

PART D - FURTHER TECHNICAL QUESTIONS

These Further Technical Questions form Part D of the Franchise EoI for the South Eastern Franchise, dated 28 February 2017 and are being made available for Franchise Applicants to view on the e-sourcing portal on issue of the Franchise EoI Pack.

Responses to these Further Technical Questions should not be submitted as part of the initial Franchise Application. The Further Technical Questions will only be activated where Franchise Applicants are to be ranked for the purposes of shortlisting, as set out in section 4.4 of the Franchise Pre-Qualification Process Document for the South Eastern Franchise competition dated 28 February 2017 ("PDD"). If responses to the Further Technical Questions are required, the Authority will expressly confirm to Franchise Applicants that the Further Technical Questions have been activated and that it requires responses from them.

Where responses are required, the Franchise Applicant must produce a separate document (to be formatted in compliance with section 3.2(i) of the Franchise PPD) containing the Franchise Applicant's responses to the Further Technical Questions set out below. The separate document should also include the Franchise Applicant's response to the required update to question B1.3(iii) of the Franchise EoI, as set out below. Franchise Applicants should note the page limit in section 3.2(f) of the Franchise PPD – the total responses to the four Further Technical Questions, including supporting information, must not exceed 20 sides of A4. For the avoidance of doubt, the response to the required update to question B1.3(iii) will not count towards this page limit.

This separate document must be converted to a searchable pdf, which must then be uploaded via the portal. Franchise Applicants must upload a fully completed response together with the required supporting information using the Authority's franchising e-sourcing portal, before the return deadline specified by the Authority when the Further Technical Questions are activated.

No other documents or information should be submitted.

D1 – D4 FRANCHISE SPECIFIC CAPABILITY AND TECHNICAL ABILITY		Weighting
D1	Increasing Capacity	25%
	<p>The South Eastern franchise currently experiences high demand, particularly on peak-time services in and out of several London terminals. The challenge for the next operator will be to meet current and increasing levels of passenger demand across the three franchise markets: metro, mainline and high speed.</p> <p>Using examples from the past five (5) years please demonstrate your experience of optimising and increasing capacity on the rail network, which may include but shall not be limited to:</p> <ul style="list-style-type: none"> a) how you have optimised the use of existing assets and available capacity to maximise value and reduce crowding on services; b) how you have engaged with industry stakeholders to successfully develop options and plans for delivering additional capacity to meet future growth; and c) what innovative solutions have been implemented to addressing capacity and what were the results achieved. 	
D2	Customer Experience	25%
	<p>We are looking for an operator who can put the passenger back at the heart of operations and deliver a step change in customer satisfaction over the life of the franchise.</p> <p>Using examples from the past five (5) years please demonstrate your ability to deliver excellent customer experience in a passenger transport environment, which may include but shall not be limited to:</p> <ul style="list-style-type: none"> a) how you put passengers and their unique demands at the heart of your business; b) how you have achieved excellent standards in relation to the presentation of the fleet and passenger environments such as stations; c) how you have provided passengers with the information that they need to plan their full journey experience during the normal course of business, 	

	<p>and during times of planned and unplanned disruption; and</p> <p>d) how you have implemented smart ticketing and on-train wi-fi for passengers.</p>	
D3	Performance	25%
	<p>The South East franchise is one of the busiest on the network when judged by passenger journeys. The complexity of the operation as well as the need to meet demand creates challenges, but we expect the next operator to meet and surpass robust performance targets.</p> <p>Using examples from the past five (5) years, please demonstrate your ability to lead sustained and improved performance, which may include but shall not be limited to:</p> <ul style="list-style-type: none"> a) the approaches you have implemented to ensure continual improvement both from an operational and an engineering perspective and the results which they delivered; b) how you identified and addressed industry constraints in order to deliver positive change; and c) how you managed incidents that significantly affected customer journeys with examples as to how lessons were learnt for subsequent events and specific reference to improved communication with passengers. 	
D4	Collaborative Working	25%
	<p>The next franchise operator will need to establish integrated teams with Network Rail and deliver operational and cost benefits from the early years of the franchise. The Department is expecting to require the operator to work towards and deliver a risk/reward alliance with Network Rail later in the franchise life, and to maximise the benefits of aligned incentives. We are also looking for an operator who will work collaboratively with all key stakeholders as well as the Department for Transport for the benefit of passengers and taxpayers.</p> <p>Using examples from the past five (5) years, please demonstrate where you have undertaken initiatives to deliver cost and performance benefits through collaborative working with other rail industry organisations / stakeholders.</p>	

