



Department  
for Transport

Rail Franchising

Passport Pre-Qualification Questionnaire OJEU  
Notice



## Department for Transport

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If you have other needs in this regard please contact the Department.

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The following OJEU was sent on 19 July 2017 for publication in the Official Journal of the European Union.

## Qualification system – utilities

(Directive 2004/17/EC)

This notice is a call for competition  yes  no

### Section I: Contracting entity

#### I.1) Name, addresses and contact point(s):

Official name: [Passenger Services, Department for Transport](#) National ID: *(if known)*

Postal address: [Great Minster House, 33 Horseferry Road](#)

Town: [London](#)

Postal code: [SW1P 4DR](#)

Country: [United Kingdom \(UK\)](#)

Contact point(s):

Telephone:

For the attention of: [Caroline Pallister](#)

E-mail: [pqqpassport@dft.gsi.gov.uk](mailto:pqqpassport@dft.gsi.gov.uk)

Fax:

**Internet address(es):** *(if applicable)*

General address of the contracting entity: *(URL)* <https://www.gov.uk/government/organisations/department-for-transport>

Address of the buyer profile: *(URL)*

Electronic access to documents: *(URL)*

Electronic submission of candidatures and requests to participate: *(URL)*

Please use Annex A to provide more detailed information.

#### Further information can be obtained from

The above mentioned contact point(s)  Other (please complete Annex A.I)

#### Further documentation can be obtained from

The above mentioned contact point(s)  Other (please complete Annex A.II)

#### Requests to participate or candidatures must be sent to

The above mentioned contact point(s)  Other (please complete Annex A.III)

#### I.2) Main activity

- |   |   |
|---|---|
| <input type="checkbox"/> Production, transport and distribution of gas and heat   | <input type="checkbox"/> Postal services                                    |
| <input type="checkbox"/> Electricity  | <input type="checkbox"/> Railway services                                   |
| <input type="checkbox"/> Exploration and extraction of gas and oil                | <input type="checkbox"/> Urban railway, tramway, trolleybus or bus services |
| <input type="checkbox"/> Exploration and extraction of coal and other solid fuels | <input type="checkbox"/> Port-related activities                            |
| <input type="checkbox"/> Water  | <input type="checkbox"/> Airport-related activities                         |
|   | <input checked="" type="checkbox"/> Other: <a href="#">Transport</a>        |

### I.3) Contract award on behalf of other contracting entities

The contracting entity is purchasing on behalf of other contracting entities:  yes  no  
(if yes, information on those contracting entities can be provided in Annex A)

## Section II: Object of the qualification system

### II.1) Title attributed to the contract by the contracting entity:

Rail Franchising PQQ Passport

**II.2) Type of contract:** *choose one category only – works, supplies or services – which corresponds most to the specific object of your contract or purchase(s)*

- Works  Supplies  Services
- Service category  
No: 18
- Please see  
Annex C2 for  
service  
categories

### II.3) Description of the works, services or goods to be procured through the qualification system:

#### UPDATED- RAIL FRANCHISE SCHEDULE AND PROGRAMME

This updated notice contains important information regarding changes to the Rail Franchise Schedule.

For further information, please visit the GOV.UK website:  
<https://www.gov.uk/government/publications/rail-franchise-schedule>

Notice is also given that possession of a Passport will give the opportunity for Passport Holders to be consulted in relation to a wide variety of rail franchising issues.

#### AIMS OF THE RAIL FRANCHISING PROGRAMME

Through franchising, the Department aims to encourage a flourishing, competitive passenger rail market which secures high-performing, value for money services for passengers and taxpayers whilst driving cost effectiveness. We aim to achieve the benefits of government funded infrastructure projects such as HS2. We aim to stimulate innovation in order to advance our vision of a world-class railway that creates opportunity for people and businesses, including by promoting continuous improvements in passenger experience and boosting the efficiency and sustainability of the railway.

