

Lilian Greenwood MP Chair Transport Select Committee House of Commons London SW1A 0AA From the Secretary of State The Rt. Hon. Grant Shapps

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Dear Lilian,

I am writing to you to inform you that we have taken the decision to cancel the South Eastern franchise competition and to exercise the previously announced option to extend the current franchise to April 2020.

While this was a difficult decision to make, it follows significant concerns that continuing the competition process would lead to additional costs incurred to the taxpayer, with no certainty that this would deliver envisaged benefits for passengers.

The Department now intends to extend the Direct Award, announced on 13 June, with the incumbent provider to ensure that there is continuity of service whilst the Department agrees how to deliver the long-term benefits to passengers as quickly as possible.

The Department will use this period to develop a solution that delivers the capacity and performance benefits that passengers are expecting as quickly as possible whilst ensuring that the recommendations of the Williams Review can be implemented.

In lieu of a Written Ministerial Statement I am placing a copy of this letter in the libraries of both Houses. Should you have any questions, please do not hesitate to get in touch.

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT