

SCHEDULE 2

Passenger Services

Part 1 - Base Service Requirements

1. TRAIN SERVICES

The Franchisee shall schedule, publish and use its best endeavours to operate Train Services which as a minimum must comply with the requirements of the Appendix to part 1 of this schedule and paragraphs 3 to 11 below (inclusive). These requirements include a specification of the maximum Intervals between the Dispatch of Trains on the Base Lines during Base Time Periods of the Base Service Hours.

2. SCHEDULED AND PUBLISHED TRAIN SERVICES

Without prejudice to the minimum requirements under the Appendix to part 1 of this schedule and the requirements of paragraph 7 below, the Franchisee may schedule, publish and operate Train Services:

- 2.1 at Intervals shorter than the maximum Intervals specified in the Base Service Plan;
- 2.2 by reference to Lines which include routes additional to or as extensions to the Base Lines; and/or
- 2.3 by reference to Train Service Hours which extend beyond the Base Service Hours, provided that the Scheduled Train Services are not less than the Published Train Services.

3. TRAIN SERVICE HOURS

- 3.1 Subject to paragraph 3.2 the Franchisee shall schedule, publish and operate Train Services on each day during and by reference to Train Service Hours which shall not be less than the Base Service Hours specified below:

- (a) Weekdays and Saturday from 0530 to 0030 (the next day);
- (b) Sundays from 0700 to 2330,

and if the Train Service Hours extend beyond the Base Service Hours, then the first and last Service Time Periods in any Service Day shall be the first and last Base Time Periods of that Service Day as so extended.

- 3.2 (a) The Franchisee acknowledges that DLR Limited may in its absolute discretion at no extra cost increase the Base Service Hours on Friday or Saturday to 0530-0130 (the next day) provided that in such circumstances the Base Service Hours for the following Saturday shall be 0630-0030 (or 0130 if itself extended) or for the following Sunday shall be 0800-2330. In such circumstances the definitions of "Full Extended Possession", "Weekday Night Possession", "Friday Night Possession", "Saturday Night Possession" and "Sunday Night Possession will be amended as appropriate.
- (b) Unless DLR Limited gives the Franchisee notice to the contrary, the Base Service Hours on New Years Eve shall be extended throughout the night (i.e. there will be no shutdown).

4. **DAILY START-UP OF TRAIN SERVICES**

The Franchisee shall schedule, publish and operate Train Services by reference to Train Service Hours so that:

- 4.1 in respect of each Line, the First Train from each Terminal Station departs no later than one minute after the start of the Train Service Hours;
- 4.2 in respect of each Line, the First Trains from each Station depart in each direction no later than ten minutes after the start of the Train Service Hours;
- 4.3 in respect of each Line, the First Trains from each Station in each direction operate to the Terminal Station of that Line in that direction;
- 4.4 to the extent possible within the requirements of sub-paragraphs 4.1, 4.2 and 4.3 above, the First Trains from Bank, Stratford, Lewisham, Greenwich, Canary Wharf, Canning Town, Woolwich Arsenal and Stratford International Stations (on any Line or Lines) are co-ordinated with LUL and National Rail Services; and
- 4.5 the scheduled and published time for Dispatch of any First Train shall be the same.

5. **DAILY SHUT-DOWN OF TRAIN SERVICES**

The Franchisee shall schedule, publish and operate Train Services by reference to Train Service Hours so that:

- 5.1 a customer arriving at any Station 15 minutes in advance of the end of the Train Service Hours will have at least one opportunity ("last travel opportunity") to travel to any other Station on the Railway;
- 5.2 in respect of each Line, the Last Train from each Terminal Station departs no earlier than the end of the Train Service Hours and operates to the other Terminal Station of that Line;
- 5.3 to the extent possible within the requirements of sub-paragraphs 5.1 and 5.2 above, the Last Trains from Bank, Stratford, Lewisham, Greenwich, Canary Wharf, Canning Town, Woolwich Arsenal and Stratford International Stations (on any Line or Lines) are co-ordinated with LUL and National Rail Services; and
- 5.4 the scheduled and published time for Dispatch of any Last Train shall be the same.

6. **STATION OPENING HOURS**

The Franchisee shall ensure that each and every Station is open for customers with the facilities available as set out in paragraph 12 below from not less than ten minutes before the published time of Dispatch of any First Train from that Station to not less than five minutes after the later of the published time and actual time of Dispatch of the Last Train from that Station (or, if later, the last arrival at that Station of a Last Train of any other Station).

7. **PEAK PERIOD CAPACITY REQUIREMENTS**

Without prejudice to its other obligations under the Franchise Agreements, the Franchisee shall so far as it is possible given the size of the Vehicle fleet at any given time (having regard to any Vehicles reasonably required for a DLR Project or which are out of service as a result of works being carried out by third parties under any Third Party Warranty (as such term is defined under the Rolling Stock Lease) in respect of such Vehicles) or the specified constraints of the Railway's signalling system:

- 7.1 schedule Train Services in each direction from each Station on all Lines for all morning and evening Peak Periods to provide capacity (through the combination of frequency of Dispatches and capacity of Trains) which averaged over any half hour period during those Peak Periods exceeds the passenger demand averaged over such half hour period for such Train Services which the Franchisee reasonably forecasts; and
- 7.2 ensure that during the morning and evening Peak Periods the Train Services in each direction from each Station on all Lines provide sufficient capacity (through the combination of frequency of Dispatches and capacity of Trains) and on the basis that the measure of capacity for any Vehicle is 180 persons, averaged over any half hour period to carry all passengers intending to travel in that direction from that Station over that half hour period.

8. **AVIS**

The base standard in respect of the audio visual information system pursuant to paragraph 10.9 of this schedule 2 will only apply following the date when such system is installed and commissioned on all Vehicles and a system is in place which will allow the Franchisee to test the AVIS system on a Vehicle before such Vehicle exits the depot. Prior to such time the Franchisee shall use all reasonable endeavours to ensure that the audio visual information system (once installed and commissioned on all Vehicles) is fully functional on each Avis equipped Vehicle and, if not, shall ensure that all relevant announcements and information will be supplied by the Franchisee's staff. The Franchisee will also use reasonable endeavours to promptly rectify any failures of the AVIS system.

9. **CHANGES TO TRAIN SERVICES**

Without prejudice to its other obligations under the Franchise Agreements, the Franchisee shall be entitled to make variations from time to time to the Train Service Hours, Scheduled Train Services and Published Train Services (including for the purpose of accommodating Permitted Closures), provided that it shall not without the prior written consent of DLR Limited:

- 9.1 make any variation to Train Service Hours which would cause the Train Service Hours to cease to comply with paragraph 3 of part 1 of this schedule;
- 9.2 make any variation to Scheduled Train Services or Published Train Services which would cause any of the Scheduled Train Services or Published Train Services to fail to meet any of the minimum requirements set out in the Appendix to part 1 of this schedule; and/or
- 9.3 make any variation in Published Train Services without compliance with paragraph 17 below.

In the event of any change to the Base Service Plan arising under paragraph 1 of the Appendix to part 1 of this schedule or as a result of a Base Service Change the Franchisee shall ensure that appropriate transitional arrangements are implemented in relation to any consequential changes to Train Services.

10. **BASE EQUIPMENT FOR VEHICLES**

Without prejudice to the Franchisee's other obligations under the Franchise Agreements (including obligations with regard to safety, operations, maintenance and staff), before accepting a Vehicle into service the Franchisee shall ensure by prior inspection that the Vehicle complies with the following requirements:

- 10.1 all safety equipment required by the Safety Policy and Procedures is on the Vehicle, undamaged and fully operational;
- 10.2 all eight pairs of doors and the end doors are fully operational;

- 10.3 the public address system and internal and external destination displays are fully operational;
- 10.4 the Vehicle is in a clean condition and free from unsightly or unhygienic staining both externally and internally (including seats and seat cushions);
- 10.5 all seats and seat cushions are not torn, ripped or otherwise damaged;
- 10.6 any graffiti has been removed and any vandalism repaired;
- 10.7 any Service Information is on display in the Vehicle as required by paragraph 16 below;
- 10.8 that the Vehicle has no missing components either internally or externally; and
- 10.9 that following the date when the audio visual information system is installed and commissioned on all Vehicles, and a system is in place which allows the Franchisee to test the system is operational on a Vehicle before the Vehicle exits the depot, such system is fully functional as commissioned.

11. **REMOVAL OF VEHICLES FROM SERVICE**

Without prejudice to the Franchisee's other obligations under the Franchise Agreement (including obligations with regard to safety, operations, maintenance and staff), if any of the following events occur in relation to a Vehicle during service, the Vehicle shall be removed from service as soon as reasonably practicable and shall only be accepted back into service in accordance with paragraph 10 above:

- 11.1 two or more pairs of doors on one side of any Train cease to be fully operational;
- 11.2 any of the end doors cease to be fully operational;
- 11.3 any vandalism or other damage occurs which poses a hazard to passengers; or
- 11.4 the Vehicle ceases to comply with paragraph 10.1 above.

For the avoidance of doubt if at any time any Vehicle in a Train fails to comply with the provisions of paragraphs 11.1 to 11.4 any journey involving such Train will not be counted as a Properly Completed Dispatch.

12. **BASE FACILITIES FOR STATIONS AND TRACKSIDE**

Without prejudice to the Franchisee's other obligations under the Franchise Agreements (including obligations with regard to safety, operations, maintenance and staff), the Franchisee shall ensure that:

- 12.1 all the Stations comply with the following requirements during Station Opening Hours provided that in respect of (a) to (c), (e) and (g) to (i) below the requirements shall not (subject to the Franchisee's overarching obligations to comply with the DLR Railway Safety Case) apply to Stations on the Lewisham, City Airport or Woolwich Arsenal Extensions and in respect of (d) below the requirement shall not apply to Stations on the Lewisham Extension:
 - (a) all safety equipment required by the Safety Procedures is in the Station, undamaged and fully operational;
 - (b) all other parts of the Station (including platforms, concourse, stairs, lifts and escalators) are in a clean and, where reasonably practicable, unstained condition;
 - (c) lighting is fully operational as required by ambient conditions;

- (d) ticket vending machines are available to customers and fully operational;
 - (e) lifts/escalators and other facilities for mobility impaired passengers are available to customers and fully operational;
 - (f) any Service Information is on display at the Station as required by paragraph 16 below;
 - (g) the public address system and electronic information displays are fully operational;
 - (h) any graffiti, litter or vegetation is removed on the same day and if not possible on the following day;
 - (i) any vandalism or damage is immediately repaired or protected so to prevent any hazard to passengers; and
 - (j) have a "You are here" map giving information about the neighbourhood adjacent to the Station and including points of interest and public facilities such as museums, libraries, educational facilities. If appropriate, information on adjacent bus or other public transport facilities should be included and the Station should be provided with a London Underground map;
- 12.2 each Station managed by the Franchise has at all times secure station accreditation issued by Crime Concern or other relevant body save in circumstances where the standards for achieving secure station accreditation are made materially more onerous than at the Franchise Commencement Date; and
- 12.3 the Franchisee works with the Concessionaires to assist them in obtaining and retaining the accreditation referred to in clause 12.2 above for Stations on the Extensions;
- 12.4 any trackside graffiti on the Existing Railway shall be removed within a reasonable time period and in any case within one week.
13. **MAINTENANCE OF FULL ACCESSIBILITY**

The Franchisee shall ensure that all amenities of the Railway remain fully accessible to the public, regardless of physical ability. All Vehicle and Station amenities shall remain fully accessible to the mobility impaired.

In instances where lifts, escalators or other facilities essential for access by disabled passengers are out of order, the Franchisee shall provide information on alternative public transport services during the Service Day. In the case of closure of all lifts at any Station, the Franchisee shall upon reasonable request provide alternative transport services with facilities for the carriage of disabled passengers at the same or lesser fares compared with the fares that would have been charged for the equivalent journey were the Railway not closed. Information on these alternative public transport services (including any alternative transport services to be provided by the Franchisee upon reasonable request) shall be provided on all notices normally posted to prohibit use of the above facilities when out of order and shall be made available on the Internet Site. The Franchisee shall provide a telephone service available during the Service Day (and after the Service Day a recorded announcement) with information on the availability of the above facilities and, where unavailable, information on the alternative public transport services and shall supply all such information on the Internet Site.

Where Substitute Services are provided to customers as required by paragraph 19 below, transport services with facilities for the carriage of disabled passengers shall also be provided upon reasonable request at the same or lesser fares compared with the fares that would have been charged for the equivalent journey were the Railway not closed.

The Franchisee shall at all times ensure that each Station platform on the Railway (except Stations on the City Airport or Woolwich Extensions) is marked with an appropriate indication of the most appropriate position for wheelchair bound customers to wait on the platform. In relation to the Stations on the Lewisham Extension and Stratford, Bank and Canning Town, DLR Limited shall facilitate access for the Franchisee or its contractors in order that they are able to carry out such markings provided that the Franchisee gives DLR Limited a reasonable period of notice of the requirement for such access.

