

RAIL SECTOR CREDENTIALS



ABOUT ADDLESHAW GODDARD

Overview

AG is a leading full service international law firm, providing quality-focused and commercially minded legal advice across a wide range of market sectors and industries. Clients tell us that it is our approach to client relationships and helping them to succeed and flourish which sets us up as apart from other law firms.

We are committed to delivering outstanding value and to doing all we can to help clients succeed in their ambitions, in the UK and globally. By understanding what really matters to clients, spending time in their markets and through finding new and better ways to deliver and price its services, clients report time and again that the firm's investment in them, allied with first-rate technical expertise, sets AG apart.

We differentiate ourselves from our competitors by:

OUR SIZE AND STRENGTH

- ▶ 230 partners and over 1,100 other legal staff
- ▶ offices in Aberdeen, Doha, Dubai, Edinburgh, Glasgow, Hong Kong, Leeds, London, Manchester, Muscat, Singapore and Tokyo (in association with Hashidate Law Office). We also have a well established, multi-lateral network of Preferred Firms, and work equally well with local firms specifically favoured by clients. Please refer to the following page for further details.

THE BREADTH AND QUALITY OF OUR PRACTICE AREAS

- ▶ 38 practice areas ranked in the top tier across the UK (Legal 500 Directory 2016) - 37 practice areas ranked in the top tier (Chambers UK Directory 2017).

THE CALIBRE OF OUR LAWYERS

- ▶ 2013 FT Innovative Lawyer Awards – shortlisted for an Innovation Award in seven categories in total, the top ranking of any firm
- ▶ 27 individual lawyers singled out for special recognition across the UK (Chambers UK Directory 2014).

Client base

We are listed as key advisers to a large number of public and private sector organisations including:

- ▶ specifically in relation to our rail sector work, **Hitachi Rail Europe, Mitsui Rail Capital Europe, Department for Transport, Network Rail, High Speed 1, Transport for Greater Manchester, West Yorkshire Combined Authority, South Yorkshire Transport Authority, Dragados, Thales, Stagecoach, Freightliner and Invensys**
- ▶ **Ofwat, Department of Health, The Home Office, NHS Trusts and Local Authorities and The Independent Parliamentary Standards Authority** and
- ▶ large numbers of FTSE 100 and 250 companies, including **Aviva, Barclays, British Airways, Diageo, GlaxoSmithKline, and United Utilities.**

RAIL SECTOR EXPERTISE

At Addleshaw Goddard, we are proud of the breadth of expertise in our expanding rail team. We are genuine market leaders in the funding and delivery of infrastructure projects. For example, we are one of only four firms on the **Network Rail** panel for legal services; a position we have held for the past four years - undertaking genuinely ground-breaking projects, including the Wessex deep alliance and the innovative ETCS signalling procurement.

We are also proud of our lead role advising **Femern A/S** on the procurement and operation of the €5bn new 19km road and rail tunnel between Denmark and Germany; one of the largest infrastructure projects in Europe.

Our industry-leading team also advised on the £5.4 billion InterCity Express programme of rolling stock procurement, the largest PPP in the world in 2014 and the first time a PPP structure had been used for rolling stock in the UK.

Other high profile successes include advising the **Department for Transport** on the West Coast Mainline franchise direct award, which successfully closed in 2014, following which, we were appointed to advise on the West Midlands franchise direct award and long term franchise competitive procurement, giving us current bid-side perspective. Head of Transport, Paul Hirst also advised **Keolis/Amey Rail** on its successful bid for the Docklands Light Railway franchise.

Public/private sector insight is at the heart of what we do. Importantly, as the devolution debate gathers pace, we are well placed to guide our clients through the issues, the potential impact on both the public and private sectors and, crucially, the market opportunities.

We also have deep, specialist knowledge of regulated aspects of the rail industry, including depot and track access documentation.

This wide scope of experience and insight enables us to offer a rounded view and a holistic perspective, with practical, first-hand experience on both sides of most rail issues. What's more, as a national firm we are able to leverage our flexible cost base to provide better value for money, while maintaining the highest level of expertise and client service.