In particular, our competitions will be aimed at achieving:

- A railway in which passengers are understood and their needs placed at the centre of business planning and operations;
- An excellent experience for passengers, with customer service, train and station facilities and journey information, particularly during disruption, that exceed their expectations;

- Seamless travel for all, through improvements in accessibility;
- Increased capacity and improved demand planning, alongside the development of existing markets and the cultivation of new ones;
- Better, simpler door-to-door journeys, including through greater interconnectivity between rail and other modes of transport;
- An ever-safer environment for passengers and all those who work on the railway, by maintaining and improving health and safety standards;
- The smooth implementation of major infrastructure and rolling stock projects and the full realisation of the benefits they offer;
- An increase in the long term value of the railways through investment, cost efficiency and improved management;
- An industry which is sustainable and a reduction in its environmental impact;
- An industry which is joined up and works collaboratively with its members, including small and medium enterprises, and with local and national stakeholders to achieve benefits for all, including broad-ranging socio-economic benefits for communities and for the country as a whole.

Passenger Services is investigating a range of work streams to continue improving franchising market conditions. Further analysis, consultations and commercial engagement is ongoing, but our initial thinking is indicated on the published schedule including:

- The Department is committed to ensuring the application of the Brown recommendation. One of the recommendations is not to compete two inter-city franchises at the same time. This means that the timings of the InterCity East Coast and Trans-Pennine Express franchises will be reviewed over the next 12 months.
- Great Western (GW) The Department is exploring a range of delivery options for the Great Western Franchise with the aim of closer integration of track and train. The Department will continue to consider options for the GW Franchise in 2017.
- Thameslink, Southern and Great Northern (TSGN) is a very large franchise. It was designed to assist in the delivery of the Thameslink Programme, which should have been fully implemented by the start of the new franchise. The Department is actively looking at the new shape and size of the future TSGN Franchise.
- InterCity West Coast (ICWC) - This franchise will be delivered through a West Coast Partnership. It will bring together the operation of the existing ICWC franchise services and a Shadow High Speed 2 (HS2) operator. The Shadow HS2 operator will be responsible for designing, mobilising and initial operation of the HS2 passenger services.

## **INVITATION TO INTERESTED PARTIES**

This notice is a call for competition for each of the rail franchise competitions listed below and Passenger Services does not currently intend to publish a separate contract notice for any of those competitions.

The Department for Transport ("DfT" or "the Department") will be seeking, through open competition, delivery partners to operate franchised passenger rail services in England and Wales and those cross-border services into Scotland for which the Department is responsible. We are inviting expressions of interest from organisations, including national or international companies, consortiums or not-for-profit organisations, which can demonstrate the necessary financial strength, managerial capability, behaviours

and relevant commercial experience to be considered for the award of a franchise contract. As well as those with a current or previous involvement, Passenger Services wants to encourage new entrants into the passenger rail market. Potential new entrants in particular are invited to initiate further discussions with Passenger Services to learn more about the franchising market and the procurement process. Passenger Services can also signpost bidders and potential bidders towards other organisations that may be able to provide additional help and guidance, such as the Office of Rail and Road (ORR), Department for International Trade (DIT) and Network Rail. The Department holds an annual Rail Industry Day where existing and potential suppliers and investors can hear more about passenger rail opportunities and our vision for the railway.

## **MARKET ENGAGEMENT**

The Department considers Passport Holders to be one of the groups that are representative of the passenger rail market, and therefore is one of the groups with whom the Department may wish to conduct certain market engagement activities to better meet the aims of rail franchising.

Holding a Passport will be one of the routes to take part in those activities, which may involve discussing certain ideas, proposed initiatives or other forms of innovation that may relate to the development of the franchising programme or that may be relevant to one or more rail franchises. In conducting market engagement activities, the Department will take measures to ensure fairness, equal treatment and transparency.

