

## Strategic Transport Forum

24<sup>th</sup> March 2017

### Agenda Item 4: East Midlands Franchise

**Recommendation:** It is recommended that the meeting note the updated information relating to the East Midlands Franchise.

#### 1. Context

- 1.1. The existing East Midlands rail franchise (operated by Stagecoach) comes to an end in 2018, following a 2 year extension in early 2016.
- 1.2. At its meeting on 20<sup>th</sup> January the Strategic Transport Forum received a report that provided an overview of the process for letting a contract for this franchise.
- 1.3. The report noted that the prospectus for the franchise highlights the importance of the franchise in supporting ambition for economic growth in the East Midlands. It also set out the importance of services on the East Midlands main line having a key role in realising the economic opportunities across the Heartland area.

#### 2. Update on Process

- 2.1. On 1<sup>st</sup> March the Department for Transport (DfT) announced that three companies had successfully pre-qualified to bid for the East Midlands franchise : the companies being:
  - Arriva Rail East Midlands Limited
  - First Trenitalia East Midlands Rail Limited
  - Stagecoach East Midlands Trains Limited
- 2.2. The next stages of the DfT's timetable are as follows:

i) Issue ITT to bidders	May 2017
ii) Receipt of ITT submissions	August 2017
iii) Contract award	March 2018
iv) Anticipated franchise start date	22 July 2018
- 2.3. On 7<sup>th</sup> March representatives from England's Economic Heartland met with a representative from East Midlands Councils, who provide support to the Department by ensuring that there is regional input into the franchise, in particular seeking to influence the service and quality specification. This builds on working

relationships developed by Rail North and in the West Midlands as part of the current London Midland franchise.

- 2.4. Building on this initial discussion it was clear that there is added value from continuing to work with colleagues from East Midlands Council, offering as it does the opportunity to ensure that regional perspectives are reflected throughout the franchising process.

### 3. Regional Perspectives

- 3.1. The Strategic Transport Forum has previously agreed to support (from the Heartland perspective) the principles of:

- Improved connectivity between London and the East Midlands/South Yorkshire, in particular at Bedford and Luton
- Up to 4 fast trains/hour to serve London Luton Airport
- Improved evening and weekend services
- Stations improvements, in particular at Luton
- Improved ticketing offer, including value for money tickets, combined bus-rail tickets and smart ticketing

- 3.2. From the East Midlands perspective, East Midlands Councils have identified the need for improved connectivity in order to support economic growth. They are seeking to achieve this by proposing that rail services are grouped into 3 types of networks:

- i) **Intercity** - connectivity from the East Midlands to major cities (i.e. London, Birmingham, Leeds, Cambridge), and key air and sea ports;
- ii) **Regional Hubs** – improving connectivity between four key East Midlands cities, with optimal journey times and frequencies.
- iii) **Local services** – access for outlying communities into key towns and Regional Hub cities, with reduced journey times and increased frequencies (where capacity justifies).

- 3.3. In addition, they have identified four regional 'Hub' cities within the East Midlands area:

- Derby
- Leicester
- Lincoln
- Nottingham

For these Hubs to be successful it is essential for local travel interchanges to be developed and integrated, ensuring seamless onward travel to key destinations.

**4. Next Steps**

- 4.1. Moving forward it is proposed that the Heartland continue to liaise with East Midlands Councils to ensure regional input into the franchising process remains strong.
- 4.2. A working group of Strategic Alliance members (consisting of representatives from the key Local Transport Authorities affected) has been established to discuss the progression of the Franchise and to ensure that the Heartland's strategic requirements are fed to the DfT ahead of the issuing of the Invitation to Tender later this spring.
- 4.3. In considering the Heartland's strategic requirements the working group will take into account any potential linkages between the East Midlands franchise and a future franchise for East West Rail services.
- 4.4. A further update on progress with the franchise will be provided to the next meeting of the Forum.

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