

Title: Rail Passenger Rights and Obligations Regulations 2010 Lead department or agency: Department for Transport Other departments or agencies:	Impact Assessment (IA)
	IA No: DFT00001
	Date: 14/05/2010
	Stage: Final
	Source of intervention: EU
	Type of measure: Secondary legislation
	Contact for enquiries: David Hibbs

Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

The European Regulation No 1371/2007 is a mandatory regulation aimed at enhancing the rights of passengers on rail services. 1371/2007 became law in December 2009 though many elements currently only apply to international services due to Statutory Instrument 2970/2009 which excluded UK mainland domestic services from many elements for up to five years. To comply with the regulation one requirement on the UK is to designate an enforcement body and complaint handlers to which passengers can complain if they believe that there has been a failure to comply with the Regulation. Another is to ensure the effective implementation of the Regulation. The SI considered in this Impact Assessment does not bring any extra requirements on industry, it provides a enforcement mechanism for existing duties.

What are the policy objectives and the intended effects?

The overall policy is aimed at enhancing and strengthening the rights of rail passengers in the areas of information provision, compensation and assistance, and rights for people with reduced mobility (PRM) and enforcement of those rights.

This particular Statutory Instrument will designate bodies to deal with complaints regarding alleged failures to comply with the Regulation. It will also remove the potential for double regulation or confusion between the Regulation and pre-existing domestic legislation, and make provisions regarding enforcement.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

The Regulation became law in December 2009 and places a legal requirement on the UK to identify the enforcement body and complaints bodies and to give them proper powers to enforce it, and so there is no legal alternative to designation of appropriate bodies and granting on them of effective powers. The preferred option, as consulted on in 2009, is to designate existing bodies to take on the enforcement and complaints handling duties, and to use existing civil enforcement systems. This option minimises the costs of compliance by making use of existing organisations which already have systems which require relatively small changes to enable them to undertake their new duties.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved? It will be reviewed 11/2014

Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review? Yes

SELECT SIGNATORY Sign-off For final proposal stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs.

Signed by the responsible Minister: Theresa Villiers

Date: 26th May 2010

Summary: Analysis and Evidence Policy Option 1

Description:

Price Base Year NA	PV Base Year NA	Time Period Years NA	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: NA
COSTS (£m)	Total Transition (Constant Price) Year		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)	
Low	Optional	NA	Optional	Optional	
High	Optional		Optional	Optional	
Best Estimate	NA		NA	NA	
Description and scale of key monetised costs by 'main affected groups' n/a					
Other key non-monetised costs by 'main affected groups' Minimal impact expected on the costs of the Office of Rail Regulation and the complaints handling bodies through an increase in administrative processes.					
BENEFITS (£m)	Total Transition (Constant Price) Year		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)	
Low	Optional	NA	Optional	Optional	
High	Optional		Optional	Optional	
Best Estimate	NA		NA	NA	
Description and scale of key monetised benefits by 'main affected groups' n/a					
Other key non-monetised benefits by 'main affected groups' Clarity over enforcement/complaints bodies and the removal of potential confusion regarding double regulation/conflict between older legislation and the Regulation itself.					
Key assumptions/sensitivities/risks				Discount rate (%)	NA
This impact assessment only covers the issues arising from the establishment of an enforcement regime, complaints handling bodies and removal of potential overlap with existing UK legislation.					
Impact on admin burden (AB) (£m): New AB: NA AB savings: NA Net: NA			Impact on policy cost savings (£m): Policy cost savings: NA		In scope No

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?			Great Britain		
From what date will the policy be implemented?			08/06/2010		
Which organisation(s) will enforce the policy?			ORR (primarily)		
What is the annual change in enforcement cost (£m)?			None		
Does enforcement comply with Hampton principles?			Yes		
Does implementation go beyond minimum EU requirements?			No		
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A	Non-traded: N/A	
Does the proposal have an impact on competition?			No		
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?			Costs: N/A	Benefits: N/A	
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro NA	< 20 NA	Small NA	Medium NA	Large NA
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance	Yes	5
Economic impacts		
Competition Competition Assessment Impact Test guidance	No	NA
Small firms Small Firms Impact Test guidance	No	NA
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	NA
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	NA
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	No	NA
Human rights Human Rights Impact Test guidance	No	NA
Justice system Justice Impact Test guidance	No	NA
Rural proofing Rural Proofing Impact Test guidance	No	NA
Sustainable development Sustainable Development Impact Test guidance	No	NA

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

¹ Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Enactment).

