



Competition and Markets Authority – Civil Engineering Market Study – December 2025

Rail Plant Association Response – January 2026

Introduction to the Rail Plant Association (RPA)

The Rail Plant Association (RPA) represents the interests of companies hiring specialist plant and equipment for use on the UK’s national railway infrastructure. Established in 1999 by members of the Construction Plant-hire Association (CPA), the RPA supports its members in delivering safe, high-quality services to their customers through up-to-date industry information and guidance. By representing a vital segment of the rail industry’s supply chain, the RPA provides a unique perspective on the challenges and opportunities within the sector. Through its membership, the RPA has a great knowledge of the railways and areas of opportunity for improvement and efficiency generation.

Contact details: [REDACTED]

Executive Summary

As an organisation embedded in the rail infrastructure supply chain, the RPA welcomes the opportunity to contribute to this study. We believe that a stable and transparent rail investment pipeline is essential for ensuring the efficient operation, maintenance, and enhancement of the UK rail network. A predictable investment framework not only supports the workforce but also fosters innovation and long-term planning, enabling the industry to address wider economic and societal challenges such as decarbonisation and regional economic growth. For example, the rail-specific plant supply chain has £1bn worth of assets and employs 5,000 people — a clear demonstration of its importance to the broader rail industry.

The RPA’s recommendations focus primarily on the need to create a sustainable and predictable rail investment pipeline to enhance the current civil engineering capabilities.

Key recommendations include for the final CMA report are:

1. Establishing a rolling 25-year investment pipeline with firm commitments for the first five years and indicative funding for subsequent periods.

2. Allowing Great British Railways to issue debt independently, insulating rail investment from short-term public spending reviews and political cycles.
3. Prioritising investment based on justifiable railway business cases rather than political projects, ensuring efficient use of resources.
4. Engaging the supply chain early in the planning process to enhance efficiency, workforce development, and innovation across the sector.
5. Aligning the investment pipeline with broader government priorities, such as decarbonisation, regional growth, and industrial strategy objectives.
6. Developing funding mechanisms that balance public and private sector investment while ensuring value for money and long-term benefits.
7. Enhancing workforce training and development initiatives to address the aging workforce and build capacity for future demands.

Main points

Strategic planning to improve decision making and reducing inefficiencies

- Implement data-driven funding mechanisms insulated from short-term political cycles
- Focus resources on projects that address capacity constraints, improve passenger experience, and enhance freight movement
- Establish a governance framework to ensure all projects align with long-term strategic goals and deliver measurable benefits

The cyclical nature of government Spending Reviews and shifting political priorities disrupts rail investment. This results in inefficiencies, such as project delays, increased costs, and a reliance on aging assets, which reduces reliability and passenger confidence.

Enhancements projects often include renewals within their scope, but when enhancements are cut, the average age of rail assets increases, reducing reliability and increasing operational costs. For example, deferred renewal projects can lead to asset failures and service disruptions, exacerbating the passenger experience and overall network performance.

Politically motivated projects often lack robust railway business cases, leading to inefficiencies and misallocated resources. For instance, projects driven by political imperatives rather than demand or capacity needs often collapse late in the approvals process, wasting time and resources while delaying genuinely necessary infrastructure enhancements.

Strategic planning within the railway network is based on modelling assumptions that are typically over the course of 25 years - equivalent to five control periods, five to six parliamentary terms, and multiple changes in government. Depending on the assumptions within the model for passenger growth, freight growth and modal shift, the same high-level projects always appear in the plan. The only thing that changes is the timing. For example, the rail sector will be well aware that it must increase junction capacity at a certain location at some point in the future, it just doesn't know yet if that is five years away, 10 years away or 15 years away.

Determining the scope, risks and access requirements for these enhancement projects should therefore be the railway sector's priority, rather than delivering politically-inspired projects.

Funding of projects and settlements

- Reinstating former borrowing mechanisms, allowing Great British Railways to issue its own debt through UKRAIL bonds

Reverting to the pre-2014 model of allowing Network Rail (or its successor, Great British Railways) to issue its own debt through UKRAIL bonds would provide a stable, long-term funding source insulated from political Spending Reviews.

This was the model used when Network Rail was first created by the then-Labour Government. The bonds were seen as long term, asset backed investments and were attractive to pension funds and sovereign wealth funds from around the world. However, when Network Rail was reclassified as a Central Government Body from 1 September 2014 it no longer issued debt in the capital markets in its own name.

Since Brexit, the UK is no longer constrained by European rules on the classification of the debt within arms length public bodies. The UK Government should therefore utilise this autonomy in the case of Great British Railways, and reinstate the previous borrowing mechanisms. This would enable rail investment to align with broader fiscal strategies while offering attractive, asset-backed opportunities to investors, while fostering confidence in financial planning and transparency. This has the added benefit of aligning with the Chancellor's fiscal rules and creating fiscal flexibility for the Treasury.

