

Background

Rail Partners exists to make the railway better by harnessing the expertise and creativity of private sector operators for the benefit of those who use the railway, passengers, and freight customers, and those who pay for it, including taxpayers. Our members are international transport companies delivering passenger and freight services in the UK and internationally.

We welcome the opportunity to respond to the four discussion papers published by the Great British Railway Transition Team (GBRTT), our response covers all four discussion papers. Our submission is made on behalf of the owning groups of passenger operators and our freight operating company members.

Introduction

The commission papers and wider reform activity should be aligned with the vision set out by the Secretary of State

When GBRTT and the Office of Rail and Road (ORR) were initially engaged to deliver the simplifications commission, it was under a former Secretary of State. While the issues that the commission is seeking to resolve have not changed, the Government has since set out an updated vision for reform delivered by the now Secretary of State for Transport at the 2023 George Bradshaw Address. This vision outlined a clear and meaningful role for train operators which would give them the freedom to deliver for customers by harnessing their commercial and operational expertise through Passenger Service Contracts. The Address also reinforced Government's clear commitment to freight, including the adoption of a long-term rail freight growth target. As a much leaner guiding mind, this is a vision that Rail Partners supports, and we are committed to continuing to work with GBRTT and the Department for Transport (DfT) to design a suitable structure. It is critical that when the recommendations of the Commission are submitted to DfT by GBRTT they are aligned with this vision.

Simplifying industry processes can help to deliver for passengers and freight customers

Rail Partners and its members recognise the objectives that the GBRTT commission seeks to achieve. As outlined in the *Plan for Rail*/White Paper and throughout the discussion papers, some current industry processes are overly bureaucratic and complex. The time and costs associated with planning train services, and with making improvements to the assets and infrastructure that are critical to the delivery of these services, can impact on the railway's clients: passengers and freight customers.

Train operators agree with many of the diagnoses within the four discussion papers. Whether it be a fragmented approach to timetabling, the complexities associated with delivering improvements at stations and depots or ensuring that the rail industry makes

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optimal use of the rail network to maximise the economic and environmental contribution of the railway to UK PLC.

Such factors can inhibit the ability of the private sector to deliver. It can stifle innovation to improve the passenger experience at stations, or initiatives to support the operation of longer and heavier freight services which help to improve carbon efficiency and the commercial proposition of rail freight. Similarly, convoluted processes can restrict investment from train operators and third-party organisations that would improve and grow the rail industry, while taking pressure off the public purse. For the commission to achieve the simplifications and improvements it aspires to, it should do so by empowering private train operators to deliver.

It is critical that the Commission's outputs are consistent with the wider reform process, particularly legislation

Rail Partners understands that the commission is one part of the ongoing reform process. Future legislation, if it goes ahead, will enable the creation of GBR and outline the duties and responsibilities it will undertake. We understand that the DfT will issue its response to the legislative consultation by summer, and this will give further clarity on the legislative process. Separately, there is ongoing work to develop the Sector Target Operating Model and the design of GBR which Rail Partners is involved in to shape the future industry operating model. Through the ongoing periodic review ORR has sought to enable reform by providing additional flexibility to accommodate the establishment of GBR during CP7. As part of the Retained EU Law Bill, DfT is reviewing all current regulations and implementing acts derived from the EU that relate to rail to explore opportunities to reduce bureaucracy.

It is imperative that the commission workstream does not take place in isolation and is joined-up at every stage with other elements of the reform process. Rail Partners understands that the commission papers have focussed on high-level proposals that *only* require secondary legislation or contractual changes. However, without greater clarity on primary legislation, the structure of GBR at both a national and regional level and the nature of future Passenger Service Contracts, it is currently difficult for industry to meaningfully engage with the commission's discussion papers and issue support for the proposals within them.

Train Operators have set out their views on legislation

Rail Partners responded to the legislative consultation to implement rail reform in Summer 2022. Our members remain supportive of legislation to establish GBR and regard it as essential step in delivering a reformed railway that delivers for passengers, freight customers, and funders. Though we recognise that decisions on legislation are a matter for Government, they establish important principles that inform our views to other workstreams and are equally relevant to the commission.

