



Rail Executive

Stakeholder Consultation

South Western Rail Franchise

Moving Britain Ahead



November 2015

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Foreword

The South Western rail franchise is a vital part of the national rail network that serves a market extending from central and south west London to major towns and cities in Berkshire, Devon, Dorset, Hampshire, Surrey and Wiltshire; it also provides services on the Isle of Wight. The franchise area serves a diverse market providing connectivity that includes airports, ports, universities, sporting and cultural centres, theme parks and National Parks.

The South Western rail franchise supports commuters, businesses, and local communities, as well as providing services for the tourist and leisure markets. The railway supports the wider economic prosperity of the region, whilst also providing vital access to London.

Increasing numbers of passengers are travelling on the South Western rail network; approximately 14% of all passenger journeys on the GB rail network are made on services operated by the current South Western franchisee. Combined with the major investment in railway infrastructure being undertaken by Network Rail, and the delivery of new rolling stock, the re-letting of the South Western rail franchise represents a significant opportunity to improve the capacity, connectivity, accessibility and quality of services offered to passengers.

The Department wants passengers to feel that they are getting value for money for the price of their ticket, and to be satisfied with the services that they receive. The challenge is to ensure efficient provision of sufficient train capacity to match future demand and to make services more attractive.

Innovation and partnership working are vital in making the improvements to services and facilities passengers want to see.

This consultation document is therefore seeking views on how best to balance our aspiration for a railway that provides excellent services for passengers, and supports the economic growth of the region, whilst being an affordable proposition with focused and targeted use of resources.

We welcome your views.

1. Introduction

- 1.1 Rail Executive is an organisation within the Department for Transport responsible for ensuring the ongoing provision of rail services, delivered by industry partners including train operators, Network Rail and the independent Office of Rail and Road as provided for by the Railways Act 1993. We are running a competition to select a new operator for the South Western franchise from 2017.
- 1.2 This competition offers an opportunity to revisit services currently delivered, and make improvements which maximise advantage from the planned investment in infrastructure and rolling stock on South Western routes.
- 1.3 This document seeks your views about the proposed rail service, and approach to specification of that service, for the next South Western franchise. Your feedback and input is central to the development of the Invitation to Tender (ITT) for this franchise which is planned to be published in April 2016.
- 1.4 The purpose of the consultation is to:
 - inform stakeholders of the planned process and timescales for awarding the South Western franchise;
 - provide stakeholders with background information about the current franchised services and the strategic goals for the new franchise; and,
 - seek your views on the current franchise and options that you would want us to consider as we develop the specification for the ITT.
- 1.5 Chapter 2 provides an overview of the current franchise. Chapter 3 sets out the Government's objectives from the rail franchising programme, and how it applies to the South Western franchise. Chapters 4 to 7 cover various aspects of the new franchise, and initial thoughts on the shape of the specification that will be issued to Bidders.
- 1.6 A full list of consultation questions is provided at Annex A.
- 1.7 Following the close of this consultation we will publish a Stakeholder Briefing Document summarising how the views that you have expressed have been reflected in the ITT specification. This will form a key reference document for the bidders, and it is intended to publish at the same time as the franchise ITT in April 2016. We regret that we will not be able to reply individually to each consultation response.

- 1.8 In considering responses and developing the ITT, we will act in accordance with our obligations under the Equality Act 2010 and take account of the Public Contracts (Social Value) Act 2012.

How to respond

- 1.9 The consultation period begins on 12th November 2015 and will run until 9th February 2016. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at: https://www.gov.uk/government/publications?keywords=&publication_filter_option=consultations&departments%5B%5D=department-for-transport

or, you can contact us using the details below if you need alternative formats (Braille, audio CD, etc.).

Please respond by filling out the consultation survey online at: <https://www.surveymonkey.com/r/PBMTHYB>

or e-mail consultation responses to: SouthWesternFranchise2016@railexecutive.gsi.gov.uk

or, write to:

South Western Consultation Co-ordinator
Department for Transport
4/15 Great Minster House
33 Horseferry Road
London
SW1P 4DR

0300 330 3000 (switchboard)

- 1.10 When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear the organisation and, where applicable, how the views of members were assembled.
- 1.11 The consultation is being conducted in line with the Government's key consultation principles, and details can be found at Annex B.

Consultation events

1.12 There will be a number of events to support the contents of this consultation:

Location	Date
Guildford The Mandolay Hotel and Conference Centre 36-40 London Road Guildford Surrey United Kingdom GU1 2AE	24th November
Basingstoke Hilton Basingstoke Old Common Road Black Dam Basingstoke Berkshire United Kingdom RG21 3PR	1st December
Salisbury Best Western Red Lion Hotel Milford Street Salisbury Wiltshire UK SP1 2AN	8th December
Portsmouth Action Stations 19 College Road HM Naval Base Portsmouth Hampshire UK PO1 3LJ	9th December
Ryde, Isle of Wight Yelfs Hotel Union Street Ryde Isle of Wight UK PO33 2LG	15th December
London One America Square 17 Crosswall London Greater London EC3N 2LN	5th January

All events will start at 12pm and are expected to run until 2pm

1.13 If you would be interested in attending any of these events, please write to the South Western Consultation Co-ordinator at the Department for Transport (see address above) or email SouthWesternFranchise2016@railexecutive.gsi.gov.uk.

Freedom of Information

- 1.14 Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004.
- 1.15 If you want 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.
- 1.16 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 we 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.
- 1.17 The Department will process your personal data in accordance with the Data Protection Act 1998 (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

2. The current franchise

Overview

- 2.1 The current South Western franchise, which is operated by Stagecoach South Western Trains Limited (part of Stagecoach Group), started in 2007 and is due to end in February 2017. Following the suspension of the franchise programme in October 2012, it was originally intended for a Direct Award franchise to be awarded to the incumbent operator for the period from 2017 to 2019. However in July 2015 the Department announced its intention to re-let the franchise through a competition. Whilst the current franchise expires in February 2017, there is the option available to the Secretary of State to extend by up to 7 reporting periods through to August 2017. It is currently intended that part of this extension will be called and that the current franchise will terminate in June 2017.
- 2.2 Stagecoach South Western Trains Ltd (SSWT) operates nearly 1,700 trains a day, serving more than 200 stations, of which it operates 185, and employing around 4,800 people.

Current routes and services

- 2.3 The South Western franchise (the Franchise) provides passenger rail services between London Waterloo, the south west of London and towns and cities in the counties to the south and west. The franchise area includes and extends to Woking, Basingstoke, Guildford, Portsmouth, Southampton, Bournemouth, Reading, Bristol, Exeter, and Weymouth. The franchise also operates the Island Line on the Isle of Wight.
- 2.4 The franchise can be broadly broken down into six service groups:
 - Windsor Lines
 - Main Suburban
 - Portsmouth Main Line
 - Bournemouth and Weymouth Main Line
 - West of England
 - Island Line

- 2.5 In addition, there are a number of local service groups that provide important connectivity across the franchise area.
- 2.6 The Windsor Lines and Main Suburban routes primarily serve the inner and outer London suburbs, and towns to the south west of London, including Reading, Woking, and Guildford. These routes experience very high levels of usage by commuter passengers, a high proportion of whom hold season tickets. The extremely high demand for peak services contributes to Waterloo station regularly ranking as the busiest station in Great Britain¹. The station benefits from excellent London Underground links to the rest of London, including the Waterloo and City line, which offers a direct link to the City of London, and the Jubilee Line that provides direct connections to Canary Wharf, Westminster and Stratford. Other destinations served by London Underground lines from London Waterloo include Euston and the West End.



- 2.7 The Portsmouth, Bournemouth and Weymouth Main Lines, and the West of England Line serve a longer-distance London commuter market, but also provide crucial connectivity for both leisure and commuter passengers to towns and cities in the south west and on the south coast of England. These services have a higher proportion of discretionary off-peak and advanced ticket passengers.

¹ Based on ORR's estimates of station usage

Key: Service Groups

- West of England
- South Western Main Line Fast Services
- South Western Outer Suburban & Main Line Stopping
- Portsmouth Direct Fast Services
- Romsey-Southampton-Salisbury stopping service
- Solent local services
- Brockenhurst-Cymington
- Island Line
- South Western Main Line Suburban
- Guildford-Aldershot-Ascot local
- Windsor Lines

Key stations:

- SWF SFO Station
- Network Rail SFO Station served by SWF
- GWR SFO Stations served by SWF
- GTR SFO Station served by SWF

