<u>Statement to Parliament: East Midlands</u> rail franchise pre-qualification

Today (1 March 2017) the Department for Transport <u>has announced</u> that the following companies have successfully pre-qualified to bid in the competition for the East Midlands franchise, to run rail passenger services from November 2018:

- Arriva Rail East Midlands Limited, a wholly owned subsidiary of Arriva UK Trains Limited
- First Trenitalia East Midlands Rail Limited, a joint venture company wholly owned by First Rail Holdings Limited and Trenitalia UK Limited
- Stagecoach East Midlands Trains Limited, a wholly owned subsidiary of Stagecoach Transport Holdings Limited

In order to pass the pre-qualification evaluation each of the prospective bidders had to demonstrate that they have the financial strength, safety and operational experience to run this important franchise. This announcement marks another key milestone in the rail franchising programme and is the next step in delivering real benefits for the passengers along the East Midlands routes.

In due course, once the 'Invitation to tender' has been issued, the bidders will be required to submit plans to demonstrate how they will deliver the enhancements for passengers using the East Midland services.

The department will evaluate the submitted bids to determine passenger benefits, deliverability, and value for money.

As for all rail franchise competitions, and as is consistent with the Secretary of State's duty, the department will ensure that alternative plans are in place for the continued running of passenger services in the event that the department determines that the bids would not provide services in the most efficient or economic manner.

News story: Nuclear Decommissioning Authority appoints David Peattie as Chief Executive Officer

David will be responsible for leading the NDA in the decommissioning and clean-up of 17 legacy nuclear sites across the UK, including Sellafield. He will assume the role from today, 1 March 2017, when the outgoing CEO, John

Clarke, will step down after five years in the role.

The appointment was made by the non-executive members of the NDA Board, with the approval of the Business, Energy and Industrial Strategy Secretary of State Greg Clark.

In addition, as announced on 22 December 2016, Stephen Henwood stepped down yesterday (28 February 2017) on completion of his third term of office as NDA Chairman. He is being replaced by Tom Smith who was previously a Non-Executive Director of the NDA.

NDA Chairman Tom Smith said:

David brings with him significant global experience of leadership in the energy, oil and gas industries, and a strong track record in tackling complex commercial and engineering challenges in the UK and internationally.

I am delighted the NDA has secured a new CEO of such calibre and experience and I am looking forward to working with him in driving forward delivery of the vital mission to clear up the UK's nuclear legacy.

I would like to offer warm thanks to retiring Chief Executive John Clarke and would also like to thank Stephen for his excellent stewardship of the NDA over the last 9 years, and wish him well for the future. It has been a pleasure to serve on the board under him.

Energy Minister, Jesse Norman, said:

The NDA carries out essential work decommissioning and cleaning up the UK's nuclear legacy, keeping our citizens safe and secure and protecting the environment. David's considerable experience in roles across the energy sector makes him well-placed to lead the organisation and take this vital work forward.

I would also like to thank Stephen Henwood and John Clarke for their years of service and wish John well in retirement.

David Peattie said:

It is a privilege to have been asked to take on this important role, which is central to delivering the important mission of decommissioning the UK's nuclear legacy.

The NDA, its subsidiaries and Site Licence Companies, have a highly-skilled and focused workforce, and I look forward to working with them to drive forward progress on clearing our sites for future generations.

Prior to taking up his role at the NDA David Peattie was Chief Executive Officer at Fairfield Energy, where he led the successful turnaround of performance of North Sea assets and oversaw the start of the decommissioning project for the Dunlin Alpha Platform.

David began his career at British Petroleum in 1979 as a petroleum engineer and during his 33 years at the company held a number of technical, commercial and senior management positions. His roles at BP included Head of BP Group Investor Relations, Commercial Director of BP Chemicals, Deputy Head of global Exploration & Production, Head of BP Group Planning, and finally as Head of BP Russia where he was responsible for BP's interests in the TNK-BP joint venture as well as its businesses in the Russian Arctic and Sakhalin. In addition, he was BP's lead Director on the board of TNK-BP and Chairman of its Health, Safety and Environment Committee.

David is a Chartered Engineer and Member of Institute of Mining and Metallurgy (Petroleum Engineering).

<u>Press release: British Foreign</u> <u>Secretary and Polish Foreign Minister</u> <u>Waszczykowski on joint trip to Ukraine</u>

The two ministers will hold a series of high-level meetings with President Poroshenko, Prime Minister Groysman, Deputy Prime Minister Klympush-Tsyntsadze and Foreign Minister Klimkin.

The visit marks 25 years of diplomatic relations between both the UK and Poland with Ukraine. It is also three years since the start of Russia's aggression against Ukraine and its flagrant breach of international law with its illegal annexation of Crimea. The UK and Poland fully support Ukraine's sovereignty. Crimea is Ukraine and Russia must return it.

The UK and Poland are also two of the largest contributors to the OSCE's Special Monitoring Mission to Ukraine, which monitors the ceasefire and withdrawal of heavy weapons in eastern Ukraine.

Ahead of his visit, the Foreign Secretary said:

"I am delighted to be visiting Ukraine again so soon and I am particularly pleased to be joined by Foreign Minister Waszczykowski. Poland is a close UK partner and we work closely on a range of foreign policy issues, including Ukraine. The UK will continue to play a full part on European security questions as we prepare to leave the EU.

"This visit reinforces our unwavering support for Ukraine. The UK remains

committed to defending Ukraine's sovereignty. We are adamant that Russia's annexation of Crimea is illegal and we urge Russia to return it.

