



Department
for Transport

Clare Hollingsworth
Chairman of The Go-Ahead Group PLC; and
Sir Derek Jones
Chairman of Keolis UK
By email

Tim Rees
Market Lead
TSGN and South Eastern Market Team

Great Minster House
33 Horseferry Road
London
SW1P 4DR

9th May 2022

Dear Clare, Sir Derek,

LSER Penalty Notice

I refer to my letter dated 17 March 2022 and the attached notice.

In accordance with section 57C(1)(e) of the Railways Act 1993 (the Act), the Secretary of State specified that any representations or objections on the proposed penalty made and not withdrawn before the end of 7 April 2022 would be considered by him. The Secretary of State received one letter containing representations on the notice during the specified period.

The Secretary of State has given proper consideration to this representation. Taking account of all the evidence and the Rail Franchise Agreements and Closures Enforcement Policy, the Secretary of State remains of the view that the imposition of a penalty of £23.5 million is appropriate in this case and has imposed a penalty in that amount on LSER.

In accordance with section 57(C)(7)(b) of the Act, I attach by way of service on LSER a copy of the final penalty notice. Elliot Laurie has confirmed on behalf of LSER that service of the penalty notice by e-mail on the group legal e-mail address of The Go-Ahead Group PLC below shall constitute good service of the notice on LSER for the purposes of section 57C(7)(b) of the Act.

The basis for the penalty imposed on LSER comprises contraventions of clause 5.3 of the 2014 Franchise Agreement and clause 6.3 of the 2020 Franchise Agreement. Further details of the acts and omissions which constitute such contraventions are set out in detail in the attached final penalty notice.

LSER shall make payment of the amount of £23.5 million to the Secretary of State by 23 May 2022, into the following account:

NatWest Bank Plc
Sort Code: 60-70-80
Account number: 10 00 46 29
Account name: DfT Main
BIC: NWBKGB2L

IBAN: GB06NWBK60708010004629

We are publishing the final penalty notice and the representation received on the Department for Transport website.

Please acknowledge safe receipt of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read "T. Rees".

Tim Rees
Market Lead, Cross-London Market

cc. grouplegal@go-ahead.com