

Statement to Parliament: West Coast Partnership and South Eastern rail franchise bidders

I am pleased to inform the House that we have today (22 June 2017) published the [shortlists of companies](#) that will bid for the new West Coast Partnership (WCP) franchise which will launch the first services on HS2, and the next South Eastern franchise.

The House will be aware passenger numbers have more than doubled since privatisation of the railways 20 years ago and our country's railways need to adapt and change to be able to cope with this and future demands. This government is committed to revolutionising our railways through innovation and investment to transform passengers' experiences and ensure our railways work for everyone.

This is an exciting time for both franchises, which are changing to ensure passengers are at the heart of their services. The winner of the WCP franchise will be expected to work with HS2 Ltd to launch the first services on HS2, taking advantage of the extra space it will provide for commuters on the West Coast Main Line. The winner of the South Eastern franchise will need to work as one team with Network Rail to ensure passengers experience better journeys and provide longer trains with more space.

West Coast Partnership franchise

The WCP will be responsible for services on the West Coast Main Line from April 2019 and will design and run the initial HS2 high speed services between London and Birmingham from 2026.

The shortlist contains bidding consortia which sees UK rail network experts working in partnership with companies that operate high speed railways around the globe, supported by businesses which have an excellent track record in customer services.

They are:

- First Trenitalia West Coast Ltd, a joint venture between First Rail Holdings Ltd and Trenitalia SpA
- MTR West Coast Partnership Ltd, a joint venture between MTR Corporation (UK) Ltd and Guangshen Railway Company, with the following key sub-contractors:
 - Deloitte MCS Ltd
 - Panasonic Systems Europe
 - Snowfall AB
 - Trainline.com Ltd
 - WSP Parsons Brinkerhoff
- West Coast Partnership Ltd a joint venture between Stagecoach Group plc,

Virgin Holdings Ltd and SNCF C3

The WCP will support growth and better services on the West Coast Main Line while helping to ensure HS2 becomes the backbone of Britain's future railways. This will create more seats for passengers, improve connections between our great cities, free up space on existing rail lines and generate jobs and economic growth throughout the country.

The winning bidder will collaborate with HS2 Ltd to design, launch and operate the initial HS2 services and deliver the transition of the timetable on the West Coast Main Line as it is revised to take advantage of the extra capacity provided by HS2. There are significant benefits in bringing the 2 projects closer together to ensure the best outcomes for passengers both before and after the start of the HS2 services.

The new operator will also be expected to work closely with local transport authorities, Transport Scotland and the Welsh government to ensure passengers receive the excellent experience they demand from the West Coast Main Line.

South Eastern franchise

The South Eastern franchise is one of the busiest franchises in the UK, running almost 2,000 services every weekday. We want passengers to be at the heart of everything that the new operator does, enjoying modern, spacious trains on a more punctual and reliable service. We will listen to what passengers say in the current public consultation, and we will seek to make changes and improvements only with their support. We will create more space for passengers in the peak commuting times including by running longer, more modern trains in and around London.

Other ambitions for this franchise include:

- increasing the reliability of trains by using the latest technology while reducing delays by encouraging the operator to work closely with Network Rail
- improving passenger compensation arrangements and supporting smart ticketing
- improving customer service, with staff able to respond quickly and effectively, including during disruption.

The new franchise will also complement the completion of 2 major enhancement schemes – Thameslink and Crossrail – providing passengers with more trains, more destinations, and significant improvements in reliability and performance. The winner of the next South Eastern franchise will be required to optimise the value of these investments for passengers.

The shortlisted bidders for the South Eastern rail franchise competition are:

- the franchise applicant, South Eastern Railways Ltd, is currently a wholly owned subsidiary of Abellio Transport Group Ltd
 - if awarded the franchise it would become a subsidiary of South Eastern Holdings Ltd, a joint venture between Abellio and the

- consortium of East Japan Railway Company and Mitsui & Co Ltd
- London and South East Passenger Rail Services Ltd, a wholly owned subsidiary of Govia Ltd
- Stagecoach South Eastern Trains Ltd, a wholly owned subsidiary of Stagecoach Group plc
- Trenitalia UK Ltd, wholly owned by Trenitalia SpA

The [public consultation seeking views and priorities for the new South Eastern franchise](#) runs until June 30. The new franchise is planned to start in December 2018.