Enhancing pipeline transparency, investment opportunities and creating certainty for industry

A rolling pipeline, updated annually, should be established. This should contain firm commitments for the first five years and indicative funding for the subsequent periods, ensuring the approach ensures long-term planning while retaining flexibility. This 25-year pipeline should incorporate high-level assumptions, such as passenger and freight growth projections, electrification targets, and modal shift objectives to provide clarity.

We believe that for the first five years, the pipeline should include detailed output specifications, such as station capacity, platform lengths, and parking facilities. This level of detail helps the supply chain prepare effectively.

Beyond five years, the pipeline should include outline output specifications (for example a new parkway station at a particular location in 11 to 15 years' time). This would guide industry planning and future investment. From an infrastructure and supply chain perspective, renewals and enhancements projects differ only in their funding source. In order to be complete, the pipeline should therefore cover both renewals and enhancements projects.

In addition, Great British Railways should be permitted to issue its own debt. This would remove the challenges of the 'boom and bust' funding associated with arms-length Government bodies and prevent the assumption that any long-term investment commitments carry a higher margin of error.

The railway plant supply chain has worked effectively for over 40 years, with private investment flowing in from a variety of different companies operating under a variety of

different ownership structures. With appropriate signals regarding the future railway work pipeline, there is no reason why this will not continue.

However, as stated in response to questions b), and c) iii., we believe that the lowest cost to taxpayers of external investment in the railway infrastructure would be to allow Great British Railways to issue its own debt. When Network Rail were permitted to do so pre-2014, the interest rates were almost identical to government bonds. In contrast, other sources of private investment would carry a premium to government bonds and therefore be of less value for money to the Treasury and taxpayer.

The role of the industry in developing the pipeline and engaging with government

With the formation of Great British Railways, we are hopeful that decisions regarding track and train will be brought back together. This will help the industry achieve significant efficiencies. For example, rather than issuing a schedule 4 payment to remove a train from the timetable to create a greater access window, Great British Railways will be able to assess the real impact on passengers and establish the fares likely to be impacted.

We are optimistic that this coordinated approach between Network Rail and the train operating companies will create the opportunity for significant infrastructure delivery efficiency with minimal impact on revenues. While some passengers will see a level of service disruption, this will mean companies have greater access to rail track late at night during the week, rather than taking a piecemeal approach to work across different weekends.

The supply chain will also have an important role to play in delivering options for Great British Railways. For instance, improving access opportunities will unlock substantial project delivery efficiencies and provide significant value for tax payers.

A rail investment pipeline that develops the railway supply workforce

As well as employing around 5,000 people, the rail-specific supply plant chain provides machinery and equipment worth around £1 billion. However, long-term clarity on work pipelines is needed to encourage private sector investment in rolling stock, rail-specific plant, and infrastructure.

For instance, road-rail vehicles (RRVs), which typically cost between £300,000 and £500,000, require periodic upgrades (equivalent to MOTs) costing £50,000 to £100,000 every seven years. Meanwhile, with the expected working life of a machine typically being around 21 years, the plant supply chain must attempt to assess market conditions for over two decades when deciding whether to retire, upgrade or buy a new machine. Without a clear pipeline, these investment decisions become even riskier for the sector.

The same issues apply to the sector's labour decisions, including on recruitment, training and upskilling - all of which are worsened by its ageing workforce. Increased pipeline predictability in the future would therefore also allow the supply chain to invest in and develop the next generation of workers, which will in turn further improve efficiencies and value for money.

We must also realise the role of long-term rail investment pipelines on exports. Britain was once an exporter of railways around the world. A strong domestic supplier base remains necessary today to allow British railway companies to export expertise, technology and equipment globally.

Developing the pipeline to complement long-term strategies

The UK is one of the most globally connected economies, boasting excellent international transport links and a world leading record on decarbonisation. It also states that London in particular is a global urban powerhouse and that there is huge potential in other cities and regions across the UK.

To enhance this, we need to see a long-term commitment to transport infrastructure that can safely, quickly and efficiently move people and goods around the country. But with an increasing population and increasing levels of car utilisation, without action the journey time by road between key centres of employment will continue to rise. Long term commitments to invest in railway infrastructure would therefore serve as a statement of intent to bring communities closer together, encouraging investment in businesses and fuelling the growth of the whole economy.

In regard to other government strategies, investment in electrification, modal shift, and emerging low-carbon technologies is essential to achieving the UK's net zero ambitions. Rail infrastructure in particular plays a central role in reducing transport emissions and supporting green growth.

Rail investment also drives regional economic growth by connecting underserved communities, and major transport hubs such as airports, ports and cities, enhancing access to jobs, and stimulating local economies. Strategic rail projects can therefore help address regional inequalities, while supporting and sustaining, national productivity.

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