

Thameslink Franchise

OJEU Notice

Section I

I.1) Name, Addresses and Contact Point(s):

Department for Transport (“DfT”)
Zone 21, Floor 4, Great Minster House
33 Horseferry Road
London SW1P 4DR, United Kingdom
Tel (+44) 207 944 3693
Fax: (+44) 207 944 3533
Email: pqq@dft.gsi.gov.uk
<http://www.dft.gov.uk/topics/rail-passenger-franchises/background>

Mr Dale Ward

Further information can be obtained at: As in above-mentioned contact point(s)

Specifications and additional documents (including documents for competitive dialogue and a dynamic purchasing system) can be obtained at: As in above-mentioned contact point(s)

Tenders or requests to participate must be sent to: As in above-mentioned contact point(s)

I.2) Type of contracting authority and main activity or activities:

Ministry or any other national or federal authority, including their regional or local sub-divisions

Other: Transport

The contracting authority is purchasing on behalf of other contracting authorities: No

Section II: Object of the Contract: SERVICES

II.1) Description

II.1.1) Title attributed to the contract by the contracting authority: Thameslink Franchise Letting

II.1.2) Type of contract and location of works, place of delivery or of performance: SERVICES

Service Category 18

Region Codes: UK - UNITED KINGDOM

II.1.3) The notice involves: A public contract

II.1.5) Short description of the contract or purchase(s):

The DfT is seeking to appoint an appropriately experienced and qualified transport operator to operate the Thameslink rail passenger franchise. Expressions of interest are now being sought from the market and shortlisted potential providers will receive the Invitation to Tender planned to be issued in October 2012. It is expected that the successful bidder will be announced in May 2013 with the contract commencing in September 2013.

The length of the franchise will be a minimum of 7 years with pricing also required for a potential extension of up to 2 years at the discretion of the Secretary of State.

The Thameslink franchise will:

- include all services that are currently operated by the First Capital Connect (FCC) franchise from September 2013;
- at a point between April and December 2014 the franchise would include some services currently operated by Southeastern. These services would be all those that are jointly operated by FCC and Southeastern at present, and some further current Southeastern services which may be transferred to enable the implementation of the full Thameslink service operations;
- include all the services operated by the current Southern franchise at some time between July 2014 and July 2017;
- operate until 2020 (unless the Secretary of State exercises her contractual rights to extend beyond this date) allowing for the Thameslink programme infrastructure works to be completed, the new Thameslink programme rolling stock to be fully deployed, the new train control systems to be commissioned and the future Thameslink timetable to be implemented.

The franchise operator may be required to provide up to GBP 100 million as a final delivery payment for the planned new rolling stock for the current South Central Franchise. The GBP 100 million will be required as a cash payment and is expected to be required between September 2013 and July 2017. It is expected that the cash payment can be used, in part, by the franchise operator to offset the funding requirements of the Performance Bond and the Season Ticket Bond, which may be secured with a loan agreement with the current South Central Franchise operator.

II.1.6) Common procurement vocabulary (CPV): 60200000 - Railway transport services.

II.1.7) Contract covered by the Government Procurement Agreement (GPA): Yes

II.1.8) Division into lots (*for information about lots, use Annex B as many times as there are lots*): No

II.1.9) Variants will be accepted: No

II.2) Quantity or Scope of the Contract

II.2.1) Total quantity or scope (*including all lots and options, if applicable*):

The franchise operator will take a leading role in enabling the successful delivery of the Thameslink programme and will work collaboratively with the DfT and other industry partners to ensure that the envisaged programme benefits are fully realised on time. This will include but not be limited to: the introduction into service of new trains and depots; managing the return of displaced stock to the owning ROSCO; proactively supporting the integration of operations and new infrastructure and train control systems to deliver an enhanced train service.

The franchisee will be required to operate the timetable that is in place at the start of the contract, and to prepare for and implement the changes applicable at key dates throughout the franchise term.

In 2010/11 the services that are expected to make up the Thameslink Franchise had total passenger-related revenue to the order of GBP 1,010 million covering 4.75 million passenger miles.

Using the 2010/11 figures, the passenger-related revenue was approximately:

- from the start of the franchise: GBP 420 million
- from April 2014: an additional GBP 40 million
- at some point between July 2014 and July 2017: an additional GBP 550 million

This revenue excludes the impact of the planned Thameslink programmed works at London Bridge whilst this station is being re-built between December 2014 and January 2018.

The franchise operator may be required to take cost and revenue risk for the duration of the franchise. Given the particular circumstances of the Thameslink programme and the remapping taking place over the franchise area, the arrangements regarding such risks may be varied to reflect these circumstances.

The contract will be framed around the eventual risk inherent within the particular circumstances of this franchise. It will also be based on the Franchise Agreement currently being revised in line with Government policy.

The franchise operator will be expected to take full repairing leases on all of the stations that it operates other than on Network Rail managed stations.

