

Statement to Parliament: South Western rail franchise

I am pleased to inform the House that following a rigorous competition I intend to [award the South Western rail franchise to First MTR South Western Trains Limited](#) pending the successful completion of a standstill period of at least 10 days.

The House will know that this government is determined to transform the way that the railways work to deliver a revolution in services for passengers. In December 2016, I set out my vision for achieving this through a [new era of joined up working between train operators and Network Rail](#). Earlier this month my Department announced a [consultation on the South Eastern franchise](#) which explained our ambition for bringing together the operation of track and train, so that one team of people is focussed on providing the best service to passengers. Today's announcement that First MTR South Western Trains Limited has been awarded the South Western franchise means we are a step closer to achieving that ambition.

The new franchise will see closer partnership working between track and train. A railway that is predominantly run by an integrated local team of people with a commitment to the smooth operation of their routes, improving services and performance is at the heart of my vision for the network, and First MTR South Western Trains Limited expects to work even closer with Network Rail with the shared aim of giving passengers exactly that. The joint teams will work to drive higher performance, achieve greater productivity in operations, improve maintenance delivery and infrastructure renewals, and support infrastructure improvement delivery, all for the benefit of passengers across the South Western network.

The new franchise will run for 7 years from 20 August 2017 to 18 August 2024, with an extension of 11 railway periods callable at my discretion.

This is the thirteenth franchise award since 2013: a rapid programme of renewal which represents the government's determination to transform the travel experience for rail passengers across the country. In the last 12 months alone, new franchise agreements have released private funding for brand new trains in the north and the east of England. The new South Western franchise will also see investment in brand new and refurbished trains.

This government is funding the biggest investment in rail since Victorian times, and the award of this new franchise is the latest step in making journeys better: simpler, faster and more reliable. Passengers across the South Western network will see improvements to their journeys, whether travelling into central London, or between the towns and cities in the southern and south-western counties of England. The new franchise will support the communities and boost economic growth in the regions it serves.

Passengers, local authorities, businesses and other stakeholders across the

area contributed to a highly demanding and challenging specification for the new South Western franchise. Bidders were invited to demonstrate how they would meet this specification, and I am delighted that First MTR South Western Trains Limited set out an exciting plan for the franchise that will not only meet but significantly exceed these expectations.

First MTR South Western Trains Limited will oversee a £1.2 billion investment programme to improve services for passengers on all parts of the network from London to the South West. There will be 22,000 extra seats into London Waterloo each morning peak and 30,000 extra seats out of Waterloo each evening peak, and a fleet of 90 new trains will provide more space for passengers on Reading, Windsor and London routes.

The plans were designed to make optimum use of our major investment to increase platform capacity at London Waterloo. First MTR South Western Trains Limited will use the experience of one of its major shareholders MTR, who operate the busy Hong Kong metro, to deliver smooth and rapid journeys for passengers travelling around London's suburban network. Faster journeys will be delivered through a consistent fleet of new suburban trains offering a regular, metro-style service. Passengers can look forward to more space, ensuring that the railway can support London's growth.

The train journey is only one part of the passenger experience, so we were very pleased with First MTR South Western Trains Limited's plans for significant investment in station improvements. They will deliver at least 1,500 new car park spaces, refurbished waiting rooms, more seats and new waiting shelters. There will be investment to make Southampton Central station a destination fit for the community it serves, with a new entrance canopy, improved retail, and better facilities for passengers.

The use of smart cards will be expanded, and there will be a new smart card product, automatically offering the cheapest walk-up single or day return fare. A new flexible season ticket will benefit people working fewer than 5 days a week, there will be a discount offered for people buying 12 consecutive monthly season tickets, and new discounts for student travel. Season, single and return tickets will be made available on smart cards across all of the franchise.

I am pleased to announce also that the new South Western franchise will introduce new delay repay compensation, including for delays of 15 minutes or more, and with automatic claims for smart card season tickets and advance purchased tickets bought through their digital channels.

There will be better information for passengers, so that they can make more informed decisions about their journeys. Real time information will be available on screens on trains and at stations, as well as on the website, and through the new customer app. Station staff will also be well informed through innovative use of smart devices so they can better help passengers, especially during times of disruption. There will also be live information about seating availability and crowding levels, so that passengers know the best place to stand to board the train.

Reflecting the government's commitment to create 30,000 apprenticeships across all transport modes by 2020, First MTR South Western Trains Limited will offer more than 100 apprenticeships each year. Their plans also include funding to support community rail partnerships, station adoption groups, and to encourage community use and regeneration of available station space. The franchisee will reduce energy use at stations and depots by over 40%, and water use by over 18%.

This government has set a clear vision for the future of rail travel and is investing to deliver on that vision for passengers across the country. Over the past few years the franchise renewal programme has resulted in significant new investment and exciting innovations for passengers. The new South Western franchise represents the next chapter in that journey and we look forward to working closely with First MTR South Western Trains Limited and Network Rail to ensure that passengers receive the improvements they have demanded as we transform their rail travel experience.