Department for Transport

Long-Term Rail Strategy House of Lords Briefing Paper

September 2026

Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

This publication is also available on our website at www.gov.uk/government/organisations/department-for-transport

Any enquiries regarding this publication should be sent to us at www.gov.uk/government/organisations/department-for-transport

Contents

1. Part 1: What is the overall proposed structure of the LTRS

As set out in the Railways Bill factsheet on the Long-Term Rail Strategy, the LTRS will be framed by the five long-term strategic objectives for the railway, developed following extensive stakeholder engagement.

1. Catalysing long-term economic growth by:

- Reducing total journey time and cost for transport users, and enabling agglomeration benefits by better connecting labour markets
- Directly investing in rail people and their skills, innovation and digital infrastructure
- Facilitating home building and place-making and attracting investment to and within Britain

2. Ensuring rail is financially sustainable, efficient and value for money by:

- Reducing costs to government
- Ensuring a sustainable balance of fare/ fee and government funding
- Increasing the efficiency of operations, asset management and capital investment – delivering on time and on budget.

3. Reducing inequality and improving connectivity between communities by:

- Contributing to social benefits by improving connectivity
- Improving rail passenger and freight connectivity across Britain
- Supporting better integration of rail with local and regional multimodal transport systems

4. Meeting the needs of future passengers and freight customers by:

- Increasing value for money and improving the performance, reliability and convenience of rail
- Meeting multi-modal expectations and reducing end-to-end journey times
- Maintaining a safe railway as part of a safe transport system and significantly widening accessibility

5. Supporting government's sustainability objectives by:

- Encouraging modal shift by increasing the attractiveness of rail
- Delivering rail net zero (traction and infrastructure) protecting biodiversity and addressing air pollution
- Protecting transport links by investing in climate adaptation

Figure 1 Rail's Long-Term Strategic Objectives

Each proposed chapter will either focus on one objective, while showing how it supports the wider set of outcomes, or cover cross cutting subjects such as technology. Key themes will cut across chapters, helping to draw out interactions, choices and trade-offs between objectives and priorities, network constraints and funding. This document therefore provides a working overview of the proposed content and may change as these interconnections are explored further.

1.1 Long Term Vision for the Railway

The Secretary of State has been clear on the railway that she expects to see, including the need for a railway that is effectively integrated into other transport modes, that puts passengers first, that is reliable and affordable and works closely with local leaders to reflect local priorities.

The LTRS will reconfirm the use of the five strategic objectives as the high-level framework for the strategy. It will establish the purpose of the LTRS to provide a long-term view setting out future challenges the railway will face, such as climate change, and the outcomes it will be expected to achieve, such as supporting economic growth in the long-term. Equally, it will be clear what the strategy is not: it will not be a detailed plan or pipeline of projects, which will remain a matter for GBR to develop in response to this strategy.

It will put the railway in context as a core part of the national transport network and society, with its connectivity fundamental in enabling economic growth, employment, housing and connecting people and businesses with opportunities and markets. It will be centered around the railway's strengths, such as moving large amounts of people and materials into and out of major towns and cities, while recognising that other forms public transport or active travel may be a better, more cost-effective solution to passenger and local needs.

As is set out in the Railways Bill, the LTRS applies to Great Britain. The Bill reflects the need for the railway to operate as a single system across Great Britain over the long-term while respecting the devolved responsibilities of the Scottish and Welsh Ministers, who will continue to exercise important, powers in relation to the railway and railway services.

In practice the LTRS is expected to:

- **Reserved powers and responsibilities**: The Transport Secretary will continue to exercise reserved powers and responsibilities which apply to the whole of Great Britain. Where she provides the funding, across England and Wales and for cross border services to Scotland, the LTRS will set clear direction and priorities for the actions to be taken by GBR. It will also cover areas such as safety and technical standards, which will have an application in England, Wales and Scotland and remain a reserved matter.

- **Application in Scotland**: The LTRS will recognise the Scottish Government as the funder of railway infrastructure in Scotland, as well as the designator and funder of Scottish railway services. But it will also acknowledge the role that strong passenger and rail freight cross-border connectivity can have in unlocking growth and opportunity across the whole of Great Britain and that the railway should operate as a single joined-up system. The Department is committed to working with the Scottish Government to maximise compatibility between the governments' objectives and priorities, including those set out in the Scottish Ministers' rail strategy (issued under section 5 of the Railways Act 2005), and the LTRS.

- **Application in Wales**: In Wales, the Welsh Government will continue to be responsible for the Core Valleys Line, which it funds. The LTRS will apply to those parts of the network which the Secretary of State funds, including cross-border services, and will be considered by GBR alongside the Wales Transport Strategy (issued under section 2 of the Transport (Wales) Act 2006). The Department is committed to working with Welsh Government to maximise compatibility between the Welsh Government's objectives and priorities, and the LTRS.

The LTRS will send a clear signal and expectation to GBR and the sector that it will need to work within the increased devolution being established across the UK. GBR’s unique partnership with each Mayoral Strategic Authority (MSAs)will be integral to its ability to better serve its customers and the country. The LTRS will be aligned with wider devolution policy and GBR will respond to the changing delivery roles of MSAs, including their appetite to shape, manage and invest in rail. This could include the local commissioning of services from GBR and, subject to Secretary of State's decision, full devolution. As GBR delivers this, the LTRS will balance the Secretary of State’s goal for a consistent national and inter-regional network with enabling local transport and economic growth and development ambitions.

It will set out expectations of GBR in terms of its role as part of a multi-modal system and how key themes such as; accessibility; affordability for the taxpayer, freight operators and passengers; and efficiency and reliability against the long term challenges the railway will face, will be reflected in the Strategy.

It will also set out high-level expectations for integration with other Government strategies such as Better Connected, the Industrial Strategy, the Infrastructure Strategy and other Government priorities such as devolution, housing and economic growth.

1.2 Stating the Core Challenges and Opportunities

The strategy will state the core challenges that are central to what the Government wants to see from the railway to meet the different strategic objectives, and what this may drive in terms of options and choices for GBR. Strategic questions will be used to aid Government and GBR in assessing what the choices are - what’s achievable today and in the longer term. This will clearly put the operational assessment of what the railway can do for passengers, freight customers, and the economy, and the planning for how it might be delivered within the accountabilities/expectations of GBR.

Illustrative questions for GBR could include:

- Where does rail have the strongest role, and what must it deliver for customers? GBR should identify where rail has the strongest role for passengers and freight, how services, stations, access, information, interchange and freight capability will work as a coherent customer proposition, and where other modes or local interventions may better meet the need. This must not be about the railway for the railway’s sake.

- How will GBR make the hard choices and prove they are working? GBR should show how it will balance passenger, freight, regional, national and taxpayer interests across a constrained network; be transparent about trade-offs on capacity, service levels, resilience, investment timing and affordability; and demonstrate improvement through credible delivery measures and accountability.

1.3 Future trends and opportunities

Based on the best information currently available, this chapter will set out the future world to a thirty-year time horizon that we expect GBR to be operating within. It will set out a view on how these are expected to impact the rail industry and provide the context within which the outcomes and priorities contained in the strategy have been developed. This will look at elements such as:

Long-term trend	What it means for GBR and the railway
Increased devolution in England	Local leaders will play a larger role in shaping public services, including transport. GBR will need to work closely with mayoral and local bodies to understand local priorities and place-based needs and balance these with the requirements of the national network to realise the best outcomes.
Fiscally constrained funding continues	Long-term pressure on public finances will require clearer choices, stronger prioritisation and a sharper focus on outcomes, value for money and affordability.
Ageing and changing population as forecast by ONS	Demographic changes, such as an ageing population, will affect accessibility requirements, customer expectations and future demand patterns across the network.
More frequent extreme weather as forecast by DEFRA	Climate impacts resulting in more frequent extreme weather will require the railway to build greater resilience into assets, operations and long-term investment decisions.
Place-making and housing remain priorities for Government	GBR's land and assets can support housing, regeneration and community priorities where rail planning is aligned with wider local and regional agendas.
Technology continues to advance along with societal expectations for increased simplicity and efficiency	Digitalisation can improve customer information, network management and integration across transport modes, while also creating new risks and capability requirements.
Geopolitical instability continues	Global instability may affect supply chains, energy security and resilience, increasing the importance of robust procurement, contingency planning and long-term asset strategy.

Table 1 Long-term trends and implications for GBR and the railway

Given long-term strategic challenges and opportunities, prioritisation will be required to ensure rail can best support the strategic objectives and Transport Secretary's priorities.

The LTRS will set strategic priorities for the rail network and services so public funding is focused where it can best support long-term outcomes. This will be particularly important where future pressures, such as climate change and extreme weather, require choices about which parts of the network are most important to protect, adapt or enhance given financial constraints or where other transport modes may be a better fit.

These priorities will be shaped through engagement with Network Rail and DfTO as future GBR, the Office of Rail and Road, rail freight, the devolved governments in Scotland and Wales, and England's mayors. Indicative prioritisation tests include:

- **Where will rail matter most in future passenger markets?** Prioritisation should identify the services and places where rail is likely to play the strongest long-term role in meeting passenger demand.

- **Where will priorities enable freight growth?** Choices should protect and develop the capacity, capability and connectivity needed for rail freight to grow, in-line with the Rail Freight Growth Target.

- **How do priorities support local objectives?** Choices should enable local and regional transport, housing, regeneration and economic development priorities where these align with national outcomes.

- **How will GBR ensure operational decisions are developed with a view to supporting the widest range of strategic objectives rather than treating them in isolation?** Prioritisation should seek to maximise the overall benefits by seeking to, where possible, balance economic growth with customer outcomes, financial sustainability, environmental resilience and reducing national and regional inequalities.

- **How can GBR attract more passenger and freight customers?** Prioritisation and long-term strategy should look at how potential improvements on the railway, such as fares policy, possible accessibility and measures to improve reliability, can work for passengers and freight customers to encourage more people to choose rail as part of their journey and grow rail freight.

1.4 Long Term Economic Growth

This chapter will set out the Transport Secretary's vision for how rail can support long-term economic growth over the next thirty years. It will focus GBR's levers on the markets, places and interventions where rail connectivity can deliver the greatest economic impact.

Below are some illustrative examples of potential areas that will need to be considered and balanced within the strategy as analysis and wider stakeholder engagement is completed.

Providing high-capacity connectivity into and between key economic hubs, such as large cities, major towns and airports, is key for sustainable growth.

Poor connectivity into and between major cities, towns and economic hubs constrains growth and productivity. Rail can help unlock that potential by moving people and goods efficiently, strengthening labour markets, supporting investment and connecting places to wider opportunities. Cross border passenger and freight services between Scotland, Wales and England are vital to sustaining long-term economic growth and creating opportunity. As well as a strategic priority for the government and many MSAs alike.

Rail's role will vary by place and market. The LTRS will set an emerging view of where rail can add most value, developed with stakeholders and particularly Mayoral Strategic Authorities.

Highest strategic growth value *Where rail has the strongest role in supporting national and regional economic growth*	**More place-specific and integrated role** *Where rail supports growth best as part of wider local transport and place strategies, shaped with local leaders and the DfT over time*
Inter-city travel Fast, reliable links between major economic hubs, supporting business connectivity, investment and access to wider markets.	**Rural, coastal and lower-density services** Place-specific connectivity that complements other modes and supports local access, resilience and opportunity as well as other business sectors such as tourism.
City-region and commuter corridors High-density corridors that expand labour markets, increase effective density and reduce congestion in growing places. These services are of strategic interest to places.	**Integrated local connectivity** Rail planned in partnership with mayors (or local transport authorities) to improve modal integration, for example with buses, active travel or shared mobility.
Freight corridors Connections between ports, interchanges, logistics hubs and city centres, supporting productive and lower-carbon goods movement.	**Integrated planning opportunities for GBR** Prioritise rail where it adds greatest economic value, with GBR, mayors and the DfT working together to shape and update these priorities as places, markets and government objectives evolve.

Table 2 How rail supports long-term economic growth

GBR must actively support place-making and housing development

Government policy, from the National Planning Policy Framework to HM Treasury's Green Book, increasingly recognises the importance of place-making, regeneration and housing delivery. As custodian of significant public land and taxpayer investment, GBR will have an important role in supporting this agenda while protecting the long-term needs of the railway.

The LTRS will set outcomes for GBR as it develops a coherent approach to land use and development. Emphasis will be made on how the railway can support place-making and housing development through:

- **Using its direct levers more actively**, including bringing surplus railway land forward for residential development where appropriate and ensuring station redevelopment reflects the needs of the communities it serves, integrates multi-modal connectivity and ensures safety for passengers in and around stations.

