

17th December 2004

Government Opens Competition for Two Major Rail Franchises

The Government today announced the start of the competitions for two key rail franchises.

Expressions of Interest have been invited for the Greater Western and the Thameslink/Great Northern franchises. Each of these franchises is planned to commence in April 2006 following expiry of current agreements.

The Greater Western franchise will have a duration of ten years, of which the last three will be conditional upon achieving specified performance targets.

The Thameslink/GN franchise will be for a period of up to nine years:

- Continuation into years five and six will be dependant upon achieving set performance targets
- Continuation for up to a further three years will be dependant upon the progress of the Thameslink 2000 project.

Potential bidders must submit Expressions of Interest by 2nd February 2005. These submissions will be measured against rigorous criteria before the Government announces Pre-Qualified Bidders during Spring 2005. The Pre-Qualified companies will be issued with Invitations to Tender in Summer 2005, with Preferred Bidders selected and franchise contracts signed during Winter 2005/6.

Secretary of State for Transport Alistair Darling said:

"In October I announced, as a first step towards implementing the Rail White Paper, proposals for reducing the number of franchises to bring them together with Network Rail's regional route structure. Today marks an important next step - implementing the White Paper goal of making sure that past performance is taken into account when letting new rail franchises to ensure that only those operators with a demonstrable track record of customer delivery and financial management are eligible for the next phase. The new arrangements come in from today, with the launch of the franchise competitions for Greater Western and Thameslink/Great Northern."

David Quarmby, Chairman of the Strategic Rail Authority, said:

"Progress on the franchise replacement programme continues - the new Northern franchise started on Sunday, four bids for the InterCity East Coast franchise were received last week, and two new competitions are launched

today. The SRA and the Department for Transport are working closely together to build on the new franchise agreement and the Rail White Paper to simplify operations and to improve quality and reduce costs.

"These are exciting opportunities for private sector rail operators and we look forward to receiving strong Expressions of Interest."

Note to Editors

1. The Secretary of State for Transport confirmed plans to let these two new contracts in a statement to Parliament on 19 October 2004.
2. As part of implementing the Government's White Paper on the Future of Rail (July 2004), the Pre-Qualification process for these two franchises, and future franchises, will place a stronger emphasis on the past performance of the companies making Expressions of Interest.
3. OJEU (Official Journal of the European Union) notices relating to these Invitations to Tender were issued by the SRA today, as required by EU laws for major contracts.
4. Plans for a Greater Western franchise were first announced by the SRA in November 2002, and will combine the existing operations of First Great Western, First Great Western Link and Wessex Trains. The Greater Western franchise will operate long-distance, regional and local services in the Thames Valley, Cotswolds, Avon and the West of England and some cross-border services into South Wales.
5. The existing Thameslink franchise operates a unique service between Bedford and Brighton, passing through the City of London and providing a direct link between the major airports at Luton and Gatwick. It also operates services in South London via Wimbledon. These will be combined with the Great Northern (currently 'WAGN') services between Peterborough, King's Lynn, Cambridge, and London Kings Cross to create the new Thameslink /GN Franchise.

**For further details contact the Department for Transport Rail Press desk:
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