

## ANNEX A

**From:** [REDACTED]

**Sent:** 04 November 2021 16:51

**To:** [REDACTED] [REDACTED]

**Cc:** [REDACTED]

**Subject:** RE: [EXTERNAL] RE: ORR Market Study - Signalling - Meeting Notes

[REDACTED]

Please find below some meeting notes on the ORR Market Study on Signalling held yesterday, for onward briefing.

Please let me know if you have any comments or would like me to share wider with the team.

Thanks,

[REDACTED]

<b>Subject:</b>	ORR Market Study on Signalling	
<b>Date:</b>	3 <sup>rd</sup> of November 2021	
<b>Time:</b>	10:00	
<b>Attendees:</b>	[REDACTED]	
	[REDACTED]	
	[REDACTED]	
	[REDACTED]	
	[REDACTED]	
<b>Reference</b>	<b>Notes</b>	
1	The ORR provided an update to TS attendees on their recommendations on the supply of signalling services and equipment to [REDACTED] as part of the ORR Signalling Market Study (Scoped November 2020)	
2	The Market Study started on 12/11/20 and was borne out concerns arising from the previously proposed [REDACTED] and [REDACTED] merger (Which in the end did not take place).	
3	[REDACTED] annual signalling expenditure is in the region of [REDACTED] <b>Section 33(1)(b)</b> per annum representing over [REDACTED] <b>Section 33(1)(b)</b> of its total cost base (Including maintenance, renewals and enhancements).	
4	The ORR have not decided to refer the industry to the Competition and Markets Authority (CMA). It considers that it is unlikely that the CMA would likely to use its more “heavy hitting” powers (Such as forced licencing of technologies) as a significant proportion of the issues in the market are “demand led”.	
5	The ORR are working to a timeline which has a statutory reporting date of 11/11/21. However, the hope to publish in advance of this on 9/11/21.	

6	The primary recommendations in respect of improving competitiveness in the Signalling market fall into five categories, which are: a) Increase regulatory oversight; b) A pro-competitive approach to procurement; c) Interfacing ( <i>with the installed base</i> ); d) Balancing ( <i>long term competition and short term costs &amp; risks</i> ); e) Funding.	
7	Of the above e) is the most likely to have the biggest impact on Transport Scotland.	
8	It was noted that there is a potential takeover of [REDACTED] in the offing, which could further reduce competition.	

[REDACTED]  
[REDACTED]

**From:**[REDACTED]  
**Sent:** 02 November 2021 08:30  
**To:**[REDACTED] [REDACTED] [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: [EXTERNAL] RE: ORR Market Study - Signalling

[REDACTED]

I have PPB tomorrow at 10 or I would have, [REDACTED] can you support [REDACTED] please as this will feed into decarb ultimately.

A few brief notes for sharing with the team would be very handy too, please.

Thanks  
[REDACTED]

**From:** [REDACTED]  
**Sent:** 01 November 2021 17:27  
**To:** [REDACTED] [REDACTED]  
**Subject:** FW: [EXTERNAL] RE: ORR Market Study - Signalling

Any of you wish to join me at the below?

[REDACTED]

[REDACTED]  
[REDACTED]

Transport Scotland, Buchanan House, 58 Port Dundas Road, Glasgow, G4 0HF

Transport Scotland, the national transport agency  
*Còmhdhail Alba, buidheann nàiseanta na còmhdhail*

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**From:** [REDACTED]  
**Sent:** 01 November 2021 12:35  
**To:** [REDACTED]  
**Subject:** RE: [EXTERNAL] RE: ORR Market Study - Signalling

Hi [REDACTED]

Thanks for your email. We'd be very keen to have a chat with you on Wednesday to offer you forward view of our remedies.

I'll send across an invitation very shortly. Look forward to catching up then.

Best wishes

[REDACTED]

**From:** [REDACTED]  
**Sent:** 30 October 2021 20:54  
**To:** [REDACTED]  
**Subject:** [EXTERNAL] RE: ORR Market Study - Signalling

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Hi [REDACTED]

I can do 10:00 on Wed 3<sup>rd</sup> November if you wish.

Regards,

[REDACTED]

[REDACTED]

[REDACTED]

Transport Scotland, Buchanan House, 58 Port Dundas Road, Glasgow, G4 0HF



Transport Scotland, the national transport agency  
*Còmhdhail Alba, buidheann nàiseanta na còmhdhail*

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**From:** [REDACTED]  
**Sent:** 29 October 2021 12:00  
**To:** [REDACTED]

**Subject:** ORR Market Study - Signalling

Dear [REDACTED]

I hope all is well. I understand my colleague my previously may have got in touch with you relating to ORR's competition market study on signalling systems.

We're shortly about to publish our final report which includes recommendations which have implications for railway funders. We would therefore be very keen to have a quick chat with Transport Scotland some time next week so we can offer you advanced notice of the contents of our report ahead of publication.

Do let me know if there is a convenient time next week, and I'll happily set up a briefing call.

Best wishes

[REDACTED]



[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

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## **ANNEX B**

### Section 33(1)(b)

An exemption under section 33(1)(b) of FOISA (substantial prejudice to confidentiality of commercial information) applies to some of the information you have requested.

This exemption applies because disclosure of this particular information would, or would be likely to, prejudice substantially the confidentiality of a third party's commercial information and thus cause substantial harm to its commercial interests.

Disclosing this information would be likely to give the third party's suppliers an advantage in future work tendering exercises and harm its commercial business. This exemption is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exemption. We have found that, on balance, the public interest lies in favour of upholding the exemption. We recognise that there is a public interest in disclosing information as part of open and transparent government, and to help account for the expenditure of public money. However, there is a greater public interest in protecting the commercial interests of companies which enter into Scottish Government contracts, to ensure that our suppliers are always able to obtain the best value for public money.