



Department
for Transport

A railway fit for Britain's future



A railway fit for Britain's future

Presented to Parliament
by the Secretary of State for Transport
by Command of His Majesty

February 2025



© Crown copyright 2025

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/official-documents.

ISBN 978-1-5286-5297-1

E03249058 02/25

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

Contents

| | |
|--|----|
| Contents | 3 |
| Foreword | 5 |
| A new vision for the railway | 7 |
| Six clear objectives | 7 |
| The need for reform | 8 |
| Our plan for change | 9 |
| Paving the way: A new Railways Bill | 10 |
| About this consultation | 12 |
| 1. Leadership for Britain's Railways | 14 |
| A new directing mind | 14 |
| Streamlining governance | 16 |
| 2. A new voice for passengers | 19 |
| Putting passengers back at the heart of our railways | 19 |
| Options for establishing the new passenger watchdog | 20 |
| Alternative Dispute Resolution (ADR) | 22 |
| The new Passenger Watchdog's modal scope | 23 |
| 3. Making best use of the rail network | 24 |
| Problems in the current system | 24 |
| A simpler and better framework for the GBR-run railway | 26 |
| Capacity allocation processes | 28 |
| A new charging framework | 29 |
| A reformed role for the ORR in access and charging decisions | 30 |
| Other infrastructure managers | 31 |
| 4. Financial framework | 33 |
| The new periodic review | 33 |
| Future steps | 35 |
| 5. Fares, ticketing and retailing | 36 |

| | |
|---|----|
| Parameters, guardrails, and safeguarding discount schemes | 36 |
| Online retail | 37 |
| 6. Devolution | 39 |
| Creating a statutory role for devolved leaders | 39 |
| Devolved accountability | 40 |
| Scotland | 40 |
| Wales | 41 |
| England | 41 |
| Partnerships with English Mayors | 42 |
| 7. Train Driver Licensing and Certification Regime | 44 |
| 8. How to respond | 46 |
| Freedom of Information | 46 |
| Confidentiality and data protection | 47 |
| Annex A: Full list of consultation questions | 48 |

Foreword



Up and down the country, the consensus is clear: our railway simply isn't working. Decades of sticking-plaster solutions and attempts at incremental change have failed, leaving behind a system that is fragmented, inefficient, and without leadership.

For passengers, the costs of that failure are all too familiar: persistent delays, routine cancellations, and above all the feeling that they – the people the railway should be there to serve – have somehow become an afterthought.

These costs are not just measured in time or money. Each delay means another family dinner put on hold. Another medical scan missed. Another job opportunity passed up because the commute is simply too unreliable.

As Transport Secretary, one of my top priorities is to fix our broken railways to deliver the change our country needs. The Passenger Railway Services (Public Ownership) Act 2024, introduced just two weeks after the general election, was the first critical step towards achieving this.

Now passed into law, the Act gives us the tools we need to deliver on our manifesto commitment to bring services back into public ownership – saving tens of millions of pounds and creating a passenger railway owned by the public, run for the public. This is a necessary first step towards ending fragmentation, resetting the culture of the railway, and rebuilding trust. But public ownership is just one piece of the puzzle. From the structure of the industry to the roles, responsibilities, and incentives that underpin it – more fundamental change is sorely needed.

That is why we will establish Great British Railways (GBR), a single 'directing mind' bringing together responsibility for the rail network itself, and for the publicly-owned passenger services that run on it. This will be a new organisation with a new customer-focussed culture, responsible for the day-to-day operation of the network, and directly accountable for improving its performance. We will end the days of inefficiency and competing interests; consolidating functions currently spread across Network Rail, the Department for Transport, and 14 separate rail operators into a single organisation with a single, cohesive strategy.

That task has already begun. In September, the government set up Shadow Great British Railways, bringing together leaders from Network Rail, publicly-owned rail operators, and parts of the Department for Transport to kickstart the transition to this new way of working and the government's future vision for the railways.

Making that vision a reality requires new legislation. The Public Ownership Act has given us a head start; but the outdated model of franchising and fragmentation still runs throughout our existing law.

That is why we are bringing forward a new Railways Bill: a once-in-a-generation overhaul of the fundamental rules, structures, and bodies that make up our rail industry. The Bill will enable us to establish GBR and give it the authority and autonomy it needs to run the network in the public interest. It will enable GBR to be empowered and drive better performance, increased revenue and cost reduction in the interests of passengers, freight customers and taxpayers. It will create a new watchdog to act as an independent voice and champion for passengers. It will also realise the economic and environmental benefits of rail freight through a new statutory duty, recognising the sector's growth potential.

This consultation seeks your views on these proposed measures and many others. With your input, this government is putting the railway back on the right track – towards a system that truly serves its passengers, that acts as an engine for growth and opportunity, and that stands once again as a point of pride for modern Britain.

Rt Hon Heidi Alexander MP

Secretary of State for Transport

A new vision for the railway

The railway has been bringing together this country's people, communities, and businesses for two hundred years. Decade after decade, it has repeatedly proven itself as a powerful catalyst for growth, opportunity, and social change. As this government embarks on its mission to rebuild Britain and deliver a decade of national renewal, we must get the railway firing on all cylinders and ready to play its part.

We need a railway that passengers can trust. Whether they are making a one-off trip or setting off on their daily commute, people must be able to see and feel that the railway is working to serve them. That means having confidence that their train will be on time, with delays no longer seen as an inevitable fact of daily life. It means knowing that the quality and accessibility of their journey matters, and that they have an independent voice in the industry standing up for them. It means feeling that when they travel, they are simply using "the railway", not navigating a confusing network of competing organisations and interests. It means something as simple as feeling safe when they get on a train late at night.

Our country needs an efficient, modern railway that kickstarts growth and frees the untapped potential of our towns, cities, and businesses. An affordable, reliable railway brings new markets and job opportunities closer to those who stand ready to make the most of them. It makes education, healthcare, public services, and even just the support of family and friends more accessible to those who need it. A railway that offers a genuine alternative to road travel, combined with a thriving rail freight sector, means cleaner air and less congestion for everyone.

Getting these things right will put the railway at the forefront of delivering on this government's Plan for Change, including 'kickstarting economic growth, providing opportunity for all, making Britain a clean energy super-power, and creating safer streets'. This document sets out our vision for the future of Britain's railways, and the transformative changes that are already underway to make it a reality.

Six clear objectives

Our vision is for a unified, simplified railway focused relentlessly on securing improved services for passengers and customers, and better value for taxpayers. We have committed to six clear objectives that will guide our hand as we rebuild and reshape one of this country's most important national assets. The railway of the future must be:

- **Reliable** – *so that people can have confidence in their journey;*
- **Affordable** – *so that prices are kept, wherever possible, at a point that works for both passengers and taxpayers;*
- **Efficient** – *so that people know their journey will be as straightforward as possible, from booking to travel, and to provide better value for the travelling public and taxpayer alike;*
- **Quality** – *so that passengers have the service experience they have a right to expect;*
- **Accessible** – *so that our railways are available for everyone to use; and*
- **Safe** – *so that people do not worry about their safety on the railway and are not in fear of accidents or crime when travelling.*

The need for reform

But there is much to do to make this vision a reality. Despite the best efforts of those working on the front line, it is clear that today's railway is simply not working for passengers, customers, or taxpayers.

Trust in our railway has been eroded by years of unreliable services, low customer satisfaction, repeated industrial disputes, and a widespread perception of poor value for money. Today, one in every seven trains is delayed – a figure that has seen little improvement in recent years – and cancellations have continued to trend upwards.¹ Meanwhile, despite recovering passenger numbers, taxpayer support for the day-to-day running of the railway is more than double pre-pandemic levels.²

The roots of these problems stretch back decades. Behind the scenes, our railway is run by a complex web of private sector operators, public bodies, industry groups, and parts of government – all with competing interests, unclear accountabilities, and no overarching direction. This is the legacy of a failed model that encourages each part of the system to focus on its own individual priorities, governed by complex rules and with little coordination.

The net result is a growing gap between the incentives that underpin the railway, and the interests of the passengers it is supposed to serve. The evidence of this can be seen in something as fundamental as timetabling. With no strategic coordination and multiple operators focused on revenue and individual performance targets, passengers can find they have too little time to change to their connecting service, even on popular routes. This cannot be right.

These issues are deeply entrenched and cannot be resolved through incremental change. The passing of the Passenger Railway Services (Public Ownership) Act means we can now draw the curtain on the era of privatisation, marking a vital first step in creating a

¹ [Using the Public Performance Measure, 85.2% of trains were punctual at their final destination in the latest quarter \(July – September 2024\).](#)

² [Total operational funding for rail was £12.5bn in 2023-24 and £5.4bn in 2018-19.](#)

railway that is run in the interests of those who use it, not those who own it. But deeper, more fundamental reform is necessary if we are to build a railway that truly meets the needs and expectations of those who rely on it.

Our plan for change

This government is embarking on the single biggest transformation of our railway in a generation.

At the heart of that change is a simplified, unified structure brought together under Great British Railways (GBR): a single directing mind that will run our rail infrastructure and passenger services in the public interest. GBR will take responsibility for the day-to-day operational delivery of the railways: from delivering services to setting timetables; managing access to the network; and operating, maintaining, and renewing infrastructure.

In bringing these functions together into a single new organisation with a new customer-focused culture, we will do away with dozens of complex interfaces that currently hold the system back. Passengers will travel on GBR trains, running on GBR tracks, and arrive at GBR stations – all run by the expert leadership of a single organisation in line with a clear strategic direction set by the Secretary of State. To reflect this simplified industry structure, we will strip away the layers of bureaucracy that have become engrained during the era of privatisation, ensuring GBR has genuine autonomy and freedom to take the decisions necessary to deliver for the people it serves.

But the arrival of GBR does not mean a return to the past. GBR will build on the lessons learned from previous bodies such as the Strategic Rail Authority (SRA) and British Rail to deliver a railway fit for the 21st century. Unlike British Rail, GBR will leverage the best of both the public and private sectors, working in close partnership with private companies - from freight and rolling stock to ticket retailing and the rail supply chain - to unlock benefits and drive growth. It will deliver the integration and cost-saving benefits that come with overseeing both infrastructure and service delivery, while managing access to the network and bringing cost and revenue together into a single organisation – going well beyond the scope of the SRA. This will allow GBR to take long-term decisions, make informed trade-offs, and be genuinely accountable for the performance of the whole system. It will also provide clear visibility and transparency to the Secretary of State and other interested parties.

We will create a statutory role for devolved governments and Mayoral Strategic Authorities in influencing and scrutinising GBR. This will help to align its activity with devolved transport priorities and drive integration with local services. GBR will work with and alongside the devolved governments in Scotland and Wales, preserving existing devolved responsibilities while ensuring they also have the option to benefit from seeking further collaboration and integration between GBR and devolved operators.

