

RAILWAYS AND TRANSPORT SAFETY ACT 2003

EXPLANATORY NOTES

SUMMARY OF THE REGULATORY APPRAISAL

Rail Accident Investigation Branch

229. Assessment has indicated that the likely safety benefits from the Rail Accident Investigation Branch can be expected to cover the expected costs. RAIB will have an estimated base case cost over the period 2003-2012 of £17m. This will be borne by the existing budget of the Department for Transport, in the same manner as is done with the Air and Marine Accident Investigation Branches (AAIB & MAIB). A 2¹/₂% reduction in numbers of accidents over 2003-2012 would yield a £22m benefit in the base case.

Office of Rail Regulation

230. The Better Regulation Task Force report 'Economic Regulators' (July 2001) favoured regulatory boards on the lines of a public limited company with a combination of executive and non-executive members. This was seen as providing a wide range of expertise, greater continuity and more transparent accountability. These benefits have been widely accepted and rail is the only remaining utility regulator that is not a board or in the process of being made into a board.
231. There will be additional costs for the appointment of additional non-executive members to a Regulatory Board of the Office of Rail Regulation. This would be recovered at least in part from the regulated industry, to some extent offset indirectly by increases in public subsidy. The extra costs would probably be less than £200k, which is less than a 1.5% increase in the costs of the regulator, and compares with annual income of about £3.9 billion for Network Rail alone.

British Transport Police

232. The additional administrative cost of a police authority of 13 members over the cost of the current Committee of 9 is estimated at £50,000 per annum in the context of a BTP's total annual budget of £136 million, and will be funded by the industry. In view of the negligible impact of these measures, no regulatory impact assessment is required or appropriate.

Shipping and aviation: Alcohol and drugs

233. There is a clear but unquantifiable risk to passengers, crew and the general public from aviation and shipping incidents caused by the inappropriate operation, control or maintenance of vessels or aircraft by persons under the influence of drink or drugs. The introduction of alcohol limits in the marine and aviation sectors will help to reduce this risk by deterring personnel from being impaired through alcohol or drugs whilst on duty and hence act to improve safety to the benefit of users and travelling passengers alike. The alcohol limit will ensure that crews and other persons carrying out specified

safety-critical aviation and maritime functions retain the necessary mental and physical skills to manoeuvre vessels and aircraft, in a safe and controlled manner. This will mean savings in terms of pollution prevention (clear-up costs, effects on wildlife etc.); saving damage to or loss of vessels or aircraft; and preventing injury or even loss of life. If it should lead to material reductions in accident numbers, then insurance premiums may possibly decrease in real terms (i.e. no or a small increase versus an increase in inflation).

234. While the introduction of an alcohol limit and alcohol/drugs testing should not have any direct financial implications for the marine and aviation industries, it is possible that delays may occur if crews are made to wait to be tested. Such delays will however be kept to a minimum by the use of screening equipment to analyse initial breath samples at the scene. In addition, testing will only be carried out where an officer has reasonable suspicion that one of the offences under the new legislation has been, or is being, committed. Testing and enforcing an alcohol limit on marine and aviation personnel will place an increased burden on police resources, but this is expected to be largely offset by use of existing resources. In the aviation sector, there will be a small additional implementation cost involved in the necessary modification of existing police screening equipment to indicate a “fail” at the lower aviation limit. The number of prosecutions resulting from the new legislation is expected to be small, but will involve additional policy costs to the courts. These are also expected to be small and to an extent offset by fines.

International Carriage by Rail

235. The new COTIF text provides an updated and expanded set of uniform rules for international rail passenger and freight carriage. In general the changes will have limited impact on the UK rail industry as they broadly bring the Convention provisions into line with existing UK practice. In particular, the new uniform rules on technical acceptance and standards for railway equipment will not impose any new burdens on operators in EC Member States, as the new COTIF includes provisions to ensure that the EC law on these matters prevails. However, the new COTIF text does increase the minimum levels of compensation for certain incidents throughout all signatory states. This will be of benefit to UK citizens making international rail journeys.

Greater London Authority

236. The amendments to the Greater London Authority Act 1999 are designed solely to achieve Parliament’s original intentions as regards the Act, correcting some unforeseen consequences of how the Act and the London Underground Public Private Partnership (PPP) contracts would operate together. The planned amendments would ensure that Tube assets return to the public sector in the highly unlikely event of a PPP company defaulting on a contract before London Underground transfers to Transport for London. They would also ensure that the GLA Act does not restrict certain provisions included in the PPP contracts or a guarantee given to providers of finance by London Regional Transport. The amendments will permit the PPP contracts and the guarantee to operate as intended. There would be no other effect on businesses, charities or the voluntary sector.

Hansard references

237. The following table sets out the dates and Hansard references for each

<i>Stage of Bill</i>	<i>Date</i>	<i>Hansard Reference</i>
House of Commons		
Introduction	14 January 2003	Vol. 397, Col 552
2 nd Reading	28 January 2003	Vol. 398, Cols 763-830

*These notes refer to the Railways and Transport Safety Act
2003 (c.20) which received Royal Assent on 10 July 2003*

<i>Stage of Bill</i>	<i>Date</i>	<i>Hansard Reference</i>
Committee Stage	4, 6, 11, 13, 25 & 27 February; 4, 6 & 11 March 2003	Hansard Standing Committee D
Report Stage	31 March 2003	Vol. 402, Cols 669-757
3 rd Reading	31 March 2003	Vol. 402, Cols 757-764
Consideration of Lords Amendments	8 th July 2003	Vol. 408, Cols 1103-1115
House of Lords		
Introduction	1 st April 2003	Vol. 646, Col 1247
2 nd Reading	1 st May 2003	Vol. 647, Cols 799-831
Committee Stage	19 May 2003	Vol. 648, Cols GC1-GC 54
	5 th June 2003	Vol. 648, Cols GC249-308
Report Stage	19 th June 2003	Vol. 649, Cols 973-1014
3 rd Reading	3 rd July 2003	Vol. 650, Cols 1033-1045
Consideration of Commons Amendments	10 th July 2003	Vol. 651, Cols 429-433
Royal Assent		
Royal Assent	10 th July 2003	House of Lords Hansard Vol 651 Col 470
		House of Commons Hansard Vol 408 Col 1429