

World's train operators join the queue for East Coast line



It is understood that civil servants are keen that the winning bidder preserve the East Coast brand Jason Alden/Bloomberg via Getty Images

Robert Lea Industrial Editor
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The Government is to plough on with re-privatising the East Coast Main Line before the election in a competition that could attract the most international cast of railway bidders yet.

The Department for Transport will begin the tendering process for a sell-off of the Kings Cross-to-Edinburgh line next month.

It is understood that the invitation to tender for the franchise will go out by the end of October, with the aim of having it in private hands by the first quarter of 2015.

The line has twice been taken back into state hands after the failures of franchises run by Sea Containers/GNER and by National Express.

The franchise — the key rail artery for Yorkshire and the North East — is now known as East Coast and is run by a team employed by the DfT. Home-grown favourites to win the tender are Virgin, which runs the West Coast Main Line out of Euston, and its intercity rival FirstGroup.

However, it has also emerged that SNCF, the French state railway, and Abellio, the UK division of the Dutch state railway that already runs trains in East Anglia, have strong bidding teams in place. Arriva, the British unit of Deutsche Bahn, is also thought likely to be a strong bidder. Trenitalia and Renfe, the state railway companies of Italy and Spain, could join in, as could railway companies from South Korea, China and Japan.

Industry sources are wary, however, of what sort of franchise the DfT could be offering. It is understood that civil servants are keen that the winning bidder preserve the East Coast brand.

“You could simply end up with a management contract and the operator being told what profit they can make,” one source said.

The East Coast Main Line will be the first high-profile train business to be put out to tender since the near-year-long moratorium caused by the DfT’s botched re-licensing of the West Coast Main Line. Within the next month the DfT is also due to announce a two-year extension to FirstGroup’s tenure on Great Western.

The round of contract extensions will also retain First Capital Connect on cross-London Thameslink services until late next year, when the DfT will hold a competition to run a new London commuter super-franchise with the merger of Thameslink into Southern Railways.

8 comments

 Michael Daventry

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John Sheard

2 hours ago

Save us from the half wits infesting our political parties with their PPE degrees. Why not leave East Coast alone, my wife and I use it regularly from the North East and find it very satisfactory although like all UK rail fares a tad overpriced.

I assume the determination to privatise it is the fear that it would never do if a state run railway proved more efficient than the beloved (of politicians) privatisation model. It is unbelievable that other countries nationalised railways are interested in bidding so ,should they succeed ,the profits will go to foreign governments, likewise if private companies win the bid , to shareholders and grasping directors instead of the treasury as at present. You couldn't make it up.

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Ramsay Ross

5 hours ago

East Coast is working well within what is a flawed business model. We can expect that the key management of DOR will be poached by one or more of the bidders; this should be stopped

Where else in the world do they operate such a mad rail system as that which we enjoy / endure in the UK? Exactly what are the benefits to either the taxpayer or the travelling public from rail privatisation; we should push Govt ministers to explain them

Why don't Labour come out and say they will re-nationalise the lot!!

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Angus Handley

5 hours ago

It really ought to cause alarm that state-owned operators from the continent are doing well enough to bid for British lines, yet the private owners of the rest of the UK's lines require additional funding from the state on top of their ever-rising fare income and even then do not record a profit.

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Neil Marshall

6 hours ago

We need **more** competition within the franchise system - not less. Why Virgin Trains should be the favourite escapes me, given its chequered record.

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Greg Miles

9 hours ago

Could it be that the one nationalised railway is doing so well that is embarrassing for those who have been brought up to believe in the religion of privatisation ?

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Peter Evans

9 hours ago

@Greg Miles You could have asked the same about recruiting offices for the armed services, or the probation service, or security at the Olympic Games. I am surprised the judicial system hasn't been privatised by now. There's a lot of profit to be got from the proceeds of crime, getting back the billions owed in tax for a start. The Lord Chief Justice, if restyled judicial chief executive, could declare a good dividend, and his company's share price would go up. .

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Text

21 hours ago

No doubt DfT will object if DOR bid! Existing operator should not be excluded from the process!

1 [Recommend](#) [Reply](#)

M Sheridan

18 hours ago

@Text

You should have explained who DOR are to make it easier for the casual reader.

I agree with you about not excluding them.

DOR - **Directly Operated Railways** is a **holding company** set up by the **Department for Transport** in the United Kingdom in July 2009 to run rail franchises should it become necessary to bring them into public ownership.

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