New companies enter the market

I am also pleased to inform the House that 2 companies have applied for a [pre-qualification questionnaire passport](#) to allow them to enter the bidding process. These firms are now eligible to express an interest in all upcoming rail franchise competitions until September 2019.

[News story: Bidders for 2 rail franchises named by government](#)

The government has today (22 June 2017) announced the [names of the companies](#) in the running for the new West Coast Partnership (WCP) rail franchise and the next South Eastern franchise.

Passenger numbers have more than doubled since privatisation of the railways 20 years ago and our country's railways need to adapt and change to be able to cope with this and future demands. This government is committed to revolutionising our railways through innovation and investment to transform passengers' experiences and ensure our railways work for everyone.

This is an exciting time for both franchises, which are changing to ensure passengers are at the heart of their services. The winner of the WCP franchise will be expected to work with HS2 Ltd to launch the first services on HS2, taking advantage of the extra space it will provide for commuters on the West Coast Main Line. The winner of the South Eastern franchise will need to work as one team with Network Rail to ensure passengers experience better journeys and provide longer trains with more space.

West Coast Partnership franchise

The WCP will be responsible for services on the West Coast Main Line from April 2019 and will design and run the initial HS2 high speed services between London and Birmingham from 2026.

The shortlist contains bidding consortia which sees UK rail network experts working in partnership with companies that operate high speed railways around the globe, supported by businesses which have an excellent track record in customer services.

They are:

- First Trenitalia West Coast Ltd, a joint venture between First Rail Holdings Ltd and Trenitalia SpA
- MTR West Coast Partnership Ltd, a joint venture between MTR Corporation (UK) Ltd and Guangshen Railway Company, with the following key sub-contractors:
 - Deloitte MCS Ltd
 - Panasonic Systems Europe
 - Snowfall AB
 - Trainline.com Ltd
 - WSP Parsons Brinkerhoff
- West Coast Partnership Ltd, a joint venture between Stagecoach Group plc, Virgin Holdings Ltd and SNCF C3

Transport Secretary Chris Grayling said:

The West Coast Partnership will support growth and better services on the West Coast Main Line while helping to ensure that HS2 becomes the backbone of Britain's railways.

This will create more seats for passengers, improve connections between our great cities, free up space on existing rail lines and generate jobs and economic growth throughout the country. I look forward to seeing the bidders' innovative ideas to put passengers at the heart of the railway.

The winning bidder will collaborate with HS2 Ltd to design, launch and operate the initial HS2 services and deliver the transition of the timetable on the West Coast Main Line as it is revised to take advantage of the extra capacity provided by HS2. There are significant benefits in bringing the 2 projects closer together to ensure the best outcomes for passengers both before and after the start of the HS2 services.

The new operator will also be expected to work closely with local transport authorities, Transport Scotland and the Welsh government to ensure passengers receive the excellent experience they demand from the West Coast Main Line.

South Eastern franchise

The companies which want to run the next South Eastern franchise are:

- South Eastern Holdings Ltd, a joint venture company that on franchise award will be wholly owned by Abellio Transport Group Ltd and East Japan Railway Company and Mitsui & Co Ltd

- London and South East Passenger Rail Services Lrd, a wholly owned subsidiary of Govia Ltd
- Stagecoach South Eastern Trains Ltd, a wholly owned subsidiary of Stagecoach Group plc
- Trenitalia UK Ltd, wholly owned by Trenitalia SpA

Transport Secretary Chris Grayling said:

South Eastern is one of the busiest franchises in the UK, running almost 2,000 services every weekday. We want passengers to be at the heart of everything that the new operator does, enjoying modern, spacious trains on a more punctual and reliable service. We will listen to what passengers say in the current public consultation, and we will seek to make changes and improvements only with their support.

The Secretary of State has been clear that his ambitions for the franchise include:

- creating more space for passengers on modern comfortable trains
- increasing the reliability of trains by using the latest technology while reducing delays by encouraging the operator to work closely with Network Rail
- improving passenger compensation arrangements and supporting smart ticketing
- improving customer service, with staff able to respond quickly and effectively, including during disruption

The [consultation for people to share their views and priorities for the South Eastern franchise](#) runs until 30 June 2017. The new franchise is planned to start in December 2018.