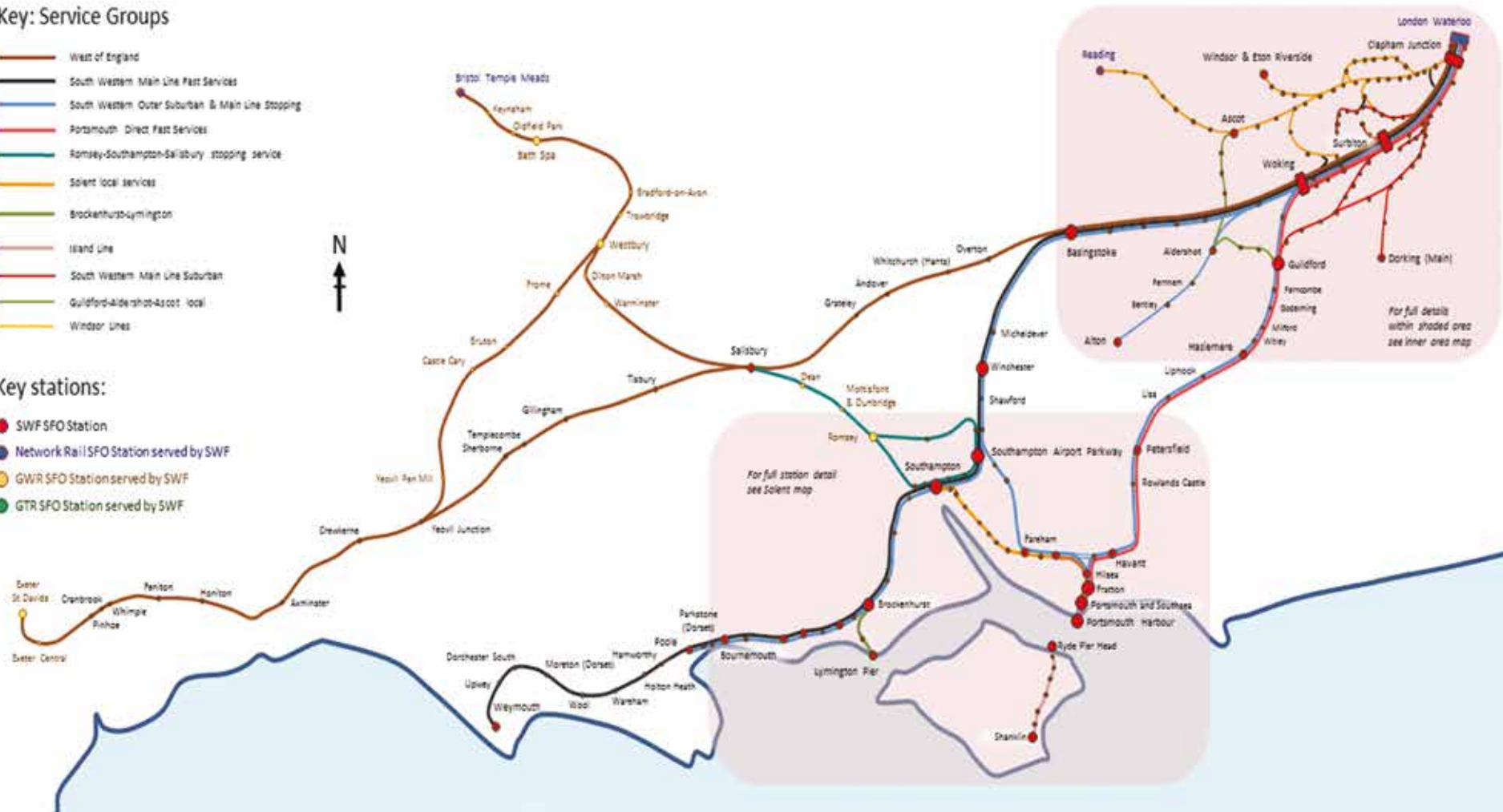


Figure 2.1 South Western Franchise Network

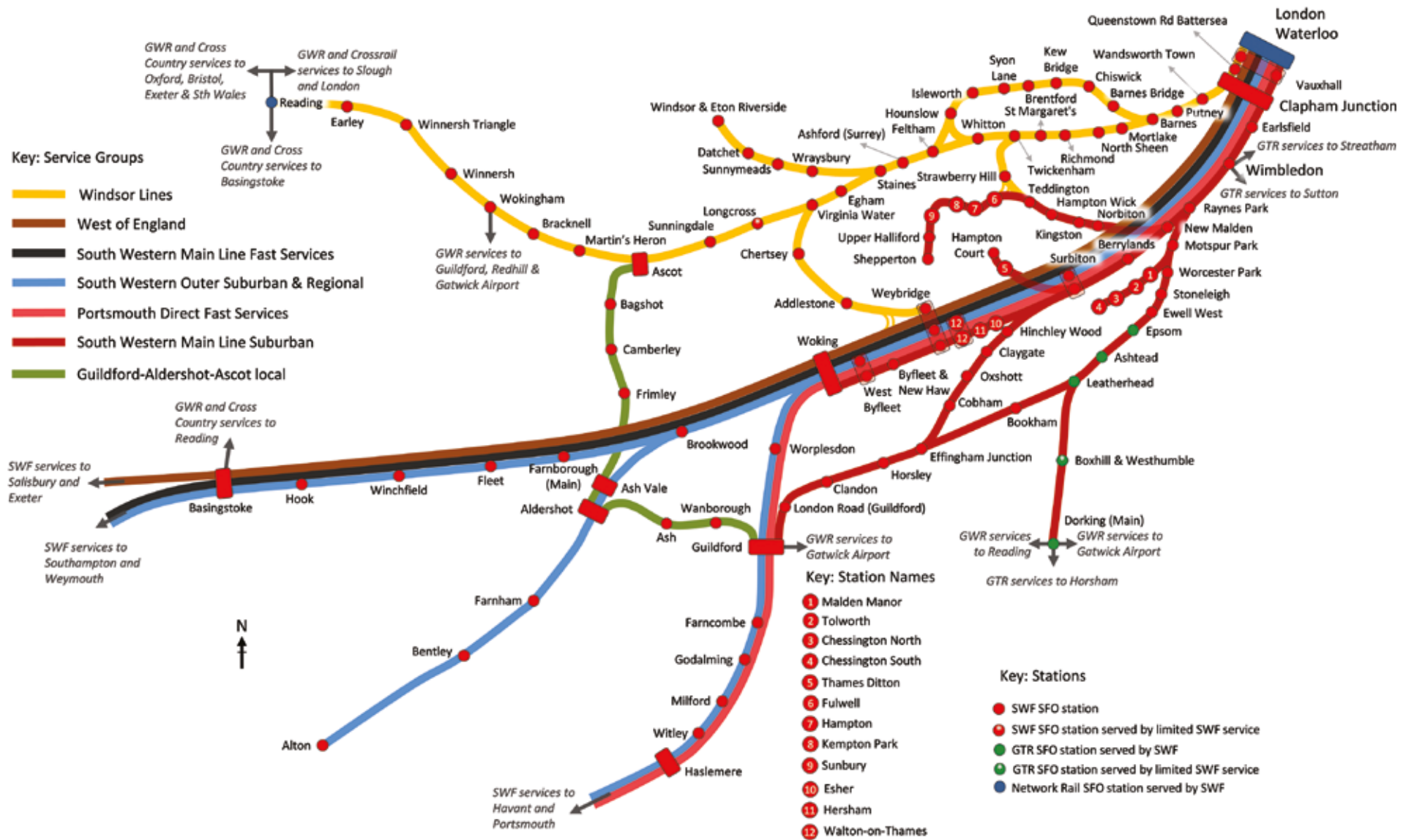


Figure 2.2 South Western Franchise - Greater London and Surrounding Network

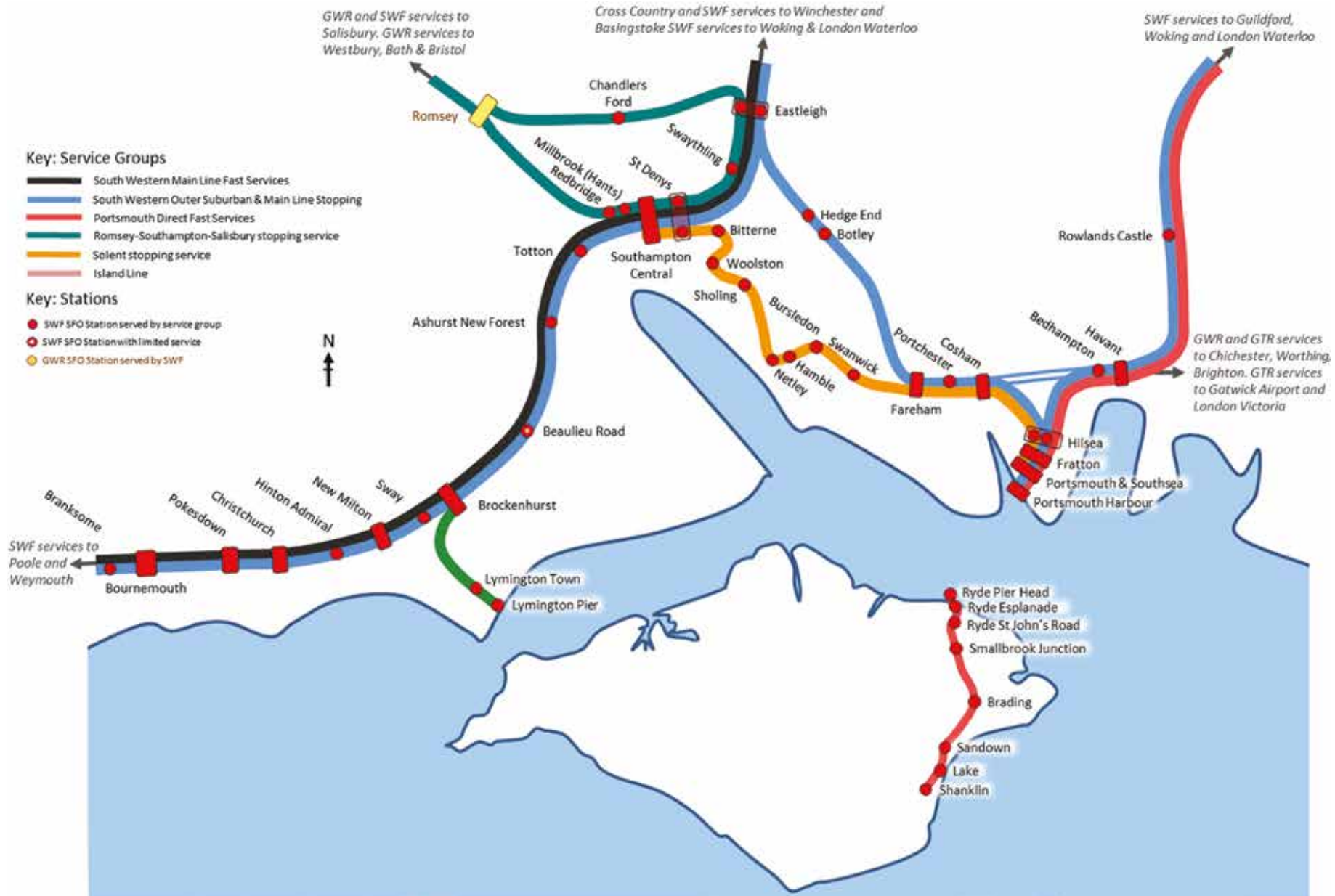


Figure 2.3 South Western Franchise - the Solent Network

2.8 The current franchise provides important intra-regional connectivity between towns and cities that offers local journey opportunities. These include:

- Solent Line services between Portsmouth and Southampton;
- local services between Romsey, Southampton and Salisbury; and,
- services between Guildford and Aldershot, and onward connections to destinations such as Ascot.



2.9 The Island Line serves a diverse mix of passengers. It is used as a regular commuter service for Islanders, but also enjoys significant patronage by Isle of Wight tourists.

2.10 Figures 2.1 to 2.3 illustrate the geographical coverage of the franchise, and show the stations served and the service groups – train services with similar timetable characteristics – that make up the full service offer.