- **Supporting development around the railway**, including enabling neighbouring sites to come forward and encouraging appropriate densification around stations and other well-connected locations.

- **Treating stations as gateways to places**, recognising their role in shaping local identity, supporting access to jobs and services, and anchoring wider regeneration.

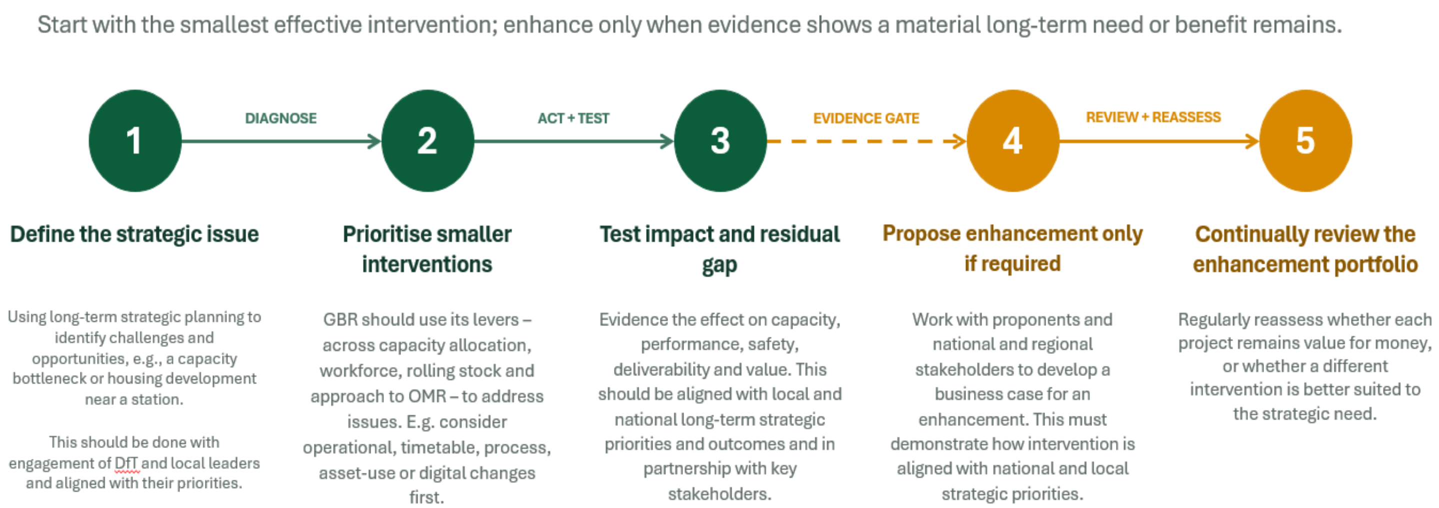
- **Developing business cases that better reflect place-based benefits**, in line with the Green Book's broader approach to value for money. This means recognising regeneration, housing and place-making benefits in their own right and assessing how interventions affect the places concerned rather than relying solely on national-level benefit-cost ratios.

The railway needs to prioritise making best use of the network it has before proposing major projects and enhancements.

The LTRS will expect GBR to realise the benefits of the whole network approach it is enabled to take to get more from the existing network before any major new infrastructure projects are considered. This means testing whether operational, timetable, rolling stock, digital signalling, technology or smaller infrastructure changes can meet a clear national or local priority before moving to larger enhancements. Successfully integrating committed schemes such as HS2, East West Rail and the TransPennine Route Upgrade will also be critical to the railway's long-term success.

Rail reform gives GBR the tools to do this. With responsibility for most passenger services, infrastructure, strategic planning and capacity allocation, GBR will need to show how it is using all available levers to maximise public value, support growth, connect people to jobs and enable housing and regeneration. The graphic below illustrates the expectations the LTRS could set.

Figure 2 Strategic Approach to Rail Enhancements and Interventions



1. Define the strategic issue

- Using long-term strategic planning to identify challenges and opportunities, e.g. a capacity bottleneck or housing development near a station.
- This should be done with engagement of DfT and local leaders and aligned with their priorities

2. Prioritise smaller interventions

- GBR should use its levers - across capacity allocation, workforce, rolling stock and approach to OMR – to address issues. E.g. consider operational, timetable, process, asset-use or digital changes first.

3. Test impact and residual gap

- Evidence the effect on capacity, performance, safety, deliverability and value. This should be aligned with local and national long-term strategic priorities and outcomes and in partnership with key stakeholders.

4. Propose enhancements only if required

- Work with proponents and national and regional stakeholders to develop a business case for an enhancement. This must demonstrate how intervention is aligned with national and local strategic priorities

5. Continually review the enhancement portfolio

- Regularly reassess whether each project remains value for money, or whether a different intervention is better suited to the strategic need

The LTRS will also set high-level expectations for how proposals are tested and assessed in business cases to ensure they align with priorities. It will set out how GBR should use questions, like the indicative ones set out on page five, as well as demonstrating alignment to local and regional strategies, passenger and freight benefits, and financial sustainability, to make its decisions.

1.5 Financial Sustainability

This chapter will set out expectations around reducing the long-term cost of the railway with income generated through greater efficiency and revenue growth.

A financially sustainable railway will require trade-offs

Setting out what a financially sustainable railway looks like will require trade-offs, as it will not be possible to do everything. This will require difficult choices.

This chapter will frame the overall levels of ambition within the LTRS and will inform the outcomes and priorities it sets out. For example, the balance of how public subsidy is applied to the railway across regions within England, and on the balance between operations, maintenance and renewals of the existing railway against the delivery of new infrastructure and enhancements to serve the needs of the passenger will be key.

Similarly, with forecasts showing an ageing population living longer with health conditions, the railway will need to increase its attractiveness to this expanding market as, currently, use of the railway by passengers reduces past the age of 40 (linked to reduced commuting, first and last mile barriers, car ownership-led travel habits and health/mobility challenges.

To do this the strategy will set out the need to identify the root causes, consider whether the railway is the best means to support these changes, and what options exist to support these changes with a clear consideration for value for money.

A focus on customer needs to grow revenue underpins financial sustainability

The LTRS will set out expectations for a relentless focus on the long-term needs of passenger and freight customers and its partners, especially MSAs and devolved governments. It will recognise that controlling costs is only one part of financial sustainability and activities, and funding decisions should be designed to increase usage of the network, increasing revenue and driving down the overall level of subsidy the taxpayer needs to provide.

The LTRS will recognise that fares and revenue are an important lever to reduce net subsidy, for example by supporting passenger revenue growth. The Government's reforms to fares, ticketing and retail will give GBR the levers it needs to improve long term financial sustainability.

Utilising a whole-industry profit and loss (P&L) to improve decision making

The development of a whole industry P&L will ensure GBR will make decisions with visibility and transparency of whole industry costs and benefits. This will better connect the decisions GBR is making to meet the government's strategic objectives with the need to put the railway on a more financially sustainable footing. Importantly, it will enable GBR, local partners and other funders to better understand how decisions made on one part of the system drives financial outcomes in another and therefore better identify options and manage trade-offs as they emerge.

A commercial mindset to attract investment

GBR will remain under public ownership and the government will expect it to make decisions in long-term commercial interests which present the best value to its passenger and freight customers, taxpayers and other strategic partners. It will set the expectation that it must work with partners to attract private sector investment in the railway, enabling the sector to do more and extract greater value for the money taxpayers and third parties' investment. For example, this could include working with local leaders to identify where monies from planning obligations (such as section 106 monies related to new building projects, payable by developers to local authorities) can be used to support local infrastructure. Equally, the LTRS will recognise that there may be opportunities to diversify its revenue sources and generate ancillary revenue, for example, through commercial and residential developments or car parking. While the Government expects GBR to explore these opportunities, it should not come at a long-term cost to taxpayers or detract from GBR's ability and capacity to improve the day-to-day experience of the railway.

1.6 Addressing National/Regional inequalities

This chapter will outline how rail can help to address inequalities between and within regions, stating the important role GBR will have to play in improving the social and economic outcomes of the communities' rail serves. This section of the strategy will be informed by engagement with regional and local stakeholders as well as other government departments, such as the Ministry of Housing, Communities, and Local Government, and will also reflect the existing major rail projects.

