Final stage De Minimis Assessment

Title: The Public Service Vehicles (Accessible Information) (Prescribed Operator Exemptions and Modifications) (Unplanned Rail Replacement) Regulations 2026

Type of measure:	No Procedure Regulation
Department or agency:	The Department for Transport
BRU sign-off number:	**DfTDMA426d**
RPC reference number:	N/A
Contact for enquiries:	AIRExemptions@dft.gov.uk.
Date:	23 June 2026

1. Summary of proposal

The Department proposes a time-limited exemption for unplanned rail replacement services only from the technical requirements* of the Public Service Vehicle (Accessible Information) Regulations 2023. This is intended to manage the risk that, from 1 August 2026, the sector does not yet have sufficient compliant vehicles or portable equipment to deliver full compliance consistently at short notice for unplanned services. The demand for unplanned rail replacement is unpredictable and there is a need for rapid response to maintain passenger safety and prevent overcrowding. Until there is a stable and reliable pool of compliant vehicles, requiring unplanned services to comply would leave passengers waiting significantly longer for services, potentially introducing notable safety risks or issues from overcrowding, and increasing the risk of cancellations or no replacement services being provided. The exemption would therefore help maintain service continuity during disruption while allowing more time for the market to build capacity and move towards full compliance.

*Prescribed operators will be exempt from:

- The requirement to meet certain standards with respect to audible information, including the frequency range, minimum and maximum volume of announcements, and the requirement to provide information via audible induction loops for passengers who use hearing aids;
- The requirement to meet certain standards with respect to visible information, including the proportion of passenger seats which must be in direct line-of-sight of information, minimum text size and the requirement not to provide information solely using capital letters; and

The requirement to provide an “alert” before certain information, such as when the vehicle deviates from its standard route or when the service terminates.

2. Strategic case for proposed regulation

The policy rationale for a new exemption is driven by the need to balance legal compliance with the practical ability of the rail replacement sector to deliver services.

Until recently, the Department and industry generally understood unplanned rail replacement services to fall outside the scope of the Public Service Vehicles (Accessible Information) Regulations 2023. As a result, compliance activity focused mainly on planned rail replacement services ahead of the expiry of the current exemption in July 2026.

Following a further review in spring 2026 of the relevant sections of the Transport Act 1985, which determines whether a service is a “local service” and therefore within scope of the Regulations, the Department now considers that unplanned rail replacement services are also likely to be in scope unless exempted. This represents a material change in position and creates additional legal, delivery and safety risks from 1 August 2026.

The risks are particularly acute for unplanned rail replacement because services must be arranged at short notice in response to disruption. Until there is a stable and reliable pool of compliant vehicles or portable equipment, requiring full compliance for unplanned services could significantly delay replacement services, increase overcrowding and safety risks, and increase the likelihood of cancellations or no replacement service being provided.

The Department therefore proposes to provide for a targeted, time-limited exemption for unplanned Rail Replacement (RR) services from the technical requirements of the Regulations provided reasonable efforts are being made to secure compliant vehicles or (where relevant) service operators deploy portable equipment as quickly as possible. This would mitigate the immediate risk from 1 August, while allowing time for newly developed and grant funded transferable kit to be rolled out across the sector and thus expand the effective pool of compliant vehicles. The exemption is therefore intended as a temporary, evidence-based intervention to avoid service disruption and legal uncertainty, while enabling the sector to reach sustainable compliance with accessibility regulations.

Policy background

2023 to 2024: Introduction of the Public Service Vehicles (Accessible Information) Regulations 2023 and initial exemptions

The Public Service Vehicles Accessible Information Regulations 2023 (henceforth referred to as “AIR” introduced requirements for audible and visible information on local bus and coach services – this includes Rail Replacement when operating within the definition of local services as determined by section 2 of the Transport Act 1985. In spring 2024, the Rail Delivery Group (RDG) raised concerns that there was an insufficient number of compliant coach vehicles available to provide services, an issue that would be compounded by the rail replacement coach sector’s reticence to invest in accessible audio-visual equipment required to provide the necessary information due to low profit margins and the fact that most coach work sits outside the scope of the regulations. As Rail Replacement accounts for only a small share of revenue, operators were expected to prioritise other work and exit the market rather than incur additional costs, even with grant support available. Industry bodies representing bus and coach operators shared this assessment, warning of a likely shortage of compliant vehicles. This raised the risk that, where Rail Replacement could not be provided, train operators would need to issue do not travel advice during periods of disruption, with particular concern around peak engineering periods such as Christmas. To address the significant risk of impacts on the provision of services, ministers chose to grant time-limited exemptions for coach operators to maintain service continuity via non-Parliamentary Statutory Instrument.

2024 to early 2026: Transition period and market development
The exemption was designed as a temporary measure to support transition to compliance. During this period, government grant funding of £4.65m was provided to support small to medium size operators of local services to equip their vehicles in order to comply with the regulations. In addition, £800,000 grant funding and innovation activity also supported the development of portable audio-visual equipment. Early-stage products entered the market, and trials were undertaken, but deployment to date has remained limited and market readiness uneven. Operator uptake of equipment has been slower than anticipated, with continued uncertainty around cost, supply and scalability.

Policy focus on planned Rail Replacement
Throughout this period, the industry largely assumed that unplanned Rail Replacement fell outside the scope of the regulations. As a result, efforts were focused on achieving compliance for planned services by the expiry of the exemption in July 2026. However, having reconsidered the relevant legislation as noted above, the Department now considers that unplanned rail replacement services are also likely to fall within scope unless exempted. This creates a material change in the Department's understanding and introduces additional legal and operational risks from 1 August 2026, following the expiration of the current exemptions.

Current position and emerging need for a further exemption
With the existing exemption due to expire on 31 July 2026, there is now a risk that unplanned services, in particular, cannot consistently meet regulatory requirements. At the same time, not providing Rail Replacement during disruption would have significant passenger impacts. In this context, a new, targeted exemption for unplanned rail replacement to manage the transition to full compliance while maintaining service continuity has been developed.

Problem under consideration

The proposed exemption is intended to address a specific delivery gap between the legal requirements of AIR and the practical ability of the Rail Replacement sector to meet them, particularly for unplanned services.

From 1 August, unplanned Rail Replacement services are likely to fall within scope of the regulations. This creates a requirement for all such services to provide compliant audible and visible information. However, based on assessments of demand and supply by the RDG and DFT Operator Limited (DFTO), the sector does not currently have sufficient compliant vehicles or equipment to meet this requirement at scale, and there is ongoing uncertainty about how quickly portable technology can be deployed and embedded. For both planned and unplanned services, industry projects that a pool of 1,500 to 2,000 compliant vehicles are needed to be confident that demand peaks of ~500 can be met, while taking account of factors such as competition for vehicles and location. There are currently an estimated 300-350 compliant vehicles available, with 50 to 100 coming on stream. The demand for vehicles in unplanned rail replacement is lower than for planned services (generally not more than 20 coaches in a day), however, the demand for unplanned rail replacement is unpredictable, with consequential risks for passenger safety and comfort, as discussed above.

Unplanned rail replacement presents a distinct challenge because services must be mobilised at very short notice in response to disruption. Operators cannot reliably guarantee access to compliant vehicles in these circumstances, even where progress is being made for planned services. Without flexibility, train operators may be unable to provide rail replacement at all during disruption periods.

The specific problem, therefore, is that strict application of the regulations, without a transitional exemption, could lead to either widespread non-compliance or a reduction in Rail Replacement provision. This could result in passengers being advised not to travel during disruption, with significant impacts on network resilience and passenger experience, including for disabled passengers.

The exemption is intended to bridge this gap by allowing unplanned services to continue operating while the sector builds sufficient capacity and capability to deliver full compliance on a sustainable basis.

3. SMART objectives for intervention

The Department's SMART objectives for this intervention are as follows:

- **Specific:** maintain continuity of unplanned Rail Replacement services during disruption, including short-notice events, where full compliance with the Accessible Information Regulations cannot yet be guaranteed. The exemption is intended to provide a clear and lawful temporary basis for non-compliant provision, managing the risk arising from unplanned services now being considered likely to fall within scope.
- **Measurable:** monitor the level of unplanned Rail Replacement provision during the exemption period, including any evidence of service reduction, cancellations, "do not travel" advice, or inability to secure compliant vehicles or portable equipment. Progress towards compliance will also be assessed through engagement with DFTO, RDG, operators and suppliers on procurement, deployment and use of accessible audio-visual technology.
- **Achievable:** provide a proportionate transition period that reflects current market constraints, including limited availability of compliant vehicles, uneven deployment of portable equipment, and the short-notice nature of unplanned rail replacement. The exemption is narrowly focused on unplanned services, where the operational challenge is most acute.
- **Relevant:** support the wider policy objective of improving accessible information while avoiding the greater passenger impact that could arise if unplanned Rail Replacement services were reduced or unavailable during disruption. This includes protecting disabled passengers from the risk of reduced service availability or "do not travel" advice.
- **Time-bound:** apply the exemption for a limited period only, from 1 August 2026 to 31 January 2027, rather than on an open-ended basis. This provides time for procurement, deployment and embedding of accessible audio-visual technology, while maintaining pressure on the sector to move towards full compliance.