No. Legislation or publication

1 Consultation on the Passenger Rights and Obligations Regulation Implementation 11th August 2009.
<http://www.dft.gov.uk/consultations/closed/passengerrights/>

2

3

4

+ Add another row

Evidence Base

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the preferred policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs										
Annual recurring cost										
Total annual costs										
Transition benefits										
Annual recurring benefits										
Total annual benefits										

* For non-monetised benefits please see summary pages and main evidence base section

Evidence Base (for summary sheets)

The Regulation 1371/2007 (“the Regulation”) concerning the rights and obligations of rail passengers came into force in December 2009. Some elements of the Regulation are deemed to be non mandatory and a Statutory Instrument (2970/2009) exempted domestic rail services in the UK (excluding Northern Ireland) from these elements for a period of up to five years. Non mandatory elements have applied on international services and mandatory elements have applied to all services since December 2009.

The Regulation contains a requirement to designate an enforcement body to ensure compliance and this impact assessment specifically focuses in on the impact of the Statutory Instrument xxxx/2010 which designates the Office of Rail Regulation as the enforcement body for most elements of the Regulation. The Statutory Instrument also designates Passenger Focus and London Travel Watch as bodies to which complaints about alleged non compliances could be addressed and also deals with a number of potential conflicts between the Regulation and pre-existing legislation.

The Regulation also requires the UK to take measures to ensure that its enforcement is effective. This will be through existing systems. For most of the requirements of the Regulation, conditions will be imposed on rail licences. The requirements concerning personal security of passengers, the Railways Act 1993 and the Railways and Transport Safety Act 2003 already give powers to the Secretary of State to instruct railway operators in respect of personal security. In practice, operators having in place a Police Services Agreement with the British Transport Police are expected to have met the requirements of the Regulation and the ORR will not be involved with enforcement in this area.

The main impacts of the Regulation occurred when it came into force in December 2009 or will occur if and when the current exemption of UK (mainland) domestic services is removed. The cost of this Statutory Instrument is expected to be minimal due to additional administrative costs as suggested through responses to the consultation. The enforcement and complaints bodies already have systems in place and do not expect a significant increase in workload (at least whilst there is an exemption for domestic services). The cost of compliance with the Regulation by railway operators is not covered as part of this Impact Assessment, since compliance is imposed by the Regulation, not the SI.

Statutory Instrument xxxx/2010 is about enforcement of existing rights, complaints handling and clarification of the relationship with existing legislation. Some of the protected rights are related to people with reduced mobility (including people with disabilities). This Statutory Instrument will make it easier to complain and seek enforcement of these rights although the Statutory Instrument itself does not introduce any extra rights.

There are no specific implications with respect of race equality or gender equality.

A preliminary Impact Assessment for the total impact of the fully implemented Regulation was published with the consultation on the implementation of the Regulation in 2009. Further work is taking place on the overall impact and will be published when a decision is made on the continuation or otherwise of the current exemption arrangements for UK domestic services.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added to provide further information about non-monetary costs and benefits from Specific Impact Tests, if relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

Basis of the review: [The basis of the review could be statutory (forming part of the legislation), it could be to review existing policy or there could be a political commitment to review];

Best practice to ensure that the operation has been as expected and to seek opportunities for improvement.

Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?]

To ensure that the operation has been as expected and to seek opportunities for improvement.

Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]

Simple examination of experience to date including feed-back from stakeholders.

Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured]

The baseline is that there is currently no enforcement regime to support the Passenger Rights and Obligations Regulation.

Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives]

Success will be that passengers wishing to complain have access to a system that effectively deals with their complaints without undue burden on complainants, the enforcing agencies or those being regulated.

Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection of monitoring information for future policy review]

Passenger Focus and London TravelWatch already monitor their complaints handling activities and the ORR already monitors its enforcement activity and this is expected to continue.

Reasons for not planning a PIR: [If there is no plan to do a PIR please provide reasons here]

Add annexes here.