

Passenger Railway Services (Public Ownership) Bill

SECOND MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN COMMITTEE OF THE WHOLE HOUSE

[Amendments marked ★ are new or have been altered]

**Amendment
No.**

Clause 2

LORD MOYLAN
BARONESS RANDERSON

12 Clause 2, page 2, line 21, at end insert –

“(1D) The relevant franchising authority must consult the Council of the Nations and Regions before making a direct award of a public sector contract to a public sector company for a rail service that serves destinations in two or more of England, Scotland and Wales.”

Member's explanatory statement

This amendment requires the relevant franchising authority to consult the Council of the Nations and Regions before making a direct award of a public sector contract to a public sector company for a rail service that serves destinations in two or more of England, Scotland and Wales.

LORD MOYLAN

13 Clause 2, page 2, line 21, at end insert –

“(1D) The relevant franchising authority must consult the Prime Minister’s Envoy to the Nations and Regions before making a direct award of a public sector contract to a public sector company for a rail service that serves destinations in two or more of England, Scotland and Wales.”

Member's explanatory statement

This amendment requires the relevant franchising authority to consult the Prime Minister’s Envoy to the Nations and Regions before making a direct award of a public sector contract to a public

sector company for a rail service that serves destinations in two or more of England, Scotland and Wales.

LORD MOYLAN

14 Clause 2, page 2, line 21, at end insert –

“(1D) In this section “concession” means a contract under which the franchising authority specifies rail services to be provided by a private sector entity and retains the risk of fluctuations in the receipt of fares.”

Member's explanatory statement

This amendment and another in the name of Lord Moylan removes from the Bill the duty placed on the Secretary of State only to make a direct award of a public service contract to a public service company with a duty only to make competitive awards to private sector companies on the basis of a concession.

LORD MOYLAN

15 Clause 2, page 2, line 22, leave out “Public sector” and insert “Concession-based”

BARONESS PIDGEON
BARONESS RANDESON
LORD MOYLAN

16 Clause 2, page 2, line 23, at end insert –

“30ZA Exemption of passenger services: duty to consult

- (1) Before making a direct award of a public service contract to a public sector company under section 30(1A), the relevant franchising authority must consult with relevant persons on their willingness and ability to make an application to the appropriate designating authority for the grant of an exemption from designation under section 23(1) for the purposes of applying for or being awarded a public service contract under section 30(1A).
- (2) For the purposes of subsection (1), “relevant persons” include –
 - (a) the Scottish Ministers,
 - (b) the Welsh Ministers,
 - (c) English combined authorities,
 - (d) the Greater London Authority,
 - (e) directly elected mayors, and
 - (f) any other relevant persons or bodies.”

Member's explanatory statement

This amendment requires the Secretary of State to consult appropriately when awarding a public sector contract in order to encourage more services to be operated by devolved authorities like TfL or combined authorities in the future.

BARONESS BRINTON
BARONESS RANDERSON
LORD MOYLAN
BARONESS GREY-THOMPSON

17 Clause 2, page 2, line 23, at end insert –

“30ZA Statement of accessibility standards

- (1) When making a direct award under section 30(1A) the Secretary of State must lay before Parliament a statement to the effect that they are of the view that such an award will comply with the accessibility standards.
- (2) The Secretary of State must prepare a statement of the standards that they propose to apply in assessing, for the purposes of subsection (1), that a public sector company meets the required level of accessibility.
- (3) The principles must in particular make provision for the accessibility of –
 - (a) the service;
 - (b) accommodation for individual journeys;
 - (c) booking platforms and other interactive digital services and systems used in connections with journeys on the relevant franchise.
- (4) In preparing the statement under subsection (2) the Secretary of State must consult such persons as they consider appropriate, in particular disabled people.”

Member's explanatory statement

This amendment places a duty on the Secretary of State to make a statement to Parliament confirming they are of the view that making an award to a public sector company will meet certain accessibility standards.