With GBR at its centre, the whole rail sector will be transformed. The Department for Transport will step back from day-to-day involvement in the railway, with many of its existing functions moving into GBR. The regulator will have a more focused role centred primarily on safety and efficiency. A statutory duty on GBR will ensure freight continues to deliver its many benefits for business, the economy, and the environment; in line with an overall growth target set by the Secretary of State.

GBR will be held to account for its performance by its Chair and Board who will report to the Secretary of State. But after years of declining trust, passengers need to see that they have their own voice in the system standing up for them. We will therefore establish a powerful new passenger watchdog to champion their interests in all decisions affecting passenger services and will collaborate with the Office of Rail and Road as the sector regulator to ensure GBR and other operators meet expectations.

Paving the way: A new Railways Bill

For change of this scale, brand new legislation is needed. This consultation sets out the proposed legislative measures that will form part of a new Railways Bill, giving us the tools we need to create and empower GBR, set up the new passenger watchdog, streamline the regulatory regime, and carry out the system's most ambitious structural reform in three decades.

These measures include:

- **Setting direction** – *Establishing a role for the Secretary of State in setting GBR's strategic direction, while giving it the day-to-day operational independence it needs to get the most out of the railway and plan for the long term;*
- **Enabling GBR and driving delivery** – *Defining the role of GBR's Board and the Secretary of State in holding the organisation to account for delivery, alongside a streamlined role for the Office of Rail and Road focused primarily on safety and efficiency;*
- **A new voice for passengers** – *Creating a new passenger watchdog empowered to advocate for passengers and hold both GBR and non-GBR operators to account for improving the passenger experience;*
- **A commitment to rail freight** – *Introducing an explicit, statutory duty for GBR to promote rail freight in line with an overall growth target set by the government;*
- **A clear role for the devolved governments** - *Ensuring that GBR can deliver the priorities of and be accountable to the governments of Scotland and Wales;*
- **Empowering local communities** – *Bringing decisions as close as possible to the communities they affect, with a statutory role for devolved governments and Mayoral Strategic Authorities in working with GBR to govern, manage, plan and develop the rail network;*
- **Making best use of the network** – *Giving GBR the authority it needs to manage access to the network in the public interest on a strategic, whole-system basis; backed by clear, transparent, rules-based decision-making;*
- **A new financial framework** – *Implementing a new funding process to facilitate joined-up decision-making and reflect GBR's role as a single integrated organisation with responsibility for both track and train;*

- **An ongoing role for the private sector** – *Ensuring non-GBR operators continue to have fair access to the network, in addition to the statutory duty for GBR to promote rail freight.*

About this consultation

This consultation is focused on the primary legislative measures that will underpin the government's rail transformation agenda. Much of this agenda will be delivered outside legislation and will be the subject of separate consultation as necessary. In line with best practice, the government is only proposing to legislate on areas where reforms cannot be achieved by non-legislative means.

This document is split into seven chapters:

- **Chapter 1** – *Provides an overview of the new landscape for the rail sector under Great British Railways including how the organisation will be established and how its objectives will be set and delivered.*
- **Chapter 2** – *Sets out how a new passenger watchdog will be created to ensure GBR factors the passenger into every decision.*
- **Chapter 3** – *Describes how the access framework will change under GBR, to maximise the benefits of public ownership and operation.*
- **Chapter 4** – *Summarises the changes we are proposing to the financial framework to reflect an integrated, publicly owned railway.*
- **Chapter 5** – *Sets out GBR's proposed role in setting fares.*
- **Chapter 6** – *Explains how GBR will collaborate with devolved governments and Mayoral Strategic Authorities from the outset and be held to account by a statutory duty to do so.*
- **Chapter 7** – *Contains a proposal to address an existing legislative power gap in relation to train driver licensing and certification, which will enable the government to make amendments to the regime in the future.*

A full list of the questions on which we are consulting is provided on page 48.

This public consultation will remain open for eight weeks and will close on 15 April 2025. We will supplement feedback on the proposals set out in this consultation through additional engagement with users of the railway (both passenger and freight), rail industry bodies and experts during the consultation period.

A summary of responses, including the next steps, will be published on <https://www.gov.uk/government/consultations/a-railway-fit-for-britains-future>. Paper copies will be available on request.

The consultation is being conducted in line with the [government's consultation principles](#).

If you have any comments about the consultation process, please contact:

- Consultation Co-ordinator
- Department for Transport
- Zone 1/29 Great Minster House
- London SW1P 4DR
- Email consultation@dft.gov.uk

1. Leadership for Britain's Railways

- 1.1 When the railways were privatised in the 1990s, a complex set of regulatory and contractual requirements were introduced to support the new model. These measures were originally intended to promote competition and separate decision-making on services and infrastructure to create a fair system for private-sector rail operators.
- 1.2 The result, however, was a deeply fragmented system characterised by conflicting and competing incentives, with no one party able to provide a whole-system view across both track and train. Even the most basic processes often require multiple separate organisations - with different priorities and different leaderships - to all work together in harmony. For those who rely on the railway, it is all too apparent when this cooperation breaks down, but frustratingly unclear where the responsibility should lie.
- 1.3 Our new model will radically transform the sector, leveraging the benefits of an integrated railway by empowering Great British Railways (GBR) to plan and take decisions on a whole-system basis, across both track and train. This will be underpinned by a streamlined regulatory framework which removes unnecessary burdens and conflicting incentives, allowing GBR to focus single-mindedly on ensuring the best outcomes for passengers, freight customers and taxpayers.

A new directing mind

- 1.4 We will establish GBR as a new 'directing mind' in charge of our railway infrastructure and passenger services, overhauling the existing fragmented model to create a system with fewer interfaces, clear lines of accountability, and greater direction.
- 1.5 GBR will simplify the sector's structure, building on the first steps we have taken and bringing together activities from more than 17 existing organisations – including Network Rail, the Rail Delivery Group, the DfT Operator, parts of the Department for Transport, and 14 separate Train Operating Companies – into a single organisation.
- 1.6 GBR will be operationally independent, staffed by experts and professionals from the rail sector and beyond, who will be empowered to deliver for passengers and freight customers without government interference in day-to-day decision-making. It will be

responsible for the operational delivery of the railways, for ensuring infrastructure and services work together, and for running the network in the best interests of its passengers and taxpayers. This will include delivering services; planning timetables; operation, maintenance and renewal of infrastructure and rolling stock; setting fares; and managing access to the network, including setting access charges for non-GBR operators.

- 1.7 GBR will operate passenger services under public ownership and will be responsible for all services that are currently franchised by the Secretary of State or provided by the DfT Operator. It will be responsible for all rail infrastructure that is currently managed and owned by Network Rail and will own and manage the majority of stations. This includes those currently managed by Network Rail and by franchisees or the DfT Operator. It will also be responsible for delivering enhancements, as Network Rail does today. Crucially, GBR will unite track and train at a route level, with integrated management and joined up decision-making to support improved reliability, passenger and freight growth, and cost savings. This will also make it more responsive to the needs of local areas. GBR will differ significantly in this regard from models of the past such as the Strategic Rail Authority and will be set up to ensure the railway delivers for local users and communities, rather than focusing solely on the national level.
- 1.8 Safety and accessibility will be central to GBR. It will build on the effective regulation, stakeholder collaboration, strong safety culture, and decades of experience that have led to Britain's railways consistently ranking among the safest in the world. Working closely with the new passenger watchdog, GBR will also maximise the benefits of a unified network in tackling the barriers that prevent disabled passengers using rail. It will take over responsibility from operators and Network Rail to ensure its trains and stations are accessible. It will also be responsible for providing information and assistance to passengers, as well as staffing at stations and on trains. Taken together, these functions will enable better visibility of end-to-end journeys and ensure GBR can offer the best possible service to disabled passengers.
- 1.9 The core of GBR's role will be established in primary legislation, enabling the Secretary of State to designate it as the organisation responsible for passenger services and infrastructure management. To avoid delay resulting from highly complex transfers of assets, people, and contracts that would otherwise be required during implementation, GBR will be created out of Network Rail Infrastructure Limited.
- 1.10 The roles and responsibilities of other sector bodies will be updated to reflect these changes. The Rail Delivery Group performs a number of critical functions which are essential in the day-to-day running of the railway. This includes a wide range of industry systems, as well as supporting DfT with the delivery of fares, ticketing and retail programmes, amongst others. To support the new simplified sector structure, these functions will be integrated into GBR. DfT will work with interested stakeholders to ensure the smooth transfer of functions. The Department itself will also need to evolve to reflect the new sector structure, stepping back from the day-to-day management of some aspects of the railway, with some of its functions transferring into GBR.

- 1.11 The government may need to make consequential amendments to other areas of legislation, such as subsidy control, to ensure GBR is able to fulfil its functions and duties.

Streamlining governance

- 1.12 The current regulatory framework for the railway was designed over 30 years ago and built to manage multiple privatised services running on privately owned infrastructure. The system has evolved over time and while some aspects have performed well – our approach to safety regulation has made Britain’s railway one of the safest in the world – others now require fundamental reform.
- 1.13 Large parts of the system have grown increasingly cumbersome over the years, with a disproportionate focus on managing contractual and regulatory relationships rather than delivering for customers. Meanwhile, ministers are drawn far too close into day-to-day operational decisions, with few clear levers for setting overarching strategic direction. The government’s “vision” for the railway is currently spread across thousands of pages of complex train operator contracts, business plans, funding settlements, Memoranda of Understanding, licences, codes of practice, and framework agreements. With unclear direction and misaligned incentives, our current framework too often encourages serving “the system” over delivering for passengers and freight.
- 1.14 While consolidating industry functions into a single organisation will tackle many of these issues, it is also vital that GBR is able to operate with authority, independence, and clear strategic direction. It must be sufficiently removed both from the day-to-day influence of government and from micromanagement through the regulatory framework, giving it the freedom to take long-term decisions and manage trade-offs. A new approach to regulation needs to give the space for GBR to operate, while also maintaining confidence that taxpayers’ money is being spent responsibly and that third parties on the network are being treated fairly.
- 1.15 To achieve this, we will strip back the layers of regulation and confused lines of accountability that have ossified over three decades of privatisation; replacing them with a straightforward, streamlined model that makes clear what the railway exists to achieve, and ensures that all parts of the system are pulling in that direction.

Setting direction

- 1.16 The Secretary of State will set a long-term strategy, clearly articulating the government’s vision and desired outcomes for the railway on behalf of its users and taxpayers. This will give GBR a clear set of strategic objectives while ensuring it has autonomy over the planning and operational decisions that determine how these are achieved. GBR will support the Secretary of State in producing the strategy and will be required to have regard to it when carrying out its functions. The strategy will also serve as a guide for the government when carrying out its remaining roles in overseeing the system, ensuring clarity and consistency. Scottish Ministers will continue to set the strategy for the railway in Scotland. The Secretary of State will have a duty to consult Welsh ministers on the long-term strategy.

