Item:
24

HITRANS
THE HIGHLANDS AND ISLANDS TRANSPORT PARTNERSHIP

Report to Partnership Meeting 6 November 2026

OFFICE OF ROAD AND ROAD – RETAIL CODE OF PRACTICE CONSULTATION

PURPOSE OF REPORT

This report advises Members of the Office of Rail and Road (ORR) consultation on a proposed Retail Code of Practice for Great British Railways (GBR), considers potential implications for passengers travelling to and from the Highlands and Islands, particularly on long-distance and cross-border journeys, and highlights the relationship with the concurrent House of Commons Transport Committee inquiry into public transport fares, pricing and ticketing. The report seeks agreement to submit the proposed HITRANS response to the ORR consultation by delegation and to reflect the some of the key principles in evidence to the Transport Committee inquiry response also on this meeting agenda.

BACKGROUND

ORR published its consultation on the draft Retail Code of Practice on 9 October 2026, with responses required by 11 December 2026. The final Code and ORR decision document are expected in spring 2027. The consultation arises from the establishment of GBR and its proposed position within the future rail retail market.

GBR will operate passenger services currently falling under UK Government responsibility, set fares for services it operates, retail tickets directly, and take responsibility for market-wide retail functions. These include functions associated with common industry IT systems, data processing, commission arrangements, technical standards and licensing of independent retailers.

Importantly, GBR will also launch its own online ticketing website and app, replacing the websites and apps currently operated by the 14 Department for Transport-contracted train operators. Independent retailers, devolved operators and open-access operators will continue to participate in rail retailing. This creates an unusual position in which GBR will participate directly in the online retail market while also exercising functions upon which other retailers depend.

ORR identifies potential risks including conflicts of interest, self-preferencing, discriminatory access to products, systems or data, inappropriate use of commercially sensitive information and insufficient transparency or accountability around market-wide decisions. The proposed Code would therefore require GBR to provide fair and non-discriminatory access to rail products, systems, data and related services and to make market-wide retail decisions fairly, objectively and transparently.

The proposed Code does not prescribe a specific shared technical or API architecture between GBR and devolved operators. However, its emphasis on fair access to products, systems and data makes the effective interoperability of the future retail arrangements an important passenger consideration.

Scottish and cross-border context

Rail reform does not remove the existing Scottish devolution settlement. Scottish Ministers will retain responsibility for securing ScotRail and Caledonian Sleeper passenger services.
This creates an important consideration for HITRANS.

A passenger travelling within Scotland may principally use devolved services. However, many longer-distance journeys originating in the Highlands and Islands will continue beyond Scotland using services falling within the future GBR arrangements.
From the passenger's perspective this is not necessarily a series of separate institutional systems. It is one journey. A passenger travelling from the Highlands via Edinburgh or Glasgow and onwards to a destination elsewhere in Great Britain should therefore reasonably expect to be able to identify, compare and purchase an appropriate through journey and fare regardless of where institutional responsibility for individual services sits. The establishment of new institutional arrangements within the railway should not create additional barriers for passengers at the point of planning, pricing or purchasing their journey.

WIDER FARES AND TICKETING CONTEXT

The ORR consultation is taking place alongside the House of Commons Transport Committee inquiry, Fare play? Government's role in ticketing and pricing. The inquiry is considering government intervention in public transport fares, the outcomes that government should seek through fares strategies and what further benefits might be pursued through fares and ticketing policy. The deadline for evidence is 13 November 2026. The Committee has also explicitly placed its inquiry in the context of increasing transport devolution and the transition to GBR, including consideration of who should have responsibility for setting fares.

The two processes consequently address related but distinct questions:

- the ORR Retail Code considers how the future online rail retail market should operate, including competition, access to products, systems and data, and the relationship between GBR and other retailers; and
- the Transport Committee inquiry considers what fares, pricing and ticketing policy should seek to achieve, including affordability, passenger behaviour and the appropriate role of government.

For HITRANS these issues come together around the needs of passengers making long-distance journeys across geographical and institutional boundaries.