14. LIMITATION OF PERMITTED CLOSURES

The Franchisee shall be permitted up to six temporary closures of the Railway during Train Service Hours for maintenance and engineering works carried out by the Franchisee in any Fee Year provided that:

- 14.1 each such temporary closure is limited in extent to only one of the Legs (or part of a Leg) together with parts of the North Quay Junction, but excluding (save in the case of only one closure instance in any Fee Year) any parts of the North Quay Junction which affect Lines running on the other Legs or between any of the other Legs through the North Quay Junction;
- 14.2 each such closure extends over a consecutive Saturday and Sunday (and, where appropriate, bank holidays) only and does not affect the Base Service Hours of any Weekday;
- 14.3 the Franchisee has complied with paragraph 17 in respect of such closure;
- 14.4 Substitute Services are provided to customers in accordance with paragraph 19 below; and
- 14.5 the Franchisee shall use all reasonable endeavours to co-ordinate such closures with any closures that DLR Limited undertakes in accordance with a DLR Project (or otherwise) so as to minimise disruption to the Railway.

14A FRANCHISEE POSSESSIONS

- 14A.1 The Franchisee will be permitted further Possessions during Train Service Hours for maintenance and engineering works in addition to those granted in paragraph 14 above provided that:
 - (a) each such Possession is limited in extent to only one of the Legs (or part of a Leg) together with parts of the North Quay Junction, but excluding (save in the case of only one closure instance in any Fee Year) any parts of the North Quay Junction which affect Lines running on the other Legs or between any of the other Legs through the North Quay Junction;
 - (b) each such Possession extends over a consecutive Saturday and Sunday (and, where appropriate, bank holidays) only and does not affect the Base Service Hours of any Weekday;
 - (c) the Franchisee has complied with paragraph 17 in respect of such closure;
 - (d) the Franchisee provides the Substitute Services to customers in accordance with paragraph 19 below;
 - (e) the timing, extent and location of Possession is agreed with DLR Limited in the Annual Service Plan; and

(f) the Franchisee shall use all reasonable endeavours to co-ordinate such Possessions with any closures that DLR Limited undertakes in accordance with a DLR Project (or otherwise) so as to minimise disruption to the Railway.

- 14A.2 During any Possession referred to in clause 14A.1 above, the Franchisee will be paid the Fees calculated in accordance with clause 25.1 (Fees) without deductions less a sum representing DLR Limited's lost revenue occurring as a result of the Possession as estimated by DLR Limited (acting reasonably).
- 14A.3 Notwithstanding paragraphs 7.1 (f) of part 4 and 14A.2 of this schedule 2 any part of the Railway which is not subject to the Possession shall continue to be subject to the provisions of Schedule 2 including in respect of deductions.

14B DLR LIMITED POSSESSIONS

14B.1 Subject to paragraph 5 of part 3 of schedule 5 DLR Limited may at any time request and the Franchisee shall grant, a Possession for use by DLR Limited or a DLR Limited party. DLR Limited will give the relevant notice of its requirements for Possession as set out in the table below or such shorter period agreed by DLR Limited and the Franchisee (acting reasonably) together with and will use reasonable endeavours to ensure that the timing, location and duration of such Possessions are reflected in the Annual Service Plan.

Possession Type	Notice Period (Days)	Cancellation Notice Period (Days)
Night	35	7
Limited Extended	84	21
Full Extended	84	21

If DLR Limited cancels the Possession in a time period less than the cancellation period set out in column 3 of the table above DLR Limited will reimburse the Franchisee for any Costs reasonably and properly incurred to third parties which the Franchisee can demonstrate were incurred by it directly as a result of the Franchisee being given less than the relevant period of notice, provided the Franchisee takes all reasonable steps to mitigate such Costs.

- 14B.2 During any Possession referred to in clause 14B.1 above, the Franchisee shall be paid the Fees in accordance with clause 25.1 (Fees) plus a sum representing any reasonable costs incurred by the Franchisee in providing the Substitute Services in accordance with clause 14B.3 below, less any saving incurred by the Franchisee as a result of such Possession.
- 14B.3 The Franchisee will be required to provide the Substitute Services to customers (at its own cost, but subject to the right of reimbursement in clause 14B.2) in accordance with paragraph 19 below.
- 14B.4 Notwithstanding paragraph 7.1 (f) of part 4 of this schedule 2 any part of the Railway which is not subject to the Possession will remain subject to the provisions of Schedule 2.
- 14B.5 DLR Limited shall comply with the Possession Procedures in exercising the rights and powers conferred upon it and upon the DLR Parties under this paragraph 14B, provided that if any of the Possession Procedures in the opinion of DLR Limited conflict with or contradict the terms of, or prejudice or impair the efficacy of, any of the rights or powers reserved to DLR Limited under this Agreement, then (except when the conflict or contradiction is in respect of a procedure which is required under any Applicable

Requirement) the provisions of this paragraph 14B shall prevail over such Possession Procedures.

14B.6 DLR Limited and the Franchisee shall consult regularly on the planning and coordination of access to the Railway and shall have regard to effective use of Possessions.

14B.7 Save as expressly provided in this paragraph 14B or otherwise under the express terms of this Agreement, the Franchisee shall not be entitled to any compensation in relation to the access of DLR Limited and of the DLR Parties to the Railway and the Franchisee shall have no other rights or remedies and DLR Limited shall have no other liability to the Franchisee, whether under this Agreement or at law, in respect of such access.

15. **DLR SPECIAL SERVICE REQUIREMENT**

15.1 The Franchisee shall plan and implement temporary service adjustments to accommodate demand for events happening in the neighbourhood of the Railway (a "Special Service Requirement") which shall include the London Marathon, events at Excel and Canary Wharf but the Franchisee shall not implement any Special Service Requirement which it believes to be a Special Service Compensation Event without the prior written approval of DLR Limited. In addition, to fulfil part of its continuing interest in supporting regeneration of Docklands and East London, DLR Limited may instruct the Franchisee (a "DLR Special Service Requirement"), as part of the annual consultation on the Annual Service Plan, to extend Train Services to support a limited number of local events or activities. This may involve extending the Train Services beyond the normal Train Service Hours and/or altering the normal routing of Trains and/or altering the normal frequency of Trains to accommodate special events.

15.2 Any DLR Special Service Requirement or Special Service Requirement will be a DLR Marginal Base Service Change under part 6 of this schedule unless any such DLR Special Service Requirement is, or it has been agreed that a Special Service Requirement is, a Special Service Compensation Event in which case the provisions of Schedule 8 (Remuneration) shall apply.

16. **PROVISION OF SERVICE INFORMATION**

The Franchisee shall publish and maintain adequate information on the Passenger Services at each Station and on each Vehicle in service. The information published and maintained shall at each Station be clearly visible and protected from weather, shall be dated and shall include, as a minimum, the following:

16.1 train Service Hours;

16.2 times of First and Last Trains (including information on the "last travel opportunity" under paragraph 5.1 above);

16.3 platform arrangements;

16.4 lines;

16.5 timetable of departure times for all Published Train Services from that Station for each Line for Weekday, Saturday and Sunday;

16.6 forthcoming major changes to Train Services (including changes under paragraph 17 below);

16.7 telephone and address information for further assistance; and

16.8 clear temporary notices advising of the unavailability of any facilities (including facilities for the mobility impaired) posted on the Station or Vehicle on or adjacent to the facility which is unavailable.

16.9 **Passenger Information**

The information published and maintained on each Vehicle shall include the items referred to in paragraphs 16.4, 16.6 and 16.7 above. The Franchisee shall ensure electronic passenger information displays are included on each platform which provide details of the arrival of the next three trains together with messages indicating Stations where lifts are unavailable and other general information regarding the running of the Train Service.

17. **PUBLICATION OF PLANNED CHANGES TO TRAIN SERVICES**

The Franchisee shall comply with the following requirements as to notification and publication of any planned changes in Published Train Services, whether temporary or permanent, including temporary closures for maintenance or engineering works:

17.1 it shall provide written notification to DLR Limited of reasonable details of the planned changes at least 14 days in advance of compliance with sub paragraph 17.2 below and shall have due regard to any comments received from DLR Limited during such 14 day period;

17.2 it shall provide written notification to London Travelwatch (or other body notified by DLR Limited) of reasonable details of the planned changes and, following consultation with the London Travelwatch (or such other body), shall have due regard to any comments received from London Travelwatch (or such other body) at such meeting or by subsequent written notification;

17.3 it shall notify DLR Limited of any verbal or written comments received from the London Travelwatch (or other body notified by DLR Limited);

17.4 following compliance with sub-paragraph 17.2 and 17.3 above, it shall publish the planned changes by at least 21 days advance notice to local media, the London Passenger Information Net, London Travelwatch and the Local Authorities; and

17.5 it shall post notice of the planned changes on all Vehicles and Stations of the Railway for the entire period of the 21 day advance notice and during the period of any temporary closure or other temporary change.

18. **PUBLICATION OF UNPLANNED CHANGES TO TRAIN SERVICES**

The Franchisee shall make public notice of any unplanned change in the Published Train Services including any unplanned temporary closure, restriction or delay or temporary closure of a Station platform which in any such instance lasts 20 minutes or more and shall maintain such notice until the Published Train Services are restored. This notice shall be effectively published by means of the London Passenger Information Net, announced on the Railway by means of the public address system and Passenger Information Displays and, if lasting more than 120 minutes, posted on all Stations on all Lines affected by the change.

19. **PROVISION OF SUBSTITUTE SERVICES**

Without prejudice to its obligations to provide Train Services, the Franchisee shall:

19.1 in the case of planned temporary closures or planned temporary withdrawal of Train Services on one or more Lines, provide Substitute Services to customers with frequencies at least equal to the Base Service Plan (or such lesser frequency as is agreed by DLR Limited (acting reasonably)) for at least the Base Service Hours with adequate capacity

and at the same or lesser fares compared with the fares which would be charged for the equivalent journey were the Railway not closed; and

- 19.2 in the case of unplanned temporary closures or unplanned temporary withdrawals of Train Services on one or more Lines (whatever the cause or extent of such closure or withdrawal), use best endeavours to ensure that Substitute Services are provided to customers over the full extent of all parts of the Railway affected within 120 minutes from time of first report of the closure or withdrawal to the Control Centre until restoration by the Franchisee of Train Services on the Railway to at least the level of the Base Service Plan. The Substitute Services shall operate for at least the Base Service Hours and shall be progressively increased to at least the frequencies of the Base Service Plan (or such lesser frequency as is agreed by DLR Limited (acting reasonably)) within 240 minutes of the first report of the closure or withdrawal to the Control Centre.

20. **WAIVERS**

DLR Limited may by written notice served on the Franchisee waive compliance with any of the provisions of this part 1, including in particular the Base Service Plan. DLR Limited shall specify in the notice of Waiver such conditions and terms in respect of the Waiver as it considers appropriate, including the time period during which such Waiver is to remain in force. If no such time period is specified, the Waiver shall cease to be in force upon further notice to that effect served by DLR Limited on the Franchisee.

Appendix To Part 1 - Base Service Plan

1. BASE SERVICE PLAN

- 1.1 Each of the tables in paragraph 2 below identifies in respect of a particular Base Time Period the maximum Interval for Train Services in both directions on each Line under each of Base Service Plans. The tables also identify those Train Services which shall require Trains made up of three Vehicles. Unless otherwise indicated all Trains shall consist of two Vehicles (unless otherwise agreed by DLR Limited).
- 1.2 The Franchisee shall schedule, publish and use its best endeavours to operate the Train Services in both directions on each Line so that no individual Interval (scheduled, published or operated) is more than two minutes greater than the maximum Interval specified and so that the average Interval (scheduled, published or operated) over any hour of any Service Time Period is no greater than the maximum Interval specified. The maximum Interval specified for each Base Line shall apply to all Stations on that Line (including all intermediate Stations). The parties acknowledge that in order to create smooth transitions and permit reliable build up and ramp down between different Base Time Periods, the Franchisee shall not be obliged to operate the specified Interval during the first and last half an hour of each Peak Period provided that no individual Interval in such half hour period shall exceed the Interval specified for the immediately preceding or following Base Time Period (as the case may be).
- 1.3 The Franchisee shall schedule, publish and use its best endeavours to operate the Train Services in each direction on each Base Line so that following any Dispatch, the relevant Train operates to the Terminal Station on that Base Line in that direction.
- 1.4 Prior to any Dispatch, the Train shall have waited at the Station from which it is departing for at least the Minimum Dwell which for the purposes of this schedule shall be 5 seconds (or such longer time period as may be agreed by the parties).
- 1.5 Each Base Service Plans shall be in force and in effect (subject to earlier termination of this Agreement) from the date specified in a written notice to the Franchisee from DLR Limited instructing the Franchisee to implement such Base Service Plan (save in respect of Base Service Plan A which shall be in force from the Franchise Commencement Date) until a date specified in a written notice to the Franchisee from DLR Limited instructing the Franchisee to implement a different Base Service Plan. The dates specified in the written notice for the implementation of a Base Service Plan shall be at least 3 months after the date of the notice or such other time as agreed by DLR Limited and the Franchisee.
- 1.6 Each Line specified in the Base Service Plan (whether duplicated or not) shall be treated as a separate Line and, notwithstanding that the route of one Line specified in the Base Service Plan coincides wholly or partly with the route of another Line or Lines, any particular Train Service may only count toward satisfaction of the specification of one such Line.
- 1.7 If the Franchisee believes that the operation of Train Services in any Peak Period Base Time Period in any of the Base Service Plans is no longer warranted to meet passenger demand or that an alternative pattern of Peak Period Base Time Period better matches passenger demand in such Peak Period Base Time Period, it may alter such patterns, provided that DLR Limited agree in writing such alternative Peak Period Train Service prior to such alteration being implemented. If any such alteration is proposed by the Franchisee and agreed by DLR Limited the Base Service Plan shall be amended accordingly.
- 1.8 In any Base Time Period which is not a Peak Period the Franchisee may alter the pattern of Train Services provided that the frequency specified on each route of the Railway is maintained and any such alteration to Train Services is agreed in writing by DLR Limited

prior to such alteration being implemented. If any such alteration is proposed by the Franchisee and agreed by DLR Limited the Base Service Plan shall be amended accordingly.

