

Regional Transport Partnerships

Regional Transport Partnerships Chairs Forum

Tactran

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The consultation on Scottish Ministers' proposed policy on the future selection of franchisees to operate ScotRail services was considered by the Joint Regional Transport Partnerships Chairs Forum at its recent meeting on 1 September 2010, when the RTP Chairs agreed to submit a joint response in the terms indicated below.

In terms of the two general questions posed in the consultation, the RTPs consider that the Draft Policy Statement broadly fulfils the statutory requirement placed on Ministers under Section 26 (4A) of the Railways Act 1993 to publish a policy on how they propose to select a provider of rail services under franchise. It is also considered that the Draft Statement makes clear Scottish Ministers' policy in relation to selecting a provider of rail services.

The intention to let future franchises through a competitive process wherever possible is fully supported. Ministers and Transport Scotland should ensure that competitive tendering is adopted in all but the most exceptional circumstances. RTPs would seek an assurance that there will be full and meaningful consultation on the franchise form, type, duration, service specification and any other relevant elements of the next and future franchises with all key stakeholders, including RTPs, prior to each tendering process. The suggested criteria likely to be used in relation to analysis of tenders, as set out in section 8 of the Draft Statement, are considered appropriate, but consultation on any specific additional criteria to be adopted would be welcomed.

It is recognised that there may be exceptional circumstances where there will be a need for flexibility to award short term franchises. The circumstances set out in

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section 9 of the Draft Statement are agreed as being reasonable. The proposal in section 14 that, in circumstances where a franchisee fails and it is not possible to invite tenders for a short term replacement the franchise would be run by a company wholly owned by Scottish Ministers is supported, subject to any such arrangement only continuing for as long as is necessary to enable a new competitive bidding process to be arranged and completed.

There are various references within the Draft Policy Statement to “short term franchise agreement” without any clear indication of the periods over which such arrangements might apply. Whilst the need to provide for such arrangements within the Policy Statement is accepted, and it is acknowledged that differing reasons and circumstances for this might apply, it is considered that any “short term agreement” should not be open-ended, and should be more clearly defined. It is suggested that, in the interests of ensuring transparency and Best Value, a maximum period of not more than 1 or 2 years should normally apply to “short term agreements”.

It is also considered that “short term” franchise agreements or replacements should not be entered into without prior stakeholder consultation. RTPs are working on development of various regional and local rail service and infrastructure enhancement proposals in support of our Regional Transport Strategies and the National Transport Strategy. Negotiated agreements and/or re-mapping of franchises may well provide opportunities to include such service improvements. It is, therefore, recommended that, as with competitive franchise replacement, there should be provision for consultation with RTPs and other key stakeholders on the specification for negotiated franchise agreements, re-mappings or other short-term arrangements.

I trust that the above comments are of assistance but should you require clarification of any of the above points, or wish to discuss these in more detail, please do not hesitate to contact me.