Written evidence submitted by the Urban Transport Group (RWB0051)

About Urban Transport Group

Urban Transport Group (UTG) is the UK's network of transport authorities. Our vision is for city-regions, their towns and surrounding areas to be green, fair, healthy and prosperous places, with public transport and active travel options that provide access and opportunity for all.

Our members cover the largest urban areas in the UK. Together they serve over 30 million people. Our principal members are East Midlands Combined County Authority; Liverpool City Region Combined Authority; Nexus (serving Tyne and Wear); South Yorkshire Mayoral Combined Authority; Transport for Greater Manchester; Transport for London; Transport for West Midlands; West of England Mayoral Combined Authority; West Yorkshire Combined Authority; and Transport for Wales.

Our wider membership includes Cambridge and Peterborough Combined Authority; Tees Valley Combined Authority; York and North Yorkshire Combined Authority; Strathclyde Partnership for Transport and Translink (Northern Ireland).

Context

The Government's vision for rail reform recognises our railway as the backbone that connects and grows the UK's economy, with passengers at its heart.

The Railways Bill sets the foundations for a new statutory role for Mayors and Mayoral Strategic Authorities (MSAs) working in partnership with Great British Railways (GBR) to improve the UK's rail network, deliver for local communities and boost economic growth.

Democratically accountable Mayors and MSAs (or their nominated bodies) are well placed to perform this role for the areas they serve.

Note

We include the phrase 'or their nominated bodies' here and throughout the response in recognition that some Mayors and MSAs have other bodies which discharge their rail functions, such as the West Midlands Rail Executive. These arrangements should be recognised and protected in the Bill.

They can ensure that rail fully integrates with local plans for the economy, housing, skills and net zero as well as with wider local transport networks that connect people to opportunity.

They provide a direct line to passengers, ensuring their needs and priorities are at the heart of a reformed railway. By better aligning the railway to the needs of passengers and businesses, there is the opportunity to grow its usage and generate greater returns to the public purse.

With bus franchising plans progressing at pace and many areas already running or specifying their own services - from trams to ferries, shared bikes to tunnels - devolved powers, funding and influence on rail are the missing piece of the puzzle that will enable delivery of fully integrated transport networks that truly serve their communities.

Many of the areas UTG represents already have some degree of influence over their local rail networks, such as through working in partnership with DfT to manage local rail contracts, investing in stations or - in Merseyside, London, Scotland and Wales -operating fully devolved local rail services.

In those places, devolved local rail services have delivered investment in state-of-the art rolling stock designed and owned by the public; enabled joined up, easy to navigate local transport networks; set new standards for quality (and seen these reflected in table-topping levels of customer satisfaction); and aligned rail investment with wider local aspirations, unlocking housing and development.

Many other areas have ambitions to further influence, develop and shape their local rail networks. For more details, please see our report 'The pathway to a brighter transport future: Harnessing the opportunity of our local railways'[1].

We look forward to working closely with GBR and the Government to fulfil the potential of the Railways Bill to shape a railway that truly delivers for the people and places it serves.

Our response

We welcome the introduction of the Railways Bill which represents a once in a generation opportunity to deliver a simpler, more reliable railway that boosts economic growth and places customers at its heart. In particular, we welcome the opportunity it presents, through partnerships and devolution, to bring decision-making on railways closer to local communities.

A. Improving rail travel for passengers

Enabling integration for a seamless service

We welcome the commitment that the Government has made to place customers at the heart of GBR. A strong statutory role for Mayors and MSAs in governing, managing, planning and developing the rail network is key to achieving this. Democratically accountable, they provide a direct line to passengers locally and can ensure their needs and priorities are front and centre of a reformed railway. They can also ensure that rail is fully integrated into the wider local public transport offer that makes travel easy for passengers.

GBRs role will include delivering services; planning timetables; setting fares; managing access; providing information and assistance to passengers; and staffing at stations and on trains.

