee (DPTAC) is expanded in primary legislation to become a statutory advisor to Great British Railways, as well as to the Secretary of State.

Accessibility duty

The Plan for Rail proposes that a duty will be placed on Great British Railways to improve accessibility. This new duty is fundamental to cultural change, ensuring that Great British Railways puts accessibility at the core of its strategic decisions when acting as a guiding mind for the industry on accessibility. This duty is in addition to the Public Sector Equality Duty (PSED), which will apply to Great British Railways.

The detail of the duty, including how it will function, is still under development. Further analysis will be carried out as the policy evolves.

There are differing options available for the mechanism used to establish this accessibility duty on Great British Railways, including:

- **Option 1-** the duty is established in primary legislation
- **Option 2-** the duty is established in the Great British Railways Licence.
- **Option 3-** a combination of 1 and 2. A requirement is placed in primary legislation for the scope of the Great British Railways Licence to include a duty on accessibility. **(Preferred implementation option)**.

This is discussed in the implementation plan section below.

Alongside the Secretary of State, ORR and Transport Focus will work closely together to secure improvements on the network. ORR will monitor Great British Railways' compliance with accessibility requirements in the Great British Railways' Licence, as well as other operators' compliance with their licences. Transport Focus will work in close partnership with ORR, acting as a voice for disabled passengers and those with additional needs.

A statutory requirement to consult with accessibility stakeholders

We propose that the role of the Disabled Persons Transport Advisory Committee (DPTAC) is expanded in primary legislation to become a statutory advisor to Great British Railways. Established by the Transport Act 1985, DPTAC is the statutory advisor to the government on matters relating to disability and transport. By acting as a critical friend and policy advisor, DPTAC has ensured accessibility is prioritised in the Department for Transport. We believe that DPTAC will have an equivalent, highly positive impact on Great British Railways.

³¹ See: <https://www.gov.uk/government/publications/accessible-railway-stations-design-standards>, <https://www.gov.uk/government/publications/railway-interoperability-national-technical-specification-notices-ntsns>, and <https://www.orr.gov.uk/guidance-compliance/rail/health-safety/passenger-safety/rail-vehicle-accessibility>

We will also include a condition in the Great British Railways Licence to consult with disabled passengers and those with additional needs, directly and through representative organisations. Building a comprehensive understanding of the passenger experience is integral to ensuring Great British Railways is able to make fully formed, evidenced-based decisions to improve the passenger offer.

Policy objectives

The intended outcomes of the of accessibility reforms include:

- i. **Cultural change:** evidence that Great British Railways are putting accessibility at the centre of its strategic decisions. This is alongside evidence that rail bodies are also prioritising accessibility in wider decision-making.
- ii. **Infrastructure:** an improvement in the physical accessibility of the network, stemming from Great British Railway's commitment to, and culture around, accessibility.
- iii. **The passenger offer:** an improvement in journeys for disabled passengers and those with additional needs – having the ability to travel to, in and around stations and beyond with ease. This is evidenced by an increase in passenger journeys.

The key indicators of success include:

- i. An increase in journeys made by disabled passengers and those with additional needs.
- ii. An improvement in the experience of disabled passengers and those with additional needs when travelling by rail.
- iii. A reduction in intervention/enforcement in this area.

The true indicator of success, however, is that accessibility is prioritised throughout the industry: a railway where accessibility is thought of, not as a 'nice to have' but as a 'must do' i.e. it is an integral part of the day-to-day running of the network.

Summary and preferred option with description of implementation plan

We propose that the requirement for Great British Railways to consult with DPTAC is established in primary legislation. We also propose a condition in the Great British Railways Licence to consult with disabled passengers and those with additional needs, directly and through representative organisations.

The mechanism by which the accessibility duty on Great British Railways is implemented has not yet been decided, and views are being sought as part of this consultation. The preferred Option is using a combination of primary legislation and the Great British Railways licence- placing a requirement in primary legislation that the licence (a more flexible mechanism than primary legislation) contains an accessibility duty.

The detail of what this would look like has not been defined at this stage of policy development. This analysis will be updated and presented in the final stage IA (which will support the proposed bill going to parliament).

Under any Option, Great British Railways will have clear obligations on accessibility. In the end state, Great British Railways will be responsible for delivering the Williams-Shapps vision for accessibility day-to-day, and the legislative framework proposed should ensure Great British Railways' robust compliance framework on accessibility.

To make early progress, the DfT has commissioned Great British Railways Transition Team to begin work on the Williams-Shapps accessibility commitments where possible.

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

The Options presented in this IA are comprised of measures aimed at achieving the policy objectives as set out above.

Given the consultation stage of this IA and that the proposed changes will be laid in primary legislation (where legislation is required), **quantitative analysis has not been carried out** due to the high-level nature of the changes. Analysis of the impacts of the changes will continue to be carried out throughout the policy development process and will be updated when the Rail Reform bill goes to Parliament.

To note it is not expected that there will be a difference in costs and benefits between Options 1, 2 and 3, but a potential difference in deliverability and risks, which are discussed in the risk section below.

Option 3 is the preferred Option because it is considered to balance these risks and best meet the policy objectives.

Direct Costs- All Options

- Cost of implementing legislation and familiarisation costs to operators and private companies
 - This is expected to be a small cost. The changes are not regulatory so private businesses will not be required to change their behaviour.
- Cost to Great British Railways of establishing capability to adhere to the legislative framework set out (duty on accessibility and consulting with accessibility stakeholders)
 - The detail of the structure of teams within Great British Railways which will deliver these has yet to be decided but capability will be required to adhere to the new duty.
- Cost to ORR of monitoring the duty on Great British Railways
 - The ORR already fulfils a monitoring role when it comes to operator licences. This is not anticipated to be a significant cost and the specific responsibilities ORR will hold are under development and will be refined for the final stage IA. This will predominantly be an administrative cost.
- Cost to Great British Railways of consultation with stakeholders, including DPTAC
At this stage of policy development, it has not yet been specified what form this will need to take but will incur a cost to Great British Railways. Work will continue to develop the analysis of this cost as the requirement is further specified.
- Cost to DPTAC (incurred by the DfT) of expanded advisory role
 - DPTAC are the DfT's statutory advisors on accessible travel. Their role will be expanded to also advise Great British Railways which will incur a cost to the DfT who manage their contracts.
 - This is not expected to be a significant cost as their role in advising Great British Railways will likely be similar to the advice given to the DfT.
 - DPTAC have advised they do not expect there to be a significant resource cost associated with the changes but note the uncertainty around this.

Direct Benefits- All Options

- There will be greater accountability and visibility of accessibility policies
 - Having one body accountable for accessibility across the network, bound by legislative requirements on accessibility, brings greater accountability and to improvements on the network.
- Improved value for money in decision making regarding accessibility
 - The fragmentation of accessibility policy means that decisions on accessibility are often taken in silos, and not with a view of the whole sector in mind. Great British Railways will be able to take a system-wide view when making decisions, leading to improved value for money in decision making as they will be better placed to assess trade-offs and where best to invest in accessibility improvements which will yield the most considerable benefits.

Risks

Options 1, 2 and 3

- The compliance, monitoring and evaluation framework surrounding the accessibility duty is not sufficiently robust, allowing Great British Railways to not comply with the measures set out to sufficiently drive the substantial change desired.
- The duty doesn't drive cultural change. Accessibility is not given sufficient priority across the whole industry (i.e. by all bodies and operators) and put at the heart of the network as envisioned.
- Great British Railways only undertake the minimum required consultation with accessibility stakeholders and do not strive to go beyond this i.e. the value of consultation is not fully exercised.

