

The new Franchise Map for Britain's railways

Briefing Note, 20 June 2000

This note sets out the principles behind the changes being made to the franchise map, and sets out the rationale for each franchise where the current boundaries are being changed.

Principles

In preparing the new franchise map, the SSRA has had six main issues in mind:

- The SSRA was not convinced that the group of services put together by BR back in the early 1990s – which formed the basis of the first franchises – were necessarily the right ones with which to go forward ten years on with the new replacement franchises.
- Changes have not been made unless there were benefits in doing so.
- Franchises need to be structured around the needs of passengers and which will strengthen local accountability and transparency in the provision of services.
- The franchises should make sense in operational terms, reflecting the nature of services operated, rolling stock and traction types, and location of maintenance depots, for example.
- Fewer, but stronger franchises are required - franchises which can raise money for investment, and hold their own in negotiations with Railtrack and other rail companies, because investment is the reason for giving longer franchises.
- The SSRA did not seek to replace at this stage the longer term (10 and 15 year franchises), but where possible, we will negotiate upgrades where opportunity exists.

The new franchise areas being announced can only be indicative. The final shape of each will only be fixed following the competitive process and the result of deals which the SSRA will use to drive up the benefits for passengers and value for the taxpayer. Train services will not be altered to fit the shape of a franchise, but rather the SSRA will be making sure that the franchise fits the needs of the passenger.

Long Distance High speed operators

Against these criteria, no change has been made to the basic geography of the five former InterCity franchises which provide the network of long distance, high speed services throughout the country. (*East Coast, West Coast, Midland Main Line, Great Western and Cross Country*). Four of them are already on longer

franchises, and a fifth – East Coast – is therefore in the first batch of franchises.

Anglia/Humber. The intention is to develop the Anglia franchise to include a second trunk route – from Kings Cross to Hull, offering more through services to Hull, and some competition on the southern end of the East Coast Main Line. There is a possibility of including connecting branch lines in Lincolnshire, transferred from or shared with Central Trains (see below). This can be the subject to negotiation between Anglia and Central, rather than being imposed as a franchise requirement.

A seventh has been added to this list – *Trans Pennine Express* – recognising its importance to the north of England and sending a clear signal that the route is to move from a regional operator into the InterCity league. Demand has grown, and a strong company is needed, able to carry through a major programme of investment in customer service, increased capacity and journey time improvements.

Regional Operators

ScotRail works well as a single franchise, and matches the area of interest of the Scottish Parliament and Scottish Executive; it is not our intention to initiate any changes here. The SSRA will be working to objectives and instructions set by Scottish Ministers, and in Strathclyde we will continue to work as closely as asked by Scottish Ministers with the PTE which is a co-signatory of the franchise agreement.

In the north of England it is intended to put together the services currently run by Northern Spirit – excluding Trans Pennine Express - and First North Western to provide a coherent network of local services throughout the north of England. Combining the two will strengthen the other Trans - Pennine links, and the Settle & Carlisle line. This *Northern* franchise will focus strongly on working with the PTEs, with a separate business unit for each PTE area. It will involve five of the seven PTEs – Nexus, West Yorkshire, South Yorkshire, Greater Manchester and Merseytravel and its content will be developed in consultation with them, subject to cost and to consultation with all stakeholders.

Merseyrail Electrics. SSRA is discussing with the PTE a proposal that they should become the franchising authority. The electric lines on Merseyside are virtually separate from the rest of the network and are effectively the Underground for Merseyside. It seems far better that this specialised operation, which is not part of the strategic national network, should be under closer local control and local accountability. Parallels can be drawn with London Underground.

The *Central* franchise will concentrate on serving the East and West Midlands, with a separate business unit within the franchise to reflect the needs of the Centro PTE. The SSRA has called for proposals which separate services north and west of Shrewsbury (including through services to/from Birmingham) as part of a possible Wales franchise. Services in Lincolnshire might be transferred or shared with Anglia / Humber by negotiation. The franchise might give up those between Birmingham and Stourbridge (the Jewellery Line) which may be linked with Chiltern to provide more through services crossing Birmingham and ease congestion at Snow Hill station.