Revenue and Journeys

- 2.11 At the national level, rail use has increased steadily over the last 10 years. Over the last year (2014/15), passenger journeys on franchised rail services increased by 4.2%². Franchised passenger revenue increased by 7.3% over the same period.
- 2.12 This is reflected in the increases in passenger journeys seen on the current South West Trains franchise with around 230 million annual passenger journeys in 2014/15, an increase of 3.2% on the previous year.
- 2.13 At present, most of the revenue that the franchise earns (approximately 80%) and the majority of journeys made by passengers (approximately 70%) come from journeys that involve London Waterloo or Vauxhall stations.
- 2.14 Clapham Junction is the busiest passenger interchange on the Great Britain rail network, and provides a key hub for passengers transferring between South West Trains, GTR (the Thameslink Southern and Great Northern franchise) and London Overground services.
- 2.15 Woking to London and Surbiton to London are the busiest flows on this franchise, followed by Guildford to London. The highest revenue flows are all to and from London and led by Woking to London and Guildford to London.
- 2.16 Moving away from London, the busiest passenger flows are Woking to Guildford and Bracknell to Reading.
- 2.17 There are also a number of significant long distance commuting flows, with Southampton to London, Bournemouth to London, Petersfield to London and Havant to London all appearing in the top 25 revenue generating flows.

² 2014-15 Quarter 4 Statistical Release – Passenger Rail Usage (ORR, June 2015)
http://orr.gov.uk/_data/assets/pdf_file/0005/18095/passenger-rail-usage-2014-15-q4.pdf



- 2.18 The top 25 flows by revenue represent just under a third of the franchise total. These are dominated by long distance commuting to London from stations in Surrey, Berkshire, Hampshire and Dorset. The only flows within Greater London by revenue in the Top 25 are Surbiton and Clapham Junction to London Waterloo.
- 2.19 The top 25 flows by journeys represent approximately 18% of the franchise total. There are ten Greater London suburban stations in the list but it remains dominated by longer distance commuting from Surrey, Berkshire and Hampshire to London.
- 2.20 By contrast, the Island Line accounts for just 0.1% of the franchise revenue.

Competition

- 2.21 There is some interaction between SSWT and other train operators across various parts of the South Western franchise area. In some cases this involves sharing of the physical track, and for other flows there are competing routes between stations.
- 2.22 There is significant National Express coach competition on key longer distance flows such as between London and Guildford, Portsmouth, Southampton, Bournemouth and Southampton Airport. Fares are significantly lower than any SSWT fares although Megabus (using the Megatrain brand and capacity purchased from SSWT), a wholly owned subsidiary of Stagecoach, also competes with similarly low fares on the same routes.

Capacity

2.23 The South Western franchise suffers from crowding on a number of routes and this is a driver of passenger dissatisfaction. Loading factors are measured by a standard industry measure known as 'Passengers in Excess of Capacity' (PiXC); this is calculated as the proportion of standard class passengers that are above the total capacity on their service at its busiest point during the morning and evening peak periods. The most recent figures (2014) show that the route into London Waterloo has a PiXC value of 4.6% across both peaks. This was higher than the average for routes into all London terminals (4.1%). The value had also increased by 0.6% from the 2013 figure of 4.0%.



Operational performance

2.24 Punctuality and reliability of service matters to rail passengers. Train operating companies are assessed against the Public Performance Measure (PPM), which for operators including SSWT, shows the percentage of trains which arrive at their destination within five minutes of the timetabled time. SSWT has a significant influence on national targets; it currently operates 9% of all trains in England and Wales.

2.25 As shown in Figure 2.4, South West Trains is achieving 90.3% Moving Annual Average (MAA) to October 2015 which is better than the national average of 89.5%. The industry overall has a target to reach 92.5% by the end of the current Control Period in March 2019.

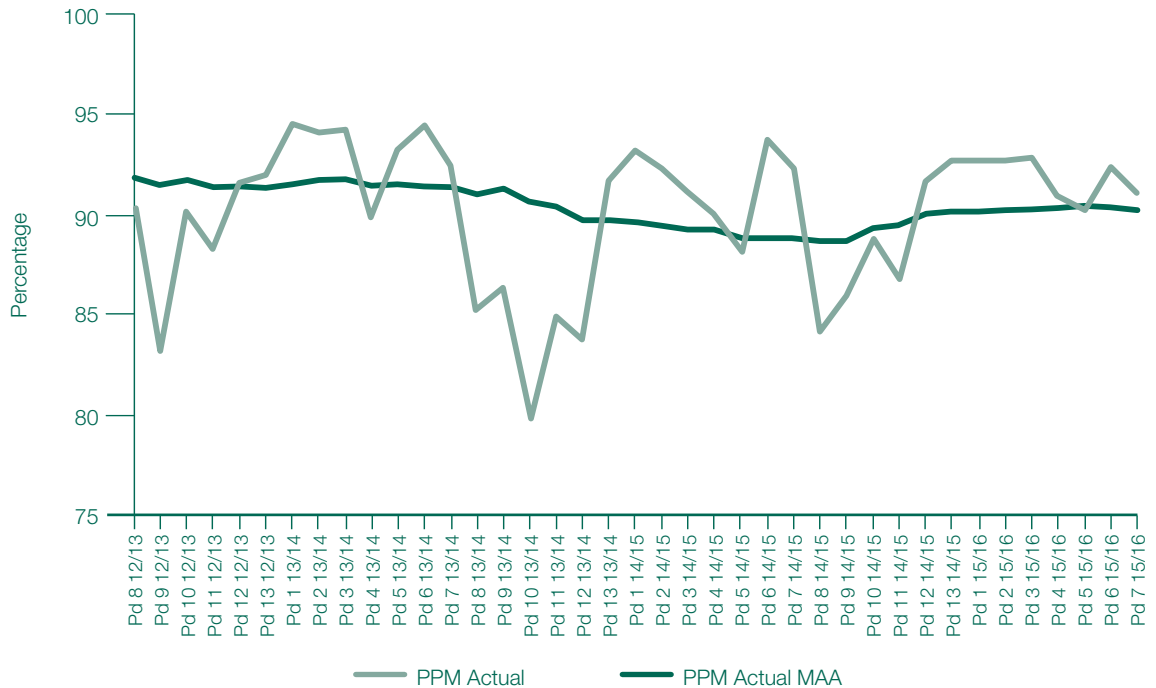


Figure 2.4 South West Trains MAA Performance

Rolling stock

- 2.26 The current South Western franchisee operates a fleet of approximately 360 units, comprising Electric Multiple Units (EMUs) and a smaller number of Diesel Multiple Units (DMUs).
- 2.27 The EMUs account for approximately 90% of the fleet, of which more than half comprise the modern Desiro fleet of Class 444 and 450 units. The Class 455 units are undergoing modifications, whilst the Class 458 fleet has been reconfigured to 5-car formations through the incorporation of 60 Class 460 vehicles. Class 456 units (24 x 2-car) have been transferred to the franchise to strengthen the fleet and allow 10-car operation in conjunction with the Class 455 units.
- 2.28 The current diesel train fleet comprises 30 x 3-car Class 159 and 11 x 2-car Class 158 trains which serve the route from London via Salisbury to Exeter St David’s and Bristol (some dividing at Salisbury) as well as Southampton and the Lymington branch.

Stations

- 2.29 The South Western Franchise currently serves 205 Stations. It is the Station Facility Owner (SFO) at 186 stations, including 8 on the Isle of Wight and the new station at Cranbrook due to open shortly. Four additional stations (Bruton, Castle Cary, Frome and Yeovil Pen Mill) will be served from the December 2015 timetable change. Network Rail manages London Waterloo and Reading stations.

- 2.30 During the current franchise, significant investment has been made to enhance the appearance and facilities at a number of key stations along the route, from investment of c £50m through the Franchise and Government-sponsored schemes such as the National Stations Improvement Programme (NSIP) and Access for All.
- 2.31 The full list of the stations currently served (November 2015) and the organisation managing them can be found at Annex C.
- 2.32 According to the Office of Rail and Road's published station usage statistics, London Waterloo station is Great Britain's busiest station with just under 96 million journeys starting or ending there in 2013/14. Clapham Junction, in addition to the 25 million entries and exits, is Great Britain's busiest station for interchanges with nearly 27 million in 2013/14.
- 2.33 The current franchise has seen a significant investment in stations including accessible routes, more platform capacity, new Ticket Vending Machines (TVMs) and a large increase in car parking spaces. However, circulation capacity for passengers remains a constraint at a number of key stations.

Passenger satisfaction

- 2.34 Every year, Transport Focus surveys more than 54,000 passengers to produce the National Rail Passenger Survey (NRPS) – a network-wide picture of passengers' satisfaction with rail travel.
- 2.35 In recent years, overall satisfaction (the proportion of passengers who were fairly or very satisfied) with SWT has been in line with averages for the industry.
- 2.36 In the Spring 2015 National Rail Passenger Survey, 80% of passengers were satisfied with South West Trains' service overall, slightly higher than the 78% for the London and South East sector. However the franchise has experienced an overall steady decline in passenger satisfaction over recent years.



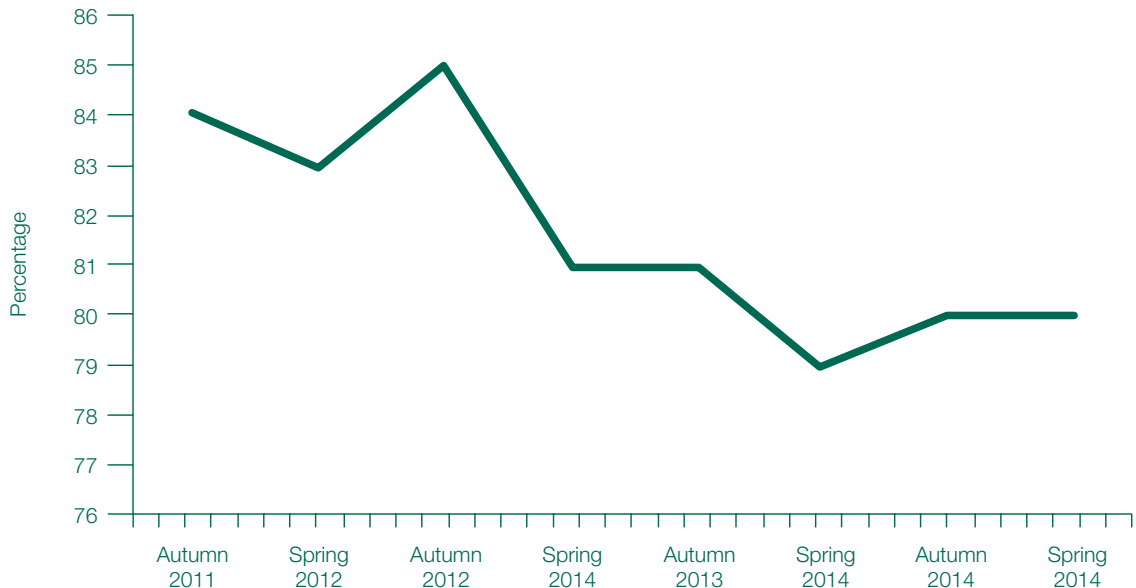


Figure 2.5 NRPS Passenger Satisfaction for South West Trains

2.37 In October 2014 Passenger Focus (now Transport Focus) published the results of their research into passengers' priorities for improvements³. The top six passenger priorities for improvement for the South West and London areas were:

1. Price of train ticket offers better value for money;
2. Trains sufficiently frequent at the times I wish to travel;
3. Passengers always able to get a seat on the train;
4. More trains arrive on time than happens now;
5. Less frequent major unplanned disruption to your journey; and,
6. Passengers kept informed about delays.