- 1.9 The parties agree that Base Service Plans "A" and "B" require the Franchisee to operate the following levels of service during the Weekday Off-Peak 10:00 – 16:00 (the "**Original Base Service Plan**"):

Route	Interval	Vehicles required
Bank <> King George V Expected tph - 6	10	12
Canning Town <> King George V Expected tph – 12 (average on route)	10	6

Within 1 Fee Period of written notice from DLR Limited, the Franchisee will amend the Canning Town <> King George V service such that the Base Service Plan for that service during the Weekday Off-Peak 10:00 – 16:00 will be as follows (the "**Amended Base Service Plan**"):

Route	Interval	Vehicles required
Bank <> King George V Expected tph 6	10	12
Canning Town <> King George V	Will not run	

If the Amended Base Service Plan is implemented the Franchisee shall refund to DLR Limited the Service Change Adjustment as set out in the third row of the table below for each Fee Period (or part thereof) for the time the Amended Base Service Plan is operating.

Franchise Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Year ending	Mar 07	Mar 08	Mar 09	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Mar 15
Service Change Adjustment (£)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)								

*Price to be determined after opening of Woolwich Arsenal extension, if required.

The Franchisee will revert to the Original Base Service Plan within 4 Fee Periods of written notice from DLR Limited requiring a reversion.

The amendments set out in this paragraph 1.9 will not be regarded as a DLR Base Service Change.

2. **MAXIMUM INTERVALS FOR BASE LINES**

[Note – Click here to view]

Part 2 - Service Support Functions

1. OPERATIONS MANAGER

The Franchisee shall assign a qualified and experienced person as the Operations Manager, who shall be directly employed by the Franchisee and who shall be responsible for general supervision and direction of operation of the Railway, including management of the provision of Passenger Services in accordance with the requirements of part 1 of this schedule and direction of the operations staff in the performance of operating duties in accordance with the requirements of part 2 of this schedule.

2. SAFETY

The Franchisee shall undertake to operate the Railway in compliance with the DLR Railway Safety Case and in compliance with Applicable Requirements.

3. OPERATING RULES/PROCEDURES

The Franchisee shall comply with the Operating Rules/Procedures to ensure staff, third party and public safety and equipment security. These procedures shall govern the execution of routine operations and response to alarms, failures and emergencies.

4. OPERATING MANUALS

The Franchisee shall undertake to operate all equipment in accordance with the instructions contained in the Operating Manuals for that equipment.

5. EMERGENCY SERVICE AGREEMENTS

The Franchisee shall comply with the Emergency Services Agreements in the preparation and implementation of all Operating Rules and Operating Procedures and shall update such Operating Rules and Operating Procedures as required from time to time to comply with Emergency Services Agreements.

6. PRIORITY OF PASSENGER SERVICES

The Franchisee shall schedule necessary maintenance, engineering possessions, training, charters or non-revenue support activities in such a way that the interference with, or effect upon, the delivery of the Passenger Services is minimised. Accordingly, it is expected that maintenance of vehicles and trackside equipment and driver training may necessarily have to be done outside the Service Day or outside Peak Periods, so that it does not affect Passenger Services. Temporary closures of all or portions of the Railway during Train Services Hours for engineering possessions are limited as provided in paragraph 14 of part 1 of this schedule.

7. ACCOMMODATION OF DLR SPECIAL SERVICE REQUIREMENTS

In respect of any DLR Special Requirement identified by DLR Limited during its annual consultation on the Annual Service Plan, DLR Limited shall confirm service arrangements to the Franchisee by a written service order delivered a minimum of 28 days in advance of each occasion and the Franchisee shall comply with such written service order and paragraph 15 of part 1 of this schedule shall apply.

8. RESTRICTIONS

The Operations Manager has the authority to restrict operations to any extent necessary to maintain operational safety. The Franchisee shall not be relieved of its obligations under the Base Service Requirements and the Service Quality Standards by any such restriction and shall bear the consequences of any failure to comply therewith, unless

(and then only to the extent that) DLR Limited, at its sole discretion, waives compliance by written notice served on the Franchisee.

9. TEMPORARY CLOSURES

The Operations Manager shall have authority to order a temporary closure or a cessation of Passenger Services on all or any portion of the Railway during any Service Day at any time for cause. To the extent that such ordered closures exceed or do not comprise a Permitted Closure, then the Franchisee shall not by any such closure be relieved of its obligations under the Base Service Requirements and the Service Quality Standards (subject as expressly provided in this Agreement) and shall bear the consequence of any failure to comply therewith, unless (and then only to the extent that) DLR Limited, at its sole discretion, waives compliance by Waiver issued pursuant to paragraph 20 of part 1 of this schedule.

10. GENERAL STAFF REQUIREMENTS

The Franchisee shall ensure that all operating duties (including Operations Functions and Operations Support Functions) are properly and adequately manned by personnel trained and assessed in accordance with paragraph 13 below and that all Passenger Services are delivered by trained and assessed staff licenced where appropriate and, fully prepared to undertake their duties, to respond to alarms, failures and emergencies, and to observe and comply with all Applicable Requirements.

11. OPERATIONS FUNCTIONS

The Franchisee shall directly employ, provide and supervise all staff performing operating duties in connection with the delivery of Passenger Services to the public, including operation of the Control Centre and its equipment systems, operation of Trains, operation of Stations, initiating and supervising Train movements, controlling and supervising access to the track area and other restricted or hazardous areas, effecting the acceptance of Trains into service and the removal of Trains from service, supervising and effecting removal and replacement of disabled trains, supervising and effecting response to failures, delays and emergencies and managing incidents.

12. OPERATIONS SUPPORT FUNCTIONS

Without prejudice to its other obligations under this Agreement, the Franchisee shall either directly employ and provide or contract for any or all personnel, supplies, materials and facilities necessary to support delivery of Passenger Services to the public, including training, scheduling and dispatch of operating staff, security of assets and property (including security against theft and vandalism), inspection, revenue collection, cleaning of Stations, Vehicles and facilities, daily preparation and storage of Trains, scheduling of Vehicles and Trains, depot operations, preparation and distribution of customer information and periodic checking of patronage, schedule adherence and service quality; preparing and maintaining operations reports and records, preparing and maintaining management reports and records, conducting surveys of passenger ticket usage, customer satisfaction, market potential and all other activities required to meet the obligations of this schedule.

13. TRAINING AND ASSESSMENT OF STAFF

The Franchisee shall ensure that all staff performing operating duties (including Operations Functions and Operations Support Functions), whether employed by the Franchisee or by third parties, are suitably trained and assessed and licenced where appropriate for their assigned duties including as required by the DLR Railway Safety Case. The training shall include that necessary for initial assessment and qualification of new operating staff and for periodic assessment of proficiency for current operating staff.

The training courses shall cover all tasks required to perform assigned duties and appropriate actions in any failure, emergency or other incident which may be encountered while performing duties.

14. TRAINING RECORDS

The Franchisee shall adopt and maintain a scheme for documenting and recording the training status and proficiency of all staff performing operating duties in accordance with the DLR Railway Safety Case and any Applicable Requirements.

15. POLICING

- (a) The Franchisee shall be responsible and shall make all necessary arrangements for the policing of the public areas of the Railway to meet with all Applicable Requirements both for operation of Passenger Services and for special events. For this purpose, the Franchisee shall enter into an agreement with the British Transport Police to ensure, as a minimum, that police manning levels as at the Franchise Commencement Date are maintained and the levels of passenger security on the Railway are at least as high as on adjacent services operated by LUL or the TOCs. In addition, the Franchisee shall consult with British Transport Police and DLR Limited and the Concessionaires as to the adequacy of police manning levels for the purpose of preparation of its Annual Service Plan and shall comply with any reasonable recommendations from the British Transport Police in specifying the resources provided under the agreements with British Transport Police and the Franchisee shall ensure that the level of policing shall be increased appropriately as ridership on the Railway increases.
- (b) DLR Limited shall ensure that the cost of 10 police constables of the British Transport police is reimbursed to the Franchisee.

16. REVENUE PROTECTION

16.1 General Requirements

The Franchisee shall be responsible and shall make all necessary arrangements for the protection and collection of passenger revenues on the Railway other than the collection of monies and revenue from credit card transactions from ticket vending machines at all Stations. This responsibility includes:

- (a) checking tickets held by passengers on all Trains and (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
 - (i) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
 - (ii) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
 - (iii) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
- (b) collecting Penalty Fares and other fares from passengers on all Trains and in all Stations;
- (c) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION); and

- (d) if and to the extent any passenger revenues come into the possession of the Franchisee (other than in respect of Penalty Fares) paying the same promptly into a bank account nominated by DLR Limited from time to time.

16.2 **Preparation of Revenue Protection Plan**

Not later than 90 days before the beginning of each Fee Year, the Franchisee shall prepare and submit to DLR Limited its proposed Annual Revenue Protection Plan for the following Fee Year.

- (a) Each Annual Revenue Protection Plan shall be prepared so as to comply with the Franchisee's obligations in respect of revenue protection under the provisions of this Agreement and without prejudice to such obligations each Annual Revenue Protection Plan shall:
 - (i) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION);
 - (ii) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION);
 - (iii) (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION); and
 - (iv) such other information as DLR Limited reasonably requests.
- (b) Each Annual Revenue Protection Plan shall set out the matters in paragraph 16.2(a) above in such detail as shall reasonably satisfy DLR Limited that the Franchisee has understood its obligations under this Agreement and will be in a position to satisfy such obligations.

16.3 **Consultation on Annual Revenue Protection Plan**

The Franchisee and DLR Limited shall consult with each other on the contents of the Annual Revenue Protection Plan for a period of 30 days from receipt thereof by DLR Limited or, if later, receipt by DLR Limited of any revised version of that Annual Revenue Protection Plan pursuant to paragraph 16.4 (Required revisions). The Franchisee shall have due regard of any comments to the Annual Revenue Protection Plan by DLR Limited and shall comply with any reasonable requirements of DLR Limited under paragraph 16.4 (Required revisions). DLR Limited may, at its sole discretion, reduce the required period for consultation by notice in writing to the Franchisee.

16.4 **Required revisions**

During the period of consultation under paragraph 16.3 (Consultation on Annual Revenue Protection Plan) DLR Limited may by notice to the Franchisee pursuant to this paragraph require that the Franchisee revise the Annual Revenue Protection Plan if DLR Limited considers that it does not comply with any of the following:

- (a) the requirements of paragraph 16.2 (Preparation of Annual Revenue Protection Plan);
- (b) the requirement of any notice served by DLR Limited under clause 24.1 (Remedial action) of this Agreement

and, following service of any such notice by DLR Limited, the Franchisee shall address the issues raised by DLR Limited in such notice and resubmit a revised version of the Annual Revenue Protection Plan to DLR Limited.

16.5 **Annual Revenue Protection Plan to take effect**

- (a) The Annual Revenue Protection Plan referred to in clause 4.2 (Conditions Precedent) shall take effect on the Franchise Commencement Date. Any subsequent Annual Revenue Protection Plan shall not take effect until the beginning of the Fee Year to which it relates or if later, the end of the consultation period under paragraph 16.3 (Consultation on Annual Revenue Protection Plan).
- (b) The Franchisee shall implement the revenue protection services in accordance with the Annual Revenue Protection Plan and shall at all times comply with the Annual Revenue Protection Plan which is in effect pursuant to this paragraph 16.5.

16.6 **Revenue Protection Survey**

(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

16.7 **DLR Limited Audit of Survey**

DLR Limited may at any time monitor the Station Blocks and shall be entitled to audit the report provided in accordance with paragraph 16.6 and the Franchisee shall provide all necessary assistance to DLR Limited to permit DLR Limited or its contractors, advisers, employees or agents to undertake such audit. (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

16.8 **Ticketing Schemes**

The Franchisee shall remain within the Ticketing Schemes and comply with its obligations under schedule 3 (Ticketing Schemes) of this Agreement in relation thereto.

17. **MANAGEMENT OF FAILURES AND EMERGENCIES**

The Franchisee shall plan for and be responsible to respond immediately to any failure, emergency or other incident that impedes or blocks normal movement of Trains on any section of the Railway or impedes the movement of passengers in, to or from any Station or Vehicle as well as emergencies adjacent to the Railway which potentially may affect the operation of the Railway during the Service Day and immediately take actions simultaneously to overcome and/or mitigate disruption of Passenger Services and deploy sufficient, qualified operations and maintenance staff and equipment and request assistance of local emergency services to the site to restore the capability for normal Passenger Services. Any costs attendant to response and restoration of Passenger Services due to failure or external event whether legitimate or not or whether under control of Franchisee or not shall be borne by the Franchisee.

18. **FAILURE MANAGEMENT PLAN**

The Franchisee shall develop, adopt and verify by periodic and suitable demonstration a plan which details the tactics and scenarios for recovery of Trains and maintenance of Passenger Services around blockages, power failures, adverse weather and other disruptions on any track or section of the Railway including those caused by external circumstances beyond the control and responsibility of the Franchisee (a "**Failure Management Plan**"). The Failure Management Plan shall subscribe to the following principles:

- 18.1 the Franchisee shall respond to the site of any blockage or disruption with sufficient staff qualified to determine and undertake the appropriate course of action within 15 minutes of time of first report to the Control Centre;
- 18.2 restoration of Passenger Services after failures and delays shall be given the utmost priority subject to the safeguarding of the public, staff, third parties and equipment;

- 18.3 the Franchisee shall make complete prior arrangement for provision of Substitute Services to any section or all of the Railway in accordance with paragraph 19 of part 1 of this schedule.

The Franchisee shall submit its Failure Management Plan to DLR Limited annually as an attachment to the Annual Service Plan required under part 3 of this schedule.

19. **EMERGENCY RESPONSE PLAN**

The Franchisee shall develop and adopt a plan for response to emergencies including explosion, smoke and fire, collision, derailment, encroachments, person hit by train, storm and floods, loss of power, personal injuries and the like (the "**Emergency Response Plan**"). This Emergency Response Plan shall ensure that the Franchisee's staff are capable of taking effective action to protect the public, staff and third parties, including leading passenger evacuations, deploying emergency equipment, securing equipment and supporting emergency services staff to the full extent as required by the Emergency Service Agreements and that the Franchisee's actions are coordinated with adjacent operators should the emergency encompass shared facilities or common corridor track areas. The Franchisee shall submit its Emergency Response Plan to DLR Limited annually as an attachment to the Annual Service Plan required under part 3 of this schedule.

20. **EMERGENCY READINESS**

The Franchisee shall periodically verify the adequacy of its Emergency Response Plan and readiness of staff by sponsoring at least two joint training exercises with local police and emergency services agencies and where appropriate, adjacent rail operators, each Fee Year. The Franchisee shall also put into effect and maintain a programme of periodic team training exercises as required by the DLR Railway Safety Case and any Applicable Requirements to assure the readiness of Franchisee staff and the adequacy of its co-ordination and support procedures.

21. **LIAISON WITH EMERGENCY SERVICES**

The Franchisee shall maintain a liaison with representatives of local emergency services and honour reasonable requests for access to the Railway and its facilities for their orientation and training. As part of its liaison with representatives of the local emergency services, it shall assist with the development of, and agree to reasonable requests for amendments and modifications to, the Emergency Service Agreements. In addition, if required to do so by DLR Limited or Transec the Franchisee shall liaise with Transec and comply with any Applicable Requirement notified by that body or such other body as assumes its functions from time to time.

22. **NOTIFICATION TO DLR LIMITED OF FAILURES AND EMERGENCIES**

The Franchisee shall notify DLR Limited promptly of any failure to open or restore Passenger Services which requires the provision of Substitute Services, any emergency requiring a call out of the emergency services and/or any incident involving damage or casualty sufficient to require report to the HSE and furnish a written report by the close of business on the next working day. A representative of DLR Limited shall be entitled to attend the site of the incident and observe the response of the Franchisee. The written report shall include, but not be limited to, statement of probable cause, chronology of events, immediate actions taken to mitigate cause/s and any ongoing investigations or considerations of further action.

23. **CO-OPERATION WITH SPECIAL ENQUIRIES**

The Franchisee shall cooperate with any special enquiries or investigations carried out by DLR Limited or regulatory authorities as a result of accidents, incidents or changes in legislation and shall promptly provide all information, resources and facilities within its

control which are reasonably required for such enquiries or investigations. In particular, the Franchisee shall review the findings of and implement any outstanding actions required by any such special enquiry or investigation (whether the accident, incident or change in legislation to which it relates or the special enquiry or investigation in respect thereof occurred before or after the Franchise Commencement Date).

24. **SERVICE REPORTS AND RECORDS**

24.1 **General Requirements**

The Franchisee shall provide a schedule of management and operating reports both routine and incidental to DLR Limited during the course of the Franchise Period in the agreed form. These reports shall include all the measures required under part 4 of this schedule and any necessary supporting data.

24.2 **Routine Submittal to DLR Limited**

During the Franchise Period, management reports in the agreed form recording the performance of the Railway shall be prepared by the Franchisee and submitted to DLR Limited. In addition, the Franchisee shall keep detailed operations records to permit DLR Limited to ascertain the Franchisee's compliance with the Base Service Requirements and Service Quality Standards and shall furnish copies of such documents upon request at no cost to DLR Limited.

24.3 **Retention**

All records and data, and management information software systems used to develop them, (subject to the provisions of the Intellectual Property Licence and the Software Licence Agreement) shall be the property of DLR Limited and shall be retained by the Franchisee for the Franchise Period and twelve months thereafter. All such documents shall be dated and signed by the Operations Manager or his designated alternate. Such documents shall be provided free of charge to DLR Limited at DLR Limited's request during the Franchise Period or within twelve months thereafter.

24.4 **Station Names**

DLR Limited shall be entitled to name all stations on the Railway and to retain all revenues derived from the sponsorship of such station names and DLR Limited will retain all other rights in relation to the use and/or exploitation of such names (to the extent property exists in such names) of the Stations including the right to apply for registration of such names as trademarks or domain names anywhere in the world. The Franchisee shall not be permitted to change the name of any Station.

25. **INTERNET SITE**

The Franchisee shall maintain the Docklands Light Railway internet site with the web address www.dlr.co.uk for the Railway which shall continue to provide as a minimum information in relation to the following:

- (a) service information;
- (b) Station information;
- (c) details of the development and expansion of the Railway;
- (d) press releases;
- (e) service opportunities;

(f) such other information as passengers indicate would be helpful,

which in each case should be presented in a user friendly way and meet the needs of the passengers and stakeholders. The Franchisee shall not make any material change to the structure or type of control of the internet site without DLR Limited's approval and shall take account of and implement any reasonable suggestions made by DLR Limited from time to time in respect of such internet site.

26. **REAL TIME INFORMATION**

The Franchisee shall provide to DLR Limited's staff (which are designated by DLR Limited) such real time information as is provided to the Franchisee's senior management including where appropriate pagers.

Part 3 - Annual Service Plan

1. PREPARATION OF ANNUAL SERVICE PLAN

Not later than 90 days before the beginning of each Fee Year, the Franchisee shall prepare and submit to DLR Limited the Franchisee's proposed Annual Service Plan for the following Fee Year. Each Annual Service Plan shall be prepared so as to comply and be consistent with:

- 1.1 the current DLR Railway Safety Case;
- 1.2 the Base Service Requirements and any new Base Service Plans that will come on line during that Fee Year;
- 1.3 the Operating Rules, Operating Procedures and Operating Manuals;
- 1.4 the availability of Franchise Assets and the requirements for Possessions and other requirements of the Annual Safety Plan, Annual Maintenance Plan and Annual Capital Projects Plan in effect for the Fee Year to which that Annual Service Plan relates;
- 1.5 the terms and conditions of the Franchise Agreements;
- 1.6 Good Industry Practice;
- 1.7 the requirements of the Concession Agreements; and
- 1.8 the requirements of the DLR Contracts and DLR Undertakings.

2. CONTENTS OF ANNUAL SERVICE PLAN

Each Annual Service Plan shall show in such detail as it is reasonably practicable and in relation to the Fee Year to which it relates the information required in respect of that Annual Service Plan under the provision of paragraph 7 below including sufficient information to provide DLR Limited with reasonable evidence that the Franchisee has understood all its obligations under this schedule and has undertaken sufficient preparation to comply with the Base Service Requirements.

3. CONSULTATION ON ANNUAL SERVICE PLAN

The Franchisee and DLR Limited shall consult with each other on the contents of the Annual Service Plan for a period of 30 days from receipt thereof by DLR Limited (or, if later, receipt by DLR Limited of any revised version of that Annual Service Plan pursuant to paragraph 4 below). The Franchisee shall have due regard to any comments on the Annual Service Plan by DLR Limited and shall comply with any requirements of DLR Limited under paragraph 4 below. DLR Limited may, at its sole discretion, reduce the required period for consultation by notice in writing to the Franchisee.

4. REQUIRED REVISIONS

During the period of consultation under paragraph 3 above DLR Limited may by notice to the Franchisee pursuant to this paragraph require that the Franchisee revise the Annual Service Plan if DLR Limited (acting reasonably) considers that the Annual Service Plan does not comply with any of the following:

- 4.1 the Base Service Requirements;
- 4.2 the requirements of part 5 of this schedule;
- 4.3 the requirements of sub-paragraphs 1.7 and 1.8 above;

- 4.4 the requirements of paragraph 2 above;
- 4.5 the requirement of any notice served by DLR Limited under Clause 24.1 (Remedial action) of this Agreement,

and, following service of any such notice by DLR Limited, the Franchisee shall address the issues raised by DLR Limited in such notice and resubmit a revised version of the Annual Service Plan to DLR Limited.

5. **ANNUAL SERVICE PLAN TO TAKE EFFECT**

The Annual Service Plan referred to in Clause 4.2 (Conditions Precedent) shall take effect on the Franchise Commencement Date. Any subsequent Annual Service Plan shall not take effect until the beginning of the Fee Year to which it relates or if later, the end of the consultation period under paragraph 3 above. Any planned changes to Train Services set out in the Annual Service Plan shall not take effect until the Franchisee has complied with any requirements in respect thereof under paragraph 17 of part 1 of this schedule.

6. **IMPLEMENTATION OF THE ANNUAL SERVICE PLAN**

The Franchisee shall implement the Passenger Services in accordance with the Annual Service Plan and shall comply with the Annual Service Plan (subject to any variations in Train Services made by the Franchisee in accordance with paragraph 9 of part 1 of this schedule).

7. **CONTENT OF ANNUAL SERVICE PLAN**

The Annual Service Plan shall include, as a minimum, the following major items:

7.1 **Passenger demand analysis**

A passenger demand analysis, including monthly demand history by Lines operated for the previous Fee Year and estimated monthly demand for the Fee Year to which the Annual Service Plan relates, together with indicative forecasts for the two years subsequent thereto.

7.2 **Summary of scheduling parameters**

A summary of scheduling parameters for Train Services, including Intervals, Trains, comprehensive round trip run times, nominal & minimum platform dwells and Vehicle requirements by Line for all Lines operated by Service Time Period.

7.3 **Indicative Train Service Schedule**

Outline schedules by Service Time Period and by Line for each Fee Period including transitions between Base Service Plans (if applicable), transitions between different schedules prepared by the Franchisee and inclusion of Special Service Requirements and DLR Special Service Requirements.

7.4 **Peak capacity analysis**

An analysis of capacity during both Peak Periods, including estimated load factors for each Line operated in the Peak Periods with details of the basis for the estimated demand, comparison of the planned Published Train Services and Scheduled Train Services with the Base Service Plan and any changes to Train Services planned for the Fee Year (for example, to take account of seasonal variation or anticipated growth).

7.5 Revenue Protection Plan

The revenue protection plan referred to in paragraph 16 of part 2 of this schedule, including proposals for sale of tickets, checking passenger tickets, issuing Penalty Fares and other fares.

7.6 Service Quality Reporting Plan

A service quality reporting plan in agreed form, including a schedule of all proposed routine and incidental operations reports and data gathering and reporting methods for monitoring Service Quality Standards and the revenue protection plan required by subparagraph 7.5 above.

