
First cut could be the deepest for redrawn rail network

Within five years, every English rail franchise bar the Chiltern Line will have been retendered in the biggest shake-up of the train industry since privatisation a decade and a half ago.

Notwithstanding the grave doubts in the industry over whether the Department for Transport has the wherewithal to cope with such a schedule, as well as introduce new innovative franchising arrangements, the question remains: will new overseas entrants break into the British market?

The DfT's first decision, this summer, will be its highest-profile. Does it dismiss Virgin from the lucrative £8 billion intercity line from London to the Midlands and North West? If so, will it take a chance on putting in the state-backed companies SNCF, of France, or the Dutch-based Abellio, each of which is on the shortlist?

The shortlists for the other live retenders reflect the industry's existing domestic hegemony of Stagecoach, FirstGroup, Arriva (owned by Deutsche Bahn), National Express and Go-Ahead. They are joined by MTR, of China. Renfe, of Spain, despite its ambitions, did not make the cut.

The most intriguing re-let will be Thameslink, whose new seven-year licence begins in September next year. Southern's franchise — at present run by Go-Ahead, with SNCF as a minority partner — ends in 2015. The DfT has decided at that stage to merge it with Thameslink to create a super-commuter franchise running until 2020.

Whoever runs the enlarged Thameslink-Southern between 2015 and 2020 will have to mastermind a complex merger, complicated infrastructure rebuilds and new rolling stock. If they can master that, they may well deserve to run the superfranchise when, once more, it is up for retender in 2020.

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