Risks and limitations

The exemption delays full delivery of accessible information on some unplanned services, meaning some passengers may continue to experience inconsistent provision in the short term. There is also a risk that operators or suppliers slow investment if further exemptions are expected, or that supply chain and technology constraints persist beyond the exemption period, creating pressure for further intervention. Any further exemption could attract stakeholder challenge if perceived as weakening accessibility commitments.

The intervention also does not resolve wider structural issues in the Rail Replacement market, including low commercial incentives to invest in compliance. DFTO is undertaking separate work to develop a Code of Practice for Rail Replacement services focused on wider service improvement.

This exemption should therefore be presented as a targeted, interim measure to address immediate legal and operational risks while supporting transition to compliance.

4. Summary of long-list and alternatives

The following options have been considered in the policy development process. Each option has been assessed against the Department's SMART objectives, particularly: maintaining continuity of unplanned Rail Replacement services during disruption; supporting a credible, time-bound pathway to full compliance (which also disqualifies consideration of a permanent exemption which would be contrary to Government policy to break down barriers to opportunity for all and a commitment to improve the accessibility of the transport network); and ensuring any intervention is proportionate, targeted and deliverable. Options were discarded at the longlist stage where they failed to meet one or more core objectives. The preferred option was then identified from the shortlist as the option expected to deliver the greatest overall social benefit, based on a qualitative social cost-benefit assessment.

Option 0 – Do Nothing (Baseline)
Allow the current exemption to expire on 31 July 2026, requiring all Rail Replacement services, including unplanned services, to be fully compliant with the Accessible Information Regulations from 1 August 2026. This option would meet the objective of moving immediately to full regulatory compliance. However, it would not meet the objective of maintaining continuity of unplanned Rail Replacement services, as there is a material risk of service disruption or non-compliance where sufficient compliant vehicles or portable equipment are not available at short notice. It would also not provide a proportionate or achievable transition period for the sector.
The provision of additional funding for transferable audio-visual equipment was considered as a non-regulatory alternative but would not address the immediate risk of non-compliance by 31 July 2026. This is because funding alone would not overcome the practical constraints around procurement, installation, testing, operator training and deployment of Audio-Visual equipment across a sufficient pool of vehicles before the exemption expires. Option 0 is therefore not carried forward because, although it supports immediate compliance, it fails against the continuity, achievability and deliverability objectives.

Option 1 – Repeat existing exemption for all Rail Replacement
Introduce a further exemption covering all Rail Replacement services, both planned and unplanned, effectively rolling forward the current arrangements. This option would meet the objective of maintaining service continuity and would be operationally deliverable in the short term. However, it would fail to meet the objective of supporting a credible pathway to full compliance, because it would continue to exempt planned services where compliance is more achievable. It would also be less proportionate and less targeted than necessary, as it would extend regulatory easement beyond the part of the market where the evidence indicates the most acute delivery constraint. Option 1 is therefore not preferred because, while it performs well against the continuity objective, it performs poorly against the proportionality, targeting and time-bound transition objectives.

Option 2 – Targeted exemption for unplanned services only (preferred option)
Introduce a time-limited exemption applying only to unplanned Rail Replacement services, with planned services expected to comply from 1 August 2026. This option meets the core objective of maintaining continuity of services during short-notice disruption, while also supporting the objective of progressing towards full compliance by keeping the exemption narrow, targeted and time-limited. It reflects current market constraints but avoids delaying compliance across the whole Rail Replacement sector.

This option has been selected as the preferred option because, on a qualitative social cost-benefit basis, it is expected to deliver the greatest net social benefit. It reduces the risk of service disruption, cancellations or “do not travel” advice for passengers, while limiting the delay to accessibility benefits to the area where operational constraints are most acute. It therefore provides the best balance between passenger continuity, legal risk management, proportionality and progress towards full compliance.

5. Description of shortlisted policy options carried forward

Option 0 – Business as usual / counterfactual

Under the business-as-usual counterfactual, the current exemption expires on 31 July 2026 and all Rail Replacement services, including unplanned services, are required to comply fully with the Accessible Information Regulations from 1 August 2026.

This option is retained as the counterfactual against which other options are assessed, but it does not meet the SMART objectives for intervention. While it would maximise immediate regulatory alignment, it would not meet the objective of maintaining continuity of unplanned Rail Replacement services during disruption, given evidence that the market does not yet have sufficient compliant vehicles or portable equipment to support full compliance at short notice. It also performs poorly against the critical success factors of operational deliverability, proportionality and legal clarity.

For small, micro and medium-sized businesses, the counterfactual could create relatively high compliance impacts where operators undertake Rail Replacement work but do not yet have compliant fleets or transferable equipment available. These impacts could be disproportionate for smaller operators with less financial flexibility, and no further mitigation is available under business as usual beyond existing grant support and market adjustment already in train.

Option 1 – Repeat existing exemption for all Rail Replacement

This option has not been shortlisted because it does not sufficiently meet all of the SMART objectives or critical success factors. Although it would support service continuity and reduce immediate compliance burdens, it would not support a credible, targeted and time-bound pathway to full compliance. In particular, it would continue to exempt planned services, where compliance is more achievable and where the case for continued sector-wide relief is weaker.

This option would reduce short-term impacts on small, micro and medium-sized businesses by deferring wider compliance costs across all Rail Replacement work. However, that mitigation would be broader than necessary and would delay incentives for investment and transition, including for operators already able to comply on planned services. It therefore performs poorly against the proportionality, targeting and transition objectives and is not carried forward to the shortlist.

No separate SaMBA-specific mitigation is proposed for this option because its main effect would be to continue the general exemption itself. While this would benefit smaller and medium-sized operators, it would do so by extending relief beyond the part of the market where evidence shows the most acute delivery constraint.

Option 2 – Targeted exemption for unplanned services only

This option is shortlisted because it partially or fully meets all of the SMART objectives and critical success factors. It maintains continuity of unplanned Rail Replacement services during disruption, provides a lawful and operationally deliverable basis for managing the immediate transition risk, and remains proportionate by limiting the exemption to the part of the market where the evidence shows the most acute delivery constraint.

It also supports a credible pathway to full compliance by requiring planned services to comply from 1 August 2026 and keeping the exemption for unplanned services narrow and time-limited. This option is therefore carried forward for detailed assessment as the preferred option, subject to the qualitative social cost-benefit analysis set out below

6. Description of preferred option and explanation of the logical change process whereby this achieves SMART objectives

Preferred option
The preferred option is to introduce a targeted, time-limited exemption for unplanned Rail Replacement services only. The exemption would apply for six months, from 1 August 2026 to 31 January 2027, following the expiry of the current exemption on 31 July 2026. Planned Rail Replacement services would be expected to comply with the Accessible Information Regulations from 1 August 2026, while unplanned services would benefit from temporary flexibility where full technical compliance cannot yet be guaranteed at short notice.

The logical change process is that the exemption removes the immediate legal and operational risk that unplanned services could either operate non-compliantly or be reduced where compliant vehicles or portable equipment cannot be secured quickly enough. By providing a lawful temporary basis for continued operation, the measure maintains passenger service continuity during disruption while preserving the requirement for planned services to comply. This limits the exemption to the part of the market where the operational constraint is most acute and avoids a broader delay to accessibility benefits across the whole Rail Replacement sector.

This approach achieves the SMART objectives by maintaining continuity of unplanned services during short-notice disruption; enabling monitoring of provision, compliance progress and any evidence of service reduction during the exemption period; providing an achievable transition period that reflects current market constraints; supporting the wider accessibility objective by keeping planned services within full compliance; and remaining time-bound through a defined six-month exemption period. It also meets the critical success factors by being operationally deliverable, clear on requirements, proportionate, targeted and aligned with the Department's objective of moving the sector towards full compliance.

The preferred option is therefore intended to deliver the highest overall social benefit of the options considered. It reduces the risk of cancellations, non-compliance or "do not travel" advice during unplanned disruption, while limiting the short-term delay to full accessibility benefits to the narrow category of services where compliance is currently least deliverable. During the exemption period, the Department, DFTO, RDG and industry will continue to monitor progress towards compliance and support deployment of accessible audio-visual technology.

Risks and unintended consequences
The effectiveness of the policy depends on operators continuing to invest in and deploy accessible information technology during the exemption period. There is a risk that some operators delay procurement if they expect further exemptions, which could slow progress towards full compliance. This presents a medium likelihood risk and could extend reliance on temporary measures.