7.7 Service Quality Report

A Service Quality Report, including a summary of service quality and revenue protection activities achieved by Fee Period for previous Fee Year and a brief recap of corrective action plans required if any by paragraph 8 of part 4 of this schedule and submitted during the previous Fee Year with a list of outstanding actions and outstanding actions from any outside enquiries conducted during the previous Fee Year as referred to in paragraph 23 of part 2 of this schedule.

7.8 Extensions

Proposals for Passenger Services on the Extensions as required by part 5 of this schedule.

7.9 Planned closures

A schedule of closures required for engineering works, emergency repairs and other works planned by the Franchisee and accommodation of test and commissioning activities of works being undertaken by DLR Limited (including in respect of the Extensions).

7.10 Planned special operations

A summary of planned promotional services, charters, engineering work, training exercises and joint emergency exercises. Due consideration should be given to events that are occurring around the Railway such as (and not limited to) those organised by Excel and Canary Wharf.

7.11 Service Information

A summary of the nature and extent of information to be provided under paragraph 16 of part 1 of this schedule to the public at Stations, on Trains and by means of other media.

7.12 Staff deployment

A summary of planned staff deployment for the provision of Passenger Services, including Control Centre, Train Services, station operations, field and general supervision.

7.13 Rule, procedure and manual changes

A summary and reference to any changes to Operating Rules, Operating Procedures and Operating Manuals issued during the previous Fee Year and proposals for any changes during the Fee Year to which the Annual Service Plan relates.

7.14 Failure Management Plan and Emergency Response Plan

The Failure Management Plan and Emergency Response Plan referred to in paragraphs 18 and 19 of part 2 of this schedule.

7.15 **Proposed variations to Base Service Requirements**

Any proposals by the Franchisee for variations to the Base Service Requirements in respect of the Fee Year to which the Annual Service Plan relates (or any period thereof).

7.16 **Overview for the following two years**

A summary review under all the above headings for the two years subsequent to the Fee Year to which the Annual Service Plan relates.

7.17 **Other Relevant Information**

Any additional information or analyses which the Franchisee considers relevant or which DLR Limited reasonably requests from the Franchisee.

Part 4 - Service Quality Standards

The Franchisee shall use its best endeavours to meet or exceed the Service Quality Standards as detailed in the following paragraphs.

1. BASE SERVICE DEPARTURE STANDARD

1.1 General requirement

The objective of the Base Service Departure Standard is to ensure that the Franchisee meets or exceeds the relevant Base Service Plan.

1.2 Standard

The Franchisee shall use its best endeavours to dispatch and regulate Train Services so that:

- (a) the Base Service Departure Percentage for any Fee Period (as calculated under paragraph 1.6 below) shall be at least the Target Base Service Departure Percentage; and
- (b) the Daily Base Service Departure Percentage for any Service Day (as calculated under paragraph 1.6 below) shall be at least the Minimum Departure Percentage.

The Target Base Service Departure Percentage in respect of any Fee Period shall be the figure set out in the second column of the table under paragraph 1 of the Appendix to this part 4 against the time period in which the relevant Fee Period falls.

The Minimum Departure Percentage in respect of any Service Day shall be the figure set out in the second column of the table in paragraph 11.1 of this part 4 against the time period on which the relevant Service Day falls.

1.3 Properly Completed Dispatch

For the purposes of this paragraph 1, a Dispatch shall comprise a Properly Completed Dispatch if all the following requirements are fully satisfied:

- (a) all Vehicles in the Train comply with paragraphs 10 and 11 of part 1 of this schedule;
- (b) the Train includes the number of Vehicles required to comply with paragraph 7 of part 1 of this schedule and the relevant Base Service Plan;
- (c) the Train complies with the requirement for Minimum Dwell at the Terminal Station before departure, as specified in paragraph 1 of the Appendix to part 1 of this schedule;
- (d) the Train operates to the other Terminating Station of the Line and all Stations on the Line comply with paragraphs 12.1(a), 12.1(c) and 12.1(i) of part 1 of this schedule.

No full or partial cancellation of any Dispatch shall relieve the Franchisee from the Base Service Departure Standard.

1.4 **Number of Required Dispatches**

The number of required Dispatches in respect of each Terminal Station of each Base Line during each Base Time Period of each Service Day in the Fee Period shall be the greater of the number calculated by dividing the duration (in minutes) of that Base Time Period by the maximum Interval for that Base Line specified under the Base Service Plan in respect of that Base Time Period (and rounding to the nearest whole number) and the actual number of Dispatches during that Base Time Period.

1.5 **Measurement of performance**

The Franchisee shall measure and record the number of actual Dispatches departing at regular Intervals from each Terminal Station of each Base Line during each Base Time Period of each Service Day in the Fee Period which are Properly Completed Dispatches and shall record the data necessary to verify that such Dispatches are Properly Completed Dispatches.

1.6 **Calculation of Base Service Departure Percentage**

- (a) For each Fee Period, the aggregate number of Properly Completed Dispatches departing at regular Intervals from all Terminal Stations of all Base Lines during all Base Time Periods of all Service Days in the Fee Period shall be expressed as a percentage of the aggregate number of required Dispatches for all such Terminal Stations during all such Base Time Periods. This percentage shall be the Base Service Departure Percentage for the purposes of the Appendix to this part 4.
- (b) For each Service Day, the aggregate number of Properly Completed Dispatches departing at regular Intervals from all Terminal Stations of all Base Lines during all Base Time Periods of that Service Day shall be expressed as a percentage of the aggregate number of required Dispatches for all such Terminal Stations during all such Base Time Periods. This percentage shall be the Daily Base Service Departure Percentage for the purposes of paragraph 10 below.

1.7 **Data Gathering and Report**

The Franchisee shall use the automated performance monitoring process developed as part of the Alcatel System to gather and manipulate the data required for the calculations under paragraph 1.6 above. This process shall be adapted by the Franchisee as necessary for the purposes of this paragraph 1 and the method of calculations and reporting shall be in the agreed form and the Franchisee shall ensure that DLR Limited has access to any system utilised in gathering and manipulating the data.

2. **SERVICE RELIABILITY STANDARD**

2.1 **General requirement**

The objective of the Service Reliability Standard is to ensure that the Franchisee reliably adheres to the Timetable.

2.2 **Standard**

The Franchisee shall use its best endeavours to dispatch and regulate Train Services so that:

- (a) the Service Reliability Percentage for any Fee Period (as calculated under paragraph 2.6 below) shall be at least the Target Service Reliability Percentage; and

- (b) the Daily Service Reliability Percentage for any Service Day in a Fee Period (as calculated under paragraph 2.6 below) shall be at least the Minimum Reliability Percentage and the Peak Period Reliability Percentage for any Peak Period in a Fee Period (as calculated under paragraph 2.6 below) shall each be at least the Minimum Peak Period Reliability Percentage.

The Target Service Reliability Percentage in respect of any Fee Period shall be the figure set out in the second column of the table under paragraph 2 of the Appendix to this part 4 against the time period in which the relevant Fee Period falls.

The Minimum Reliability Percentage in respect of any Service Day shall be the figure set out in the third column of the table under paragraph 11.1 of this part 4 against the time period in which the relevant Service Day falls.

The Minimum Peak Period Reliability Percentage shall be the figure set out in the second column of the table under paragraph 11.2 of this part 4 against the time period in which the relevant Peak Period falls.

2.3 **Properly Completed Dispatch**

For the purposes of this paragraph 2, a Dispatch shall comprise a Properly Completed Dispatch if all the following requirements are fully satisfied:

- (a) all Vehicles in the Train comply with paragraphs 10 and 11 of part 1 of this schedule;
- (b) the Train includes the number of Vehicles required to comply with paragraph 7 of part 1 of this schedule;
- (c) the Train complies with the requirement for Minimum Dwell at the Terminal Station before departure, as specified in paragraph 1 of the Appendix to part 1 of this schedule;
- (d) the Train departs the Terminal Station no later than three minutes after or 29 seconds before the time for departure specified in the Timetable, or if the Timetable specifies an Interval only, the Train departs the Terminal Station no later than three minutes after the expiration of the specified Interval from the previous Dispatch from that Terminal Station;
- (e) the Train operates to the other Terminating Station of the Line and all Stations on the Line at which the Train has a published stop comply with paragraphs 12.1(a), 12.1(c) and 12.1(i) of part 1 of this schedule.

No full or partial cancellation of any Dispatch shall relieve the Franchisee from the Service Reliability Standard and the Franchisee shall not be permitted to slide, vary or offset Dispatches to benefit the calculation of the percentages under paragraph 2.2 above, provided that the Franchisee may use the "reform" command under the Alcatel System to reform Trains to the Scheduled Train Services or to the Timetable at any time to limit the effects of a delay event that has been rectified.

2.4 **Working Schedules**

The Franchisee shall prepare working schedules for each Line which reflect the Timetable and comply with the requirements of the Base Service Requirements. These working schedules shall identify Trains, Vehicles per Train, Dispatch times and Minimum Dwell requirements for all Stations. These schedules shall form the basis for measurement of performance under paragraph 2.6 below.

2.5 **Measurement of performance**

The Franchisee shall measure and record the times of actual Dispatches from each Terminal Station of each Line during each Service Time Period of each Service Day in the Fee Period and it shall record the data necessary to verify whether or not any such actual Dispatches are Properly Completed Dispatches. The actual Dispatches shall be compared with the working schedules referred to under paragraph 2.4 above to calculate the number of Base Dispatches and the number of Successful Dispatches as defined below.

The number of Base Dispatches shall be the greater of the number of actual Dispatches and the number of Minimum Dispatches, where the number of Minimum Dispatches is the theoretical minimum number of departures required during that Service Time Period such that no Interval exceeds the published Interval plus three minutes. Successful Dispatches shall be the number of actual Dispatches less the number of Failed Dispatches, where the number of Failed Dispatches is the number of occasions when a Train fails to arrive within the timetabled Interval plus three minutes from the later of the time of the previous actual Dispatch or the time at which a Train last failed so to arrive.

2.6 **Calculation of Service Reliability Percentages**

- (a) For each Fee Period, the aggregate number of Successful Dispatches from all Terminal Stations of all Lines during all Service Time Periods of all Service Days in the Fee Period shall be expressed as a percentage of the aggregate number of Base Dispatches for all such Terminal Stations during all such Service Time Periods. This percentage shall be the Service Reliability Percentage for the purposes of the Appendix to part 4 of this schedule.
- (b) For each Service Day, the aggregate number of Successful Dispatches from all Terminal Stations of all Lines during all Service Time Periods of that Service Day shall be aggregated and expressed as a percentage of the aggregate number of Base Dispatches for all such Terminal Stations during all such Service Time Periods. This percentage shall be the Daily Service Reliability Percentage for the purposes of paragraphs 6.3 and 10 below.
- (c) For each Peak Period, the number of Successful Dispatches from all Terminal Stations on all Lines during that Peak Period shall be aggregated and expressed as a percentage of the aggregate number of Base Dispatches from all such Terminal Stations during that Peak Period. This percentage shall be the Peak Period Reliability Percentage for the purposes of paragraphs 6.3 and 10 below.

2.7 **Data Gathering and Report**

The Franchisee shall use the automated performance monitoring process developed as part of the Alcatel System to gather and manipulate the data required for the calculations under paragraph 2.6 above. This process shall be adapted by the Franchisee as necessary for the purposes of this paragraph 2 and the method of calculations and reporting shall be in the agreed form and the Franchisee shall ensure that DLR Limited has access to any system utilised in gathering and manipulating data.

2A **JOURNEY TIME STANDARD**

2A.1 **General Requirement**

The objective of the Journey Time Standard is to ensure that the Franchisee delivers a consistent and reasonable journey time across routes and intermediate routes.

2A.2 Standard

The Franchisee shall use best endeavours to maintain the journey time of the routes or part routes as detailed below (the "**Routes**").

Bank	to/from	Lewisham	30 minutes
Stratford	to/from	Canary Wharf	15 minutes
Bank	to/from	Canary Wharf	13 minutes
Tower Gateway	to/from	Beckton	31 minutes
Bank	to/from	King George V	27 minutes

As the Extensions or any new infrastructure are added to the Existing Railway, DLR Limited may extend these routes or add to the routes, based on Alcatel End to End Journey Times consistent with the objective set out in 2A.1 above which shall be amended if required by DLR Limited (acting reasonably) having regard to the results of a 30 day period of operational running.

Journey time shall only be scored for successful departures and all trains shall operate to all Stations on the line at which the train has a published stop (unless otherwise agreed with DLR Limited).

2A.3 Twenty Minute Delay

Subject to part 3 of schedule 8 the Franchisee shall pay DLR Limited (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION) (RPI Indexed) on each occasion there is a Twenty Minute Delay which is due to the acts or omissions of the Franchisee provided that the penalty imposed by this paragraph shall only be imposed for the first service affected by the event causing the Twenty Minute Delay and shall not be imposed for each and every other service following the first service which is affected by the same event.