Passenger Satisfaction Questions

Do you support the key priorities that have been identified through the Transport Focus research?

Are there other priorities you believe should be included to inform the new franchise specification?

³ <http://www.transportfocus.org.uk/research/publications/rail-passengers-priorities-for-improvements-october-2014>

Isle of Wight

2.38 The Island Line, operating services between Ryde Pier Head and Shanklin on the Isle of Wight, generates revenues of £1m and costs £4m per annum to operate. It is unusual in that the clearances of the line cannot accommodate standard gauge EMUs. As a result, the fleet consists of ex-London Underground Class 483 rolling stock, built in 1938 and refurbished for use on the Island Line in 1989-90. The Island Line has the oldest rolling stock in standard service of any railway in the country.



2.39 Island Line forms part of the South Western Franchise, but operates under a separate Lease Agreement with Network Rail rather than an Access Agreement. Responsibility for infrastructure maintenance and renewals are shared between the operator and Network Rail under this lease, which is due to expire in 2019.

2.40 We will be seeking proposals to determine a sustainable and secure operation, ultimately as a free standing entity, supported by local people and investors including the Isle of Wight Council and other interested parties.

Community Rail

2.41 The South Western franchise contains a number of routes which have been formally designated by the Department for Transport as community rail lines (covering tracks, signals, stations and services) and/or community rail services (covering stations and services).

- 2.42 All designated lines have a Community Rail Partnership (CRP) made up of representatives from the public, private and voluntary sectors with the primary aim of increasing the viability of their line. CRPs receive financial support from South West Trains and central Government, as well as from local transport authorities. This enables them to employ Community Rail Partnership Officers who are responsible for delivering the agreed actions of the CRP.
- 2.43 Other lines have been supported by local Community Rail Partnerships, but have not received designated status.

Route	Designated service or line	Community Rail Partnership
Ryde – Shanklin	Island Line Line designation: March 2006	Isle of Wight CRP
Lymington Pier – Brockenhurst	Lymington Line Line designation: July 2008	Brockenhurst & Lymington CRP
Romsey – Salisbury via Eastleigh & Southampton	Not designated	Three Rivers CRP
Liphook – Rowlands Castle	Not designated	East Hampshire CRP

Table 2.1 Community Rail

- 2.44 In addition, the Purbeck Community Rail Partnership exists to re-establish a regular passenger service between Swanage and Wareham.

Further improvements to current franchise

- 2.45 The Rail Executive wants to see continuous improvements on the railway while the franchise replacement process takes place.
- 2.46 As such a number of enhancements to services and facilities have been agreed with SSWT to be provided by the end of the current franchise in 2017. These include initiatives valued at around £50m contracted through a Deed of Amendment (DoA) in March 2015.
- 2.47 Key benefits to passengers from this DoA include:
- **more services and seats:** more than 57,000 additional seats will be created through the introduction of 73 new evening and weekend services on Suburban and Main Line routes and through additional seating on existing services;
 - **increased car parking:** an extra 1,400 spaces by the end of 2017 to accommodate growth at the busiest stations;
 - **smarter journeys:** a new online booking system and smart ticketing to be made on season tickets along the SWT network;

- **improved customer information, marketing and fares promotions:** a new website and mobile app, a customer relationship management programme to better understand passenger priorities, and promotional campaigns;
- **easier ticket purchase:** 170 new easy-to-use ticket machines, including 90 with a video facility for customers to ask for face-to-face help to ensure they get the best fare; and,
- **enhanced customer service:** more visible staff on station concourses to help and reassure passengers (especially infrequent travellers); customer service NVQ qualifications for employees; mystery shopping and online surveys.

2.48 As part of the rolling stock procurement agreed with SSWT in September 2014, a new fleet of 150 Desiro City Class 707 vehicles will enter service during 2017. Added to the extra 108 vehicles that will have been brought into service by 2016, it is expected that all suburban routes will be able to operate at 10-car length by the end of 2017.

3. The South Western franchise

The Government's vision for rail

- 3.1 The Government's long-term plan is to build a stronger, more competitive economy and a fairer society. Rail is crucial to this and has an important role in the UK's economic recovery and growth. It provides access to markets, employment, leisure and tourism, and the rail sector provides over 200,000 jobs. It will also make an important contribution to rebalancing the economy.
- 3.2 According to recent research by the Rail Delivery Group⁴ the rail industry in Britain contributes £10.1bn in added value to the economy and increases productivity by £11.3bn.
- 3.3 The rail network performs certain functions much better than the competing modes of road and air and the Government's investment strategy plays to its strengths:
 - It is a fast, cost-effective way to transport large numbers of people into city centres, supporting economic growth whilst minimising road congestion, urban pollution and carbon dioxide emissions.
 - Rail provides the fast, high-capacity connections between cities and international gateways that businesses rely on.
 - Rail is an efficient, high-capacity method of transporting goods around the country, especially access to and from key ports, with much less environmental impact than road and air freight.
 - Because rail is greener than air travel, and safer and greener than road travel, the government seeks to accommodate projected demand for rail where it is affordable and value for money to do so.

The Government's rail objectives

- 3.4 The Government is improving the network for the benefit of passengers, freight users and taxpayers, and to support the wider economic and environmental objectives. It aims to:
 - Tackle capacity constraints, grow new markets and support wider housing and economic development plans;

⁴ <http://www.raildeliverygroup.com/media-centre/press-releases/2015/657-2015-09-21.html>

- Improve efficiency, spread demand, reduce costs and increase the long term value of the railway;
- Increase standards in customer service, train performance and station facilities;
- Improve social inclusion, accessibility and modal integration; and,
- Maintain position as a safe and green mode of transport.

Secretary of State’s franchise objectives

3.5 The starting point for the development of any franchise specification is the establishment of clear objectives. The Secretary of State’s objectives for franchise replacements are shown in Table 3.1.

1	A railway in which passengers are understood and their needs placed at the centre of business planning and operations;
2	An excellent experience for passengers, with customer service, train and station facilities and journey information, particularly during disruption, that exceed their expectations;
3	Seamless travel for all, through improvements in accessibility;
4	Increased capacity and improved demand planning, alongside the development of existing markets and the cultivation of new ones;
5	Better, simpler door-to-door journeys, including through greater interconnectivity between rail and other modes of transport;
6	An ever-safer environment for passengers and all those who work on the railway, by maintaining and improving health and safety standards;
7	The smooth implementation of major infrastructure and rolling stock projects and the full realisation of the benefits they offer;
8	An increase in the long term value of the railways through investment, cost efficiency and improved management;
9	An industry which is sustainable and a reduction in its environmental impact;
10	An industry which is joined up and works collaboratively with its members, including small and medium enterprises, and with local and national stakeholders to achieve benefits for all, including broad-ranging socio-economic benefits for communities and for the country as a whole.

Table 3.1: Franchise programme objectives

South Western franchise objectives

3.6 The new South Western franchise will be expected to deliver a transformation in the way the railway serves its markets and communities. We are seeking a franchisee who will deliver benefits to passengers through increased capacity, a high quality passenger experience, and improved collaboration with a range of stakeholders. At the same time it will be essential to secure further efficiencies, such as those identified in the McNulty report, to deliver better value for money to taxpayers and fare payers.

3.7 Table 3.2 sets out the South Western franchise objectives.

1	Support the economy of the South Western franchise area by offering high quality rail services to, from and across the franchise with service levels that reflect the specific requirements of the different markets served including non-London flows, intra-regional and London-radial, while working within the affordability constraints on public funding.
2	Increase capacity to meet current demand and future growth, supporting the delivery of planned infrastructure works and rolling stock investments, whilst minimising disruption to passengers.
3	Deliver an excellent experience for passengers which leads to significantly improved passenger satisfaction. Particular consideration should be given to innovative solutions to improving the ticket purchasing experience, the expansion of smart ticketing, the quality of the station environment, on-train facilities, the punctuality and reliability of train services and the commitment to improve compensation arrangements.
4	Secure whole industry efficiencies and help reduce overall industry costs by working in partnership across the rail industry.
5	Secure short, medium and long term benefits from collaborative working practices and partnering with industry stakeholders such as Department for Transport, Network Rail and Transport for London, including supporting the development of emerging schemes such as Crossrail 2.
6	Work with stakeholders to support local communities to deliver local transport integration, local regeneration and investment in and around stations through Community Rail Partnerships and other organisations.
7	Work with the Isle of Wight Council to secure a long-term sustainable solution for the future of the Island Line during the course of the next franchise that will enable it to become a self-sustaining business.
8	Improve social and environmental sustainability to reduce carbon emissions, use resources effectively, and build skills and capability within the business and supply chain.

Table 3.2 South Western franchise objectives

Franchise Objectives

Do you feel that these are appropriate objectives for the South Western franchise?
 Are there any further objectives you believe should be included?

The franchising schedule

- 3.8 The Department for Transport’s Rail Franchising Programme supports Rail Executive’s ambition of leading a world-class railway that creates opportunity for people and businesses. The Department and Rail Executive will seek to make awards to train operating companies who will support the Department’s vision in delivering an improvement in the rail services offered to passengers. We will seek a cost effective, value for money operation of passenger train services from the operator. Details on the programme can be found at: <https://www.gov.uk/government/collections/rail-franchising>.
- 3.9 We will be running a competition to procure an operator to run the South Western franchise from June 2017. We are now beginning the process of developing what we want for passengers in the new franchise.

- 3.10 Over the coming months we will compile the Invitation to Tender (ITT) for the franchise. The ITT will provide the basis upon which pre-qualified bidders must submit their proposal and will reflect what Rail Executive wishes to procure. It will additionally set out how the proposals will be evaluated.
- 3.11 Your responses to this consultation will help the Department inform what we ask for in the franchise, which in turn will form part of the ITT for bidders to consider when submitting proposals to operate the franchise.
- 3.12 This consultation document contains information about the franchise that will help inform you and allow you to provide responses to our questions.
- 3.13 Anticipated milestones for the South Western franchise procurement are set out below:

Description/Key Events	Start Date
South Western OJEU and Expression of Interest documentation published	November 2015
Target release of the Invitation to Tender to Bidders	April 2016
Target submission of Bidder responses to Invitation to Tender	July 2016
Target Contract Award	February 2017
Franchise Commencement Date	June 2017

Table 3.3 Franchise Replacement Procurement Schedule

4. Operational specification

Introduction

- 4.1 Major investment by Network Rail coupled with the re-franchising of the South Western franchise means that this is a period of significant opportunity for this part of the rail network.
- 4.2 This chapter provides the framework that will govern the development of the operational specification covering infrastructure, rolling stock, performance and capacity.