LORD YOUNG OF COOKHAM

18 Clause 2, page 2, line 23, at end insert –

“30ZA Independent body to advise on pay and terms and conditions of employment for employees of public sector companies

- (1) The Secretary of State must, within three months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 is passed, establish an independent body with responsibility for –
 - (a) providing advice to Government on the –
 - (i) remuneration, and
 - (ii) terms and conditions of employment,of employees of the public sector companies providing passenger railway services under a contract awarded in accordance with section 30(1A);
 - (b) advising the Government on value for money during the negotiation of the terms and conditions of employment of employees of the

- public sector companies providing passenger railway services under a contract awarded in accordance with section 30(1A); and
- (c) laying before Parliament an annual report on the terms and conditions of employment of employees of the public sector companies providing passenger railway services under a contract awarded in accordance with section 30(1A).
- (2) Advice provided in accordance with subsections (1)(a) and (b) must be based on annual investigations of working practices conducted by the independent body and consider –
- (a) value for money;
 - (b) affordability;
 - (c) domestic and international comparators; and
 - (d) the future of the rail network, including the modernisation of working practices.
- (3) Advice provided in accordance with subsection (1)(b) must include whether any conflicts of interest exist between any Government Minister and any union involved in the negotiation of the terms and conditions of employment, and how any such conflicts should be managed.
- (4) An annual report published under subsection (1)(c) must include a comparison with the terms and conditions of employment under the franchise which provided the relevant passenger railway services prior to the awarding of a contract in accordance with section 30(1A).
- (5) The first annual report under subsection (1)(c) must be laid before Parliament within twelve months of the first award of a public sector contract in accordance with section 30(1A).”

Member's explanatory statement

This amendment requires the Secretary of State to set up an independent body responsible for pay and terms and conditions of employment for employees of public sector companies.

LORD MOYLAN

19 Clause 2, page 2, line 23, at end insert –

“30ZA Independent financial monitoring of public sector companies

- (1) The Secretary of State must, within three months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, instruct an independent body to conduct monitoring of the financial management of any public sector company with whom a direct award of a public service contract is made under section 30(1A).
- (2) For the purposes of subsection (1), “monitoring of the financial management” includes the auditing of accounts, the review of spending efficiency, and the making of recommendations to improve cost-effectiveness.”

Member's explanatory statement

This amendment requires that the Secretary of State instructs an independent body to conduct financial monitoring of the public sector companies.

LORD MOYLAN

20 Clause 2, page 2, line 23, at end insert –

“30ZA Report on cost of contracts with public sector companies

- (1) The Secretary of State must, within three months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, instruct an independent body to report on the total cost to the Government of contracts awarded in accordance with section 30(1A).
- (2) The first report under this section must be laid before Parliament within twelve months of the first award of a public sector contract in accordance with section 30(1A), with subsequent reports to be laid annually.
- (3) Any report published under this section must include consideration of any liabilities previously held by franchises which are now public sector liabilities.”

Member's explanatory statement

This amendment requires the Secretary of State to ensure an independent body to report on the cost of government contracts awarded to companies.

LORD MOYLAN

21 Clause 2, page 2, line 23, at end insert –

“30ZA Annual reporting of performance of publicly owned train operating companies

- (1) The Secretary of State must lay before Parliament an annual report on the performance of public sector companies to whom public service contracts are made under section 30(1A).
- (2) An annual report published under subsection (1) must include details of a company’s –
 - (a) financial performance;
 - (b) revenue growth;
 - (c) cost control;
 - (d) innovation;
 - (e) service quality metrics;
 - (f) customer satisfaction metrics; and
 - (g) value for money.

- (3) The first annual report under this section must be laid before Parliament within twelve months of the first award of a public sector contract in accordance with section 30(1A).”

Member's explanatory statement

This amendment requires the Secretary of State to produce an annual report on the performance of public sector companies.