For the purposes of this paragraph 2A.3 there will be a Twenty Minute Delay when any actual Interval is greater than the sum of 20 minutes and the maximum interval permitted under the relevant Base Service Plan. The maximum interval will be calculated by reference only to the route or leg on which the service is delayed.

2A.4 Calculation of Daily Journey Time Percentage

For each Fee Period the individual journey times for each route or intermediate route shall be measured against the target journey time for that route or intermediate route provided that this calculation shall not include data calculations in respect of Extensions or any new infrastructure during the 30 day period of operational running referred to in 2A.2 above. Trains within the target journey time will have passed; passes will be expressed as a percentage against the total number of trains of that route or intermediate route. This percentage shall be the Journey Time Percentage for the purposes of the appendix to part 4 of this schedule.

For each Service Day all the individual journey times for each route or intermediate route shall be measured against the target journey time for that route or intermediate route provided that this calculation shall not include data calculations in respect of Extensions or any new infrastructure during the 30 day period of operational running referred to in 2A.2 above. Trains within the target journey time will have passed; passes will be expressed as a percentage against the total number of trains of that route or intermediate

route. The percentage shall be the Daily Journey Time Percentage and will be published in the daily operations report.

3. STATION EQUIPMENT AVAILABILITY STANDARDS

3.1 General Requirement

The objective of the Station Equipment Availability Standards is to ensure that the Franchisee maintains the Station equipment listed in paragraph 3.2 below for the convenience and assistance of customers.

3.2 Standards

The Franchisee shall use its best endeavours to ensure that the Station equipment listed below of the Railway meets or exceeds the applicable standard of availability specified below:

(a) **Ticket vending machines**

All ticket vending machines being fully operational (including providing change) and available for 98% of the Station Opening Hours of each Station (other than the Stations on the Lewisham Extension) for each Service Day in the Fee Period.

(b) **Lifts**

All lifts at Stations (other than those lifts at Stations where the Franchisee does not have an obligation to maintain the lifts with lift access shall be available to customers for 97% of the Station Opening Hours of that Station for each Service Day in the Fee Period. For the purpose of this schedule 2 "station with lift access" being available means that all platforms are available for use and accessible by lift.

(c) **Escalators**

All escalators shall be operating and available to customers for 98% of the Station Opening Hours of each Station (other than those escalators at Stations where the Franchisee does not have an obligation to maintain the escalators) for each Service Day in the Fee Period.

(d) **Passenger Information Displays**

All automated passenger information displays shall be operating and available to customers during 98% of the Station Opening Hours of each Station other than those on the Lewisham Extension, the City Airport Extension and from the Woolwich Extension Operating Date the Woolwich Extension for each Service Day in the Fee Period.

3.3 Measurement of Performance

(a) **Ticket vending machines**

The actual number of hours that each ticket vending machine is fully operational (including providing change and complying with the provisions of part 4 of schedule 3 (Tickets/Ticketing Schemes)) and available to customers at each relevant Station for each Service Day in the Fee Period shall be measured and recorded by the Franchisee.

(b) **Lifts**

The actual number of hours within Station Opening Hours that each lift at a relevant Station with lift access has all platforms available and accessible by lift and is fully available to passengers for each Service Day in the Fee Period shall be measured and recorded by the Franchisee.

(c) **Escalators**

The actual number of hours within Station Opening Hours that each escalator is operating and available to customers at each relevant Station for each Service Day in the Fee Period shall be measured and recorded by the Franchisee.

(d) **Passenger Information Displays**

The actual number of hours within Station Opening Hours that each automated passenger information display is operating and available to customers at each relevant Station during each Service Day in the Fee Period shall be measured and recorded by the Franchisee.

3.4 **Calculation of Availability Percentages**

(a) **Ticket vending machines**

For each Fee Period all the individual actual numbers of hours under sub-paragraph 3.3(a) above all ticket vending machines for all Service Days in the Fee Period shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all ticket vending machines for all Service Days in the Fee Period. This percentage shall be the TVM Availability Percentage for the purposes of the Appendix to this part 4.

For each Service Day all the individual actual numbers of hours under sub-paragraph 3.3(a) above for all ticket vending machines for that Service Day shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all ticket vending machines for that Service Day. This percentage shall be the Daily TVM Availability Percentage for the purposes of paragraphs 10 and 11 of this part 4.

(b) **Lifts**

For each Fee Period all the individual actual numbers of hours measured under sub-paragraph 3.3(b) above for lifts at stations with Lift access for all Service Days in the Fee Period shall be aggregated and expressed as a percentage of the aggregate of the Station Opening hours for the Stations with lift access for all Service Days in that Fee Period. This percentage shall be the Lift Availability Percentage for the purposes of the Appendix to this part 4.

For each Service Day all the individual actual numbers of hours measured under sub-paragraph 3.3(b) above for lifts at stations with Lift access for the Service Day shall be aggregated and expressed as a percentage of the aggregate of the Station Opening hours for the Stations with Lift access for the Service Day. This percentage shall be the Daily Lift Availability Percentage for the purposes of paragraphs 10 and 11 of this part 4.

(c) **Escalators**

For each Fee Period all the individual actual numbers of hours measured under sub-paragraph 3.3(c) above for all escalators for all Service Days in the Fee Period shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all escalators for all Service Days in the Fee Period. This

percentage shall be the Escalator Availability Percentage for the purposes of the Appendix to this part 4.

For each Service Day all the individual actual numbers of hours measured under sub-paragraph 3.3(c) above for all escalators for that Service Day shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all escalators for the Service Day. This percentage shall be the Daily Escalator Availability Percentage for the purposes of paragraphs 10 and 11 of this part 4.

(d) **Passenger information displays**

For each Fee Period all the individual actual numbers of hours measured under sub-paragraph 3.3(d) above for all passenger information displays for all Service Days in the Fee Period shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all passenger information displays for all Service Days in the Fee Period. This percentage shall be the PID Availability Percentage for the purposes of the Appendix to this part 4.

For each Service Day all the individual actual numbers of hours measured under sub-paragraph 3.3(d) above for all passenger information displays for that Service Day shall be aggregated and expressed as a percentage of the aggregate of the Station Opening Hours for all passenger information displays for the Service Day. This percentage shall be the Daily PID Availability Percentage for the purposes of paragraphs 10 and 11 of this part 4.

3.5 Data Gathering and Report

The Franchisee shall use the automated measurement system equipment process in use on the Railway at the Franchise Commencement Date to gather and analyse the data required for calculating the Station Equipment Availability Percentages. The method of calculation and reporting shall be in the agreed form and the Franchisee shall ensure that DLR Limited has access to any systems utilised in gathering and manipulating the data.

4. CUSTOMER SATISFACTION STANDARD

4.1 General Requirement and Standard

The objective of the Customer Satisfaction Standard is to ensure that the Franchisee presents services in a manner satisfactory to customers by ensuring that customer opinions of overall service, cleanliness and presentation of Service Information and customer perceptions of personal safety and the helpfulness of staff are maintained throughout the Franchise Period.

4.2 Calculation of Index

The Customer Satisfaction Index for each of the following five topics shall be determined by market survey:

- (a) overall service;
- (b) cleanliness of Trains and Stations;
- (c) clarity and usefulness of Service Information;
- (d) safety and security;
- (e) helpfulness and friendliness of staff.

The responses to the individual questions in relation to each of the five topics will be aggregated to provide the Overall Service Index, Cleaning Index, Information Index, Safety Index and Staff Index respectively.

4.3 **Data Gathering and Report**

The Franchisee shall conduct market research surveys designed to obtain an indexed measurement of customer satisfaction on overall service, cleanliness, clarity of Service Information presented, perceptions of personal safety and the helpfulness of staff. These surveys are to be undertaken at least quarterly in a manner approved by and in a joint client relationship with DLR Limited and at no extra cost to DLR Limited. This survey process and the method of calculations and reporting shall be in the agreed form.

5. **CUSTOMER CHARTER STANDARD**

5.1 **General**

The Franchisee shall adopt, maintain and publish a statement for Passenger Services which outlines and commits to service quality standards for Passenger Services which meet or exceeds the Service Quality Standards and which includes arrangements for response to customer enquiries and complaints, compensation of customers in the event of substandard performance and the continuation of other ancillary activities established by DLR Limited as necessary to continue a favourable image before the local community and Local Authorities (the "**Charter Standard Statement**"). The Franchisee shall use its best endeavours to comply with the Charter Standard Statement during the Franchise Period.

At the Franchise Commencement Date the Charter Standard Statement shall be that contained as in the data room. The Franchisee may revise the Charter Standard Statement in consultation with DLR Limited and other interested parties including the Interested Groups. Any reduction in scope or standards may only be implemented with the prior agreement of DLR Limited.

5.2 **Standards**

The Franchisee shall use its best endeavours to ensure that the standards of service delivery set out in the Customer Charter Targets are met or exceeded. The Franchisee shall also ensure that response to customer enquiries and complaints meets or exceeds the following standards:

(a) **Written Enquiries and Complaints**

A reply to or acknowledgement of any written enquiries or complaints shall be sent within two working days of receipt.

(b) **Electronic Enquiries and Complaints**

Any telephone calls, facsimile or electronic mail communications shall be returned by the next working day.

(c) **Detailed Response**

Any enquiries or complaint needing a detailed response will be answered within five working days from receipt.

(d) **Refunds**

In cases where ticket vending machines fail to return the proper change, the proper amount shall be refunded within two weeks of application.

(e) **Compensation on Delay**

Where passengers have been delayed by the failure to provide the Train Services in accordance with this Agreement the Franchisee shall consider applications for refunds of costs incurred on their merits but as a minimum will return the amount of the fare for the particular journey being undertaken.

5.3 **Liaison with Interested Groups**

The Franchisee shall assume and maintain liaison throughout the Franchise Period with the Interested Groups including attending any appropriate meetings.

The Franchisee shall host customer focus groups in order to understand the concerns of customers and shall use its reasonable endeavours to deal with any concerns that are raised in such focus groups. The Franchisee shall notify DLR Limited at least seven days prior to the date of the meeting of any such group and shall permit DLR Limited to attend and observe provided that such attendance would not adversely affect the achievement of the aims of the focus groups. The Franchisee shall host at least 4 groups in each Fee Year following the Franchise Commencement Date.

5.4 **Data Gathering and Report**

The Franchisee shall maintain logs of customer enquiries, complaints and commendations with date and time of response noted for each. In addition, the Franchisee shall maintain a log of its liaison activities with Interested Groups.

The form of such logs shall be in the agreed form and the completed logs themselves shall be included in the Annual Service Plan required by part 3 of this schedule. However, the logs shall always allocate the complaints into one of the following categories:

1. Staff
Personnel
2. Service Levels
Noise
Website
Claim for Damages
Connections
Frequency
Information Provision
Replacement Bus services
Schedule
Service Availability
3. System Failure
Daisy
System Failure
4. London Travelwatch/LUL
LUL Refund Letter
LUL Refund Letter Decline
Via London Travelwatch
5. Stations and Trains
No Smoking
Passenger Accident
PIDs
Public Announcement System
Stations
Trains
Vegetation
Damaged Personal Property

Non Acceptance of bicycles
Personal Safety

- 6 Ticketing
 - Ticket Machines
 - Ticket Availability
 - Ticket Type
 - Penalty Fares

5.5 **Publication to Customers**

The Franchisee shall publish a summary of performance against its Charter Standard Statement quarterly and annually in the same manner and style as it provides notification of planned changes to Train Services as required by paragraph 17 of part 1 of this schedule.

5.6 **Customer Service**

The Franchisee shall use all reasonable endeavours to reduce the number of customer complaints and to identify and eliminate any new source of complaint or upward trend in an existing type of complaint.

6. **FEE ADDITIONS/DEDUCTIONS**

6.1 **Fee Additions**

In respect of any Fee Period, DLR Limited shall, subject as provided in paragraph 6.3 below, pay to the Franchisee any Fee Addition calculated in accordance with the provisions of paragraphs 2, 3 and/or 5 of the Appendix to this part 4.

6.2 **Fee Deductions**

In respect of any Fee Period, the Franchisee shall pay to DLR Limited any Fee Deductions calculated in accordance with the provisions of paragraphs 1, 2 and/or 3 of the Appendix to part 4 of this schedule (adjusted, if applicable, pursuant to the provisions of paragraph 7 below). In addition, the Franchisee shall, at no added expense to DLR Limited, take immediate corrective action to identify the cause and to mitigate that cause if under the Franchisee's responsibility and control in accordance with the requirements of paragraph 8 below.

6.3 **Limits on Fee Additions**

If the aggregate of Fee Deductions in respect of the Base Service Departure Standard, the Service Reliability Standard and any of the Station Equipment Availability Standards (in each case in respect of that Fee Period) exceeds the Threshold Amount, no Fee Additions shall be payable by DLR Limited to the Franchisee in respect of that Fee Period. If the Daily Service Reliability Percentage in respect of any Service Day is less than the Minimum Reliability Percentage and/or the Peak Period Reliability Percentage in respect of any Peak Period is less than the Minimum Peak Period Reliability Percentage on more than three occasions in any Fee Period, no Fee Additions shall be payable by DLR Limited to the Franchisee in respect of that Fee Period.