It is important to recognise that Mayors and MSAs (or their nominated bodies), will also wish to play a key role in decision making in these areas and this potential should be reflected in the Bill.

Ultimately, local insight will result in an improved, seamless and integrated service for passengers. It can ensure, for example, that rail reform integrates with MSA plans for bus franchising; supports multimodal ticketing; and offers common local branding, identity, information and customer service across local public transport networks.

In Greater Manchester, for example, the ambition is for local rail to become part of the city region's wider multi-modal 'Bee Network'. Plans would see an initial eight local rail routes and 64 stations joined up with other modes by 2028, followed by the remainder of the local rail network by 2030. As part of this, branding, customer standards and the service proposition would change over time to become consistent with other Bee Network modes - providing a fully integrated transport system.

Amplifying the passenger voice

Together with a local voice through democratically accountable Mayors and MSAs, the proposed Passengers' Council will support customers to hold the railway to account, providing a single, independent voice to champion their needs and concerns.

The Bill must ensure that the Passengers Council exercise their powers in relation to GBR as they would any other operator and that these hold weight. It is not enough for GBR to only be held meaningfully to account by the Secretary of State, who has varying responsibilities outside of rail, and who may not have the time to investigate instances of poor performance to the relevant level of scrutiny.

Further consideration should be given to the explicit powers and levers the Passengers' Council will have to meaningfully hold GBR to account on behalf of users.

To further ensure the appropriate level of scrutiny, performance and management account data for the railway should be transparent and placed in the public domain.

B. Network Access

A new system for network access should be one that treats all, whether that be a GBR-operator, MSA or other third-party operator fairly and equally. GBR must be transparent in its decision-making on network access and operate within a clear, fair framework.

Legislation must ensure that non-GBR operators (such as current devolved rail operators in Merseyside, London, Scotland and Wales; MSA specified rail services; the Metro in Tyne and Wear; and tram-trains in South Yorkshire) continue to have their access rights clearly defined and are provided with clear detail on how often this might be subject to change to ensure they can plan their services as efficiently as possible and mitigate against any potential impacts on services and customers.

Clause 72 of the Bill allows the Secretary of State to change the rules on non-GBR infrastructure, facilities and services. The wording seems to create open-ended uncertainty (and risk) for any non-GBR funders or operators, including MSAs, and have the potential to undermine partnerships and devolved arrangements. Certainty on the longevity of access to the network is crucial in giving MSAs and other stakeholders the confidence to invest in it.

Legislation must provide clarity and safeguards to ensure that current or future locally operated or specified rail services (including Metro and tram-train services) would have fair access to the network, not least where that authority has committed funding to the development and delivery of strategic railway projects. Access charging for fully devolved MSA operators should also align with the likely scale of devolved funding for these services.

There should be a clear mechanism for capacity allocation set within legislation, with a meaningful and formal say for MSAs or their nominated bodies. This should include a default assumption that GBR will support the delivery of MSA goals and work in partnership to seek to balance any conflicting ambitions (including cross-boundary issues). Where local ambitions for rail cannot be met, GBR should be required to transparently explain the

reasons why and to work collaboratively with MSAs or their nominated bodies to identify constructive ways forward.

We are concerned that there are not sufficient measures outlined in the Bill that will prevent favourable treatment of GBR and its operators, particularly regarding access, operations and funding settlements. Even with the best intentions, in allocating scarce capacity, GBR may be inclined to favour its own services, for example, prioritising longer-distance, higher fare-yielding services over crucial local networks and commuter services.

Whilst we recognise GBR's role as a 'directing mind' it will be important to ensure stronger independent scrutiny of network access decisions to prevent the risk of favourable treatment of its own services. The Bill should provide MSAs or their nominated bodies with the ability to challenge access decisions where they believe local needs have not been properly considered.

