Submission from CILT (UK) to the Railways Bill 2025 House of Commons Public Bill Committee

January 2026

1. Introduction

1.1. The Chartered Institute of Logistics and Transport UK (CILT(UK)) is a professional institution that uniquely embraces all transport modes, whose members provide experience and expertise in the provision of transport services across both passengers and freight, and in the management of logistics and the supply chain, transport planning, government and administration. Our principal concern is that transport policies and procedures should be effective and efficient, based on objective analysis of the issues and practical experience, and that good practice should be widely disseminated and adopted. The Institute has a number of specialist policy groups, a nationwide structure of locally based groups and a Public Policies Committee which considers the broad canvas of transport policy. This submission draws on contributions from a number of these sources.

1.2. As the professional institute for the Transport and Logistics Sectors, CILT welcomes the Railways Bill and its reunification of track and train in the interest of a better, more efficient railway. We also welcome this Government's positive approach to developing the use of the railway for passengers and freight customers. Our concerns, reflected in comments and suggestions below, relate largely to how a future government with a different agenda could seek to use the Bill's provisions in a different way by instructing GBR to behave differently towards other non-GBR users of the railway, which includes private sector freight operators and customers and public sector operators managed by devolved authorities. In essence, therefore, we seek to make the Bill's intentions more enduring - legislation should endure for a generation, not for one parliament.

1.3. The Railways Bill suggests that much of the detailed implementation will be carried out through Statutory Instruments. We support the flexibility this approach provides for addressing complex technical issues, allowing for adjustments as circumstances evolve. However, to foster support across the wider transport community, some areas of the Primary legislation need to be strengthened, made more specific, or more inclusive. We have put forward comments or suggestions on the following subjects

1. Access arrangements for non-GBR operators, particularly freight.
2. Financial arrangements
3. Devolution

1.4 The following sections explore each of these, identifying issues of concern along with suggested amendments or areas for further scrutiny

2. Access arrangements for non-GBR operators, particularly freight.

2.1. Section 17: We strongly welcome a Freight Growth Target and consider this essential to ensure GBR - which will be an overwhelmingly passenger-oriented organisation - accords Freight and Logistics the importance it needs and deserves. We are, however, concerned that requiring GBR to merely 'have regard to' the Freight Growth Target is not sufficiently strong, as it legally only requires GBR to consider the target, which it can then ignore in

favour of other priorities. We understand the wish not to make achievement mandatory, but suggest stronger wording as follows

2.1.1. Section 17(4) amended to read "(4) Great British Railways must, when exercising its statutory functions, act in accordance with – (a) the target set by the Secretary of State under this section, and (b) any strategy or policy of the Scottish Ministers relating to the use of the railway network in Scotland for the carriage of goods.

2.2. Section 63: We are very concerned that this section, taken in isolation, gives GBR a statutory duty to prioritise its own current and future services, plus its maintenance activities, over the requirements of non-GBR users of the network. In particular (a) private sector freight operators and customers could be denied the security of access they need to invest in and grow freight in the way the Government has indicated is intended, and (b) may create imbalances in the provision of passenger services in some parts of Great Britain where services are operated by devolved authorities that may continue to sit outside GBR. We understand that Section 63 is intended to be read as a subset of Section 60, but this is not reflected on the face of the Bill.

2.3. Further, the General duties of Ministers, Great British Railways and ORR set out in Section 18 - including exercising their functions in the manner best calculated to promote the use of the railway network in Great Britain for the carriage of goods - are (in section 4) made subject specifically to Section 63 and not Section 60. We also note that Section 63 is not subject to the Appeal procedure set out in Sections 67 and 68 and is thus a highly draconian provision, with no opportunity for independent challenge by, or redress for, disadvantaged freight customers of GBR, the monopoly supplier of rail infrastructure. To address this issue, we suggest adding a new subclause (b) to clause 2 and the current subclause (b) would become subclause (c) as shown below:

2.3.1. Section 63 (2) amended to read "Great British Railways must exercise the functions so as to ensure that it retains sufficient capacity over GBR infrastructure to allow for— (a) the operation of services, and of services that it expects in future, as identified in Section 60 (b) 'achievement of the Freight Growth Target set out in Section 17 and (c) the carrying out of work necessary to maintain and improve GBR infrastructure

