



Department
for Transport

Policy paper

Summary: House of commons Railway Bill factsheet

Updated 15 September 2026

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This publication is available at <https://www.gov.uk/government/publications/railways-bill/railways-bill-factsheet-summary>

The Railways Bill contains 102 clauses and was introduced to Parliament on 5 November 2025.

The bill extends and applies to England, Wales and Scotland. There is only one provision that extends to Northern Ireland, the Luxembourg Rail Protocol, which is reserved. Legislative Consent is only required from the Scottish and Welsh Governments.

The Railways Bill will involve the following.

Establish Great British Railways

The Secretary of State for Transport will have powers to designate a publicly owned company as Great British Railways (GBR) through secondary legislation.

Set out GBR's functions and duties

The bill will set out the functions of GBR: what we expect it to do – and its duties: what we expect it to consider.

Taken together, the functions and duties establish GBR's purpose: they state that GBR must run the railway to promote high standards of performance, act in the interests of passengers, disabled passengers and the public, promote the interests of freight, support private sector certainty, and use taxpayers' money efficiently.

To ensure that the whole railway is working to the same incentives, the duties will apply to the Secretary of State, Scottish and Welsh ministers and the rail regulator – the Office for Rail and Road (ORR), where relevant.

The Public Sector Equality Duty will apply to GBR, to GBR companies and to any body or company, private sector or otherwise, carrying out public functions on behalf of GBR.

Establish the passenger watchdog

The bill delivers on our commitment to give passengers a powerful voice with a strengthened passenger watchdog.

The watchdog will:

- set consumer standards for the railways (which will appear as licence conditions for all licensed operators, including GBR)
- monitor passenger experience
- provide an independent ombudsman service (the rail ombudsman) to resolve disputes between passengers and operators (including GBR)
- use its unique ability to collect data on passenger experience, performance and complaints to share best practice and drive improvements in the sector

If required, the watchdog can investigate issues like:

- poor service
- demand information from operators by a deadline
- request improvement plans from operators who are not meeting the minimum consumer standards
- publish information and scoreboards to name
- shame poorly performing operators and refer them to the ORR for enforcement action

The passenger watchdog will have a specific duty to consider the interests and needs of disabled passengers and will have tools to act where there are repeated issues affecting passenger experience.

Enable GBR to set fares and sell tickets

The bill will enable GBR to set fares for the services it operates and sell tickets to passengers.

GBR will be empowered to simplify fares and ticketing so passengers can trust they are buying the right ticket every time, with a more consistent offer across the network

GBR will consolidate the baffling array of ticket websites currently spread across 14 train companies (all with their own websites, apps and platforms).

Instead, a new GBR ticketing app and website will provide a retail offer for passengers that is intuitive, passenger-focused and integrates accessibility and safety features.

Establish a long-term rail strategy

The bill requires the Secretary of State for Transport to issue the Long Term Rail Strategy (LTRS), which is the first strategy of its kind. It will set out strategic objectives for the railway over 30 years.

The strategy will provide GBR with clear direction on the government's priorities for the railway, helping it to make long-term choices which influence the whole rail sector in line with wider government goals on housing, the economy, and the environment.

This strategy will be aligned with Better Connected (<https://www.gov.uk/government/publications/better-connected-a-strategy-for-integrated-transport>) as well as other government strategies.

Enable government to fund GBR

To support long-term goals, there will be a 5-year funding and planning process, in which GBR must create its own integrated business plan.

This will include all of the activities GBR plans to undertake, how it plans to spend its money, how it plans to meet its requirements and objectives and how it will balance its duties.

The railway funders, the Secretary of State for Transport and the Scottish ministers approve that plan, following advice from the rail regulator, the ORR.

In this 5-year planning cycle, GBR will be awarded infrastructure funding for the full 5-years as infrastructure funding needs are more predictable.

Passenger services funding will align with the spending review to account for the less predictable income GBR will receive from farebox revenue, an important factor in how much services funding GBR might need from government.