There are also risks around enforcement and clarity. Distinguishing between planned and unplanned services may create ambiguity in practice, potentially leading to inconsistent application or behaviours that seek to fall within the exemption. This risk is low to medium but will depend on the clarity of definitions and guidance. The department will work with the coach and rail sector as well as regulators to provide clarity on definitions and when the exemptions apply.

The policy may also create uneven outcomes for passengers. While it supports continued provision of Rail Replacement services, passengers on unplanned services may experience a lower level of accessible information compared to planned services. This could impact confidence for some disabled passengers in the short term. As per the original exemption, operators will only be exempted from the technical provision of information but will still be required to provide information to passengers to the best of their practical ability.

Nevertheless, there may be an increased likelihood of stakeholder scrutiny or legal challenge, particularly from disability groups, given the continued use of exemptions and wider commitments on accessibility. An unintended consequence may be that the exemption reinforces underlying market behaviours, where low commercial incentives mean operators prioritise other work over rail replacement. Overall, the policy reduces immediate operational and legal risk, but the department will continue to work with the DFTO and industry to address uncertainty about the pace at which full compliance will be achieved.

Wider impacts

The policy is intended to support continuity of rail services during disruption, which benefits passengers and the wider economy by reducing the risk of cancelled journeys and “do not travel” advice. This helps maintain network resilience, labour mobility and access to services, particularly during peak periods of planned engineering or unexpected disruption. In FY2023/24 (the latest available year), ~6,300 rail replacement duties were undertaken in a 6-month period, providing an indication of the potential disruption to rail replacement services, should exemptions end.

There may be indirect benefits for industry, as the exemption reduces immediate compliance costs for eligible operators and provides time for suppliers to scale production of accessible technology. This may support a more orderly market transition and reduce the risk of sudden market withdrawal by coach operators from Rail Replacement work.

However, there are wider distributional impacts. In the short term, some passengers, particularly disabled passengers, may continue to experience relatively lower levels of accessible information on unplanned services compared to planned services. While the policy preserves service availability, it delays the full realisation of accessibility benefits intended by the regulations, albeit for limited time.

There is also a potential impact on incentives. By providing continued flexibility, the policy may temporarily reduce the urgency for some operators to invest in compliant technology, which could slow overall progress towards system-wide accessibility improvements.

From a public sector perspective, the policy may carry reputational implications, given wider commitments to improving accessibility. This is balanced against the risk that, without intervention, passengers could face greater disruption or reduced service availability.

Overall, the policy provides net wider benefits by maintaining transport continuity and avoiding immediate disruption, but these are partly offset by short-term delays in accessibility improvements and some uncertainty about longer-term behavioural responses in the market.

Equalities Impact Assessment
A separate Equalities Impact Assessment has been prepared.

7. Regulatory scorecard for preferred option

Please provide quantitative estimates and qualitative descriptions of impacts under each heading in the following sections. The **directional ratings column should be based on the description of impact and the sign of the suggested indicator** (NPV, NPSV, all impacts): **Green** – positive impact, **red** – negative impact, **amber** – neutral or negligible impact, **blue** – uncertain impact. Please see BRF guidance technical annex for definitions.

Part A: Overall and stakeholder impacts

All monetised impacts are presented in 2026 prices and present values, relative to a counterfactual where the existing exemptions regime ends in July 2026 (Option 0). This was chosen as the counterfactual policy position, given the nature of the preferred option as an exemption to an existing regulation that businesses would otherwise be compelled to comply with.

(1) Overall impacts on total welfare		**Directional rating** **Note: Below are examples only**
Description of overall expected impact	Overall, the expected welfare effect is likely to be negligible. While the measure imposes some limited costs on operators, these are broadly offset by expected welfare benefits to passengers from maintaining access to journeys during unplanned disruption.	**Neutral** **Based on all impacts (incl. non-monetised)**
Monetised impacts	Total £ NPSV (with ranges): -£0.9m (between -£0.7m and -£1.4m for low and high scenarios). Those impacts that have been monetised (some of the key impacts relating to business only) show a negative net present value, based on a one-year appraisal in FY2026/27. As set out in more detail in the below table for businesses, the monetised impacts relate to: • Cost (£0.2m) to businesses of applying for new exemptions for unplanned duties; and • Cost (£1.6m) to businesses of ensuring alternative accessible means of providing travel information. These monetised estimates do not however capture significant expected benefits to households.	**Negative** **Based on likely £NPSV**