Risks of Option 1

- Dependent on the drafting of the new duty, there could be limited flexibility under this option where it is established itself in primary legislation. This includes making the duty more specific (i.e., specifying a framework, the current option proposes a more general duty), or amending it if policy objectives shift.

Risks of Option 2

- Under Option 2, where the duty is included in the Great British Railways Licence, there will be more flexibility to amend it. However, the lack of any reference to an accessibility duty in primary legislation (a more permanent mechanism) could mean an accessibility duty is excluded altogether in future. This could limit the confidence the sector has in the long-term commitment to accessibility improvements and reduce passengers' confidence in government's commitment to accessibility improvements.

Under Option 3, it will be established in primary legislation that the Great British Railways Licence must address accessibility. This mitigates the risk included under Option 2 of accessibility being excluded from the Licence and retains a signal to the sector of the government's commitment to accessibility policy, whilst retaining flexibility for future decision-makers over what the scope of the accessibility requirement should look like (which establishment itself in primary legislation would not provide). **Option 3 is therefore the preferred option.**

Mitigations

- A robust compliance framework is being designed, with defined roles and responsibilities for ORR, Transport Focus and the Secretary of State to hold Great British Railways to account and secure improvements on the network.
- We are consulting on the different mechanisms to create the new duty, to ensure all benefits and disadvantages have been considered.

Assumptions

Assumption that Great British Railways is established with the powers and remit envisioned in the Plan for Rail, and acts as a guiding mind for the industry.

Indirect & Wider Impacts

The combination of policies above should provide the legal, policy and compliance framework to improve accessibility on the rail network. This section discusses the potential wider impacts of improved accessibility in rail.

We would expect Great British Railways to identify accessibility improvements that are likely to lead to increased costs, to operating companies or to Great British Railways itself, of providing accessible services. These costs would be funded either directly by the public purse or indirectly via the rail operation contracts.

Embedding accessibility considerations in decisions across the network should lead to a greater focus on accessibility in decision making, which should lead to both passenger and operator benefits. It is widely acknowledged that improving accessible transport brings many wider societal and economic benefits as well as financial returns.

Research was carried out for DfT³² on the benefits Network Rail's Access for All³³ programme, which since 2006 has installed accessible, step-free routes at over 150 stations and implemented smaller-scale improvements at a further 1,500 stations³⁴. The study, completed in 2015 found that upgrades across six stations resulted in a Benefit-Cost Ratio of 2.4:1 (i.e. for every £1 spent there were £2.40 of benefits), when accounting for impacts on disabled passengers and those with additional needs. This varied considerably between stations, with Vauxhall having an exceptionally high BCR of 11.3:1 whilst others had very low BCRs closer to 0:1. The key identified drivers for differences in these BCR measures were the number of disabled passengers and those with additional needs using the station, as well as the number stating that Access for All had led them to increase their use³⁵ (as this assessment was based in part on user interviews). This overall BCR was robust to multiple sensitivity tests, the lowest being 1.44:1. A sensitivity test where benefits to passengers without accessible needs was included, the BCR came out at 19:1.

An OECD report³⁶ looking to improve an understanding of accessibility benefits (of transport generally, not rail specifically) identified a number of different types of benefit from improved accessible transport, listed below:

- User benefits- investment in accessibility results in similar user benefits as other transport interventions (travel time reduction, greater service quality, improved safety).
- Non-user benefits³⁷- including decongestion on other modes, property value uplift and option value.³⁸
- Operator benefits- increased revenue from an uplift in passenger numbers and cost reductions due to disabled passengers and those with additional needs being able to access transport independently rather than relying on assistance personnel.
- Public sector benefits- from additional labour force participation, and for disabled passengers and those with additional needs greater participation in social and economic activities, like access to health, education and leisure services and reduced psychological problems from social isolation.

The report also notes accessibility improvements can give rise to negative economic benefits. Wheelchair-dedicated spaces can reduce capacity, contributing to crowding, and leave less space for luggage or bicycles. There may also be trade-offs between different groups of passengers e.g. tactile paving for visually impaired passengers can make it more difficult for wheelchair users to access rail platforms.

³² "Access for All Benefit Research", Steer Davis Gleave, 2015, <https://uk.steergroup.com/sites/default/files/2021-03/Access4AllBenefitResearch2015.pdf>

³³ <https://www.networkrail.co.uk/communities/passengers/station-improvements/access-for-all-improving-accessibility-at-railway-stations-nationwide/>

³⁴ <https://www.gov.uk/government/collections/access-for-all-programme> (updated 2019)

³⁵ Depends to a large extent on users awareness of improvements

³⁶ "Economic Benefits of Improving Transport Accessibility", 2016, International Transport Forum, <https://www.itf-oecd.org/sites/default/files/docs/economic-benefits-improved-accessibility-transport-systems.pdf>

³⁷ Refers to benefits of those whose behaviour does not change as a result of the investment

³⁸ Option value- value derived from having the option of using accessible transport, even if they do not do so at present. E.g. for when it might be needed in future if decision to have children or in older age

Direct costs and benefits to business calculations

It is not expected that there will be any direct costs or benefits to business under proposals in this IA and the changes are not regulatory. The proposals will result in costs to the government and public bodies.

This includes small and micro businesses, who are not expected to incur any costs as a result of the changes proposed.

There may be indirect costs to businesses as a result of the action taken by Great British Railways to adhere to the measures set on accessibility. It is not expected this would disproportionately affect small and micro businesses.

A summary of the potential trade implications of measure

This proposal relates to domestic rail passenger travel and is therefore not expected to have any implications for trade.

Monitoring and Evaluation

With the Rail Transformation Programme now in the design and delivery phase, the DfT is developing a structured benefits management approach to measure, monitor and report on the progress of the Programme. We are also progressing further work to scope additional evaluation activity, which is likely to involve an evaluation scoping study to assess data requirements and explore impact evaluation methods. Evaluation of the reforms is likely to draw on a range of data sources, such as passenger surveys and internal monitoring data, as well as bespoke data collection.

Title: Data Lead department or agency: Department for Transport Other departments or agencies: N/A	Impact Assessment (IA)
	Date: June 2022
	Stage: Consultation
	Source of intervention: Domestic
	Type of measure: Primary legislation
Contact for enquiries: railconsultation@dft.gov.uk	
Summary: Intervention and Options	RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
NQ	NQ	NQ	Not a regulatory provision

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

The Plan for Rail committed to an “open by default” approach to data sharing in order to better inform journeys, improve transparency, unlock innovation and bring new entrants into the rail market. Among its priorities, Great British Railways will need to make strategic decisions within its remit to promote open data in the interest of the public. This will require Great British Railways to use and disclose data that it obtains (via the contracts it will enter into with TOCs) in its new capacity as franchising authority under the Railways Act 1993 (the “Act”) where there is wider value to the public and industry in doing so.

As a general rule, the Act provides for confidentiality by restricting disclosure of information about any business without the consent of the business concerned. The contracts with the TOCs also contain provisions relating to confidentiality. However, the Act also provides some exceptions to the confidentiality obligation, including to allow the Secretary of State or the ORR (among others) to make disclosures for the purpose of facilitating their functions or activities in relation to the railways.