Set out the role of devolved governments and local leaders

The bill will preserve current devolved powers and responsibilities and create new statutory roles for devolved governments and mayoral strategic authorities to bring decision making as close as possible to local communities – with the ability for mayors to fund GBR directly to achieve specific local goals. This will ensure that GBR can work at the local level, with local interests at the heart of all decision making.

The bill retains the ability for the Secretary of State for Transport to devolve rail services or infrastructure as part of the government's commitment to a 'right to request'. See DfT's English rail devolution applications guidance (<https://www.gov.uk/government/publications/english-rail-devolution-applications>), which sets out the process and considerations.

The bill also provides for bespoke agreements between the UK government and the Scottish and Welsh Governments, giving them a clear role in the management of GBR.

Make the best use of the railway

The bill changes the current decision-making process that determines what train services can access the tracks and other infrastructure.

The current system is complex and fragmented: Network Rail designs the timetable and the ORR takes access decisions, based on different criteria, which leads to disagreements on when and where a service can fit, delays in producing timetables and an inability to cope with growing capacity constraints.

This situation has led to ministers having to make decisions regarding the timetable. This does not benefit the railway, which is already congested and it drives down train performance. The only way to solve this is to put one body in charge of it all, charged with considering the whole network holistically and fairly, while making the absolute best use of it.

Therefore, under the bill, GBR will decide which services should be granted access, according to a fair assessment of the genuine, best use of the network based on its duties.

GBR will work closely with third parties, including open access and freight operators, to ensure that the best use is made of the constrained network, including by identifying new routes and maximising passenger opportunities. The ORR will have a robust appeals role and will provide an effective route of redress, where an appeal is upheld.

Promote the interests of rail freight

Today's model for network access is an application-led, first-come, first served market model with no strategic, whole-system oversight. This puts freight in a weak position when competing with passenger services because passenger services dominate rail traffic.

Freight operators will benefit from the Railways Bill. There will be a duty on GBR, ministers and the ORR to promote rail freight as one of their core considerations when exercising their relevant functions. GBR will also have to have regard to the freight growth target set by the Secretary of State for Transport and any freight policy set by Scottish ministers.

More generally, freight will benefit from GBR being able to take a longer-term strategic approach to planning the railway through capacity allocation and timetabling.

Freight will have a voice at the top of GBR: its board will include a member with responsibility for freight, championing its interests within the organisation.

Great British Railways licence

The draft licence will be consulted on during bill passage later this year, with the GBR licence and the accountability framework (<https://www.gov.uk/government/publications/great-british-railways-licence-and-the-accountability-framework>) that provides further information on what the licence may include.

Role of the private sector

The private sector will remain central to innovation, investment and the development of new markets, including across rolling stock, freight, ticket retail, infrastructure and the wider supply chain.

GBR will continue to procure billions of pounds' worth of essential goods and services from private sector suppliers, ensuring strong commercial relationships remain at the heart of the system.

Network Rail already spends around £8 billion a year in the private sector, and around 60% of expenditure by GBR, once established, could feasibly be spent in the private sector.

Rail reform costs and savings

Once all passenger services currently provided under contract with the department have transferred, public ownership will save the taxpayer up to £150 million a year in fees that would otherwise have been paid to private operators.

The costs of establishing GBR are estimated to be £200 million to £400 million. This represents around 1% to 2% of a single year of the operating budget that GBR will be responsible for.

Reforms will simplify the industry and unlock efficiencies that will greatly outweigh the investment required to deliver a once-in-a-generation improvement in the way train services are planned and delivered. Not doing this would put at risk more than £1 billion in savings and efficiencies by the end of this decade.

There is scope for the scale of financial benefits from reform to be significant. For example, total annual fare income was around £11.5 billion for franchised operators in Great Britain in 2024 to 2025. This means that just a 1% increase in revenue would contribute around £115 million per year to reducing the net subsidy for rail.

Public ownership programme

At present, DFTO-owned and operated train operating companies (TOCs) account for over half of all passenger journeys across Great Britain.

Currently, 9 public sector operators are managed by the DfT Operator (<https://www.gov.uk/guidance/great-british-railways>) (DFTO).

Publicly owned DfT train operators are performing better on punctuality and cancellations on average than those still in private hands.



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