

19th October 2004

New Northern Rail Franchise Signed

The Strategic Rail Authority (SRA) and the five affected Passenger Transport Executives have signed a franchise agreement with Serco-NedRailways to operate 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 on 12 December 2004. It will run for up to eight years and nine months - the final two years dependent on achieving performance targets.

The franchise agreement includes:

- Contractual targets to reduce cancellations and delays by over 15% in the first 5 years;
- A new incentive/penalty regime to ensure the maintenance of station and train facility standards;
- A more local focus on performance, with monitoring and enforcement based on each of five sub-regions.

SRA Managing Director, Operations, Nicola Shaw, said:

"The Northern Rail franchise is designed to deliver better service to passengers, and greater value to taxpayers, through a more focused provision of commuter, local and regional services. Clear targets demand a strong management focus on punctuality, information and cleanliness.

"The PTEs, Department for Transport and SRA have worked closely together to agree the franchise. The start of the new franchise in December will bring to an end any remaining uncertainty over the future shape of rail services in the North of England. Serco-NedRailways will now take the franchise forward in active co-operation with its stakeholders."

Notes to Editors

1. On 1 July 2004, the SRA announced that Serco-NedRailways was its Preferred Bidder for the new Northern Rail franchise.
2. The Northern Rail franchise will combine the existing First North Western and Arriva Trains Northern franchises, incorporating inter-urban, commuter and rural 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. These PTEs are all signatories to the franchise agreement.

3. Arriva Trains Northern 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, on 1 February 2004.
4. Arriva Trains Northern and First North Western will continue to operate services in the region until the Northern Rail franchise commences.
5. The projected level of public subsidy for the new Northern Rail franchise is £2434.6 million (in 2004 prices) for 8 $\frac{3}{4}$ years.

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