Planned Investment to Address Capacity

- 4.3 Transport Focus has identified overcrowding on South Western trains as a concern for passengers.
- 4.4 Investment in the current franchise is providing additional passenger capacity, and further investment in both infrastructure and rolling stock is planned for the period of the new franchise.
- 4.5 The Government's Rail Investment Strategy (RIS), published in July 2012, for the railways in the period up until March 2019 included a target for increasing capacity into London Waterloo. This capacity will be delivered through a combination of infrastructure and rolling stock enhancements.
- 4.6 At London Waterloo, a major project is planned for delivery in 2017 and 2018 that will lengthen Platforms 1-4 to accommodate 10-car trains and convert the platforms and concourse at Waterloo International to make it suitable for high frequency commuter operations.
- 4.7 A new fleet of 30 5-car units (150 vehicles) is planned to be introduced during 2017, creating opportunities to lengthen services and deploy rolling stock to meet demand across the franchise.

- 4.8 The Wessex Route Study, published in August 2015 by Network Rail, sets out the strategic vision for the future of the Wessex Route that covers the South Western franchise area. The study identifies a number of constraints across the network, the most significant of which is on-train crowding and capacity on peak services into London Waterloo. Other constraints examined include regional and suburban connectivity, freight capacity and access to diversionary routes.
- 4.9 The study identifies a range of choices for funders for Control Period 6 (2019-2024) which seek to address these constraints. The study can be found here: <http://www.networkrail.co.uk/Publications/long-term-planning/wessex-route-study/Wessex-Route-Study-F>
- 4.10 Bidders for the South Western franchise will be expected to work with the industry to develop and deliver the projects planned for Control Period 5 (CP5, 2014-2019) and Control Period 6 (CP6, 2019-2024) which are set out in Network Rail's published delivery plans.
- 4.11 Sir Peter Hendy, the chairman of Network Rail, is currently undertaking a review of planned network investments. It should be noted that at the time of drafting this consultation document, the recommendations from the Hendy Review have yet to be published, and any amendments to Network Rail's plans will be reflected in the ITT specification.
- 4.12 The current plans are designed to enable significant increased capacity through the operation of 10-car trains on the Windsor routes, the services extending beyond Staines to Bracknell, Ascot and Reading, and main suburban routes to places such as Kingston, Epsom, Hampton Court and Guildford via Cobham.
- 4.13 Providing passengers with sufficient space to sit and stand is a key element of passenger satisfaction and passenger demand; crowding is currently a major issue for passengers on the franchise.
- 4.14 We will encourage bidders to develop proposals that provide capacity where it is needed most and to mitigate crowding. This might include changes to rolling stock. For example it may be possible to increase overall passenger carrying capacity by introducing different rolling stock that has more standing space, or changing the balance between first and standard seating.



- 4.15 The ITT will require bidders to give due regard to accommodating growth in demand and to exploit any other opportunities to deliver additional capacity including that which might be enabled by infrastructure improvements. In addition to a collaborative approach to the delivery of CP5 and CP6 infrastructure projects, we would also expect the successful bidder to work with industry partners and stakeholders to develop emerging schemes such as access to Heathrow and Crossrail 2.
- 4.16 Crossrail 2 is a proposed new railway that would serve London and the wider South East. It would connect the National Rail networks in Surrey and Hertfordshire via new tunnels and stations between Wimbledon, Tottenham Hale, and New Southgate. Current proposals include links with London Underground, London Overground, Crossrail, and national and international rail services and it is argued that the scheme would add capacity to the regional rail network.
- 4.17 The newly established National Infrastructure Commission will consider Crossrail 2 as part of its work to define the best approach to large-scale investment in London's transport infrastructure and therefore no government decision has yet been made on investing in the scheme.
- 4.18 If there is a decision to progress with the scheme, construction work may impact on South Western services during the term of the next franchise.

- 4.19 A consultation is currently underway, and details of the proposed scheme can be found at: <https://consultations.tfl.gov.uk/crossrail2/october2015>.

Capacity

Considering the planned schemes to deliver additional capacity, what are your views on additional opportunities to deliver more capacity elsewhere within the franchise area?

Are there particular services or routes where you believe there is a need to introduce additional capacity to address overcrowding?

It may be possible to increase overall passenger carrying capacity by introducing different rolling stock that has more standing space and/or modifying the internal configuration of trains, including rebalancing first and standard class seating. Do you have views on these potential rolling stock changes?

Future impacts on demand

- 4.20 The demand for rail travel in the South Western franchise area is expected to increase significantly. Rail Executive will prepare forecasts of demand reflecting expected changes in variables such as economic growth, employment levels, population and fuel prices.
- 4.21 At the local level, demand for rail travel may be driven by changes in employment patterns, or new industrial, residential or retail developments, amongst other factors. These are important considerations when specifying the new South Western franchise.

Future impacts on demand

What factors may impact on demand for travel on the new South Western franchise, drawing on local impacts in particular? Please provide any evidence you may have.

Spreading the load

- 4.22 It might be possible to persuade some passengers to change their preferred travel times through fares initiatives and particularly with smart ticketing.
- 4.23 Another option for reducing the high peak load might be to improve journey times. This is because some passengers will choose to leave home at the same time and arrive earlier, whilst others will leave later to arrive at the same time.
- 4.24 We expect that bidders will consider solutions to spreading the load such that there is a better match between passenger demand and available train capacity.

Train service changes

- 4.25 We are interested in views on changes to service patterns and levels which might be made in support of the objectives for the new South Western franchise. Our current assumption is that changes to the current timetable will be possible following the infrastructure and rolling stock enhancements planned for completion during 2017 and 2018.
- 4.26 We believe that the operator should have some flexibility to develop the train service to meet the needs of passengers. We intend to set the train service specification so that operational and timetabling decisions are devolved to the franchisee while protecting key outcomes for passengers, the economy, and the taxpayer.
- 4.27 This would give the franchisee the freedom to develop services to respond to changes in passenger demand and to grow the market in the areas where there are commercial incentives to do so as well as protecting minimum levels of essential services for social and economic purposes on the remainder of the South Western network. For example we may seek to protect or improve early morning, late night, weekend and Bank Holiday services that are less likely to be commercially viable.



- 4.28 We are keen that bidders generate ideas for improving connectivity between non-London locations, and develop innovative proposals for enhancing frequencies and improving journey times where this is practical and cost-effective.

- 4.29 We are interested to explore whether the relationship between train paths and station calling patterns could be reviewed to improve overall line capacity. Options that might be considered include requiring the same number of end to end services and station calls as today, but allowing greater flexibility over which trains call at which stations. Such options might introduce the concept of “skip-stopping”, but a balance will need to be understood between station calls, connectivity, improved journey times and enhanced network capacity.

Train Service Specification

Where, if anywhere, would you like to see any changes to first and last trains on the South Western network and why? Do you have any evidence to support this?

Where, if anywhere, would you like to see any changes to weekend trains on the South Western network and why? Do you have any evidence to support this?

Would you support a specification which is flexible enough to allow the operator to review how station calls are allocated to train paths, including skip-stopping, in order to improve overall line capacity? What impact might this have on passengers?

Respondents are invited to propose any changes to the current service pattern which they feel should be considered and to explain their rationale, for example by identifying specific local factors which might influence the future level of passenger demand which should be reflected in a revised specification.

Respondents who wish to promote service changes should clearly identify these in their response to this consultation, as well as any supporting business case or value for money (VfM) analysis.

Performance and reliability

- 4.30 The operator will be expected to demonstrate how they would deliver improved punctuality, especially for arrivals at stations where timely connections with other transport services are important. This is an area of dissatisfaction for passengers. Where these involve timetable changes, it should be noted that, as with all timetable changes, the operator will be required to consult fully with interested parties.
- 4.31 It is imperative that the operator works collaboratively with industry partners to improve the performance of the overall railway.
- 4.32 In addition to capacity and crowding, we are considering a performance regime which covers delays and cancellations. Under this regime, the franchisee could receive bonuses for outperforming against its targets and make payments to improve performance if underperforming.
- 4.33 Regulatory performance targets will be set on the basis of advice from the Office of Rail and Road for the period up to 31 March 2019.

Performance and reliability

Are there any specific stations or services where you believe reliability or punctuality should be improved?

Where possible, please explain your reasoning when responding to this question.

Managing disruption

- 4.34 The future operator of the South Western franchise will be expected to work with Network Rail and other operators to develop initiatives which aim to increase the amount of time the network is available for trains to run. This should optimise the use of engineering resources and journey opportunities, taking into account forecast growth in demand for travel, particularly at weekends.
- 4.35 The bidders for the franchise will be expected to demonstrate their approach to the provision of services at times of engineering work, including how they will work with Network Rail to minimise 'all line' blocks and using diversionary routes to reduce the need for replacement road services. There is a trade-off between maintenance access and the passenger needs for early and late trains at the end of each day, and this will need to be considered.
- 4.36 Bidders for the franchise will be required to set out how they will continue to deliver high-quality, accessible and well-managed rail replacement services during periods of disruption. This will respond to passengers' dissatisfaction with information dissemination at such times.

Managing disruption

Respondents are asked to suggest what mitigating actions and steps the South Western operator should be expected to take to meet the needs of its passengers both during the planned disruption to the franchise as a result of engineering works and when 'force majeure' events, such as extreme weather or other unplanned events that impact the smooth operation of the network.

Respondents are asked to consider whether they would support replacing first/last train services with alternative transport where it can be demonstrated that a longer period of engineering access for Network Rail would improve the infrastructure reliability and reduce disruption overall.

5. Working with stakeholders

Partnership Working and Collaboration

5.1 For effective delivery of the South Western franchise, the development and refinement of services and optimisation of the benefits of investment, the new franchisee will need to work collaboratively with a range of key stakeholders responsible for delivery of transport and public services across the South Western franchise area. We expect bidders for the Franchise to set out in detail their proposed approach to involving key individuals and organisations. These include, for example, organisations that may wish to promote third party funded services or infrastructure upgrades; or that may take on greater ownership for managing aspects of the current franchise in future. Key stakeholders include:

- Network Rail
- Transport for London (TfL)
- Community Rail Partnerships
- Local Authorities
- The Peninsula Rail Task Force (PRTF)
- Transport Focus and London TravelWatch
- Stakeholder organisations
- Other freight and passenger operators

Closer collaboration with Network Rail

5.2 It is expected that bidders will be asked to set out how they would work with Network Rail to deliver benefits and efficiencies through collaborative working. SSWT had operated a contractual alliance with Network Rail since 2012 – a Deep Alliance – but a lighter touch version of that is now in place since the announcement during 2015 that the arrangement would be re-shaped.

