Rail update: 16 October 2020

I am updating the House that the Department for Transport has negotiated a further direct award for the Cross Country rail franchise.

I am pleased to inform the house that the <u>government has signed a new</u> <u>contract with Arriva to ensure vital train services continue across the UK's most extensive rail network</u>. Stretching from Aberdeen to Penzance and from Stansted Airport to Cardiff, CrossCountry's network is the most geographically extensive passenger rail franchise in Great Britain. It calls at over 100 stations and connects seven of Britain's ten largest cities.

The new agreement means Arriva CrossCountry, which has run the service since 2007, will continue to operate the franchise for three more years until October 2023. This brings stability to CrossCountry services and provides certainty for passengers and staff as the future direction of rail reform takes shape.

Vital, long-distance rail services, which people across the length of Great Britain rely on, will continue to run and support the UK's recovery from COVID-19, thanks to this new contract. As people return to the railway, passengers will benefit from more capacity and operational staff, along with new measures to help passengers with disabilities, aligned with current best practice across the rail industry.

The contract also has a renewed focus on tackling environmental impacts. To reduce diesel emissions, Arriva CrossCountry will trial the use of electrical shore supplies when Turbostars are in depots for cleaning, and on-train batteries when Voyagers enter end leave stations. We will continue to work with the owners of the Voyagers to ensure engines are turned off when at platforms.

This new contract complements the <u>Emergency Recovery Measures Agreements</u> (<u>ERMAs</u>) announced in <u>September</u>, in place for up to 18 months, where the government pays train companies a small management fee to keep services running through the pandemic.

The contract will see the Government take on the revenue and cost risk associated with the franchise and pay Arriva a performance-linked fee to operate the service, incentivising the company to deliver improvements to operational performance, passenger experience and service quality.