2.4. Section 64: We are similarly very concerned that, as written, clause 3 of the Charging scheme set out in Section 64 gives GBR complete freedom to levy a higher access charge if it - and it alone - considers an efficient operator can afford to pay more. Whilst there is also a (welcome) provision for GBR to levy lower charges in clause 4, this does not offset the risk that GBR - potentially under financial pressure from a future government - may levy a significantly higher charge for freight or for access by other non-GBR operators. This risk would be a major deterrent to private-sector investment in Freight and, thus, to the freight growth the Government wishes to see. It may also weaken the development of services operated by devolved authorities. In addition, the ORR (per Section 68), will only be able to remit a charging issue to GBR for reconsideration and will not have the ability to quash all or part of a decision. To address this issue, we suggest adding a rider to clause 3

2.4.1. Section 64 (3) amended to read "The scheme may provide for a higher amount to be charged in particular circumstances provided that it does not exceed the amount that Great British Railways considers is the amount that an efficient operator would be able to pay in those circumstances and is (a) consistent with achieving its Freight Growth Target, as set out in Section 17 and (b) consistent with strategies and plans published by Scottish and Welsh Ministers, the Mayor of London and mayoral combined county authority as set out in Section 16(2) and 16(3)

2.5. We would also suggest that, to address our concerns about Sections 63 and 64, the ORR be given powers of direction over GBR where it, as the monopoly supplier of rail infrastructure, has not dealt fairly with an access applicant in terms of capacity and/or charges. Such powers of direction would be confined to this specific issue.

2.6. Section 72: We are concerned that Section 72 gives the Secretary of State considerable powers over the management and operation of privately owned and facility-owner freight sidings and terminals. Whilst access to such facilities, as currently overseen by ORR, is a legitimate aspect over which the Secretary of State should exercise powers, this should not extend to operational matters.

2.7. Notwithstanding the observations set out above in relation to the specific sections, we consider that further scrutiny would be beneficial in respect of the proposed diminution of the role and responsibilities of the Office of Rail and Road ("ORR"). In particular, concern arises as to whether those rail services that are not operated by Great British Railways – including both freight services and non-GBR passenger services, representing approximately 30% of total train movements – will be afforded adequate protection from a single, state-owned monopoly provider of infrastructure and capacity. The draft statutory powers for Great British Railways appear primarily framed by reference to its own current and future operational and strategic requirements. Of particular note is the interaction between section 18, and in particular clause (4), and Sections 61, 63, 64, 67 and 68. These provisions must collectively safeguard the interests of non-GBR operators and ensure appropriate protection.

2.8. Further concern arises in respect of the representation or voice for of non-GBR operators at board level/business unit level within Great British Railways. Given the scale and strategic importance of freight operators and non-GBR passenger services, their interests should be reflected in the governance arrangements of the organisation. In the absence of statutory provision for such representation, there is a risk that decisions relating to infrastructure access, capacity allocation, and investment priorities may not adequately take account of the operational and commercial needs of these operators.

3. Financial Arrangements

3.1. We welcome the commitment to provide some certainty in funding key aspects of railway infrastructure. However, the proposed arrangements will continue, in perpetuity, the existing fragmentation between the closely related cost categories of (a) train operations and (b) infrastructure management, maintenance and improvement. These will lead to sub-optimal, bureaucratic outcomes, reducing GBR's autonomy and its ability to find efficient, innovative ways to achieve the stated objectives.

3.2. Additionally, we have concerns that those clauses which permit alterations to infrastructure funding during the funding period will diminish or eliminate the intended certainty that the funding periods are designed to create. We also question whether the level of certainty observed in historic Control Periods is as strong as it is perceived to be. In the Railway Industry Association's evidence to the Transport Select Committee, it was highlighted how, even within each of the historic Control Periods, funding has seen significant year-on-year variations. The publication of HLOS/SoFA 18 months ahead of the start of the Control Period means the certainty sought may be as little as 1.5 years, whilst setting funding 6.5 years in advance has seen significant differences between expected and actual work due to the impacts of inflation or the operating environment, with projects also delayed or the scope cut.

3.3. We support the views expressed at the recent Transport Select Committee on 07 January that funding needs to be flexible to reflect changes in the operating environment and that the government is looking to GBR to join up budgets in as integrated a way as possible. The benefits of funding certainty extend well beyond infrastructure to other matters, such as rolling stock or the provision of new freight or other services. We therefore welcome provision in the Bill for the Secretary of State to be able to consolidate funding (Schedule 2 Clause 6 (2)(b)), but the evidence presented at the same Committee also indicated that "it is actually quite difficult to contemplate moving to a five-year settlement".

3.4. We believe a stronger position can be reached by introducing rolling three-year funding periods alongside the consolidation of operational and infrastructure costs. At the same time, the need for varying funds will fall away. This may take time to deliver, so the Bill might include a transition period after the first five years.

