

SCHEDULE 16

Committed Obligations

Without prejudice to the Franchisee's other obligations under the Franchise Agreement the Franchisee will carry out the obligations set out in paragraph 1.1 to 1.30 below (the "Committed Obligations") within the stated timeframe (or such alternative timescale agreed with DLR Limited) and (unless otherwise stated) within the Fixed Fee.

All dates referred to in this Schedule are predicated on a Franchise Commencement Date of 1st April 2006. Should the Franchise Commencement Date be later than 1st April, 2006, all dates will be adjusted to reflect an extension of time equal to the delay in the Franchise Commencement.

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

1.2 Stakeholder Liaison

In addition to the Franchisee's general stakeholder activities the Franchisee will, throughout the Franchise Term, in consultation with DLR Limited's stakeholder manager:

- (a) actively support tourism initiatives such as Visit London/Visit Britain or equivalent schemes, as agreed with DLR Limited;
- (b) as well as meeting its statutory or regulatory stakeholder liaison obligations, hold quarterly meetings with customer representatives, and local boroughs; and
- (c) hold quarterly forums, or open days, where passengers will be given the opportunity to meet the operations management team.

1.3 Real Time Reporting

The Franchisee will support an Additional DLR Project to install modifications on lifts at the most appropriate locations on the Existing Railway, as agreed with DLR Limited. The scope of this project will be agreed with DLR Limited under the provisions of schedule 5, and will include the operation and maintenance of a 'Lift on Demand' method of operation and lift status reporting.

From January 2007 the Franchisee shall ensure that all On-Train staff have "Bluetooth" enabled mobile phones (or similar technology as agreed with DLR Limited) to access and pass real-time travel information to passengers.

1.4 Asset Maintenance

Throughout the Franchise Term, the Franchisee will implement a series of internal technical review panels for the signalling, rolling stock and infrastructure engineering disciplines which will meet at least quarterly to monitor key operational performance indicators. DLR Limited will be entitled to attend such meetings and provide input into the agendas. A report on each panel's activities will be included in the Annual Maintenance Plan. These panels will propose solutions to address any degradation and recommend modifications to achieve improvements in asset performance. The proposals and recommendations of the panels will be discussed with DLR Limited and with DLR Limited's approval, the implementation of recommendations will be taken forward as a Project under the provisions of schedule 5.

The Franchisee will discuss with DLR Limited any enhancements suggested by analysis of the data collected from the Vehicle Health Monitors (VHMs), and will implement any agreed enhancements as an Additional DLR Project.

1.5 **Rail Grinding and Polishing**

In accordance with the Asset Management Strategy, the Franchisee will implement by April 2006 (or such other date as agreed with DLR Limited) an agreed rail grinding and polishing programme designed to extend the life of curves (and other areas of high rail wear), minimise vibration and noise and improve ride quality.

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

1.7 **Effective Engineering**

The Franchisee will assess and where practicable, implement options for greater flexibility and more effective and efficient use of Possessions. Results of the assessment will be presented to DLR Limited by April 2007.

From April 2007 an appropriate director will be responsible for the preparation and Implementation of close-out reviews for all major works. These processes will manage the handover of system assets between the maintenance / Operations teams and the project delivery team.

From April 2007, the Franchisee will implement a competency management system within infrastructure maintenance teams.

1.8 **Passenger Information**

Throughout the Franchise Term the Franchisee will produce locally focused leaflets (no less than 2 editions a year) appropriate to the Docklands Light Railway network area. The choice of languages and appropriate leaflets will be based on the "your railway" research and will be agreed with DLR Limited in advance as part of the Annual Marketing Plan.

At all times during Operational Hours an information assistant or other suitably qualified employee will be on duty and will be responsible for monitoring CCTV installed in the control centre and for passing relevant and timely information to passengers.

1.9 **Lift Cleanliness**

The Franchisee will monitor the internal cleanliness of lifts twice daily and the results will be displayed in each lift on a 4 weekly basis. Each period a report will be prepared for DLR Limited review.

1.10 **Social Inclusion**

Throughout the Franchise Term and, where applicable, in conjunction with the Equality and Inclusion Policy and the Franchisee will:

- (a) develop community links sponsoring local initiatives, such as football teams, social events and school activities;
- (b) encourage "word of mouth" recruitment;
- (c) advertise jobs in key local media and in locally focused "Station Open Days";
- (d) carry out focused recruitment drives to encourage and improve the diversity of the workforce;
- (e) encourage lifelong learning and personal development of employees, such as supporting NVQ's, and IT Literacy training;

- (f) introduce a range of company supported discounts for expenses such as the purchase of computers, and the support of emergency local childcare costs;
- (g) develop and implement a local apprenticeship scheme by April 2007; and
- (h) the Franchisee shall report to DLR Limited on the progress of delivery of the following aspirations which are intended to be achieved by 2009:
 - Ethnic Minorities 30% of workforce;
 - Female employees to 22.5% of workforce;
 - Registered disabled employees of 0.5% of workforce.