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Rail Partners also called for legislation that empowers private sector operators to deliver. This includes duties that promote innovation and investment from train operators, something which passenger and freight operators have a proud record of delivering since privatisation, and avoiding a dilution to the ORR's competition duty which could affect decisions on access to the detriment of non-GBR operators (Freight Operating Companies, open access passenger operators, and operators contracted by other transport authorities).

For GBR to be an effective guiding mind, it must have the freedom to collaborate with operators to deliver a railway that satisfies the strategic objectives set out by government. To support this, GBR's core responsibilities should be set out in legislation, rather than through the licence, and should include a core function on GBR to provide high quality infrastructure for freight and open access services. Legislation should include a specific duty to promote private sector innovation, and the freight duty should include a commitment to setting a freight growth target.

Rail Partners' response also outlined the importance of retaining a robust and independent regulator that can hold GBR to account. Its regulatory oversight should enable it to seek remedy plans from GBR when it falls short and appropriate reputational or financial incentives to perform. ORR must be able to review GBR decision making including on access to ensure that GBR is applying its access policy fairly and transparently.

In relation to the commission discussion papers, there is a focus on creating a more agile system. We support this objective though it should not result from a reduction in regulatory powers. Some of the proposed change processes for stations and depots could shortcut the ORR, this is something that concerns our membership as the current system offers vital protections and ensures independence. Likewise, we understand that GBRTT will develop GBR's Access and Use Policy (AUP), but it is critical that both operators and the regulator can help shape its creation. Once created, ORR must be able to independently assess GBR's application of the AUP to ensure that it is being adhered to.

A collaborative approach with train operators is needed to develop detail

As set out above, Rail Partners and its members recognise the objectives of the Commission and consider that, broadly, the initial tranche of papers outlines the problems with some of today's processes. It is critical that further detail is worked up by GBRTT with extensive industry input. We understand that initially it was intended that this would happen through the publication of additional discussion papers, but GBRTT has now changed its approach and will instead engage directly with selected subject matter experts across the rail industry on these areas.

While Rail Partners appreciates the tight timescales that the commission team are working to submit recommendations to DfT this Autumn, extensive engagement with industry cannot be compromised for GBRTT to meet this deadline. The scope of the

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commission covers matters relating to access and charging, including a review of regulations set out in the Access and Management Regulations, and the proposal to establish a new GBR Code, both of which are fundamental to the railway's operational and commercial framework. It is imperative that both of these provide key protections which ensure that GBR acts in a non-discriminatory way and does not make decisions which favour the operators it directly contracts with. We are concerned that without the publication of further discussion papers, in favour of a less formal approach to engagement, wider industry may not have the opportunities to influence GBRTT's recommendations to DfT.

We note that many of the proposals are predicated on the creation of the new GBR code, which will replace the Network Code. Though we recognise that some changes will be required to deliver to the commission objectives, as part of the process to develop the new Code, divergences from existing rules outlined in the Network Code should be minimised to reduce industry uncertainty. We recognise that there is a well-established change process, it is key that operators are kept sighted and able to inform any proposed amendments, and the new GBR Code should not reduce the rights and protections within the current framework. We also consider it important that the GBR Code is not phased-in as this would increase complexity. Some of the current issues with the Network Code stem from its misapplication, and a review of these instances would be welcome to inform future amendments/clarifications.

Discussion Paper 1.1 – Planning the use of the railway.

Rail Partners supports a co-ordinated approach to timetabling and planning that empowers train operators and harnesses their expertise to deliver the best outcomes for passengers and freight customers. The complexity of planning train services on intensively used rail infrastructure where stakeholders will often have conflicting aspirations and expectations of rail services is understood. To manage these trade-offs, a robust and transparent process, where decisions are underpinned by extensive engagement with train operators and informed by detailed data and information, as is provided today by Part D of the Network Code, is critical. This is an area which is fundamental to the ability of train operators to deliver and there is a need to see much more detail in order for operators to take informed positions on the discussion paper.