1.17 The Secretary of State will have the power to issue directions and guidance to shape how GBR carries out its functions, enabling the government to drive performance and improvement where appropriate through proportionate and strategic interventions. The powers will be used sparingly, so as not to unduly restrict GBR's autonomy, and in the interests of transparency the Secretary of State will be required by statute to publish directions and guidance issued to GBR. We also envisage that the Secretary of State would engage with parties ahead of issuing a direction where this is relevant. GBR will be required to comply with Secretary of State issued directions and to have regard to guidance.

Driving delivery

1.18 A fundamental cultural shift is needed. In the absence of clear direction, the railway has become overburdened with inconsistent, competing mechanisms originally designed to help it deliver. That is why a new approach should recognise the passenger and customer benefits of an empowered directing mind at the heart of the railway, separated from day-to-day influence by the government, and should treat proportionate independent regulation as the means of enabling that separation – not as an end in itself.

1.19 GBR will therefore be held to account first and foremost by the Secretary of State through its Chair and Board. The Secretary of State will appoint the Chair and have a clear role in the appointment of Board members as well as continuing to seek the views of Scottish Ministers, as funders of rail infrastructure in Scotland, and engaging with Welsh Ministers on these. GBR's success relies on the Board being empowered to focus the organisational culture on delivering for passengers and freight, ensure it carries out its duties as a public body, and provide strong assurance to the Secretary of State.

1.20 Today's complex licensing and oversight regime was designed for a fully privatised railway. To deliver a simpler, more streamlined system, we must reduce these kinds of burdensome regulatory requirements while maintaining a robust source of independent scrutiny. Whilst we propose to continue to use licensing as an effective means of establishing standards, transparency and consistency, GBR will need to be licensed in a different way that is in line with its role in the reformed rail sector.

1.21 GBR will therefore be subject to a substantively streamlined and simplified licence, reflecting its unique position as the network's preeminent operator of both infrastructure and passenger services. While this licence will be enforced independently by the ORR, unlike today it will be drafted, issued, and where necessary amended by the Secretary of State, ensuring it is fully consistent with the strategic direction set by the government.

1.22 We propose a guiding principle that GBR's licence should be specific and focused on the minimum viable set of conditions that are required for safety, performance (i.e. reliability and cancellations), efficiency, and passenger experience. It should be drafted in a way that enables GBR to focus on delivering for passengers and other users of the railway. We believe this would provide transparency, consistency, and fairness across the system, while substantially reducing the regulatory burden on GBR. The new licence will be subject to consultation as normal.

- 1.23 To ensure that a refreshed licensing system supports GBR in delivering its goals, the guidance and duties that govern the ORR will also be reviewed to ensure that they are aligned with the new sector model, as well as allowing the ORR to align with wider government priorities like promoting growth. The ORR's role in access decisions will also change substantially, as set out in Chapter 3.
- 1.24 We will retain elements of the current system where it makes sense to do so. The ORR's role as safety regulator will not change. We propose that it continues to act as competition authority (concurrently with the Competition and Markets Authority) and remains the consumer law enforcement body for rail. Outside of the law and various technical standards associated with these functions, and its reformed roles in access and funding, the licence will be the only mechanism through which the ORR can take direct enforcement action against GBR. We also propose that the ORR will retain the same roles as today in licensing non-GBR operators and infrastructure managers, regulating the High Speed 1 line, and acting as Highways Monitor for strategic roads.

Questions

1. Do you agree that GBR should be empowered to deliver through reformed incentives and a simplified and streamlined regulatory framework?
2. Do you agree that the Secretary of State should be responsible for issuing and modifying a simplified GBR licence enforced by the ORR, and that the ORR's duties with respect to GBR should be streamlined to reflect the new sector model?
3. Do you agree that the Secretary of State should be responsible for setting a long-term strategy for GBR to align with government priorities?

2. A new voice for passengers

- 2.1 As with other parts of the railway, the landscape of passenger rights, standards, and redress is frustratingly complex and unclear. Passengers dealing with poor performance are faced with a lack of clear routes to raise concerns or reliable mechanisms to bring about change.
- 2.2 Passengers need a strong, independent voice speaking on their behalf and championing their interests in decisions that affect the services they use. That includes everything from decisions on funding, to the strategic direction of the railway, the planning of services and upgrades to infrastructure, and the setting of standards for operators.
- 2.3 We also want to improve and rationalise the fragmented consumer landscape and ensure that passengers have a single body they can go to for advice and support if they remain unsatisfied once they have exhausted available means of redress with rail operators.
- 2.4 All of these changes mean passengers will once again be able to have confidence in the railways, with the reassurance that their experience will be prioritised and championed throughout. With this renewed confidence driving higher demand for rail services, the railways will have an even more significant role in kickstarting economic growth across the country - contributing to one of the government's key missions.

Putting passengers back at the heart of our railways

- 2.5 We will create a powerful new passenger watchdog to be an independent champion for passenger interests and to help ensure Great British Railways (GBR) and other rail operators deliver for their passengers. Getting Britain Moving set out a proposal for this new body and referred to it as the "Passenger Standards Authority" (PSA). The official name of the watchdog will be decided once its precise roles and functions have been confirmed.
- 2.6 There is potential for the new watchdog to be built from the existing passenger watchdog Transport Focus. The body would be given increased powers, enabling it to become a strong advocate for better passenger experience and to drive up standards in all key decisions on how rail passenger services are delivered. This would bring together functions from across existing bodies with consumer functions

and ensure the new watchdog is set up as soon as possible, so that it can start delivering for passengers. These functions would sit alongside Transport Focus's existing legislative duties for bus, coach, tram and road users allowing the PSA to have a multi-modal focus from the start.

- 2.7 The new watchdog will be empowered as a statutory consultee on government and GBR policies, strategies, and business and infrastructure plans; and will also influence their development through public campaigns and stakeholder engagement. Alongside the accountability measures available to the Secretary of State, and continued safety regulation by the Office of Rail and Road (ORR), the watchdog will independently monitor passenger experience and champion improvements in service performance.
- 2.8 We will consider how best to create a 'one-stop shop' for passengers, where interests are protected, providing access to advice, resolving unresolved complaints, and offering transparent monitoring and reporting of rights and standards. Responses to this consultation will be used to inform whether and how to consolidate existing passenger-focused regulatory functions of the ORR, the existing watchdog responsibilities of Transport Focus, and the dispute resolution role of the Rail Ombudsman into one body.
- 2.9 The core functions of the new watchdog could include some or all of the following:
- Ensuring that operators and GBR meet established passenger-focused standards by independently monitoring and assessing performance fairly and transparently against published data;
 - Advocating better service standards on behalf of passengers by being consulted on key decisions affecting how services are delivered to passengers and having a say on strategies, plans and funding settlements for the railway (focused on passenger experience);
 - Putting a spotlight on consumer issues through use of its information gathering powers and conducting surveys, research and analysis on passenger experiences;
 - Acting as a moderator to deal with unresolved passenger complaints; and
 - Taking on some regulatory roles for the railways should some functions be transferred to it from the ORR (e.g. overseeing passenger information and complaints processes and producing guidance on Accessible Travel Policies for rail operators and GBR).
- 2.10 We also propose that the new watchdog will have an explicit role on accessibility by monitoring how services are delivered to disabled passengers and advocating improvements where issues arise.

Options for establishing the new passenger watchdog

- 2.11 Considering this wide range of potential functions, there are a number of approaches that could be taken to establish the passenger watchdog.

Statutory Advisor

- 2.12 The new watchdog would be established as a statutory advisory body and would be consulted on strategies, business and infrastructure plans, standards and funding settlements. This approach would give it a clear role in advising both the Secretary of State and GBR on decisions affecting how services are delivered to passengers.
- 2.13 It would also have powers to request information from GBR and other operators, set deadlines for responses, and monitor delivery of agreed standards and plans related to passenger facing services and passenger experience. It would identify areas for improvement and advocate for action to address these. Decision makers including the Secretary of State and the ORR, would be required to have regard to the watchdog's recommendations and take appropriate action to address these.
- 2.14 The watchdog would also have a role in moderating unresolved passenger complaints and disputes, which would enable it to have oversight of issues raised by passengers. It would use this role to identify thematic issues as well as repeated issues at particular locations or routes attracting complaints and make targeted recommendations to address systemic problems and improve service quality.

Statutory Advisor with Regulatory Functions

- 2.15 Building on the watchdog and advocacy functions outlined above, the watchdog could take on some regulatory functions or have a complementary role to the ORR in how these are delivered. This would include the following functions covering passenger standards or obligations currently carried out by the ORR:
- Passenger assistance, including producing guidance to operators on accessible travel policies so that disabled passengers can access the railway and conducting associated research;
 - Passenger information, including ensuring the provision of information by operators so that passengers can plan their journeys;
 - Complaints, including setting out codes of practice for how operators should handle complaints and provide compensation;
 - Consumer law, investigation and enforcement, including reviews of online ticket retailers and fees and the auditing of train company websites.
- 2.16 Taking on some or all of these functions would mean that the new watchdog would adopt or support some regulatory roles. It will be important to ensure there is a clear division of responsibilities with the ORR, to ensure the overall system of oversight of a reformed rail sector functions effectively and there is no duplication of roles. The table below summarises how the roles could be carried out over the two different approaches described above.

| | Statutory Advisor | Statutory Advisor with Regulatory Functions |
|---------------------------------|---|--|
| Advisory role | The passenger watchdog is established as a statutory advisory body and is consulted on strategies, plans, funding settlements and the setting of standards for the railway. | |
| Regulatory role | The passenger watchdog has no direct role in setting regulatory requirements on rail operators but may advise other bodies when these are set. | The passenger watchdog produces guidance on some passenger focused regulatory requirements on rail operators in consultation with the Secretary of State and the ORR (e.g. accessible travel policies, passenger information, complaints processes) which become the baseline operators should meet, demonstrate equivalence to or take reasonable endeavours to meet. The passenger watchdog has a role in approving operators' plans to meet these requirements. |
| Monitoring of standards | The passenger watchdog has information-gathering powers which it would use to monitor operators' delivery of agreed plans and service standards. | In addition to its information-gathering powers, the passenger watchdog has specific roles in monitoring how operators deliver against requirements set for areas like accessible travel policies, passenger information and complaints processes. |
| Moderation of complaints | The passenger watchdog takes on the role of moderator on unresolved passenger complaints. | |

2.17 Transport Focus and the ORR currently oversee rail services across Great Britain, including Scotland and Wales. We are working closely with the devolved governments in Scotland and Wales to ensure the new passenger watchdog will function effectively with all train operators across Great Britain. Scottish Ministers, the Welsh Government, and the London Assembly will each appoint a member to the Board of the new passenger watchdog as they do for Transport Focus today. London TravelWatch oversees rail services in the London area, as well as cross-border services through the Channel Tunnel, and collaborates with Transport Focus. It will be important to consider any impacts on London TravelWatch from the creation of the PSA.