Closer partnership with TfL

5.3 Rail Executive recognises that opportunities exist for greater local focus and involvement within the South Western franchise. In particular, there is an intention to work more closely in partnership with Transport for London (TfL) to understand how the needs of those passengers travelling on inner London-based services can best be

served. Such collaboration might extend to common standards, ticketing, strategic planning and working together to deliver projects. We may require bidders to establish business units within the franchise that enable a more locally focused approach to managing parts of the network, supporting the principle of closer working with TfL.

Partnership working and collaboration

We are interested in your view on the best way to achieve efficient operation of this railway through partnership and collaboration. Please describe how such working arrangements might support this objective.

Community Rail and other local partnerships

- 5.4 Rail Executive expects to encourage bidders to explore the scope for innovative local delivery models, in particular on relatively self-contained parts of the network. The objective would be, by working in partnership with local interests, to improve both the efficiency and the local benefits generated by those arrangements.
- 5.5 Community Rail Partnerships (CRPs) are designed to support and develop the local rail network and create links between the community, businesses and the railway. This can also include seeking ways to improve facilities on stations through sponsorship and station adoption schemes.
- 5.6 We expect bidders for the South Western franchise to demonstrate a commitment to work with CRPs over the life of the franchise.
- 5.7 Moreover, we wish to encourage local communities, local businesses and local government to build upon the existing partnerships in place and to come forward with their own proposals to partner with the train operators – to increase the contribution made by the railway and obtain the best value from the public funding available.
- 5.8 There might also be opportunities for more local input to the specification of services in Devon and Cornwall, through the creation of a dedicated business unit within the franchise that supports a focus on local needs for services that extend into Devon. The Department will consider the recently published interim report on the 20 year plan from the Peninsula Rail Task Force that sets out ambitions for rail services affecting Devon and Cornwall, of which the South Western franchise area contributes in part.

Community rail and other local partnerships

What opportunities are there for Community Rail Partnerships and other local partnerships to expand their role and range of activities to support local communities, businesses and other organisations?

Island Line

- 5.9 In approaching the re-letting of the South Western franchise, a key objective of Rail Executive is to secure an appropriate, sustainable long term future for the Island Line.
- 5.10 The line provides important services for passengers, but currently runs at a significant loss, and faces costly requirements for infrastructure upgrades to maintain the integrity of the infrastructure.
- 5.11 Ministers have stated their expectation that the next franchisee should develop ideas to turn the Island Line into a separate self-sustaining business during the life of the franchise. The Isle of Wight Council will lead this initiative, working with the new franchisee and potential third party investors. Bidders will be required to work with all relevant stakeholders to support this aim.



Island Line

What factors do you consider should be taken into account in assessment of options for the Island Line?

Do you have any innovative proposals for how the Island Line might operate on a more self-sustaining basis?

Third party funded changes

- 5.12 In addition to its base case specification, Rail Executive may ask bidders to submit prices for certain defined options. These could involve the provision of additional services or, in certain circumstances, a reduction in the level of service from that proposed in the base case. Additions or reductions proposed by other funders might also be taken forward in the base specification or as priced options.
- 5.13 Any proposed changes from third parties must:
- be to the benefit of passengers;
 - comply with the objectives of the franchise;
 - be operationally robust;
 - demonstrate value for money; and,
 - be funded by promoters for at least an initial three year period (for which the promoter will need to provide written guarantees of funding).
- 5.14 Where such proposals satisfy these criteria, Rail Executive will consider including them in the base specification or as priced options. The deadline for the submission of any proposed additions or reductions is the close of the consultation period (9th February 2016).
- 5.15 Current third party funding from local developers exists to support Cranbrook station in Devon; SSWT are not receiving funding, but have made provision for trains calling there within the timetable. Dorset are also funding a small number of additional services.
- 5.16 We are aware of the Swanage Railway's interest in creating a regular direct link between Swanage and Wareham, working in conjunction with the Purbeck Community Rail Partnership. Bidders will be encouraged to engage with the Partnership to understand ways in which their interests might be reflected in the new franchise.

Third party funded changes

Are you aware of any proposals for third party funded changes? Please provide details in line with the requirements set out above, or provide sufficient detail for further dialogue to take place to understand the proposals.

6. Meeting passenger requirements

Stations

- 6.1 South Western stations currently have good levels of overall passenger satisfaction and we would expect the new franchisee to maintain and build upon these results.
- 6.2 Where low levels of passenger satisfaction exist, the new franchisee will be required to address the situation.
- 6.3 We are looking for bidders for the franchise to consider the development opportunities offered by stations across the network, working with partners to make stations destinations in their own right and ensure they are well-integrated with local communities. We are also looking to improve the efficiency and effectiveness of station operations ensuring that the focus is on high quality customer-facing activities that embraces new technology and the needs of passengers.



- 6.4 We expect bidders to work with local authorities and partners to enhance the station environment, recognising the importance of accessibility and integration to fulfil the full journey experience for passengers.

Stations

What improvements would you like to see at the station(s) you use to enhance your journey experience?

Please indicate the name of the station(s) and the rationale for your specific comments.

Door-to-door journeys

- 6.5 In March 2013, the Government published its strategy for improving sustainable transport integration, 'Door to Door'⁵. The Government's aim is to encourage and enable more people to make more of their door-to-door journeys by sustainable means: public transport, supported by walking and cycling.
- 6.6 As set out previously, our aim for the South Western franchise is to deliver improvements in ticketing, better information provision and more accessible rolling stock – three areas of focus for the door-to-door strategy.
- 6.7 A fourth area of focus is improving the ability for people to transfer between different modes of transport. Rail Executive therefore welcomes suggestions on how to improve the connections between South Western services and other modes of transport to create a more integrated offer to travellers.

Door-to-door journeys

What are your proposals for providing passengers better and safer access to different modes of transport at stations (including bus, car, cycling and walking)?

What opportunities exist for improved integration between modes, citing relevant examples to support your comments?

Fares and ticketing

- 6.8 The Fares and Ticketing Review published in October 2013 set out the Government's vision for a modern and customer-focused fares and ticketing system. The Review sought to reduce the impact of fares increases on passengers, to improve the flexibility of fares on offer, and to enable passengers to have a better experience of rail.
- 6.9 Bids for the Franchise are expected to be based on the current regulated fares policy of RPI+0% for the duration of this Parliament.

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/142539/door-to-door-strategy.pdf

6.10 Rail Executive is likely to require bidders to put forward proposals for the improved retailing of products and services, ensuring customers have better information on the fares available, and easier ways of searching for and buying tickets. Such improvements could occur online, on-board or at stations through improvements to the station retailing offer at ticket offices and ticket machines.



6.11 Tickets should be easily accessible on the widest variety of media (smartphones, tablets, print-at-home) with transparent information on their pricing, availability, and time of use in order to facilitate seamless travel across boundaries with other transport operators. It will also be expected that vulnerable groups have easy access to tickets so that it does not become a barrier to travel.

Fares and Ticketing

What are your views on the availability of retail staff and the ability for passengers to have widespread access to ticket buying opportunities (e.g. through new and improved approaches such as smart ticketing, increased advance purchase ticketing or via mobile phones), adequate measures to ensure vulnerable passengers are not disadvantaged, and more effective customer service by both station and on-train staff?

Do you have any evidence to support your views?

Smart and integrated ticketing

- 6.12 The Department for Transport remains committed to introducing smart ticketing across the rail network. It wants the whole experience of travelling by rail to be modern, seamless and easy, starting with buying a ticket to travel.



- 6.13 It is Rail Executive's intention to seek the commitment of the South Western franchisee to a significant increase in the usage of smart ticketing across its section of the network, working with the Department for Transport, local authorities and other stakeholders towards ultimately withdrawing magnetic stripe ticketing. We will be looking to bidders to suggest ways of accomplishing this.
- 6.14 Where specific arrangements for smartcard acceptance by station gate lines and validators are already in place, the franchisee will be expected to continue acceptance and retail of these and bidders should be clear as to how they will achieve this.
- 6.15 Where local authorities are already developing multi-operator, multi-modal smart ticketing-enabled products across their conurbations, the franchisee should be prepared to cooperate with these initiatives to maximise the opportunities for seamless integrated door to door journeys for the benefit of passengers in line with Departmental objectives.

- 6.16 We will be looking to bidders for the new franchise to propose solutions which encourage a spreading of passenger demand to meet available capacity.

What are your experiences of using smartcard technology within the franchise area to date?

To what extent do you believe that smartcard technology could be used to manage passenger demand and to create an integrated journey experience for passengers?

Passenger information

- 6.17 We will expect the new franchisee to fully utilise existing channels of communication, such as real-time information, both at the station and on the train, to provide accurate and up-to-date information, especially where there is disruption to services.
- 6.18 We may also encourage consideration of new ways in which the operator can communicate with their passengers, and will ask the operator to consider linking information on rail journeys on websites and smart technology to allow end-to-end journey planning.
- 6.19 The Department expects that all franchised train fleets across England and Wales should be fitted with free wi-fi by 2018, and the new franchisee will be required to set out how they will meet this commitment to passengers.

Passenger Information

Are there areas of improvement in customer information and engagement you would like to see before, during and after your journey?

Service quality

- 6.20 Delivering excellence in service quality is a key element of Rail Executive's approach to the new franchise. We expect that improved quality will be offered to customers as a result of:
- the commercial incentives provided to the franchisee;
 - the bid evaluation process which will give additional credit for commitments to improve quality; and,
 - the requirements that will be defined as part of the specification and set out in the ITT.



6.21 We may specify one or more targets for passenger satisfaction with the facilities and services provided by the franchisee, including at stations. This will be likely to include indicators drawn from the regular National Rail Passenger Survey conducted by Transport Focus.

Service quality

What areas of customer service within your end-to-end journey would you expect to see monitored and reported on to improve the service quality for passengers?

Customer Experience and Customer and Stakeholder Engagement Strategy

6.22 Bidders will be requested to set out how they intend to improve the customer experience. They may also be asked to develop a strategy for customer and stakeholder engagement, and to set out how they will use this engagement to inform business decisions and improve customer services.