Intervention is required to extend the power of disclosure under the Act to Great British Railways (alongside a recasting of contractual provisions) to enable it to disclose data that it obtains as franchising authority under the Act so it can achieve its open data policy objectives.

What are the policy objectives of the action or intervention and the intended effects?

To ensure that data obtained by GBR under the Act can be disclosed as appropriate in order to improve decision making at all levels. As the body overseeing the railway, Great British Railways will require the ability to use and disclose data that it obtains from TOCs through its role as franchising authority in order to effectively plan rail services, allocate investment and resources, and ensure the efficient running of the railways. This will support the open data objectives set out in the Williams-Shapps Plan for Rail, to accelerating innovation by enabling third parties to develop new data-driven tools and services for the industry and its passengers.

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

Do nothing - Do not intervene to change the legislation or contracts with regards to confidential information and data sharing. As a result, although Great British Railways would theoretically have a contractual right to disclose certain limited information that TOCs share with Great British Railways as franchising authority, Great British Railways would nonetheless be bound by the legislative confidentiality obligations under s145(1) of the Act and therefore information cannot be shared further or published by Great British Railways without the TOC’s consent.

Option 1 (non-legislative option) – Introduce revised confidentiality provisions into new TOC contracts (the future PSCs) to establish consent for Great British Railways to disclose specified information. This will ensure that Great British Railways may disclose some TOC information more openly, but outside of those contractually agreed disclosures Great British Railways will remain bound by the confidentiality obligation under s145(1) of the 1993 Act. This Option limits Great British Railways to only disclosing TOC data pursuant to consent provisions in the contracts. It does not allow Great British Railways to disclose wider industry or other data obtained independently from or beyond the scope of the contract.

Option 2 – Great British Railways are given statutory powers to disclose information obtained as franchising authority under the Act for the purpose of carrying out their functions or activities, via the permitted disclosure exceptions under s145 (2). This would give GBR a clear statutory right to make broad information disclosures. Under option 2, TOC contracts will continue to explicitly recognise those statutory powers and there will be further market engagement on the changes to the confidentiality provisions in the contract to facilitate the open data objective while respecting genuinely sensitive information and existing legal safeguards e.g in relation to data protection and competition law. **This is the preferred option.**

Will the policy be reviewed? Yes. If applicable, set review date: TBC

Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded: N/A	Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister

Date:



9.6.2022

Summary: Analysis & Evidence

Policy Option 1

Description: Non-legislative option of introducing revised provisions into TOC contracts with consent for specified information disclosures.

FULL ECONOMIC ASSESSMENT

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

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

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

No costs have been monetised

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

- There are costs associated with the legal drafting of open data provisions within contracts.

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

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

No benefits have been monetised

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

- Great British Railways will be able to share data more openly in certain circumstances, leading to improved collaboration across the industry, efficiency improvements from more joined up operational delivery and improved insights to support planning and investment decisions.
- Great British Railways will have contractual powers to publish certain types of TOC data (as agreed in contractual relationship) openly, improving transparency for the public.

Key assumptions/sensitivities/risks	Discount rate	N/A
<ul style="list-style-type: none"> When bidding for contracts, operators may price the disclosure of data (e.g. the cost of establishing new data transmission processes) into their bids, which could result in additional costs to Great British Railways via higher contract prices. The extent to which disclosures would have any unforeseen negative impacts is unknown and would need to be assessed by Great British Railways prior to any disclosures. There will be limitations for Great British Railways in disclosing data where disclosures must be defined and agreed within the contracts, reducing Great British Railways' ability to make ad-hoc disclosures (e.g. in response to arising issues). There could be legal challenge brought by a TOC against Great British Railways if it seeks to disclose information where express consent has not been obtained under the TOC contract. 		

BUSINESS ASSESSMENT (Option 1)- not applicable

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m: N/A
Costs: NQ	Benefits: NQ	Net: NQ	

Summary: Analysis & Evidence

Policy Option 2

Description: Great British Railways are given statutory powers to disclose information obtained as franchising authority under the Act, for the purpose of carrying out its functions or activities, via the permitted disclosure exemptions under the s145 (2). TOC contracts are also updated to explicitly recognise that Great British Railways has a right to disclose information obtained as franchising authority to facilitate the carrying out of its functions or activities.

FULL ECONOMIC ASSESSMENT

Price Base Year N/A	PV Base Year N/A	Time Period Years N/A	Net Benefit (Present Value (PV)) (£m)			
			Low:	High:	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'						
No costs have been monetised						
Other key non-monetised costs by 'main affected groups'						
<ul style="list-style-type: none"> There are costs associated with the legal drafting of open data provisions within contracts. Cost of changing legislation and familiarisation costs of legislation changes 						
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)		Total Benefit (Present Value)	
Low						
High						
Best Estimate	NQ		NQ		NQ	
Description and scale of key monetised benefits by 'main affected groups'						
No benefits have been monetised						
Other key non-monetised benefits by 'main affected groups'						
<ul style="list-style-type: none"> Great British Railways are able to share TOC data flexibly with other parties, leading to improved collaboration within the industry, efficiency improvements from more joined up operational delivery and improved insights to support planning and investment decisions. Great British Railways will have statutory powers to disclose TOC data with flexibility, improving transparency for the public. 						
Key assumptions/sensitivities/risks					Discount rate	N/A
<ul style="list-style-type: none"> When bidding for contracts, operators may price the disclosure of data (e.g. the cost of establishing new data transmission processes) into their bids, which could result in additional costs to Great British Railways via higher contract prices. Great British Railways may use statutory powers to disclose information that could have unforeseen negative impacts e.g. damage to reputation or loss of passenger trust. 						

BUSINESS ASSESSMENT (Option 2)- not applicable

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m: N/A
Costs: NQ	Benefits: NQ	Net: NQ	

Evidence Base

Background

Legislation around railways has not been comprehensively updated since privatisation in 1993. This was intentionally fragmented, giving different bodies power over different aspects of running the railway, reinforced through EU policy which aimed to break up state monopolies.

The key recommendation of the Williams-Shapps Plan for Rail³⁹ is the establishment of a single guiding mind for the industry, namely Great British Railways. This new public body will own most of the infrastructure, receive franchised operators fare revenue, run and plan most of the network and set most fares and timetables. In order to carry out its functions effectively, Great British Railways will need the ability to access, use and share data that it obtains as franchising authority under the Act appropriately across the industry, with the government and with third parties to support decision making.

Great British Railways will procure passenger services from private TOCs to run trains to the timetable Great British Railways sets, with incentives to improve customer service, maintain a safe network and attract new passengers. A key feature of the proposed contractual arrangement is that the government will take on more revenue risk, which along with the other proposed changes affect the assumptions underpinning the current legislative regime. These have prompted a rethink in terms of whether it is fit for purpose and the proposals within this consultation.

As technologies become more advanced, the data that is produced also becomes more abundant and can be harnessed to drive more intelligent tools and services, as well as provide a more robust evidence base for decisions. Data is being used in smart ways across many sectors and the opportunities for the rail sector to leverage its data are significant. Customers are increasingly expecting services that are convenient, informed and personalised. Additionally, the industry is already collecting a wealth of data that can help to support improvements such as driving cost efficiencies or improving the capacity and reliability of the network. In order to take advantage of these opportunities, data that is obtained by Great British Railways as franchising authority must be used and shared in a coordinated and collaborative way across the industry.