While the nature and extent of the market engagement activities will remain at the discretion of the Department, it is anticipated that Passport Holders may be invited to contribute to discussions including:

- Policy development and franchise design;
- Strategic issues affecting rail franchising and the wider industry;
- Early engagement on specific franchise competitions for the purpose of continuously improving the Department's approach.

Please note that early engagement on a franchise competition may commence quite some time prior to the stated Application Date, and so if you are interested in contributing to market engagement discussions for a particular franchise competition you should obtain a Passport as soon as possible, even if the Application Date is not yet imminent.

## **HOW TO COMPETE**

You should first familiarise yourself with the aims of the Rail Franchising Programme, and what we look for in our Delivery Partners. Please refer to the GOV.UK website: <https://www.gov.uk/government/publications/rail-franchising-aims-and-expectations>

To participate in the competitions detailed below, you must hold a Rail Franchise Passport. If you do not currently hold one, you must have made your application before the Application Date for the Franchise competition you are interested in. Holding a Passport allows you to express an interest in future competitions, during the lifetime of the Passport, without the need to resubmit certain information for each competition, therefore reducing the burden on you. Please visit the GOV.UK website for more details on the Rail Franchise Passport and how to apply for one:

<https://www.gov.uk/government/publications/rail-franchising-pqq-passport-documentation>

Interested economic operators will be required to sign a Passport Process Agreement (PPA) in order to apply for a Passport. To receive the Passport PQQ Pack and gain access to the franchising procurement e-sourcing portal and PPA please register by email at: [PQQpassport@dft.gsi.gov.uk](mailto:PQQpassport@dft.gsi.gov.uk).

Once the Expression of Interest for a particular competition (Franchise EoI) has been released, as a Passport Holder you can then express your interest. If successful, you may then be invited to tender.

Except in the very limited circumstances described in the Passport Process Document, a Passport can only be relied upon by the specific economic operator or specific group of economic operators (i.e. the joint venture or consortium as originally constituted) which made the original Passport application. For

this reason, Passenger Services recommends that Applicants interested in bidding as a group for particular future rail franchise competitions consider potential partners in plenty of time so that the relevant group can apply for a Passport prior to the relevant Application Date.

### Rail Franchising Schedule including Application Dates

The franchise term will be set following consideration of the circumstances of each operation and will be assessed on a case by case basis for each competition and Direct Award.

For a description of each of the franchises below please follow this link:

<https://www.gov.uk/government/publications/rail-franchises-summary>

Franchise	Direct Award Start	Direct Award End	Passport Application Date (Deadline for non-passport holders)	Issue of Franchise EOI	Issue ITT	Contract Award	Franchise Start	Franchise End
West Midlands	Apr 16	Dec17	07 Dec 15	07 Dec15	30 Aug 16	Aug 17	Dec 17	
West Coast Partnership	Apr 18	Apr 19	24 Apr 17	20 Dec16	Nov 17	Nov 18	April 19	
East Midlands**	Mar 19	Aug19		Jul 17	April 18	April 19	Aug19	
South Eastern <sup>■</sup>	Oct 14	Dec 18	24 Aug 16	22 Feb17	Sep 17	Aug 18	Dec 18	
Wales & Borders*							Oct 18	
Great Western <sup>■</sup>	Sep 15	Apr 20	01 Jun 18	Sep 18	Feb 19	Dec 19	Apr 20	
Cross Country <sup>■</sup>	Oct 16	Dec19	01 Dec 17	Mar 18	Oct 18	Aug 19	Dec 19	
Additional Passport applications			29 Sep 17					

- Timings based on assumed additional Rail Periods being called under existing franchises
- \* The UK Government has agreed in principle to transfer franchising powers to the Welsh Government who are leading
- + The Department will reopen the EOI for East Midlands during July 2017. This will enable any Passport Holders who have not yet applied the opportunity to do so. Those entities already shortlisted (and not wishing to withdraw) will not be required to reapply but must re-submit any information that has changed since their original application. They will be re-evaluated to the extent of any such revised material

The proposed dates for the next round of Rail Franchises are as follows. Please note these competitions are not covered by the current Passport. Dates are provided for information only.

