



Department
for Transport

From the Secretary of State
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John Larkinson CEO
Office of Rail and Road
(*sent by email*)

29 July 2022

Dear John

Delivering a simpler and more integrated railway

I believe that the establishment of Great British Railways brings significant opportunities to simplify processes and procedures across the industry. Changes to the existing contractual framework for access can bring major benefits and are necessary to deliver a more effective approach to managing network capacity.

I have today written to Andrew Haines, Chief Executive of Great British Railways Transition Team (GBRTT) to commission GBRTT to lead work in developing reforms to the framework that governs access and key joint processes across the multi-user railway and to identify simplifications and efficiencies to industry processes, codes and supporting architecture.

I have highlighted that I expect the commission to ensure that cross-sector processes, agreements, incentives, and systems:

- Put the interests of passengers and freight customers first;
- Are transparent and simpler, reducing administrative costs and complexity across the industry for all parties;
- Contain the appropriate tools for Great British Railways to plan and manage the network;
- Provides confidence for passenger and freight operators, of transparent and non-discriminatory treatment, with appropriate certainty to support business planning and investment; and

- Considers the potential impact on other infrastructure managers, including HS2 Ltd and ensures there is a coherent regulatory framework on access between GBR and other infrastructure managers.

I have also highlighted that I expect the commission to look at changes to support the new industry structure and consider ways in which the current system can be simplified and improved. For example, areas for reform include:

- Enabling integrated planning and delivery by Great British Railways in matters of network development and use, service design functions and timetabling by reforming processes related to network development and use, including service design and timetabling;
- Simpler, more effective management of performance and operations across Great British Railways' Passenger Service Operators and the wider sector where they are affected by access requirements and processes; and
- Changes to support the simpler management of stations, where we envisage some train operator responsibilities will transfer to Great British Railways, as set out in the Williams-Shapps Plan for Rail.

This is a vital piece of work as we look to implement the reforms set out in the Williams-Shapps Plan for Rail. It will need to draw on the wider expertise of the sector, including the devolved governments, passenger and freight operators and other infrastructure managers in order to ensure proposals are deliverable and effective. The involvement of the Office of Rail and Road (ORR), as the independent regulator for the railways, will be vital not only to the success of this work supporting development and delivery of the Commission, but also in ensuring users of the railway such as open access and rail freight operators have the confidence that any reforms do not reduce their existing rights to access the network.

This work will progress alongside the Periodic Review process that ORR is leading. There may be opportunities to identify and implement simplifications and efficiencies as part of this process and I would like ORR to actively consider this as the work on the commission progresses, where practicable, noting that ORR needs to conclude on the charging framework for PR23 this year.

This work will not be a success without ORR's full support in facilitating this work, as an engaged participant and enabler of appropriate change and I look forward to officials working together to deliver these important reforms.

Yours sincerely,



Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT