Franchise Competition Project – High Level Process Map 24 April 2013

Readiness | Project initiation, Pre-procurement and Specification | Procurement | Mobilisation | Benefits realised

Supplier Market

- Market formally alerted to competition opportunities by publication of a PIN
- Submit Expression of Interest to participate in pre-procurement engagement
- Pre-procurement engagement between potential Applicants and the Project Team
- Industry Day to outline Franchise Competition Process to potential Applicants
- Prepare PQQ response, making use of CQ facility if necessary
- Receive Bidder list notification
- Data Site open - information securely accessible to Bidders
- Site visits & presentations (Network Rail etc)
- Bid Preparation and submission
- Bidder Presentations
- Clarification Question (CQ) process
- Structured formal engagement between Bidders and Project
- Bid Clarification process
- *Leading Bid(s) identified – dialogue continues only with 'leading' Bidder(s)*
- Leading Bidder(s) initiates independent audit of its Financial Models
- Agree Committed Obligations and any required Options with lead Bidder(s)
- Sign Franchise Agreement
- Each Bidder receives feedback on their bid, to improve future performance
- New Franchisee satisfies Conditions Precedent
- Mobilise for Franchise commencement
- New Franchisee delivers Franchise Objectives and required Benefits, in partnership with DfT Rail Commercial Directorate, Network Rail and others as necessary

PQQs SUBMITTED | **BIDS SUBMITTED** | **WINNING BIDDER ANNOUNCED** | **NEW FRANCHISE OPERATIONAL**

Key Outputs

- Annual PIN – update on individual Franchise competitions
- Public Consultation Document
- "OJEU / PQQ Pack" for Applicants including draft ITT and other draft procurement documents
- Prequalified Bidder list approved and published
- "Final ITT Pack" published
- Data Site open
- Feedback given to all Applicants on PQQ submission to improve future performance
- Clarifications available to Bidders
- Public announcement, Stock Market Notification, Standstill Notification and Tender Feedback Letter
- Signed Franchise Agreement
- Feedback given to all Bidders, to improve future performance

DfT Activity

- Project Mandate issued to initiate Competition Project
- Franchise Competition Project initiated
- Franchise Inspection by Project Team
- Pre-procurement market engagement
- Populate datasite with data from Incumbent TOC, Network Rail and other information
- Analyse business need & develop options
- Develop Franchise Specification
- Public Consultation on options and choices
- Devise procurement strategy
- Construct and gain approval for Strategic Outline Business Case
- Develop and gain approval for Outline Business Case
- Compile and obtain approval for OJEU Notice, PQQ, draft ITT and other draft procurement documents ("OJEU / PQQ Pack")
- Publish "OJEU/ PQQ Pack"
- Respond to PQQ CQs
- Identify qualifying Bidders through PQQ process: gain approval for Bidder list announcement
- Announce Bidder list and open populated Data Site, inc CQ facility, to Bidders
- Respond to ITT Clarification Questions
- Publish "Final ITT Pack" and FA
- Finalise Specification if necessary. Compile and obtain approval for "Final ITT Pack" including FA
- Final preparation for Bid receipt, compliance checking, and evaluation
- Evaluate bids
- Run clarification process with Bidders
- Identify leading bid(s)
- Update and gain approval for Full Business Case to reflect and test leading bid(s), inc COs and any required Options
- Agree Committed Obligations & required Options
- Independent audit
- Obtain Approval to Award
- Issue public announcement & Stock Market Notification
- Issue "Notification of Standstill Period" *and* "Tender Feedback Letter"
- + 10 days: countersign Franchise Agreement
- Project Team hands over to Rail Commercial Directorate for ongoing relationship with Franchisee for life of Franchise
- Project Closure Report

Stakeholder and Expert engagement | Structured formal Bidder engagement during Procurement phase

Governance

- **Project Mandate** *approved*
- **Project Initiation Document** *approved*
- **SOBC** *approved* **Franchise Objectives** *and* **Public Consultation Document** *approved*
- **OBC** *approved*
- **OJEU / PQQ Pack for publication** *approved* SoS HMT
- **PQQ Evaluation Report** *approved*
- **OBC** *Updates approved (if necessary)*
- **ITT Pack for publication** *approved* SoS HMT
- **FBC** *approved*
- **Approval to Award** *given* SoS HMT
- **Project Closure Report** *approved*

Key

Programme – refers to the Franchising Programme

Project – refers to a single one of the portfolio of competitions managed by the Programme

SOBC = Strategic Outline Business Case

OBC = Outline Business Case

FBC = Full Business Case

FA = Franchise Agreement

PIN = Prior Information Notice

ITT = Invitation to Tender

Approvals

HMT = HM Treasury

SoS = Secretary of State for Transport

nb – this shows key approval points: in practice, both the SoS and HMT are closely involved in all stages of the Programme and its Projects, as each sees fit.

Indicative duration in months: **0 Months** — Approx 12 months from ITT issue to franchise commencement — **+24 Months**

WITHDRAWN JANUARY 2026