"I welcome the progress made on implementing reforms and tackling corruption. The UK-Ukraine reform conference in July will enable us to showcase the great work that is being done in Ukraine."

Polish Foreign Minister Witold Waszczykowski said:

"Poland and the UK since the beginning of Revolution of Dignity have supported Ukraine on its pro-European path. I'm extremely happy that together with Minister Boris Johnson we will be able to reiterate our commitment to Ukraine's European choice, sovereignty and territorial integrity.

"Poland was the first country to recognize Ukraine's independence. Since then we consider Ukraine as our strategic partner. We will continue to support Ukrainian reform process."

Further information

News story: East Midlands rail franchise: 3 firms make the shortlist

The names of the 3 train operating companies in the running for the next East Midlands franchise competition were <u>announced today</u> (1 March 2017) by the Department for Transport.

After submitting an expression of interest, the following have been successfully shortlisted:

- Arriva Rail East Midlands Limited, a wholly owned subsidiary of Arriva UK Trains Limited
- First Trenitalia East Midlands Rail Limited, a joint venture company wholly owned by First Rail Holdings Limited and Trenitalia UK Limited
- Stagecoach East Midlands Trains Limited, a wholly owned subsidiary of Stagecoach Transport Holdings Limited

Rail Minister Paul Maynard said:

A flourishing rail network brings real growth and prosperity to the region it serves. That is why we are making the biggest investment in the national rail network in more than 100 years to deliver the safer, faster and more comfortable journeys that passengers want.

At the same time, Network Rail is working on improvements which by 2019 will enable the next East Midlands franchise to deliver more carriages and faster journeys over the whole route, including almost twice as many seats into London St Pancras in the peak hours.

I am delighted that all these first-class companies have demonstrated their confidence in our vision for the future of the rail industry in Great Britain by bidding for this key franchise.

The new franchise is vital in supporting government ambitions to make the Midlands region an engine for growth by improving connections within and outside the region and supporting the East Midlands industry and leisure economy.

In particular, ministers want to improve the quality, frequency and timings of journeys on the east of the franchise network and to seek to develop new services and connections.

The new franchisee will also be expected to satisfy predicted growth in demand, in particular into London St Pancras, but also for local crowded services like Derby-Crewe.

Though the current franchise, operated by East Midlands Trains Limited, is due to end on 4 March 2018, the Secretary of State has used his powers to extend it further by up to a year.

Wales to host the GE Maintenance and Repair facility for GE9X

The announcement, which follows the First Minister's meeting with GE executives in Washington DC, is accompanied by £20m of GE investment, that includes £5m from the Welsh Government.

The maintenance and repair of the GE9X will safeguard over 400 jobs at GE Aviation Wales. This news comes in addition to the site's 2016/2017 recruitment activity to support growth relative to its current engine programmes.

The new facility will provide the technical lead and support to GE9X partners across the globe and place Wales at the cutting edge of the latest and greatest jet engine technology.

The First Minister welcomed news that the Nantgarw facility will lead the

company's global 'Entry into Service' readiness programme, describing the move as hugely significant in securing the future of the Nantgarw facility for the next generation and ensuring the site is at the forefront of important technology applications.

He said:

"I am delighted Welsh Government is supporting this very significant investment in one of our flagship operations. GE Aviation Wales is the largest aircraft engine maintenance facilities in the world and today's announcement ensures it will maintain its position as the global centre of excellence for wide bodied jet engines that will now also include GE's latest engine, the GE9X.

"As an Anchor company, GE Aviation is of huge strategic importance to the Welsh economy with a world class reputation and extensive experience and capability. It's tremendously good news that this investment will strengthen its long-term sustainability, preserve the scale of the facility and ensure its on-going competitiveness.

"The aviation MRO facility has been in Nantgarw for 77 years and only recently celebrated its 25th anniversary of GE ownership so it is great news that the 9X will ensure GE Aviation remains at the forefront of the engine repair and overhaul sector for many years to come."

The First Minister added that when he was in the States last year he had discussions about GE Aviation Wales' selection as the global technical lead on the GE9X as well as potential new recruitment.

GE Aviation Wales Managing Director La-Chun Lindsay said:

"This is a great day for Wales and particularly for our communities across the Valleys. We've won this great accolade because we worked together as one 'Team GE Aviation Wales' on solving our site's biggest problems and challenges. The key objectives now are for the site to sustain its cost competitiveness and to continue improving on customer delivery for both engine overhaul and component repair. I want all our customers to hear this great news and be delighted if their GE9X engines are coming to GE Aviation Wales for servicing.

"Over many years we've enjoyed a great relationship with the Welsh Government and their grant offer was also a key differentiator in ensuring Wales as the MRO shop and technical lead for the GE9X. We have a great history of support from our partners in the Welsh Government and at every stage of this process we have worked in lock step to secure the GE9X.

"More than 85% of our employees from the surrounding area and are thus firmly rooted in our local community. I'm so pleased that securing the GE9X means that future generations will have the chance to fulfil their dreams of working at GE Aviation Wales and will have the same fantastic opportunities that have existed throughout the site's proud history."

GE Aviation Wales has been selected based on its wealth of technical expertise and its track record of continuous improvement. By focusing on increased utilisation and productivity despite its 77 year old infrastructure, GE Aviation Wales is now cost competitive with several brandnew overhaul sites. The upshot of continued focus on increased utilisation and delivery is a projected increase in volume to the site enabling new recruitment.