6.4 **Threshold Amount**

The Threshold Amount for the purposes of this paragraph 6 shall be calculated as the number of days in that Fee Period expressed as a percentage of the number of days in the Fee Year in which that Fee Period falls and multiplied by the amount of (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION) RPI Indexed.

6.5 **CSI Fee Deductions/Additions**

In respect of any quarter, the Franchisee shall pay to DLR Limited any CSI Fee Deductions or (as applicable) DLR Limited shall pay to the Franchisee any CSI Fee Additions, in each case as calculated in accordance with the provisions of paragraph 4 of the Appendix to part 4 of this schedule.

7. **QUALITY EXCLUSIONS**

7.1 **Meaning of Quality Exclusion**

In this schedule "Quality Exclusion" shall mean any of the following events and circumstances to the extent they affect materially and adversely the Franchisee's ability to perform any of its obligations under or pursuant to this schedule:

- (a) interruptions caused by intrusions or encroachments of third parties or animate or inanimate objects into the non-public areas of the Railway but excluding interruptions caused by trespassers entering non-public areas from the public areas of the Railway which shall not constitute Quality Exclusions;
- (b) loss of electricity supply at the point of provision or supply of electricity outside its normal range;
- (c) suspension of Train Services or closures of Stations required by the emergency services or police or pursuant to the Transport Security Regulations 2005;
- (d) suspension of Train Services or closures of Stations required by third parties under the terms of any of the Concession Agreements, DLR Contracts or DLR Undertakings or directly caused by any Concessionaire under the terms of any of the Concession Agreements;
- (e) a Force Majeure event which renders the Franchisee incapable of performing the Minimum Train Kilometres under the Base Service Plan on more than ten consecutive Service Days (provided for the avoidance of doubt that the Quality Exclusion shall not apply to such initial ten day period);
- (f) a closure of the Railway by the Franchisee in accordance with paragraph 14 of part 1 of schedule 2;
- (g) any Remedial Action undertaken by DLR Limited (or a DLR Limited Party) pursuant to clause 30.6,

provided that events and circumstances shall not be treated as a Quality Exclusion if and to the extent:

- (i) they would not have occurred but for a breach by the Franchisee of the terms of any of the Franchise Agreements; or
- (ii) they could have been prevented through the exercise of proper foresight and due diligence of the Franchisee Parties; or
- (iii) their occurrence could reasonably have been anticipated and appropriate anticipatory mitigation measures could reasonably have been undertaken.

7.2 **Mitigation of effect**

Where the Franchisee is affected by an event which is (or which it considers to be) a Quality Exclusion it shall take all reasonable steps not to be in breach of its obligations under this schedule and take all reasonable steps to mitigate or remove the effects of

such event and the parties acknowledge and agree that, with the exception of Quality Exclusions under paragraph 7.1(e), once the Quality Exclusion event has finished the Franchisee shall be permitted one hour to return Train Services to normal but shall not be afforded any protection under this paragraph 7 in respect of any effects of the Quality Exclusion event which occur more than one hour after it has finished. In respect of the Quality Exclusion listed in paragraph 7.1(e) the Franchisee shall return Train Services to normal as soon as is reasonably practicable and shall not be afforded any protection under this paragraph in respect of any effects which occur after such period.

7.3 Adjustment of Fee Deduction

If the calculations under paragraphs 1, 2 and/or 3 of the Appendix to part 4 of this schedule give rise to any Fee Deductions in respect of the Base Service Departure Standard, Service Reliability Standard or Station Equipment Availability Standard and the Franchisee considers that the performance data used to calculate any such Fee Deductions has been materially affected by a Quality Exclusion, then it shall provide reasonable evidence of such Quality Exclusion and the effect on such performance data to DLR Limited. If DLR Limited is reasonably satisfied that a Quality Exclusion has occurred and has materially affected the performance data, it shall adjust the performance data to exclude the relevant time period/part of the Railway affected and recalculate the Fee Deduction/Fee Addition (if any) in respect of that standard provided always that if and to the extent that the Quality Exclusion would result in the payment of a Fee Addition or part thereof then the effect of the Quality Exclusion shall be excluded for the purpose of the calculation of such Fee Addition

8. FAILURE ANALYSIS, CORRECTIVE ACTIONS AND AUDIT

If in respect of any Fee Period the Franchisee fails to meet any of the Service Quality Standards the Franchisee shall, at no added expense to DLR Limited, take immediate corrective action to identify the probable cause and to mitigate that cause if under the Franchisee's responsibility and control. As part of that corrective action, the Franchisee shall promptly undertake a comprehensive review of operations, including reviews of operating and maintenance procedures, staffing and failure management activities and shall promptly take steps to correct the cause of the failure. The corrective action shall be documented in a report submitted to DLR Limited and summarized in the next Annual Service Plan required by part 3 of this schedule. All data gathering and analysis carried out by the Franchisee for the purposes of the Service Quality Standards shall be subject to audit by DLR Limited and any mistake which becomes evident will give rise to an Adjustment Payment under the provisions of schedule 8 (Remuneration) of this Agreement.

9. INCLUSION IN STATEMENT

DLR Limited shall include the amount of any CSI Fee Addition or CSI Fee Deduction which it has determined is payable hereunder in the next statement which is due for delivery under Clause 26.2 (Delivery of statement) of this Agreement no less than 7 days after the date of such determination or, if there is no such subsequent statement due (including because this Agreement has terminated), the CSI Fee Addition or CSI Fee Deduction will become payable 14 days after the date upon which it was determined by DLR Limited to be payable.

10. PERFORMANCE NOTICES AND WARNING NOTICES

- 10.1 DLR Limited shall be entitled to serve a Performance Notice on the Franchisee (in addition to any Performance Notice which DLR Limited may be entitled to serve in respect of the same Fee Period under paragraph 10.2 below) each time any of the following circumstances arises in respect of a Fee Period: -

- (a) on three or more Service Days in that Fee Period the Daily Base Service Departure Percentage has been less than the Minimum Departure Percentage; or
- (b) on three or more Service Days in that Fee Period either the Daily Service Reliability Percentage has been less than the Minimum Reliability Percentage or the Peak Period Reliability Percentage in respect of either or both of the Peak Periods of that Service Day is less than the Minimum Peak Period Reliability Percentage.

10.2 DLR Limited shall be entitled to serve a Performance Notice on the Franchisee (in addition to any Performance Notice which DLR Limited may be entitled to serve in respect of the same Fee Period under paragraph 10.1 above) each time any of the following circumstances arises in respect of a Fee Period:

- (a) on three or more Service Days in that Fee Period the Daily TVM Availability Percentage has been less than the Minimum Availability Percentage;
- (b) on three or more Service Days in that Fee Period the Daily Lift Availability Percentage has been less than the Minimum Availability Percentage;
- (c) on three or more Service Days in that Fee Period the Daily Escalator Availability Percentage has been less than the Minimum Availability Percentage;
- (d) on three or more Service Days in that Fee Period the Daily PID Availability Percentage has been less than the Minimum Availability Percentage;
- (e) on five or more occasions in that Fee Period the Daily TVM Availability Percentage, and/or the Daily Lift Availability Percentage, and/or the Daily Escalator Availability Percentage and/or the Daily PID Availability Percentage has been less than the relevant Minimum Availability Percentage provided that if DLR Limited has issued any Performance Notice(s) under any of (a) to (d) above in respect of the same Fee Period, then failures in respect of the matters to which that Performance Notice relates cannot be counted in any calculation of failures made under this sub-paragraph (e) in respect of the same Fee Period.

10.3 DLR Limited shall be entitled to serve a Warning Notice on the Franchisee in respect of a Fee Period each time any of the following circumstances arises:

- (a) three Performance Notices have been served by DLR Limited on the Franchisee in respect of Fee Periods falling within any thirteen consecutive Fee Periods, provided that any Performance Notice may only count towards one Warning Notice;
- (b) if the aggregate Fee Deductions in respect of any three consecutive Fee Periods have exceeded (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION) RPI Indexed;
- (c) if the aggregate Fee Deductions in respect of any thirteen consecutive Fee Periods have exceeded (INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION) RPI Indexed.

10.4 In respect of the calculations made under paragraph 10.1 and 10.2 in respect of each percentage, if DLR Limited is reasonably satisfied that a Quality Exclusion has occurred and has materially affected the performance date, it shall adjust the performance data to exclude the relevant time period/part of the Railway and recalculate the percentage.

11. **MINIMUM PERCENTAGES**

11.1 For the purposes of this part 4, the Minimum Departure Percentage in respect of any Service Day shall be the figure set out in the second column of the table below against the time period in which the relevant Service Day falls and the Minimum Reliability Percentage

in respect of any Service Day shall be the figure set out in the third column of the table below against the time period in which the relevant Service Day or Peak Period falls.

Time Period	Minimum Departure Percentage (%)	Minimum Reliability Percentage (%)
Period commencing 01/04/2006 until the end of the Franchise Term	94%	92%

- 11.2 For the purposes of this part 4, Minimum Peak Period Reliability Percentage in respect of any Service Day shall be the figure set out in the second column of the table below against the time period in which the relevant Peak Period falls.

Time Period	Minimum Peak Period Reliability Percentage (%)
Period commencing 01/04/2006 to the end of the Franchise Term	88%

- 11.3 For the purposes of this part 4, the Minimum Availability Percentage in respect of the Daily TVM Availability Percentage, Daily Lift Availability Percentage, Daily Escalator Availability Percentage and Daily PID Availability Percentage for any Service Day shall be the figure set out in the second column of the table below against the relevant percentage.

Percentage	Minimum Availability Percentage (%)
Daily TVM Availability	96
Daily Lift Availability	91
Daily Escalator Availability	91
Daily PID Availability	96

Appendix to Part 4

Fee Additions/Deductions

- The Fee Deduction for any Fee Period in respect of the Base Service Departure Standard shall be calculated by subtracting the relevant Target Base Service Departure Percentage set out in the second column of the table below against the time period in which the relevant Fee Period falls or which the relevant Fee Period comprises from the actual percentage for Base Service Departure Percentage for that Fee Period. If the number resulting from such subtraction is positive then there shall be no Fee Addition or Fee Deduction. If the number resulting from such subtraction is negative, then the Fee Deduction in respect of the Franchisee's performance against the Base Service Departure Standard shall be such number or part thereof (expressed as positive) multiplied by the relevant value set out in the third column of the table below.

Time Period	Target (%)	Value for each 1% variation from Target
		Deduction (£)
	98	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

- The Fee Deduction/Fee Addition for any Fee Period in respect of the Service Reliability Standard shall be calculated by subtracting the relevant Target Service Reliability Percentage set out in the second column of the table below against the time period in which the relevant Fee Period falls from the actual percentage for Service Reliability Percentage for that Fee Period. If the number resulting from such subtraction is positive then the Fee Addition in respect of the Franchisee's performance against the Service Reliability Standard shall be calculated as such number or part thereof multiplied by the relevant value set out in the fourth column of the table below. If the number resulting from such subtraction is negative, then the Fee Deduction in respect of the Franchisee's performance against the Service Reliability Standard shall be such number or part thereof (expressed as positive) multiplied by the relevant value set out in the third column of the table below.

Time Period	Target (%)	Value for each 1% variation from Target	
		Deduction (£)	Addition (£)
	96	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

- The Fee Deduction/Fee Addition for any Fee Period in respect of the TVM Availability Standard, Lift Availability Standard, Escalator Availability Standard and PID Availability Standard shall be calculated by subtracting the relevant target percentage set out in the second column of the table below from the actual percentage for TVM Availability Percentage, Lift Availability Percentage, Escalator Availability Percentage, and PID Availability Percentage respectively for that Fee Period. If the number resulting from such

subtraction is positive then the Fee Addition in respect of the Franchisee's performance against the relevant Service Quality Standard shall be calculated as such number or part thereof multiplied by the relevant value set out in the fourth column of the table below. If the number resulting from such subtraction is negative, then the Fee Deduction in respect of the Franchisee's performance against the relevant Service Quality Standard shall be such number or part thereof (expressed as positive) multiplied by the relevant value set out in the third column of the table below.

	Target (%)	Value for each 1% variation from Target	
		Deduction (£)	Addition (£)
TVM Availability	98	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Escalator Availability	98	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
PID Availability	98	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Lift Availability	97	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

4. The CSI Fee Deduction or CSI Fee Addition in respect of any quarter in respect of each of the Overall Service Index, the Cleaning Index, the Information Index, the Safety Index and the Staff Index shall be calculated by subtracting the relevant target percentage as specified in the second column of the table below from the actual percentage for the Overall Service Index, the Cleaning Index, the Information Index, the Safety Index and the Staff Index respectively as calculated in accordance with paragraph 4.2 of part 4 of this schedule. If the number resulting from such subtraction is negative, then the CSI Fee Deduction in respect of the relevant Index shall be such number or part thereof (expressed as positive) multiplied by the relevant value set out in the third column of the table below. If the number resulting from such subtraction is positive then the CSI Fee Addition in respect of the relevant Index shall be calculated as such number or part thereof multiplied by the relevant value set out in the fourth column of the table below.