Wales is currently served by seven franchises with little coherence, and no ability to work effectively with the National Assembly or to address the emerging needs of Wales following devolution. No changes will be made to Virgin Trains and First Great Western, which provide the northern and southern Intercity links to London, but SSRA has developed the concept of a franchise for Wales and the border counties on which a decision will be announced in July, following completion of detailed study and consultation. The deal between SSRA and Prism announced on 15 June provides for the reorganisation of the Wales & West and Cardiff Railways to facilitate the creation of this franchise.

A new *Wessex* franchise is proposed which could include the area bounded by Worcestershire, Bristol and the South Coast. It could also include the line between Exeter and Waterloo and local services around Bristol. The franchise could include services transferred from Wales & West, South West Trains and the longer distance Thames Trains services.

In Devon and Cornwall, however, the local and branch line services (currently operated by Wales & West) act as important feeders to the main line, and SSRA consider they would be better managed as part of a main line franchise. There are options to include these services in either the First Great Western or Virgin Cross Country franchises.

A study will be undertaken to define the Wessex franchise more precisely and a final decision will be made, following consultation with local and regional authorities and the Rail Passengers Committees involved.

London and the South East

Connex South Eastern is already a 15 year franchise, and no changes are proposed at this stage, although some opportunities may arise for some updating and improvement because of Connex' keen appetite for other franchises.

The *South Central* franchise is already in the first batch with Connex and Go-Via shortlisted.

Proposals have already been invited for *South West Trains*, including opening up of the possible transfer of the Waterloo – Exeter service to the Wessex franchise (see above).

SSRA has initiated discussions with the Isle of Wight Council for greater local accountability and control of *Island Line*. It is a unique piece of railway – not part of the national strategic network - which might be franchised locally as part of an integrated transport strategy for the Island and should probably not be directly controlled from London.

The *Thames* franchise currently includes the suburban lines out of Paddington as well as longer distance services to Oxford, Worcester and Hereford, Stratford on Avon and the important link from Reading to Gatwick Airport. These longer distance services might sensibly be included with the Wessex lines.

Chiltern is in the first batch of replacement franchises, based on offers from the two competitors – M40

Trains and Go-Ahead.

A North London franchise will remain providing *Silverlink County* services out of Euston, and initially *Silverlink Metro* services as well. When the East London line goes ahead, it may become possible for a separate franchise for Inner London Orbital services to be created, incorporating services on the West London line, North London Line and the extended East London line That would bring important new cross London travel opportunities for Londoners, integrating inner London services with WCML, ECML, Brighton Main Line and Waterloo main lines at busy interchanges. The other Silverlink Metro service from Euston to Watford, which is already closely integrated with the Bakerloo Line, could be part of that.

Thameslink 2000 will be the key cross-London franchise. The Thameslink 2000 project will provide a broader range of services and destinations than exist today, including the existing *Great Northern* route from Kings Cross to Peterborough, Cambridge and Kings Lynn. The new franchise will match the pattern of service which is forming the basis of the Transport & Works Act application. Elements of the Prism deal will facilitate the early establishment of the enlarged Thameslink franchise.

West Anglia services will be linked with those of *Great Eastern*, reinstating the logical grouping of services and simplifying the operation of Liverpool Street station which serves both routes, but some Stansted services may be removed from it (see Airport Express below).

LTS Rail is already a 15 year franchise. £20.5m worth of additional benefits have been secured for the franchise as a result of the Prism deal.

Airport Express is an interesting proposition by BAA and National Express, which SSRA would like to consider further. It is based on a marketing link between Gatwick Express – already a 15 year franchise, and Heathrow Express – a non-franchised service run by BAA. Stansted Airport services might also be included, with the non-stop service to be carved out of the West Anglia franchise and SSRA will consider how this might be achieved.

Franchise List

The 22 franchises proposed would be:

Long Distance High Speed Franchises

Virgin West Coast*

East Coast

Midland Main Line*

Great Western*

Anglia /Humber

Virgin Cross Country*

Trans Pennine Express

Regional

ScotRail

Wales/borders

Central Trains

Wessex Rail

Northern

London and South East

Connex South Eastern*

South Central

South Western

Thames

Chiltern

Silverlink

Thameslink 2000

West Anglia Great Eastern

LTS*

Airport Express

Gatwick Express*, possibly with Stansted Skytrain and a marketing link with Heathrow Express

* Longer (10 - 15 year) franchise already awarded.

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