Great British Railways will have access to data from TOCs under the franchise agreements to build intelligent tools using data and perform data analysis to support decision making. It will also be reliant on private sector expertise to support these types of innovations. Under the new industry structures, Great British Railways will be reliant on this data to make decisions on issues such as affordability, performance and capacity, and in doing so will need the flexibility to disclose data and insights openly.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994603/gbr-williams-shapps-plan-for-rail.pdf

Problem under consideration

The Plan for Rail committed to an “open by default” approach to data sharing in order to better inform journeys, improve transparency, unlock innovation and bring new entrants into the rail market. Among its priorities, Great British Railways will need to make strategic decisions within its remit to promote open data in the interest of the public. This will require Great British Railways to use and disclose data that it obtains (via the contracts it will enter into with TOCs) in its new capacity as franchising authority under the Railways Act 1993 (the “**Act**”) where there is wider value to the public and industry in doing so.

As a general rule, the Act provides for confidentiality by restricting disclosure of information about any business without the consent of the business concerned. The contracts with the TOCs also contain provisions relating to confidentiality. However, the Act also provides some exceptions to the confidentiality obligation, including to allow the Secretary of State or the ORR (among others) to make disclosures for the purpose of facilitating their functions or activities in relation to the railways.

Rationale for intervention

To address this challenge, this legislation will be extended to Great British Railways to provide for data sharing powers

Enabling Great British Railways to promote open data will improve the planning and operation of the railways, in particular for issues where collaboration is required across organisations. Data can also be used to better inform passenger journeys and provide better digital services. Without the flexibility to disclose data where it sees value in doing so, Great British Railways would be unable to make the most efficient and beneficial decisions for the sector and passengers.. Intervention is necessary to ensure disclosures can be made, while respecting scope of appropriate parameters (for example recognising potential limitations to disclosure such as data protection, competition issues, and genuine commercial interests that will be the subject of market engagement with TOCs).

Given Great British Railways will be a public body in charge of key public infrastructure, it will be important for them to have the flexibility to be transparent with data and information, to give parliamentarians and the public sight of important data.

Policy objective

The key objective is to enable access to valuable sources of rail data obtained by GBR under the Railways Act 1993 for those who require it, within appropriate parameters. As the single guiding mind for the rail industry, Great British Railways will be well placed to make decisions on the disclosure of information that will maximise the benefits to the rail industry and passengers.

Description of options considered

Do nothing

Do not intervene to change the legislation or contracts with regards to confidential information and data sharing. As a result, although Great British Railways would have a contractual right to disclose certain limited information that TOCs share with Great British Railways as franchising authority, Great British Railways would nonetheless be bound by confidentiality obligations under s145 (1) of the Act and therefore information cannot be shared further or published by Great British Railways without the TOC's consent.

Option 1 (non-legislative option)

Introduce revised confidentiality provisions into new TOC contracts (the future PSCs) to establish consent for Great British Railways to disclose specified information. This will ensure that Great British Railways may disclose some TOC information more openly, but outside of those contractually agreed disclosures Great British Railways will remain bound by the confidentiality obligation under s145(1) of the 1993 Act.

Option 2

Great British Railways are given statutory powers to disclose information obtained as franchising authority under the Act for the purpose of carrying out their functions or activities, via the permitted disclosure exceptions under s145 (2). This would give GBR a clear statutory right to make broad information disclosures. Under option 2, TOC contracts will continue to explicitly recognise those statutory powers and there will be further market engagement on the changes to the confidentiality provisions in the contract to facilitate the open data objective while respecting genuinely sensitive information and existing legal safeguards e.g in relation to data protection and competition law.

This is the preferred option.

Summary and preferred option with description of implementation plan

As above, the preferred option is to extend the existing statutory disclosure gateway to Great British Railways under the Railways Act 1993 s145 (2), to disclose data for the carrying out of its functions or activities. This does not require new legislation to be drawn up but rather an extension of the existing statutory gateway to Great British Railways. TOC contracts will be updated to recognise this statutory gateway to facilitate this open data objective.

This policy area is still under development and views are being sought as part of this consultation.

Rationale and evidence to justify the level of analysis used in the IA (proportionality approach)

This IA is supporting a consultation where views will be requested on the policies proposed, which will feed into a further, final stage IA.

Given this and the primary legislation stage of the legislative changes, quantified impacts of the proposals are not included as they are too uncertain.

The analysis of the impact of the policy option pursued will continue to be monitored and updated for the final stage IA.

Impacts of Proposed Options

As described in the section above, in this impact assessment costs and benefits have not been quantified or monetised. This section therefore describes the non-monetised costs and benefits, we expect to arise from the proposed changes.

Below describes the direct impacts (costs and benefits of each option), against a Do Nothing scenario, as well as the risks and assumptions underpinning the two options.

Direct Costs- Options 1 & 2

Cost to legal teams of drafting open data provisions into contracts

- Compared to a Do Nothing scenario, there will be costs of both Option 1 and Option 2 for legal teams to set out the data sharing provisions within TOC contracts.
- These are anticipated to be minimal, particularly in the context of the wider contract drafting.

Direct costs- Option 2 only

Cost of changing legislation and familiarisation costs of legislation changes

- There will be costs associated with bringing legislation to parliament and for companies within the sector to familiarise themselves with the new legislation. This is not regulatory legislation so companies will not be required to change their behaviour. This is expected to be a minimal cost.

We will continue to monitor if there are any unanticipated costs, including reviewing the responses from consultation on this, and update our analysis and understanding for the final stage IA.

Direct Benefits - Options 1 & 2

Benefits of easier data sharing within the rail industry

- Under Option 1, open data will be broader compared to the Do Nothing scenario due to new open data specifications set within contracts. This will mean that Great British Railways can share such data under the consent exception to confidentiality in s145(1) of the 1993 Act (while it would be bound by that confidentiality under the Do Nothing scenario). Option 1 will not allow flexibility because disclosures will be limited to the specification within the contract.
- Under Option 2, Great British Railways will have the flexibility provided by a statutory power to disclose data obtained under the 1993 Act for the purpose of carrying out of its functions or activities.
- The COVID-19 pandemic has highlighted the need for effective data sharing between different parts of the rail industry, for example to understand the number of people using the rail network and how the sector is recovering from the pandemic. Under Great British Railways, there will be a continued need for cooperation across the sector to ensure actions are taken to benefit the railway as a whole, and data sharing will be crucial for planning, executing and monitoring any impacts on an ongoing basis.

- Enabling Great British Railways to share data will improve collaboration across the industry and with third parties, leading to efficiency improvements through joined-up operational delivery and improved performance, as well as providing access to new insights to support long-term planning and investment decisions.

Benefits of Great British Railways being able to disclose data to the public where appropriate

- The changes proposed would give Great British Railways flexibility to share or publish information openly where it is appropriate.
- Under Option 1, Great British Railways will seek further contractual powers to disclose information, by seeking consent for broader disclosures.
- Under Option 2, Great British Railways would have statutory powers to disclose information for the purpose of carrying out their functions, which will be reflected within TOC contracts, giving them flexibility to disclose data for the purposes of carrying out its functions or activities. Option 1 will not allow for disclosures of information beyond that agreed in the contract.