LORD MOYLAN

22 Clause 2, page 2, line 23, at end insert –

“30ZA Performance-based assessment of publicly-owned train operating companies

- (1) Public sector companies with whom public service contracts are made in accordance with section 30(1A) are to be subject to performance-based assessments in relation to their management of the relevant passenger railway services.
- (2) Performance-based assessments of public sector companies under subsection (1) are to be conducted by an independent body instructed by the Secretary of State.
- (3) In conducting a performance-based assessment the independent body must assess the public sector company against published targets in relation to –
- (a) the punctuality of services,
 - (b) customer satisfaction,
 - (c) revenue and passenger growth, and
 - (d) operational efficiency.
- (4) Every contract made in accordance with section 30(1A) must place duties on relevant public sector companies –
- (a) to prepare performance improvement plans where published targets are assessed under this section as not being met;
 - (b) to place limitations on the remuneration of senior managers while a performance improvement plan is in force.”

Member's explanatory statement

This amendment requires an independent body to conduct performance-based assessment of public sector companies.

LORD MOYLAN

23 Clause 2, page 2, line 23, at end insert –

“30ZA Annual report of pension liabilities

- (1) The Secretary of State must lay before Parliament, within six months of the day on which this Act comes into force, and on each anniversary of that date

thereafter, a report on the financial and other impacts of pensions liabilities (and other liabilities associated with retired railway personnel) arising from the award of public service contracts to public sector companies under subsection 30(1A).

- (2) The report published under subsection (1) must include details of –
- (a) any cost to the taxpayer associated with those pension schemes,
 - (b) ongoing expected liabilities arising from those pension schemes,
 - (c) financial performance of those pension schemes and the sections of those pension schemes associated with each operator, and
 - (d) the provision of free travel and any other benefits to qualifying active and retired railway personnel.”

Member's explanatory statement

This amendment would require the Secretary of State to publish an annual report examining the impact of this Bill on ongoing pension liabilities and their impact to the taxpayer.

LORD MOYLAN

24 Clause 2, page 2, line 23, at end insert –

“30ZA Impact on open access operators

The Secretary of State must, within twelve months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, and annually thereafter, lay before Parliament a report on the impact of the awarding of public service contracts to public sector companies under subsection 30(1A) on open access operators in the United Kingdom.”

LORD MOYLAN

25 Clause 2, page 2, line 23, at end insert –

“30ZA Report: lease payments on rolling stock

The Secretary of State must lay before Parliament, within six months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, a report on the effect of lease payments for rolling stock on the public finances as a result of contracts awarded under section 30(1A).”

Member's explanatory statement

This amendment requires the Secretary of State to publish a report on the effect on the public finances of the Government assuming lease payments for rolling stock.

LORD MOYLAN

26 Clause 2, page 2, line 23, at end insert –

“30ZA Assessment of transferring operators into public ownership

- (1) The Secretary of State must lay before Parliament an assessment of the performance of companies to whom public service contracts are made under section 30(1A).
- (2) An assessment published under subsection (1) must include details of –
 - (a) financial performance,
 - (b) revenue growth,
 - (c) cost control,
 - (d) operational performance, and
 - (e) additional costs associated with transfer.
- (3) Assessments under this section must be laid before Parliament within a year of a public sector contract being awarded under section 30(1A).”

Member's explanatory statement

This amendment would require the Secretary of State to publish an assessment after the transfer of a franchised passenger operators into public ownership assessing the expected impact on financial and operational performance, alongside costs associated with the transfer of operations.

LORD MOYLAN

27 Clause 2, page 2, line 23, at end insert –

“30ZA Impact on non-public operators

The Office of Rail and Road must, within twelve months of the day on which this Act comes into force, and on each anniversary of that date thereafter, publish a study of the impact of the Passenger Railway Services (Public Ownership) Act 2024 on the market for open-access operators to the United Kingdom rail network.”

Member's explanatory statement

The Office of Rail and Road will continue to be the independent regulator of fair access to the network. This would require it to undertake regular assessment on the implications of the Act on non-public sector operators, such as open access passenger and rail freight operators.

LORD YOUNG OF COOKHAM
LORD MOYLAN

28 Clause 2, page 2, line 24, leave out “Temporary”

Member's explanatory statement

This amendment, along with another in the name of Lord Young of Cookham to Clause 2, would allow the Secretary of State to renew an existing franchise or enter into a new contract with a private service operator who is providing a satisfactory service.