Getting the basics right will address inequalities and support good growth

Getting the basics right will be GBR's most powerful tool for reducing national and regional inequalities. Reliable, affordable, accessible and well-integrated rail services are the bedrock of the railway's socio-economic impact, connecting millions of people every day to jobs, health and education services, and wider opportunities. Ensuring the existing railway works well for the communities and economies that depend on it will lead to improvements to the everyday connectivity that underpins economic participation, social inclusion, enabling healthier lifestyles and access to opportunity. For example, it will directly translate into benefits for many of the groups at greater risk of experiencing social and economic alienation, such as the elderly, disabled, women and those not engaged in education and/or employment (NEETs), by making rail travel more accessible.

Rail connectivity won't always be the answer

While rail can play a significant role in connecting people to opportunities and supporting economic growth, it will not be the most effective solution in every place. GBR and its partners should focus on the railway's efforts to address inequalities where rail can deliver the greatest long-term value and contribute to the wider public transport network. Where rail is not the best solution, GBR should continue to support wider transport connectivity elsewhere through integration with regional transport strategies, utilising local partnerships and better coordination with other modes such as buses and trams. This will ensure that transport outcomes, rather than rail solutions alone, remain the primary objective.

GBR should use its levers as a major employer and economic impact to drive change

Between its position as a major public sector employer and its spend in the rail supply chain and wider economy, GBR can directly support social and economic participation. Supporting pathways for women and young people into work in the sector – particularly those who are NEET or at risk of alienation from the workforce – is an explicit priority for the Government and will also help address long-term workforce challenges. As well as increasing participation from these groups directly, GBR should also demonstrate how its purchasing power is being used to support its supply chain in opening new pathways and opportunities.

1.7 Meeting Customer Needs

This chapter will set out future opportunities and changes for passenger and freight customers. It will be based on ONS forecasts for population growth, economic opportunities, and other strategies, such as the *Modern Industrial Strategy* and the *Rolling Stock and Infrastructure strategy*. It will set out high-level outcomes and priorities for GBR to translate into operational choices to serve its customer. By setting out the people and businesses the railway is intended to support across the thirty-year timeframe, the intent is to provide GBR with clear direction on who it should be building its customer offer for, as well as how to ensure both passenger and freight considerations are balanced as technological, and market changes take effect.

GBR will need to evolve its offer to passengers

Meeting the long-term needs of its customers underpins the railway's ability to meet the LTRS's strategic objectives, outcomes and priorities. The needs of passengers will change over time, with Office for National Statistics (ONS) evidence anticipating increasing life expectancy against decreasing healthy life expectancy. As rail usage is currently mainly concentrated in younger age groups, long-term changes in the demographic make-up of the labour market (with likely additional accessibility requirements) combined with ensuring it provides an attractive customer proposition to future generations will be a fundamental strategic question. This consideration will need to include how the railway may serve the user’s journey needs for other key sectors such as tourism (home to holiday/ recreation), education (home to school/college) health (home to hospital/medical centres). This also delivers opportunities to grow the attractiveness of rail as an option for other user groups indirectly, such as families with buggies who may benefit from accessibility measures to make station and train access easier.

Supporting and growing rail freight is a strategic priority

The Government has been clear that the success and growth of rail freight is intimately linked with achieving key strategic priorities, especially around growth and environmental sustainability. The Railways Bill contains statutory duties and protections for the sector, and the Rail Freight Growth Target will set ambitious targets for growth. The LTRS will be clear that GBR will be an active partner in growing freight. Proactively balancing its needs against the needs of the passenger railway is key. GBR will likely have to make difficult decisions around capacity allocation to ensure a fair balance between local and network priorities as set out in the Access and Use policy. GBR should not treat freight outcomes as contrary to the Transport Secretary's view of a successful railway.

The Passenger Watchdog will provide important safeguards within the LTRS

The Passenger Watchdog will provide an important safeguard for the Long-Term Rail Strategy. As a statutory consultee it will ensure the passenger perspective is embedded throughout the development of long-term plans. Its independent role will support greater transparency and accountability in decision-making, helping to build confidence that strategic choices are being tested against the interests of rail users.

Local leaders will have a clear role in shaping the customer offer

Mayoral Strategic Authorities will play a key role to support GBR’s decisions around its long- and short-term customer offer using information on local customer needs and in alignment, where possible, with Local Transport Plans. However, GBR will be responsible and accountable both locally and nationally for maintaining the coherence and integrity of the network and will need to make the necessary trade-offs between local requirements, national trends and the outcomes set out in the LTRS when deciding how to support customers.