Alternative Dispute Resolution (ADR)

2.18 Under either approach, we expect that the new passenger watchdog would have a role in moderating unresolved passenger complaints and resolving disputes. Currently this is a role provided by the Rail Ombudsman (RO), an independent organisation which offers a free, expert service to moderate unresolved customer complaints about rail service providers. The RO is accredited to provide ADR and is also an ombudsman, giving it additional powers to address any systematic issues it finds. It is currently sponsored by the ORR, who set a condition in rail operators' licences that they must join the RO.

2.19 For the RO function to be subsumed into the new watchdog, the watchdog would first need to secure accreditation from the Chartered Trading Standards Institute, and then from the Ombudsman Association in order to achieve ombudsman status. This requires that the body's core role be the investigation and resolution of complaints, with a neutral approach to both consumers and traders. There is no guarantee that

the new watchdog would achieve this status, given its wider remit and explicit passenger focus.

- 2.20 Therefore, to ensure no weakening of consumer protection for rail passengers, additional powers and functions equivalent to that of an ombudsman could be provided to the passenger watchdog through legislation. These would include powers to investigate and determine resolutions to complaints and the ability to identify and act on thematic issues it discovers. However, there would be potential complexity in establishing this new function and, if necessary, putting the requisite legislation in place.
- 2.21 An alternative option would therefore be to transfer the ORR's sponsorship of the RO to the new watchdog, with the RO retaining its current accreditation and functions. This is likely to be the simplest option with the least disruption to the RO or the passenger experience.

The new Passenger Watchdog's modal scope

- 2.22 The new watchdog is to be set up alongside GBR to ensure a strong passenger voice in a reformed railway and to support the Secretary of State in delivering this. There is potential to expand the watchdog's modal scope and functions in the future via further legislation.
- 2.23 For example, equivalent functions to its proposed rail functions could be considered for buses, coaches and trams, offering a consistent 'one-stop shop' experience to passengers. The new watchdog could therefore become a strong passenger voice across public transport modes and multi-modal passenger journeys, increasing transparency on performance and understanding of the issues faced by passengers from door to door, with the ability to hold local transport authorities and operators to account for delivery.

Questions

4. What are your views on the proposed functions of the new passenger watchdog?
5. Which of the approaches would best enable the establishment of the new passenger watchdog?
6. Which of the options to establish the Alternative Dispute Resolution function as part of the passenger watchdog would deliver the best outcome for passengers in your view?

3. Making best use of the rail network

- 3.1 Train paths on the railway are a finite resource. With parts of the network already at full capacity, it is vital that we make the best use of that resource. This involves striking a careful balance between a wide range of public and private services - such as devolved operators and rail freight - each delivering different benefits for passengers, society, taxpayers, and the economy.
- 3.2 The existing framework governing train operators' access to the rail network consists of a complex web of legislation, regulatory policies, contracts, and codes. The legal framework, largely set out in the Railways Act 1993 and the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 (AMRs), was designed principally to encourage competition between private operators and to separate decision-making. This means decisions on management of the infrastructure are taken separately from the design of passenger and freight services, resulting in a fragmented system that fails to deliver for its customers.
- 3.3 The creation of Great British Railways (GBR) as a directing mind will radically change this and marks a significant shift from the privatised model introduced in the 1990s. It will bring together responsibility for managing allocation of capacity and management of the infrastructure. This means GBR will be able to make the best use of the rail network and provide a seamless service for passengers and freight users. To deliver this, fundamental changes are required to the complex legal and contractual framework we have today.
- 3.4 A simpler legislative and contractual framework is vital to enabling strategic decision-making on access, removing barriers to growth, and increasing stability and predictability; this will provide the foundation for collaborative working between GBR and industry to maximise market opportunities and public value from infrastructure investment.

Problems in the current system

- 3.5 The existing legislation creates a fragmented and reactive decision-making structure. Train funders, infrastructure management, train operations, and regulatory oversight are separated across multiple interfaces and parties by law. This drives the creation of different processes for access rights, timetable production, public specification,

and strategy – each with different criteria and goals – but no single consistent way to work with and across the different bodies who have an interest.

- 3.6 At the heart of the problem is a legal framework which embeds separate decision-making, fragmenting accountabilities and preventing the creation of a forward-looking planning stage (prior to timetable production) able to take binding decisions. The result is inefficient use of expensive national infrastructure, with service patterns that do not make best use of our assets; major delays to new timetables; slower, more expensive projects; and ultimately poorer services for passengers and freight operators.
- 3.7 Repeated timetable failures have at last been resolved by the decision to implement a new timetable in December 2025. These problems occurred because the system is unable to cope with major change on complex or congested routes. Resolution took far too long and required resolution at ministerial level, due to the inefficiencies embedded into the current system. Therefore, failures to produce new timetables on the East Coast Mainline (ECML), coupled with record numbers of access applications to the ORR across the network, placed timetable production under high stress. This continues to impact rail users, critical regional connections, and the wider economy, despite the very large investment provided by taxpayers. Dealing with these complex problems needs an empowered, cohesive body with oversight over the entire system, and the existing legal and contractual rules are not set up to enable this.
- 3.8 Despite investing billions of pounds annually in rail, and being a major funder of the network, the government lacks a method to ensure benefits from investment are delivered. The expected benefits of the £4 billion investment in the ECML have not been realised for a number of systemic reasons including the difficulty of optimising the network using the current access model. The presence of multiple decision-makers across different organisations means there is no end-to-end accountability, with no one party able to ensure the delivery of benefits from major enhancements or routine funding. Government decisions are disconnected from later access decisions, which ultimately define which services are delivered.
- 3.9 Fragmented control, disjointed information, multiple decision makers and lack of a single process hamper efforts to improve reliability, maximise capacity, and support freight growth. Establishing GBR as a directing mind is a vital step to delivering the full benefits of public investment in rail by creating a clear, accountable system that manages risks, assumptions, and changes with clarity and fairness for all parties.
- 3.10 Overly complex and highly legalistic contract processes have burdened the railway with a system that is overly bureaucratic and very hard to change. Access contracts between Network Rail and operators are important in providing businesses with stability and protections, but an excess of legislative and contractual process has led to a system which is inflexible and discourages improvement and innovation. Examples include the rigidity of timetable change dates which prevent market opportunities from being addressed; and the terms and conditions of access which are not designed strategically to line up with the goals set by funders or tailored to meet the commercial interests of operators such as freight.

A simpler and better framework for the GBR-run railway

- 3.11 A new simpler framework will enable GBR to take decisions on the best use of its network, putting the interests of passengers and freight customers first while providing certainty that the benefits of investments will be realised. The key elements of the proposed new framework are set out below.
- 3.12 Under a new access framework established in primary legislation, GBR will take access and charging decisions in the public interest. GBR's access and use functions will be governed by its duties to deliver whole system benefits, government priorities, and the goals of devolved governments and Mayoral Strategic Authorities (MSAs). New statutory duties will ensure that GBR's access decisions are transparent and accountable and will ensure fair treatment for all operators wishing to access the GBR-managed network. GBR will have a clear remit set in statute empowering it to focus on delivering national benefits, including promoting rail freight. This means GBR will be able to benefit the whole of the railway and not focus solely on its own passenger services when planning and managing access and access terms.
- 3.13 GBR will take account of the long-term strategy set by the Secretary of State and will have obligations to achieve targets and deliver milestones in Scotland, England, and Wales in its approved Business Plans. These obligations will enable GBR to reflect funder priorities for the use of the railway on relevant routes.
- 3.14 The government will also include safeguards to ensure that freight operators receive fair access to the network. Open access operators can drive competition and better passenger outcomes, and where there is a case that open access operators can add value and capacity to the network, they will be able to.
- 3.15 In addition to these obligations, the Secretary of State can issue specific Directions and Guidance on access to and use of the railway when relevant, for example to emphasise the priorities of certain regions or cities, or markets such as freight.
- 3.16 The provisions as currently set out in the AMRs will no longer apply to GBR and the GBR network, ensuring it is not unduly burdened by requirements associated with a privatised regime. The government recognises that having requirements in legislation is critical to providing investors, for example in freight, with certainty and will ensure that important requirements and obligations on access will be set out in legislation in simplified and amended form.
- 3.17 Unlike in the current fragmented system, GBR will have consolidated accountability for planning the use of its rail network. Working to these statutory requirements and rules, GBR will be empowered to assess options, develop solutions, and engage others to reach decisions. The role of the ORR in access decisions (under Sections 17-22C of the Railways Act 1993) will therefore be reformed to enable this new role for GBR. The ORR will no longer approve access or direct the sale of access rights for the GBR railway and will not set standard access terms for GBR. Details of the ORR's role in the review of access charges, as set out in Section 19A of the Railways Act 1993, can be found in Chapter 4.

- 3.18 GBR will become the decision maker for key decisions on access terms that are currently led by the ORR: the duration and form of access rights, developing and setting the access charges framework, and the design of performance incentive regimes contained in track access regimes.
- 3.19 GBR will set policy and standard contracts transparently and in consultation. It will be required to consult (and have regard to consultee responses) on how it fulfils its duties for access to and use of the network. This will include setting out timescales, information requirements, and decision-making criteria - making it clear how other parties are involved and consulted on decisions. This will be done through the development of GBR's Access and Use Policy (AUP) and – where relevant – in standard contract terms and conditions.
- 3.20 The development of GBR's AUP will be an important mechanism for operators, transport bodies and other railway undertakings. It should transparently outline how GBR will collaborate with all parties, including devolved leaders, to deliver social and economic benefits.
- 3.21 We are keen to hear from industry stakeholders on what requirements should be included in legislation. As a minimum we would expect the following to be included:
- Capacity Allocation and Access Rights: Base requirements covering applicant rights in the process, and GBR's duties in agreeing or refusing access rights or producing the timetable. This is critical to all parties on rail and is discussed in paragraphs 3.25 - 3.29.
 - Engineering Access: Requirements for GBR to provide for engineering access as part of allocating capacity, and to develop processes for consultation and notification that give reasonable notice to its network users. Obligations for GBR to take account of cross-boundary services, and to consult other parties.
 - International Paths: Requirements for GBR to accommodate international paths in line with international obligations.
 - Access to GBR facilities: Obligations to offer access to GBR facilities (stations, depots, etc.) when granting access, with fair charges.
 - Publication of Information: Obligations to publish information to ensure fairness and non-discrimination, and information for prospective applicants for access and railway undertakings to support capacity allocation and other processes covered in the Railways Act 1993.
 - Performance and compensation regime: Requirements on GBR to develop and offer a performance regime to non-GBR operators on its network. The regime should include provision for reasonable penalties and compensation.
 - Railway Performance Data: Recognising the need to protect commercial information, GBR should be required to collect and assess railway performance data with operators on the network. It should develop methodologies and schemes with operators to inform improvement actions.

