Dear Member

We have received a stakeholder communication from FCC first thing this morning and I have set this out for you below.

The issue continues to receive significant media coverage. It was an item on the BBC London news tonight, with filming at St Albans Station. Any feedback from this much appreciated.

After the FCC message, there is also news regarding management changes at FCC.

Message from FCC

Dear Stakeholder,

As you know, Thameslink route First Capital Connect services have been severely affected by train cancellations over the past week due to a shortage of available drivers. This also began to impact on Great Northern route services last week. Yesterday, Remembrance Sunday, we were extremely disappointed that we were unable to run any trains on that route as insufficient drivers had volunteered to do overtime or to work their rest days. The remainder of our station, revenue and train preparation staff worked normally.

First Capital Connect is currently in pay talks with all our trades unions. The company has offered a two-year deal, with a pay freeze in this current (2009-2010) financial year and RPI + 1% or 3% (whichever is greater) in the 2010-2011 financial year. In addition First Capital Connect is offering a £200 lump sum to be paid on 4 April 2010 to all employees covered by collective bargaining. We believe that our offer is fair and reasonable and reflects the current economic climate of a prolonged and continuing recession.

We very much regret the impact that this action is having on our valued customers. We will do everything possible to minimise the disruption to our services and to communicate the details of trains that have had to be cancelled or formed with fewer than normal carriages as effectively as possible. Up-to-date information is shown on our website www.firstcapitalconnect.co.uk by clicking through to "Live Train Updates" or selecting the "Live Departure Board" of the station from which one intends to travel. The latest information is also available from National Rail Enquiries on 08457 48 49 50.

Customers can claim under Delay Repay if their journey is delayed for more than 30 minutes. We suggest that they claim on-line where possible as the post is unreliable and processing is likely to be faster.

I would be grateful if you could share this letter with your members and once again apologise for the disruption to journeys at this time.

Yours sincerely

Michelle Smart - Marketing, Communications and Customer Information Director

Other relevant items

This link from the Press Association is of relevance - <u>tiny.cc/bnjcA</u> - it describes reduced price tickets that the Government agreed with London Midland as part of their remediation plan following the break in their service.

Management changes at FCC

It has been announced that Jim Morgan will be leaving First Group (and therefore FCC) at the end of this week. Whilst communication with customers has been an issue during this dispute

(both the overall message and what the train service is going to be), I found Jim open and honest with us and I hope that his successor will keep up the good two flow with stakeholders such as our selves.

I understand that Mary Grant, Head of Rail at First Group will become much more hands on in the short term.

Also leaving (or has already left) FCC is Karen Boswell, who was Customer Services Director. She is joining Elaine Holt at Directly Operated Railways (who will take over from National Express East Coast this Friday). She will be missed.

Regards

Neil

Neil Middleton 10 November 2009