

East Midlands Franchise

Consultation Document

June 2006

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Executive Summary

The East Midlands franchise is due to commence on 11 November 2007. It combines the existing Midland Mainline (MML) franchise and the eastern side of the existing Central Trains franchise. Expressions of Interest to bid for the franchise will be sought soon, and shortlisted applicants will receive the Invitation to Tender (ITT) in October 2006.

Demand and revenue growth in the region served by the new franchise has been strong and is forecast to remain strong. A key issue for the franchise will be the best way to accommodate future demand.

The East Midlands franchise specification, and associated changes to other franchises, will cater for growth across the region. These changes include partial segmentation of commuter and long distance markets on the Midland main line, a new hourly service between Leeds and Nottingham, a new East Midlands Parkway station and a priced option for an hourly service between London and Corby.

The aims of the new franchise are:

- To achieve sustainable value for money from the new franchise, providing the opportunity to plan a service pattern which drives up patronage and revenue to drive down subsidy, freeing up funds for infrastructure investment;
- To continue to improve operational performance of East Midlands trains to give passengers a better service and contribute towards national performance targets;
- To better integrate track and trains by improving alignment of Network Rail route boundaries and franchise boundaries;
- To seek to accommodate current and anticipated future growth in passenger demand and increasing carrying capacity where it represents value for money and it can be achieved without infrastructure change;
- To promote a safe and secure environment on trains and at stations;
- To seek to improve alignment with stakeholder and passenger aspirations within the context of the other objectives; and
- To provide scope for bidders to propose:
 - to serve a new station at Corby;
 - deliver services to the new East Midlands Parkway Station; and
 - develop a long term depot strategy, including funding mechanisms in cases where capital costs can not be recouped over the franchise term.

Finally, it is important to place this franchise consultation in the context of more general work on rail planning. Route Utilisation Strategies and Regional Planning Assessments look forward over a 10-20 year time horizon. Next year the Government will publish its first High Level Output Specification to be accompanied by a 30 year rail strategy (further details can be found at the DfT website). A number of consistent themes run through this work. These include responding to the central challenges of demand and capacity, as well as wider considerations such as future ticketing systems or environmental impacts and opportunities. In designing the East Midlands franchise we need to prepare it to meet these challenges. Crucially, that means optimising performance, operations and costs in order to build in the maximum amount of flexibility to respond to what may be a rapidly-developing rail agenda.

This document sets out the proposed specification that short-listed bidders will be asked to price, and seeks views on the specification. Details are sought of any increments and decrements which relevant authorities would like to see considered as priced options.

1. Introduction

The East Midlands franchise is due to commence on 11 November 2007. It combines the current Midland Mainline service groups from London St Pancras to Sheffield, Nottingham and Derby with the service groups in the East Midlands currently provided by Central Trains. This decision was announced in Autumn 2005 by the Secretary of State.

The franchise will be for a term of 7 years 4 months and 20 days, giving an end date of 31 March 2015, the same as the current Thameslink franchise. There will be a provision for termination after 6 years if certain performance criteria are not met.

The purpose of this document is:

- To inform stakeholders of the process for awarding the East Midlands franchise;
- To provide stakeholders with a review of the current franchises within the new East Midlands franchise area;
- To advise stakeholders of the objectives and expectations for the franchise;
- To inform stakeholders of the proposed DfT base franchise specification; and
- To give stakeholders the opportunity to comment on the proposed DfT base franchise specification, and formally notify DfT of any increments or decrements to the base specification they may wish to specify.

In developing the specification, the Department has taken into account the findings of the SRA's MML and East Midlands Route Utilisation Strategy.

SRA's MML and East Midlands Route Utilisation Strategy (RUS)

The Midland Mainline/East Midlands RUS was published by Strategic Rail Authority (SRA) in March 2004 and set out options for addressing capacity utilisation on the Midland Main Line for the medium term timeframe.

The Government's White Paper *The Future of Rail* conferred additional responsibilities for industry planning on Network Rail, including responsibility for the production of Route Utilisation Strategies (RUS) formerly undertaken by the Strategic Rail Authority (SRA). The purpose of a RUS is to seek to balance capacity, passenger and freight demand, operational performance and cost.

RUSs will form the basis for the development and delivery of timetables, infrastructure maintenance and renewals for the network. They will also underpin the development of the franchise specification and will contribute to the Government's High Level Output Specification (recommendations for enhancing and/or improving the rail network).

Network Rail has developed a programme of RUSs which they plan to undertake over the next couple of years. They published the South Western RUS in March 2006 and a number of others are currently in progress including North West, East Coast Main Line, Cross-London and Scotland. More details can be found at www.networkrail.co.uk.

DfT East Midlands, North West and East of England Regional Planning Assessments (RPA)

The Eastern RPA was published by DfT in February 2006. The East Midlands RPA is currently under development and is expected to be published later in 2006. The North West RPA is expected to be published shortly.

The objective of RPAs is to develop understanding of the priorities for development of the railway over the next 5-20 years in the wider context of planning policy and strategy at the regional scale. The RPAs thus have a longer time horizon than the RUSs and aim to establish the objectives for the railway within the wider transport system in meeting regional needs.

RPAs are the interface between the railway planning framework and the regional planning strategies. In the case of the East Midlands franchise the relevant regional strategies are the London Plan, the East Midlands Regional Spatial Strategy, the East of England Regional Spatial Strategy, the West Midlands Regional Spatial Strategy, the North West Regional Spatial Strategy and the Regional Spatial Strategy for Yorkshire and the Humber.

Document structure

This document sets out the processes and issues involved in replacing this franchise, and is structured as follows:

- Section 2 describes the franchise replacement process, and the dates of expected key milestones;
- Section 3 reviews the current franchises serving the East Midlands area, providing the baseline upon which the franchise specification has been developed;
- Section 4 integrates the baseline section with wider industry goals to provide the objectives that underpin the franchise specification;
- Section 5 describes the proposed DfT base franchise specification, including the assumptions which have informed the development of the specification, the treatment of major and third party schemes, and the proposed service pattern;
- Section 6 relates to the bidding process, including the requirement for bidders to price increments and decrements, and the opportunities for bidders to offer alternatives;

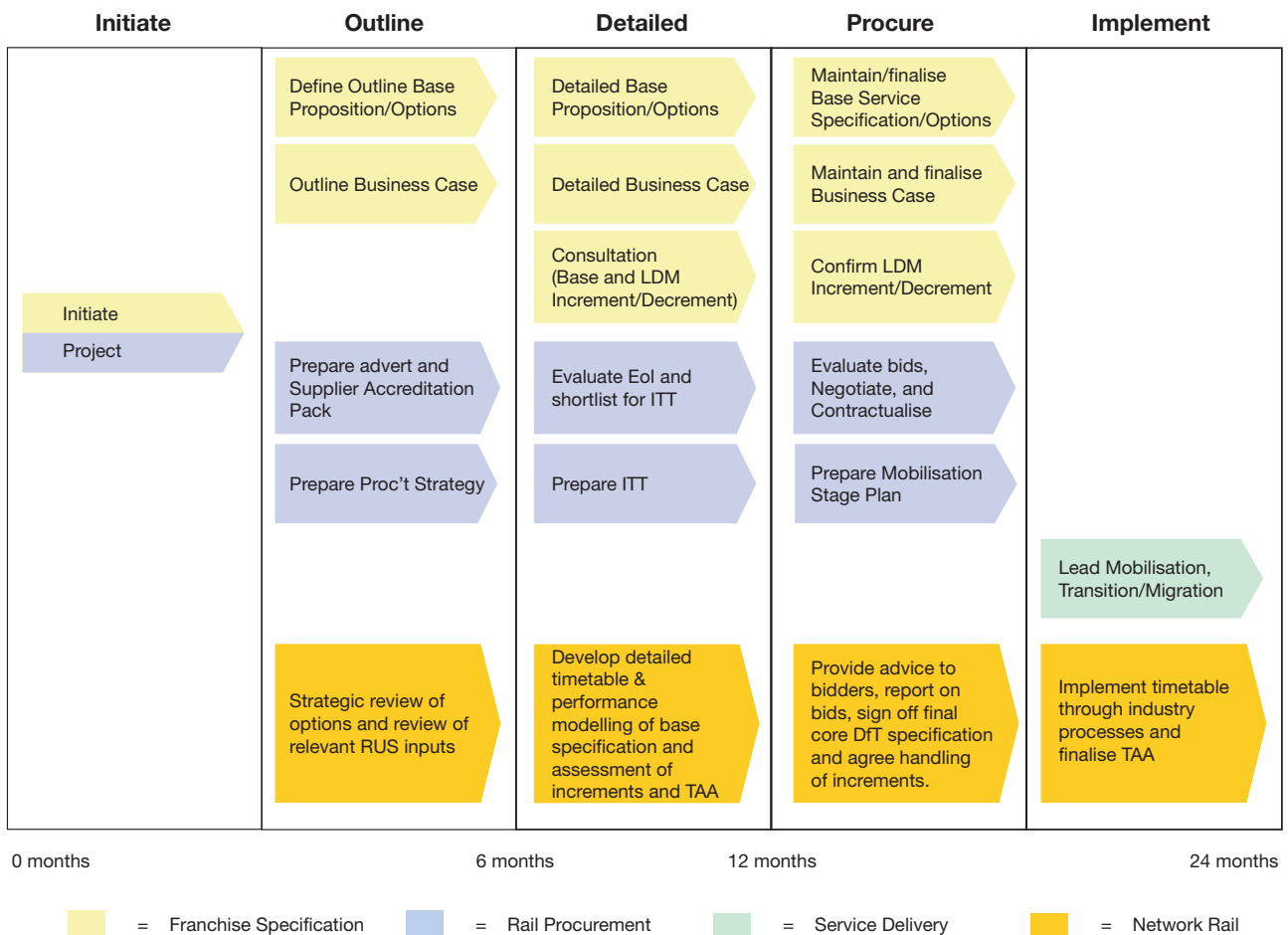
- Section 7 describes the process for including priced options in the ITT and lists options for market assessment;
- Section 8 describes a number of major infrastructure schemes/projects that will or might affect the franchise during its term;
- Section 9 outlines a number of projects currently promoted by third parties which could be implemented during the franchise term, subject to funding; and
- Section 10 describes the process for responding to this consultation document.

This document may be downloaded from the DfT website at www.dft.gov.uk/railways.

2. Process and Timescales

Figure 1 illustrates the Franchise Replacement Process undertaken by the Department for Transport. The time span from the initiation of the replacement to the start of the new franchise is approximately two years.

Figure 1: Franchise Procurement Process



Advertisements inviting Expressions of Interest will be issued soon and accreditation documentation will follow shortly after the advert.

The DfT is now undertaking the Detailed Specification Stage. The proposed DfT base specification is described in Section 5, and over the next few months the specification will be refined and finalised. Modifications to the specification may be made to reflect comments received from stakeholders and/or to take account of emerging information.

A particular requirement over the coming months, prior to the Invitation to Tender (ITT) in Autumn 2006, is to determine any increments and decrements that stakeholders would like to be included. These will be included in the ITT as priced options if they are judged to:

- comply with the objectives of the franchise;
- be operationally robust;
- demonstrate value for money; and
- are capable of being funded by the stakeholder(s).

The deadline for the proposal of these increments and decrements will be the close of the consultation period, 7 August 2006.

Over the next few months the ITT documentation will be prepared. This will form the basis for bidding, and must reflect accurately what it is that the DfT intends to procure from the market. It also needs to set out the criteria for the evaluation of bids.

The Department expects that bids will be returned in February 2007, approximately 120 days after issue of the ITT, and that the franchise will be awarded during the Summer 2007.

The franchise start date will be 11 November 2007, and the franchise will be for a period of up to 7 years, 4 months and 20 days.

To summarise, the significant dates within the East Midlands franchise process are as follows:

Issue UK Advert inviting Expressions of Interest to run the new East Midlands franchise from November 2007	June 2006
Issue Consultation Document to Stakeholders with draft of proposed franchise specification	8 June 2006
Deadline for return of Expressions of Interest from UK Advert	July/August 2006
Final Submission Date for Consultation Responses	7 August 2006
Announcement of bidder Short-list	September 2006
Issue Invitation to Tender to Short-listed bidders	October 2006
Deadline for Submission of bids	February 2007
Announcement of Successful bidder	Summer 2007
Start of new East Midlands franchise	11 November 2007

3. East Midlands Business Review

This section describes the service groups which will be incorporated into the new East Midlands franchise.

The new franchise will comprise the whole of the current MML franchise and a portion of the current Central Trains franchise which has been 'remapped' to the East Midlands franchise as part of the Central Trains remapping exercise announced by the Department in October 2005.

Appendix 1 shows a map of the stations and routes currently served by the service groups which are going to form the new East Midlands franchise.

Current Franchises

National Express Group operates both the MML and Central Trains franchises. Both franchises commenced in 1996, and were recently renegotiated to terminate in November 2007.

Midland Mainline

The Midland Mainline operations involve the running of regular services between London St Pancras, Leicester, Nottingham, Derby, and Sheffield, with some services extended to Leeds, Burton-on-Trent, and Barnsley and Scarborough. They serve four main market sectors:

- InterCity travel between London and Leicester, Nottingham, Derby, Sheffield and the other cities on the MML route;
- Commuting between London and Luton, Bedford, Wellingborough, Kettering, Market Harborough and Leicester;
- Inter-urban customers travelling between intermediate stops on the Midland Main Line and
- Commuting outside London and the south east, particularly to Leicester, Nottingham and Derby.

Passenger volumes are greatest in the InterCity and London commuting markets, which contribute around 70% of patronage on the Midland Mainline franchise. Revenues are dominated by the InterCity market, which accounts for almost two-thirds of all passenger revenue. There has been significant growth in the mid-long distance commuting market.

Overall, patronage and volumes in 2004/05 were:

- Farebox revenue of £149 million;
- Passenger journeys of 10.6 million; and

- Passenger kilometres of 1.3 billion.

Operationally, the Midland Mainline business encompasses:

- 135 trains in passenger service each weekday over 708 route kilometres;
- Station Facilities Owner (SFO) at 8 stations, and serving 18 other stations; and
- Rolling stock fleet of diesel train of 2 vehicle types.

Maximum line speeds are generally between 90 – 110mph.

Currently the business is segmented into two service groups, which are split along the lines of ‘stopping’ services and express services:

- Fast services between London St Pancras and Derby, Nottingham, Sheffield, and Leeds.
- Stopping services between London St Pancras & Derby, Nottingham, Burton-on-Trent and Barnsley.

In the off peak, there are four trains per hour between St Pancras and Leicester, two fast and two stopping. One fast service is extended to Nottingham and one to Sheffield via Derby. One stopping service is extended to each of Derby and Nottingham. This services pattern operates well and has sufficient capacity overall to meet demand although there are some crowding issues in the shoulder peak, most notably when shorter trains are run on the stopping service to Nottingham.

In the peak, up to six trains per hour run to cater for additional demand, particularly from stations south of Leicester. In contrast to other parts of the rail network there is currently no segmentation of long distance and outer commuting markets between Leicester and Bedford. Stops are inserted in long distance trains to provide a service for commuters from Northamptonshire and Bedfordshire. This causes some problems with the provision of capacity, for example in the morning southbound peak, on occasions, trains are already full when they depart Leicester. Consequently passengers from stations south of Leicester may have to stand.

Central Trains (East Midlands)

The Central Trains service groups to be transferred to the new East Midlands franchise are:

- Liverpool – Nottingham – Norwich
- Crewe – Stoke-on-Trent – Derby
- Leicester – Nottingham – Newark – Lincoln (incorporating “Ivanhoe Line” stops between Leicester and Loughborough)
- Derby – Matlock
- Nottingham – Mansfield – Worksop
- Doncaster – Lincoln – Spalding – Peterborough
- Nottingham – Grantham – Skegness
- Lincoln – Grimsby – Cleethorpes

These services provide for a number of markets, including inter-regional business and leisure travel, local commuting mainly to Nottingham, Leicester and Derby, and local leisure, shopping and school trips. Overall, patronage and volumes on these services in 2004/05 are estimated to be:

- Farebox revenue of £36 million;
- Passenger journeys of 8.1 million; and
- Passenger kilometres of 452 million.

Demand, Revenue and Crowding

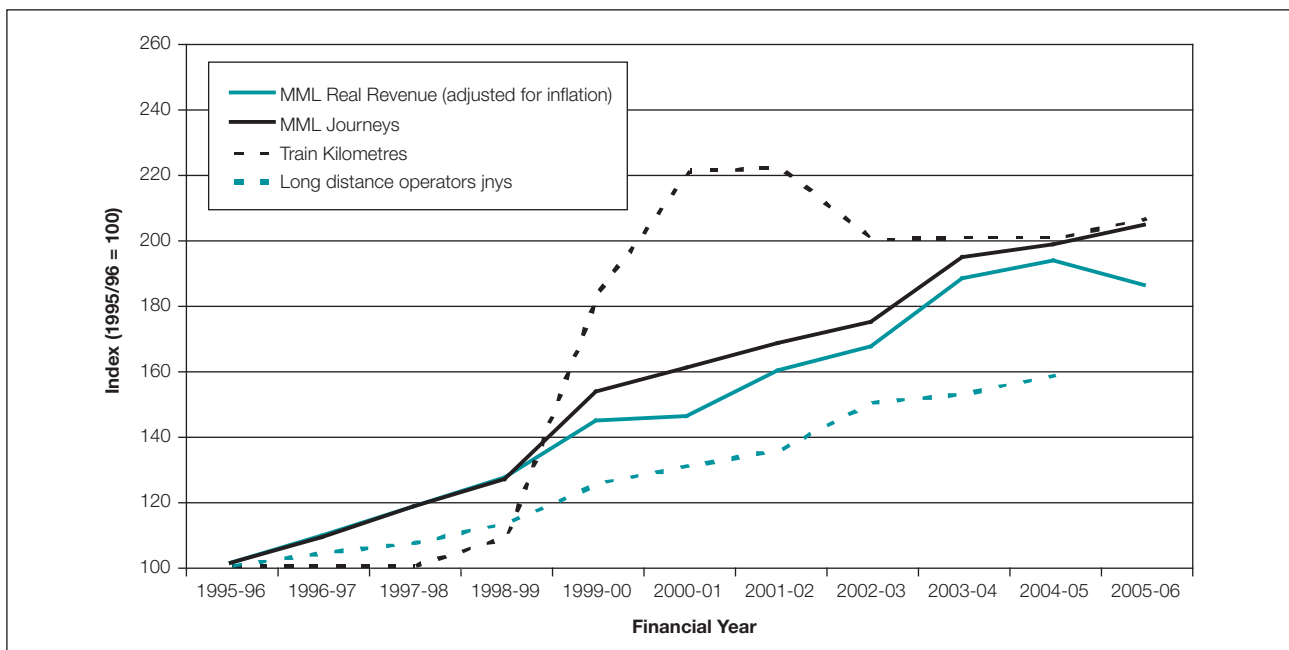
Demand and revenue growth across both the MML and Central Trains TOCs has been consistently strong over the past ten years. Given the different markets served by the TOCs the levels of growth have varied significantly by service. The main drivers of growth for both TOCs are:

- UK economic growth;
- Population growth in East Midlands, London and the South East England; and
- Effects of fares regulation policy.

Midland Mainline Passenger Growth

Figure 1 below illustrates the growth of the MML business since privatisation, and demonstrates that it has out-performed the average across UK long distance operators, certainly in terms of patronage.

Figure 1: MML Earnings, Journeys and Train Kilometres



Sources: LENNON (demand and revenue), Rail Industry Monitor 2005 (train kilometres)

Over the 10 years since privatisation, passenger journeys on MML have more than doubled, increasing by 103% (7.4% per annum), and revenue has increased by 85% (6.4% per annum) when adjusted for inflation. It should be noted that this has been achieved in part by an increase in train supply. In particular the summer 1999 timetable change introduced an additional two services per hour from St Pancras, which particularly benefited users at stations south of Leicester. The new timetable led to an increase in the number of shorter distance trips to and from London, particularly commuting which reduced the overall revenue yield per passenger.

Since the introduction of the new timetable, demand and revenue have increased. Within this overall trend there are some important specific events to note. In particular, the impact of the Hatfield derailment and associated disruption can be seen in 2001-02. Other factors, which have influenced demand either positively or negatively, include:

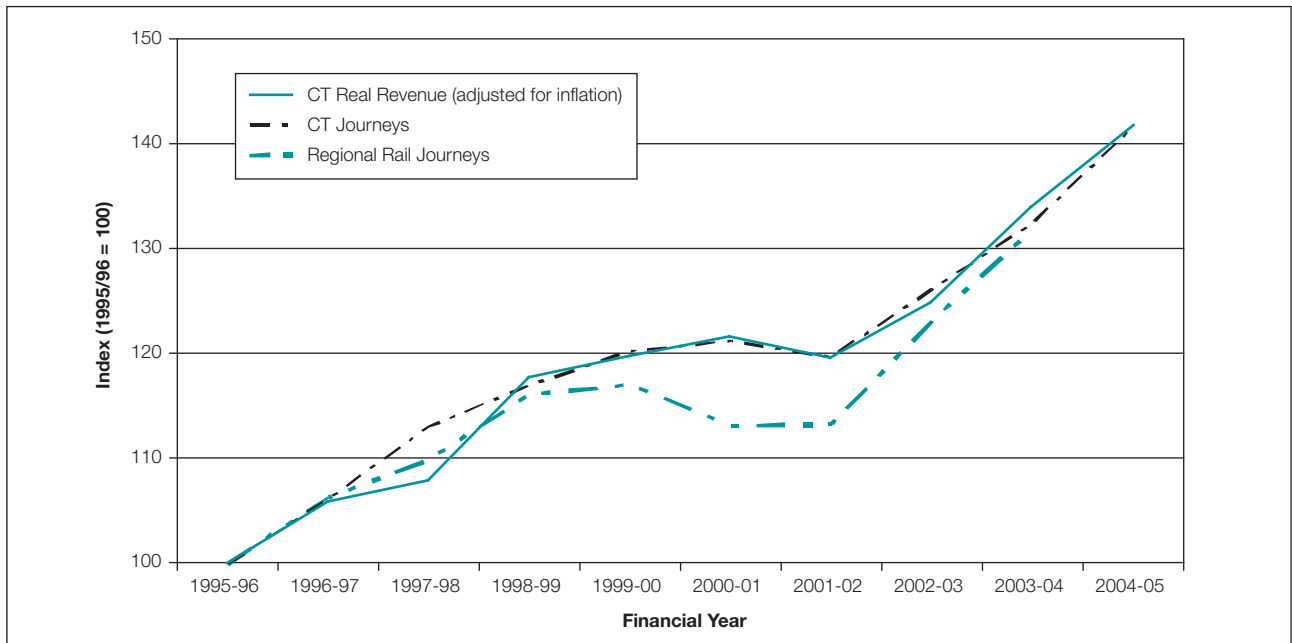
- The introduction of the Project Rio timetable in May 2003¹, with one train per hour introduced between London St Pancras & Manchester (replacing the slow service to Nottingham) boosted demand and revenue in 2003/04, while its withdrawal in September 2004 reduced growth levels;
- The recent introduction of the new Meridian rolling stock and the parallel phasing out of Turbostars;
- Significantly improved performance over the past two years;
- The July 2005 bombings in London; and
- The introduction of new cheap fares and pricing structure which has increased patronage in 2005-06.

Central Trains (East Midlands) Passenger Growth

Figure 2 below illustrates Central Trains passenger growth since 1996-97, and demonstrates that overall growth has been similar to that of other regional operators. Passenger data specifically relating to the East Midlands service groups is only available for 2002-03 – 2004-05 to date, and therefore the main trend data here relates to the total Central Trains franchise.

¹ This service provided additional services to Manchester during the disruption caused by the West Coast Mainline upgrade

Figure 2: Central Trains Earnings and Journeys



In the nine years since 1996-97, passenger journeys on Central Trains have increased by 42% (3.9% per annum), and real revenue has grown by virtually the same amount. Growth has not been as strong as on MML.

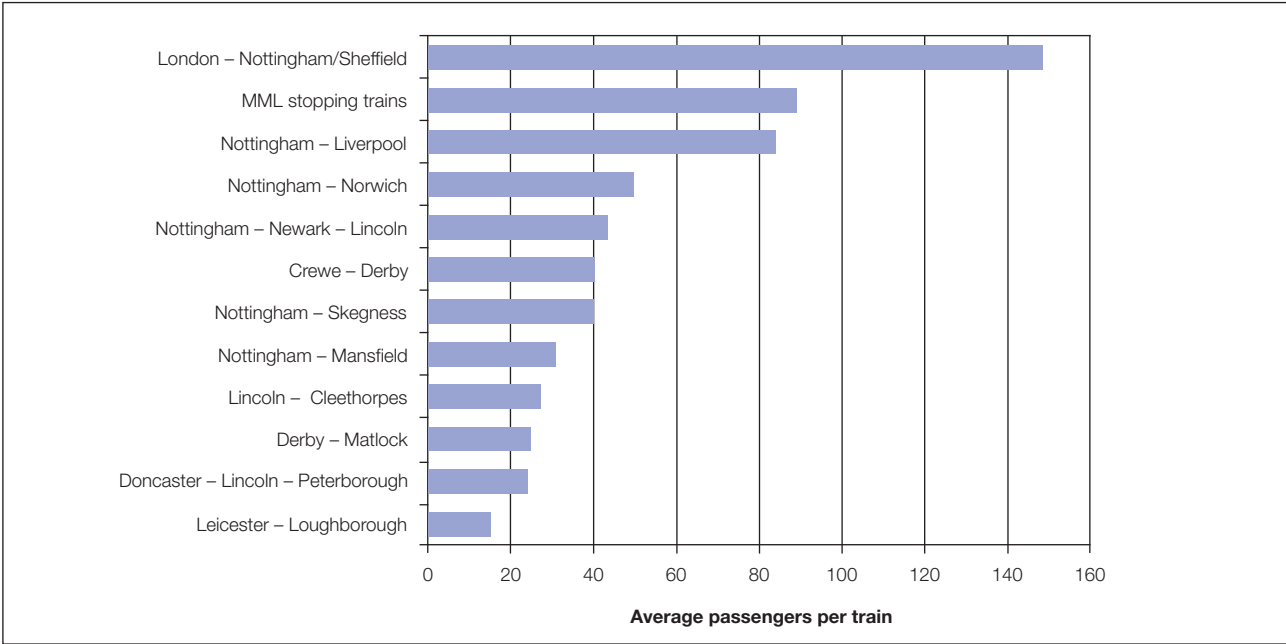
Growth in the last two to three years on existing Central Trains services has been largely influenced by growth in central Birmingham, due in part to developments such as the new Bull Ring centre and changes in employment patterns, as well as highway congestion in and around Birmingham. However, growth in the East Midlands service groups has not been as strong as for the whole of Central Trains.

Train Utilisation

Passengers per Train

The following chart (Figure 3) shows average train utilisation on the East Midlands franchise expressed in terms of passenger kilometre per train kilometre. As would be expected, the MML services show the highest levels of utilisation, due both to higher train capacities, and stronger demand. The lowest levels of average utilisation are seen on the local services within Lincolnshire, as well as the Derby – Matlock service.

Figure 3: Passengers per Train by Service Group (2004/05 Average)

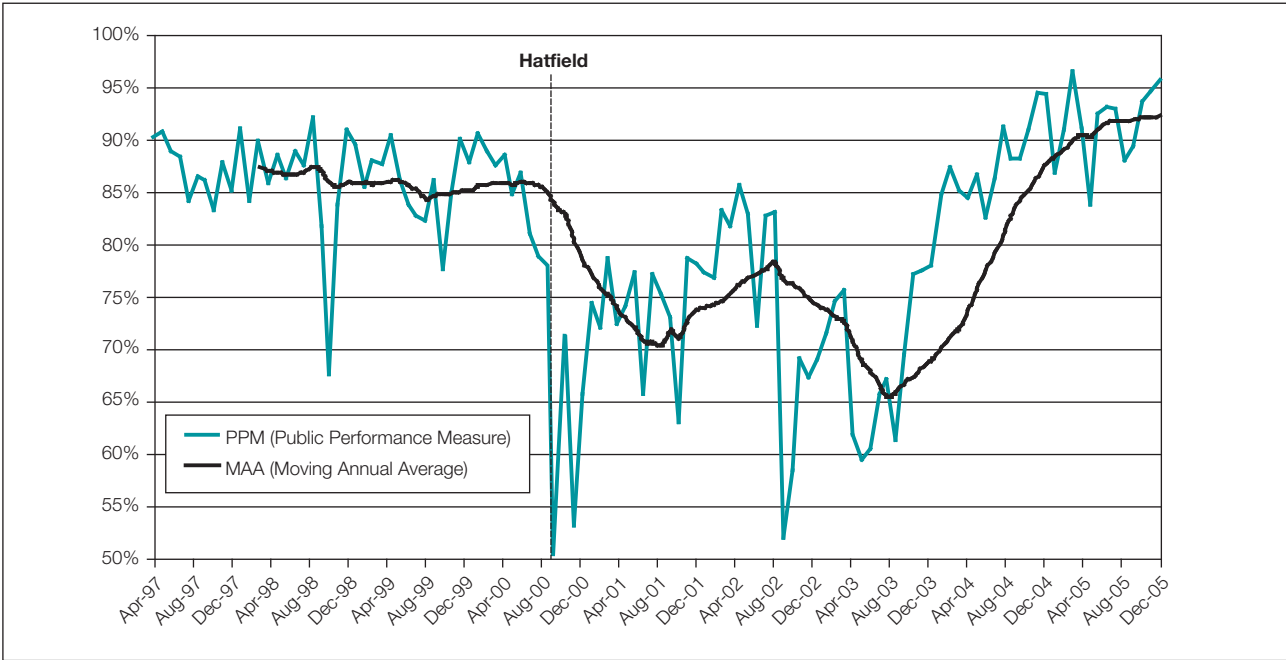


Operations and Resources

Performance

Figure 4 below illustrates performance on the MML network over the past 7 years. The effect of the Hatfield derailment in October 2000 can be seen clearly, along with the associated disruption which led to a step change deterioration in performance. The Public Performance Measure (PPM) for MML measures the percentage of trains arriving within 10 minutes of the planned destination arrival time.

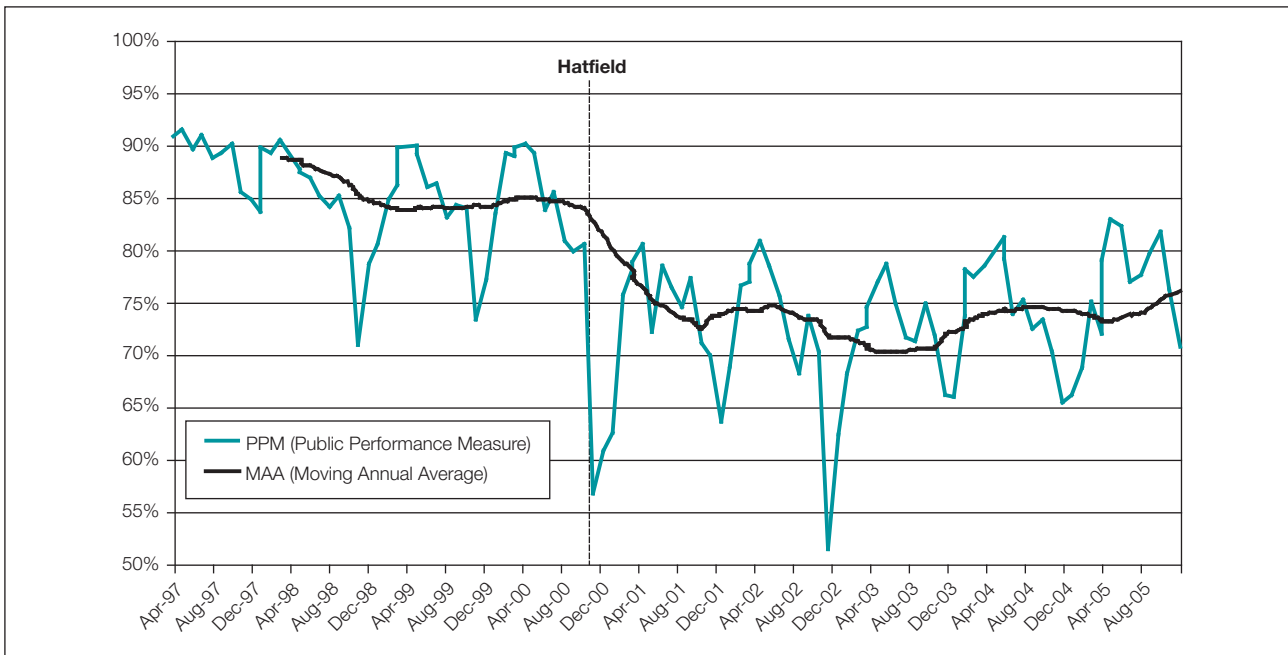
Figure 4: MML Performances April '97 – February '06



Since the start of 2003, there has been a significant improvement in MML performance, such that current performance exceeds pre-Hatfield derailment levels, with PPM levels at around 90-95%. MML is now the best performing long-distance operator.

Figure 5 below illustrates Central Trains performance over the period April 1997 – November 2005. The impact of the Hatfield derailment is not so marked here, as regional operators were generally not as badly affected as inter-city TOCs, nevertheless there is a clear effect. Performance levels have remained at post-Hatfield derailment levels until very recently.

Figure 5: Central Trains Performance April '97 – November '05



The worst performing service groups within Central Trains are in the West Midlands, and will be included in the new West Midlands franchise. The services which are proposed for transfer to the East Midlands franchise will still need to improve to match the present level achieved by Midland Mainline. Central Trains are proposing a number of measures to improve operational performance, supported by DfT, prior to commencement of the new midlands franchises.

Rolling Stock

The new East Midlands franchise may be expected to operate a fleet of diesel trains, made up of a mix of high speed, inter urban and local stock, reflecting the different markets served by the current MML and Central Trains operations. The following table outlines the rolling stock used to operate the current MML and Central Trains (East Midlands) services.

Table 1: East Midlands Franchise Rolling Stock, December 2005

Unit Class	Traction	Vehicles length and vehicles per unit
153	Diesel	1 x 23m
156	Diesel	2 x 23m
158	Diesel	2 x 23m
170	Diesel	2 x 23m
170	Diesel	3 x 23m
222	Diesel	4 x 23m
222	Diesel	9 x 23m
HST	Diesel	8 x 23m plus 2 power cars

Depots

The East Midlands franchise will use depots at a number of locations. This may include depots located at:

- Cambridge;
- Eastcroft (Nottingham);
- Etches Park (Derby);
- Neville Hill (Leeds); and/or
- Tyseley (Birmingham).

4. Objectives for the East Midlands Franchise

The starting point for the development of the franchise specification and associated business case is the establishment of clear objectives for the franchise. Initial feasibility work and a subsequent review of the East Midlands business identified the following objectives:

1. To achieve sustainable value for money of the new franchise within the constraints of the overall franchise budget

- A reduction in the subsidy profile over the franchise term;
- Improvement in resource efficiency; and
- The addition of economic benefits delivered by the franchise.

2. To improve operational performance of East Midlands trains to contribute towards national performance targets

- Build on MML's recent industry-leading performance, ensuring a sustainable and optimal trade-off between capacity and journey time; and
- Improve performance on the ex-Central Trains routes in the East Midlands.

3. To seek to accommodate current and anticipated future growth in passenger demand

- The identification of exogenous growth and strategies for management;
- Alignment with Department for Communities and Local Government's Sustainable Communities Plan;
- To reduce crowding and improve journey quality; and
- Generation of more off-peak journeys.

4. To seek to improve alignment with stakeholder and passenger aspirations within the context of the other objectives

- A safe and secure environment on trains and at stations;
- Alignment with the Midland Main Line Route Utilisation Strategy;
- Promote integrated transport solutions and social inclusion by, amongst other things, enhancing passenger facilities, provisions for cycle-rail integration and access to stations by all modes;

- Seek to improve accessibility for all to East Midland franchise services and stations;
- Maximise benefits to the franchise from co-operation with stakeholders including ongoing parallel studies by stakeholders which may influence the franchise;
- Consideration of other schemes which affect the franchise e.g. Network Rail re-signalling, The Thameslink Project, the 2012 Olympics, Corby Station;
- Facilitate locally-sponsored increments and decrements; and
- Improve customer satisfaction.

5. The Proposed DfT Base Case Specification

This section sets out the proposed DfT base case specification. It contains details of how the franchise objectives are addressed through the specification, and then looks at various components of the specification including the proposed service pattern.

Demand Forecasts

The specification has been determined using a forecasting framework based on that used in standard rail industry models (Passenger Demand Forecasting Handbook, version 4 [PDFH4]). This allows a number of exogenous drivers to be modelled, as well as the forecast impacts of service quality changes and fares increases. An important element of the process has been to ensure that the PDFH4 demand drivers and elasticities provide a suitable representation of recent demand growth for the different market segments.

The demand forecasting model is based upon the 2004/5 LENNON dataset for flows involving the franchise area. Individual flows were allocated to different ticket types, and this formed the basis of the subsequent modelling. Data from the year 2005/6 has recently become available and is being used to update the modelling. Passenger count data has also been used to validate ticket sales data.

The growth drivers in the model include, population, economic (GDP, CLE, employment), car ownership, car journey time, fuel cost and fares. The model calculates the impact on demand, revenue, and passenger miles of each of the growth drivers and then combines these to produce an overall effect.

Forecast data from TEMPRO for population, employment and car ownership used the policy-based data-set, and regional GDP forecasts were adopted. Changes in car journey time were based on forecasts of increases in journey times by road type from the National Road Traffic Forecasts. Forecast changes in fuel cost were derived from the DTI oil forecasts.

Fares

Commuter fares and protected fares are assumed to be capped at RPI +1% throughout the franchise term, consistent with current government policy.

The new franchisee is expected to be innovative in using technology to increase revenue, make access to the network easier and more attractive, to current passengers, and potential passengers and to make efficient use of capacity.

In particular, the bidders should explore ways of utilising Smartcard and other technology to:

- review retailing strategy, and
- to offer new products including tickets priced according to time of travel.
- to improve ease of public access to information on the services of the franchise.

In implementing these new approaches the franchisee would be expected to actively participate in establishing a common industry approach so that any changes to existing retailing and ticketing arrangements retain the spirit of the current Network Benefits, and provide a single, national passenger-facing framework.

Rolling Stock

DfT expects to see a realistic short term rolling stock strategy presented and will welcome proposals to deal with long term growth. It will also welcome submissions from bidders including some or all of these issues:

- longer trains;
- additional rolling stock; and
- the mix of first and standard class provision.

Bidders will not be asked to price the introduction of the new High Speed Trains (HST2).

Rolling Stock Maintenance

Bidders will be expected to demonstrate an efficient and effective use of the extensive range of fleet maintenance services and stabling facilities available within the East Midlands area. Bidders will propose both a depot strategy and a depot and maintenance plan.

Midland Mainline and Network Rail are currently undertaking work at Etches Park (Derby) depot to enhance its operability and efficiency. Bidders will be provided with a functional specification for the new layout at Etches Park.

Station access and car parking

Limited car parking at stations is a serious constraint on demand growth on the main line routes. There are a number of schemes to increase the size of car parks at several stations on the route. Bidders will be made aware of these schemes and encouraged to facilitate them, including the development of funding mechanisms in cases where capital costs can not be recouped over the franchise term.

The franchisee will also be expected to promote improved station access and egress on foot, by bicycle and by other modes of public transport.

DfT has adopted SRA's Cycling Policy (published by SRA in November 2004 and available on DfT's website) and bidders will be invited to outline their policy regarding bicycles, both on-train and with regard to access and storage at stations, which should reflect this.

East Midlands Parkway

Bidders will be expected to work with Network Rail to ensure the commissioning of this new station at Ratcliffe-on-Soar, near junction 24 of the M1. The station will be mainly a rail-head for journeys from the East Midlands to London, but will also serve East Midlands Airport and some local flows within the East Midlands. The station is planned to be in service in time for the December 2008 timetable change although the franchise agreement will allow sufficient flexibility should this date change. The proposed service for the new station is covered in the Service Pattern section of this document.

Timetable Consultation

At this early stage in the process, no detailed timetable exists for the proposals set out in this document, and it is therefore not possible to comment on the exact timing of trains or the quality of connections. The future franchisee will be required to undertake a consultation on the detailed timetable during its development, this is most likely to occur in spring 2008.

Proposed December 2008 Service Pattern

Bidders will be asked to bid against a Base Case specification for the franchise. Amongst other things this includes a specification of train services as a Service Level Commitment (SLC). There will be two service level commitments: SLC1, which will operate with effect from November 2007 and SLC2 which will operate from December 2008.

SLC1 will be largely based on the timetable operated today.

SLC1 and SLC2 form a minimum Base Case specification and bidders will be able to propose additional services by means of Alternative Tenders. Whilst SLC2 sets out the minimum train service level from December 2008, the bidders will be expected to respond to changes in demand and respond to any opportunities that arise from any changes to the railway infrastructure throughout the life of the franchise.

Midland Main Line Services

The new East Midlands franchise services on the Midland main line will face a number of major challenges. Foremost amongst these is the changing nature of demand on the southern end of the route, and its interaction with simultaneous growth in demand from longer-distance passengers.

The East Midland Regional Spatial Strategy and the Sustainable Communities Plan (published by ODPM in February 2003) together recommend that over 80,000 new houses are built along the corridor. Some of this housing growth has already taken place, and its effects are demonstrated by increased rail patronage. Long distance demand on the route has grown strongly and is expected to continue to grow. As demand increases for long distance travel, commuters may on occasions be joining already full trains in the morning peak and finding a seat in the evening peak out of London will become more difficult for everyone. The level of demand on the route now justifies a higher degree of segmentation of the long distance and commuter flows.

There remain several measures which could be taken to make better use of existing track capacity into London St Pancras before additional infrastructure is required. The Midland Main Line and East Midlands RUS recommended a solution of running additional trains between London St Pancras and Kettering, with fewer stops in the long distance trains to accelerate journeys and better match train capacity to demand. The recent replacement of the Thameslink franchise introduces a timetable that facilitates this goal.

Building on recommendations in the RUS the specification of the East Midlands franchise proposes running a London to Kettering train all day. By creating a distinct London to Kettering service group it will be easier and more cost effective to cater for increasing commuter demand.

The London to Nottingham stopping service will continue to operate hourly as today, as will the Sheffield – London service, which remains hourly via Derby calling at Chesterfield.

Nottingham and Derby will both continue to receive a second London train per hour. This train will operate in two portions and run fast between London and Leicester. In the northbound the train will split at Leicester with the front portion working fast to Nottingham and the rear portion running to Derby (calling at Loughborough, East Midlands Parkway and Long Eaton). The operation will be reversed in the southbound, with the Derby portion (calling at Long Eaton, East Midlands Parkway and Loughborough) joining the Nottingham portion at Leicester which will run non-stop between Leicester and Nottingham.

Off-peak there will be a reduction in the number of trains that call at Market Harborough station, from two an hour today to one an hour from December 2008. In the peak additional calls will be added to the Sheffield – London service, this will provide Market Harborough with both connections to the North and very fast journeys to London (circa.60 minutes against circa.70 – 80 minutes today). There will also be calls in the counter peak to enable commuter journeys to Leicester and Derby.

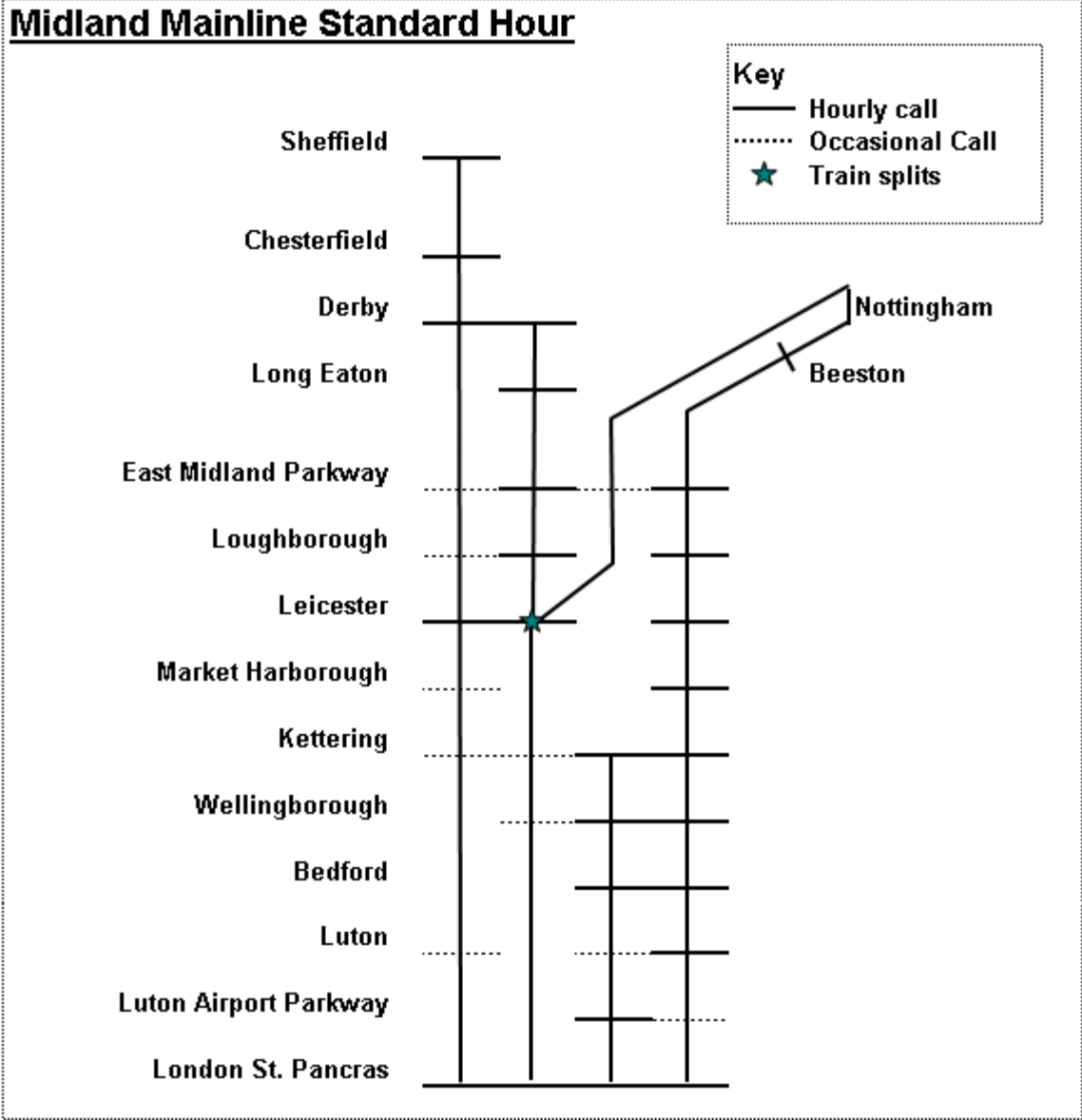
Table 2: Standard hour services at East Midlands Parkway

Train	Calling pattern
Sheffield to London	Occasionally
Nottingham to London portion working	Occasionally
Derby to London portion working	Hourly
Nottingham – London stopping train	Hourly
Leicester – Lincoln	Hourly

This will give the new East Midlands Parkway station at least two services an hour to London, two services an hour to Nottingham, at least one to Derby and at least three to Leicester.

The new station will abstract much of its demand from Loughborough, Long Eaton and Beeston. To take account of this the number of calls off-peak at Loughborough will be reduced from five every two hours to two every hour. In the peak some additional calls at Loughborough will be added into the Sheffield to London service and/or the Nottingham to London service. The hourly London service at Beeston and Long Eaton will be retained in December 2008. Following the opening of East Midlands Parkway should demand fall significantly at either Beeston or Long Eaton station the level of service will be reviewed.

The proposed 'standard hour' pattern is demonstrated by the diagram shown below.



Extra peak services on the MML

In the peak an additional train will run between London and Kettering, giving a total of three stopping trains in the peak hour south of Kettering. It will also still be necessary to add some additional stops in the long distance service at stations south of Kettering, but fewer than today.

In addition to the standard pattern there will also be additional morning services from each of Sheffield, Derby and Leicester. The additional train from Sheffield will run at a similar time to the 'Master Cutler' which currently runs non-stop between Chesterfield and London. The route and calling pattern for this train will be for bidder's to propose.

Barnsley & Burton-on-Trent to London services

Barnsley currently has one direct service a day to London. This train is formed as an extension of a Sheffield to London stopping service. There are no direct northbound trains between London and Barnsley. To include extensions of a London to Sheffield service to Barnsley will be for the bidders to propose.

Burton-on-Trent currently has two return services a day to London. These trains are formed as an extension of a Derby to London stopping service. From December 2008 Tamworth, on the West Coast Main Line will have an hourly direct service to London Euston. For passengers between Burton-on-Trent and London, changing trains at Tamworth will offer a faster overall journey time. Therefore any extensions of a London to Derby service to Burton-on-Trent will be for the bidders to propose.

Leeds to London (via Sheffield) services

Between Leeds and London via Sheffield there are currently three trains southbound and four trains northbound per day. The southbound services run in the early morning and the northbound services run in the late evening. The fundamental reason for these services is to enable HST trains to move between Neville Hill depot (Leeds), where they are maintained and their core route between Sheffield and London. The new Leeds to Nottingham services will improve all day connectivity between West Yorkshire, South Yorkshire and the East Midlands. The main Leeds – London route (via Doncaster) is operated by GNER. In the long term DfT is committed to the introduction of a half hourly service between Leeds and London via Doncaster.

DfT will not specify a depot strategy to bidders nor does it intend to specify through services between Leeds and London via Sheffield. Should a bidder choose to maintain their trains at Neville Hill it is likely the services will continue to operate, if another maintenance location is chosen by the bidders it is likely they will not. The new service between Leeds and Nottingham will improve connectivity between West Yorkshire, South Yorkshire and the East Midlands.

Weekend services

The Saturday service will be based on the weekday off-peak standard hour, this service pattern will run all day. The structure of the Sunday service will remain unchanged. First and last trains will run at approximately the same times as today.

Leeds – Nottingham direct service

Leeds and Nottingham are important regional centres, however, the rail links between the two cities are poor and the M1 is subject to periodic congestion. The case for a direct rail service is strong.

The DfT has initiated exploratory discussions with Northern Rail about providing such a service, by extending to Nottingham the existing semi-fast service between Leeds and Sheffield (via Barnsley). This poses significant operational complexities, particularly at Nottingham station and between Leeds and Sheffield, and an even interval frequency with other services on all sections of the route may not prove possible. It is intended these trains would make some calls at Dronfield, Alfreton and Langley Mill, giving a significant increase in the number of trains at each station.

Negotiations with Northern Rail are still at an early stage, but it is hoped that a service could be implemented by December 2008. If negotiations with Northern Rail do not conclude successfully the full service could be operated by the East Midland franchise.

To create capacity for this service it may no longer be possible to run any London services on the Nottingham to Chesterfield route. As a consequence Langley Mill and Alfreton will lose their two through services a day to London. This will be mitigated by roughly doubling the number of services between Langley Mill and Alfreton to Nottingham where a connection for London can be made.

Liverpool – Norwich

The original Central Trains remapping announcement, made in October 2005, recommended splitting the Liverpool to Norwich service at Nottingham, on grounds of improved performance. The Liverpool to Nottingham service was to be competitively bid between TransPennine Express and the bidders for the East Midlands franchise.

However, further work has shown that the business case for the split is weak. Demand and revenue would fall and costs would increase. To offset the cost increases and create a positive business case would require an improbable improvement in performance. DfT has therefore decided that the Liverpool – Norwich service should not be split. This will ease the operation of Nottingham station, a major concern of Network Rail, and will help create the capacity for the Leeds – Nottingham service. The entire length of the service will be operated by the East Midlands franchise.

DfT is assessing the destination of these trains in East Anglia. Currently all trains in this service group start or end at Norwich. There is a positive business case for running two-hourly to Cambridge and two-hourly to Norwich. To maintain Norwich's hourly link to the East Coast Main Line a new two hourly fast service between Norwich and Peterborough would be needed. If the changes to other operators' services to achieve this cannot be successfully negotiated, the current service pattern, with all trains serving Norwich, will continue.

A new station, Liverpool South Parkway, is opening shortly on the line towards the western end of this route. The station was sponsored by Merseyside PTE. Further work is needed to confirm the operational and commercial implications of calling at this station before a decision is taken.

Skegness to Nottingham

Currently many services on this route do not call at Grantham. Historically this was because trains from this route conflicted with trains on the East Coast Main Line. The Allington Chord, a new stretch of track, was completed recently which routes this service away from the East Coast Main Line. Therefore it is proposed that most services between Nottingham and Skegness will also call at Grantham. This adds to the end to end journey time of the route but will increase connectivity with the East Coast Main Line and adds a second train in most hours between Grantham and Nottingham.

Third train per hour between Nottingham and Derby

Further investigation of the addition of a third train per hour between Nottingham and Derby will be completed between issuing this document and the finalisation of the East Midlands specification. Which service DfT chooses to extend, if any, will depend on operational constraints, particularly at Nottingham station, and the strongest anticipated through demand. This will improve connectivity between the two cities and could enable one of the other services between Nottingham and Birmingham (which will be operated by the new Cross Country franchise) to offer a faster journey between Nottingham and the West Midlands by transferring intermediate stops to the new extended services.

Barton-on-Humber branch line

This service is currently run by Northern Rail; however operationally it may be easier for an East Midland franchisee to serve the branch.

DfT has initiated exploratory discussions with Northern Rail about this transfer. Negotiations are still at an early phase, but it is hoped that this change could be implemented in November 2007. If negotiations with Northern Rail do not conclude successfully the service will remain with them.

DfT is not proposing any changes to the service pattern on the branch as a result of this transfer but is willing to consider ideas that may improve the value for money of the line.

Ivanhoe and Robin Hood lines

The services on these lines are currently provided with additional third party support. From November 2007 DfT will take responsibility for all funding on these routes. No changes are proposed to the services.

Other regional and local services

No other changes are proposed in the quantum of trains operated, or number of calls at stations, although the timings of individual trains may change. The future franchisee will be required to undertake a detailed timetable consultation, probably in spring 2008.

Revenue and Resource Management

The timetable changes proposed are designed to ensure value for money within the available budget. The DfT is keen that the franchise maximises the use of its existing revenue and resource base.

New advances in electronic ticketing offer the potential for more flexible peak and off-peak ticketing.

The DfT expects bidders to demonstrate how they will deploy staff resources in the most efficient manner to meet the franchise objectives whilst improving customer service quality on trains and at stations. This may include installing ticket gates at stations.

Community Rail Strategy

The DfT is keen to see improvements in the financial performance and usefulness of local and rural railway lines through the application of the Community Rail Development Strategy. The Strategy (published in November 2004 and available on the DfT website) sets out pragmatic and practical steps that can be taken to increase revenue, reduce costs and increase community involvement in local and rural railways.

There are three community rail lines/services identified in the new East Midland Franchise – Nottingham/Grantham – Skegness, Derby – Matlock (Derwent Valley) and Derby – Stoke/Crewe (North Staffordshire line). These lines are supported by three partnerships: Poacher Line Partnership, Derwent Valley Rural Transport Partnership and North Staffordshire Partnership.

The Nottingham – Skegness service was until recently linked across Nottingham to services to Derby and beyond. It experienced extreme unreliability and now no trains run to the west of Nottingham. The partnership on the line has been established for about 12 months and has concentrated its early efforts on various projects to raise the profile of the line and to bring about modest improvements to various stations. This partnership is likely to expand westward to cover the whole of the service from Nottingham to Skegness as opposed to the section east of Grantham. (Note there is currently a consultation taking place concerning the designation of these services – designation will NOT cover the fast long distance services that share the line between Nottingham and Grantham).

The Derwent Valley serves commuter and leisure flows to/from the Matlock Branch. The area served is a World Heritage Site and contains a number of tourist attractions. The Partnership as currently established covers other local transport as it is a rural transport partnership. Consultation on designating the line is currently underway.

The North Staffordshire Partnership is relatively new and has only recently taken on a partnership officer. The line is not expected to be designated as a community rail line as it carries significant freight flows. The service may be designated as a community rail service – though there are no immediate plans to take this forward.

Obviously elements of the Community Rail Development Strategy can be taken forward on all lines – for example station adoption can be taken forward on most stations and working with the community can yield benefits even on main lines.

The Department expects to see active engagement of bidders and operator with partnerships to increase revenue, reduce costs and increase the involvement of the community in the railway.

On Train Catering

The Department does not seek to specify catering in detail, although what the bidders offer must be commensurate with the type of train service provided.

Disability Discrimination Act

DfT expects bidders to detail in their bids their proposals to ensure compliance with the Disability Discrimination Act 1995 (DDA) (as amended by the 2005 Act). Bidders will be requested to describe in detail their compliance strategy applicable to both stations and trains. In addition, they will be required to submit a consultation strategy with disability groups to ensure that the reasonable needs and requirements of such groups are identified and addressed, both with existing facilities and through enhancements. Bidders must outline their plans for staff awareness training and detail their procedure for the sale of tickets to disabled travellers.

Minor Works Fund

Bidders will be required to establish and manage a Minor Works Fund for each franchise year. Minor works are defined as small scale physical alterations or additions to improve the accessibility of stations to disabled persons.

The Franchisee is expected to develop a Minor Works Programme and consult in relation to this. They are also expected to co-operate with Network Rail, Transport for London or other third party funders, seeking to carry out or procure minor works at stations. Some Local Authorities have identified funding for accessibility and mobility improvements at stations and the Franchisee would be expected to co-operate with and/or support such schemes.

‘Railways for All’ strategy

DfT’s ‘Railways for All’ strategy, published in March 2006, proposes to enhance the accessibility of the rail network. The Access for All funding programme covers capital investment (for example in provision of step-free access) at the busiest stations together with an annual Small Schemes Fund which is intended to be sponsored by bodies including TOCs, Local Authorities and PTEs for stations in England and Wales. For further information on this fund please contact miu@dft.gsi.gov.uk

Bidders should be aware of the DfT’s Access for All fund and co-operate in the implementation of works at stations designated for access improvements under the fund.

Engineering Access

In developing the specification for the new franchise, DfT is working with Network Rail to decide whether changes are needed to Network Rail's engineering access principles.

Network Rail needs adequate access to the rail network to meet its maintenance and renewals obligations, and changes to access arrangements may enable it to undertake this work with greater efficiency or at a faster rate. Such considerations need to be balanced against the needs of rail users, and the opportunities for business growth at times when the railway has traditionally been offered a restricted service because of engineering possessions, e.g. Sunday mornings.

The principle of efficient engineering access of ensuring value for money to the industry should be sought in this trade-off between Network Rail's efficient use of resource to undertake engineering work and the revenue and associated benefits of passengers wishing to travel at these times.

Stations

Bidders will be expected to demonstrate in their bids how they will achieve a continuing improvement in service levels at stations, address issues of safety and security, accessibility (both for disabled passengers and interchange with other modes of transport) and improvements to both car parking and cycle storage. Bidders should outline any plans for station enhancements and any opportunities that may exist to lever in external funding from Local Authorities or other third parties, with an interest in direct and indirect station investment.

Stations are seen as an important aspect of the franchise. Enhancing the facilities at stations makes rail travel more attractive to passengers for several reasons:

- Security of passengers through the availability of CCTV, presence of staff, quality of lighting and other factors;
- Facilities provided such as waiting rooms, shelters, toilets, ticket machines and the ability to purchase refreshments; and
- Car parking is seen as a constraint in many locations due to limited capacity. Initiatives to develop car parking should be linked with local stakeholder objectives for encouraging public transport use and wider integration.

Bidders will be required to cost and programme the achievement of Secure Station Accreditation (SSA) for those stations that experience the significant majority of footfall within the franchise's stations, incorporating an appreciation of the stations' levels of crime. It is proposed that the base case specification should require bidders to deliver SSA for those stations comprising 80% of the franchise footfall. The bidders will be required to assess with BTP the security/crime risk at all stations in the franchise and ensure that their proposals for covering 80% of footfall include all the identified high risk locations.

Bidders will also be asked to assess the impact on passenger safety of changes to operational practices within the franchise such as introduction of staffed gate-lines at more stations and on-train staff being saloon-based to give an enhanced presence to passengers, checking tickets and providing service information.

Environmental Issues

DfT will require bidders for the franchise to demonstrate that they understand the environmental impact of the operation of the franchise and will work with DfT and others to reduce this impact over time in areas such as energy requirements, emission levels and waste disposal requirements.

Regional Spatial Strategies (RSS) and Local Transport Plans (LTPs)

Bidders will need to demonstrate awareness in their bids of relevant emerging and adopted transport plans and strategies and highlight their plans to work with Regional Agencies and Local Authorities with regard to delivery of both local and wider Government shared transport objectives.

The RSS for East Midlands is currently under review with an Examination in Public (EiP) programmed for 2007. The RSS envisages growth in the south of the region (Northampton/Wellingborough/Corby) and the three cities area of Derby/Leicester/Nottingham. The Panel Report on the Draft East of England Plan is now awaited following the recently concluded EiP. The Plan's key growth points, for the purposes of the East Midlands franchise, are Bedford, Luton and Norwich together with the London-Stansted-Cambridge-Peterborough Sustainable Communities growth area. The RSS for the West Midlands was published in June 2004 and is currently undergoing partial review. The RSS focuses growth in the major urban areas (West Midlands conurbation and Stoke-on-Trent).

The Milton Keynes-South Midlands sub-regional strategy was published by the Government Offices for South East, East Midlands and East of England in March 2005. For the purposes of the East Midlands franchise, the key housing and employment growth areas are Corby-Kettering-Wellingborough, Bedford-Marston Vale and Luton-Dunstable-Houghton Regis. The emphasis is on urban regeneration and improved public transport links.

The Regional Spatial Strategy for Yorkshire and the Humber is expected to be published in Autumn 2007. Growth areas identified in the region centre on the Leeds city region and parts of South Yorkshire, particularly Sheffield.

Local Authorities outside London have now submitted their second Local Transport Plans (LTP2) to DfT for the period 2006-2011 and these are being evaluated. Bidders should be aware of rail objectives in LTPs and work with Local Authorities in the feasibility and delivery of such schemes.

The London Plan was formally adopted in February 2004. Continuing population growth is forecast, taking London's population to over 8 million by 2016. Economic growth in the business and financial sectors will continue, mainly concentrated in the central/Docklands areas. The Mayor's Transport Strategy, which supports the London Plan, aims to increase the capacity of public transport by up to 50%, achieve a 'metro' service level of frequency within London (4 tph and 6 tph on trunk routes) and promote town centres.

Transport Innovation Fund

The July 2004 White Paper 'The Future of Transport' announced the creation of the Transport Innovation Fund (TIF) which is designed to support local transport packages that encourage modal shift, raise new funding for transport schemes and enhance national productivity.

Local Authorities in seven areas in England have successfully bid for pump priming funding to develop demand management schemes. The seven areas are Cambridgeshire; Durham County Council; Greater Manchester; Shropshire County Council; Tyne & Wear; West Midlands conurbation and the four Bristol area Unitary Authorities. Bidders will need to be aware that demand management schemes developed may involve modal shift towards public transport including rail.

6. Procurement Process

The procurement process is designed to secure best value for money bids on behalf of rail passengers and the taxpayer. The process has two selection stages: accreditation and franchise award.

The purpose of the accreditation stage is to select (probably between 3 and 5) bidders best able to operate the East Midlands franchise. Advertisements will be published in the Financial Times and the International Rail Journal seeking expressions of interest in the franchise. Interested parties will be able to download an accreditation document pack from the Department's website.

In assessing the accreditation responses the Department will use a pre-determined scoring system assessing whether applicants have demonstrated a proven track record of service delivery and financial management in relevant areas of activity and have an appropriate quality of management and the ability to manage franchise transition.

The applicants who qualify will receive an invitation to tender (ITT) to operate the East Midlands franchise. The ITT will describe the Department's base service specification for the franchise and the required form of bid response.

The franchise contract will be awarded to the bidder who offers the Department the best, robust proposition to improve the financial and operational performance of the franchise in delivering the base specification and any priced options included in the ITT. A bid's ability to deliver will be assessed against a number of criteria including those which particularly impact on the passenger.

a) Service Performance: encompassing management and provision of the day to day operation including strategies to raise levels of punctuality and reliability;

b) Customer Information including, provision of customer information and external relations with customers and Community Rail Partnerships;

c) Service Quality: encompassing management and delivery of consistently good levels of service and security in the areas of station environment (also see below), train environment, car parking and revenue protection;

d) Other passenger obligations including Transport Integration: DfT will expect Bidders to outline their plans for multi-modal integration of transport throughout the franchise area.

As part of the transport integration plans, Bidders will be asked to consider items such as plans for managing connections and the potential for increasing 'through' ticketing, as well as the provision of information concerning connections to other transport modes at stations, including access to airports; and

e) Mobilisation: encompassing the plans to mobilise the new franchise and then successfully merge elements of the different franchises into a single entity.

Incremental Changes

In addition to bidding in accordance with the base specification, bidders will be invited to propose incremental changes by which improvements can be made upon any element of the base specification. The DfT may choose to implement such proposals should the bidder be selected for the East Midland franchise on the basis of their base specification submission.

Whilst being given sufficient flexibility (within given parameters) for their Incremental Changes, bidders should take into account the rights and aspirations of other operators, both freight and passenger.

Change Mechanism

It should be noted that the specification that is contractualised with the successful bidder is subject to change during the life of the franchise. The Change Mechanism is a facility within the franchise agreement that allows for changes in the specification and other aspects of the contract to be altered. The process is designed so that the “cost” of the change can be reflected and recognised by DfT and the franchisee through the use of the financial model that underpins the franchise agreement.

The Change Mechanism may be used where there is a financial change that exceeds a particular threshold. Depending on what the alteration is will dictate the degree of wider involvement in the process.

7. Variations to the Proposed DfT Base Case Specification

In addition to the Base Case specification, bidders will be asked to submit proposals for a number of priced options. The options might involve additional services, or in certain circumstances, a reduction in the level of service. These options represent schemes which either:

1. require infrastructure investment to facilitate the operation of a service aspiration; or
2. have been requested by stakeholder for inclusion and which DfT believe might demonstrate good value for money, and can be funded by the authority concerned for the period of the franchise.

One of the purposes of this consultation document is to seek views as to whether there are any schemes that the DfT should include as priced options in the ITT. For parties wishing to propose increments or decrements to the base case specification as priced options, the steps involved are:

1. Submission of proposed schemes by the close of the consultation period (7 August 2006) for consideration as possible priced options to be included in the ITT;
2. DfT considers each proposed scheme and assesses whether they should be included in the ITT subject to.
 - meeting the franchise objectives;
 - being operationally robust;
 - confirmation of funding for the franchise period and
 - representing good value for money.
3. ITT issued in October 2006 in which priced options considered to meet the criteria will be included.

It is important to note that stakeholders submitting proposals should provide sufficient evidence upon which the DfT can make an informed decision as to the suitability of the scheme for inclusion as a priced option. Where possible, this should include a business case and an operational feasibility assessment by Network Rail. If there is insufficient material to support a scheme, a compelling case would be needed for the scheme to be included as a priced option in the ITT.

It is recognised that for more complex schemes, the inclusion as a priced option would be subject to more thorough business case analysis and operational assessment before it could be implemented.

At this stage, the DfT believes the only scheme that should be assessed by the market in this way is the reinstatement of passenger services to Corby.

Corby

Corby has been targeted for substantial housing growth over the course of the franchise, in line with the Sustainable Communities Plan.

DfT will require bidders to price an option of serving a station at Corby. The service will be formed as an extension of the hourly London – Kettering train.

The capital cost for the infrastructure works required to serve the station has been estimated at less than £15m. A detailed feasibility study is being completed by Network Rail. This study will give a better understanding of the costs and risks of the works required.

This option will assume the cost of the infrastructure is provided by a third party.

8. Major Schemes

The proposed DfT base specification assumes the following major infrastructure changes, bidders will have to take account of these schemes in their bids.

- East Midlands Parkway station
- Channel Tunnel Rail Link and new St Pancras station
- West Coast Route Modernisation

In as much as any further schemes are developed or implemented during the period of the franchise, the franchisee will be required to cooperate with these.

The following major schemes may affect the franchise:

- Thameslink Project (2000)
- Network Rail re-signalling schemes
- HST replacement
- London 2012 Olympic and Paralympic Games

Thameslink Project

Details of this scheme can be found on the DfT website.

Network Rail re-signalling schemes

Details of replacement and renewal schemes identified in Network Rail's Route Plans are available at www.networkrail.co.uk.

HST replacement

The specification for HST2 is being developed by DfT. An ITT will be published next year.

London 2012 Olympic and Paralympic Games

With London having been named as the Host City for the 2012 Olympic Games, the Olympic Delivery Authority (ODA) has been created by the London Olympic Games and Paralympic Games Act 2006. The ODA is looking to work with operators, Government, Network Rail and other rail industry parties to deliver the rail elements of its transport strategy.

As well as the main Olympic Park, there will be venues in and around London and across the country. There is likely to be spectator demand from East Midlands services for services to access the venues and cultural events across London.

St Pancras station will be a major gateway for the Olympic park with the Javelin services operated by the South Eastern franchise shuttling between St Pancras and Stratford International. There will need to be a station operations plan for St Pancras for the period of the Olympics which may impact upon the East Midlands franchise.

Bidders will not be asked to include the provision of Olympic services within their bids but should acquaint themselves with the Olympics clause within the Template Franchise Agreement.

9. Third Party Promoted Schemes

Whilst the Base Case includes no assumed new projects, DfT is aware of a number of schemes that could, subject to feasibility and funding, be delivered during the life of the new franchise. If delivered, standard industry processes would be used to progress them. Bidders will be encouraged to work with third party promoters to develop the feasibility of these projects.

Ilkeston new station

A new railway station to serve the town of Ilkeston (population 40,000) is an aspiration of Derbyshire and Nottinghamshire County Councils. Detailed feasibility is required.

Loughborough station improvement

A developer-led project will improve the level of car park provision at the station.

Nottingham station

A Masterplan has been developed to improve facilities and access to Nottingham station. The Masterplan partners are Nottingham City Council, Nottinghamshire County Council, East Midlands Development Agency, Central Trains and Network Rail. Outline planning permission is being sought by Central Trains, in conjunction with the proposed extension of the Nottingham NET. Detailed feasibility has been completed and a funding package is under development.

