



King's Speech 2024: Transport

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This research briefing sets out the Labour Party's commitments covering transport, drawing on its manifesto and other material in the public domain. It has been written in advance of the King's Speech to help members of the House of Lords prepare for the debate on the speech. It does not constitute official information about the government's intentions or provide a complete list of bills to be announced.

I. Railways

I.1 Great British Railways

I.1.1 Background

Since the privatisation of the railways in the 1990s, both public and private sector bodies have played a part in their operation. The railways in Great Britain have the following key elements:¹

- The government acts as a procurement authority, network funder, and sponsor of major rail projects and rail bodies. The government is also the sole shareholder of Network Rail, the body that owns and operates most of the national rail infrastructure.
- Passenger train services are provided by different franchised operators. Most of these are specified by the UK government, with the others specified by different devolved governments or authorities. In addition, 'open access' operators not contracted by the government operate a small number of services on the national network, sometimes competing directly with franchised operators on the same journeys.
- The physical infrastructure of the railway is owned and managed separately from the train operators. Network Rail runs the majority of the infrastructure of the railway as an arm's length body of the UK government.

¹ Williams Rail Review, '[The role of the railway in Great Britain: An evidence paper](#)', February 2019, pp 10–11.





Network Rail also leads the process with train operators to develop the national rail timetable and allocate access to the rail network.

- The industry is overseen by an independent safety and economic regulator, the Office of Rail and Road (ORR).
- The Rail Safety and Standards Board, a not-for-profit company owned by major industry stakeholders, works with the ORR to improve safety, performance and value for money across the industry.

Powers over the railways are partially devolved. Scottish ministers have responsibility for rail strategy and funding.² Transport Scotland, the national transport agency for Scotland, executes the Scottish government's plans.³ The Welsh government has some powers relating to rail, including over the 'Wales and borders' franchise.⁴ However, infrastructure planning and the funding of Network Rail in Wales is reserved. In both Scotland and Wales, cross-border rail is reserved.⁵ Railways in Northern Ireland are completely devolved.

At the beginning of the Covid-19 pandemic, in March 2020, the then Conservative government introduced changes to franchise agreements to ensure the railways continued to operate.⁶ All revenue and cost risks were transferred to the government. Operators continued to run services for a pre-determined fee. These arrangements were gradually replaced with modified contracts between the Department for Transport and train operators, lasting for up to six years.⁷

In May 2021 the then government published '[Great British Railways: The Williams-Shapps plan for rail](#)'. The then government commissioned the review before the pandemic to investigate the structure of railway operations and proposals for reform after what the report described as "chaotic" timetable changes in 2018 and the failure of the East Coast franchise.⁸ In March 2020 the review was extended to take into account challenges arising from the Covid-19 pandemic.⁹

The report set out plans for the establishment and role of a new body called Great British

² Office of Rail and Road, '[Transport Scotland](#)', accessed 8 July 2024.

³ Transport Scotland, '[About Transport Scotland](#)', accessed 8 July 2024.

⁴ Office of Rail and Road, '[Welsh government](#)', accessed 8 July 2024.

⁵ Civil Service, '[Introduction to devolution](#)', accessed 8 July 2024, p 5.

⁶ House of Commons, '[Written statement: Rail update \(HCWS175\)](#)', 23 March 2020.

⁷ House of Commons Transport Committee, '[Oral evidence: Great British Railways](#)', 30 March 2022, HC 1076 of session 2021–22, Q2–19.

⁸ Department for Transport, '[Great British Railways: The Williams-Shapps plan for rail](#)', May 2021, CP 423, p 18.

⁹ As above, p 19.



Railways (GBR), which would own the infrastructure, receive the fare revenue, run and plan the network and set most fares and timetables. GBR would absorb Network Rail, which currently owns the railway infrastructure. The review did not include, however, plans for GBR to operate the trains directly. The Williams-Shapps plan said that “in most cases, Great British Railways will contract with private companies to operate trains to the timetable and fares it specifies”.¹⁰ The Great British Railways Transition Team was set up in 2022 to begin this work.¹¹

1.1.2 Labour Party commitments

The Labour Party’s manifesto ahead of the 2024 general election included a commitment to reform the railways and bring them into public ownership.¹² The party had also published, in May 2024, ‘[Getting Britain moving: Labour’s plan to fix the railways](#)’, which set out the party’s proposals in more detail. The party said it would introduce legislation to:

[...] establish a new, arm’s length public body—Great British Railways—which will be a directing mind in charge of Britain’s railway infrastructure and services, responsible for the day-to-day operational delivery of the railways, for ensuring infrastructure and services work together, and for innovations and improvements in the experience of passengers and freight users.¹³

The party said that to achieve this it would bring contracts currently held by private train operators into GBR when they expire or are broken.¹⁴ It said it expected to complete this process during Labour’s first term in office “without the taxpayer having to pay a penny in compensation to outgoing private operators”.

Open access operators would continue to be part of the rail system:

For open access operators, wherever there is a case that open access adds value and capacity to the network, they will be able to continue to compete to improve the offer to passengers.¹⁵

The Labour Party said that it would “set the long-term strategy and infrastructure priorities

¹⁰ Department for Transport, ‘[Great British Railways: The Williams-Shapps plan for rail](#)’, May 2021, CP 423, p 7.

¹¹ Companies House, ‘[Great British Railways Transition Team Limited](#)’, accessed 8 July 2024.

¹² Labour Party, ‘[Labour Party manifesto 2024](#)’, June 2024, p 33.

¹³ Labour Party, ‘[Getting Britain moving: Labour’s plan to fix the railways](#)’, May 2024, p 6.

¹⁴ As above.

¹⁵ As above.



and hold the new body to account on its performance” but GBR would be led by rail professionals and have operational independence. A shadow body would be set up to continue the work of the Great British Railways Transition Team while the legislation to create GBR was being passed. It said it would deliver this legislation in the first parliamentary session of its term.¹⁶

GBR’s immediate priorities would be:¹⁷

- improving operations, such as timetabling, train crew management and service delivery issues
- simplifying fares and introducing digital innovations
- improving industrial relations

The party said that one of the benefits of establishing GBR would be to bring together and simplify the existing structure, so that service delivery would be “better joined up” with planning infrastructure improvements.¹⁸ The party also stated its intention to impose a statutory duty on GBR to “promote the use of rail freight, with an overall growth target set by the secretary of state”.¹⁹

On devolution, the manifesto said GBR would work with publicly owned rail operators in Wales and Scotland, and that mayors would have a role in designing the services in their areas.²⁰ The plan for rail specified further that devolved leaders in Scotland, Wales, and in mayoral combined authorities would have a statutory role in the rail network. It said:

National and regional transport bodies will have the ability to agree national and regional rail services with the unified rail body, enabling devolved leaders to develop ambitious plans for seamless, integrated transport networks and a public transport system that properly serves their local areas.²¹

¹⁶ Labour Party, [‘Getting Britain moving: Labour’s plan to fix the railways’](#), May 2024, p 22.

¹⁷ As above, p 15.

¹⁸ As above, p 16.

¹⁹ As above, p 22.

²⁰ Labour Party, [‘Labour Party manifesto 2024’](#), June 2024, pp 33–4.

²¹ Labour Party, [‘Getting Britain moving: Labour’s plan to fix the railways’](#), May 2024, p 20.



1.2 New passenger watchdog

In its plan for rail, the Labour Party said it would set up a new passenger watchdog, the Passenger Standards Authority.²² This would bring together the functions currently carried out by Transport Focus (the existing independent watchdog for transport users) and the Rail Ombudsman, as well as the customer-focused regulatory and other functions of the ORR. It would have the power to require service improvement plans, inspect the performance of GBR and assess its performance against published data.

This commitment was reiterated in the party's manifesto.²³ It said that Labour would "create a tough new passenger watchdog, focused on driving up standards".