- Operating Policies and Disruption Management: GBR should be obliged to develop operating policies and should retain Network Rail's powers in the current regime to manage disruption.
- Charging for Access: Third parties will pay charges that are set fairly by GBR for their use of its network. Further detail can be found from paragraph 3.30.
- Dispute Resolution: Requirements to provide for dispute resolution in contracts including on timetabling matters.
- Collaboration with other infrastructure managers and facilities operators: Requirements on GBR to collaborate and cooperate with other infrastructure managers, and for GBR and the ORR to align on duties for access and charging.
- Standard Contract Terms and policies: Requirements to publish and consult on standard contract terms and policies that cover GBR's access and use functions.

3.22 GBR access contracts and incorporated documents (including the Network code and Station Access Conditions) define terms and key industry processes such as timetable production and station change rules. The creation of GBR provides a transformational opportunity to improve and simplify today's complex processes, while ensuring the rules work well for freight and other third parties. To achieve this, GBR will need a mechanism to work with operators to simplify and make revisions to contracts and codes where appropriate, following consultation and engagement. This will replace current mechanisms that include voting and ORR-led changes. The new change mechanisms for contracts and codes will be robust and fair and will include appeal to the ORR where parties believe they have been disadvantaged. For the avoidance of doubt, this new mechanism will not impact the contractual rights to access specific routes that are set out in schedule 5 of existing access contracts.

3.23 GBR will not legally be required to establish internal regulated contracts, payments or charges for its own services (though it will allocate cost), as this would constrain the organisational design and flexibility for future funding decisions. Further details on the proposed new charging framework are provided from paragraph 3.30.

3.24 GBR will work closely with the devolved governments and MSAs responsible for operators on the network. Given the role these bodies each play (including, in some instances, as funders of parts of the associated infrastructure), GBR will consider their strategies within its overall policy and decision-making processes. By doing so, it will protect their interests in how the network is managed, by ensuring effective accountabilities in the system. Further information regarding the approach to devolution can be found in Chapter 6.

Capacity allocation processes

3.25 GBR's rights and duties in relation to capacity allocation are a key element of this consultation. The list of controls proposed for inclusion in legislation includes capacity allocation, which in today's railway occurs both when access rights are sold and during timetable production. In order to help respondents, this section sets out the vision for the future process.

- 3.26 Today, applicants are given certainty of access through the sale of access rights, which is either directed or approved by the ORR in reference to their overall statutory duties in Section 4 of the Railways Act 1993. Timetable production is governed primarily by the Network Code and AMRs, and provision is made for contingent rights or ad hoc applications to be accommodated, mechanisms that are particularly important for freight operators. Where operators currently have access rights set out in Schedule 5 of their access agreements with Network Rail, they will retain these same rights under GBR for the agreed period.
- 3.27 The new legal framework will be designed to unlock the benefits of the proposed new access regime in a way that ensures fairness and transparency for passenger and freight operators. GBR will be selling long-term access rights to non-GBR operators while allocating equivalent types of high-level access rights to GBR services, recognising the important certainty and confidence that long-term rights provide to operators.
- 3.28 Unlike today's system, which is reactive, and application driven, GBR will manage major train service changes as a proactive programme, consulting all parties on the programme and updating it regularly. GBR will lead work with industry and devolved governments and MSAs to develop inclusive, consultative long-term plans (Usage Plans) that allocate and contract rights but allow some measure of later flexibility. The production of these plans will be based on consulted goals, reflecting funder strategies and statutory obligations. The production of Usage Plans will effectively replace the application process for rights that exists today.
- 3.29 These plans will be the key material factors when later decisions are needed on major service changes and timetables are produced (as access rights are today). While early decisions on the high-level timetable structure will provide greater certainty, there must be a balance with flexibility, and provision will continue to be made for later stage change and ad hoc applications throughout.

A new charging framework

- 3.30 Track access charges are used by infrastructure managers to recover costs incurred by providing infrastructure for users of the railways, and ensure operators take account of infrastructure costs when taking key decisions. Stable and fair charges are important to all third-party operators, including the freight sector. Setting Fixed Track Access Charges for public sector operators is a part of current control period funding, and in future GBR will ensure alignment across devolved funders in a clear and transparent process. For further detail on the proposed new funding process, please see Chapter 4.
- 3.31 The current charging system is inflexible with too many overly restrictive and often contradictory rules, which if maintained in the new system, would significantly limit the ability of GBR to maximise the benefits of an integrated railway. Therefore, we believe reform to establish a new access charging framework that is fit for purpose, and based in legislation, is fundamental to empowering GBR as a directing mind. The government intends to honour the final determination made by the ORR on access charges for Control Period 7 (between 1 April 2024 and 31 March 2029).

- 3.32 Within the new framework, GBR's own operators will not pay access charges, as GBR will be exposed directly to the cost implications of running its own services, and legal obligations to make quasi-transactional payments within GBR would act as a barrier to simplification and integration. GBR will consult the sector regarding the setting and recalibration of access charges, which will be linked to the funding settlement and provide stability for at least 5 years. We will therefore require GBR to put in place and publish a cost apportionment process to account for the cost of providing rail infrastructure to record the costs of its train services using the network. This will ensure transparency and provide non-GBR operators with the confidence that the charges they pay are both fair and non-discriminatory. It is also critical to ensure GBR takes whole system cost-informed decisions.
- 3.33 Necessary rules and protections for third parties on charging will be retained in primary legislation, with the detail set out in GBR's AUP. Consultees are encouraged to express their views or provide information to ensure adequate detail is included. The government intends that current provisions on charging in the AMRs and Commission Implementing Regulation (EU) 2015/909 would not apply to GBR, but that the important principles – including the clarity and detail on access cost calculations – should be retained or improved.
- 3.34 Non-GBR operators will pay access charges that are set fairly and reflect the cost of them using the GBR network. Legislation will ensure that charging decisions are appealable to the ORR.
- 3.35 As with today's framework, GBR will be able to offer targeted discounts to non-GBR operators. We are proposing to widen the scope where discounts can be offered, so GBR has additional levers to deliver government's strategic goals. For example, decarbonising the railway or achieving the rail freight growth target. In terms of incentives, this could be to encourage operators to use 'track friendly' or 'low carbon' equipment. Discounts would come from existing budgets, with no additional calls to fund the discount; or would be cost neutral in that the discount would, in time, be funded from the additional charges being paid by the increased usage (as evidenced in the business case).

A reformed role for the ORR in access and charging decisions

- 3.36 For GBR to have the space and authority to take access decisions on the best use of its network, the ORR's current role must change. Under the new model, we propose that the ORR continues to ensure fair access to the GBR managed network through a robust and independent appeals function, set out in legislation.
- 3.37 The ORR appeals process would:
- Apply to decisions GBR takes in discharging its functions to plan and manage use of the railway, including through its new GBR Code, setting or amending standard access contract terms and charging decisions.
 - Be available to any railway undertaking or other body that considers itself disadvantaged or discriminated against.

- Evaluate whether GBR has acted rationally and fairly, in line with its legal duties (including obligations to be non-discriminatory), complying with the established GBR AUP and meeting contractual obligations.

3.38 The ORR would be able to recommend and in certain circumstances direct remedies where it finds that GBR's decision-making has been discriminatory and has not followed its own processes. The ORR would need to consult on draft decisions and remedies and we anticipate that for the majority of successful appeal cases, GBR would be required to reconsider a decision in the light of specific ORR findings.

3.39 However, in exceptional circumstances, for example were GBR to take a decision that was wholly inconsistent with its duties and policies, where the available evidence did not support GBR's decision and/or were GBR to purposefully discriminate against an operator seeking access to the GBR-managed network, the ORR may direct GBR to change a decision provided that in doing so it does not overturn previously established and/or contracted access allocations.

Other infrastructure managers

3.40 The existing ORR role and legal requirements will continue to apply to non-GBR infrastructure and facility managers. For example, the privately owned HS1 Ltd which manages the high-speed network between St Pancras and the Channel Tunnel; as well as the Core Valley Lines owned by the Welsh Government. This is to ensure that these parties (some of which are privately owned with commercial interests) have a stable and predictable framework under which they can operate alongside the GBR-managed network. The ORR will recognise GBR as a network-wide organisation with widely drawn duties to support public benefit.

3.41 However, there is the opportunity to simplify some of the processes within the AMRs for other infrastructure managers. This could include removing constraints on when the working timetables come into effect, such as midnight on the second Saturday in December. Given the need to both simplify processes for other infrastructure managers and to maintain consistency between GBR and other infrastructure managers going forward, the government is intending to include a targeted power to make technical amendments to the AMRs in the Railways Bill.

3.42 Duties to collaborate between infrastructure managers will be applied to GBR and other infrastructure managers. There will be a new duty for GBR to collaborate with the ORR on interface issues. This will ensure interfaces between the GBR network and other infrastructure are managed fairly and transparently and will aim to ensure the smooth passage of trains (freight and passenger) across all networks, including international.

3.43 There will also be a duty on GBR to enable it to co-operate with other infrastructure managers, for instance when developing products such as the GBR Code. Doing so will offer a further layer of accountability to ensure the network is managed fairly and transparently between GBR and non-GBR infrastructure.

Questions

7. Does the proposed new access framework enable GBR to be an effective directing mind that can ensure best use of network capacity?
8. What – if any – key access rules and requirements for GBR should be updated and included in legislation?
9. Does the proposed role of the ORR, acting as an appeals body to ensure fairness and non-discrimination, provide sufficient reassurances to operators such as freight and open access wishing to access the GBR-managed network?
10. Do you foresee any unintended consequences of the ORR retaining its existing powers with regard to other infrastructure managers which might affect the smooth passage of trains between the GBR and non-GBR network?
11. The government intends to include in primary legislation a power to enable amendments to the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 to ensure consistency between GBR's processes and those used by other infrastructure managers. Do you agree with this approach?