Risks and assumptions

Assumptions

The analysis of costs and benefits is based on the assumption that TOCs do not currently commercialise data and the proposed changes detailed in this Impact Assessment will not have a material impact on the commercial position of a TOC.

Risks & Mitigations

Do nothing

The following would continue to be challenging:

- Data sharing is required to develop and deliver a coherent network-wide strategy that ensures an efficient and commercially viable railway. Without the ability to share comprehensive data across the network, due to the absence of a statutory s145(2) gateway (Option 2) or a contractual consent to disclose (Option 1), GBR may be prevented from sharing data openly, which could limit its ability to make informed decisions.
- For the railway to operate effectively, Great British Railways must work in close collaboration with its delivery partners, including train operators. Without open data sharing practices, it will become challenging to plan for and respond to events on a day-to-day basis where coordination is required.
- There is also an opportunity cost resulting from a failure to fully capture the value of open data, for example where third parties can add value by using raw data to build operational management tools and analytical tools to improve decision making, or apps to help passengers plan their journeys more effectively.

In order to help mitigate the risks above, engagement with TOCs is key to establishing a collaborative working relationship.

Option 1

- When bidding for contracts, operators may price the disclosure of data (e.g. the cost of establishing new data transmission processes) into their bids, which could result in additional costs to Great British Railways via higher contract prices.
- Under Option 1, the types of data which are permitted to be disclosed would need to be defined within the contract and are subject to the market engagement with potential contract bidders.
- This benefit would be more limited compared to Option 2, as Great British Railways would have less flexibility in disclosing data if it was not defined in contracts (and might have to seek consent to make any unforeseen disclosures of TOC data that is not specified in the contract). Unprecedented events like COVID-19 have demonstrated the need to be flexible as a need to disclose information cannot always be known in advance.
- If Great British Railways are not given contractual powers to disclose information, there may be a risk of legal challenge where Great British Railways seek to disclose information where it has not been given express consent to do so within the TOC contracts.

Option 2

- When bidding for contracts, operators may price the disclosure data (e.g. the cost of establishing new data transmission processes) into their bids, which could result in additional costs to Great British Railways via higher contract prices.
- Statutory powers may be used by Great British Railways to disclose information that could have unforeseen negative impacts. However, it is expected that Great British Railways will seek to minimise any unintended impacts that may arise when considering the disclosure of information in future.

Indirect and wider impacts

It is expected the full benefits of open data could be realised where there are lower barriers to data sharing. The aim of open data more broadly is to enable innovation, an improved passenger experience and more effective decision making.

Some potentially indirect or wider impacts of the changes proposed (Option 1 and Option 2) are discussed below.

- **Minimise the impact of crises on the network** – The failure of the May 2018 timetable change cost the government considerably and led to reputational damage. With improved data sharing within the sector the response to crises such as these could be more efficient and reduce the impact on passengers, TOCs and the government.
- **Improving collaboration across the sector** – By sharing data more openly across the railway sector, bodies can develop a better understanding of the bigger picture, and work together to address issues that require coordination and collaboration.
- **Accelerate innovation on the railway** – Open data could support the outsourcing of innovation, where private sector specialists could build powerful analytical tools by merging data in new ways. More data would be available to third party app developers to improve

their journey planning tools. Analysis of TfL’s decision to publish open data⁴⁰ shows that there were 600 apps using their open data, creating GVA, high skilled employment and innovation for customer-facing services. The report also concludes open data has benefitted passengers through improved information and has benefitted TfL through savings from not having to produce apps in-house or invest as much in information campaigns and systems.

- **Improve integration with wider sectors** – Open rail data could support the development of seamless, end to end journey experiences, for example supporting the development of Mobility as a Service offerings and partnering with retailers to introduce attractive rewards programmes or compensating for negative journey experiences.

Direct costs and benefits to business calculations

No direct costs have been identified as part of the analysis undertaken for this IA. The changes proposed are not regulatory. This includes small and micro businesses, who are not expected to incur any costs as a result of the changes proposed.

A summary of the potential trade implications of measure

This proposal relates to domestic rail passenger travel and is therefore not expected to have any implications for trade.

Monitoring and Evaluation

With the Rail Transformation Programme now in the design and delivery phase, DfT is currently developing a structured benefits management approach to measure, monitor and report on the progress of the Programme. We are also progressing further work to scope additional evaluation activity, which is likely to involve an evaluation scoping study to assess data requirements and explore impact evaluation methods. Evaluation of the reforms is likely to draw on a range of data sources, such as passenger surveys and internal monitoring data, as well as bespoke data collection.

⁴⁰“Assessing the value of TfL’s open data and digital partnerships”, Deloitte 2017, <https://content.tfl.gov.uk/deloitte-report-tfl-open-data.pdf>

Title: Environment		Impact Assessment (IA)	
Lead department or agency: Department for Transport Other departments or agencies: N/A		Date: June 2022	
		Stage: Consultation	
		Source of intervention: Domestic	
		Type of measure: Primary legislation	
		Contact for enquiries: railconsultation@dft.gov.uk	
Summary: Intervention and Options		RPC Opinion: Not Applicable	
Cost of Preferred (or more likely) Option (in 2019 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
NQ	NQ	NQ	Not a regulatory provision
What is the problem under consideration? Why is government action or intervention necessary?			
Environmental policy in the rail sector currently lacks coordination and strategic oversight. The fragmented nature of the current industry structure means that there is no one party accountable for addressing environmental issues which risks poor value for money in decision making regarding environmental measures as decisions are not taken with a system-wide view in mind. The establishment of Great British Railways as the guiding mind of the rail sector provides an opportunity to address this lack of coordination. A legal requirement to consider environmental principles will ensure the new rail body is incentivised to embed environmental thinking across all its decisions.			
What are the policy objectives of the action or intervention and the intended effects?			
The policy objective is to ensure that GBR considers the environment by giving it a specific duty to consider environmental principles in all its operations. The policy objective is to ensure that GBR is accountable for and leads the sector's delivery of a more environmentally sustainable rail network by:			
<ul style="list-style-type: none"> A) Ensuring that there is clear strategic direction in addressing environmental issues for the railways, B) Ensuring that there is clear accountability in addressing environmental issues for the railways, and C) Ensuring the railways are setup in a way that brings the sector and its people together to best deliver environmental benefits. 			

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

- **Do Nothing:** Great British Railways is established without a legal requirement to consider the environment in its operations. The 30-year strategy and environment plan would still be published. Action on the environment will be limited to individual action by train operators, high level strategy from DfT, and government-wide environmental targets.
- **Do Something:** The Plan for Rail committed to a specific duty on Great British Railways to consider environment principles in all their operations being established. This duty will require Great British Railways to show they have considered and tried to mitigate the environmental impact of their operations.

There are options, described below, for the mechanism by which this is created.

- **Option 1** – the duty is established in primary legislation
- **Option 2** – the duty is established in the Great British Railways Licence
- **Option 3** – a combination of 1 and 2. A requirement is placed in primary legislation for the scope of the Great British Railways Licence to include a duty on environment. (**Preferred implementation option**).

The proposals relate to the legislative changes required to ensure Great British Railways is established with the appropriate framework to fulfil a guiding mind role on the environment in rail. They are not direct proposals for environmental upgrades or changes on the network, although the ambition is that will be the indirect effect of the changes proposed.

Will the policy be reviewed? Yes If applicable, set review date: TBC

Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: N/A		Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits, and impact of the leading options.