Franchise	Direct Award Start	Direct Award End	Passport Application Date (Deadline for non-passport holders)	Issue of Franchise EOI	Issue ITT	Contract Award	Franchise Start	Franchise End
Chiltern			03 Feb 20	May 20	Oct 20	Aug 21	Dec 21	
Thameslink, Southern and Great Northern			01 Nov 19	Feb 20	Jul 20	May 21	Sep 21	
InterCity East Coast			04 May 21	Aug 21	Jan 22	Nov 22	Mar 23	
Northern			01 Jun 23	Sep 23	Feb 24	Dec 24	Apr 25	

TransPennine Express			01 Jun 21	Sep 21	Feb 22	Dec 22	Apr 23	
South Western			03 Oct 22	Jan 23	Jun 23	Apr 24	Aug 24	
East Anglia			01 Dec 23	Mar 24	Aug 24	Jun 25	Oct 25	

Interested economic operators should be aware that Passenger Services may impose restrictions on certain franchise competitions which may limit the number of franchise competitions which an economic operator may participate in or win. In the event that Passenger Services decides to impose such a restriction further details will be provided in the relevant Franchise EoI documentation.

## DIRECT AWARDS

The Rail Franchising Schedule includes dates for the planned Direct Awards to incumbent rail operators as well as the Franchise Competitions to give the market and the supply chain a clear picture of Passenger Services' planned negotiations. The Direct Awards enable a smoother arrangement of franchise competitions by ensuring continuity of service and the preservation of a rail market until the franchise competitions are held.

Passenger Services will issue individual project PINs for the Direct Awards in accordance with the requirements of Regulation (EC) No 1370/2007.

The Secretary of State has duties under Section 30 of the Railways Act 1993 to maintain the operation of passenger rail services, which would come into play should Passenger Services fail to agree terms on the necessary Direct Awards.

This notice replaces the Annual Programme PIN and individual franchise competition PINs. There will continue to be separate PINs issued for Direct Awards.

## FRANCHISE PROCUREMENT PROCESS

The Department published the Franchising Competition Guide in June 2013. This describes a generic franchise competition process that the Department intends to follow in procuring rail passenger franchises. Since publication of the Guide, the Department for Transport has continued to develop and refine its processes. A revised version of the Guide was published on 4th February 2016 and can be found at <https://www.gov.uk/government/publications/rail-passenger-franchise-competition-guide>

## SECTION 26(1) POLICY STATEMENT

The Secretary of State's statement of his policy made under Section 26(4A) of the Railways Act 1993 can be found at: <https://www.gov.uk/government/consultations/railways-act-1993-section-26-policy-statement>

This statement indicates when passenger rail services are likely to be procured through an open competition and when they might be procured by other means.

### II.4) Common procurement vocabulary (CPV):

Main object 60200000

Additional object(s) 60210000

### II.5) Information about Government Procurement Agreement (GPA):

N/A

### III.1.2) Information about reserved contracts

N/A

## Section III: Legal, economic, financial and technical information

### III.1) Conditions for participation

#### III.1.1) Qualification for the system:



(Where this information is voluminous and based on documents available to interested suppliers, contractors or service providers, a summary of the main conditions and methods and a reference to those documents shall be sufficient)

Conditions to be fulfilled by economic operators in view of their qualification  
*As stated in PQQ Passport Pack*

Methods according to which each of those conditions will be verified  
*As stated in PQQ Passport Pack*

## **Section IV: Procedure**

### **IV.1) Award criteria**

#### **IV.1.1) Award criteria**

The most economically advantageous tender  
*the criteria stated in the specifications or in the invitation to tender or to negotiate*

