<u>Future of Britain's railways:</u> <u>Williams-Shapps Plan for Rail</u>

Today (20 May 2021), we are announcing our plan for the transformation of Britain's railways. The <u>Williams-Shapps Plan for Rail</u> fully reflects the independent recommendations of Keith Williams, to whom the government is grateful for his thorough work since 2018.

Williams identified serious issues facing the railways before Covid struck; the pandemic has exacerbated some of these and added more. The government has provided unprecedented support to keep the railways running during the pandemic. Now, we look to the future — today we are setting out an ambitious plan to ensure that the system is ready to meet these challenges.

Today's railway is fragmented — numerous bodies with different incentives lead to a lack of joined-up thinking. No single organisation is accountable for integration, planning and leadership across infrastructure, passenger services and freight operations.

Even before Covid, the franchising model for passenger services had become unsustainable, with multiple failing franchises, delayed competitions and dwindling market confidence. East Coast and Northern had already failed and the government had to step in.

To meet these challenges this government is introducing the biggest reform to the railway in 3 decades. We are committed to delivering a rail system that is the backbone of a cleaner, greener public transport system, offering passengers a better deal and greater value for money for taxpayers. That means getting the trains to run on time, providing a better quality of service and having a firm control of the sector's costs.

To bring about change on the scale that is needed:

We will end 3 decades of fragmentation by bringing the railways back together under a new public body with a single, national leadership and a new brand and identity, built on the famous double arrow. Great British Railways (GBR) will run and plan the network, own the infrastructure, and collect most fare revenue. It will procure passenger services and set most fares and timetables.

We will make the railways easier to use by simplifying fares and ticketing, providing more convenient ways to pay with contactless, smartphone and online, and protecting affordable walk-on fares and season tickets. Rail services will be better coordinated with each other and better integrated with other transport services such as trams, buses and bikes.

We will keep the best elements of the private sector that have helped to drive growth. GBR will contract private partners to operate the trains to the timetable it sets. These contracts will include strong incentives for

operators to run high-quality services and increase passenger demand.

The contracts are not one-size-fits-all, so as demand recovers, long-distance routes will have more commercial freedom to attract new passengers. Freight is already a nimble, largely private sector market and will remain so, while benefiting from the national coordination, new safeguards and rules-based access system that will help it thrive.

We will grow, not shrink, the network, continuing to invest tens of billions of pounds in new lines, trains, services and electrification.

We will make the railways more efficient. Simpler structures and clear leadership will make decision-making easier and more transparent, reduce costs and make it cheaper to invest in modern ways to pay, upgrade the network and deliver new lines. The adversarial blame culture will end and everyone across the sector, including train operators, will be incentivised to work towards common goals, not least managing costs.

These changes will transform the railways for the better. They will also make the sector more accountable to taxpayers and government. Government ministers will have strong levers to set direction, pursue government policies and oversee delivery to ensure the railways are managed effectively and spend public money efficiently. Great British Railways will be empowered — a single, familiar brand with united, accountable leadership.

These reforms represent a bold new offer to passengers — of punctual and reliable services, simpler tickets and a modern, green and innovative railway that meets the needs of the nation. In summary, our ambitious rail transformation programme will deliver 10 key outcomes:

- a modern passenger experience
- a retail revolution
- new ways of working with the private sector
- economic recovery and financial sustainable railways
- greater control for local people and places
- cleaner, greener railways
- bold, new opportunities for rail freight
- increased speed of delivery and efficient enhancements
- skilled, innovative workforce
- a simpler industry structure

This is not renationalisation, which failed the railways, rather it is simplification. While Great British Railways acts as the guiding mind to coordinate the whole network, our plan will see greater involvement of the private sector — private companies will be contracted to run the trains, with stronger competition to run services.

Our reforms will also unleash huge new opportunities for the private sector to innovate in areas such as ticket retailing and data that can be used by passengers to better plan their journeys.

We look forward to building this new vision for Britain's railways in

collaboration with the sector. We are proud to set out plans to support our railways and serve our country with a system that is efficient, sustainable and run in the public interest.