HITRANS INTEREST

The proposed Code is principally concerned with the functioning of the online retail market and the relationship between GBR and other retailers. HITRANS' interest should, however, be expressed primarily in terms of passenger outcomes rather than the commercial interests of individual retailers. The consultation recognises the risks created by GBR's combined roles and identifies fair and non-discriminatory access to fares, products, systems, data and related services as an important safeguard.

For the Highlands and Islands this is particularly important because many rail journeys are relatively long, may involve more than one service or operator, and may cross between devolved and wider Great Britain rail arrangements. The passenger should not need to understand the institutional architecture of the railway in order to obtain the most appropriate available option for their journey.

HITRANS therefore has an interest in ensuring that passengers continue to benefit from:

- effective comparison of available journey and ticketing options;
- transparent access to fares across different operators;
- seamless retailing of journeys involving devolved and GBR services;
- effective interoperability of the products, information and retail systems necessary to support through journeys;
- continued innovation by GBR and independent retailers; and

- appropriate regulatory monitoring of passenger outcomes, including those experienced on long-distance, rural and cross-border journeys.

The concern is not that introduction of the GBR website and app will itself increase fares. There is no basis in the consultation for such a conclusion.
Rather, the issue for HITRANS is whether the new structure continues to create the conditions in which passengers can identify, compare and purchase appropriate fares and journeys, and whether sufficient choice and competitive pressure remain to encourage innovation in rail retailing. The distinction between the level at which fares are set and the mechanisms through which passengers discover and purchase those fares is important. Both ultimately influence the passenger experience, but they are addressed through different elements of the current policy and regulatory framework.

PROPOSED KEY MESSAGES

It is proposed that HITRANS broadly welcomes the proposed Code and its provisions on fair access, non-discrimination, transparency and management of conflicts of interest.

The HITRANS response should nevertheless encourage greater emphasis on:

Passenger outcomes: The effectiveness of the Code should ultimately be assessed against what the retail market delivers for passengers, rather than solely whether different retailers have formally equivalent access.

Cross-boundary journeys: Particular consideration should be given to journeys which move between devolved Scottish services and services within the wider GBR arrangements. Institutional boundaries should not become passenger barriers.

Long-distance fare discovery: Passengers should retain effective mechanisms for identifying and comparing available fares and purchasing appropriate through journeys.

Interoperability: Fair access to fares, products, systems and data should translate into practical arrangements that support seamless journey planning and ticket purchasing across devolved and GBR services.

Regional impacts: A retail system which works effectively for relatively short or straightforward journeys should not automatically be assumed to produce equivalent outcomes for passengers undertaking longer and more complex journeys from rural and peripheral areas.

Monitoring: ORR should incorporate passenger, geographical and cross-boundary outcomes within its monitoring of the Code alongside monitoring formal compliance by GBR.

Wider fares policy: HITRANS should make the complementary case through the Transport Committee inquiry that fares and ticketing policy should recognise passengers making journeys across devolved and reserved rail responsibilities and should support affordability, transparency, simplicity and connectivity.

CONCLUSION

The establishment of the GBR retail proposition has the potential to deliver considerable benefits through greater simplicity and consistency for rail passengers. The proposed ORR Retail Code provides important safeguards intended to maintain a fair and open online retail market alongside this greater integration.

However, the particular geography of the Highlands and Islands means that many passengers undertaking longer-distance journeys will need to move seamlessly between services operating under different institutional arrangements while experiencing these as a single journey.
The concurrent consideration of retail competition by ORR and fares, pricing and ticketing by the Transport Committee therefore provides HITRANS with an opportunity to make a consistent passenger-focused case that integration and simplification should make the railway easier to use without diminishing passenger choice, transparency, interoperability, innovation or effective fare discovery for people making long-distance and cross-border journeys.

RISK REGISTER

RTS Delivery

Impact - Positive

Comment – The submission reinforces RTS priorities on inclusive, accessible and sustainable transport and strengthens HITRANS' advocacy role.

Policy

Impact – Positive

Comment – The response supports national policy development and ensures rural and island perspectives are represented in the development of the new rail retail code.

