Contract extension handed to Avanti West Coast after 'recent improvements'

A short-term contract extension has been handed to train operator Avanti West Coast by the Department for Transport (DfT).

The FirstGroup-owned operator has struggled with reliability and punctuality during parts of the past year. Its contract was due to expire at the end of March but has been extended until October 15.

Transport Secretary Mark Harper said an improvement plan produced by Avanti West Coast after the DfT previously handed the operator a six-month contract renewal in October 2022 "is working".

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FirstGroup chief executive Graham Sutherland said: "We are working closely with Government and our partners across the industry to deliver a successful railway for our customers and communities.

"Performance at Avanti is steadily improving and, since the introduction of the new timetable in mid-December, the number of services has increased by more than 40% compared to last summer, with more seats and better frequencies.

"Today's agreement allows our team to continue their focus on delivering their robust plans to continue enhancing services for our customers, including further progress on our train upgrade and refurbishment programme."

Mr Harper added: "The routes Avanti West Coast run are

absolutely vital, and I fully understand the frustrations passengers felt at the completely unacceptable services seen last autumn.

"Following our intervention, rail minister Huw Merriman and I have worked closely with local leaders to put a robust plan in place, which I'm glad to see is working.

"However, there is still more work to be done to bring services up to the standards we expect, which is why over this next six months further improvements will need to be made by Avanti West Coast."

Avanti West Coast runs trains on the West Coast Main Line between London Euston and Glasgow Central, with branches to Birmingham, North Wales, Liverpool, Manchester and Edinburgh.

It is a joint venture between FirstGroup (70%) and Italian state operator Trenitalia (30%).

Avanti West Coast slashed its timetable in August 2022 in a bid to improve reliability.

This came after passengers suffered weeks of short-notice cancellations, partly due to a sharp decline in the number of drivers voluntarily working on rest days for extra pay.

A new timetable introduced in December 2022 with a "significantly reduced reliance on overtime working" has seen the number of weekday services increase from 180 to 264, the DfT said.

The proportion of services cancelled has fallen from nearly 25% in August 2022 to 4.2% in early March, and 90% of trains are arriving within 15 minutes of the schedule, the department added.

FirstGroup also announced that Andy Mellors has been appointed managing director of Avanti West Coast with immediate effect.

Mr Mellors previously held senior roles at Great Western Railway, South Western Railway and most recently as managing director of the group's non-franchised rail businesses.

He takes over from First Rail managing director Steve Montgomery, who has been acting managing director of Avanti West Coast since September 2022 following the resignation of Phil Whittingham.

The contract for TransPennine Express — another FirstGroupowned operator with performance problems — expires on May 28.

This will be "considered separately with a further announcement in due course", according to the DfT.

In January, <u>BusinessLive reported</u> that Avanti West Coast had handed £13.5m to its shareholders during its latest financial year.

Avanti's turnover increased from £894.8m to £978.2m in the year while its re-tax profits dipped from £16.6m to £12.3m.

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