Percentage	Target (%)	Value for each 1% variation from Target	
		Deduction (£)	Addition (£)
Overall Service Index	90	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Cleaning Index	90	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Information Index	90	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Safety Index	90*	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Staff Index	90	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

*It is acknowledged and agreed that:

(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

- The Fee Deduction/Fee Addition for any Fee Period in respect of the Journey Time Standard (including for the avoidance of doubt any new Journey Time Standard determined in accordance with paragraph 2A.2 of part 4 of schedule 2) shall be calculated by subtracting the relevant target percentage set out in the second column of the table below from the actual percentage for Journey Time Percentage for that Fee Period. If the number resulting from such subtraction is positive then the Fee Addition in respect of the Franchisee's performance against the relevant Service Quality Standard shall be calculated

as such number or part thereof multiplied by the relevant value set out in the fourth column of the table below. If the number resulting from such subtraction is negative, then the Fee Deduction in respect of the Franchisee's performance against the relevant Service Quality Standard shall be such number or part thereof (expressed as positive) multiplied by the relevant value set out in the third column of the table below.

Time Period	Target (%)	Value for each 1% variation from Target	
		Deduction (£)	Addition (£)
Fee Year from 1 April 2006 to 1 April 2007	95	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)
Each subsequent year	96	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)	(INFORMATION EXEMPT FROM DISCLOSURE UNDER SECTION 43(2) OF THE FREEDOM OF INFORMATION)

6. The values in the third and fourth column of the tables under paragraphs 2, 3, 4 and 5 and 6 above shall be RPI indexed.
7. The actual percentages for Base Services Departure Percentage, Service Reliability Percentage, TVM Availability Percentage, Life Availability Percentage, Escalator Availability Percentage and PID Availability Percentage shall be rounded to the nearest two decimal points for the purpose of calculation of any Fee Deduction, Fee Addition, CSI Fee Deduction or CSI Fee Addition.

Part 5 – The Extensions

1. GENERAL

The rights and obligations of the Franchisee in respect of the Concessions are set out in part 3 of schedule 5 (Capital Projects). In addition rights and obligations:

- (a) in relation to the Lewisham Concession Agreement are set out in detail in the Lewisham Extension Matrix;
- (b) in relation to the City Airport Extension Agreement are set out in detail in the City Airport Extension Matrix;
- (c) in relation to the Woolwich Concession Agreement are set out in detail in the Woolwich Extension Matrix,

and, together with the following requirements, form part of the Base Service Requirements.

2. NON DISCRIMINATION

The Franchisee shall not discriminate against the Extensions in relation to the Existing Railway in planning, resourcing, implementing, marketing and operating Passenger Services on the Railway.

3. [NOT USED]

4. STAFF TRAINING

The Franchisee shall provide its operational staff employed on the Extension or Trains serving the Stations on the Extensions with appropriate customer relations and disabled awareness training.

5. PASSENGER AND PUBLIC INFORMATION

Operations staff employed on the Stations, on the Extensions or on the Trains on the Extensions shall have available and provide to passengers or intending passengers suitable verbal information and published material concerning the Passenger Services and including information on use of the Railway.

Each Station on the Extensions shall be provided with "You are here" maps giving information about the neighbourhood adjacent to the Station and including points of interest and public facilities such as museums, libraries, educational facilities. If appropriate, information on adjacent bus or other public transport facilities should be included. The station shall also be provided with a London Underground map. The maps shall be changed at least annually.

6. CUSTOMER COMMUNICATIONS

The Franchisee shall be the contact address for passengers or public concerning queries or complaints or any other contact concerning the Extensions. For those areas for which the Franchisee is not responsible, it shall acknowledge the communication and forward it to the relevant Concessionaire for the formal response. The Franchisee shall agree with the Concessionaire and DLR Limited the procedures for implementation of this process. For those areas for which the Franchisee is responsible, it shall respond within the guidelines specified in paragraph 5.2 of part 4 of this schedule.

7. **TICKET SALES**

The Franchisee shall market and sell the full range of tickets required for passengers to use the Extensions.

8. **[NOT USED]**

9. **[NOT USED]**

10. **SERVICE QUALITY STANDARDS**

The Franchisee shall measure the percentage of scheduled kilometreage operated for Train Services provided on the Lewisham Extension and shall ensure that such percentage is at least 98 per cent. measured over any Fee Period. The measurement will be for the journeys between the Terminal Station on the Lewisham Extension and Canary Wharf Station.

11. **STAFFING**

The Franchisee shall provide such staff at any Station as are required by Law or would be appropriate for any special events.

12. **[NOT USED]**

13. **INCIDENT RESPONSE**

The Franchisee shall carry out operational responses on the Extensions as required under the relevant Matrix.

In responding to operational incidents the Franchisee shall not discriminate between incidents which occur on the Existing Railway, and those affecting services over infrastructure on the Extensions.

In addition to the operational response obligations contained in the relevant Extension Matrix, where a response team is dispatched to a part of the infrastructure on the Extensions, the relevant Concessionaire shall be advised as soon as is practicable.

On completion of an operational response which involved activity on an Extension, the Franchisee shall supply details of the response activity as soon as is practicable after completion, and answer any requests for follow up information reasonably requested by the Concessionaire within a reasonable period.

14. **LIAISON WITH CONCESSIONAIRES**

14.1 The Franchisee shall appoint a representative (the "Concessionaire Liaison Manager") who shall have responsibility for ensuring and developing partnership working with the relevant Concessionaires. The Concessionaire Liaison Manager shall normally be the primary point of contact within the Franchisee for all matters relating to the operation of the railway apart from issues related to safety.

The Concessionaire Liaison Manager shall chair weekly operational meetings with the Concessionaires to review, amongst other things, the management of any operational response which involved Concessionaires and to address any other day-to-day issues which have, or will, affect performance of the Railway.

The Concessionaire Liaison Manager shall chair partnership liaison meetings with the Concessionaires and DLR Limited to address any interface issues that arise. These meetings shall be held at an interval of no less than once every 8 weeks.

- 14.2 If any of the Concessionaires approach the Franchisee with a view to subcontracting any of their maintenance obligations under the Concession Agreements to the Franchisee, then the Franchisee shall act in good faith to offer a fair price for providing the services which shall be based on the incremental cost of the Franchisee undertaking such services together with a reasonable premium for profit which a reasonable contractor acting in accordance with Good Industry Practice would charge. If required by DLR Limited the Franchisee shall demonstrate to DLR Limited on an open book basis how it has priced any requests from the Concessionaires.

Part 6 - Base Service Changes

1. NOTIFICATION OF DLR BASE SERVICE CHANGE

- 1.1 DLR Limited may at any time issue a requirement to the Franchisee for a Base Service Change.
- 1.2 The DLR Base Service Change will comprise a DLR Marginal Base Service Change if it is a Special Services Requirement or DLR Special Services Requirement pursuant to paragraph 15 of part 1 of this schedule (but which in either case is not a Special Services Compensation Event) or if:
- (a) the DLR Base Service Change comprises a variation or amendment to the Base Service Plan; and
 - (b) that DLR Base Service Change, together with any other DLR Marginal Base Service Change implemented during any period of 13 consecutive Fee Periods, causes the Minimum Train Kilometres specified under the Base Service Plan over that period to be increased or decreased by no more than ten per cent. above or below the Minimum Train Kilometres that would be specified under the Base Service Plan over that period had none of such DLR Base Service Changes been implemented; and
 - (c) in the case of a DLR Base Service Change which decreases the Minimum Train Kilometres specified under the Base Service Plan, the DLR Base Service Change affects a Line or Lines on which the Franchisee is at the time of the request scheduling Train Services substantially in accordance with the Base Service Plan and it is reasonably practicable for the Franchisee to comply with such Base Service Change.

2. FRANCHISEE'S COMMENTS ON DLR BASE SERVICE CHANGE

Within 14 days of the service of notice to the Franchisee of a request for a DLR Base Service Change, the Franchisee may:

- 2.1 give notice to DLR Limited that it objects to the DLR Base Service Change, but the Franchisee may only object on reasonable grounds of safety; and/or
- 2.2 serve notice of Variation under the Variation Procedure.

DLR Limited may also, either in the notice of a request for a DLR Base Service Change or by a subsequent notice to be served on the Franchisee within 14 days thereafter, provide a notice of Variation under the Variation Procedure.

3. NO COMMENTS

If the Franchisee does not give a notice pursuant to paragraph 2 above, then the Franchisee shall promptly submit to DLR Limited a Commencement Certificate in respect of such DLR Base Service Change. Subject to paragraph 7 below, DLR Limited shall countersign the Commencement Certificate and return it to the Franchisee within 14 days. Upon receipt of the countersigned Commencement Certificate, the Franchisee shall cause the DLR Base Service Change to be implemented at no cost to DLR Limited and shall immediately commence the publication procedure under paragraph 17 of part 1 of this schedule.

4. SAFETY OBJECTIONS

- 4.1 If the Franchisee objects to the DLR Base Service Change on the grounds of safety in accordance with paragraph 2 above, then in its notice the Franchisee shall give details of the reasonable grounds for such objection (including preliminary safety assessments).

The Franchisee shall, at the request of and at no cost to DLR Limited, provide such further assessments or calculations as DLR Limited may reasonably require to determine whether the Franchisee has reasonable grounds of safety for objecting to the DLR Base Service Change.

- 4.2 If DLR Limited is unable to accept a ground for objection notified by the Franchisee under paragraph 2 above and no agreement is reached with the Franchisee as to implementation of the DLR Base Service Change within 14 days, then either party may refer the safety objection for determination under the Disputes Resolution Procedure.
- 4.3 In the event that the Franchisee's safety objection is upheld by the Dispute Resolution Procedure then the request for the DLR Base Service Change shall be deemed to be withdrawn.
- 4.4 In the event that the Franchisee's safety objection is not upheld by the dispute resolution procedure and the Franchisee notifies DLR Limited within 7 days after resolution of the Dispute that it is willing to withdraw its safety objection, then the Franchisee shall promptly submit to DLR Limited a Commencement Certificate. If the Franchisee fails to provide such notification within 7 days after resolution of the Dispute, DLR Limited may serve a written notice on the Franchisee requiring provision of the notification within three business days. If the Franchisee does not provide the said notification in accordance with DLR Limited's written notice DLR Limited shall be entitled to serve notice of termination under clause 37.5.2. Upon receipt of the countersigned Commencement Certificate, the Franchisee shall cause the DLR Base Service Change to be implemented (at no cost to DLR Limited save as provided in paragraph 6 below).
- 4.5 Subject to paragraph 7 below, DLR Limited shall countersign the Commencement Certificate and return it to the Franchisee within 14 days unless there is any outstanding issue under paragraph 5 below, in which case it shall countersign and return it not later than 14 days after the agreement or determination of the last such issue. For the avoidance of doubt, upon the receipt of the countersigned Commencement Certificate, the Franchisee shall proceed with implementation of the DLR Base Service Change notwithstanding that no determination has been made under paragraph 5 below.

5. **VARIATION PROCEDURE**

If the Franchisee or DLR Limited serves notice of Variation under the Variation Procedure then the Variation Procedure shall apply.

6. **NO LIABILITY**

Except as otherwise expressly agreed, DLR Limited shall bear no risk or liabilities whatsoever arising from a DLR Base Service Change and accordingly, except as aforesaid, DLR Limited shall have no liability to make any payment in connection with or arising from a DLR Base Service Change other than as agreed or determined pursuant to paragraph 5 above or in accordance with paragraph 7 below.

7. **WITHDRAWAL OF REQUESTS**

DLR Limited may make withdrawal of the request for a DLR Base Service Change at any time prior to the issue of a Commencement Certificate countersigned by DLR Limited.

8. **CONSEQUENTIAL AMENDMENTS**

The Franchisee and DLR Limited shall use their reasonable endeavours to agree any consequential amendments to the terms of this Agreement necessary to give full effect to any DLR Base Service Change agreed or determined in accordance with part 6 of this schedule. If they are unable to reach agreement within 14 days after the issue of the

countersigned Commencement Certificate, then either may refer to the matter for resolution under the Disputes Resolution Procedure.

9. **FRANCHISEE BASE SERVICE CHANGE**

The Franchisee may at any time issue a request to DLR Limited for a Franchisee Base Service Change. DLR Limited may, at its sole discretion, agree to a Franchisee Base Service Change, subject to such terms or conditions as may be agreed in relation thereto between DLR Limited and the Franchisee.