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From the Secretary of State The Rt. Hon. Grant Shapps

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Dem Carolyn,

Thank you for your letter of 18 December 2019 about Oldham Council's resolution regarding Northern's performance.

I am grateful for you taking the time to share the Council's concerns over services on the Northern network. I am aware that Northern's recent performance has not been at all satisfactory.

We are developing contingency plans for the replacement of the current franchise with either a new short-term management contract with Northern or the Operator of Last Resort (OLR).

In the context of significant challenges facing the operator, such as delays to infrastructure upgrades and historic underinvestment in the northern rail network, issuing a Request for Proposal enables the Department to examine whether the contract is properly aligned with current operating challenges in the north. It also allows us to determine whether the franchise owner or an OLR would be best placed to tackle these issues and deliver for passengers.

If we find the operator to be in default of its current contract and that default was material and not capable of remedy, we have the right to terminate the current franchise. If such a right is exercised a decision on next steps will be based on a full and rigorous analysis into what delivers the best outcomes for passengers and taxpayers, and what would best enable the implementation of the forthcoming recommendations of the Williams Review.

We will take a decision once we have the full information, and will provide Parliament with a full update on these next steps at an appropriate time.

Yours ever,

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT

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