



Department for Transport

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Our Ref:
DfT/EMT/OakhamStamford/
Sch17/47

17th June 2013

Dear David,

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 East Midlands Trains (formerly Stagecoach Midland Rail Limited) (the "**Franchisee**") entered into a franchise agreement (the "**Franchise Agreement**") on 21 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.

Para 6-16 of the Ticketing and Settlement Agreement (TSA), to which the Franchisee is a party, provides as follows:

"6-16 TICKET OFFICE OPENING

(2) Minimum opening times

(a) The times which a Ticket Office is open are at the discretion of the relevant Operator. However the Lead Retailer at a Regulated Station must use its **reasonable endeavours** (*own emphasis*) to ensure that the Ticket Office specified in Schedule 17 against the name of that Station is open for the times specified except:

- (i) on Christmas Day, Boxing Day and additionally in Scotland on New Years Day holidays; and
- (ii)
- (ii) ..."

The TSA is an Inter-Operator Scheme for the purposes of paragraph 5.1 of Schedule 2.5 of the Franchise Agreement, which states that;

"The Franchisee shall participate in and comply with its obligations under the terms of each of the Inter-Operator Schemes listed in the Franchise Agreement."

Failure by the Franchisee to abide by the obligations of the TSA is a breach of the Franchise Agreement.

On 29th January 2013, the Franchisee was notified by the Secretary of State at the monthly Franchise Performance Meeting that it had contravened paragraph 5.1 of Schedule 2.5 of the Franchise Agreement (the "**Relevant Paragraph**") by not complying to the Schedule 17 booking office opening hours on Sundays at Oakham and Stamford stations as set out in Schedule 17 of the TSA (the "**Contravention**").

The Franchisee is taking the following steps in order to secure compliance with the Relevant Paragraph by:

1. Including compliance checks against Schedule 17 in EMT's Planned General Inspection process to ensure all manned ticket offices are reviewed each month.
2. EMT's SQMS audit process calls for stations to be audited at different frequencies dependent on classification.
3. Support staff within each Route Manager area complete a Schedule 17 Compliance Report each period.
4. EMT Route Managers provides a period summary of Schedule 17 compliance to the Head of Stations as part of their regular reporting process.

The Secretary of State, in accordance with Section 55(5B)(a) of the Act is satisfied, having regard to the above-mentioned step(s), 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 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.

[REDACTED]

[REDACTED]

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For and on behalf of the Secretary of State
