

East Midlands Consultation Co-ordinator
Department for Transport
2/21 Great Minster House
33 Horseferry Road
London
SW1P 4DR

9th October 2017

Dear Sir/Madam

East Midlands Franchise Consultation Response

This consultation response is sent on behalf of East Midlands Councils (EMC) and Transport for the East Midlands (TfEM), The response has been informed by a workshop attended by almost 50 stakeholders, dialogue with individual councils, and approved politically by TfEM at its meeting of 12th September 2017 and by the EMC Executive Board at its meeting of 29th September 2017.

Thank you for inviting input into the franchise specification, attached to this letter are the answers to the specific questions raised in the consultation document. These should be read alongside this covering letter which explains our areas of concern and the reasons why service improvements are critical to the region.

It is important to recognise that the East Midlands has helped to lead the UK out of recession, with strong private sector job growth over the last five years. Looking to the future, the East Midlands has huge potential for further export-led growth (already accounting for 20% of GVA) and is well placed to thrive in a post-Brexit economy. The region also has a strong academic network, with a number of high performing universities and colleges that can support the development of a strong knowledge based economy. But this is dependent upon having excellent access to London and to regional business markets elsewhere, and a rail offer that makes it attractive for people to travel by train.

Latest projections from the Office of National Statistics suggest the population of the East Midlands will rise by half a million people to 5.1 million by 2030 – the fastest growth outside London and the wider south east. Key hot spots include Derby, Leicester, Nottingham and Lincoln which all have young, dynamic and well educated populations. Corby has the highest projected population growth outside of London – a 16.7% increase over the next 10 years.

The East Midlands has consistently delivered a higher proportionate share of the nation's housing supply. Councils remain committed to the delivery of new housing to meet local needs and future economic prospects, with plans to deliver an additional 400,000 new homes over the next 20 years.

Taking a wider perspective, EMC is a key partner in Midlands Connect and in the Midlands Engine initiative. This response should also be seen on the context of the recently published Midlands Engine Vision for Growth, available at: <https://www.midlandengine.org/wp-content/uploads/Midlands-Engine-Vision-for-Growth.pdf>

Turning now to the Governments proposals.

Aspirations – EMC/TfEM happy to support the high level aspirations of:

- Improved connectivity
- More on-train comfort and space for passengers
- Improved customer service
- The introduction of more flexible ticketing offering better value for money

Furthermore we welcome a franchise that clearly segments the train service offer, differentiating between London Bound Intercity services; express inter-urban services and local/regional stopping services. We wish to see services branded as such in livery focused on the East Midlands market being served. Furthermore the branding should be contractually positioned to be owned by the DfT so that the wasteful and unnecessary cost of changing the branding every new franchise period is avoided. We see EMC/TfEM having a role in agreeing this branding alongside the DfT.

Timescales – EMC/TfEM is concerned that the franchise is further delayed to August 2019. This delay must not hold back investment plans. Therefore the Direct Award must commence the early planning stages for new trains and the work handed over to the winning TOC so they can take up the reigns during the mobilisation stage, with the DfT overseeing and underwriting the costs during this process.

Infrastructure – EMC/TfEM is very concerned about the decision to abandon the electrification of the Midland Mainline north to Nottingham and Sheffield. This will adversely impact air pollution (including in a number of designated AQMAs), increase long term running and maintenance costs and undermine our ambitions to integrate HS2 into the existing rail network. It is also unclear whether the electric line speed south of Bedford will be upgraded from 100mph to 125mph as part of Key Output 1.

Trains - the proposal to introduce new rolling stock on London bound services is welcomed. In the absence of a fully electrified route we accept that diesel-electric Bi-mode trains are the next best (semi-proven) alternative. However we are concerned about the risk to delivery of the new trains by 2022 if procurement cannot start until August 2019 – and what will happen once the existing HSTs become legally non-compliant by 2020.

More fundamentally, we will want to be reassured that the performance of the new-bi mode trains can at least match that of the existing Meridian stock under each power option, and make the most the current programme of line speed improvements. Here we will judge this against the journey time to London, where we are seeking journey times of London to Leicester in under 60 minutes, to Nottingham in 90 under minutes and to Sheffield in under 2 hours.

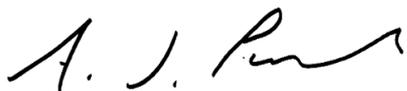
The procurement of bi-mode trains should also specify the ability to convert to fully electric traction, should electrification be delivered at a later date – for example in order to integrate services with HS2. The space then made available for battery power or for passenger benefits, such as extra cycle storage or seating etc.

In terms of development of alternative technologies, we believe the focus should be on battery technology. This could enable electric trains to run for short periods without wires where it is not cost effective or environmentally desirable to erect the infrastructure. This would also offer some service resilience benefits.

Direct Award – the extended Direct Award until August 2019 is a material concern. The short term franchise extensions mean that rail investment decisions are based on short term needs and costs only. Rather than await the new franchise to commence, early work undertaken alongside the DfT and involving bidders, to develop the new bi-mode rolling stock is needed so that the new trains, with increased quality and capacity are delivered sooner rather than later. Additionally the Direct Award must address the existing and pressing capacity issues and deliver the 7 day service aspirations now and in advance of the new franchise.

I hope this information and the formal reply below will help you specify a forward thinking franchise with rolling stock standards and capacity to meet future demand and a service pattern that will support a 7 day economy and future economic growth.

Yours faithfully,



Andrew Pritchard
Director of Policy & Infrastructure