LORD YOUNG OF COOKHAM
LORD MOYLAN

- 29 Clause 2, page 2, line 29, leave out from “that” to end of line 32 and insert “a new contract can be provided by the existing service operator, where that operator is providing a satisfactory service.”

Member's explanatory statement

This amendment, along with another in the name of Lord Young of Cookham to Clause 2, would allow the Secretary of State to renew an existing franchise or enter into a new contract with a private service operator who is providing a satisfactory service.

LORD MOYLAN

- 30 Clause 2, page 2, line 29, leave out “reasonably”

BARONESS JONES OF MOULSECOOMB
LORD MOYLAN

- 31 Clause 2, page 3, line 23, after the second “Ministers” insert “or an elected public body”

Member's explanatory statement

This amendment and others in the name of Baroness Jones of Moulsecoomb would expand the definition of “public sector company” to enable public service contracts to run passenger railway services to be awarded to public sector companies owned by local elected public bodies.

BARONESS JONES OF MOULSECOOMB
LORD MOYLAN

- 32 Clause 2, page 3, line 25, after “Ministers” insert “or an elected public body”

Member's explanatory statement

This amendment and others in the name of Baroness Jones of Moulsecoomb would expand the definition of “public sector company” to enable public service contracts to run passenger railway services to be awarded to public sector companies owned by local elected public bodies.

BARONESS JONES OF MOULSECOOMB
LORD MOYLAN

- 33 Clause 2, page 3, line 27, after “Ministers” insert “or an elected public body”

Member's explanatory statement

This amendment and others in the name of Baroness Jones of Moulsecoomb would expand the definition of “public sector company” to enable public service contracts to run passenger railway services to be awarded to public sector companies owned by local elected public bodies.

LORD YOUNG OF COOKHAM
LORD MOYLAN

34 Clause 2, page 3, line 27, at end insert –

“(iv) owned by a local transport authority;”

Member's explanatory statement

This amendment would enable a public service contract for the railways to be awarded by a local transport authority, as well as by Secretaries of State, to promote devolution.

LORD LIDDLE

35 Clause 2, page 3, line 27, at end insert –

- “(iv) a public private partnership that brings additional investment to the railway,
- (v) a cooperative venture involving employees and passengers that seeks to improve local services;”

LORD LANSLEY

36 Clause 2, page 3, line 27, at end insert –

- “(iv) wholly owned by the Greater London Authority or mayoral combined authorities in England;”

BARONESS JONES OF MOULSECOOMB
LORD MOYLAN

37 Clause 2, page 3, line 27, at end insert –

- “(ba) “elected public body” means a body which is –
 - (i) a mayoral combined authority,
 - (ii) a combined authority, or
 - (iii) a unitary, county, district or borough council,
 or which is composed of more than one of the bodies listed above.”

Member's explanatory statement

This amendment and others in the name of Baroness Jones of Moulsecoomb, would expand the definition of “public sector company” to enable public service contracts to run passenger railway services to be awarded to public sector companies owned by local elected public bodies.

BARONESS RANDERSON
LORD BRADSHAW

38 Clause 2, page 3, line 32, at end insert –

“30D Annual report on ticketing effects of public service contracts

- (1) The Secretary of State must lay before Parliament an annual report on the effect of public sector contracts awarded in accordance with section 30(1A) on –
 - (a) ticket pricing;
 - (b) tap-in, tap-out options;
 - (c) single-leg pricing;
 - (d) digital season tickets;
 - (e) ticket purchasing options;
 - (f) compensation for delays and cancellations;
 - (g) ticketing interoperability with –
 - (i) other train operators, and
 - (ii) bus and light rail system operators.
- (2) The Secretary of State must consult other franchising authorities before finalising a report under subsection (1).
- (3) The first annual report under this section must be laid before Parliament within twelve months of the first award of a public sector contract in accordance with section 30(1A).
- (4) Each subsequent annual report must be laid before Parliament before the end of July in each subsequent calendar year.”

Member's explanatory statement

This amendment would require the Secretary of State to publish an annual report on the effect on ticketing of public service contracts.