Customer and Communities Improvement Fund

6.23 We are considering whether the ITT should require bidders to set aside a defined amount to fund schemes that are developed by the franchisee during the franchise in response to customer and community engagement. Such schemes are either non-commercial or will not generate a commercial return within the remainder of the term. Proposals to spend from this fund would need to meet criteria set out in the Franchise Agreement.

Passenger Charter

6.24 Bidders will be required to commit to a Passenger Charter, including a Delay Repay compensation scheme in line with European Regulation 1371/2007 on rail passengers' rights and obligations.

6.25 We will be encouraging bidders to consider more transparent and more direct compensation for passengers.

Passenger compensation

Please provide details of your experience with the current delay repay passenger compensation arrangements, and suggestions for how this might be modified in the new franchise to make compensation more transparent and convenient for passengers.

Customer Report

6.26 The franchisee may be required to produce a regular report, setting out its commitments to customers, its targets and performance against these targets. Bidders may also be required to offer improved ways for passengers to report quality problems and receive specific feedback on how they have been tackled.

Innovation

6.27 Increasing customer expectations and new technical developments pose ongoing commercial challenges for train operators. In order to encourage and support the development and trial of new ideas during the life of the franchises, Rail Executive is engaged in work with the FutureRailway Programme and Transport Systems Catapult.

6.28 The FutureRailway programme is a collaboration between Network Rail and RSSB which has been established to support innovation in the delivery of the Rail Technical Strategy. More information is available at:
<http://www.futurerailway.org/Pages/default.aspx>.

6.29 The Transport Systems Catapult is a centre for the development of innovation and technology in transport systems. More information is available at:
<https://ts.catapult.org.uk/>.

- 6.30 The aim of collaborating with FutureRailway and The Transport Systems Catapult is to support the Rail Industry to enhance its innovation capability and to prove that innovative concepts work on the railway, which then makes the case for further business-led investment.
- 6.31 We will be seeking bidders to demonstrate innovation through their bid submissions, and will encourage engagement with the FutureRailway Programme and Transport Systems Catapult.

Sustainability

- 6.32 The sustainable development of rail is a key focus for us. We strongly support the Rail Industry Sustainable Development Principles Developed by the industry in 2009 and included in the 2012 High Level Output Specification, and wish to see them embedded in the South Western franchise. Details are available at: <http://www.rssb.co.uk/Library/improving-industry-performance/2009-report-rail-industry-sustainable-development-principles.pdf>. In addition to finding ways of helping passengers with their onward journeys, bidders are likely to be asked to set out how they will deal with some or all of the following issues:

Environmental impact

- a focus on waste avoidance, reduction and increasing the proportion of waste sent for recycling;
- improved energy and carbon management performance, with respect to both traction energy and non-traction energy; and,
- increased focus on reducing water and resource consumption

Socio-economic impact

- improving the local socio-economic impact of the franchise by using franchise assets to delivery community and business benefits;
- working with local communities, and disadvantaged groups to deliver a more inclusive, affordable and accessible service; and,
- adoption of sustainable procurement policies and practices, including the Living Wage.

Skills

- 6.33 Rail Executive believes that investment in the workforce, building skills and capability, improving employee engagement, and demonstrating a genuine pride in developing staff over the long term is central to the vision of a world-class railway.

- 6.34 The successful bidder should not just maintain overall capability, but also grow the capability and improve productivity to deliver all aspects of the business throughout the term of the franchise.
- 6.35 In addition to protecting and supporting the equality, diversity, health and wellbeing of the workforce, the new franchisee should look to develop careers and skill profiles throughout the organisation. The attraction of talent is an important part of developing the business, and opportunities to do so from all backgrounds will be welcomed. Bidders will be encouraged to develop strategic partnerships with key educational institutions to support traineeships, apprenticeships and graduate training schemes.
- 6.36 Rail Executive is working closely with the National Skills Academy for Railway Engineering as the central body for skills in the railway and this will be reflected in the ITT and Franchise Agreement.
- 6.37 We are looking for ambitious bids that invest in skills and the workforce throughout the life of the franchise to create a skills legacy for the future.

Health, safety and security

- 6.38 We intend that the new franchisee should have a proactive, positive, open and inclusive health and safety culture, in order that staff members feel they have an important part to play in achieving the highest levels of health and safety for customers, staff and suppliers.
- 6.39 Transport Focus research identifies personal security as an important factor for passengers. The new franchise provides an opportunity for bidders to develop plans to improve passengers' perception of health and security on trains and at stations. This could include, and may go beyond, security enhancements such as extensions to CCTV coverage, lighting improvements and closer working with the British Transport Police. It could also extend to the appropriate deployment of staff on trains and stations (and elsewhere).

Security and Safety

Do you have any proposals to improve security and safety at stations and on trains that you would like us to consider?

Please provide details of the stations(s) and/or train(s) where appropriate that have informed your comments, and provide supporting information where available.

Equality Act 2010

- 6.40 In the consideration of options and in specifying the new South Western franchise, we are considering the views of stakeholders, including those representing

disabled passengers' needs, as well as the public sector equality duty under the Equality Act 2010:

- To eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- To advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
- To foster good relations between people who share a relevant protected characteristic and those who do not share it.

Social Value

6.41 In line with the Public Contracts (Social Value) Act 2012, we are considering:

- how the options under consideration for the South Western franchise might improve the economic, social and environmental wellbeing of the South Western franchise area; and,
- how, in conducting the process of procurement, Rail Executive will act with a view to securing that improvement.

7. The commercial proposition

The commercial proposition

- 7.1 We are committed to specifying a new franchise that makes a greater contribution to the prosperity of the South West franchise area, in order to underpin significant planned investments in new infrastructure and rolling stock. We want rail services that drive forward growth and bring about a transformation in overall rail service provision. We are working together with the industry to achieve these aims, and will be seeking innovative and different ideas from bidders to maximise the potential opportunities.
- 7.2 The length of each franchise will be determined by the Department, based on commercial considerations and the overall franchising programme. At the time of publication, a final decision on the length of the next South Western franchise has yet to be taken.

Franchise efficiency

- 7.3 It will be essential that the new South Western franchise is operated in an efficient manner. We are carefully considering where it may be possible to improve efficiency across the business. Bidders will be expected to address the requirement for greater efficiency as part of their responses to the ITT whilst enhancing the passenger experience throughout the franchise offer. This will allow investment to be targeted most appropriately to achieve our overall objectives for the railway to make a greater contribution to the economy and communities that this franchise serves.

8. What will happen next?

A summary of responses, including the next steps, will be published alongside the ITT at: <https://www.gov.uk/government/organisations/department-for-transport>

Paper copies will be available on request.

If you have questions about this consultation please contact:

South Western Consultation Co-ordinator
4/15 Great Minster House
33 Horseferry Road
London
SW1P 4DR

0300 330 3000 (switchboard)
SouthWesternFranchise2016@railexecutive.gsi.gov.uk

Annex A: List of Consultation Questions

Passenger Satisfaction

- Do you support the key priorities that have been identified through the Transport Focus research?
- Are there other priorities you believe should be included to inform the new franchise specification?

Franchise Objectives

- Do you feel that these are appropriate objectives for the South Western franchise?
- Are there any further objectives you believe should be included?

Capacity

- Considering the planned schemes to deliver additional capacity, what are your views on additional opportunities to deliver more capacity elsewhere within the franchise area?
- Are there particular services or routes where you believe there is a need to introduce additional capacity to address overcrowding?
- It may be possible to increase overall passenger carrying capacity by introducing different rolling stock that has more standing space and/or modifying the internal configuration of trains, including rebalancing first and standard class seating. Do you have views on these potential rolling stock changes?

Future impacts on demand

- What factors may impact on demand for travel on the new South Western franchise, drawing on local impacts in particular? Please provide any evidence you may have.

Train Service Specification

- Where, if anywhere, would you like to see any changes to first and last trains on the South Western network and why? Do you have any evidence to support this?
- Where, if anywhere, would you like to see any changes to weekend trains on the South Western network and why? Do you have any evidence to support this?
- Would you support a specification which is flexible enough to allow the operator to review how station calls are allocated to train paths in order to improve overall line capacity? What impact might this have on passengers?

- Respondents are invited to propose any changes to the current service pattern which they feel should be considered and to explain their rationale, for example by identifying specific local factors which might influence the future level of passenger demand which should be reflected in a revised specification.
- Respondents who wish to promote service changes should clearly identify these in their response to this consultation, as well as any supporting business case or value for money (VfM) analysis.

Performance and reliability

- Are there any specific stations or services where you believe reliability or punctuality should be improved?
- Where possible, please explain your reasoning when responding to this question.

Managing disruption

- Respondents are asked to suggest what mitigating actions and steps the South Western operator should be expected to take to meet the needs of its passengers both during the planned disruption to the franchise as a result of enhancement works and when 'force majeure' events, such as extreme weather or unplanned events that impact the smooth operation of the network.
- Respondents are asked to consider whether they would support replacing first/last train services with alternative transport where it can be demonstrated that a longer period of engineering access for Network Rail would improve the infrastructure reliability and reduce disruption overall.

Partnership working and collaboration

- We are interested in your view on the best way to achieve efficient operation of this railway through partnership and collaboration. Please describe how such working arrangements might support this objective.

Community rail and other local partnerships

- What opportunities are there for Community Rail Partnerships and other local partnerships to expand their role and range of activities to support local communities, businesses and other organisations?

Island Line

- What factors do you consider should be taken into account in assessment of options for the Island Line?
- Do you have any innovative proposals for how the Island Line might operate on a more self-sustaining basis?

Third party funded changes

- Are you aware of any proposals for third party funded changes?

- Please provide details in line with the requirements set out above, or provide sufficient detail for further dialogue to take place to understand the proposals.

Stations

- What improvements would you like to see at the station(s) you use to enhance your journey experience?
- Please indicate the name of the station(s) and the rationale for your specific comments.

Door-to-door journeys

- What are your proposals for providing passengers better and safer access to different modes of transport at stations (including bus, car, cycling and walking)?
- What opportunities exist for improved integration between modes, citing relevant examples to support your comments?

Fares and Ticketing

- What are your views on the availability of retail staff and the ability for passengers to have widespread access to ticket buying opportunities (e.g. through new and improved approaches such as smart ticketing, increased advance purchase ticketing or via mobile phones), adequate measures to ensure vulnerable passengers are not disadvantaged, and more effective customer service by both station and on-train staff?
- Do you have any evidence to support your views?

Smart ticketing

- What are your experiences of using smartcard technology within the franchise area to date?
- To what extent do you believe that smartcard technology could be used to manage passenger demand and to create an integrated journey experience for passengers?