The rail industry should make optimal use of its infrastructure

Train operators have a direct relationship with passengers and freight customers and have an extensive understanding of their needs from the railway. This information should be used to plan and develop timetables that are aligned with rail users' expectations. This should be reflected in Passenger Service Contracts which give passenger operators the appropriate incentives and levers to design train plans with oversight from GBR to ensure that it aligns with the strategic objectives as set out by Government. This should build on the innovation that train operators have exhibited to improve capacity and services.

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Similarly, a combination of future freight growth forecasts and market intelligence from the freight industry should be used to inform the provision of freight services. While Rail Partners in principle supports the aspirations outlined in the legislative consultation for greater data sharing across industry and recognises that it can inform such planning decisions, this process must occur in a way that accounts for the commercial nature of train operators. Overburdensome requirements to share sensitive information with GBR could be anti-competitive and stifle innovation from the private sector.

Rail Partners supports the creation of a timetable planning framework that seeks to optimise the social and economic value of the railway and understands that this will be taken forward through the creation of GBR's Access and Use Policy. This will require GBR to have an evidence base that appreciates the commercial and non-commercial values of different types of passenger and freight services during different times of the day. GBR must use this information to inform timetable development and assess the trade-offs between different types of service. Such timetable development should be sufficiently early during major projects especially where it may directly affect how funding is applied.

We recognise the need for some additional flexibility to accommodate services unlocked by the completion of major infrastructure projects, but it is important that the focus remains on maximising the social and economic value of all services across the rail network rather than favouring new services. Timetabling processes can also help to inform when engineering and maintenance work takes place on the network, to minimise the decrease in economic and social value caused by disruption to train services. Throughout the entire timetable development process, it is imperative that timetables are designed to be reliable and perform well for the customer.

The timetabling process should give confidence to private sector operators

By adopting a data-driven approach to timetable development, guided by the principles of maximising social and economic value delivered by both GBR and non-GBR services, with decisions made in a fair and transparent manner, the likelihood of operator dispute is reduced. However, the need for an appeals process remains to give confidence to train operators who will be materially impacted by timetabling decisions. This is particularly relevant to those operators sitting outside of GBR's contractual landscape. While this is recognised in the discussion paper, it is not clear what this challenge process looks like, and further detail on this is essential to instil greater confidence across train operators. An independent body of industry advisers which sits outside of GBR should be considered to oversee the change process.

Despite GBR's financial interest in the passenger services it directly contracts, and in its infrastructure manager capacity, it must act with neutrality when making decisions on timetabling and access. This is noted in the discussion paper by the need for GBR to be properly incentivised to make balanced decisions without any favour. However, the paper does not provide detail on what these incentives will look like in practice, or indeed how train operators will be able to influence their development.

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The discussion paper highlights the need for greater agility within the planning system to respond to changes in demand often at short notice. The experiences of the pandemic have demonstrated the benefits of a more dynamic system, but as always there is a balance to be struck to provide passengers and freight customers the certainty they require. This certainty also gives train operators the confidence to make investments and plan as commercial businesses and GBR must have due regard to this for all operators through its AUP. For freight and passenger open access operators, this should be underpinned by long-term access rights issued by ORR.

The timetable development processes are also resource intensive for train operators and the infrastructure manager, and the intention to introduce additional agility into the system could also increase costs. In general, a timetabling process that gives certainty on the allocation of network capacity further ahead would be welcome by industry, with appropriate mechanisms for small tweaks to services to be made closer to the time where there is a compelling economic and social case for making an adjustment and operator resourcing is not materially disrupted (for example, train crew or rolling stock).

A guiding mind can enable a more coordinated approach to timetabling

Further detail is also sought on whether and how the Workstream 1 recommendations will also apply to other infrastructure managers and contract specifiers within a reformed system. This is important to avoid fragmentation and manage trade-offs between the expectations of different stakeholders.

