



Department for Transport

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From the Secretary of State
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By email: steve.bullock@lewisham.gov.uk

Dear Steve,

South Eastern franchise update

On Tuesday, I set out plans for Transport for London (TfL) and Kent County Council to be closely involved in specifying the new South Eastern rail franchise. This is one of the first steps in my plan to put passengers at the heart of our railways.

I have invited TfL to have a role within the South Eastern competition team and to collaborate on the specification for services within London. TfL will have more of a say in the franchise than ever before. I am also discussing with Kent County Council how we can ensure the local interests of longer distance passengers are duly considered within the franchise competition. The purpose of this change is to deliver as many benefits for passengers as possible.

The Mayor submitted a business plan for London rail devolution in October, and this was studied carefully by officials in both the Department for Transport and the Treasury. TfL's Business Plan did not offer any additional capacity at peak times for commuters on the South Eastern routes, and proposals to increase capacity in the longer term would be contingent on further investment. The source of this funding was not identified by the Mayor.

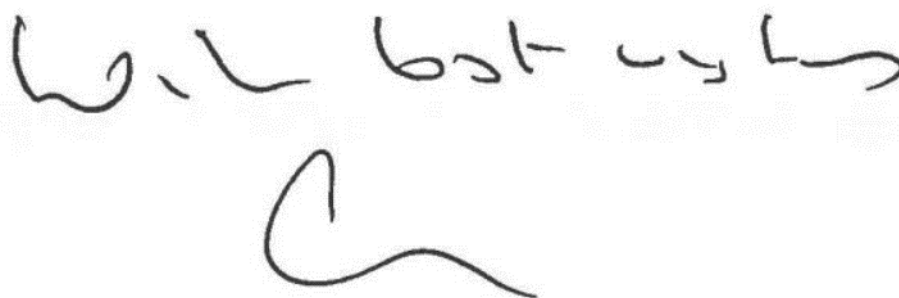
DfT Ministers have also discussed the proposals with a number of respected and senior figures in the rail industry, as well as with experienced departmental officials. There is a consensus that dividing this franchise, in the way the Mayor of London proposed, would be a complex task and would risk having an adverse effect on a service that is already operating under significant capacity pressures, particularly given major works under way at London termini.

The routes out of London Bridge, Charing Cross and Cannon Street have never previously been operated in the way proposed, and the Mayor's proposal would have involved a very significant reorganisation of a kind that created risk of exacerbating performance issues.

The view reached by Ministers, given these factors, was that it would be risky to rush into a major reorganisation. It was decided that it would be more practical, and potentially much less disruptive, to invite TfL and Kent County Council to become partners in the design of the new franchise and the nature of the new contract. This also reflected the views of MPs from Kent, who have raised concerns that they and their constituents would no longer have any say in the decisions taken about their local train services. They were also concerned that decisions about the TfL service would take priority over services from further out in the county.

The new franchising schedule has been published, and shows a short 6 period extension (approximately 6 months) to the existing franchise, taking the new franchise start date to December 2018^[1]. These extension periods are necessary to move away from a major timetable change in May 2018 and minimise the risk to passenger disruption presented by a June 2018 start date. The extension also allows more time for the competition team to engage with TfL, Kent County Council and other stakeholders to design a franchise which delivers the benefits which passengers are due.

I would like to take this opportunity to mention that my South Eastern competition team is available and always willing to meet local authorities and other stakeholders. Should you have any further questions or comments about these issues or others please do not hesitate to get in touch with the competition team directly.

A handwritten signature in black ink, appearing to read 'W. L. Best' followed by a stylized flourish.

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

^[1] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/574792/december-2016-rail-franchise-schedule.pdf