



RAIL
NORTH



Rail Franchising: focussing on the needs of the North

Hugh Chaplain

Franchising Lead, Rail North



Long-Term Rail Strategy

- Provides a long-term perspective on how rail can be developed to support economic growth;
- Defines conditional outputs setting out how rail should develop over the next 20 years;
- The business plan for Rail North, and provides a key steer on what the new Northern and Transpennine Express franchises should deliver;
- Development work started in August 2012.

Objectives of the Strategy

Overarching objective to strengthen economic growth in the North

Connectivity	Capacity	Coherence	Cost effectiveness
<ul style="list-style-type: none">• Targeted improvements to journey times• Improved frequencies• Faster end-to-end journeys	<ul style="list-style-type: none">• On train to tackle overcrowding• On track to meet additional demand for passenger and freight	<ul style="list-style-type: none">• A more coherent and user friendly network• Defined categories of train services• Simpler fares	<ul style="list-style-type: none">• Lower running costs for freight and passenger services• A more efficient network

Rail North Governance

The Association of Rail North Authorities:

- Partner Authorities appoint one elected member each.
- Association elects a Chair and Vice-Chair(s).

Rail North Limited:

- Partner Authorities become members of Rail North Limited.
- Each regional sub-group appoints one elected member to the Board of Rail North Limited.



Current Status / Next Steps

- Rail North Limited was incorporated in mid-September 2014.
- All 30 Partner Authorities have joined or are in the process of joining Rail North Limited.
- Period of transition until all Partner Authorities have joined both the Association and Rail North Limited; meetings of the full 30 Leaders act as the Shadow Leaders Committee, key matters are first referred to the Leaders' Forum.



Partnership Principles

- Partnership working between DfT and Rail North (working on behalf of the north of England authorities) which would be the basis for regulating our relationship in the lead-up to the award of the 2016 franchises; and
- A formal, integrated partnership structure with substantial decision-making authority created between Rail North & DfT, to take on substantive franchise management responsibilities when the new franchise contracts come into force.

Partnership Features

- A legally underpinned partnership, with a Strategic Partnership Board, annual business plan and budget for management of the franchises;
- A Management Team with a Managing Director and significant delegated responsibility;
- Financial risks largely remaining with DfT in the first phase;
- Trigger mechanisms for moving to future phases of devolution.

Franchise specification



Background - Milestones

OJEU, Prospectus and Consultation issued May/June 2014

August 2014 – three short-listed bidders announced for each competition

October 2014 – timescales reviewed

ITT being finalised, followed by approvals process.

Bids back early summer 2015.

Contract awards late 2015.

New franchises start early 2016.



Overview of Specification Process

Specification development covers a wide area – not just train services.

There is extensive options development work in all areas which sifts through potential enhancements/ decrements.

Majority of these are sourced from responses to the Joint DfT/ RN consultation.

What is the ITT?

The 'ITT' is actually a suite of documents issued to bidders and also made public at the same time. The main documents are:

- The ITT
- The Franchise Agreement
- The Train Service Requirement
- Financial templates
- Other legal documents

A Stakeholder Briefing Document which sets out the results of the consultation and how DfT and Rail North have responded to the points raised is published at the same time.



Franchise Specification Options

Franchise specification work undertaken jointly by Rail North and DfT.
Informed by:

- Rail North's Long-Term Rail Strategy;
- DfT and Rail North Partner aspirations;
- Stakeholder consultation exercise.

Packages of specification options identified and evaluated.

Rail North is pushing for positive and growth-led franchises, and considerable improvements compared to the current franchises.



Key Areas of Specification

Train Services

Capacity

Rolling Stock

Stations

Community Engagement

Fares, Ticketing & Revenue

Protection

Performance

Infrastructure Delivery

Marketing & Branding

Innovation

Environment & Sustainability

Customer Experience



Summary

Transformation of rail services across the North is essential, compared to the current franchises.

Rail North continues to push for funding to support the North's economic growth agenda (the Transformational package). Rail North's priorities within the Transformational package are:

- New and refurbished rolling stock; and
- Provision of additional capacity to meet demand.
- Improvements in quality across the North, on trains, at stations and throughout the customer experience

Rail North and DfT continue to work jointly to finalise specification.



Questions?

