

# Supporting Stagecoach's bid for the South West Trains Franchise

Service Area	Transaction Support	Sector	Transport
Client	Stagecoach PLC	Date	4 months, 2006

## The Project

The UK Government was seeking to re-let the franchise to operate the South West Trains passenger rail business, the largest commuter network in the country running nearly 1,700 services a day and carrying 190 million passengers a year. It is a complex network involving short metro style routes, longer distance commuting and long distance services. Stagecoach was the incumbent operator, and the franchise constituted the core of its rail business. However, strong competition was expected and the Government's franchise procurement requirements were in a phase of significant evolution.



## Our Role

Stagecoach hired Maddox Consulting to provide strategic, commercial and management support in developing their bid for the franchise. Working with the bid steering group, we provided guidance for the overarching bid strategy and specialist advice on compliance with the Government's tendering requirements and templates. Our project team also led the development of the business plans for many key elements of the bid.

Throughout the bid process, we:

- developed bid strategy (positioning, story line, pricing etc.), and acted as the sounding board for senior review;
- provided project management, coordination and continuity services, as well as checks of ITT compliance;
- took the lead role in drafting key plans in the bid (c. 120 page documents), and quality control thereof;
  - provided analytic and graphical support for plans related to business quality, processes and management structure;
  - supported the development of the financial model for the franchise; and
  - undertook the senior review of selected technical plans, including Train Crew and Station Enhancement, to improve quality and scoring under the DfT's specified RADAR format, and to ensure consistency with other plans and overall bid story line.



## The Outcome

Stagecoach won with a £1.2bn bid, securing a 10-year contract to operate the core franchise in its rail division and beating off heavy competition from FirstGroup, National Express and Arriva. Since the completion of this bid in 2006, Maddox has worked on subsequent rail bids with Stagecoach, winning 2 out of 3.