BARONESS SCOTT OF NEEDHAM MARKET
BARONESS RANDERSON

39 Clause 2, page 3, line 32, at end insert –

“30D Passenger Standards Authority

- (1) The Secretary of State must, within three months of the coming into force of the Passenger Railway Services (Public Ownership) Act 2024, establish an independent body (the Passenger Standards Authority) with responsibility for monitoring the impact of that Act on passenger standards.
- (2) In fulfilling its duty under subsection (1), the Passenger Standards Authority must in particular monitor the impact of the Act on –
 - (a) standards of passenger assistance, having particular regard to the needs of disabled passengers,

- (b) standards of passenger information,
 - (c) the adequacy of accommodation for individual journeys, and
 - (d) complaints and compensation codes of practice and compliance of public sector companies with such codes.
- (3) The Passenger Standards Authority may also provide advice to the Secretary of State on such measures that may be taken to –
- (a) improve passenger experience, and
 - (b) enhance passenger rights.”

Member's explanatory statement

This probing amendment would require the Secretary of State to establish an independent body to monitor the impact of the Act on passenger standards.

BARONESS PIDGEON
BARONESS RANDEKSON
LORD MOYLAN

40 Clause 2, page 3, line 32, at end insert –

“30D Impact on British Transport Police

The Secretary of State must, within twelve months of the coming into force of the Passenger Railway Services (Public Ownership) Act 2024, lay before Parliament a report on the impact of the awarding of public service contracts to public sector companies under subsection 30(1A) on the British Transport Police.”

Member's explanatory statement

This probing amendment would require the Secretary of State to report to Parliament on the impact of this Act on the British Transport Police.

BARONESS RANDEKSON
LORD BRADSHAW
LORD MOYLAN

41 Clause 2, page 3, line 32, at end insert –

“30D Impact on freight

The Secretary of State must, within twelve months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, lay before Parliament a report on the impact of the awarding of public service contracts to public sector companies under subsection 30(1A) on freight operators in the UK.”

Member's explanatory statement

This probing amendment would require the Secretary of State to report to Parliament on the impact of this Act on freight operators.

LORD YOUNG OF COOKHAM
LORD MOYLAN

42 Clause 2, page 3, line 32, at end insert –

“30D Annual report of public operator liabilities

- (1) The Secretary of State must lay before Parliament, within six months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 is passed, and annually thereafter, a report on the public sector financial liabilities arising from the award of public service contracts to public sector companies under section 30(1A).
- (2) The report published under subsection (1) must include details of –
 - (a) rolling stock leasing liabilities;
 - (b) pension scheme liabilities;
 - (c) property leasing liabilities;
 - (d) other financial liabilities such as debt.”

Member's explanatory statement

This amendment would require the Secretary of State to publish an annual report examining the impact of train company liabilities transferring onto the public sector balance sheet under nationalisation.

LORD SNAPE
LORD BERKELEY
LORD LIDDLE

43 Clause 2, page 3, line 32, at end insert –

“30D Assessment: devolution of passenger rail services

- (1) The Secretary of State must publish an assessment before a public service contract is awarded under section 30 or a franchise is extended under section 30A.
- (2) The assessment must include analysis of whether those services or parts of those services could be provided by a body set out in section 24A(4)(a).”

Member's explanatory statement

This amendment seeks to place a requirement on the Secretary of State to produce an assessment of whether a rail service could be devolved when it awards a service agreement to a public operator or renews a private franchise.

LORD SIKKA

44 Clause 2, page 3, line 32, at end insert –

“30D Review of relationship between provisions of section 30(1A) and the leasing of rolling stock

The Secretary of State must, within twelve months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, lay before Parliament a report on the relationship between public sector contracts awarded under section 30(1A) and the leasing of rolling stock to public sector companies.”

Member's explanatory statement

This amendment would require the Secretary of State to publish an annual report on the relationship between the provisions of the Bill and the leasing of rolling stock to public sector companies.

