

## News

# **BREAKING NEWS: Next Northern Franchise Owner Announced**

**9th December 2015**



# ARRIVA

Alex Hynes, Managing Director for Northern Rail comments:

“Today the Department for Transport has announced that Arriva has won the bid to run the next Northern franchise.

“From 1 April 2016, the next franchise will start the transformation of rail travel in the North. This morning’s announcement included removal of Pacers by the end of 2019 and a £400 million investment in 281 brand new air-conditioned carriages.

“Investment in the next franchise is the news we want for our customers. More trains, better trains and major service improvements before the end of the decade will transform our customers’ experience.

“It will deliver a rail network fit for the growing north and enable Northern to play an even greater role in rebalancing the UK economy. We look forward to delivering a new and exciting experience for our customers with Arriva.

“We would like to thank Serco and Abellio for everything we have achieved together. In 2015 there will be 100 million customer journeys on Northern services; 40 million more than when we started the franchise in 2004.

“The current franchise was awarded with a ‘no growth expectation’, yet Northern has worked to provide more services, more trains and 1,000 new jobs to help manage the dramatic growth in customer demand. It is amazing how far Northern Rail has come.”

Find out how your line will be transformed by clicking [here](#).

Read Arriva's statement [here](#).

Some questions and answers which might be helpful in understanding the next Northern franchise:

**Has Northern lost its franchise?**

No, Northern Rail has not lost its franchise. As a train operating company Northern doesn't bid to win the franchise. The bids are made by owning groups, such as Abellio or Arriva who then set up a train operating company to deliver their franchise bid. The operating company that is delivering Northern services today is owned by Serco and Abellio. The next franchise owner, which we have found out today is Arriva, will set up a new train operating company that will take over from the current train operating company on 1 April 2016.

Train operating companies are owned by a parent company or companies who bid for franchise contracts, and the winning bidder is chosen by Government to hold the franchise contract for a fixed period, normally between seven and nine years.

### **Who has owned Northern in the past?**

Serco and Abellio (Northern was created in 2004 by merging First North Western and Arriva Trains Northern)

- 12 December 2004 – 31 March 2016

Arriva Rail North Limited

- 1 April 2016 - March 2025

### **How long is the next franchise?**

Nine years, operating from April 2016 – March 2025.

### **How much money will be invested into the next franchise?**

There will be a significant investment of more than £1billion to drive improvements and transform rail travel in the North of England.

### **Why couldn't Northern do this before - why do you need a franchise change to make things better?**

The Department for Transport sets out plans and budgets in its franchise agreement. We have spent much time helping Government understand the need for increasing rail investment in the North. We have tried to purchase new trains under the current franchise, however this was not possible. What we have done though is expand our train fleet by 30%, adding capacity to electric and diesel services across our network.

### **What are the key benefits for our services?**

So far, we know :

- £400 million will be invested in 98 new trains, made up of 281 brand new air-conditioned carriages. This is more than double the minimum required in the government's invitation to tender
- Pacers will be removed by the end of 2019
- There will be a 37% increase in peak time capacity
- More than 2,000 extra services a week. This includes 400 extra services on Sundays. This includes 400 extra services on Sundays
- New timetables in December 2017 will provide 100 new through journey opportunities across regional hubs in the North
- Enhanced inter-urban connect services providing faster city connections in 2019

- There will be free wifi on all of our services and at 36 stations by December 2019. Media servers on trains will provide entertainment and information to Smartphones and tablets, helping to keep our customers informed.

### **What are the key benefits for our stations?**

So far, we know:

- 45 of our currently unstaffed stations will be staffed
- There will be extended opening hours at 54 locations
- New retail facilities will be provided at 243 stations currently without facilities, making it easier for our customers to buy their tickets
- There will be refurbished seating and waiting areas at 355 stations
- CCTV security will be enhanced
- Video help points will be installed at 447 stations
- Customer information screens will be installed at 160 new locations, helping to improve customer information.

### **What are the key benefits for our people?**

A commitment to:

- Recruit at least 20 apprentices every year
- Offer at least 10 student placements each year
- Give a smart device to all staff
- £2.2 million investment to upgrade staff rooms
- No zero hours contracts
- Commitment to pay the living wage
- Recruit at least 30 graduates through the franchise term.

### **What are the key benefits for fares and tickets?**

- Fares will be easier to understand
- Customers will be able to purchase advance tickets up to 15 minutes before train departures.

### **How does this tie into the overall benefits to the north of England?**

The next franchise owner for TransPennine Express (TPE) was also announced today as First TransPennine Express Ltd. The combined benefits of the two new franchises are:

- A combined investment of £55m in stations across the North
- Automatic delay repay compensation will be introduced for season and advance purchase tickets bought online
- Oyster style smart ticketing will be rolled out
- A commitment to improve customer satisfaction, increase customer satisfaction; reduce cancellations and short formations.