Our understanding is that the ORR will not be able to instruct GBR to change its decision once access pathways have been granted, even if GBR's decision-making is found to be unfair or inconsistent. As GBR's regulator, the ORR should have powers to ensure fairness across the network. We suggest that the ORR role is strengthened in this respect.

C. Devolution

We welcome the Railways Bill and the Government's stated intention to bring decision-making closer to the communities the railway serves and to empower local leaders to shape rail outcomes in their regions.

Mayors are already held accountable by their local electorate for all public transport services in their areas, including rail, but in most cases, lack the levers to effect change. This Bill offers a rare opportunity to address this.

The Bill rightly moves towards a formal, statutory role for MSAs, supporting their strategies and expertise to be accounted for in GBR decision making processes and providing a legal basis for cooperation between GBR and MSAs (Clause 5).

Whilst the Bill appears to broadly 'set the stage' for enabling local partnerships and ambitions on rail, there are a number of areas where wording should be strengthened to safeguard the role of MSAs or their nominated bodies and avoid the risk of their role being watered down in the future.

Examples of where wording could be strengthened include those in the shaded section below.

Clause 16, (2) and (3)

GBR is legally required to 'have regard to' local transport plans and strategies of each MSA, as well as those of the Mayor of London and the Welsh and Scottish Governments.

Whilst we recognise that GBR will be required to balance national and local interests, 'have regard to' does not guarantee that these will influence final decisions or carry appropriate weight.

There should be a default assumption that GBR will support the delivery of MSA goals for transport and wider place-based priorities (such as economic growth and housing development). Where local ambitions for rail cannot be met, GBR should be required to transparently explain the reasons why and to work collaboratively with MSAs or their nominated bodies to identify constructive ways forward.

Furthermore, it is important to note that Local Transport Plans (LTPs) may not heavily feature rail, reflecting the limited influence that MSAs have had over rail. Other LTPs are in the process of being updated. We hope that GBR will take a pragmatic approach in this respect and will also take account of other local plans and priorities, including Local Growth Plans. The wording of this Clause could be adjusted to encompass these and reflect the need to take account of wider place-based priorities.

Clauses 81 and 82

These clauses commit to GBR consulting with MSAs, TfL, Scottish and Welsh Ministers before making a decision that will significantly impact their people and places. Again. 'consulting with' does not guarantee any action will be taken. Furthermore, consultation only takes place if the decision is likely to have a 'significant impact' on the local economy or its residents, workers and visitors.

The inclusion of some parameters around 'significantly impact' would be helpful as well as strengthening the language to refer to the economic and wider priorities set out in local plans and strategies, including Local Growth Plans.

Rail investment decisions made by GBR should be required to explicitly reference place-based evidence provided by MSAs, especially where rail is integral to spatial frameworks, regeneration plans and growth corridors. This is particularly important in ensuring the success and viability of new settlements, strategic employment sites and leisure destinations that are key to the economic growth.

Place-based evidence should be considered across the full functional economic area, encompassing cities but also smaller towns and rural areas where rail has a vital role in connecting people to opportunity as well as supporting growth, development and viability.

Schedule 2, (2) subsection (6)

This provision requires the Secretary of State to consult every MSA when preparing the statement of objectives for GBR's five-year funding period. We welcome this formal voice for Mayors, however, assurances are needed that their input will be properly accounted for in the final statement of objectives.

We would like to see the Secretary of State setting a wider range of objectives for GBR, including on supporting economic growth, housing development and employment, recognising rail's crucial role in unlocking these. Working closely with MSAs or their nominated bodies and aligning with Local Growth Plans will be crucial in enabling the achievement of these shared priorities.

Clause 15 (6)

This clause requires the Secretary of State to consult the Welsh Ministers and the Passengers' Council when preparing, revising or replacing the long-term rail strategy. MSAs, their nominated bodies and Transport for London should also be included as statutory consultees given the statutory obligation for GBR to have regard to the local transport plans of MSAs.

Strengthening the wording in the areas listed above will help provide GBR with a delivery strategy that carries democratic legitimacy, based on a long-term rail strategy from the Secretary of State and local transport and growth plans from MSAs. Effective partnership working between GBR and MSAs will be crucial to success.

Effective partnerships between GBR and MSAs or their nominated bodies

Clause 5 states that GBR 'may enter into arrangements with a relevant local government body about the exercise of its statutory functions in relation to railways and railway services in the body's area.'

The Bill does not set out examples of what kinds of activities might be included in these arrangements (e.g. supporting local fares policy, joint development of new infrastructure) nor is there an obligation on GBR to enter into these arrangements.

Whilst recognising the need to avoid being too prescriptive, further clarity on the scope of these arrangements in the form of some examples would be

welcome, as would a more concrete obligation on GBR to enter into arrangements with MSAs where there is appetite to do so.

We note that the specific word 'partnership' is not used in the Bill. Whilst this could be a matter of semantics, it seems inconsistent given the Government's commitment to a Mayoral Partnerships Framework (as laid out in 'A railway fit for Britain's future') as the pathway for MSAs to increase their influence on all aspects of rail services. We understand that the specifics of the partnership framework for MSAs and GBR will be developed outside of the Bill, but it would make sense to use a common language.

For all areas, a formal, transparent 'devolution pathway' would be helpful, setting out how an authority can, over time, assume greater responsibilities over the railways at local level.

Taking on new rail responsibilities will require skills, officers and resources. Whilst not something that legislation can address, we would welcome a capacity and capability fund to support MSAs on this journey and ensure that rail partnership and devolution plans are deliverable in practice, not just in theory through legislation.

Fiscal devolution and funding certainty

Clause 5 also includes options for MSAs to fund GBR to meet specific priorities. This gives MSAs the legal capacity to finance specific services or activities that meet local needs, directly influencing the rail offer in their region beyond what is provided through national funding. The Bill does not, however, contain provisions allowing for MSAs to receive funding relating to the railway.

It is important to recognise that the capacity for MSAs to fund specific services from GBR will require devolution of local rail funding and powers to raise funds locally. Devolved funding and budget for local railways would also support the fair treatment and equal access of MSAs alongside GBR and other third-party operators. If provisions around rail funding devolution are included in separate legislation, it will be important to understand how differing legislation works together.

Much of the Transport for City Regions/City Region Sustainable Transport Settlements which forms the bulk of MSA investment capacity, is already allocated to local transport projects outside of rail. Fiscal devolution would unlock the capacity of Mayors and MSAs to invest in the railway. Furthermore, their knowledge of their areas can ensure every penny is targeted and maximised to achieve the biggest impact on local economies and communities,

allowing alignment with national Government missions and local plans for the economy, housing, health, skills and net zero.

In relation to funding, we also wish to flag a missed opportunity to better align funding for rail more generally through the Bill.

As it stands, funding for rail infrastructure will take the form of a five-year settlement, whilst the (much smaller) funding for passenger services will be determined through the Spending Review process. If track and train are to be integrated through GBR, then both infrastructure and passenger services should be funded through the same five-year settlement process, protected in legislation, enabling greater ability to plan strategically.

We also note that Schedule 2 enables the Secretary of State to vary infrastructure funding in the middle of a five-year period without consultation (and potentially without transparency). This has the potential to significantly undermine the benefits of a five-year settlement, reintroducing uncertainty and adding risk.

Railways are long-term assets and are better able to secure value where long-term planning is backed with resource certainty. Funding certainty and alignment would better support GBR's role as a directing mind, managing infrastructure and operations funding in a joined-up manner, enabling, for example, investment funding to be set against future expected fare revenues and cost savings. The security of five-year settlements (that are not vulnerable to changes without consultation) gives confidence to the sector and to those who would seek to invest in and around the railways, such as those seeking to develop housing based around stations.

November 2025

Endnote

[1] UTG (2025) The pathway to a brighter transport future: Harnessing the opportunity of our local railways