

17th July 1998

Decision On Connex South Central Extended Franchise Bid

John O'Brien, Franchising Director, has received and considered proposals for a franchise extension from Connex Rail Ltd and concluded that they are not sufficient to justify extending the South Central franchise beyond the existing seven year term.

The Franchising Director concluded that while their bid offered passenger benefits, it offered insufficient value for money compared with the probable market value of the franchise were it to be offered on competitive tender, at expiry in 2003.

Notes to Editors

1. The South Central franchise was awarded to Connex Rail for a seven year term on 12 April 1996.
2. It is unique in having a clause incorporated in the franchise agreement which allows the option to bid for an extension to 15 years, subject to the Franchising Director agreeing the terms of the extension and being satisfied that it represented value for money.
3. Connex South Central operates predominantly commuter services to London from Surrey and Sussex, as well as services to Gatwick and Brighton, and South Coast services between Bournemouth, Brighton, Hastings and Ashford.