Signed by the responsible Minister:

W. Mansour

Date: 9.6.2022

Summary: Analysis & Evidence

Policy Options 1, 2 & 3

Description: A specific environment duty is established on Great British Railways

FULL ECONOMIC ASSESSMENT

Price Base Year N/A	PV Base Year N/A	Time Period Years N/A	Net Benefit (Present Value (PV)) (£m)		
			Low: NQ	High: NQ	Best Estimate: NQ
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant		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'					
Costs have not been monetised at this stage.					
Other key non-monetised costs by 'main affected groups'					
<ul style="list-style-type: none"> • Cost of implementing legislation and familiarisation costs to operators and private companies. • Cost to Great British Railways of establishing capability to adhere to the new legislative framework. • Cost to ORR of monitoring the specific duty on Great British Railways. 					
<i>These costs apply under all Options.</i>					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant		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'					
Benefits have not been monetised at this stage.					
Other key non-monetised benefits by 'main affected groups'					
<ul style="list-style-type: none"> • Improved value-for-money in decision-making regarding the environment • Greater accountability and visibility of environment policy. • Wider societal and economic benefits of environment improvements. 					
<i>These benefits apply under all Options</i>					
Key assumptions/sensitivities/risks rate(%)			Discount		N/A

- There is a risk that the policies fail to lead to a change in behaviour. This might arise if:
 - Compliance, monitoring and evaluation framework surrounding the duty is not sufficiently robust
 - The duty doesn't drive cultural change.
- In this instance, poorly aligned decision making would lead to less cost-effective decision making and a less cost-effective way of meeting the net zero legal commitment.
- Under **Option 1**, there is a risk of a loss of flexibility on the statutory duty. This includes making the duty more specific or amending it if policy objectives change.
- Under **Option 2** there is a risk that an environment duty could be excluded from future Great British Railways licenses. There is also a risk that the lack of obligation to include an environmental duty in primary legislation signals to the industry a lack of commitment by government regarding environmental policy. This could lead to reduced green investment in the sector.

Option 3 balances both these risks by retaining flexibility for future decision-makers through including the duty in the Great British Railways licence rather than in primary legislation itself, whilst containing a requirement in primary legislation to continue to include a duty in the licence acts as a signal of government's commitment to longer-term environment policy. **Option 3 is therefore the preferred option.**

BUSINESS ASSESSMENT (Options 1, 2 and 3)- not applicable

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: NQ	Benefits: NQ	Net: NQ	
			N/A

Evidence Base

Background

This Impact Assessment is supporting the Department for Transport's (DfT's) public consultation on several areas surrounding reforms to the rail industry, following the publication of the Williams-Shapps Plan for Rail. Legislation around railways has not been comprehensively updated since privatisation through the Railways Act 1993. Under this legislation, British Rail was broken into dozens of pieces, gave different bodies power over different aspects of running the railway and fragmented the railway sector. This was reinforced through EU policy which aimed to break up state monopolies. The key recommendation of the Williams-Shapps Plan for Rail is the establishment of a single guiding mind for the industry, namely Great British Railways. This new public body will own the infrastructure, receive fare revenue, run and plan the network and set most fares and timetables. Great British Railways will procure passenger services from private Train Operating Companies (TOCs) to run trains to the timetable Great British Railways sets, with incentives to improve customer service, maintain a safe network and attract new passengers.

Environmental impacts in transport have become a major policy area for government in recent years, due to the threat posed by climate change, the significant contribution transport makes to the UK's emissions and the UK's net zero target. The significant transformation of how the railways are run has therefore led to a consideration of whether incentives and roles & responsibilities regarding environment policy are well-aligned in the sector, and whether the legislative framework for the environment is still fit for purpose.

Rail has historically been considered a 'green' mode of transport due to its relatively low carbon emissions, however it is important to note that the environmental impact of the railways is not just limited to atmospheric pollution, but covers areas including:

- Noise and vibration
- Freight transport
- Atmospheric pollution
- Water pollution
- Waste and Litter
- Non-renewable resources
- Lineside ecology
- Biodiversity

Managing the rail industry's impact on the environment requires both active mitigation of environmental externalities and thinking environmentally. The Plan for Rail outlines a series of commitments that set out the government's ambitions for the first and commits to a duty on the environment to deliver the second.

Active Mitigation

The Plan for Rail sets the following commitments on environment:

- Electrification of the network will be expanded, and alternative technologies such as hydrogen and battery power will help to achieve zero emissions from trains and reduce air pollution.

- The contribution of the railways to the nation's green recovery will be strengthened, including through a comprehensive environment plan that will establish rail as the backbone of a cleaner future transport system.
- Energy efficiency, renewable power production, tree-planting and other green initiatives across the rail estate will be accelerated.
- Long-term investment in climate resilience will be prioritised, supported by smarter forecasting, planning and technology.

These commitments will be reinforced by the comprehensive environment plan for the rail network, which will, as part of Great British Railways' 30-year strategy, set the foundations of Great British Railways' approach to the environment. This plan will set out the path forward for delivering a greener future with clear commitments on carbon emissions, air pollution, biodiversity, waste, water usage, noise and vibration.

Thinking Environmentally

While active mitigation is an important way to manage impact on the environment, and includes shifting away from harmful actions where possible, compensating where not, and cleaning up after past actions, thinking environmentally is a way of trying to ensure that current actions do not add to what requires active mitigation. If Great British Railways is to be the guiding mind of the industry, environmental principles should be part of what guides that mind. Effective management of the rail industry's impact on the environment requires considering the environment across all operations, as opposed to only considering the environment as an isolated policy area.

The Plan for Rail therefore commits to an environmental duty on Great British Railways. This duty will require Great British Railways to show they have considered and tried to mitigate the environmental impact of their operations. If they do not, they will be in breach of the licence. This will be enforced by ORR.

This Impact Assessment will focus on this proposed duty.

Current situation

In terms of legislation, currently, there are two statutory duties in existence with respect to the environment. These apply to the Office of Rail and Road (ORR), which are:

- To contribute to the achievement of sustainable development; and
- To have regard to the effect on the environment of activities connected with the provision of railways services.

In addition, with respect to the railways, there are four main sources of environmental policy and targets - Greening Government Commitments (GGCs), the Environment Act 2021, the contracts and funding settlement process for rail, and ORR-issued licences.

Greening Government Commitments

The Greening Government Commitments (GGCs) set out the actions UK government departments and their partner organisations will take to reduce their impacts on the environment in the period 2021 to 2025. It sets high level targets and practices that all government departments should follow in managing, measuring, and mitigating their environmental impact. This includes Network Rail and will include Great British Railways. They are commitments and are not themselves legally binding.

Environment Act 2021

The Environment Act sets new legally binding environmental targets, and creates a new, independent Office for Environmental Protection (OEP) which will hold government and public bodies to account on their environmental obligations. How this will interact with this environment duty is yet to be determined.

Contracts and Funding Settlement Process for Rail

During the funding settlement process, the Secretary of State for Transport is legally required to provide the ORR with detail of requirements that need to be achieved by the rail sector in a given period. This has previously included environmental performance.

However, this has not been done on a consistent basis throughout parliamentary periods and changes of government. For example, the HLOS published for Control Period 4 (2009 – 2014) and for Control Period 6 (2019-2024) did not cover environment, whereas the HLOS published for Control Period 5 (2014 – 2019) did cover environmental performance, albeit in a light touch manner.