One of the main factors leading to the Williams Review was the May 2018 timetable being undeliverable. The alignment of track and train through GBR as a guiding mind will help to mitigate this, ensuring that the provision of passenger and freight services on the network is aligned with the available capacity without compromising performance. Reducing fragmentation will help to avoid this reoccurrence in future, but it is not the only element of the timetable production process that must be reformed – enhanced modelling capabilities are also key. As part of the future timetable planning process, more robust modelling should be undertaken before the implementation of a new timetable to ensure that it is operationally deliverable – developing timetables further in advance will provide greater opportunities to conduct this. Operational expertise within train operators will also help to deliver the right outcomes for passenger and freight customers.

Discussion Paper 3.1 – Stations access

Rail Partners believes that there are significant benefits that can be realised by simplifying station access processes. To maximise the opportunities, including driving innovation and investment to improve the passenger experience, there is a need to take a wider view of stations than through the scope of the discussion paper which appears to focus in on the asset management element of stations.

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The discussion paper references the Target Operating Model stations workstream, which has informed the thinking outlined in the discussion paper. Large parts of the industry including station practitioners have not had visibility of this workstream. While we recognise the operating model remains under development, and no decisions have been taken on the planning and management of specific functions at stations, it is important that industry understands the direction of travel to take informed decisions on the proposals within the discussion paper.

The commercial expertise of train operators must be utilised within the stations estate

Rail Partners has been clear that GBR and train operators must work together to manage stations and that there are certain customer-facing and safety functions (e.g., train dispatch) that should remain with train operators. GBR, as the guiding mind and landlord, should set long-term strategic objectives aligned with its policy priorities as set by government. These objectives should be reflected through incentive mechanisms within Passenger Service Contracts. Train operators must have the freedoms to invest and innovate, using their commercial expertise to improve the passenger experience and deliver against the strategic objectives set by GBR. Operators would be held to account for station performance and customer experience at stations. GBR's regional divisions would also work with operators to identify and deliver development opportunities surrounding stations, striking a fair balance of risk and reward for both parties, to maximise the commercial potential of the stations estate. Although not responsible for station operations, open access operators should also be involved and be able to shape decision making at the stations they serve.

The Full Repair and Insuring (FRI) lease provides an example of a much more streamlined contractual model that empowers train operators to deliver improvements to stations. It is recognised that this model would not be appropriate for all stations given the significant variations in stations across the portfolio. While no one size fits all, Rail Partners considers that the principles of the FRI model could be applied more widely, and we agree the benefits of FRI leases outlined in the document, such as clear asset accountability, a more efficient change process and terms aligned to new operating contracts. The FRI model can also help to bring in greater third-party investment from public and private bodies, in recognition of the wider benefits of stations within the communities and economies they serve. For FRI leases to play an enhanced role, longer-term PSCs will be required.

This is also beneficial for freight operators who also must enter separate agreements with each Station Facility Owner (SFO). Station access agreements could be linked to the duration of Passenger Service Contracts providing that these contracts are long-term in nature with some elements reviewed more regularly in-line with current regulatory processes (e.g., charging). A benefit of longer-term station access agreements is that operators have clear planning horizons which will help to unlock funding to deliver improvements to passengers – historically, the alignment of access agreements with short-term franchise agreements has been a significant barrier to station investment.

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Transparent and robust processes at stations must remain

Rail Partners in principle supports the proposal for the consolidation of station, network, and light maintenance depots processes into one document (the Access and Use Policy) guided by the GBR Code. This must be developed in partnership with industry, and any changes should be subject to consultations as per the current change process. It is important that the consolidation does not result in a compromise on the level of detail, where it provides useful clarifications to industry. Equally, protections for train operators should not be diluted. Operators will seek assurances that there will be a clear and robust dispute resolution mechanism underpinning this, which enables GBR to be held to account.

Regarding proposals to amend the station change process, operators agree that the current process can be duplicative and time consuming, and a more streamlined approach would benefit the delivery of improvements to stations that benefit the customer and lower industry costs. There is a need to understand GBRTT's proposals in more detail, as there is a risk that the proposed change process could reduce the level of scrutiny on GBR during the station change process. This includes understanding the different types of change that would fall into the different categories outlined in Figure 7 of the discussion paper. We are concerned that the proposals suggest excluding ORR from the change process for non-material changes and consider that they should continue to have oversight of all station change proposals – though this should be proportionate to the level of change proposed. There is also a need to retain a transparent process by which operators can challenge GBR's judgement (e.g., on the materiality of the change proposed). The paper also suggests that GBR should be able to exercise a veto on station change proposals but does not indicate under which circumstances this would be appropriate. There is concern that this could be exercised to prevent proposals GBR does not approve of, even if it delivers for passengers, and therefore the need for independent arbitration will remain.