4. Financial framework

- 4.1 Great British Railways (GBR) will be an integrated organisation bringing together the fragmented elements of today's railways, with oversight across both track and train, and costs and revenue. This will improve day-to-day decision-making by ensuring GBR develops plans in consideration of the full breadth of its activity, meaning benefits and consequences are properly accounted for. In performing its operational duties, GBR's decisions will also be underpinned by long-term strategies for the railway set by the Secretary of State with Welsh ministers, and in Scotland by Scottish ministers.
- 4.2 A proposed new funding process, to be established in legislation, will facilitate integrated decisions and enable GBR to deliver its agreed business plans and the strategies of railway funders. This new funding process would replace the periodic review and initially determine funding for the operation, maintenance and renewal of infrastructure. However, we will ensure that legislation retains flexibility to include other areas of funding in this process if desired.

The new periodic review

- 4.3 Today's periodic review process enables Network Rail to plan key activities to manage, operate, and renew Britain's railway infrastructure, enabling efficient delivery through a stable five-year planning process that also supports the supply chain. The periodic review agrees core elements of Network Rail's funding, such as funding from the government (the Network Grant) and the pricing framework for Access Charges (paid by freight and passenger train operators). It also agrees the outputs Network Rail will deliver over the subsequent 5 years.
- 4.4 This process is managed by the Office of Rail and Road (ORR), with structured input from the Secretary of State in relation to England and Wales, and from Scottish Ministers in relation to Scotland (reflecting the devolution arrangements that apply). It follows a process of detailed consultation and has been a key means by which the governments' priorities for the railway have been secured, and the condition of railway infrastructure has been maintained to support safety and performance.
- 4.5 The proposed new funding process will take the best of the current periodic review and control period system, preserving and building on many of the benefits created by the current approach. Core settlements will last 5 years, and the ORR will retain a

role in assessing business plans and settlement viability. As part of this the ORR will also have a role in assuring major changes to GBR's business plans 'in-life', or major changes to the grant awarded through this funding process.

- 4.6 The periodic review is a tried and tested method for agreeing each 5-year settlement, and much of its structure will be carried over into the new process. However, to reflect GBR's new role, several changes to existing legislation will be made to simplify and clarify intent.
- 4.7 The periodic review is currently set out in Schedule 4A to the Railways Act 1993 (Sch 4A) and numerous provisions of the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 (AMRs). We propose that this collection of provisions is replaced by new drafting dedicated to railway funding. This is because today, the legislation describes a process through which the ORR reviews the level of access charges, but its key product is actually a determination of the amount of funding the government needs to provide to deliver its stated outcomes for the railway.
- 4.8 It would be impractical and illogical to keep this access charge-related mechanism as the legislative basis for railway funding once passenger services have been brought into public ownership, and the changes to the access regime described in Chapter 3 have been made. This is because these actions combined will greatly reduce the amount of income that GBR receives from access payments, making them a smaller proportion of funding overall. The new process would take the intent of the periodic review as a funding process, without the legal connection to access charging – bringing it into line with a public ownership model.
- 4.9 As today, the Secretary of State will be required to issue a High-Level Output Specification (HLOS) and Statement of Funds Available (SoFA). GBR would be required to create a business plan in response to the HLOS, setting out its proposed activity over the next 5 years. The ORR would maintain a role in assessing the viability of this business plan and checking whether there is a mismatch with the HLOS and SoFA that would make delivery impossible.
- 4.10 The proposed legislation would preserve flexibility and allow for the scope of activity funded by the settlement to change over time where this may allow greater benefits to be delivered. Detail on GBR's financial management and any detailed process requirements in addition to the new funding process will be set out outside legislation.
- 4.11 The Secretary of State would sign off the business plan at the end of the process, approving it for delivery and agreeing to provide the stated funds. The ORR will have a role in monitoring and reporting on major changes made to GBR's plans 'in-life' as well as monitoring major changes to the grant awarded through this funding process in order to protect the integrity of the 5-year settlement. This role would cover mid-period reductions to funds available or major increases in outputs such as: major change where GBR acts contrary to the outcomes of the settlement without the approval of the Secretary of State, or a Secretary of State direction to undertake activity which is unfunded and undeliverable in addition to existing commitments.
- 4.12 This will ensure that GBR delivers the strategic aims set out by the Secretary of State and that agreed outputs remain funded and viable for the full duration of the

settlement, maintaining a long-term investment view and supporting stakeholder confidence.

- 4.13 The role of Scottish Ministers, as today, would mirror the new process described above for the Secretary of State but for Scotland. They would be able to issue their own HLOS and SoFA (within the wider process) and sign off delivery of the business plan for the parts of the network they are responsible for funding. The Welsh Government will be represented by a new duty for the Secretary of State to involve them in the creation of the HLOS for England and Wales.
- 4.14 In line with commitments to create a statutory duty in relation to devolved leaders, the proposed legislation will also contain a duty on the Secretary of State to involve Mayoral Strategic Authorities when determining the contents of the HLOS.

Future steps

- 4.15 The first new funding process would take place at the end of the current control period, which lasts until March 2029, with preparations beginning around 2 years before. During this transitional period, the existing determination of operations, maintenance and renewals funding would remain in place and GBR will take on the level of funds made available at the last periodic review. Passenger services and enhancements would continue to be funded through the spending review process when these occur. We would expect GBR to begin immediately aligning and integrating plans across budgets in this transitional period, to start to realise the benefits of integrated decision-making.
- 4.16 Legislation to establish the new settlement process will allow for the scope of activity funded by the settlement to change over time where this would allow greater benefits to be delivered. This will allow the benefits of the integrated structure to be maximised, while accounting for the complex and changeable landscape in which GBR will operate.

Questions

12. Do you agree with the proposed legislative approach regarding a 5-year funding settlement for Great British Railways?

5. Fares, ticketing and retailing

- 5.1 Great British Railways (GBR) will take over from train operators as the organisation responsible for setting fares on the services it operates and collecting revenue. Alongside GBR, open access and devolved operators will remain responsible for setting fares for services they operate and we will consult the devolved governments on safeguarding their existing legislative powers to determine overall fare levels for their services.
- 5.2 Legislative changes will enable and empower GBR to deliver industry-wide modernisation and reform of the complex and fragmented fares landscape inherited from privatisation, where even minor changes meant securing agreement across multiple train operators with their own commercial interests. This will enable GBR to simplify the ticketing system and make it easy for passengers to find the right fare. While the intent of this legislation is to enable GBR to deliver these benefits, the Secretary of State will also retain specific oversight over the affordability of the railway - as set out below.

Parameters, guardrails, and safeguarding discount schemes

- 5.3 Section 28 of the Railways Act 1993 currently allows for a franchising authority to set limits on the level of rail fares train operators can set. The legislation also provides for certain concessionary discount fares schemes to be provided – delivered as the 16-25 Railcard, Disabled Persons Railcard, and Senior Railcard schemes. As there will no longer be a franchising authority or franchise agreements in place, new legislative mechanisms will be introduced to ensure fares are set at an appropriate and reasonable level, and to continue the discount schemes.
- 5.4 We envisage that the Secretary of State's role in securing the overall affordability of fares will remain in primary legislation, replicating the effect of Section 28(2) of the Railways Act 1993, but amended for a post-franchising railway. As GBR will be the organisation that sets fares, it cannot referee itself in this activity, which sits most appropriately with the Secretary of State.
- 5.5 To implement this role, the Secretary of State will set out parameters and guardrails that will govern GBR's fares setting activity at regular intervals when agreeing its funding settlement, while empowering it to deliver. This will likely include the limits by which fares can change over the course of the settlement period, and the level of

discretion GBR has in the overall level of fares. This gives the Secretary of State significant levers to influence and manage the overall level of fares to balance the interests of passengers and taxpayers. GBR's business plan, agreed with the Secretary of State, will also set out its obligations to continue to offer certain discounts, like railcards. It is our intention that these continue to be offered. Specific discount cards targeted at groups for which cost is more likely to be a barrier to rail travel - young people, older people and disabled people - will be further safeguarded in legislation, as they have been since the Railways Act 1993 Section 28(3).

Online retail

- 5.6 This government has set out its ambition to simplify the fares and ticketing system and drive innovation across the network. We understand the concerns surrounding the rail ticketing system, the confusing array of train operator websites and ticket types and the impact that this can have on passengers, as well as adding unnecessary cost from duplication. There is clear value in consolidating current train operator websites and apps into a single GBR retail offer over time. In future, GBR will therefore provide ticketing services directly to customers and this will be enabled through legislation. This will include online and physical retail, such as ticket offices, ticket vending machines, and on trains.
- 5.7 Once GBR is established, it will deliver a high-quality website and app to customers, gradually replacing the 14 different DfT train operator websites that currently retail tickets. It will retail alongside, and in competition with, third-party retailers (TPRs), so that standards are continually driven up in the interest of consumers. Passengers will benefit from a consistent and reliable customer offer, knowing they can purchase tickets with ease and travel with confidence.
- 5.8 We will support and promote a thriving third-party retail market. TPRs already add significant value to the retail marketplace and play a fundamental role in driving innovation and attracting more customers to the railway. This will continue. GBR online retail will compete on a fair and open basis with such independent retailers, as well as with open access operators and devolved operators such as TfW Rail and Scotrail, who may also choose to continue to retail online as they do today.
- 5.9 All retailers will continue to be able to improve the passenger experience, drive innovation, and further encourage competition in future.
- 5.10 We also anticipate that GBR will assume responsibility for many of the functions the Rail Delivery Group (RDG) performs today on behalf of all retailers, such as managing central retailing systems, standards and access to information. GBR must be transparent and act fairly when carrying out these functions, to ensure the retail market is competitive to boost choice and standards for passengers.
- 5.11 As part of this, we are considering how the retail market will be licensed in future. RDG currently determines the terms of licences with third parties, taking decisions on matters such as charges and commission rates. We are considering where this role should sit in the future, which could include GBR, the industry regulator ORR, or possibly another body.

- 5.12 Separation of the licensing function would give independent retailers confidence that there are no conflicts of interest, but we will need to explore whether and how relevant functions and expertise could be transferred to deliver this role effectively, and what impact this would have on the other functions each organisation has.
- 5.13 If licensing were to sit in GBR in the future, we would need to be able to reassure other retailers that any conflicts of interest between the licensing and retailing roles GBR could hold have been addressed, and to ensure a competitive and fair market is maintained for third parties and other train operators' retail offers (devolved, open access, etc.). This could include keeping any licensing function structurally separate from GBR's online retailing function, to provide assurance that GBR is not treated favourably over any other retailer.
- 5.14 Details of the future role of an industry body or GBR to licence retailers and the relevant checks and balances to ensure a competitive market for all will be informed by this consultation.

Questions

13. Do you agree with the legislative approach set out above to retain the Secretary of State's role in securing the overall affordability of fares and continuing to safeguard certain railcard discount schemes?
14. What, if any, safeguards are needed to ensure a thriving and competitive rail retail market while also ensuring GBR can deliver a high-quality offer to its customers?