Wellingborough station

A major development is planned to the east of Wellingborough, which will require improved access to the station. An outline scheme has been agreed, with third party funding, which will improve the environment around the station, provide additional car parking and access from the east side of the station.

Beeston station

An upgrade of station facilities and improved levels of service provision is a Nottinghamshire County Council objective.

Lincoln station interchange

Lincoln City Council and Lincolnshire County Council have an objective to improve the interchange between rail, buses and cars at Lincoln station. This is a Local Transport Plan scheme and is currently subject to consultation.

Blaby new station

A new station at Blaby, to be served by Leicester and Birmingham local services, is in Leicestershire's Local Transport Plan. Detailed feasibility is required.

Robin Hood line extension to Bingham (plus Saxondale Park & Ride)

This was a recommendation of the South Notts and A52 Multi Modal Studies and was proposed for implementation by 2011. More detailed business case work needs to be developed.

10. Consultation

Consultees are requested to comment on aspects of the proposed DfT base specification they welcome and support, and those areas where they have concerns. DfT would also welcome formal notification of any specific increments to the base specification that stakeholders wish to purchase as part of the franchise.

This consultation is issued in accordance with the Cabinet Office Code of Practice included at Appendix 4, although ministerial approval has been given to a shorter consultation period of 60 days in order to enable representations from consultees to be reflected as necessary in the specification within the ITT.

A Regulatory Impact Assessment is not considered appropriate as no policy changes are proposed.

Action following consultation

Following the consultation period, DfT will consider responses, undertake such further analysis as might be necessary and if appropriate include within the ITT as part of the base case specification or as a priced option.

Invitations to consultees

A list of bodies formally consulted is set out in Appendix 2. Members of the general public may wish to make their views known to their local County, Unitary Authority, Metropolitan Council or London Borough.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and, in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

It should be noted that not every submission made by members of the general public will receive a response.

This document can be made available in an accessible format on request.

Responses to this consultation should be sent to:

East Midlands Franchise Procurement Consultation Manager
DfT Rail Group
Great Minster House
76 Marsham St
London SW1P 4DR
Or by email to: eastmidlandsconsult@dft.gsi.gov.uk

The deadline for responses is 7 August 2006; earlier replies will be very welcome.

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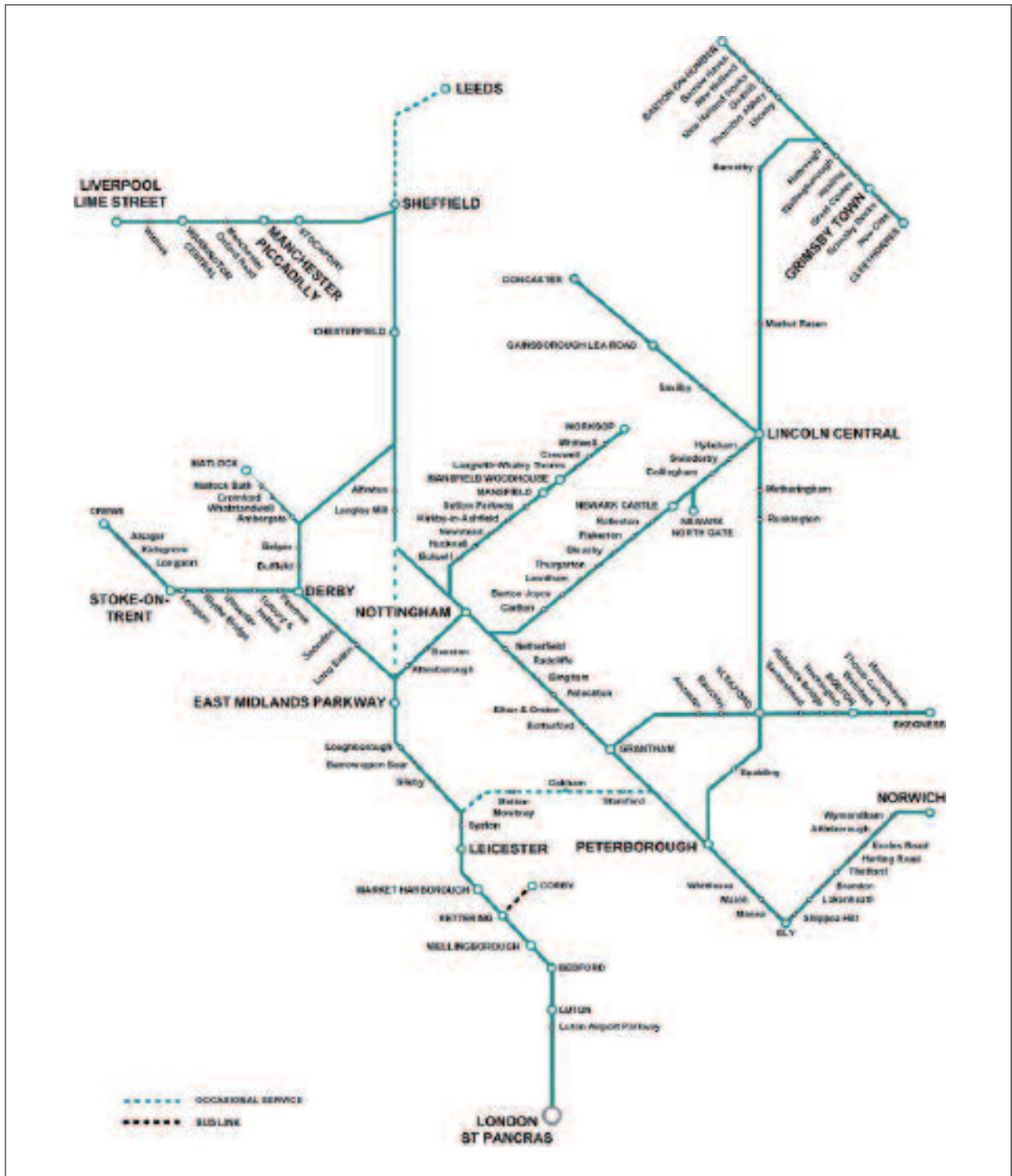
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Appendix 1: Map of East Midlands franchise area



Appendix 2: List of Formal Consultees

ACoRP

Advantage West Midlands

ATOC

Catalyst Corby

Community Rail Humber Driffield

Corporation of London

Derwent Valley Rural Transport Partnership

East Midlands Development Agency

East of England Development Agency

Freight Transport Association

GMPTE

Government Offices for London, East of England, North West, Yorkshire and the Humber and the East Midlands

Greater London Authority

London Boroughs within the East Midlands franchise area

London Development Agency

London TravelWatch (formerly known as London Transport Users Committee)

Luton Airport

Merseytravel

Metro

Metropolitan, County & Unitary authorities within the East Midlands franchise area

National Rail Contractors Group

Network Rail

North Staffordshire Community Rail Partnership

Nottingham East Midlands Airport

Office of Rail Regulation

Passenger Focus (formerly known as Rail Passengers' Council)

Poacher Line Partnership

Rail Freight Group

Regional Assemblies – East Midlands, East of England, Yorkshire & Humber and North West

Rail Freight Operators Association

Rolling Stock Leasing Companies

Sheffield One

South Yorkshire PTE

Transport for London

Yorkshire Forward

Appendix 3: Glossary of Terms

Access for All: A fund to be established for accessibility improvements at stations.

CLE: Central London Employment.

DDA: Disability Discrimination Act.

DfT: Department for Transport.

DTI: Department for Trade and Industry.

GDP: Gross Domestic Product – a measure of the economic performance of the region or nation.

ITT: Invitation To Tender.

LENNON: Latest Earnings Networked Nationally OverNight, a suite of computer programs by the Rail Settlement Plan to collect and process passenger revenue and other settlements for TOCs and third parties.

Minor Works Fund: A budget, set at commencement of a new franchise, for minor works to improve accessibility.

MOIRA: A computer system designed to predict how changes to the planned timetable will affect passenger revenue.

PDFH: Passenger Demand Forecasting Handbook – a document which provides detailed information on the handling of forecast demand and growth on train services.

PIXC: Passengers In Excess of Capacity, a regime that monitors crowding on weekday commuter trains arriving in London between 07.00 and 09.59 and departing between 16.00 and 18.59.

PPM: Public Performance Measure which measures the performance (punctuality and reliability) for all scheduled passenger rail services, seven days a week.

SLC1: Service Level Commitment 1 i.e. the timetable that the East Midlands franchisee will operate from November 2007 to December 2008.

SLC2: Service Level Commitment 2 i.e. the timetable that the East Midlands franchisee will operate from December 2008 throughout the franchise term, subject to agreed changes through the Franchise Agreement's Change Mechanism.

SRA: Strategic Rail Authority.

TEMPRO: A source of data for transport planning purposes provided by DfT.

TfL: Transport for London, the body responsible for planning and provision of facilities within the Capital.

TOC: Train Operating Company.

Train Plan: A timetable stipulating the type and number of vehicles to be allocated to each train.

Transport Innovation Fund: A DfT fund to support the development of transport schemes that feature demand management as part of efforts to tackle local congestion and encourage modal shift.

UK Advert: the “call for competition” as advertised in the International Rail Journal and Financial Times.

Appendix 4: Code of Practice on Consultation

The code of practice applies to all UK public consultations by government departments and agencies including consultations on EU directives.

Though the code does not have legal force, and cannot prevail over statutory or other mandatory external requirements (e.g. under European Community Law), it should otherwise generally be regarded as binding unless Ministers conclude that exceptional circumstances require a departure.

The code contains six criteria. They should be reproduced in all consultation documents. There should be an explanation of any departure from the criteria and confirmation that they have otherwise been followed.

Consultation Criteria

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.
2. Be clear about what your proposals are, who may be affected, what questions are being asked and the time-scale for responses.
3. Ensure that your consultation is clear, concise and widely accessible.
4. Give feedback regarding the responses received and how the consultation process influenced the policy.
5. Monitor your departments's effectiveness at consultation, including through the use of a designated consultation co-ordinator.
6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.

A full version of the code of practice is available on the Cabinet Office web-site at:
<http://www.cabinet-office.gov.uk/regulation/consultation/code.asp>

If you consider that this consultation does not comply with the criteria or have comments about the consultation process please contact:

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