



HOUSE OF COMMONS
LONDON SW1A 0AA

Paul Maynard MP
Parliamentary Under Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
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28 April 2017

Thank you for taking the time to meet with me and other MPs representing constituencies served by Southeastern on 28 March, as well as for writing to me on 7 April following my query about rolling stock at the most recent Transport Questions.

In that letter, you outline how the business case to acquire additional rolling stock submitted by Southeastern was not approved as it was deemed poor value for money by the Department's appraisal framework. You state that '*this was primarily due to the significant escalation of Network Rail costs for enhancements required at Slade Green depot.*' As you know, this is something that was discussed in detail at our meeting on 28 March, and it was my understanding, based on what you said, that costs had inexplicably increased to £79 million due to a costing oversight on the part of Network Rail, which was not communicated to your Department until the eleventh hour.

However, having met with a senior manager of Network Rail earlier this week, I received a very different story. I was told that, without having conducted any prior cost analysis, your Department approached Network Rail with a £20 million proposal to stable additional stock at Slade Green. After conducting their own scoping studies, Network Rail confirmed that this would require a far greater financial injection – to the sum of £79 million – but as there had been no initial costings by your Department, there was absolutely no escalation in the price Network Rail had quoted. If this is true, the fault irrefutably lies with the Department for Transport.

Either way, the major discrepancy in these two accounts does little to provide confidence that this problem is being adequately addressed by officials in your Department, nor that appropriate steps are being taken to tackle this issue cooperatively through joint-working. Long suffering passengers deserve to know why no additional stock has been acquired since 2009, despite numerous Ministerial commitments promising otherwise, as my letter to you of 22 February sets out.

I appreciate that much of this pre-dates your time at the Department, and I very much appreciate all the work that you have done to progress matters, but you will understand the concern that this issue raises about process within the Department over a number of years.

I would therefore be grateful if you would confirm in writing the exact process that led to this apparent miscalculation. At our last meeting you also indicated that a decision on the revised



proposal, which the Department received on 24 March, could be made within as little as five weeks of its submission. Although I appreciate that we are now in purdah, I would welcome any updates you are able to give.

A handwritten signature in blue ink, consisting of a large, stylized initial 'B' followed by a surname that is partially obscured by a horizontal line.

Bob Neill MP