Financial

Impact – Neutral

Comment – No direct financial impact but recommendations emphasise the need for wider railway fare retail code and practice for citizens.

Equality

Impact – Neutral

Comment – The submission highlights intersectional disadvantage and advocates for targeted support for long distance rail travel within the UK.

RECOMMENDATIONS

Member are asked to:

1. Note the ORR's call for evidence and the proposed changes to the rail retail market associated with the establishment of GBR;
2. Note the potential implications for passengers making long-distance and cross-border journeys from the Highlands and Islands;
3. Agree that HITRANS should support the principle of a fair, open and competitive retail market while seeking stronger recognition of passenger outcomes and the interaction between devolved and GBR services; and
4. Delegate authority to the Chair and Partnership Director to finalise and submit the response on behalf of HITRANS.

Report by: Ranald Robertson
Designation: Partnership Director
Date: 22nd October 2026

ANNEX

ORR Consultation Submission from the Highlands and Islands Transport Partnership (HITRANS)

1. About HITRANS

HITRANS is the statutory Regional Transport Partnership covering Eilean Siar, Orkney, Highland, Moray and most of Argyll and Bute. Its Regional Transport Strategy provides the strategic framework for transport across the region, with a vision centred on connectivity which enables sustainable economic growth and allows communities to participate in economic and social activities. The current Regional Transport Strategy places emphasis on reducing inequalities, climate action, inclusive economic growth and improving health and wellbeing.

In rural, remote and island communities, the affordability of transport cannot be considered separately from its availability, connectivity or accessibility. Public transport provides connections to employment, education, healthcare, public services, family and wider economic and social opportunities.

HITRANS support

HITRANS broadly supports the proposed approach and particularly welcomes the emphasis on fair and open market conditions, transparent decision-making, management of conflicts of interest, fair and non-discriminatory access to products, systems and data, and appropriate regulatory oversight.

Our principal interest is ensuring that these arrangements ultimately deliver good outcomes for passengers throughout Great Britain, including those making long-distance and cross-border journeys to and from the Highlands and Islands.

Passenger outcomes should be central to the Code

HITRANS recognises why much of the proposed Code is expressed in terms of the relationship between GBR and other retailers.

GBR will occupy an unusual position. It will sell tickets directly while also exercising market-wide retail functions upon which other retailers depend. ORR consequently identifies potential risks including conflicts of interest, self-preferencing, discriminatory access to products, systems or data, and information advantages. The proposed safeguards against these risks are welcome.

However, HITRANS considers that maintaining a fair and open retail market should ultimately be understood as a means of achieving a wider objective namely good outcomes for passengers.

The test of the future retail framework should therefore not simply be whether retailers can demonstrate formally equivalent access to systems and products, but whether passengers continue to experience meaningful choice, innovation, transparency and effective access to available journeys and fares.

The interface between devolved and GBR services requires particular attention

The Scottish rail context is important. Scottish Ministers will continue to exercise devolved responsibilities for Scottish rail services, while the wider rail reforms establish GBR and its new retail functions. Independent retailers and devolved operators are expected to continue participating in the retail market alongside GBR. For Highlands and Islands passengers, the boundary between these arrangements can occur within a single journey.

A passenger may begin their journey on a devolved Scottish service before connecting with another service for onward travel elsewhere in Great Britain.

From the passenger's perspective, this should remain one coherent journey rather than becoming more complex because responsibility for different parts of the railway sits within different governance arrangements.

HITRANS therefore believes that the effectiveness of the Retail Code should explicitly encompass the passenger experience of journeys crossing between devolved Scottish and GBR services. In particular, the arrangements governing access to products, systems and data should support effective interoperability and the continued ability to plan, compare and purchase through journeys.

Long-distance journeys and effective fare discovery
GBR will operate its own website and app, replacing those currently operated by the 14 Department for Transport-contracted train operators, while third-party retailers will continue to participate in the rail retail market. HITRANS recognises the potential passenger benefits of a simpler and more coherent retail proposition.