1.8 Environmental Sustainability

This chapter will set out the challenges of climate extremes on GBR’s operations and infrastructure, as well as hit it can build on its unique strengths to create a more resilient and cleaner transport network

Long-term resilience should underpin GBR's management of the railway

Climate change means the railway must be more resilient to the impact of extreme weather. Managing the current network to meet the challenges of rising temperatures, heavy rainfall and other extreme weather events which are likely to become more frequent, will be vital to ensuring the railway can continue to meet passenger and freight needs.

The operational and financial challenge of this means prioritisation of the existing network will be necessary. Extreme weather events, such as the line side fires seen following extreme heat this summer, have the potential to cause severe disruption for passengers and freight services. The LTRS will highlight the importance of providing clear communication and decisions for all customers during these events to enable them to better plan their journeys. This will be vital for maintaining and improving national and regional level connectivity and reliability.

A well-run railway supports environmental objectives and net zero

The LTRS will recognise the positive environmental benefits that will be generated by a well-run railway that supports passenger and freight modal shift. Equally, it will recognise the generational opportunity GBR presents to meet transport sector and wider-governmental targets on net zero, especially through more integrated decisions across its traction and non-traction estate. In this vein, the LTRS will support the direction of the Rolling Stock and Infrastructure Strategy, as well as set the expectation that environmental sustainability should be better reflected in business as usual activity and business processes and planning. Taken together these measures will help ensure that GBR meets existing, and future, legislative and regulatory requirements, such as the Net Zero 2050 target and interim carbon budgets, with these requirements being reflected in the full LTRS.

1.9 Technology

Technology provides both opportunities and risks and, while it is challenging to accurately predict how technology will interact with our lives in thirty years' time, it will be necessary for the strategy to consider its role in the railway of the future.

Technology represents a major opportunity

Technology can transform GBR's ability to run the railway. From improving the way, it thinks and plans in the long-term or responds to challenges. For example, digitalisation is driving major reforms and simplification in today's fares and ticketing landscape, AI will enable more efficient and safer monitoring of the network and could help optimise freight and passenger planning, and better internet connectivity on trains will improve the passenger experience.

It will also look at potential disruptors and how these may impact the way the railway operates, including future freight models and opportunities for AI to support innovative ways of working, reflecting points set out in the Artificial Intelligence in Rail Industry Action Plan.

Gripping the opportunities technology represents mean cyber security and resilience of digital networks are critical and must be central in all future considerations. Technological innovation will open new opportunities for GBR across all its functions, especially around retail and the operations and maintenance of the network. Ensuring adaptability to trends will be vital, but as it assesses long-term opportunities for integrating technology the security and resilience of these is vital to ensure they do not become a strategic vulnerability.

2. Part 2: What is the role of the LTRS in the wider GBR governance and planning landscape?

2.1 Overview

The Strategy will focus on setting the long-term direction for the railway. This section provides more detail on how it will align with GBR's wider planning and governance framework. This demonstrates how the LTRS will support coherent future decision-making and delivery. The following graphic details how it all fits together:

Figure 3 How the Long-Term Rail Strategy Fits Together

Inputs

Government strategies and missions

- Modern Industrial Strategy
- UK Infrastructure Strategy
- Better Connected / integrated transport
- Housing, devolution, growth and net zero

Rail policy and statutory framework

- Railways Bill and strategic objectives
- GBR governance and licence
- Fares, freight and accessibility policy

Evidence and future context

- Passenger and freight needs
- ONS demographic and economic forecasts
- Climate risk
- Technology
- Fiscal constraints

Engagement and place priorities

- Passengers and freight customers
- ORR
- Devolved governments
- Mayors and local leaders
- Industry and supply chain

Long-Term Rail Strategy

30-year strategic framework

- Sets the long-term direction, strategic priorities and key choices for GBR and the wider rail system.

Strategic Objectives

- Meeting passenger and freight needs
- Long-term economic growth
- Financial sustainability
- National and regional inequalities
- Environmental sustainability

Outputs / Delivery

GBR longer-term strategic planning

- Options, choices and a coherent multi-funding-period delivery pathway, without creating unfunded commitments

Funding and objectives

- Statement of Objectives
- Funding Period Review for operations, maintenance and renewals
- Spending Reviews for passenger services and enhancements

Integrated Business Plan

- Funded annual activities across track and train, prioritised enhancements and business cases, performance commitments

Monitoring, accountability and review

- DfT sponsorship, ORR and passenger voice, delivery monitoring, periodic review can change strategic and government priorities change

GBR governance framework

Covered elsewhere in Bill briefing materials are details of the wider suite of documentation and control mechanisms such as the GBR Licence.