#### **IV.1.2) Information about electronic auction**

An electronic auction will be used: No

### **IV.2) Administrative information:**

#### **IV.2.1) File reference number attributed by the contracting entity:**

Not provided

#### **IV.2.2) Duration of the qualification system:**

Duration of validity: 28 September 2015 until: 27/09/2019

#### **IV.2.3) Information about renewals:**

N/A

## **Section VI: Complementary information**

### **VI.1) Information about European Union funds:**

One or more contracts covered by the qualification system are related to a project and/or programme financed by European Union funds: No

### **VI.2) Additional information:**

Passenger Services currently intends that the Passport System will be valid for 4 years from 28 September 2015 (the date on which the Passport System first opened) but Passenger Services reserves the right to reduce or extend the validity period of the Passport System, subject to publication of a further notice to that effect.

A single economic operator may apply to be a Passport Holder in its own right and / or as part of one or more groups of economic operators (joint ventures / consortia).

For each specific rail franchise competition Passenger Services will, at a later stage, require Passport Holders that express an interest to respond to an additional set of pre-qualification questions that is specifically tailored to that franchise. This will include questions in respect of economic and financial standing. This Franchise EoI may also include further questions in respect of capability and technical ability, although Passenger Services reserves the right not to require Passport Holders to complete these. Passport Holders may be down-selected on the basis of the scoring of the further capability and technical ability questions in order to generate a shortlist of bidders for the competition.

This notice will be updated on an annual basis, as well as in the event of a significant change to the information contained herein or in the website pages to which this notice refers, including but not limited to changes to the Rail Franchise schedule, routes or other details of specific franchises, or the Passport System or changes to the internet addresses at which the website pages can be found. Minor changes and updates may be made to the content of the website pages directly and without an update to this notice, therefore interested parties should check the relevant pages regularly.

Each franchisee will be required to have all appropriate permissions, licences, etc. to undertake the services under the franchise agreement in the UK and under UK legislation (and/or under all equivalent legislation in the place of their establishment) and will be required to evidence these according to the requirements set out in the tender documents and contract documents.

Each of the franchise agreements to which the competitions covered by the Passport System relate will be a "public services contract" for public passenger transport by rail for the purposes of Regulation (EC) No 1370/2007 on public passenger transport services by rail and by road (Regulation 1370/2007). Therefore, the Public Contracts Regulations 2015 (by virtue of Regulation 10(1)(i)), Directive 2014/24/EU (by virtue of Article 10(i), as explained in Recital 27), the Concession Contracts Regulations 2016 (by virtue of Regulation 10(4)(b)), and Directive 2014/23/EU (by virtue of Article 10(3)) do not apply to the rail franchise competitions. Passenger Services will conduct those competitions strictly in accordance with the requirements of Regulation 1370/2007.

The Passport System is considered to be similar, to some extent, to a qualification system under Directive 2014/25 and so Passenger Services has determined that this notice is an appropriate means of advertising the Passport System. The publication of this notice is entirely voluntary. Passenger Services does not commit to operating the Passport System (or conducting the pre-qualification process or any part of it) in accordance with the provisions on qualification systems (or any other provision) in the the Utilities Contracts Regulations 2016, Directive 2004/17/EC or Directive 2014/25/EU, and the publication of this notice should not be construed in any way as constituting an undertaking by Passenger Services to do so or a representation that it will do so.

The information contained in this notice is neither exhaustive nor binding, and may be amended at the time of issue of any further notice or notices or at any other time at the discretion of Passenger Services (including by revising the Application Dates).

Passenger Services is not and shall not be liable for any expenses, costs or liabilities incurred by those applying for a Passport, expressing an interest, considering or responding to a Franchise EoI or negotiating or tendering for a franchise agreement or any other agreement entered into in connection with such franchise agreement, or any such costs incurred by their associated entities or any other person.