Non-monetised impacts	The key non-monetised impact is avoided disruption to rail unplanned replacement services by providing operators with temporary exemptions from AIR. Compared to the counterfactual, where operators may be required to withdraw services until such time that they can install the required equipment on board, Option 2 ensures no disruption to unplanned duties. This will provide a significant welfare benefit to households, who will be able to continue travel in cases of unplanned rail disruption.	**Positive**
Any significant or adverse distributional impacts?	A separate Equality Impact Assessment has been prepared detailing an assessment of how the policy impacts across different groups, particularly those sharing protected characteristics. That assessment concludes that the distributional impacts are concentrated mainly on disabled and older passengers. While delaying full compliance on unplanned rail replacement services may prolong some disadvantage for those groups, the document finds that the greater risk would be a loss or reduction of replacement services during disruption, which would also fall disproportionately on them.	**Neutral**

(2) Expected impacts on businesses		
Description of overall business impact	The preferred option is expected to have a small negative impact on businesses overall. Operators would face some administrative costs in applying for exemptions and ongoing costs in providing required information to passengers by alternative means on exempted services. These impacts are expected to fall primarily on coach operators involved in rail replacement, but are limited in scale and time-bound.	**Negative**
Monetised impacts	Business NPV (if available) -£0.9m Approx net financial cost to business EANDCB £1.8m of which admin costs £0.2m [Cost attributable to applying for exemptions] Pass through to households has not been deducted from these figures. These impacts arise from five monetised components, as follows: <u>One-off costs: Exemption application costs</u> These costs (£0.2m) cover application for exemptions from operators. Familiarisation costs have been excluded given the presence of an existing exemption regime for AIR. <u>Ongoing cost: Ensuring exempted unplanned duties provide information required by AIR in alternative form</u> This is the most significant monetised cost to business (£1.6m), and represents the cost, relative to exemptions ending (Option 0), to coach operators with exemptions of	**Negative** **Based on likely business £NPV**

	ensuring all unplanned duties still provide the relevant information required by the Regulations. While the exemptions do not specify how operators must provide information, we have taken the conservative assumption that this information will be provided by two members of staff per duty.	
Non-monetised impacts	A non-monetised benefit is maintained service continuity, as the exemption reduces the risk of unplanned rail replacement services not being available during disruption. This will help operators with operational and financial planning during the period. There may be a revenue benefit to operators from avoiding this disruption, although this would depend on the specifics of the (usually multi-year) contracts in place for providing unplanned services. A potential non-monetised cost is that temporary flexibility may marginally reduce incentives for some operators to accelerate investment in compliant technology, although this is expected to be limited.	**Neutral**
Any significant or adverse distributional impacts?	Impacts fall mainly on operators providing rail replacement services, particularly those undertaking unplanned work. No significant regional impacts are expected. Impacts are mitigated by the exemption's narrow scope and time-limited nature.	**Neutral**

(3) Expected impacts on households		
Description of overall business impact	While monetised impacts on households have not been analysed, we expect the preferred option to provide notable non-monetised benefits to households in the form of continued rail replacement services.	**Positive**
Monetised impacts	N/A: Monetised impacts on households not estimated.	**Uncertain** **Based on likely household £NPV**
Non-monetised impacts	A significant non-monetised benefit to households is maintained service continuity, as the exemption reduces the risk of unplanned rail replacement services not being available during disruption. This ensures households have continued access to employment, education, services and leisure via rail replacement services.	**Positive**
Any significant or adverse	A separate Equality Impact Assessment has been prepared detailing an assessment of how the policy impacts across different groups, particularly those sharing protected characteristics. That assessment concludes that the	**Neutral**

distributional impacts?	distributional impacts are concentrated mainly on disabled and older passengers. While delaying full compliance on unplanned rail replacement services may prolong some disadvantage for those groups, the document finds that the greater risk would be a loss or reduction of replacement services during disruption, which would also fall disproportionately on them.	