These documents align with the LTRS outcomes and support and reinforce wider Government priorities such as land release, safety, and affordability.

Directions and Guidance

While there is no expectation that these elements of the accountability framework will be required in relation to the LTRS, they could be applied in the future should they be needed.

Given the interface between the funding and shorter- and longer-term business planning processes and the LTRS, there should be alignment on the outcomes that are delivered and managed through normal business management negating the need for guidance or directions to be applied.

Were they to be needed, it is expected it would be in the form of guidance to provide further clarification of specific Government requirements in relation to matters.

They would only be used by exception in line with the standing policy.

Funding Points

In developing the funding priorities for GBR in the Statement of Objectives, DfT will consider and reflect the priorities set out in the LTRS.

In developing its response, GBR will be expected to demonstrate how the activities it proposes during the funded period work towards supporting the achievement of the outcomes set out in the LTRS.

The Statement of Objectives will set GBR's objectives for the 5-year Funding Period 1 on a whole-system basis across track and train. This means it will cover infrastructure operation, maintenance and renewals (OMR) and objectives for passenger services, ensuring these are aligned with the outcomes set out in the LTRS.

The Railways Bill retains the current separation of funding but provides an ability to integrate funding streams in the future. The Funding Period Review will provide the 5-year settlement for OMR; Spending Reviews will provide the funding for passenger services and enhancements.

As future funding settlements are developed, Government's requirements will take into consideration and align with the outcomes set out in the LTRS.

Integrated Business Plan

It is crucial there is a ‘golden thread’ from the priorities set out in the LTRS through to any funded activity. The Integrated Business Plan will set out, across both track and train, what activities will be delivered by GBR each year across the funded periods, including a prioritised list of enhancements. This will be used by DfT to monitor performance and ensure that GBR designs its proposals and refreshed business plans with a view to delivering Government's priorities.

Monitoring

As part of the wider sponsorship of GBR, and in line with the Integrated Business Plan above, progress will be monitored to ensure GBR remains on track to deliver the activities agreed when funding is set.

The integrated business plan will support the achievement of the LTRS outcomes with the ORR and Passenger Watchdog also feeding into monitoring to ensure an objective view is obtained. This monitoring will iterate over time to reflect the changing maturity of GBR as an organisation.

Alongside the monitoring of the funded activities described above, longer term metrics will also need to be developed to reflect the priorities that are set out in the final version of the LTRS. These could include measures to assess success in increasing ridership by different ages or socio-economic groups but will require further work once priorities are agreed.

Longer Term GBR thinking

GBR will need to consider how it works with Government and wider stakeholders to set out how it could deliver the objectives over multiple funding cycles and the trade-offs and choices that will need to be made.

What GBR develops will not be a set of funded commitments; funding will still be set at agreed funding points and will be updated to reflect progress in delivering outcomes as well as wider exogenous factors.

By developing its more strategic plans, it is expected that GBR, alongside government, will provide more certainty and confidence over the direction of travel to wider industry and stakeholders and unlock the investment and innovation that such an approach can deliver.

2.2 Review of the LTRS

Review

The LTRS will have mechanisms for review as the context of the world around it changes; it will not be a once and done product.

It will need to be updated as new technologies and social trends emerge. However, it is not proposed that there will be a regular, annual review, as this would defeat the purpose and benefits of setting out a long-term strategy.

It is expected that there will be one regular review point at the setting of funding agreements, currently every five years. Ministers may also wish to initiate a review, for example following a general election where this did not align with the funding cycle.

By reviewing at funding points, it is expected the work undertaken by GBR to deliver on LTRS outcomes and priorities can be reflected, as well as the increased understanding of the trade-offs and implications for ongoing activities that will develop over time.

Strategic Objectives

While the five strategic objectives are designed to remain constant for the long term, we know the LTRS will need to reflect the key priorities of the government of the day.

Overall, it is not expected that the strategic objectives will change, but their relative priorities may shift to reflect key government priorities over time and the funding priorities that are set out.