Passenger Information

- Are there areas of improvement in customer information and engagement you would like to see before, during and after your journey?

Service quality

- What areas of customer service within your end-to-end journey would you expect to see monitored and reported on to improve the service quality for passengers?

Passenger compensation

- Please provide details of your experience with the current delay repay passenger compensation arrangements, and suggestions for how this might be modified in the new franchise to make compensation more transparent and convenient for passengers.

Security and Safety

- Do you have any proposals to improve security and safety at stations and on trains that you would like us to consider?
- Please provide details of the stations(s) and/or train(s) where appropriate that have informed your comments, and provide supporting information where available.

Annex B: Consultation principles

The consultation is being conducted in line with the Government's key consultation principles which are listed below. Further information is available at <https://www.gov.uk/government/publications/consultation-principles-guidance>

If you have any comments about the consultation process please contact:

Consultation Co-ordinator
Department for Transport
Zone 1/29 Great Minster House
London SW1P 4DR

Email consultation@dft.gsi.gov.uk

Annex C: Stations currently served by South Western services

The data for this table has been sourced from the Office of Rail and Road website, and the original data for 2013/14 can be found at the following website: <http://orr.gov.uk/statistics/published-stats/station-usage-estimates>

Station	Station Facility Operator	2013-14 Station Entries & Exits
London Waterloo	Network Rail	98,442,742
Clapham Junction	South West Trains	25,287,250
Vauxhall	South West Trains	19,401,716
Wimbledon	South West Trains	19,302,216
Reading	Network Rail	15,673,400
Putney	South West Trains	10,933,750
Richmond	South West Trains	9,533,696
Bristol Temple Meads	GWR	9,522,840
Surbiton	South West Trains	9,206,902
Guildford	South West Trains	7,961,067
Woking	South West Trains	7,697,790
Southampton Central	South West Trains	6,278,910
Earlsfield	South West Trains	6,233,208
Bath Spa	GWR	5,990,274
Kingston	South West Trains	5,986,660
Twickenham	South West Trains	5,758,276
Basingstoke	South West Trains	5,373,748
Winchester	South West Trains	4,734,018
Raynes Park	South West Trains	4,431,642
Feltham	South West Trains	4,027,070
Epsom	GTR	3,962,714
Wandsworth Town	South West Trains	3,729,392
New Malden	South West Trains	3,473,600

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Station	Station Facility Operator	2013-14 Station Entries & Exits
Farnborough (Main)	South West Trains	2,930,052
Staines	South West Trains	2,849,914
Walton-On-Thames	South West Trains	2,818,844
Worcester Park	South West Trains	2,746,968
Bournemouth	South West Trains	2,623,628
Norbiton	South West Trains	2,589,716
Teddington	South West Trains	2,495,754
Weybridge	South West Trains	2,462,921
Exeter St David's	GWR	2,356,204
Hampton Court	South West Trains	2,353,820
Portsmouth Harbour	South West Trains	2,272,038
Wokingham	South West Trains	2,216,864
Bracknell	South West Trains	2,207,932
Havant	South West Trains	2,203,114
Mortlake	South West Trains	2,156,826
Barnes	South West Trains	2,106,180
Leatherhead	GTR	2,104,686
Egham	South West Trains	2,098,878
Portsmouth & Southsea	South West Trains	2,032,386
Salisbury	South West Trains	1,943,654
Exeter Central	GWR	1,943,070
Fleet	South West Trains	1,760,159
St.Margaret's (Greater London)	South West Trains	1,738,274
Haslemere	South West Trains	1,731,616
Fareham	South West Trains	1,725,003
Southampton Airport (Parkway)	South West Trains	1,604,488
Eastleigh	South West Trains	1,599,710
Farnham	South West Trains	1,593,670
Fratton	South West Trains	1,570,588
Brentford	South West Trains	1,527,764
Queenstown Road (Battersea)	South West Trains	1,457,410
Windsor & Eton Riverside	South West Trains	1,422,154
Aldershot	South West Trains	1,401,204
Whitton	South West Trains	1,386,408

Station	Station Facility Operator	2013-14 Station Entries & Exits
Godalming	South West Trains	1,342,306
West Byfleet	South West Trains	1,325,210
Petersfield	South West Trains	1,312,314
Dorking	GTR	1,259,983
Ewell West	South West Trains	1,252,868
Ashted	GTR	1,249,748
Motspur Park	South West Trains	1,243,766
Hounslow	South West Trains	1,226,935
Hampton	South West Trains	1,202,378
Poole	South West Trains	1,196,626
Kew Bridge	South West Trains	1,180,500
Andover	South West Trains	1,179,202
Ascot	South West Trains	1,179,120
Stoneleigh	South West Trains	1,176,708
Esher	South West Trains	1,160,330
Brockenhurst	South West Trains	1,156,246
Isleworth	South West Trains	1,152,028
Strawberry Hill	South West Trains	1,098,576
Syon Lane	South West Trains	1,041,984
Chiswick	South West Trains	993,106
Ashford (Middlesex)	South West Trains	975,950
Cosham	South West Trains	975,742
Brookwood	South West Trains	966,250
Hampton Wick	South West Trains	926,966
Thames Ditton	South West Trains	909,792
Farncombe	South West Trains	860,042
Trowbridge	GWR	849,928
Hersham	South West Trains	793,092
Weymouth	South West Trains	773,222
Hook	South West Trains	755,354
Barnes Bridge	South West Trains	710,756
Alton	South West Trains	697,306
Chertsey	South West Trains	688,156
Sunningdale	South West Trains	687,424

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Station	Station Facility Operator	2013-14 Station Entries & Exits
Swanwick	South West Trains	677,520
Claygate	South West Trains	657,480
New Milton	South West Trains	619,746
Cobham & Stoke D'abernon	South West Trains	610,306
Earley	South West Trains	609,230
Malden Manor	South West Trains	605,600
Chessington North	South West Trains	592,762
Virginia Water	South West Trains	585,412
Tolworth	South West Trains	573,398
Martins Heron	South West Trains	561,760
London Road Guildford	South West Trains	551,630
Chessington South	South West Trains	524,144
Bradford-on-Avon	GWR	499,466
Winnersh	South West Trains	495,026
Liphook	South West Trains	494,696
Oxshott	South West Trains	490,522
Westbury	GWR	486,546
Dorchester South	South West Trains	479,088
Romsey	GWR	477,146
Christchurch	South West Trains	471,928
Winnersh Triangle	South West Trains	470,988
Fulwell	South West Trains	468,972
Hedge End	South West Trains	460,028
Camberley	South West Trains	455,070
Ash Vale	South West Trains	454,772
North Sheen	South West Trains	440,576
Horsley	South West Trains	432,660
Shepperton	South West Trains	419,200
Gillingham (Dorset)	South West Trains	415,612
Sunbury	South West Trains	413,598
Byfleet & New Haw	South West Trains	406,010
Honiton	South West Trains	395,240
Portchester	South West Trains	389,858
Berrylands	South West Trains	389,012

Station	Station Facility Operator	2013-14 Station Entries & Exits
Addlestone	South West Trains	381,748
Hinchley Wood	South West Trains	374,874
Warminster	GWR	370,416
Keynsham	GWR	358,186
Axminster	South West Trains	355,710
Wareham	South West Trains	348,718
Winchfield	South West Trains	348,192
Datchet	South West Trains	323,040
Shanklin	South West Trains (Island Line)	318,410
Pokesdown	South West Trains	311,832
Hilsea	South West Trains	309,556
Effingham Junction	South West Trains	308,772
Oldfield Park	GWR	305,984
Bookham	South West Trains	304,773
Ryde Esplanade	South West Trains (Island Line)	301,660
Totton	South West Trains	297,758
St.Denys	South West Trains	288,956
Ash	South West Trains	274,754
Whitchurch (Hampshire)	South West Trains	273,066
Witley	South West Trains	263,336
Branksome	South West Trains	258,816
Milford (Surrey)	South West Trains	256,372
Grateley	South West Trains	245,272
Chandlers Ford	South West Trains	244,338
Sandown	South West Trains (Island Line)	240,766
Tisbury	South West Trains	238,538
Liss	South West Trains	235,442
Lymington Town	South West Trains	233,302
Parkstone	South West Trains	225,890
Frimley	South West Trains	220,164
Sherborne	South West Trains	212,780
Yeovil Junction	South West Trains	212,150
Worplesdon	South West Trains	211,414
Ryde Pier Head	South West Trains (Island Line)	209,734

Stakeholder Consultation: South Western Rail Franchise

Station	Station Facility Operator	2013-14 Station Entries & Exits
Ryde St.John's Road	South West Trains (Island Line)	202,188
Clandon	South West Trains	202,062
Wool	South West Trains	196,656
Overton	South West Trains	186,982
Shawford	South West Trains	176,276
Hinton Admiral	South West Trains	173,484
Bagshot	South West Trains	165,174
Micheldever	South West Trains	163,080
Woolston	South West Trains	162,532
Hamworthy	South West Trains	158,554
Bedhampton	South West Trains	145,468
Botley	South West Trains	143,280
Bentley	South West Trains	142,748
Crewkerne	South West Trains	131,160
Swaythling	South West Trains	130,228
Lymington Pier	South West Trains	123,918
Upper Halliford	South West Trains	123,850
Hamble	South West Trains	122,062
Ashurst New Forest	South West Trains	117,340
Wanborough	South West Trains	110,328
Netley	South West Trains	110,256
Templecombe	South West Trains	109,412
Sholing	South West Trains	108,140
Rowland's Castle	South West Trains	106,084
Wraysbury	South West Trains	106,028
Sway	South West Trains	105,220
Bitterne	South West Trains	104,568
Box Hill & Westhumble	GTR	83,914
Whimple	South West Trains	68,482
Feniton	South West Trains	66,394
Bursledon	South West Trains	65,206
Kempton Park	South West Trains	63,246
Lake	South West Trains (Island Line)	61,840
Moreton (Dorset)	South West Trains	57,426

Station	Station Facility Operator	2013-14 Station Entries & Exits
Brading	South West Trains (Island Line)	55,594
Pinhoe	South West Trains	55,306
Upwey	South West Trains	49,414
Holton Heath	South West Trains	42,580
Sunnymeads	South West Trains	41,418
Millbrook (Hampshire)	South West Trains	39,340
Redbridge	South West Trains	34,598
Mottisfont & Dunbridge	GWR	28,854
Dean	GWR	26,118
Smallbrook Junction	South West Trains (Island Line)	11,408
Beaulieu Road	South West Trains	10,730
Longcross	South West Trains	10,044

Table C.1 Stations served by South Western services

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