Passenger Services reserves the right not to award any Passports, to make whatever changes it sees fit to the structure and timing of the Passport application process (including issuing any further notice or notices), to the Application Dates or to the structure and timing of a Franchise EoI stage, to cancel the Passport System in its entirety at any stage or to use any additional or alternative method of selecting Bidders for any or all future rail franchise competitions.

The Authority also reserves the right not to award any or all franchise agreements, to make whatever changes it sees fit to the structure and timing of the procurement process for any specific franchise agreement, to cancel the process in its entirety at any stage and, where it considers it appropriate to do so, to make a direct award pursuant to Regulation 1370/2007.

The DfT (of which Passenger Services is part) is a public authority for the purposes of the Freedom of Information Act 2000 (the Act) and the Environmental Information Regulations 2004 (EIR). As part of its duty under the Act and the EIR, the DfT may disclose information to a person making a request unless the information is covered by an exemption under the Act or the EIR. The DfT is required to determine whether the public interest in maintaining the exemption outweighs the public interest in disclosing this information. Applicants should state in any responses whether or not they consider the information supplied should be exempted from disclosure to third parties under the Act or the EIR and should provide reasons for such views. These views will be taken into consideration by the DfT when deciding whether to disclose information.

This notice is available on the GOV.UK website.

### **VI.3) Procedures for appeal**

#### **VI.3.1) Body responsible for appeal procedures**

Not provided

### **VI.3.2) Lodging of appeals**

Not provided

### **VI.3.3) Service from which information about the lodging of appeals may be obtained**

Not provided

### **VI.4) Date of dispatch of this notice:**

19 July 2017

## **Annex A**

### **Additional addresses and contact points**

Not provided

## **Annex C2 – Utilities**

### **Service categories referred to in Section II: Object of the contract**

**Directive 2004/17/EC**

#### **Category No [1] Subject**

- 1 Maintenance and repair services
- 2 Land transport services [2], including armoured car services, and courier services, except transport of mail
- 3 Air transport services of passengers and freight, except transport of mail
- 4 Transport of mail by land [3] and by air
- 5 Telecommunications services
- 6 Financial services: a) Insurances services b) Banking and investment services [4]
- 7 Computer and related services
- 8 Research and development services [5]
- 9 Accounting, auditing and bookkeeping services
- 10 Market research and public opinion polling services
- 11 Management consulting services [6] and related services
- 12 Architectural services; engineering services and integrated engineering services; urban planning and landscape engineering services; related scientific and technical consulting services; technical testing and analysis services
- 13 Advertising services
- 14 Building-cleaning services and property management services
- 15 Publishing and printing services on a fee or contract basis
- 16 Sewage and refuse disposal services; sanitation and similar services

#### **Category No [7] Subject**

- 17 Hotel and restaurant services
- 18 Rail transport services
- 19 Water transport services
- 20 Supporting and auxiliary transport services
- 21 Legal services
- 22 Personnel placement and supply services [8]
- 23 Investigation and security services, except armoured car services
- 24 Education and vocational education services
- 25 Health and social services
- 26 Recreational, cultural and sporting services
- 27 Other services

1 Service categories within the meaning of Article 31 and Annex XVIIA of Directive 2004/17/EC.

2 Except for rail transport services covered by category 18.

3 Except for rail transport services covered by category 18.

4 Except financial services in connection with the issue, sale, purchase or transfer of securities or other financial instruments, and central bank services. The following are also excluded: services involving the acquisition or rental, by whatever financial means, of land, existing buildings or other immovable property or concerning rights thereon. However, financial service contracts concluded at

the same time as, before or after the contract of acquisition or rental, in whatever form, shall be subject to the Directive.

5 Except research and development services other than those where the benefits accrue exclusively to the

contracting authority for its use in the conduct of its own affairs on condition that the service provided is wholly remunerated by the contracting authority.

6 Except arbitration and conciliation services.

7 Service categories within the meaning of Article 32 and Annex XVIIIB of Directive 2004/17/EC.

8 Except employment contracts.