

Department for
Transport

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Our Ref: DFT/SSWT/1111/410

14 November 2011

Dear [REDACTED]

NOTICE PURSUANT TO SECTIONS 55 & 57A OF THE RAILWAYS ACT 1993 (AS AMENDED BY THE TRANSPORT ACT 2000 AND THE RAILWAYS ACT 2005) ("THE ACT")

The Secretary of State for Transport (the "**Secretary of State**") and Stagecoach South Western Trains Limited (the "**Franchisee**") entered into a franchise agreement (the "**Franchise Agreement**") on 21 September 2006 pursuant to section 23(1) of the Act.

Words and expressions defined in the Franchise Agreement have the same meaning when used herein unless the context otherwise implies.

By a letter dated 25 March 2011, the Franchisee was notified by the Secretary of State that it had contravened Schedule 1.4 of the Terms of the Franchise Agreement.

Specifically:

- Passenger Focus were not made fully aware by the Franchisee that the Passenger's Charter was being reviewed in its entirety (paragraph 4.1(b));
- neither a draft of the revisions nor the proof of consultation required by paragraph 4.1(b) was submitted to the Secretary of State;
- the revised version published by the Franchisee did not comply with the requirement set out in paragraph 4.1(c);
- the Franchisee did not seek prior written consent from the Secretary of State under paragraph 4.2 before changing the Passenger's Charter; and
- copies were not supplied to the Secretary of State at least seven days before the revised version came into effect, as required under paragraph 4.3.

Following notification of the above contraventions (together "the Contravention"), the Franchisee has entirely remedied the Contravention by going through the contractual process in full in accordance with the Terms, and subsequently republishing the Passenger's Charter in July 2011, after obtaining the Secretary of State's approval.

The letter of 13 April 2011, from SSWT (SSWT/DFT/0411/757) set out the steps the Franchisee has taken to prevent a future occurrence of similar contraventions, namely briefings given to relevant managers and Head of Function reiterating the requirements for consultation with the Department and passenger representative bodies.

The Secretary of State is satisfied, having regard to the above-mentioned steps, that the Franchisee is now taking appropriate steps for the purposes of securing compliance with Schedule 1.4 of the Terms, and that it is not therefore necessary to make an Order for Securing Compliance under Section 55 of the Act.

The Franchisee has additionally proposed, by way of passenger benefit and as a show of good faith, to undertake a New Year's test event for Olympic preparedness at Waterloo station.

The above being the case, the Secretary of State hereby gives the Franchisee notice that a Penalty under Section 57A of the Act will not be imposed in respect of the Contravention.

This notice is without prejudice to any further action the Secretary of State may take in relation to any future contravention of the Franchise Agreement, including the Contravention identified herein.

A copy of this letter will be placed on the Secretary of State's public register.

Yours sincerely,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the typed name of the Secretary of State.

For and on behalf of the Secretary of State