

Caroline Jarvis  
Head of Franchise and Access  
Contracts  
Southern  
Go-Ahead House  
26-28 Addiscombe Road  
Croydon  
CR9 5GA

David Lindsey  
Acting Franchise Manager,  
Department for Transport  
Great Minster House  
76 Marsham Street  
London  
SW1P 4DR

Direct Line: 020 7944 5975  
[david.lindsey@dft.gsi.gov.uk](mailto:david.lindsey@dft.gsi.gov.uk)

23 December 2009

Ref: SRL/2009/031

Dear Caroline

**PURSUANT TO SECTION 55(6) OF THE RAILWAYS ACT 1993 (THE "ACT") AS AMENDED BY THE TRANSPORT ACT 2000 AND THE RAILWAYS ACT 2005**

The Secretary of State for Transport (the "**Secretary of State**") and Southern Railway Limited (the "**Franchisee**") entered into a franchise agreement (the "**Franchise Agreement**") on 8<sup>th</sup> June 2009 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 letter dated 6<sup>th</sup> November 2009, the Franchisee was notified by the Secretary of State that it had contravened Schedule 13, paragraph 3.3(c) of the Franchise Agreement (the "**Relevant Paragraph**") by failing to report P1007 financial performance against the current Business Plan (the "**Contravention**").

After detailed consideration, and in accordance with section 55(5B)(b) of the Act, the Secretary of State is satisfied that in this particular instance the Contravention will not adversely affect the interest of users of the railway, or lead to any increase in public expenditure.

The above being the case the Secretary of State hereby gives the Franchisee notice as required under section 55(6)(a) of the Act, that no provisional or final order shall be made in relation to the Contravention.

This letter is without prejudice to any 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 shall be placed on the Secretary of State's public register.

Yours faithfully

A handwritten signature in black ink, appearing to read "David Lindsey", enclosed within a large, sweeping, horizontal oval flourish.

**David Lindsey**  
For and on behalf of the Secretary of State

cc: Chris Burchell, Managing Director, Southern  
David Scorey, Franchise Improvement Director, Southern