2. Buses

In its manifesto, the Labour Party also committed to reforming the system for procuring bus services.²⁴ It said it would give local leaders new powers to franchise local bus services and would lift the ban on municipal ownership. In April 2024 the then shadow transport secretary, Louise Haigh, said the party's plan "could create and save up to 1,300 vital bus routes and allow 250mn more passenger journeys per year".²⁵

Since bus services were deregulated by the [Transport Act 1985](#) (the 1985 act), the majority outside London have been run primarily commercially.²⁶ Operators decide where to run and what to charge. As set out in the previous government's bus strategy, published in 2021, this has led to unevenness in the distribution of buses, with more profitable routes having significantly more services. Routes covering less populated areas have been subsidised by public money; in recent years this funding has decreased substantially, leading to reductions in these services.²⁷

Buses in London are franchised. Under this model the relevant public organisation

²² Labour Party, '[Getting Britain moving: Labour's plan to fix the railways](#)', May 2024, p 20.

²³ Labour Party, '[Labour Party manifesto 2024](#)', June 2024, p 34.

²⁴ As above.

²⁵ Labour Party, '[Labour promises to allow every community to take back control of local bus services](#)', 10 April 2024.

²⁶ Department for Transport, '[Bus back better: National bus strategy for England](#)', 15 March 2021, p 19.

²⁷ As above, p 21.



determines the network of services, which are then provided by private sector operators.²⁸ This can be under contracts for specific routes, for different areas of a specific network, or for a whole network.

The [Bus Services Act 2017](#) (the 2017 act) allowed local authorities outside London to adopt a franchising model. Franchising powers are only automatically available to mayoral combined authorities, but they can be given to other local transport authorities through secondary legislation. Greater Manchester is the first mayoral combined authority to establish franchising under these powers.²⁹ The 2017 act also banned the creation of municipal council-operated bus services.

The Labour Party has argued that current processes for local authorities to set up bus franchising are too slow, stating that “Greater Manchester endured a six-year slog due to unnecessary barriers imposed by central government”.³⁰ It said that under its plans franchising would be done “in as little as two years”. It also said it would remove the ban on councils owning and operating bus companies.

The 2017 act also allows local authorities to enter into ‘Enhanced partnerships’ with operators as an alternative to franchising.³¹ This allows local authorities to make certain specifications, such as for timetables and multi-operator ticketing, but private operators have a greater role in designing services than in a franchising model. The previous government’s bus strategy stated that all local transport authorities that had not already started the process of franchising their bus services should have established enhanced partnerships by the end of June 2021.

Transport policy is largely devolved. The [Transport \(Scotland\) Act 2019](#) of the Scottish Parliament removed the ban on local transport authorities in Scotland running local bus services.³² It also introduced measures allowing for franchising and new partnership options.

²⁸ Department for Transport, ‘[Bus back better: National bus strategy for England](#)’, 15 March 2021, p 10.

²⁹ As above, pp 38 and 45; and Centre for Cities, ‘[Where are we with bus franchising?](#)’, 14 March 2024.

³⁰ Labour Party, ‘[Labour promises to allow every community to take back control of local bus services](#)’, 10 April 2024.

³¹ Department for Transport, ‘[Bus back better: National bus strategy for England](#)’, 15 March 2021, p 10.

³² Transport Scotland, ‘[Transport \(Scotland\) Act 2019 and bus services](#)’, accessed 8 July 2024.



A 2022 Welsh government white paper on bus reform proposed removing the 1985 act prohibition on council-owned bus operators and implementing a franchising model.³³ It did not propose a partnership option, stating that a such a system would not allow the government to fulfil its ambition of creating a joined-up travel system between buses and rail.

3. Other measures

The Labour Party also made other transport commitments in its manifesto. These included:³⁴

- maintaining and renewing the road network
- fixing “an additional 1mn potholes” in England in each year of the next parliament, funded by deferring the A27 bypass
- addressing the high cost of car insurance
- accelerating the roll out of charging points for electric cars
- banning the sale of new cars with internal combustion engines by 2030
- standardising the information supplied on the condition of batteries
- giving mayors powers to create “unified and integrated transport systems” and to promote active travel networks
- developing a long-term strategy for transport
- promoting sustainable aviation fuels and encouraging airspace modernisation

For more information on policies on electric vehicles, please see the Lords Library’s briefing for the King’s Speech debate on [energy security, net zero, environment and agriculture](#).

³³ Welsh Government, ‘[One network, one timetable, one ticket: Planning buses as a public service for Wales](#)’, 31 March 2022, pp 20 and 33.

³⁴ Labour Party, ‘[Labour Party manifesto 2024](#)’, June 2024, pp 33–4.

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