

## Trainline Evidence to Railways Bill - Public Bill Committee

### January 2026

#### 1. Executive summary

- 1.1 Trainline supports the Government's ambition to deliver a modern, passenger-focused railway through the creation of Great British Railways (GBR). We recognise the potential for reform to simplify the system, grow ridership and deliver better value for taxpayers.
- 1.2 However, as currently drafted, the Railways Bill does not yet reflect the Government's stated policy intent to create a fair, open and competitive rail retail market, nor does it fully address the risks identified by the Competition and Markets Authority (CMA) and the Department for Transport's (DfT) own Impact Assessment.
- 1.3 The Bill establishes GBR as both: 1) the body responsible for defining and overseeing the rail retail market, including licensing, setting economic terms and access to systems and data; and 2) a new, vertically integrated, state-owned online ticket retailer competing directly with independent retailers.
- 1.4 This dual role, if not structurally separated, creates an inherent conflict of interest. While the Government has proposed a future Code of Practice and regulatory oversight by the Office of Rail and Road (ORR) in policy documents, the Bill itself contains very limited safeguards, leaving critical protections to secondary instruments and a wider regulatory framework – the detail of which is not yet clear and will not be subject to full parliamentary scrutiny.
- 1.5 Trainline's evidence highlights several areas where the Committee should seek clear, on-the-record ministerial assurances, in particular that:
  - GBR's online retail function will be subject to the same terms as independent rail retailers and in scope of the Code of Practice that is to govern retail;
  - There will be economic parity between all retailers (including GBR's online retail function) and self-preferencing by GBR's online retailer will be prohibited;
  - There will similarly be market parity between all retailers (including GBR's online retail function), ensuring equivalence of access to fares, features, products, services, systems and data;
  - The ORR will be equipped with strong and meaningful powers to ensure regulatory oversight, with the ability to take proactive action and a requirement to apply its competition duties to retailing; and
  - Independent rail retailers will have meaningful accountability and appeal mechanisms to dispute regulatory decisions in relation to Code compliance.
- 1.6 Without these assurances, there is a real risk that well-intentioned reform could inadvertently reduce incentives for companies to invest and innovate. This could result in a degradation of the passenger experience and a reduction in value for money in the near term, and, ultimately, limit passenger choice.

#### 2. About Trainline

- 2.1 Trainline is the UK and Europe's leading independent rail retailer, trusted by 18 million UK passengers and serving 27 million customers globally across 40 countries. We are a homegrown British tech success story, headquartered in London, listed on the FTSE 250, and employing around 1,000 people - more than half in engineering, data and technology roles.

- 2.2 For more than two decades, Trainline has been at the forefront of the UK's digital ticketing transformation, investing heavily in innovation to improve the passenger experience. In the past five years alone, we have invested around £250 million in our digital platform and engineering architecture.
- 2.3 Independent retailers like Trainline bear the full cost and risk of this investment while operating as the lowest-cost distribution channel for the rail industry. We also drive incremental demand for rail, helping grow ridership and reduce subsidy requirements for taxpayers.
- 2.4 As one of the most trusted consumer brands in UK rail, Trainline is often the "shop window" for passengers. How retail markets are designed therefore has direct implications for passenger confidence in their experience of UK rail.

### 3. The Railways Bill and the gap between policy intent and legislation

- 3.1 The Government has repeatedly recognised the "significant value" of independent rail retailers<sup>1</sup> and committed to a "fair and open" retail market<sup>2</sup>. In its response to its consultation, *A railway fit for Britain's future*, government explicitly states it "*wants to continue to enable a thriving [rail retail] market to ensure that there is always the best available offer for customers and that standards continue to be driven upwards through a competitive market*<sup>3</sup>."
- 3.2 The creation of GBR will bring online retailing together in a single GBR website and app (replacing those of the train operators that will be nationalised). GBR's retailing arm will be "*integrated part of GBR's wider operational business*<sup>4</sup>". GBR will also take over the "Retail Industry Management Functions" currently carried out by Rail Delivery Group (RDG) – such as licensing independent retailers, setting standards, managing access to systems and data<sup>5</sup>.
- 3.3 GBR will therefore define and operate the market (including setting the economic terms) while also acting, through GBR online retail, as a new vertically-integrated, state-owned retailer competing with independent retailers in the rail retail market. This creates a significant conflict of interest.
- 3.4 Ministers and regulators have publicly emphasised the importance of a "level playing field" between GBR's retail operation and third-party retailers<sup>6</sup>. Several government documents also highlight the risks associated with GBR's dual role:
  - The consultation *A railway fit for Britain's future* acknowledges that "*separation of [GBR's] licensing function would give independent retailers confidence that there are no conflicts of interest*" and the need to "*reassure other retailers that any conflicts of interest between the licensing and retailing roles GBR could hold have been addressed*" to ensure a competitive and fair market<sup>7</sup>; and

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<sup>1</sup> Department for Transport (November 2025). [\*Government's response to A railway fit for Britain's future\*](#). pg.87

<sup>2</sup> *Ibid.*

<sup>3</sup> Department for Transport (November 2025). [\*Government's response to A railway fit for Britain's future\*](#). pg.27

<sup>4</sup> Department for Transport (November 2025). [\*Government's response to A railway fit for Britain's future\*](#). pg.88

<sup>5</sup> *Ibid.*

<sup>6</sup> Lord Hendy comments in "[\*Will Great British Railways actually make any difference to my journey?\*](#)" (10 Dec 2025), The Independent, and Competition and Markets Authority (April 2025) in [\*CMA Response to A railway fit for Britain's future\*](#).

<sup>7</sup> Department for Transport (February 2025). [\*A railway fit for Britain's future\*](#). pg.37-38

- The *Railways Bill Impact Assessment* clearly recognises that “*the future competitiveness of the ticket retailing market could be questioned*” as a result of GBR’s dual role “*as those with an interest in the market might expect GBR’s retailer to...take steps to preference its own retail business over others*<sup>8</sup>”.

3.5 Separately, the CMA has issued a clear and independent warning about the risks inherent in the proposed market design. In its response to the Government’s consultation, the CMA stated “*the role envisaged for GBR as a ticket retailer gives rise to the risk (either actual or perceived) that GBR will self-preference its own retail operation, or otherwise have advantages over TPRs that are not based on merit...This could undermine incentives for TPRs to invest and compete in this market...*<sup>9</sup>”. The CMA further stressed that it is important to “*give the right signals from the outset*” that independent retailers will be competing on a level playing field, in order to sustain competition and investment that benefits passengers<sup>10</sup>.

3.6 However, the Bill itself contains relatively few provisions relating to rail retailing and no such signals have been provided to the sector. Instead, government has deferred key issues - including the crucial detail that sits behind the proposed safeguards against conflicts of interest - to the future GBR Licence and related Code of Practice<sup>11</sup>.

3.7 This creates a material risk that Parliament is being asked to legislate for a market structure without clarity on the protections that will govern it in practice. Once GBR is operational, addressing weaknesses through secondary instruments will be significantly harder.

3.8 The Committee therefore has a critical role in pressing Ministers to provide clear assurances now, on the record, that the regulatory framework will deliver the outcomes the Government has promised.

#### 4. Key issues for the Committee's consideration

##### Economic parity and conflict of interest

4.1 Without any form of meaningful organisational or functional separation between GBR’s online retailer and its retail industry management functions, there is a risk - as the CMA has stated (see above) - that GBR could self-preference its own retail operation or otherwise benefit from advantages not available to independent retailers, undermining incentives to invest and innovate.

4.2 The Bill does not require GBR’s online retail activity to operate on the same economic basis as independent retailers. This creates a real risk of illegitimate cross-subsidy where costs and revenues are not clearly separated. In parallel, this design impedes the ability of regulatory authorities to effectively determine whether GBR is behaving fairly and within competition law, subsidy control rules and non-discrimination duties.

4.3 In other UK regulated sectors - such as energy and telecommunications - structural separation and economic parity are standard safeguards where a vertically integrated, state-owned entity competes with the private sector.

<sup>8</sup> Department for Transport (November 2025). *Railways Bill Impact Assessment*. pg.51

<sup>9</sup> Competition and Markets Authority (April 2025). *CMA Response to A railway fit for Britain's future* pg.2

<sup>10</sup> *Ibid.*

<sup>11</sup> Schedule 1 Paragraph 5 (new 9A (2)), *Railways Bill 2025 (as introduced to Parliament)*

4.4 International rail markets provide similar precedents (such as France<sup>12</sup>) but there is also empirical evidence from a number of EU countries that serves as a clear warning. International experience shows that where rail retail markets lack robust level playing field protections, state-owned rail operators often engage in anti-competitive conduct. In 2022, the German Competition Authority found that state-owned Deutsche Bahn had breached competition law by abusing its dominant position in the rail retail market, including through restrictive marketing and pricing practices. More recently, in 2024, the European Commission accepted binding commitments from Renfe to address competition concerns relating to the supply of ticketing content and real-time data in the Spanish rail retail market.

4.5 The Committee should seek a clear ministerial commitment that:

- GBR's online retail operation will compete on the same economic terms as independent retailers, with transparency of costs and revenues to ensure prevention of cross subsidy;
- there will be parity of market access to all fares, features, products, data, services and systems so that no customer is ever disadvantaged by using an independent retailer;
- there will be strong and independent regulation by ORR; and
- these principles will be reflected explicitly in the Licence and Code of Practice, rather than relying on informal assurances.

#### Regulatory oversight and competition duty

4.6 The Government has proposed that a new statutory Code of Practice will govern GBR's interactions with retail market participants, overseen by the ORR, as part of Schedule 1 Paragraph 5 (new 9A (2)).

4.7 However, as drafted, the Bill creates ambiguity as to how the ORR's competition duty will apply when enforcing GBR's Licence and monitoring compliance with the Code<sup>13</sup>. Certain exceptions risk limiting the ORR's ability to consider competition impacts when it matters most.

4.8 In addition, the enforcement powers envisaged for the ORR are largely ex-post. In fast-moving digital markets, the ability to intervene only after harm has occurred is a weak deterrent and risks irreversible damage to competition and passenger outcomes.

4.9 The Committee should press Ministers to confirm that:

- the ORR's competition duty will apply when enforcing the Code of Practice and assessing GBR's retail activities;
- the ORR will have meaningful ex-ante powers to prevent harm before it arises; and
- the regulator will have sufficient independence and authority to act robustly where necessary.

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<sup>12</sup> In France, where SNCF controls and operates the rail network in the same way as GBR will, whilst also performing direct retailing functions across various online and offline channels, the digital retailing business within SNCF has been structurally separated from the rest of SNCF. SNCF Connect (the SNCF digital retailing business) is a separate group company and operates on the same retailing licence terms as all independent online retailers, including identical commission levels and cost apportionment.

<sup>13</sup> Clause 20 (1), *Railways Bill 2025 (as introduced to Parliament)*

## Accountability and appeal mechanisms

- 4.10 The Bill does not currently set out a clear mechanism through which independent retailers can challenge regulatory decisions concerning GBR's compliance with the Code of Practice. Clauses 74 and 75 relate to the role of the ORR and monitoring of GBR and should be strengthened.
- 4.11 Effective appeal mechanisms are a standard feature of well-designed regulatory regimes. They improve decision-making, strengthen accountability and increase confidence that rules will be applied fairly.
- 4.12 The Committee should seek ministerial assurances that there will be a robust, independent appeals mechanism via CMA or Competition Appeal Tribunal (CAT).

## Consequences of inaction

- 4.13 Failure to address the above issues will mean that GBR has an unfair market advantage over the independent rail retailers it competes with and alongside. An ineffective market will disincentivise retailers to continue to invest, hindering the innovation that passengers have come to expect and rely upon. This could result in a poorer passenger experience, and reduced value for money, and, ultimately, limit passenger choice.

## 5. Questions the Committee may wish to put to Ministers

- 5.1 We request that as part of the Bill Committee's scrutiny, the following questions are put to Ministers to seek on-the-record assurances that will give independent rail retailers certainty about the future rail retail market:
  - How will the Government ensure that GBR's online retail operation does not benefit from cross-subsidy or preferential treatment compared with independent retailers?
  - Will Ministers commit to ensuring that GBR's online retail arm is subject to the same Code of Practice as all other retail market participants?
  - How will the ORR be empowered to act proactively, rather than only after harm to passengers or competitive environment has occurred?
  - How will the Government ensure that the ORR's competition duty applies in practice when enforcing GBR's Licence and monitoring compliance with the Code?
  - What appeal rights will be available to market participants if GBR breaches the Code of Practice and if regulatory remedies are insufficient?
  - When will Parliament see the draft Licence which governs the Code of Practice, and what opportunities will there be for scrutiny before they take effect?

## 6. Conclusion

- 6.1 Just as the Railways Bill presents a once-in-a-generation opportunity to reshape the railway, this is Parliament's opportunity to ensure GBR delivers in the interests of passengers and taxpayers. Trainline supports this ambition and wants to partner with Government, GBR and the regulator to make reform a success.
- 6.2 However, the benefits of reform will only be realised if the Bill is underpinned by a genuinely fair, open and competitive retail market. As currently drafted, the legislation

does not yet provide the safeguards necessary to deliver the Government's own stated objectives.

6.3 The Public Bill Committee therefore now has a crucial role in securing clear ministerial commitments. Should the Committee require any further evidence or data to assist in its scrutiny, we would be very happy to assist.

**For further information, please contact:**

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