New companies enter the market

Two companies have also applied for a pre-qualification questionnaire passport to allow them to enter the bidding process. These firms are now eligible to express an interest in all upcoming rail franchise competitions until September 2019. These companies are:

[Press release: 26,000 Welsh businesses will be directly targeted with support](#)

to increase exports

The UK Government will directly contact 26,000 Welsh businesses and provide support to help them export their goods and services.

Welsh Secretary Alun Cairns announced today that he will be writing to 26,000 Welsh businesses that have been identified as potential exporters and sending them a copy of a dedicated exporting guide for Welsh businesses.

Wales is already an exporting nation. In 2016, 4,000 companies took their first forays into the global market at a value of £12.4 billion. Across the UK, exports contribute over £570 billion to GDP annually.

The Wales Export Guide, sets out the full range of support available to Welsh businesses from the UK Government and contains inspiring stories of companies based in Wales that are successfully exporting. Alun Cairns hopes that businesses will recognise the huge potential available to help them invest and grow.

Secretary of State for Wales Alun Cairns said:

I want Welsh businesses to get out into the wider world, to trade and do business all around the globe. That is why we are sharing the advice, guidance and support available from the UK Government, in particular from the Department for International Trade, for businesses in our Wales Export Guide. We want to help them to build their brand abroad as we continue to increase UK exports and encourage inward investment.

The Welsh Secretary will make the announcement on a visit to mid Wales based global success story Nidec Control Techniques. He will visit Control Techniques global HQ in Newtown, as the UK Government works to give maximum legal certainty for businesses, workers and investors whilst the UK prepares to leave the European Union.

Nidec Control Techniques designs and manufactures electric motor control technology for industry. With multiple offices in over 20 countries world-wide, its almost 500-strong staff based in Newtown play a key role in delivering for a customer base that spans Europe, the Americas and Asia.

Mr Cairns added:

Nidec Control Techniques is a prime example of a global company that is demonstrating confidence in the business environment in Wales. As we begin the process of leaving the EU, it is vital that we look to provide companies like this with the certainty they need to maintain their investment.

Japan is one of the UK's key economic partners and second largest inward investor. We want to see our partnership continue to grow and flourish. That is why I am embarking on a series of visits to global companies based here in Wales to provide the reassurance that this is a country that is just as outward looking and ambitious as ever before.

It is our priority as a Government to continue to focus on creating the right conditions for economic growth. In light of yesterday's announcement from Tesco we must endeavour to retain jobs, promote business opportunities in Wales and to ensure our country remains a competitive place to do business.

Rhidian Wilson, Vice President and General Manager at Control Techniques, said:

We are grateful to the Secretary of State for visiting us, and we welcome his reassurance that the Government will work with industry to improve our opportunities.

Control Techniques is at an exciting point in its history under its new Japanese owners, Nidec, and we want to ensure Wales remains a cost effective manufacturing location now and in the future.

We also welcome the Secretary of State's ideas around helping engineering firms attract and retain high calibre talent in Mid Wales, as well as ensuring opportunities are available to educate and inspire future generations. This is crucial to ensuring global companies like ours can continue to compete on the global stage.

Mr Cairns will also deliver a keynote speech at the Wales Technology Awards in Cardiff on Thursday evening as part of the UK Government's support for the Wales Innovation Festival.

He added:

In Wales we design, develop, manufacture and integrate some of the world's most advanced technologies essential to most other industry sectors. Our work underpins innovation and development across many different markets which is critical to our trade and investment success.

Notes to editors

- The Secretary of State will deliver the keynote speech at ESTNET Wales Technology Awards 2017 on Thursday 22 June at the Wales Millennium Centre.

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News story: UK tackles deadly migration crisis in Central Mediterranean

A new three year programme to tackle the migration crisis will help reduce the number of people risking the perilous Central Mediterranean route to Europe, and get humanitarian support to those in desperate need, the Prime Minister will announce while at the European Council on Friday.

Speaking at the European Council in Brussels, the Prime Minister will confirm details of the package which will enable voluntary returns and reintegration for those already in transit, get lifesaving food, clean water and medical care to those in need, and tackle people trafficking and smuggling.

Taken together, this will not only save lives, but also reduce the need for dangerous journeys and reduce irregular migration – which is also in Britain's national interest.

The new UK support will initially target transit routes running from the Horn of Africa and West Africa through to countries including Niger, Egypt and particularly Libya, where growing numbers are looking to make the dangerous crossing into Europe. In 2016, a record 181,000 people arrived in Italy via this route, with a greater number expected in 2017. Of the 5,000-plus migrants who died at sea last year, the vast majority – nearly 4,600 – lost their lives on this Central Mediterranean route.