The franchisee may be able to benefit from implementing revised working arrangements with Network Rail. This work would require the franchisee and Network Rail to agree to different arrangements between their respective organisations.

Further details will be set out in the Invitation to Tender issued to shortlisted potential providers.

II.2.2) Options (*if applicable*): Yes

If yes, description of these options: Details will be set out in the Invitation to Tender issued to shortlisted potential providers.

II.3) Duration of the Contract or Time-limit For Completion: 84 months with the possibility of an extension of up to 24 months

Section III: Legal, economic, financial and technical information

III.1) Conditions relating to the Contract

III.1.1) Deposits and guarantees required (*if applicable*):

The DfT may require that the agreed-form funding deed made available to the bid vehicle is underwritten by suitably accredited third parties or banks.

The franchise operator will be required to provide a parent company guarantee in support of its obligation to maintain the stations.

The potential provider appointed to operate the franchise should have sufficient financial backing to place a performance bond and a season ticket bond. These are expected to be up to GBP 75 million and GBP 70 million respectively.

III.1.2) Main financing conditions and payment arrangements and/or reference to the relevant provisions regulating them: Not Provided

III.1.3) Legal form to be taken by the grouping of economic operators to whom the contract is to be awarded (*if applicable*): A private limited company incorporated in the UK.

III.1.4) Other particular conditions to which the performance of the contract is subject (*if applicable*): None

III.2) Conditions For Participation

III.2.1) Personal situation of economic operators, including requirements relating to enrolment on professional or trade registers: Not Provided

III.2.2) Economic and financial capacity

Information and formalities necessary for evaluating if requirements are met:

The information and formalities necessary to assess whether a potential provider qualifies to receive an Invitation to Tender are contained in the Pre-Qualification Questionnaire.

Minimum Level(s) of standards possibly required (*if applicable*): Not Provided

III.2.3) Technical capacity

Information and formalities necessary for evaluating if requirements are met:

The information and formalities necessary to assess whether a potential provider qualifies to receive an Invitation to Tender are contained in the Pre-Qualification Questionnaire.

Minimum Level(s) of standards possibly required (*if applicable*): Not Provided

III.2.4) Reserved contracts (*if applicable*): No

III.3) Conditions Specific to Service Contracts

III.3.1) Execution of service is reserved to particular profession: No

III.3.2) Legal person should indicate the names and professional qualifications of the staff responsible for execution of the service: No

Section IV: Procedure

IV.1) Type of Procedure

IV.1.1) Type of procedure: Negotiated

Candidates have already been selected: No

IV.1.2) Limitations on the number of operators who will be invited to tender or to participate:

Envisaged minimum number: 3 and **maximum** number 5

Objective Criteria for choosing the preferred candidate:

The most economically advantageous tender in terms of the criteria as stated in the specifications and Invitation to Tender.

IV.1.3) Reduction of the number of operators during the negotiation or dialogue: No

IV.2) Award Criteria

IV.2.1) Award criteria (*please tick the relevant box(es)*)

the most economically advantageous tender in terms of the criteria stated in the specifications and the Invitation to Tender.

IV.2.2) An electronic auction will be used: No

IV.3) Administrative Information

IV.3.1) File reference number attributed by the contracting authority (*if applicable*):
Not Provided

IV.3.2) Previous publication(s) concerning the same contract: Yes

Prior Information Notice:

Notice number: 2011/S 152-252780 of 10/08/11.

Other previous publications (*if applicable*): No

IV.3.3) Conditions for obtaining specifications and additional documents (*except for a DPS*) or descriptive document (*in the case of a competitive dialogue*): Not Provided

IV.3.4) Time-limit for receipt of tenders or requests to participate:
10:00 on 9 February 2012

IV.3.5) Date of dispatch of invitations to tender or to participate to selected candidates (*if known*): October 2012

IV.3.6) Language(s) in which tenders or requests to participate may be drawn up:
English

Section VI: Complementary Information

VI.1) This is a recurrent procurement (if applicable): No

VI.2) Contract related to a project and/or programme financed by Community Funds: Not Provided

VI.3) Additional Information (*if applicable*)

The franchise procurement process is being undertaken in pursuance of the Railways Act 1993 (as amended). It is a Part B Services Contract and is therefore voluntarily utilising an OJEU Notice. The process by which the

procurement will operate will be set out as appropriate in the pre-qualification documentation and the Invitation to Tender, and will be compatible with applicable EU law.

VI.4) Procedures For Appeal

VI.4.1) Body responsible for appeal procedures: Not Provided

VI.4.2) Lodging of appeals (*please fill heading VI.4.2 or if need be, heading VI.4.3*):
Not Provided

VI.4.3) Service from which information about the lodging of appeals may be obtained:
Not Provided

VI.5) Date of dispatch of this notice: 19/12/2011