Our clients also benefit from our strong international offering. We have offices in Dubai, Oman, Qatar, Singapore and Hong Kong, as well as a formal alliance with Hashidate Law Office in Tokyo, and a strong network of leading independent law firms worldwide.

Set out over the next few pages is our experience in more detail across the following areas:

- ▶ Rolling stock related projects
 - ▶ Rail infrastructure
 - ▶ Franchise arrangements
 - ▶ Depot and station developments
 - ▶ Wider projects experience.
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Experience

Franchise Arrangements

- ▶ **West Midlands direct award and franchise competition** – advising the DfT on the direct award and subsequent long term franchise competitive procurement project
- ▶ **West Coast direct award** - advising the DfT in relation to the Intercity West Coast (ICWC) Franchise Direct Award. In June 2014, Virgin Trains were appointed to continue operations until 2017. We advised on all legal elements of the direct award including the key franchise agreement documentation, procurement process and rolling stock documentation
- ▶ **GAF direct award** – advising the DfT in relation to the Greater Anglia franchise direct award process which successfully achieved close in April 2014
- ▶ **LSER direct award** – advising the DfT in relation to the LSER franchise direct award process which extended the current TOC's operation of the South Eastern franchise from 31 March 2014 to June 2018
- ▶ **Crossrail TOC bid** – advising a Keolis/Go Ahead consortium on its bid for the Crossrail operating concession. This included analysis of the contracts relating to the delivery, introduction and maintenance of the new train fleet and the interface with the franchise provisions
- ▶ **DLR Franchise bid** – advising a Keolis/Amey consortium on its successful bid to take over the Docklands Light Railway franchise. This included leading on all aspects of the franchise agreement including producing mark ups and associated commentary, highlighting key risks and interfacing with Docklands Light Railway Limited and its advisory team
- ▶ **Merseyrail Electrics Concession arrangements** – members of the team have advised Merseytravel for 15 years on projects across Merseytravel's operational area. The projects include franchise management issues, a number of railway station redevelopments, and, in particular, the innovative 25 year local rail concession for Merseyrail Electrics Project pursuant to which Merseytravel took control of the local railway infrastructure
- ▶ **NR/SWT deep alliance** – advising Network Rail on the structuring and implementation of the first Train Operator/Network Rail 'deep' alliance in connection with the recommendations of the McNulty report. This included advising on the EU state aid, competition law, procurement and rail regulatory aspects of the alliance with Stagecoach South West Trains on the Wessex Route, involving an analysis of the regulatory framework behind this as they impacted on the terms of the Alliance.

Rolling Stock related projects

- ▶ **IEP** – advising Agility Trains (a consortium comprising Hitachi and John Laing) as preferred bidder in relation to the Intercity Express Programme (IEP), a £5.4 billion procurement by the DfT of a fleet of trains for the Great Western and East Coast Main Lines and supporting infrastructure (including maintenance for approximately 30 years) for and on behalf of the franchised train operating companies
 - ▶ **Hitachi Rail Europe** – advising on a UK bid to supply and maintain a new fleet of AT300s
 - ▶ **Alstom West Coast** – advising rolling stock and systems manufacturer Alstom on its deal to continue to maintain the fleet of high speed Pendolino trains which operate on the West Coast Main Line. This role required the team to respond to a changing situation in light of the government's decision to cancel the West Coast Main Line franchise competition. Paul advised on Alstom's existing and future maintenance arrangements, including train service agreements, an umbrella agreement and a draft lease agreement
 - ▶ **South West Trains** – Paul Hirst led the team advising HREL on its bid to supply new electric commuter trains to Stagecoach pursuant to the South West Trains franchise
 - ▶ **Eversholt Rail** – advising Eversholt Rail on its bid to finance, purchase and lease a new fleet of Class 377 trains to Bombardier
 - ▶ **Merseyrail 507/508** – advising Merseytravel on the procurement of a replacement fleet for the Merseyrail Electrics 507/508 fleet with a focus on the depot arrangement and fleet availability and maintenance arrangements
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- ▶ **Thameslink Rolling Stock Delivery Project** - Paul Hirst led a team appointed by the DfT to advise on the delivery of the Thameslink Rolling Stock project. This involved advising on a number of issues relating to the delivery of the project including in particular the delivery of the depots required for the maintenance of the new fleet and disputes arising with the contract parties which included liaison with FCC as the TOC party to the relevant contracts

