## 1st July 2004

## Serco-NedRailways Announced as Preferred Bidder for new Northern Rail Franchise

The Strategic Rail Authority (SRA) today announced that it has selected Serco-NedRailways as Preferred Bidder for the new Northern Rail franchise.

The new franchise will provide inter-urban, commuter and rural services throughout the North of England and is planned to start in the Autumn.

The duration of the franchise will be up to eight years and nine months - the final two years dependent on achieving performance targets.

The franchise will provide the existing levels of rail services and will include contractualised, specified targets for year on year reductions in cancellations and improved punctuality.

A financial penalty/incentive regime will ensure quality of station and train facilities over the whole of the franchise.

The announcement follows a rigorous competition. Subject to the SRA's requirements being met, it will sign an agreement with Serco-NedRailways later this year, at which point further details of the new franchise will be announced.

## SRA Chairman Richard Bowker said:

"This will be the second franchise to be let under the SRA's new-style contract, which sets clear requirements for delivery to passengers and clear rewards for train operators when they do. This competition, like all competitions under the new franchise policy, has been hard fought, driving up quality for passengers and value for taxpayers."

## **Notes to Editors**

- The qualified bidders announced on 1 April 2003 were: Arriva Trains Ltd, Eurailco UK Ltd (a consortium of Transdev plc & RATP Development), First Group plc, Serco-NedRailways and GB Railways Plc (which has subsequently become a wholly-owned subsidiary of FirstGroup plc).
- 2. The SRA announced on 18 December 2003 that it had shortlisted FirstGroup plc and Serco-NedRailways for the franchise.
- 3. The SRA announced on 3 February 2003 that Arriva Trains Northern (ATN) would continue to operate services until the Northern Rail

franchise commences and on 29 March 2004 that First North Western would continue to operate services until the Northern Rail franchise commences.

- 4. The Northern Rail franchise will incorporate rural and urban services throughout the whole of the North of England, including in and around the Greater Manchester, South Yorkshire, West Yorkshire and Tyne & Wear Passenger Transport Executive (PTE) areas. It will also be responsible for a number of services running from, and into, the Merseyside PTE area.
- ATN inter-urban services on longer journeys between major towns and cities, and Manchester International Airport (MIA) services, as well as some First North Western services also to MIA, transferred to the new TransPennine Express franchise, operated by FirstGroup Keolis (FGK) on 1 February 2004.

For further details contact the Department for Transport Rail Press desk: 020 7944 3108