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**Secretariat's Memorandum**

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**Extract of the minutes of a meeting of the North London Rail Concession Task Force held on 23 August 2006**

**Minute 3      Transport for London**

TfL started by explaining that the strategic thinking for the concession was linked to the London Plan, Rail 2025 and the Mayor's Transport Strategy. The most significant difference between the concession and the DfT franchises was that the concession would be run as a management contract much like TfL's bus services. TfL would decide what services should be provided for passengers and whilst the operator could be creative in its delivery it would have to meet the specifications set by TfL. The concession operator was not expected to make large scale investment; TfL would set both the fares and standards.

Most of the growth in patronage on the North London line was attributable to London's economic growth, but operators would have scope to influence social inclusion by getting more people on to trains.

The concession would be delivered in three stages and the bidders had been asked to bid against each stage. It was to start in November 2007.

- Stage one (SLC1) – the existing service would be provided with minor enhancements
- Stage two (SLC2) – additional enhancements, deliverable by 2010/11
- Stage three (SLC3) – implementation of the route corridor plan and Olympic requirements

Network Rail would not be able to deliver four trains per hour (tph) on the GOB line by 2012. It was TfL's intention to try and electrify this line.

Transport for London would provide new rolling stock to be used by the successful bidder, hopefully in 2008. Once the necessary platform lengthening had taken place, this would allow three car trains to be extended to four. The new stock would be maintained by the manufacturer. The maintenance contract would be with TfL. The successful bidder would be required to staff more stations than at present, and would be responsible for safety, security and revenue protection. 11 more stations would have automatic ticket gates installed (making 21 in total) and there would be incentives for the operator to collect revenue and penalties where this did not happen now. TfL had measured the fare evasion rate at 15%. A staff presence would be required at most stations throughout the working day, with the exception of some on the GOB line where it was not possible to provide facilities for staff. TfL would be ring fencing the level of policing currently provided. Oyster products would be available at all stations across the concession. TfL would be providing and fitting all the necessary Oyster readers.

The extended East London line would open in 2009/10 at which point the winner of the concession would be required to help with its mobilisation and operation. Where stations were served by the North London Railway and London Underground (LUL), TfL was considering a transfer of operation to LUL.

The operator would consistently need to conform to the quality standards set by TfL and performance would be measured under a Quality Regime. This would be done via:

- A standard agreement between Network Rail and the train operating company on how the cause of delays was to be attributed
- Mystery shopper exercises
- Customer surveys
- 50 key performance indicators

The targets set were not designed to be intrusive, but to be achievable.

Services would display the TfL brand name and have their own identity, much like the buses. It would be the operators' responsibility to portray the TfL name in a good light.

In response to members' questions the following points were raised:

- The concessionaire would have a track access agreement set by the Office of Rail Regulation (lasting up until 2009), and would act as the station facility operator (SFO)
- At those stations intended to be transferred to LUL Network Rail would still act as the landlord
- TfL planned to invest heavily in stations, although not in major structural works which would still remain the responsibility of Network Rail. TfL hoped it would be able to secure long leases on the stations, thereby reducing their cost. It was not proposed to introduce new facilities where there weren't already buildings to accommodate them
- TfL would set the same station standards used by London Underground
- The Cross London Rail Utilisation Study (RUS) met many of TfL's expectations and it would work closely with Network Rail to assess what level of investment would be required
- TfL would be making a case for orbital travel, and had some plans for four tracking
- TfL would be placing Oyster validators on all platforms including those at interchange stations. 99 new ticket machines would also be introduced at interchange stations, capable of issuing Oyster
- Standard signage would be placed at all stations detailing a clear complaints procedure
- The possibility of the Bakerloo line taking over services to Watford was not included in the invitation to tender
- If, and until, the line to Watford was transferred to the Bakerloo line the service would remain at 3 tph. 4 tph was not achievable because of the restrictions of the infrastructure and passenger growth was not predicted to rise
- A new Underground map would be issued that included the East London line and North London Railway
- It was hoped that trains on the extended East London line would terminate at Caledonian Road as trains would not be able to turn at Highbury and Islington
- Ticket machines at North London Railway stations would continue to sell train tickets for national rail journeys, although not those requiring seat reservations. It was hoped that new machines in the future would be able to provide for this.

The Chairman thanked TfL for its presentation.