

# Statement to Parliament: West Coast Partnership and South Eastern rail franchise bidders

I am pleased to inform the House that we have today (22 June 2017) published the [shortlists of companies](#) that will bid for the new West Coast Partnership (WCP) franchise which will launch the first services on HS2, and the next South Eastern franchise.

The House will be aware passenger numbers have more than doubled since privatisation of the railways 20 years ago and our country's railways need to adapt and change to be able to cope with this and future demands. This government is committed to revolutionising our railways through innovation and investment to transform passengers' experiences and ensure our railways work for everyone.

This is an exciting time for both franchises, which are changing to ensure passengers are at the heart of their services. The winner of the WCP franchise will be expected to work with HS2 Ltd to launch the first services on HS2, taking advantage of the extra space it will provide for commuters on the West Coast Main Line. The winner of the South Eastern franchise will need to work as one team with Network Rail to ensure passengers experience better journeys and provide longer trains with more space.

## **West Coast Partnership franchise**

The WCP will be responsible for services on the West Coast Main Line from April 2019 and will design and run the initial HS2 high speed services between London and Birmingham from 2026.

The shortlist contains bidding consortia which sees UK rail network experts working in partnership with companies that operate high speed railways around the globe, supported by businesses which have an excellent track record in customer services.

They are:

- First Trenitalia West Coast Ltd, a joint venture between First Rail Holdings Ltd and Trenitalia SpA
- MTR West Coast Partnership Ltd, a joint venture between MTR Corporation (UK) Ltd and Guangshen Railway Company, with the following key sub-contractors:
  - Deloitte MCS Ltd
  - Panasonic Systems Europe
  - Snowfall AB
  - Trainline.com Ltd
  - WSP Parsons Brinkerhoff
- West Coast Partnership Ltd a joint venture between Stagecoach Group plc,

## Virgin Holdings Ltd and SNCF C3

The WCP will support growth and better services on the West Coast Main Line while helping to ensure HS2 becomes the backbone of Britain's future railways. This will create more seats for passengers, improve connections between our great cities, free up space on existing rail lines and generate jobs and economic growth throughout the country.

The winning bidder will collaborate with HS2 Ltd to design, launch and operate the initial HS2 services and deliver the transition of the timetable on the West Coast Main Line as it is revised to take advantage of the extra capacity provided by HS2. There are significant benefits in bringing the 2 projects closer together to ensure the best outcomes for passengers both before and after the start of the HS2 services.

The new operator will also be expected to work closely with local transport authorities, Transport Scotland and the Welsh government to ensure passengers receive the excellent experience they demand from the West Coast Main Line.

## South Eastern franchise

The South Eastern franchise is one of the busiest franchises in the UK, running almost 2,000 services every weekday. We want passengers to be at the heart of everything that the new operator does, enjoying modern, spacious trains on a more punctual and reliable service. We will listen to what passengers say in the current public consultation, and we will seek to make changes and improvements only with their support. We will create more space for passengers in the peak commuting times including by running longer, more modern trains in and around London.

Other ambitions for this franchise include:

- increasing the reliability of trains by using the latest technology while reducing delays by encouraging the operator to work closely with Network Rail
- improving passenger compensation arrangements and supporting smart ticketing
- improving customer service, with staff able to respond quickly and effectively, including during disruption.

The new franchise will also complement the completion of 2 major enhancement schemes – Thameslink and Crossrail – providing passengers with more trains, more destinations, and significant improvements in reliability and performance. The winner of the next South Eastern franchise will be required to optimise the value of these investments for passengers.

The shortlisted bidders for the South Eastern rail franchise competition are:

- the franchise applicant, South Eastern Railways Ltd, is currently a wholly owned subsidiary of Abellio Transport Group Ltd
  - if awarded the franchise it would become a subsidiary of South Eastern Holdings Ltd, a joint venture between Abellio and the

- consortium of East Japan Railway Company and Mitsui & Co Ltd
- London and South East Passenger Rail Services Ltd, a wholly owned subsidiary of Govia Ltd
  - Stagecoach South Eastern Trains Ltd, a wholly owned subsidiary of Stagecoach Group plc
  - Trenitalia UK Ltd, wholly owned by Trenitalia SpA

The [public consultation seeking views and priorities for the new South Eastern franchise](#) runs until June 30. The new franchise is planned to start in December 2018.

## **New companies enter the market**

I am also pleased to inform the House that 2 companies have applied for a [pre-qualification questionnaire passport](#) to allow them to enter the bidding process. These firms are now eligible to express an interest in all upcoming rail franchise competitions until September 2019.