It directed industry to set carbon and energy efficiency objectives and demonstrate how the industry's decision-making processes were meeting government's broader environmental agenda. This is therefore a mechanism by which SoS can give guidance to the sector on environmental issues, although they are not legally required to do so.

ORR licences to TOCs

The ORR issues licences to operators to allow access to railway infrastructure. Through these licensing agreements, all rail operators and the infrastructure manager are required to adhere to the conditions set within their licences to operate services and manage the railway infrastructure.

With respect to the environment, ORR have historically included an 'Environmental Matters' condition of each licence. This condition requires all licence holders (passenger, freight, charter passenger operators, network operators, station, and depot operators) to put in place an "environmental arrangement" comprising of a written environmental policy, operational objectives and management arrangements. These policies, objectives and arrangements need to be submitted within six months of the licence being granted and take into consideration the ORR's Railway Operations and the Environment Guidance. The guidance sets out the possible options that operators can adopt across each of the areas below to demonstrate they have due regard to the environment across their operations and functions:

- Noise and vibration
- Freight transport
- Atmospheric pollution
- Water pollution
- Waste and Litter
- Non-renewable resources
- Lineside ecology

Problem under consideration

The policies, targets and legal requirements that currently exist in the rail sector with respect to the environment (as described in the previous section) lack clear strategic direction and coordination.

This is a product of the fragmented nature of the current industry structure, in that no individual party has responsibility for addressing cross-cutting issues in the sector such as its environmental impact. ORR licences are given to individual TOCs, with room for flexibility of interpretation and inconsistency, and the inclusion of environmental matters within the funding framework is not a legal requirement.

There isn't one body taking a whole-system view of the sector and which environmental measures are the most cost-effective options to implement, risking to poor value for money in decision making.

Rationale for intervention

The new industry structure as proposed in the Plan for Rail will see Great British Railways established as the guiding mind for the sector, with considerable power over the planning and running of the railways. This is therefore a significant opportunity to address the lack of coordination and whole-system thinking that the industry is lacking regarding environmental policy.

Placing a legal requirement on Great British Railways to consider the environment across its decision-making is the optimal way of ensuring this is addressed. Great British Railways will have oversight of the rail network as a whole so is best placed to consider trade-offs and how best to implement environmental measures across the sector. A legal framework for this not only ensures that this is embedded, but also signals to the sector a longer-term commitment to environmental principles.

Policy objectives

The policy objective is to ensure that GBR is accountable for and leads the sector's delivery of a more environmentally sustainable rail network by:

- A. Ensuring that there is clear strategic direction in addressing environmental issues for the railways,
- B. Ensuring that there is clear accountability in addressing environmental issues for the railways, and
- C. Ensuring the railways are setup in a way that brings the sector and its people together to best deliver environmental benefits.

Objective C is seeking to ensure cultural change in the industry. Cultural change can be evidenced by Great British Railways considering the environment in all their strategic decision making. This is alongside evidence that rail bodies are also prioritising environment in wider decision-making and have integrated environmental principles into the day-to-day decision making of the industry.

The key indicators of success for all the objectives include:

- Progress on government objectives on the environment, relating to transport and decarbonisation.
- A reduction of the impact on the environment by the railway industry.

Rationale and evidence to justify the level of analysis used in the IA (proportionality approach)

The changes proposed will largely impact a new publicly owned government body or private companies who sign up to working with it. It is not expected there will be direct impacts on businesses outside of these (including any disproportionate impacts on small or micro businesses) or any significant distributional impacts between sectors. Additionally, the changes proposed are setting out the framework for environment policy under the new industry structure and the resulting impacts will largely depend on how these changes are applied. The range of uncertainty of these impacts is significant. At this stage we have therefore not attempted to quantify or monetise the impacts of the changes for proportionality reasons.

Analysis will continue to be carried out and further developed analysis will be included in the final stage IA and we are seeking evidence as part of this consultation which will support that. There will also be a further consultation on the detail of the Great British Railways licence, including the environmental duty and its compliance framework.

Description of options considered

Do nothing:

Great British Railways is established without a legal requirement to consider the environment in its operations.

The 30-year strategy and environment plan would still be published.

The licences issued to train operators by ORR will still include an environmental matters section. Action on the environment will be limited to individual action by train operators, high level strategy from DfT, and government-wide environmental targets, such as GGCs and Net Zero.

Options

The Plan for Rail commits to a specific environment duty to be placed on Great British Railways. This duty will require them to show they have considered and tried to mitigate the environmental impact of their operations.

Further detail of this duty, including how it will function, is still under development. Further analysis will be carried out as the policy evolves and through the consultation process.

There are differing options available for the mechanism used to establish this environment duty on Great British Railways, including:

- **Option 1** - the duty is established in primary legislation
- **Option 2** - the duty is established in the Great British Railways Licence.
- **Option 3** - a combination of 1 and 2. A requirement is placed in primary legislation for the scope of the Great British Railways Licence to include a duty on the environment.
(Preferred implementation option).

ORR will monitor Great British Railways' compliance with the duty as part of their role in ensuring licensee compliance.

Summary and preferred option with description of implementation plan

The mechanism by which the environment duty on Great British Railways is implemented has not yet been decided, and views are being sought as part of this consultation. The preferred Option is using a combination of primary legislation and the Great British Railways licence- placing a requirement in primary legislation that the licence (a more flexible mechanism than primary legislation) contains an environmental duty.

The detail of what this would look like has not been defined at this stage of policy development. This analysis will be updated and presented in the final stage IA (which will support the proposed bill going to parliament).

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

We have not identified a difference in costs and benefits of the Options, as long as there remains a clear ambition to consider the environment. There are differing risks between the three, as discussed in the Risks section below. Option 3 is the preferred option because it is considered to balance these risks and best meet the policy objectives.

Direct Costs- All Options

- Cost of implementing legislation and familiarisation costs to operators and private companies.
 - This is expected to be a small cost as the changes are not regulatory so businesses will not be required to change their behaviour.
- Cost to Great British Railways of establishing capability to adhere to the legislative framework set out
 - The detail of the structure of teams within Great British Railways which will deliver these has yet to be decided but capability will be required to adhere to the new duty. This includes policy and delivery capability.
- Cost to ORR of monitoring the duty on Great British Railways
 - As explained in the Current Situation section above, the ORR already fulfils a monitoring role regarding operator licences concerning the environment. This will likely be an administrative cost of a resource expansion to be able to fulfil scrutiny and monitoring tasks, as well as potentially new capability to collect, process and analyse wider environmental data from operators and Great British Railways. This is not anticipated to be a significant cost and the specific responsibilities ORR will hold are under development and will be refined for the final stage IA.

Direct Benefits – All Options

- There will be greater value-for-money in environmental decision-making
 - The fragmentation of environmental policy in the absence of clear coordination and accountability risks decisions not being taken in the most cost-effective way. Having one body with sight of the whole sector will allow environmental measures to be implemented considering the overall value for money of different options. This is because Great British Railways will be able to take a system-wide view and consider trade-offs appropriately.
- There will be greater accountability of environment policies.
 - Having one body accountable for environment across the network, bound by legislative requirements on environment, brings greater accountability to improvements on the network.