Further detail is needed to engage in the discussion paper

The discussion paper argues that the annual Long Term Charge (LTC) mechanism is a “money-go-round” between DfT, Network Rail and Train Operating Companies (TOCs). While this may be the case, the need for a proper set of arrangements to understand costs and ensure that charges are set fairly and transparently for non-GBR operators within a reformed rail structure is important. We would welcome further information on how this will be ensured in future.

There is a need to understand more detail about the proposed joint asset management system, as we recognise the benefits from having a single source of the truth for station changes, and that the approach today is fragmented. This system should not require train operators to share commercially sensitive data, as this could be anti-competitive and deter innovation and investment at stations.

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For obvious reasons, the paper focusses on passenger services but there should also be some consideration for freight. Current process requires freight operators to hold access agreements with individual operators for stations, usually to accommodate train crew changes. Additionally, Freight Operating Companies (FOCs) are required to enter collateral agreements with NR as the landlord. This has an administrative burden, and we would welcome simplifications to these arrangements – this would also help SFOs reduce their costs. Irrespective of who becomes the SFO, opportunities to coordinate freight station access agreements in a less bureaucratic way should be explored.

Separately, there is significant potential for an emerging high speed logistics sector to support government's commitment to rail freight growth. Stations have a key role in facilitating high-speed freight as loading/unloading points for palletised freight. The future change process and guidance set by GBR should support the growth of high-speed rail freight services, this would help to lower carbon emissions and reduce road decongestion.

Discussion Paper 3.2 – Depots access

The Depots access paper focusses on depots that are currently part of the Network Rail estate. We would support a much more comprehensive approach to depots and facilities, including those operated privately by third-parties or freight operators. Since privatisation there has been an increase in the number of third parties involved in train depots (both existing NR depots and newly constructed depots), delivering efficiencies, and driving substantial amounts of private sector investment into the railway. Without a clear plan which promotes continued third-party involvement, there is a risk that innovation and investment will be lost. We recognise that there is ongoing work taking place within GBRTT on the future operating model for depots and this model will take much wider view on the role of stations than this discussion paper. Industry would welcome greater visibility of this work to make informed recommendations to the commission team.

There should be an enhanced role for train operators and third-parties

The depots discussion paper implies a preference for GBR becoming the Depot Facility Owner (DFO), though train operators would be designated as the depot licence holder and be responsible for safety authorisation for existing Network Rail depots. This risks blurring lines of responsibility between GBR and train operators, and does not indicate a continued role for third parties in depot management. As such, there is a strong case for assigning the depot operator as the DFO, not only would this provide clearer accountability for the management of depots, but it would also harness the commercial expertise within the private sector. This would also be the preference of freight operators. Indeed, the introduction of FRI leases at depots has demonstrated the benefits of having a much more streamlined approach to depot management where the TOC is responsible for all day-to-day activity including maintenance, repair, and renewal. As the railway's guiding mind, GBR will set out its expectations of how train operators should manage and

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maintain depots through Passenger Service Contracts (PSCs), in-line with the priorities outlined by the Secretary of State. There will be a need for clear performance metrics and incentives within PSCs which enable GBR to hold train operators to account for delivery.

To reduce bureaucracy, Rail Partners proposes that longer-term depot access agreements are established, and for passenger operators these should align with the duration of PSCs as a minimum. Irrespective of who the depot operator is, where GBR is the landlord, the operator must be required to act in a non-discriminatory way by providing access to other operators. This should include promoting the shared use of facilities between passenger and freight operators where it is practicable.