Part B: Impacts on wider government priorities

Category	Description of impact	Directional rating
Business environment: **Does the measure impact on the ease of doing business in the UK?**	This measure is not expected to have a material impact on the ease of doing business in the UK. It is a narrowly targeted, time-limited exemption affecting a specific part of the rail replacement market and does not create wider barriers to entry, investment or competition across the broader business environment.	**Neutral**
International Considerations: **Does the measure support international trade and investment?**	This measure is not expected to have a material impact on international trade or investment. It is a narrowly targeted, domestic and time-limited exemption relating to a specific part of the UK rail replacement market, and does not affect cross-border trade flows, market access or investment conditions more broadly.	**Neutral**
Natural capital and Decarbonisation: **Does the measure support commitments to improve the environment and decarbonise?**	This measure is not expected to have a material impact on the environment or on decarbonisation. It is a narrowly targeted, time-limited exemption relating to a specific part of the rail replacement market and is not expected to materially affect emissions, natural capital or wider environmental outcomes. A separate Environmental Principles Policy Statement assessment has also been undertaken	**Neutral**
Growth Summary: **Does the measure support the Government's commitment to economic growth?**	This measure is not expected to have a material impact on economic growth overall. It is a narrowly targeted, time-limited exemption affecting a specific part of the rail replacement market, and while it may help avoid some disruption-related impacts by supporting service continuity, it is not expected to materially affect GDP per capita, real household disposable income or wider growth outcomes.	**Neutral**

8. Monitoring and evaluation of preferred option

The proposed exemption will be time limited to six months, from 1 August 2026 to 31 January 2027. During this period, DFTO will work with the RDG, train operating companies and the wider rail replacement sector to monitor compliance and progress towards full compliance. This will include regular collection of operational data on the availability of compliant coaches and portable accessible information equipment, the extent to which each train operating company is able to source compliant provision for upcoming rail replacement services, and any identified gaps or risks in provision.

Monitoring will also consider planned and upcoming rail replacement requirements, evidence of services where compliant vehicles cannot yet be secured, and the actions being taken by train operating companies and suppliers to increase compliant capacity during the exemption period. This will provide a structured basis for assessing whether the exemption is maintaining service continuity while supporting progress towards compliance.

The Department will use this information to monitor delivery against the SMART objectives, including service continuity, progress in compliant vehicle availability, and whether further intervention is needed before the exemption expires. Enforcement of the regulations remains the responsibility of the Driver and Vehicle Standards Authority (DVSA).

9. Minimising administrative and compliance costs for preferred option

The proposed exemption will be available to operators who currently benefit from the existing exemption but on a revised basis of the exemption only covering unplanned replacement services. This means that there will be negligible administrative burden on the recipients of the exemption as their operational details are already held by the Department. The Department and DFTO will also work with industry representative bodies so that regulatory compliance requirements are communicated effectively to and understand by the sector.

Declaration

Department:

The Department for Transport

Contact details for enquiries:

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Minister responsible:

Simon Lightwood MP, Parliamentary Under Secretary of State, Minister for Roads and Buses

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

Signed:

Liz Wilson, Deputy Director (Accessibility, Coaches, Community Transport, Taxis and Private Hire Vehicles Division)

Date: 23 June 2026

Summary: Analysis and evidence

For **Final Stage De Minimis Assessment**, please finalise these sections including the full evidence base.

Price base year:	2026
PV base year:	2026

This table may be reformatted provided the side-by-side comparison of options is retained	**1. Business as usual (Option 0: exemptions end in July 2026)**	**2. Do-minimum Option (Option 1: current exemption regime extended)**	**3. Preferred way forward (updated exemptions for unplanned duties only)**
Net present social value (with brief description, including ranges, of individual costs and benefits)	N/A *No monetised analysis undertaken (counterfactual)*	-£3.1m (£6.2m EANDCB) *This consists of £0.2m cost to operators of applying for exemptions, and £6m cost to operators of ensuring alternate means of providing the information required in AIR.*	-£0.9m (£1.8m EANDCB) *This consists of £0.2m cost to operators of applying for exemptions, and £1.6m cost to operators of ensuring alternate means of providing the information required in AIR on unplanned duties.*
Public sector financial costs (with brief description, including ranges)	N/A	N/A	N/A
Significant un-quantified benefits and costs (description, with scale where possible)	Significant expected cost to households who must find alternative transport during periods of planned and unplanned rail disruption, with	Significant benefits to households from continued operation of rail replacement services, as well as rail operator revenue.	Benefits to households from continued operation of unplanned rail replacement services, as well as rail operator revenue.

This table may be reformatted provided the side-by-side comparison of options is retained	**1. Business as usual (Option 0: exemptions end in July 2026)**	**2. Do-minimum Option (Option 1: current exemption regime extended)**	**3. Preferred way forward (updated exemptions for unplanned duties only)**
	implications for access to services and welfare, as well as rail operator revenue, should households choose to use private transport instead. In FY2023/24 (the latest available year), ~6,300 rail replacement duties were undertaken in a 6-month period, providing an indication of the potential disruption to rail replacement services, should exemptions end.		
Key risks (and risk costs, and optimism bias, where relevant)	See 'Risks and assumptions' in Evidence Base section	See 'Risks and assumptions' in Evidence Base section	See 'Risks and assumptions' in Evidence Base section
Results of sensitivity analysis	No sensitivity undertaken.	Low NPV: -£2.6m; High NPV: -£4.6m	Low NPV: -£0.7m; High NPV: -£1.4m

Evidence base

Risks and assumptions

For all impacts, an appraisal period of 6 months was used, to reflect the period of the exemption proposed. Analysis followed appropriate quality assurance processes as set out in [the Aqua Book](). Key risks and assumptions to note regarding the evidence underpinning the monetised analysis presented in this DMA are:

- *Applying for exemptions:* It is assumed it will take 2 hours for coach operators to apply for the updated exemption for each vehicle. This is expected to be conservative, given the likelihood of economies of scale for operators applying for multiple coaches. The quantum of vehicles is based on unpublished Rail Delivery Group data combined with 2025 DfT statistics[1] on the share of coaches without audio-visual route and next stop information (69% in the central case; 100%/31% in high/low case[2]). As a conservative approach, this quantum has not been further scaled for the share of unplanned rail replacement duties under Option 2, given operators do not typically have vehicles allocated for unplanned or planned use. The hourly cost used is based on ONS Annual Survey of Hours and Earnings (ASHE) wage data for ‘Transport managers’, uplifted by the Transport Analysis Guidance (TAG) non-wage labour uplift factor (26.5%).
    - *The key risk for this analysis is the quantity of vehicles for which operators have to apply for exemptions. The sensitivity range is intended to reflect the uncertainty around the pool of coaches that operators use for rail replacement duties.*
- *Ensuring operators continue to provide the information required by AIR:* This impact has been calculated by multiplying an estimate of rail replacement duties over the lifetime of the exemption (6 months) by the salary of staff who would provide on-board information to passengers to ensure compliance with the information required under AIR. Estimates of rail replacement duties over a 6 month period (1462/1673/2461 in Low/Central/High case) has been derived from unpublished Office for Road and Rail (ORR) data by scaling full financial year data from the period 2021-2024 by 0.5[3]. For Option 2, this has been further scaled by the share of unplanned duties in-year (26.5%). The staffing costs have conservatively assumed a need for two full days (at 7.72 hours per day[4]) of ‘Rail travel assistant’ time per rail replacement duty. This time has been multiplied by ONS ASHE wage data for ‘rail travel assistants’, uplifted by the Transport Analysis Guidance (TAG) non-wage labour uplift factor (26.5%).

[1] https://www.gov.uk/government/statistical-data-sets/bus-statistics-data-tables#vehicles-operated-by-local-bus-operators-bus06

[2] 100% implies all rail replacement coaches require exemptions; 31% implies only the same number of rail replacement coaches require exemptions as those that have already got the required audio/visual equipment installed.

[3] Low uses average of annual duties across period; Central uses annual duties from FY23/24 (latest available) and High uses the highest 12 month total of duties within the FY21-24 period.

[4] Based on weekly hours worked divided by 5.

- *The key risks for this analysis relate to uncertainty in both the scale of rail replacement duties and the nature of how coach operators will ensure their continue to provide the required information on-board, in the case of exempted duties. While data for rail replacement duties is from financial year 2023/4, we have included a sensitivity range to demonstrate how the number of duties may have increased or decreased in the period since 2024. Costs for the continued provision of information have been assumed to be staff-related, with a conservative estimate intended to provide an upper bound of potential costs.*

Costs accruing to operators in ensuring vehicles comply with the in-vehicle audio/visual technology required by AIR, via the purchase of new coaches or retrofitting of existing coaches, has been excluded from the monetised impact analysis. This is because the proposed exemptions are temporary in nature, and operators are expected to continue to work towards the requirements of AIR even while services are exempted in the interim.

Revenue accruing to operators from the continued operation of unplanned rail replacement services has been excluded from the monetised analysis, given the difficulty predicting how a 6-month exemption will interact with the typical multi-year contracts in place for unplanned services[5]. Any revenue received by operators would be a transfer from government to operators.

[5] For example: Rail Replacement Bus Services - Planned and Unplanned - Contracts Finder