At the same time, maintaining an open retail market provides scope for continued competition and innovation in how journeys, fares and ticketing options are presented to passengers. This may be particularly important for long-distance journeys to and from the Highlands and Islands, where journeys can span different services and governance arrangements.

HITRANS therefore suggests that ORR considers effective fare discovery and comparison from the passenger's perspective as an important outcome when overseeing the new retail market.

The question should not simply be whether another retailer technically has access to a particular fare or product. Oversight should also consider whether the overall arrangements support passengers in identifying, comparing and purchasing appropriate available fares and journeys across the network.

HITRANS does not suggest that creation of the GBR retail proposition will itself increase fare levels. Rather, our interest is in ensuring the conditions continue to exist for effective passenger choice, fare comparison and retail innovation.

Equal market access should translate into practical interoperability
HITRANS strongly supports the proposed requirement that GBR provides fair and non-discriminatory access to rail products, systems, data and related services. [

For passengers, however, the practical outcome of this principle is important.

HITRANS therefore recommends that monitoring considers whether the future retail environment continues to support:

- meaningful passenger choice between retail channels;
- effective comparison and discovery of available fares;
- seamless through retailing across devolved and GBR services;
- practical interoperability supporting through journeys;
- continued innovation in journey and ticket presentation; and
- equivalent availability of relevant fares and products across retail channels.

This would complement rather than replace the proposed monitoring of GBR's formal compliance with the Code.

The regional dimension
HITRANS would additionally encourage ORR to consider the geographical dimension within its future monitoring.

The retail requirements and experience of passengers making relatively straightforward journeys may differ from those of passengers travelling several hundred miles from rural or peripheral areas and potentially using more than one service or operator.

HITRANS therefore suggests that monitoring should be capable of identifying whether implementation of the Code produces materially different passenger experiences or outcomes for long-distance and cross-boundary journeys.

This is particularly relevant to communities where rail provides important connections to employment, education, business and wider economic opportunities.

Relationship with wider fares and ticketing policy

HITRANS notes that development of the Retail Code coincides with the House of Commons Transport Committee's Fare play? Government's role in ticketing and pricing inquiry. That inquiry is examining government interventions in fares, pricing and ticketing, the outcomes they should seek to achieve and the potential wider benefits that fares policy can deliver. HITRANS considers these questions complementary.

The Retail Code principally addresses the conditions within which tickets are retailed, whereas the wider fares debate considers questions including what fares policy is intended to achieve and where responsibilities should sit.For passengers these issues ultimately come together when they plan and purchase a journey. As greater integration through GBR develops alongside continuing devolved responsibilities, HITRANS believes particular attention should therefore be given to ensuring that institutional boundaries do not become passenger-facing boundaries in fares, journey planning or ticketing.

Conclusions

HITRANS supports the broad approach proposed by ORR. The creation of the GBR retail proposition represents an opportunity to make rail ticketing simpler and more coherent. At the same time, GBR's combination of substantial retail activity and market-wide functions means that the safeguards proposed by ORR are important.

HITRANS considers that the implementation and monitoring of the Code could be strengthened further by making its passenger outcomes more explicit.
In particular, we recommend that ORR:

1. explicitly recognises effective passenger choice, fare discovery and retail innovation as important outcomes of a fair and open retail market;
2. gives particular consideration to journeys crossing between devolved Scottish and GBR services;
3. ensures that access to products, systems and data supports interoperability and seamless through journeys across those boundaries;
4. monitors practical passenger outcomes alongside formal equivalence of market access;
5. considers whether implementation produces different outcomes for long-distance, rural and peripheral journeys; and
6. takes account of how the Retail Code interacts with the wider development of fares and ticketing policy as rail reform is implemented.

The underlying passenger test should be straightforward. A passenger beginning a journey in the Highlands and Islands should retain the ability to identify, compare and purchase the most appropriate available journey and fare across Great Britain, irrespective of the institutional boundary between devolved Scottish rail services and the wider GBR railway.

That, in HITRANS' view, would provide a meaningful measure of a fair, open and effective rail retail market.