3.5. Specifically, we therefore propose amendments as follows:

3.5.1. Schedule 2, Part 1 Clause 1 (9) amended to read "(9) In this Schedule "funding period" means— (a) the initial period of five years beginning with such day as the Secretary of State may determine (b) the subsequent period of three years, followed by (c) each subsequent year, where the Statement of funds available under Clause 3 of this Schedule, shall relate to the third year only

3.5.2. Schedule 2, Part 1 Clause 6 (2) amended to read "(a) carried on in exercise of Great British Railways' function under section 3(1)(a) for the initial five-year funding period only in accordance with Clause 9 (a) of this Schedule (b) specified by the Secretary of State in regulations in all subsequent funding periods in accordance with Clause 9 (b) and (c) of this Schedule

3.5.3. *Schedule 2, Part 1 Clause 7 (3) amended to read "(a) If, during the initial funding period only, in accordance with Clause 9 (a) of this Schedule, the Secretary of State proposes to vary the financial assistance to be provided under paragraph 6, the Secretary of State must notify Great British Railways of the proposed variation (b) In subsequent funding periods, in accordance with Clause 9 (b) and (c) of this Schedule, the Secretary of State may not vary the financial assistance to be provided under paragraph 6*

3.6. The above proposed amendments will need to be mirrored in provisions for Funding by the Scottish Ministers in Schedule 2, Part 2

4. Devolution

4.1. As previously noted, the draft statutory powers for Great British Railways appear primarily framed by reference to its own current and future operational and strategic requirements. There is a danger that this may drive institutional decisions at the expense of better transport decisions.

4.2. In Scotland and Wales, we welcome the Bill's inclusion of the Memorandum of Understanding and provisions, enabling the establishment of jointly owned subsidiaries of Great British Railways in both countries. We recognise the work of the Rail Minister and his team in gaining the support of both the Scottish and Welsh ministers for proposals in the Bill. Taken together, these have ameliorated many of our concerns but may yet warrant further scrutiny to assess the extent to which arrangements are sufficiently robust to address disagreements between governments should they arise.

4.3. We welcome the Government's stated intention that the organisation of Great British Railways will identify individuals who are locally responsible for the railway. We have already seen the early manifestation of this in South Eastern and South Western, where the operator and infrastructure are both part of the DfT. However, it remains unclear whether, or how, this principle will operate in areas where the operator remains separate from Great British Railways, including not only Scotland and Wales, but also London and Liverpool, and stations in England along the Welsh Marches line. This is an area which may benefit from further scrutiny.

4.4. In England, the English Devolution and Community Empowerment Bill is currently progressing through Parliament and will likely become law sometime in late 2026 or 2027 when Strategic Authorities will be established. Under the terms of the Bill, "Strategic Authority" means (a) A single foundation strategic authority, (b) A combined foundation strategic authority, or (c) A mayoral strategic authority, including established mayoral strategic authorities, where a "Single Foundation Authority" means either A unitary district council or A unitary county council. Transport and local infrastructure is one of the Areas of Competence identified in the Bill and will include the development of Local Transport Plans and the separate Local Plans. We therefore have a clear statement from the Government's own draft devolution legislation which recognises the role and competence of foundation authorities. The inclusion of this category in all the relevant parts of the Railway Bill would close the gap which is perceived at present, whereby significant areas of England would be excluded from a statutory requirement by GBR to engage with them and cooperate with or

have regard to their transport plans, including rail, as these areas would not be included in either type of mayoral strategic authority. We therefore propose the following in Part 1, Chapter 1:

4.4.1. Section 5 (5) add new (c) " foundation authority", and re-number existing (c) as (d);
4.4.2. Section 16 (3) add to (a) "and foundation authority" after "mayoral combined county authority"
4.4.3. Section 48 (1) (a) (iv) add "and a foundation authority"
4.4.4. Section 81 (1) add "or foundation authority" after "mayoral combined county authority"
4.4.5. Section 81 (3) add "or foundation authority" after "mayoral combined county authority"
4.4.6. Section 81 (4) add "or foundation authority" after "mayoral combined county authority"
4.4.7. Section 83 (4) add new (c) "a foundation authority", and re-number existing (c) as (d);
4.4.8. Section 90 (1) add "and foundation authority" after "mayoral strategic authority"; delete "and" after "mayoral combined county authority".

4.5. And in Schedule 2, Part 1,

4.5.1. Section 2 (6) (f) add "and foundation authority".

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