Risks

Do Nothing

Without the duty on Great British Railways to consider environmental principles and objectives across its operations, it would be more difficult to hold Great British Railways to account over meeting these objectives. This would overall lead to a more fragmented approach to managing the environmental impact of the railway industry and mean that meaningful change is much more difficult to achieve.

Options 1, 2 and 3

- The compliance, monitoring and evaluation framework surrounding the environment duty is not sufficiently robust, allowing Great British Railways to not comply with the measures set out to sufficiently drive the substantial change desired.
- In this instance, poorly aligned decision making would lead to less cost-effective decision making and a less cost-effective way of meeting the net zero legal commitment.
- There is a risk that the duty doesn't drive cultural change. Environmental principles are not given sufficient priority across the whole industry (i.e. by all bodies and operators).

Risks of Option 1

- Dependent on the drafting of the new duty, there could be limited flexibility under this option where it is established itself in primary legislation. This includes making the duty more specific (i.e., specifying a framework, the current option proposes a more general duty), or amending it if policy objectives shift. To note it is unlikely policy objectives would shift away from ensuring the rail sector considers the environment.

Risks of Option 2

- Under Option 2, where the duty is included in the Great British Railways Licence, there will be more flexibility to amend it. However, the lack of any reference to an environment duty in primary legislation (a more permanent mechanism) could mean an environment duty is excluded altogether in future. This could limit the confidence the sector has in the long-term commitment to environmental policy resulting in reduced green investment in the sector.

Under Option 3, it will be established in primary legislation that the Great British Railways Licence must address the environment. This mitigates the risk included under Option 2 of environmental principles being excluded from the Licence and retains a signal to the sector of the government's commitment to environmental policy, whilst retaining flexibility for future decision-makers over what the scope of the environmental requirement should look like (which establishment itself in primary legislation would not provide). **Option 3 is therefore the preferred option.**

Mitigations

- A robust compliance framework is being designed, with defined roles and responsibilities for ORR, Transport Focus and the Secretary of State to hold Great British Railways to account.
- We are consulting on the different mechanisms to create the new duty, to ensure all benefits and disadvantages have been considered.

Assumptions

Assumption that Great British Railways is established with the powers and remit envisioned in the Plan for Rail, and acts as a guiding mind for the industry.

Indirect & Wider impacts

Indirect Impacts

As above, the changes are not regulatory so there are not expected to be any direct costs to businesses from the proposal. However, there is an argument that there may be private sector markets such as freight and the wider supply chain which are indirectly affected by the changes due to potentially additional costs from switching to environmentally friendly solutions arising from changes in the behaviour of GBR, as well as private companies (some of which may be SMEs) who are affected by cost increases. This is because they could need to change their operational, managerial and investment planning processes if they are required to become more environmentally stringent.

However, the most up to date studies (OECD, 2015)⁴¹ that have carried out historical empirical studies to determine the impacts of environment regulations and policy interventions, have not yet been able to deduce a strong correlation between environment regulations and material negative impacts on employment, competitiveness and productivity of companies.

Although the need for possibly costly abatement activities is acknowledged, subsequent reviews have shown that there was little aggregate effect on economic performance by more stringent environment policies. Where impacts have been felt on employment, productivity and

⁴¹ 'The economic impacts of environmental policies: Key findings and policy implications', OECD, <https://www.oecd-ilibrary.org/sites/bf2fb156-en/1/3/1/index.html?itemId=/content/publication/bf2fb156-en&csp=abd38966490e12649fcfa174dc7b5f59&itemIGO=oecd&itemContentType=book>

competitiveness, they have been marginal relative to economic and environmental benefits generated by environmental regulation and legislation.

There is significant uncertainty about how the behaviour and culture of Great British Railways will affect parties within the sector in the future and this will continue to be monitored going forward. It is possible that changes caused by the environmental duty may cause wider trade impacts, especially when it comes to carbon trading, private investment in new rolling stock and new retrofitting technologies. However, there is currently very little evidence on the wider impacts that could be associated with such an effect.

Therefore, the government will continue monitoring the possible knock-on impacts of environmental policies through the funding settlement process as well as by the ORR through its economic and competition monitoring functions. This should generate data to allow for reviewal of the environment duty at a later date.

Wider Impacts

Provided the duty, combined with wider environmental policy provides appropriate incentives to Great British Railways to consider the environment, the rail sectors impact on the environment should improve. The extent of this benefit depends upon how Great British Railways chooses to act upon the framework set out, and what environmental policies they develop.

It is widely acknowledged that reducing emissions from rail, reducing noise, and increasing the use of active travel, public transport and rail will bring health and wellbeing benefits⁴². Increasing biodiversity on and around the rail estate should also benefit the environment and could benefit the health and wellbeing of those using and engaging with the rail estate. As above and in the Plan for Rail, decarbonising trains and the wider network will also help to fight climate change and reach the UK's net zero target.

An example of how integrating environmental thinking into business processes can serve to provide environmental and economic benefits is with Network Rail's 'circular economy' policies. Network Rail's ambition is to reuse, repurpose or redeploy all surplus resources, design out waste and plastic pollution, and embed "circular economy" thinking into the rail industry by 2035.

For instance, they are pursuing sustainable construction methods and the re-use of key infrastructure materials like track and ballast⁴³, and are working proactively on better management of materials (such as scrap metal) on the lineside. The recycled composite sleepers will help Network Rail achieve its Zero Carbon 2050 target due to at least a 40% reduction in greenhouse gas emissions from sleeper production and their longer life span than traditional wood sleepers⁴⁴.

Network Rail will be setting high standards for its supply chain and will work with suppliers to research and develop new, innovative secondary materials that reduce reliance on virgin

⁴² BMJ, 2020- <https://www.bmj.com/content/368/bmj.l6758>

⁴³ 'Environmental Sustainability Strategy 2020 – 2050', Network Rail, 2020, page 36, <https://www.networkrail.co.uk/wp-content/uploads/2020/09/NR-Environmental-Strategy-FINAL-web.pdf>

⁴⁴ 'Circular practices in the railway and ways forward: REUSE Project final Report', International Union of Railways (UIC), Page 25, https://uic.org/IMG/pdf/reuse_project_final_report.pdf

materials⁴⁵. The duty proposed in this IA should embed this type of environmental thinking across the sector.

Impacts on Small and Micro Businesses

As above, there are not expected to be any direct impacts on any private businesses, including small and micro businesses, as the changes are not regulatory and do not require a change in behaviour from businesses.

There may be indirect impacts on private companies, who may be SMEs, depending upon how Great British Railways chooses to act upon the duty they are subject to. The rail sector mostly comprises of larger businesses so these would not be expected to be significant if they materialise. Further analysis will be carried out for the final stage IA.

A summary of the potential trade implications of measure

This proposal relates to domestic rail passenger travel and is therefore not expected to have any implications for trade.

Monitoring and Evaluation

With the Rail Transformation Programme now in the design and delivery phase, the Department for Transport is currently developing a structured benefits management approach to measure, monitor and report on the progress of the programme. We are also progressing further work to scope additional evaluation activity, which is likely to involve an evaluation scoping study to assess data requirements and explore impact evaluation methods. Evaluation of the reforms is likely to draw on a range of data sources, such as passenger surveys and internal monitoring data, as well as bespoke data collection.

⁴⁵ 'Rail Environment Policy Statement', Department for Transport, 2021, page 20. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1002166/rail-environment-policy-statement.pdf,