



Department for Transport

John Larkinson
CEO, Office of Rail and Road
25 Cabot Square
Canary Wharf Estate
London
E14 4QZ

From the Secretary of State
Rt Hon Heidi Alexander MP

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: [REDACTED]
E-Mail: [REDACTED]

Web site: www.gov.uk/dft

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Dear John,

In the Railways Bill and the associated consultation response published on 5 November 2025, government set out its intention that Great British Railways (GBR) will sell tickets at stations, onboard trains, and online through a new website and app, and also perform the retail industry management functions that the Rail Delivery Group (RDG) performs today, including managing cross industry retail systems and licensing third party retailers.

In order to manage any conflicts of interest in GBR operating as both a retailer and managing industry retail functions, the consultation response committed to a range of safeguards, secured through the introduction of a Code of Practice (the Code). Retail industry management functions and other relevant GBR activity will be governed by the Code, which will be owned and managed by the ORR, with the ORR responsible for enforcing any breaches through GBR's licence. Third parties will be able to challenge any GBR decisions or actions they consider to be noncompliant with the Code by raising them directly with the ORR who will be required to investigate. If the ORR considers that GBR has not complied, it will be able to demand corrective action by issuing binding orders on GBR.

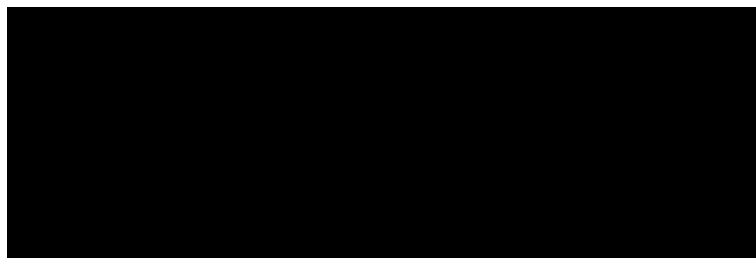
Developing the Code is a key priority to provide clarity for all market participants about the future structure. I therefore request that, in accordance with section 51 of the Railways Act 2005, the ORR prepare a retail Code of Practice on my behalf, following engagement with interested stakeholders including retailers and the Competition and Markets Authority, that sets out how GBR will carry out its ticket retailing and retail industry management functions in a way that secures a fair and open retail market while reflecting the intent set out in the consultation response for GBR retail to form an integrated part of GBR's wider operational business.

Initial development of the Code, and any future changes to it (following a process run by the ORR) will require Transport Secretary approval, reflecting the government's enduring role in delivering a rail sector that is competitive and delivers value for money for taxpayers and passengers alike. I expect the ORR to develop a draft Code for my consideration that meets these objectives, engaging with relevant stakeholders across the sector as it is developed. I will review the draft Code, providing any necessary input, before ORR leads a public consultation. Once consultation is complete, ORR will then recommend a final version for my approval, fully considering the responses to the consultation.

To provide Parliament with further details on the development of the Code, I request that the ORR work on the basis of launching the public consultation on the Code before the Bill leaves the House of Lords later this year. I understand that working groups with key industry stakeholders have been scheduled this month to formally begin engagement on a draft Code ahead of consultation.

I have asked my officials to work closely with the ORR to support the development of the Code over the coming months, given the need to ensure successful delivery of the Government's policy objectives and align with the Department's responsibilities to Parliament. I ask that you provide regular monthly updates to my Director of Passenger Policy and Projects, and that they are sighted at key points during the development of the Code to ensure alignment with the government's stated objectives.

Yours sincerely,



Rt Hon Heidi Alexander MP

SECRETARY OF STATE FOR TRANSPORT