LORD MOYLAN

45 Clause 2, page 3, line 32, at end insert –

“30D Impact on performance and efficiency of the United Kingdom rail network

- (1) The Secretary of State must, within five years of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, instruct an independent body to conduct a review of the impact of that Act on the performance and efficiency of the United Kingdom rail network.
- (2) A report on the findings of the review must be laid before Parliament.”

Member's explanatory statement

This amendment requires the Secretary of State to ensure that an independent body conducts a review of the performance and efficiency of the UK rail network.

LORD MOYLAN

46 Clause 2, page 3, line 32, at end insert –

“30D Impact on exemption of passenger services

- (1) The Secretary of State must, within twelve months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 comes into force, lay before Parliament a report on the impact of sections 25A and 30 of this Act, as amended by the Passenger Railway Services (Public Ownership) Act 2024, on the exemption of passenger services under section 24.
- (2) A report under subsection (1) must include an assessment of whether the coming into force of the Passenger Railway Services (Public Ownership) Act 2024 has made, or is expected to make –
 - (a) it more or less likely for an application for an exemption to be made to an appropriate designating authority;

- (b) it more or less likely for an application for an exemption to be granted by an appropriate designating authority;
- (c) any difference to the basis on which decisions as to the granting or refusing of applications for exemptions will be made by the appropriate designating authorities.”

Member's explanatory statement

This amendment requires the Secretary of State publish a report on the impact on exemption of passenger services.

LORD MOYLAN

47 Clause 2, page 3, line 32, at end insert –

30D Management of rail services in Greater London

- (1) The Secretary of State must make a statement in each House of Parliament on the impact of shared responsibility between Transport for London and public sector companies awarded a contract under section 30(1A) under the management of Shadow Great British Railways, for the provision of railway passenger services in the Greater London area within three months of the day on which the Passenger Railway Services (Public Ownership) Act 2024 is passed.
- (2) The statement made under subsection (1) must include an assessment of how the provision of any services procured by Transport for London under section 30(1A) can be managed in a manner that is consistent with the remit of Shadow Great British Railways.”

Member's explanatory statement

This amendment requires the Secretary of State to make a statement assessing the impact of shared responsibility for railway passenger services in Greater London following the changes in the Bill.

After Clause 2

LORD LIDDLE

48 After Clause 2, insert the following new Clause –

“Termination of Franchises

Nothing in this Act limits or weakens the power of the Secretary of State to terminate immediately existing franchises where performance falls below the standard expected.”

Clause 4

LORD GASCOIGNE

48A Clause 4, page 4, leave out line 16 and insert—

- (2) This section comes into force on the day on which this Act is passed.
- (2A) Apart from this section, this Act will not come into force until the Secretary of State has produced a report assessing whether the operation of passenger rail services by public sector companies as opposed to private operators will improve the performance of those services.
- (2B) The report made under subsection (2A) must consider—
 - (a) timeliness of services,
 - (b) likely cancellations of services,
 - (c) passenger numbers on services, and
 - (d) the cost of fares.
- (2C) If the report made under subsection (2A) finds that passenger services will not be improved, this Act, other than this section, will not come into force.”

Member's explanatory statement

This amendment ensures that the content of the Bill cannot come into effect unless a report regarding performance has been created.

LORD MOYLAN

49 Clause 4, page 4, line 16, leave out “on the day on which it is passed” and insert “on the day on which the Secretary of State has published a report on the circumstances in which the measures in the Strikes (Minimum Service Levels) Act 2023 would be used in relation to contracts awarded under section 30(1A) of the Railways Act 1993”

LORD MOYLAN

50 Clause 4, page 4, line 16, leave out “on the day on which it is passed” and insert “on the day regional partnership boards have been established between Shadow Great British Railways (or the Secretary of State acting temporarily in its place) and local and regional authorities in England to give local leaders a greater say in how the railways are run in their area”

Member's explanatory statement

This amendment delays the coming into force of the Act until the collaborative relationships between (Shadow) Great British Railways and local and regional authorities in England have been established.

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SECOND MARSHALLED
LIST OF AMENDMENTS
TO BE MOVED
IN COMMITTEE OF THE WHOLE HOUSE

22 October 2024

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