Although Rail Partners believes there is a case for assigning the train operators or third parties to serve as the DFO, we also consider that there is room for wider third-party involvement in the operation of depots which has become increasingly common. We recognise that this does create some challenges for national operators. The current process requires national operators to enter into separate access agreements with each DFO and this leads to a significant amount of bureaucracy. To reduce this administrative burden, the commission should explore opportunities for a much more streamlined contractual model for depot access for national operators. A more consistent approach to depot charges, which can vary markedly across the rail network today, would also be welcomed by industry.

A review of depot regulations and processes is required

Rail Partners would welcome greater clarity on how connection agreements will feature within a new depots framework. A more streamlined approach to these agreements would reduce bureaucracy and GBR should be responsible for ensuring that these connection agreements are complemented with access to the network via well-maintained infrastructure.

A review of the activities which take place at Light Maintenance Depots and other rail facilities would also be welcomed by industry. Under the Railways Act, the definition of what constitutes a Light Maintenance Service is not universally agreed by the rail industry. As a result, access to some Light Maintenance Depots where only limited maintenance services take place is often regulated through the Depot Access Conditions. GBR should work with train operators to develop clear definitions for the functions of different maintenance facilities to reduce bureaucracy.

Similar to Rail Partners' remarks on the proposals to amend the change process for stations, opportunities to reduce duplication and bureaucracy during the depots change process are supported. It is recognised that the depots change process has not been updated since privatisation, and the current framework is now largely unfit for purpose. Updated guidance should provide industry with a clear understanding of when operators are required to undertake a change process as this can be a source of great confusion. We endorse the reflections within the discussion paper that Network Rail has not always been a supportive landlord and has often appeared absent in relation to its handling of

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change proposals put forward by train operators, this has over time led to reduced investment and innovation from train operators who often do not feel empowered to deliver improvements at depots. GBR should be empowered to be much more proactive, working with train operators to deliver improvements to the depots estate. To support this, it is important that GBR is held to account for its role in the depots change process, and the future GBR Code should outline how this will be ensured. While we support a proportionate approach to the depot change process, recognising that different change proposals will have different impacts on rail operations, there is concern that removing ORR from some change proposals could reduce regulatory scrutiny and accountability.

Rail Partners is in principle supportive of the proposal to create a joint asset management system to streamline records of depot changes. Given the substantial role for private sector operators outlined by the Secretary of State in the George Bradshaw Address, this system should reflect the private sector nature of train operators and the commercial nature of their businesses.

Looking ahead, Rail Partners and its members would welcome more detail and the clearer timescales for the implementation of the proposed changes. To avoid the fragmentation of a phasing in of new depot processes a holistic migration plan is preferred, otherwise there is a risk that the changes proposed by the commission could add further uncertainty and bureaucracy into the system.

Discussion Paper 4.1 – Framework for access and joint processes

Some of the issues with the current framework outlined in the paper are recognised by industry and can embed additional cost and complexity. There is also an understanding that changes to the existing framework are required to facilitate the introduction of GBR as an integrated body sitting above track and train. We understand that a new GBR Code will be developed, and this will be supported by a new Access and Use Policy developed by GBRTT with input from industry and regulatory oversight. The Retained EU Law (REUL) Bill workstream which is reviewing EU-derived rail legislation currently in UK law specifically to reduce bureaucracy is also acknowledged. There is overlap between the scope of paper 4.1 and the REUL Bill – as the Access and Management Regulations and its associated implementing provisions are in EU legislation. It is understood that the Department for Transport has decided to extend the sunset clause for the AMR for the commission to take place, and it is important that processes take place in a joined-up way.

Current and future processes must promote private sector investment

At a time of significant industry change, such changes should be minimised to give continued confidence to train operators and focus on the necessary changes for GBR to function as a guiding mind. There may be opportunities to introduce greater agility into the system, but this cannot occur by reducing stability and removing legislative protections. Significant change also risks adding further complexity into the system contrary to the intentions of the commission and rail reform. The Railways Act, Access and Management Regulations, and their supporting documents, were designed to create

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a competitive environment and facilitate private sector involvement in the railway. The Secretary of State has been clear that there must be a continued role for private sector passenger and freight operators within a reformed railway. The access framework is a key enabler of this vision.