Rail Infrastructure and regulation

- ▶ **Freight Rail Terminal** – advising Hutchison Ports UK on its investment into a new rail terminal and enhancements to rail infrastructure as part of the £1 billion Felixstowe South Reconfiguration project
- ▶ **Regulatory Appeal to the ORR** – advising Hutchison Ports UK on its successful defence to an appeal made to the Office of Rail Regulation for access to its rail terminal pursuant to open access regulations – the first such appeal to be heard
- ▶ **Freight Track Asset Option** – advising Hutchison Ports UK on an innovative track access option agreement designed to secure capacity into its rail terminals over infrastructure in relation to which it was obliged to fund major enhancements
- ▶ **East West Rail** - advising Network Rail on its the East-West Programme a major national rail project to establish a strategic railway connecting East Anglia with Central, Southern and Western England. The Bicester to Oxford section was a unique and groundbreaking train operator/Network Rail partnering project whereby Network Rail procured the construction of new rail infrastructure to enable the operator Chiltern to provide passenger services between Oxford and London Marylebone via Bicester
- ▶ **ETCS** - advising Network Rail on all aspects of the national roll out of the ETCS Project. Network Rail's ETCS Project represents a multi billion pound investment to improve the reliability, availability, efficiency and safety of Britain's railway through the implementation of modern train command and control technology. It is the largest re-signalling programme ever to be undertaken on Britain's railway
- ▶ **Olympic Transport Plan** - advising the Olympic Delivery Authority from 2006 to 2012 across the whole £1.2 billion Olympic transport schemes, including the £130 million refurbishment of Stratford Regional Station, the key rail gateway to the Olympic Park during Games time, working closely with TfL and the LUL as well as the Network Rail enhancement team
- ▶ **East Coast Transpennine electrification** - advising Network Rail on the East Coast/Trans Pennine electrification project and a number of improvements along the Transpennine route. This has involved a number of complex procurement issues including the use of alliancing models and the need for a detailed "behavioural" assessment of alliance partners
- ▶ **Localism for Merseyrail** - supporting Merseytravel's Localism for Merseyrail proposal, the principal aim of which was to bring together the operation of the Merseyrail Electrics long term operating concession operated by Merseyrail Electrics since 2002, and the long term maintenance of the associated railway infrastructure to create a vertically integrated railway. Although this project did not complete, it involved detailed analysis of procurement and state aid law to ascertain whether this could be achieved on a single tender award basis as well as a carefully orchestrated negotiation process with the incumbent operator recognising the overall lack of competitive pressure.

Depot and Stations development

- ▶ **IEP depots** - the Great Western IEP contracts require the construction of two new light maintenance depots at Stoke Gifford and Swansea Maliphant and substantial modifications to the old Eurostar depot at North Pole. In addition, the East Coast IEP contracts require the construction of a new depot at Doncaster and a major programme of refurbishment of IEP depot sites on the national rail network. We advised Agility Trains on the whole suite of documents relating to these depots and in the case of East Coast have experience from both sides of the table with Paul having advised Agility Trains prior to joining AG and AG representing Network Rail
 - ▶ **DIRFT** - advising the developer of Daventry International Rail Freight Terminal (DIRFT) - the UK's largest intermodal rail freight logistics centre on its rail regulatory and track access arrangements
 - ▶ **Liverpool South Parkway** - advising Merseytravel on all aspects of this multi-modal transport interchange scheme which was ground breaking in a number of ways. Merseytravel's strategy was to develop a multi-modal interchange that provided a step change in quality and customer experience whilst providing connectivity with existing rail and bus services and provided a link to Liverpool John Lennon airport by taking a long term lease of the station, redeveloping it and procurement of a long term operation and maintenance provider – Merseyrail Electrics.
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* a formal alliance with Hashidate Law Firm

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