1.11 **Sponsored BTP Special Constables**

Throughout the Franchise Term, the Franchisee will sponsor suitable Franchisee Employees who volunteer to become Special Constables, for deployment with DLR BTP. The Franchisee will offer paid leave for training for such employees who will be released on full pay to undertake at-least 2 and up-to 3 x 8 hour duties a month or equivalent. Such employees will receive "retainer" of at-least £1,000 (uplifted by RPI each April, with the first increment made in April 2007).

1.12 **Travel Safe Officers**

Throughout the Franchise Term, and as part of the Annual Security Plan, the Franchisee will provide 8 full time (or equivalent as agreed with DLR Limited) travel safe officers, for additional security presence on and around the Railway. Planned deployment will pay particular attention to providing additional resource late at night. The duties of the travel safe officers will be agreed in advance with DLR Limited as part of the Annual Safety Plan, and will include, but not be limited to, revenue protection, crowd control, the provision of customer information and the reduction and resolution of passenger altercations.

Following opening of the Woolwich Extension, the Franchisee will provide four additional full time travel safe officers, (or equivalent as agreed with DLR Limited).

1.13 **CCTV Upgrades**

The Franchisee will cooperate with DLR Limited in developing an Additional DLR Project to upgrade CCTV.

The project scope will consider "Intelligent" CCTV monitoring with the aim of detecting trespass and other suspicious activities, unattended objects, facial recognition, and detecting major incidents.

It is envisaged that the CCTV upgrade will incorporate a communications enhancement to enable staff and BTP to access, via enabled PDAs (or equivalent technology), images of incidents and other relevant images.

As part of the Additional DLR Project to be agreed with DLR Limited the Franchisee will install and maintain security surveillance of Bank and Lewisham Extension tunnels, using wireless CCTV for locations where cabling is difficult.

1.14 **Customer Services**

Throughout the Franchise Term the Franchisee will provide no less than 2 customer services staff during normal office hours on Monday to Friday (excluding Bank Holiday) who will be located on DLR premises.

The Franchisee will, from January 2007 implement:

- (a) a "Disruption Help-line" during the Service day; and
- (b) a text service (and other suitable media as agreed with DLR Limited),

which customers can contact for information on forthcoming disruptions to services. These will support smooth handling of 3-Car and other major Possessions. Information provision will be made available by a wide selection of complementary media.

1.15 **Customer Information**

Throughout the Franchise Term, the Franchisee will provide real time information to passengers, and potential users. Methods of communications will include, but not be limited to:

- announcements on trains and stations;
- station information displays;
- suitably briefed staff on trains and at staffed stations;
- local travel information telephone help-line;
- DAISY and WANDA information systems (or equivalent as agreed with DLR Limited);
- internet emailing facility; and
- the internet site (dlr.co.uk)

1.16 **PSA Roles**

The Franchisee will produce by June 2006 a "PSA Handbook" issued to all customer facing staff which includes helpful guidance and details of duty requirements in relation to;

- providing general assistance to all passengers, particularly those with special physical and linguistic needs;
- suggested announcements and information provision.
- details of local transport services,
- suggested "best practice" role expectations,
- effective and efficient door operation,
- ticket checking,
- handling and rectifying minor faults.

Appropriate training will be given to relevant staff in the use of the handbook.

The handbook will be reviewed annually.

1.17 **Uniforms**

By June 2006 all customer facing staff will be issued with new uniforms which shall be renewed at the latest by the middle of the Franchise Term. The design of both issues of the uniform will be agreed in advance with DLR Limited.

1.18 **Train Presentation**

Throughout the Franchisee Term each service Vehicle will be exterior cleaned mechanically (which will include end cleaning) at least twice a week. The Franchisee will report the frequency of cleaning to DLR Limited on a period basis.

All service Vehicles will be subject to a separate quality inspection by a member of the rolling stock maintenance staff prior to the relevant Vehicle's first entry into Service each Service Day.

1.19 **Interface with neighbouring transport providers**

Throughout the Franchise Term, the Franchisee will hold liaison meetings at least every 6 months with other transport operators and DLR Limited to co-ordinate the failure management plan.

1.20 **Managing Attendance**

Throughout the Franchise Term, the Franchisee will report staff absenteeism every 4 weeks to DLR Limited. Each year, appropriate attendance targets will be agreed with DLR Limited.

The Franchisee will report staff turnover (4 weekly) to DLR Limited.

1.21 **Staff Motivation**

The Franchisee will conduct, once a year from October 2006, an in-depth staff satisfaction survey, (results to be shared with DLR Limited) followed by detailed action plans which will be discussed with DLR Limited.

The Franchisee will continue to provide the following for employees of the Franchisee;

- sports and social club;
- emergency crèche;
- canteen; and
- TV in staff mess rooms.

Membership of the social club, and access to the canteen will be made available to employees of DLR Limited.

1.22 **Engineering Maintenance**

From June 2007, selected front line engineers will be provided with an "Engineers Toolbox" PDA or similar technology.

