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14 March 2012

Our ref: RC/LM/S55/450

Dear [REDACTED]

**NOTICE 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 London & Birmingham Railway Limited (the "**Franchisee**") entered into a franchise agreement (the "**Franchise Agreement**") on 20<sup>th</sup> June 2007 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.

As previously discussed, a contravention has been identified in respect of evening time restrictions on a number of "Saver" fares, contrary to Paragraph 1 of Schedule 5.2 of the National Rail Franchise Terms ("the **NRFT**"). (the "**Relevant Paragraph**"), by which the Franchisee has, in a number of instances, failed to create fares that fulfil the definition of a "Protected Return Fare" as set out in the NRFT (the "**Contravention**").

The Franchisee has taken steps in order to secure compliance with the Relevant Paragraph by removing the evening restrictions outside the normal fares-setting round.

In addition to this step, the Secretary of State expects the Franchisee:

- i) to ensure that any passenger who provides evidence of having been charged an incorrect fare will be compensated in full for any additional cost incurred; and
- ii) to publicise the removal of this evening restriction to ensure that passengers travelling in future will purchase the correct ticket for their journey.

The Secretary of State, in accordance with Section 55(5B)(a) of the Act is satisfied, having regard to the above-mentioned steps, that the Franchisee is for the time being, taking appropriate steps for the purposes of securing compliance with the Relevant Paragraph.

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 Notice is without prejudice to any action (including action under the Franchise Agreement) that 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 as required by Section 73(2)(e) of the Act.

Yours sincerely



For and on behalf of the Secretary of State