If responses to the Further Technical Questions are requested by the Authority, the Franchise Applicants will be expected to respond to the questions on the basis of how the Franchise Applicant intends to operate the Franchise should the Franchise Applicant be successful. In particular, responses should rely on the capability and technical abilities of any person only in relation to the elements of the Franchise operation which such person will perform, including the following:

- the Franchise Applicant (including, where the Franchise Applicant is a joint venture or consortium, the members of that joint venture or consortium who will be involved in operating the Franchise);
- any other person on which the Franchise Applicant will rely to operate the Franchise (whether or not an Affiliate of the Franchise Applicant);
- any person (whether or not an Affiliate of the Franchise Applicant) whose resources (including management, manpower, equipment and knowhow) the Franchise Applicant will use to operate the Franchise; and
- any person (whether or not an Affiliate of the Franchise Applicant) which uses the same resources (including management, manpower, equipment and knowhow) that will be used to operate the Franchise.

Further information on how a Franchise Applicant should respond is set out in the PPD, particularly in section 3.2 and 3.6. The Franchise Applicant's responses to the Further Technical Questions must be consistent with the responses that they have already given to Part D (Capability and Technical Ability) of the Passport PQQ (in the Passport Application and/or Temporary Visa Information as applicable), subject to any changes that have been or are notified to the Authority in accordance with section 5.4 of the Passport PPD, in terms of (where relevant) the allocation of elements of the Franchise operations across members of the joint venture or consortium, and/or reliance on the capability, competence and past experience of any other person.

The Franchise Applicant (as defined in B1 of the EoI) must notify the Authority, by way of an update to B1.3(iii) of the EoI if it has shown significant or persistent deficiencies in the performance of a substantive requirement under any contract or operation on which the Franchise Applicant relies on in its responses to the Further Technical Questions, where:

- it had not anticipated relying on that contract or operation as part of its original response to B1.3; and
- In relation to which the Franchise Applicant has been engaged within the last 3 years, and which led to early termination of that prior contract, damages, enforcement action taken pursuant to Section 55 of the Railways Act (or equivalent under the laws and regulations of any State), failure to be awarded a contract renewal or extension that would otherwise have been awarded, or other comparable action or sanctions.

Scoring of Further Technical Questions

The Franchise Applicants responses to each of the Further Technical Questions will be scored using the marking scheme in Table 2 within the PPD, which is repeated below for ease of reference.

Marks	Characteristics
100	Evidence submitted shows the ability to deliver, very strongly supported by relevant and transferable past experience and achievements.
80	Evidence submitted shows the ability to deliver, supported by relevant and transferable past experience and achievements
60	Evidence submitted shows the ability to deliver in most areas, but the Authority has concerns in a few areas, about the relevance and transferability of past experience and achievements and/or about the approach described.
40	Evidence submitted shows the ability to deliver in some areas, but the Authority has concerns in some areas, about the relevance and transferability of past experience and achievements and/or about the approach described.
20	Evidence submitted shows the ability to deliver in a few areas, but the Authority has concerns in most areas, about the relevance and transferability of past experience and achievements and/or about the approach described.
0	Evidence submitted does not show the ability to deliver.

The following weightings will apply:

Further Technical Question		Weighting
D1	Increasing Capacity	25%
D2	Customer Experience	25%
D3	Performance	25%
D4	Collaborative Working	25%