1.23 **Improved Engineering and Maintenance**

The Franchisee will introduce, from April 1 2007:

- (a) a process to enable Train service technicians to conduct pre-service check-lists and enable technicians to correct first level faults encountered during pre-service checks;
- (b) a "Continuous Improvement Team" to propose and deliver improvements, involve DLR Limited as appropriate and brief DLR Limited on activities of the team, at least every six months.

1.24 **Depot Strategy**

The Franchisee will develop and implement a depot strategy (including, but not limited to locating faulting and FLRT teams at Poplar to rectify minor defects and conducting "B Exams" at Poplar) for Poplar and Beckton Depots. Initial proposals will be discussed with DLR Limited by October 2006 for implementation by April 1 2007.

1.25 **Improved Environmental Certification**

The Franchisee will establish, document, implement, maintain and continually improve an environmental management system in accordance with the requirements of BS EN ISO 14001:2004 Environmental Management Systems.

1.26 Improved Service Delivery Organisation

At commencement of the Franchise Term, the Franchisee will invest £80K in multi-skill training of Control Room staff, so that all operational controllers are qualified to work in all Control Room positions.

From April 2007, and for the remainder of the Franchise Term, all operational controllers will be qualified to work in all Control Room positions.

Throughout the Franchise Term the Franchisee will implement a sickness and absence reduction improvement plan for all operational staff. The Franchisee will report results to DLR Limited on a period basis, and include remedial action plans if targets are not met.

1.27 Enhanced Safety and Security

The Franchisee will appoint an Operational Security Manager, and for the purposes of the Franchise Agreement, that post will be considered as a Key Post. Duties will be agreed with DLR Limited and will include, but not be limited to, overall responsibility for security on the network.

1.28 Ride Quality

In order to measure ride quality as perceived by Passengers the Franchisee will undertake a study into ride quality as an Additional Project, to be funded by DLR Limited.

The study will include:

- Identification and analysis of the diverse track/vehicle/viaduct construction parameters influencing the passenger ride including the following:

Element	Ride factor to be considered	Possible means of monitoring
Track	Rail corrugations	Optical inspection of track. Noise (relative acoustic levels) Vehicle mounted Vertical accelerometers
Track	Rail Head profile wear including side cutting	Automatic optical inspection e.g. Unattended Track Geometry equipment
Track/Vehicle	Wheel profile and rail profile	Requires a combination of Bogie frame accelerometers and body mounted accelerometers.
Vehicle	Wheel flats	Track mounted devices suitably located. Requires automatic vehicle identification to the trackside beacon
Vehicle	Vehicle hunting (body or bogie)	Requires a combination of Bogie frame accelerometers and body mounted accelerometers.
Vehicle	Ride Degradation	Combination of simultaneously active vertical, lateral and longitudinal accelerometers mounted on vehicle body.

- Identification of the most appropriate technology available in the market place to measure the passenger ride on the Railway.
- Identification and evaluation of the merits of incorporating into the Ride monitoring equipment, appropriate technological means of identifying rail defects including the presence of (the onset of) rolling contact fatigue.
- How the ride quality evaluation on the Railway can be related (if at all) to currently published standards and Good Industry Practice where relevant to the Railway.

- Determination of the Methodology to establish the appropriate ride quality metrics and limits to be applied to the Railway.
- Intervention limits.
- an assessment of the as built track geometry to identify areas where the ride quality is likely to be outside the intervention limits due to design derogations e.g. small radius curves.
- an assessment of those derogation areas and how the ride may be improved in such areas e.g. increased radius, gauge widening, introduction of more cant. Such assessment would also need to address the possible effects on rail wear.
- The budget cost and timescale for procurement and installation of the ride quality equipment and in-service trial validation programme.

As a follow up to the study, and as a separate Additional Project the Franchisee will procure the recommended equipment (including the vehicle installation works). It is envisaged that the ride monitoring equipment will be designed to measure and record the established ride quality parameters along the route with location distance information for later analysis, assessment and comparison. This Additional Project will be funded by DLR Limited with a contribution from the Franchisee of £60,000.

Following a period of calibration and commissioning of the equipment to include analysis for consistency of the collected data and establishment of the agreed intervention limits, the Franchisee will measure and assess the ride quality on each leg of the Railway at least once every three months. The results will be made available to DLR Limited and if required the basic data will be passed to the relevant Concessionaires for analysis in relation to their infrastructure.

If and to the extent the study into ride quality reveals that the Franchisee has not been maintaining any Franchise Assets in accordance with the terms of the Franchise Agreements the Franchisee shall be responsible for undertaking all works required to bring the Franchise Assets into the condition required by the Franchise Agreements

If the study into ride quality reveals that notwithstanding that the Franchisee has maintained the Franchise Assets in accordance with the Franchise Agreement there are works or changes to processes that could be undertaken which will lead to an improvement in ride quality, the Franchisee shall recommend such works or changes to DLR Limited as a proposal in accordance with paragraph 7.2 (a) of part 3 of schedule 5.

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