

East Coast rail franchise now run by Virgin



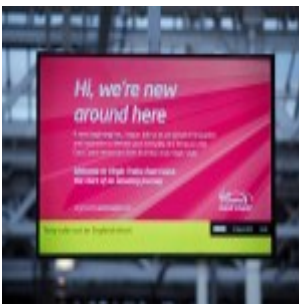
Virgin and Stagecoach won the franchise for the East Coast line at the end of last year. The new joint venture took over the running of the line between Aberdeen and London only yesterday morning and will continue to do so for the next seven years. Well of course, that probably depends a lot on how the service works out, but the partners in this operation have run public transport before so we presume they have done the arithmetic. The last time the franchise was awarded to National Express they gave it up as non-profitable in 2009.

Inter-City Railways is a partnership between Virgin and Stagecoach which has paid £3.3bn for the franchise, promising new rolling stock, better service and faster journey times. The Department for Transport said this morning: "The service will transform rail journeys along the East Coast Main Line, with more seats, more services and new trains, underpinned by £140 million of investment. This follows the government announcement in November 2014 that it had awarded the East Coast franchise to a consortium of Stagecoach and Virgin."



Virgin launched the new franchise with great ceremony in March 2015





Rail minister Claire Perry was at King's Cross station earlier today for the official launch of the new service between London and Scotland.

This means that Virgin is now responsible for both east and west coast lines from Scotland to London and the rail route is now a privately run venture for the first time in five years.

In 2009 National Express gave up the route saying it could not make it work, and Directly Operated Railways took over under the brand East Coast. The company has just announced profits of £13m last year, but the die was already cast for the railway to return to private ownership.

Today we were invited to join the first liveried train from London to Edinburgh and we chose to get on at Berwick. Berwick is a lovely station and if you have a first class ticket (as we did!) you can use the cosy First Class Lounge on the northbound platform.

We met David Horne the Managing Director of Virgin Trains East Coast who had travelled from London on the first liveried train. He told The Edinburgh Reporter: "In the first year we are planning to start a process to give the trains a makeover so that they are in good condition and we will have service improvements at the end of the year with extra trains to Stirling and between Edinburgh and London.

When asked about the unfavourable comparison with air fares he said: It is clearly important that the fares are affordable and the fares attractive. Some fares will be cut by 10% in May to make sure that we attract more people on to the trains than in the past."

We asked the new boss about the lack of any new uniforms today. He said: "It is a gradual process. There will be more trains in the new livery but the uniforms will take until next year. These are very important to the staff who wear them. The new design will be introduced in a few months when we have taken the opinion of some of our staff.

Virgin only have a 10% stake in the joint venture along with Stagecoach. Horne explained why it is their branding on the new service: "Virgin is a very strong customer service brand and when you look at our strategy for the East Coast it is all about service and all about people. Virgin has a great reputation and it is their expertise and experience that we want to bring on to the East Coast line to improve it."

[The Edinburgh Reporter NEWS](#) from [Phyllis Stephen](#) on [Vimeo](#).

But not everyone welcomes the new train operator.

The RMT Union protested on Saturday morning at Waverley Station against taking the line out of public ownership.



Edinburgh East MP Sheila Gilmore slammed the UK Government's

ideological decision to privatise intercity services between Edinburgh and London.

Ms Gilmore, who campaigned against the plans to re-privatise the line since they were first announced in March 2013, said:

‘Passengers recognised the improvements to services that East Coast made under public ownership. They also appreciated that all profits were retained for the benefit of British passengers and taxpayers.’

‘But despite calls from Labour for these arrangements to continue in the long term, Ministers decided to press ahead with their ideological privatisation of services before the General Election.’

‘If the franchising programme had simply been restarted after its collapse in October 2012, both the West Coast and Great Western routes would have been let first, and East Coast would have been dealt with later this year.’

‘But because the Conservatives were embarrassed by the success of a nationalised railway, East Coast was instead pushed to the front of the queue.’

‘A UK Labour Government would take a different approach. At a minimum we would allow a public sector operator to bid for rail contracts, but in addition we would review the entire franchising system so that passengers and taxpayers get better value for money. In Scotland Jim Murphy has also set out plans to take Scotrail back into public hands.’

Customers are promised:

- ***Faster journey times*** – regular services to Leeds in two hours and Edinburgh in four hours
- ***New trains*** – 65 new ‘Super Express’ trains from 2018 with an early multi-million-pound train refresh programme for existing fleet

- **Better connections** – extra and new direct services to London from key locations in Scotland and England and more weekend services
- **More services** – a 50% increase in capacity by 2020 with total fleet capacity increased by 12,200 seats
- **Better value fares** – 10% cut in Standard Anytime fares on long-distance journeys to and from London and Stevenage
- **Investment in people** – a fresh approach to recruitment, including new apprenticeships and the introduction of a new National Academy for Rail Professional Education with bases in York, Derby and London. Major investment in staff development and training, a new innovation council and giving employees ways to own a share of the business through employee share incentive arrangements
- **New technology** – new website, smartphone apps, interactive touchscreen information points at major stations, portable technology for staff, free WiFi on trains and stations.
- **Personalised travel** – journeys built around individual customers, with at-seat food ordering, simpler ticket purchase and reservations, new Nectar loyalty programme
- **Improved customer rights and support** – new Passengers' Charter with easier and faster compensation for customers through automated delay repay service; commitment to improved satisfaction scores with new independent passenger surveys, benchmarks and published results to drive satisfaction with stations, trains and customer service; and a dedicated customer and communities improvement fund
- **Station enhancements** – planned investment of over £25m in stations and car parks with new open plan customer zones introduced for combined ticket purchase and information, more car parking spaces, extra cycle facilities and improved security
- **Improved accessibility** – investment in disability improvements, including induction loop and tactile

station maps

- **Community engagement** – apprenticeships for young people, graduate and ex-offenders programmes, dedicated communities fund, support for small businesses and regeneration in disadvantaged areas.