6. Devolution

- 6.1 Devolution is an important and positive feature of the railway in Great Britain today, with significant responsibilities devolved to the Scottish and Welsh Governments and the Mayors of London and the Liverpool City Region.
- 6.2 English devolution is central to the government's mission to kickstart economic growth and tackle regional inequality. The government has set out its approach in England in the English Devolution White Paper, which will precede the English Devolution Bill.
- 6.3 In its role as the 'directing mind', Great British Railways (GBR) will bring track and train back together and plan services on a whole-system basis, to better deliver for passengers, taxpayers, and freight customers, and to unlock growth. This will include working closely with devolved leaders and local partners, drawing on their experiences and expertise. But it is also vital that devolved governments and Mayoral Strategic Authorities (MSAs)³ can integrate local railways with other transport modes. They need the ability to create unified transport networks that serve their cities and regions much like Transport for London – a model which is now being developed in MSAs across England.
- 6.4 Other tiers of local government in England will benefit from empowered local GBR business units that are outward-facing and engage local authorities on their priorities and Local Transport Plans. This will include working with sub-national transport bodies (STBs) on matters of wider regional interest.

Creating a statutory role for devolved leaders

- 6.5 We propose to create a statutory role for devolved governments and MSAs in governing, managing, planning, and developing the rail network. This will bring decision-making as close as possible to local communities, while recognising that – as a nationally integrated network – the railway's governance must balance local, commuter, regional, national, international and high-speed services, as well as the role of freight.

³ Mayoral Strategic Authorities is the term outlined in the English Devolution White Paper. This term is used for consistency between this consultation and the English Devolution White Paper, but will not be legally binding until the devolution framework has been legislated.

- 6.6 The rail devolution landscape is complex, and the statutory duty will reflect the different roles and responsibilities in Scotland, Wales, London, and other MSAs. Legislation will require GBR to collaborate with devolved governments and MSAs and ensure that national and local strategies are factored into GBR decision-making. This will enable GBR to have bespoke relationships with devolved leaders based on the needs of the local community to deliver the best results for passengers and freight users.
- 6.7 The statutory role will ensure devolved leaders will be appropriately consulted on GBR's activity (including the development of railway plans, strategies, and services), are able to scrutinise GBR's performance, and that GBR has due regard to devolved transport strategies. The sections below outline the existing legislation where targeted amendments could be made to enable opportunities for devolved leaders to engage meaningfully and work collaboratively with GBR.
- 6.8 In England, the statutory role and engagement with GBR forms part of the Government's devolution offer, as set out in the English Devolution White Paper. Subject to Royal Assent of the Railways Bill, the government will publish guidance outlining the core components that strategic authorities can expect.

Devolved accountability

- 6.9 The government recognises the positives that devolution can bring, particularly on discrete networks, through local knowledge and expertise. Existing devolved accountabilities in Scotland, Wales, London, and the Liverpool City Region will therefore remain in place. GBR will work closely with devolved operators, coordinating on timetabling of services and access to operate on GBR infrastructure and vice versa, to ensure that there is a coherent network across Great Britain. The government will continue to engage with those with devolved responsibilities to further develop the future arrangements they will have with GBR both within and outside legislation.

Scotland

- 6.10 The Scottish Government is the commissioning body for ScotRail and Caledonian Sleeper services. It also funds rail infrastructure in Scotland and will continue to do so. Scottish ministers will therefore continue to have a separate High-Level Output Specification (HLOS) and Statement of Funds Available (SoFA), as outlined in Chapter 4. The government will engage the Scottish Government on ensuring the relationship it has with Network Rail is transferred to GBR, once established, and delivering Scottish infrastructure on behalf of Scottish ministers.
- 6.11 The government will work with the Scottish Government to put in place strong joint working arrangements between GBR and ScotRail, building on the existing alliance between Network Rail and ScotRail that has delivered improved performance and cost savings.
- 6.12 The government intends to legislate in a way that enables the relationship between GBR and ScotRail (and between UK and Scottish ministers) to evolve. We have recently passed the Public Ownership Act, which requires Scottish ministers to

secure passenger services from public sector bodies owned by themselves (such as Scottish Rail Holdings), the Secretary of State for Transport (such as GBR) or jointly owned by the two governments. Where relevant railways legislation will need to be further amended to establish GBR, we will preserve the effect of these provisions. This would enable a successor to the existing alliance between Network Rail and ScotRail to be established between GBR and ScotRail, while preserving options for UK and Scottish ministers to agree deeper integration of track and train.

- 6.13 The government will continue to engage with the Scottish Government on future arrangements set out in this consultation to ensure that Scotland benefits from rail sector transformation and the establishment of GBR.

Wales

- 6.14 The Welsh Government is the commissioning body for Transport for Wales rail services. It also owns infrastructure in the Core Valley Lines in South Wales, their investment in which has supported delivery of the expanding South Wales Metro.
- 6.15 The government will work with the Welsh Government to put in place strong, enduring joint working arrangements between GBR and Transport for Wales. This would be based on the successful Cyfuno workstream and local railway teams on lines of route that collaborate between Network Rail and Transport for Wales. This is realising cost savings and more efficient working by giving power to local teams to make joined-up railway decisions that benefit passengers and users.
- 6.16 The government intends to legislate in a way that enables the relationship between GBR and Transport for Wales and between UK and Welsh ministers to evolve over time. We have recently passed the Public Ownership Act which requires Welsh ministers to secure passenger services from public sector bodies owned by themselves (such as Transport for Wales Rail Limited), the Secretary of State for Transport (such as GBR) or jointly owned by the two governments. Where relevant railways legislation will need to be further amended to establish GBR, we will preserve the effect of these provisions. Should both UK and Welsh ministers want to pursue this, these provisions could secure further benefits of integration between track and train, while respecting the Welsh devolution settlement and ensuring clear lines of accountability.
- 6.17 The government will continue to engage with the Welsh Government to co-create in relation to future arrangements set out in this consultation to ensure that Wales benefits from rail sector transformation and to agree how GBR in Wales will be accountable to Welsh ministers.

England

- 6.18 The Mayor of London has a wide set of devolved rail responsibilities on the mainline network for both infrastructure and services, including London Overground and the Elizabeth Line. These responsibilities will continue and GBR will work closely with Transport for London on coordinating devolved and GBR operations to deliver a coherent network for passengers and freight in the Greater London area.

- 6.19 The Mayor of Liverpool City Region will continue to be responsible for Merseyrail services and GBR will work closely with Merseytravel and its operator, Merseyrail, on the provision of infrastructure. The Department for Transport and Liverpool City Region Combined Authority will continue discussions on potential further devolution as agreed in a Memorandum of Understanding in 2023.
- 6.20 In England, we will leave the existing statutory provisions in place that enable devolution through secondary legislation so that further devolution can be achieved where requested and then agreed by the Secretary of State. The government will establish a 'right to request' which will provide a new and transparent process for the Secretary of State to make decisions on further devolution where Established Mayoral Strategic Authorities believe they could more effectively run rail services and/or assets.
- 6.21 Guidance will be published which will outline the process for Established Mayoral Strategic Authorities to make this request and the criteria that will be considered, such as national and regional network implications, considering that services rarely stay within local government boundaries, and financial consequences. This process will sit outside the Railways Bill so is not being consulted on here, but the government will engage with mayors and other interested stakeholders as guidance is developed.

Partnerships with English Mayors

- 6.22 Much of the detail regarding GBR's relationships with MSAs can and should sit outside legislation through bespoke agreements. Partnerships will mark a change in approach in how the railway engages locally, enabling GBR to better meet the needs of areas and wider communities. The plans also reflect that devolved arrangements vary, so a one-size-fits-all approach would not be appropriate.
- 6.23 In England, there has already been substantial engagement with MSAs on future partnerships with GBR, which will enable opportunities for local influence and control of the local rail offer. For example, governance forums with Transport for Greater Manchester and the West Midlands have been established and are operating on a cross-industry basis, laying the groundwork for the sort of activity that will be embedded in GBR. Partnerships will range across a spectrum, depending on the ambitions and institutional capability of partners, which will include engagement on strategic priorities, close collaboration on the delivery of rail elements of Local Transport Plans and opportunities for partners to invest in the railway. Deeper local commissioning partnerships, where a MSA could take on service specification responsibilities and revenue risk, could also be agreed where financial devolution is in place.
- 6.24 Existing legislation, including the Railways Act 2005, Transport Act 2000, and Greater London Authority Act 1999 already include mechanisms through which devolved leaders can engage with the national railway, including funding additional services and infrastructure. To support effective partnerships, the government intends to make targeted amendments. These important changes will require GBR to consult with and enable financial agreements with mayors, providing the legislative basis to agree the local commissioning partnerships envisaged in the paragraph

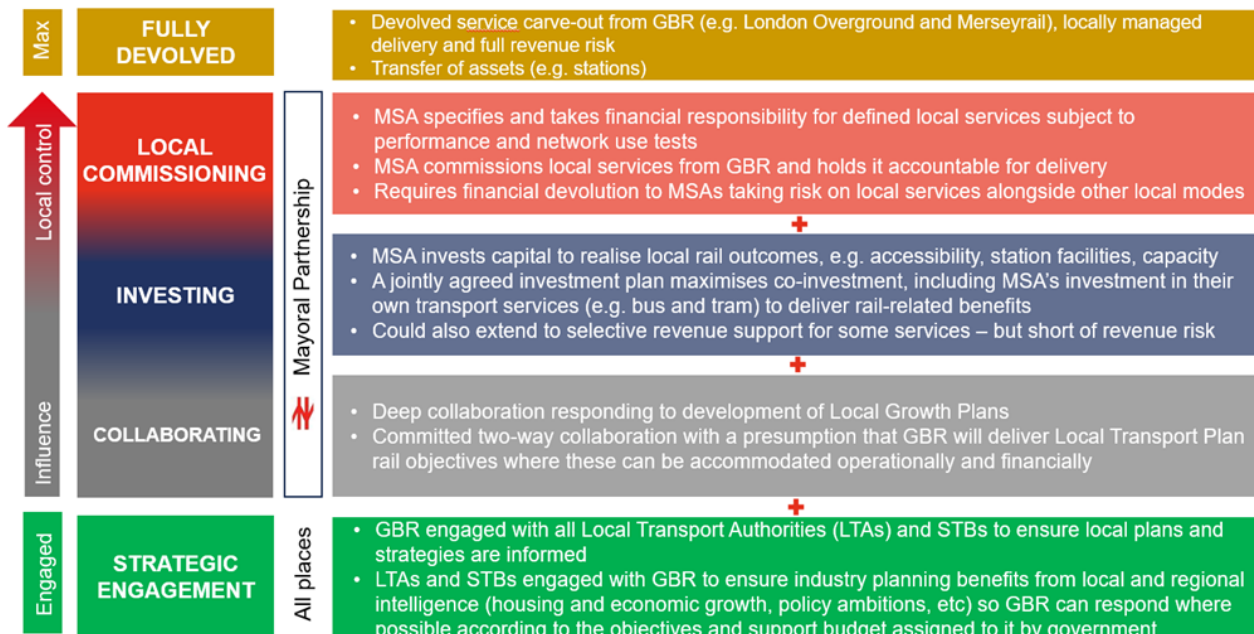
above. This will balance an influential role within railway processes, while not overly restricting GBR’s ability to act as a directing mind and provide capacity for network level services such as rail freight.

6.25 The diagram below outlines a framework that has been developed in conjunction with MSA partners to demonstrate what could be covered in a future partnership with GBR. There is no intention to formalise this into statute, but the statutory role will underpin the approach and ensure that the full range of options are available to partners.

6.26 Diagram: GBR Mayoral Partnership Framework

GBR Mayoral Partnership Framework

In practice, MSAs may take a range of these options in their area, e.g. having a local commissioning relationship on some rail lines, investing in others, and having a strategic collaboration in all rail services for their area



Questions

15. The government intends that GBR’s statutory duty in relation to devolved leaders should strike a balance between enhancing their role whilst also ensuring that GBR has the appropriate flexibility to direct the national network. Do you agree with this approach?
16. Do you agree with the proposed approach in Scotland on enabling further collaboration between track and train while preserving the devolved settlements?
17. Do you agree with the proposed approach in Wales on enabling further collaboration between track and train while preserving the devolved settlements?
18. Do you agree with the government’s approach of making targeted amendments to existing legislation to clarify the role of devolved leaders in relation to GBR?

7. Train Driver Licensing and Certification Regime

- 7.1 In 2022 and 2023, the department undertook a statutory post-implementation review of train driving regulations. This review focused on the Train Driving Licences and Certificates Regulations 2010 (TDLCR) (S.I. 2010/724). These regulations established the requirements to be a train driver on the mainline railway in Great Britain and implemented Directive 2007/59/EC, which created a mandatory licensing and certification regime for train drivers across the EU.
- 7.2 The purpose of the review was to assess whether the TDLCR is working effectively and to produce recommendations on how the regime could be improved. The review, published on 19 May 2023, concluded that while there was broad support for keeping the framework in place, there was an equally broad desire to see reforms in several areas to make the TDLCR function more effectively and reduce costs and burdens on industry.
- 7.3 The government believes there is a positive case for change to address these issues, from modernising the testing, assessment and training requirements for train drivers, to updating outdated criteria to reflect new innovations, technology and scientific developments. We also believe there is scope to improve existing administrative processes, including duties around maintaining registers, information sharing, and the appeals process for train drivers, among other areas. These potential changes could produce efficiencies for the industry, reduce burdens, and improve outcomes for train drivers.
- 7.4 However, the government is unable to progress effectively with opportunities to reform the regime as the Secretary of State does not have adequate powers to update, amend or revoke provisions in the TDLCR, or related assimilated law on train driving. This stems from the fact that the powers used to implement the TDLCR – section 2(2) of the European Communities Act 1972 (“ECA 1972”) – were revoked when the UK left the EU. To make changes using powers under the Retained EU Law (Revocation and Reform) Act 2023 would be suboptimal, as they are time-limited and expire in June 2026. Moreover, they can only be used once on the same provision, thus precluding the government’s ability to update TDLCR as necessary and on an enduring basis.

- 7.5 This inability to update, amend or revoke provisions in the TDLCR post-June 2026 is suboptimal in the context of a regime that has shown a need for periodic updates to implement functional improvements and keep pace with technological, technical, scientific and safety developments over time.
- 7.6 The approaching gap in regulatory powers affecting the TDLCR and related assimilated law means the government will be unable to effectively respond to new developments in this area. This includes progressing potential areas for reform recommended by the review of the TDLCR (as well as recommendations in future post-implementation reviews, which statutorily take place every five years).
- 7.7 The government is keen to maximise the benefits associated with reforms to the train driver licensing regime and to remove unnecessary administrative burdens on operators and train drivers wherever possible. We are therefore consulting on the inclusion of a new delegated power in the Railways Bill that would allow the Secretary of State to update, amend and revoke provisions specifically in the TDLCR and related assimilated law in Great Britain via future secondary legislation. The government is not, at this stage, consulting on any specific amendments, but will consult separately on these potential future reforms in due course.
- 7.8 The powers would only be available to the Secretary of State and, whilst they will fill a 'powers gap' created by the repeal of section 2(2) of the ECA 1972, they will be much narrower in scope as they will be limited to amending the TDLCR and related assimilated law only. Furthermore, the government only intends to use these powers following a formal consultation process to gather information and evidence about the types of changes that would improve the regime. For this reason, the Secretary of State will be required to put any changes to a public consultation as a condition for using these powers.
- 7.9 We are not proposing equivalent powers for the Northern Ireland Executive, who are also unable to make changes to the TDLCR(NI) by way of secondary legislation. This decision has been taken as train driver licensing is devolved to Northern Ireland and we understand the Northern Ireland Department for Infrastructure (NIDFI) are making plans to secure equivalent replacement powers via a Northern Ireland Rail Bill. The department will continue to work with the NIDFI to review the situation and identify opportunities to address these regulatory powers gaps in a coordinated manner.

Questions

19. The government intends to create a new delegated power that would enable the Secretary of State to update, amend or revoke provisions in TDLCR and related assimilated law in Great Britain, subject to public consultation. Do you agree with this approach?

8. How to respond

The consultation period began on 18 February and will run until 15 April 2025. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at the [Department for Transport's website](#), or you can contact railreform.bill@dft.gov.uk if you need alternative formats (Braille, audio CD, etc.).

Please send consultation responses to:

Rail Sector Transformation Programme Consultation

Great Minster House

33 Horseferry Road

London

SW1P 4DR

Railreform.bill@dft.gov.uk

You can also reply via our online survey <https://www.gov.uk/government/consultations/a-railway-fit-for-britains-future>.

When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

If you have any suggestions of others who may wish to be involved in this process, please contact us.

Freedom of Information

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Information Regulations 2004.

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the Data Protection Act (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

Confidentiality and data protection

The Department for Transport (DfT) is carrying out this consultation to gather evidence on the policies that are intended to form legislation to enable rail sector transformation. This consultation and the processing of personal data that it entails is necessary for the exercise of our functions as a government department. If your answers contain any information that allows you to be identified, DfT will, under data protection law, be the Controller for this information.

As part of this consultation, we're asking for your name and email address. This is in case we need to ask you follow-up questions about any of your responses. You do not have to give us this personal information. If you do provide it, we will use it only for the purpose of asking follow-up questions.

View our DfT online form and survey privacy notice for more information on how your personal data is processed in relation to this survey.

<https://www.gov.uk/government/publications/dft-online-form-and-survey-privacy-notice/dft-online-form-and-survey-privacy-notice>

DfT's privacy policy has more information about your rights in relation to your personal data, how to complain and how to contact the Data Protection Officer. You can view it at <https://www.gov.uk/government/organisations/department-for-transport/about/personal-information-charter>.

See DfT's [personal information charter](#) and [DfT online forms, surveys, and consultations privacy notice](#) for further information on the Department's use of artificial intelligence for processing responses.

To receive this information by telephone or post, contact us on 0300 330 3000 or write to Data Protection Officer, Department for Transport, 3rd Floor, One Priory Square, Hastings, East Sussex, TN34 1EA.

Your information will be kept securely on the IT system within DfT and destroyed within 12 months after the consultation has been completed.

Annex A: Full list of consultation questions

Question 1 –

Do you agree that GBR should be empowered to deliver through reformed incentives and a simplified and streamlined regulatory framework?

Question 2 –

Do you agree that the Secretary of State should be responsible for issuing and modifying a simplified GBR licence enforced by the ORR, and that the ORR's duties with respect to GBR should be streamlined to reflect the new sector model?

Question 3 –

Do you agree that the Secretary of State should be responsible for setting a long-term strategy for GBR to align with government priorities?

Question 4 –

What are your views on the proposed functions of the Passenger Watchdog?

Question 5 –

Which of the approaches would best enable the establishment of the new passenger watchdog?

Question 6 –

Which of the options to establish the Alternative Dispute Resolution function as part of the passenger watchdog would deliver the best outcome for passengers in your view?

Question 7 –

Does the proposed new access framework enable GBR to be an effective directing mind that can ensure best use of network capacity?

Question 8 –

What - if any- key access rules and requirements for GBR should be updated and included in legislation?

Question 9 –

Does the proposed role of the ORR acting as an appeals body to ensure fairness and non-discrimination provide sufficient reassurances to operators such as freight and open access wishing to access the GBR-managed network?

Question 10 –

Do you foresee any unintended consequences of the ORR retaining its existing powers with regard to other infrastructure managers which might affect the smooth passage of trains between the GBR and non-GBR network?

Question 11 –

The government intends to include in primary legislation a power to enable amendments to the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 to ensure consistency between GBR's processes and those used by other infrastructure managers. Do you agree with this approach?

Question 12 –

Do you agree with the proposed legislative approach regarding a 5-year funding settlement for Great British Railways?

Question 13 –

Do you agree with the legislative approach set out above to retain the Secretary of State's role in securing the overall affordability of fares and continuing to safeguard certain railcard discount schemes?

Question 14 –

What, if any, safeguards are needed to ensure a thriving and competitive rail retail market while also ensuring GBR can deliver a high-quality offer to its customers?

Question 15 –

The government intends that GBR's statutory duty in relation to devolved leaders should strike a balance between enhancing their role whilst also ensuring that GBR has the appropriate flexibility to direct the national network. Do you agree with this approach?

Question 16 –

Do you agree with the proposed approach in Scotland on enabling further collaboration between track and train while preserving the devolved settlements?

Question 17 –

Do you agree with the proposed approach in Wales on enabling further collaboration between track and train while preserving the devolved settlements?

Question 18 –

Do you agree with the government's approach of making targeted amendments to existing legislation to clarify the role of devolved leaders in relation to GBR?

Question 19 –

The government intends to create a new delegated power that would enable the Secretary of State to update, amend or revoke provisions in TDLCR and related assimilated law in Great Britain, subject to public consultation. Do you agree with this approach?

Question 20 –

Please provide evidence on anticipated transitional or ongoing costs or benefits for you or your business resulting from these proposals. For example, please provide evidence on the scale of transitional costs associated with familiarising with the new proposals and structure, changes to administrative burden resulting from these proposals, or any other direct impacts associated with the proposed changes.

E03249058

978-1-5286-5297-1