A clear and stable access framework is imperative for any commercial operator. Assurances on the right to run trains for a specified period of time, underpinned by appropriate regulatory and contractual protections, provide private sector operators with the confidence to invest in long-lived assets (e.g. rolling stock), it also encourages potential freight customers to shift from more carbon-intensive modes (e.g. road) as the aforementioned protections are embedded within commercial contracts held between freight operators and their customers. Without such safeguards, significant third-party investments into the railway to improve the passenger experience and grow the rail freight market risk being lost.

The retention of a fair and transparent process for determining access arrangements is essential, and any proposed changes to the framework will inherently increase uncertainty unless industry is properly consulted and engaged throughout the process. It is recognised that GBR will be responsible for specifying most passenger services and this could create perverse incentives for GBR to make decisions that favour its directly contracted operators to the detriment of freight and open access passenger services which have added significant value to the rail market by improving connectivity and increasing competition. The proposal to dilute ORR's Competition Duty in the legislation consultation could also result in discriminatory behaviour if taken forward.

To mitigate the legitimate concerns of train operators, the retention of robust and independent regulatory oversight is important. This includes ORR being able to review and where appropriate overturn GBR's decision making on access. Rail Partners also welcomes the retention of an independent dispute resolution process. There is a need to reflect on the level of administrative and financial burden the current resolution process places on industry, but we do not agree with the assertion in the discussion paper that the current dispute process is open for gaming and diverts industry attention away from outcomes. This resolution process plays a critical role within the railway and provides protection to operators and scrutiny on the infrastructure manager. To reduce the number of disputes, a strong focus on increasing adherence with industry processes and contracts is important. Enshrining GBR's duties to freight and open access within legislation will also reassure operators.

Train operators will work with GBRTT, DfT and ORR to take forward the future framework proposition outlined in Section 3 of Paper 4.1. It is reassuring that this section recognises some of the concerns train operators have, particularly for those that will sit outside of the GBR contractual landscape. However, there is a need to see and shape the detail as it is developed to ensure that it gives train operators the necessary legal and contractual protections. This work will also need to be dynamic in response to the emergence of future rail legislation and further detail on the nature of Passenger Service Contracts. For

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example, if future performance incentives for GBR operators are developed and embedded within PSCs, this could have a wider impact on the incentive properties of the performance regime which applies to non-GBR operators.

Further industry engagement is key

Any proposed changes must be subject to extensive industry consultation and regulatory oversight as they are developed. Furthermore, once the GBR Code is established, it is imperative that commercial operators are awarded appropriate representation during any future change process, as occurs today through the Class Representative Committee. Further detail on the GBR Code change process would be welcomed by industry.

Rail Partners supports the proposal for GBRTT to develop the Access and Use Policy with the intention of optimising the social and economic value derived from the railway. This will be particularly important to capture the benefits of non-GBR services which sit largely outside of the GBR balance sheet but make a significant contribution to UK PLC. Coupled with the creation of GBR as an Arm's Length Body, this framework will support the depoliticisation of decision making in relation to timetabling, which can often restrict the allocation of capacity for high value train services. Train operators are keen to work with GBRTT to ensure that it has the appropriate data and information to develop this framework in way that is fair and robust.

Conclusion

In summary, Rail Partners and its members are committed to working with GBRTT as the Commission is taken forward. There are significant opportunities to simplify and improve industry processes to deliver improved outcomes for passenger and freight customers. This work must build on the vision set out by the Secretary of State at the George Bradshaw Address by harnessing the commercial and operational expertise within private sector operators. It is currently difficult to engage with the Commission papers because future industry structures remain unclear. Without a stronger understanding on fundamental aspects of the reform process such as the nature of PSCs and future legislation, this will continue to be the case. We recognise these are not matters that are within the gift of GBRTT, but where GBRTT can provide further detail on the scope of Commission as it is taken forward in the absence of additional discussion papers, this will help to inform operator views and ensure that the recommendations submitted to DfT later this year have the support, at least in principle, of the rail industry.