The commitment announced today builds on existing UK action to tackle the underlying drivers of the migration crisis including conflict, disease and instability, and help create jobs, education and opportunities so that people are able to build a better future for themselves closer to home.

International Development Secretary Priti Patel said:

The UK has been at the forefront of responding to the migration crisis and our work to date has helped reduce total migrant numbers to Europe since 2015. But worryingly, more and more people are now

using the incredibly dangerous Central Mediterranean route.

This new UK support will provide desperately needed aid and protection to tens of thousands of the world's most vulnerable. But critically it will also make clear the massive risks involved at every stage of this route and provide alternatives so those who change their minds can return home.

As well as saving lives, this will provide vulnerable people with meaningful alternatives to the treacherous crossings into Europe. Building on our existing work to deal with the root causes of migration, this approach is about using our aid in a smart way, as part of a coordinated approach across Government, to provide protection to people who need it and serve Britain's national interests.

The new £75 million package will be delivered over the course of the next three years. It will retain a degree of flexibility to allow prioritisation of emerging needs, but the initial focus will include:

- supporting those who want to return home by facilitating travel and helping with reintegration on their return;
- providing lifesaving food, clean water, and medical care to the most vulnerable refugees and migrants, including those making desert crossings;
- funding to the International Organization for Migration and United Nations High Commission for Refugees' Emerging Resettlement Country Mechanism, providing financial and technical support to create the necessary infrastructure and systems in countries capable of hosting resettled refugees – this includes countries in Asia and Latin America;
- supporting governments in Africa on transit routes to improve the management of migration and make it safer – for example by improving the capacity to provide protection to asylum seekers and refugees, and to tackle people smuggling and trafficking at a local level; and
- providing flexible funding for unexpected humanitarian needs, such as sudden spikes in the number of arrivals, extreme weather, flooding or outbreaks of disease.

ENDS

Notes to editors

1. The UK has been at the forefront of the international response to the Mediterranean migration crisis, providing, among other support, 1.9 million meals for vulnerable refugees and migrants and 1.5 million relief items such as tents, blankets and sanitary items. UK aid has also enabled a further 1.6 million emergency interventions including psychological support.
2. This is new funding which builds on our existing programme of work to deal with the Mediterranean migration crisis. Whilst initial priorities and indicative programme activities have been agreed, more detail will

be finalised over the coming weeks.

3. The Central Mediterranean migration route includes a risky sea crossing responsible for a record 4,576 people who died or were recorded missing during 2016. Before being able to attempt the sea crossing, migrants face the threat of beatings, sexual violence and forced labour beforehand and an even higher risk of abuse or slavery in Libya. Gruelling routes across the Sahara are also of particular concern – many deaths go unreported, but experts warn these crossings could be claiming a large number of lives.

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[Press release: PM chairs fifth meeting of the Grenfell Tower Recovery Taskforce](#)

Theresa May chaired the meeting of the Grenfell Tower Recovery Taskforce and received updates on the support for those affected by the fire.

The Prime Minister has this afternoon (Wednesday 21 June) chaired the fifth meeting of the Grenfell Recovery Taskforce.

The taskforce provided updates to the Prime Minister on the ongoing support for those affected, including on the proportion of people who have received payments from the discretionary fund and work to provide the option of permanent housing for anyone who lost their homes.

The Prime Minister intends to make a statement to the House tomorrow (Thursday 22 June) to provide further updates and there will be another meeting of the taskforce on Friday.

Key updates from the meeting include:

- DWP has provided £5,000 grants from the £5 million discretionary fund to the vast majority of households directly affected by the fire and the total amount paid from the fund is now over £488,000.
- Work is ongoing to re-house all residents who have had to leave their home and 68 permanent social housing units have been made available along with more than 160 temporary units.

- The Taskforce reiterated that all those whose homes were destroyed will be rehoused in the local area (Kingston and Chelsea or a neighbouring borough) and no one who chooses to not take up an offer of housing will be deemed intentionally homeless.
- Local authorities have started sending samples of cladding that may require additional checks to newly established facilities for testing.
- The important work of the Lord Chief Justice appointing a judge to lead the independent public inquiry is ongoing and the Prime Minister reiterated that residents would be consulted on the terms of reference before they are finalised.