

From the Secretary of State

PERSONAL – ADDRESSEE ONLY Sir Andrew Foster



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Intercity Express Programme

Thank you for accepting my invitation to review the Intercity Express Programme.

The Programme

In order to replace Britain's ageing fleet of Intercity 125s and to provide the largest-ever investment in capacity and passenger journey improvements on the East Coast and Great Western Main Lines, the Government launched the Intercity Express Programme procurement in 2007.

The Programme's key value for money objectives are:

- to achieve value for money across the lifetime of the trains, taking account of costs right across the rail industry;
- with this in mind, to accommodate additional demand on those routes that are at, or near, to their capacity; and
- to facilitate the variation of capacity to reflect patterns of demand.

The Review

Your review will have the following terms of reference:

"To review the value for money of IEP, reflecting all the latest available information and the Government's commitment to electrification of the Great Western Main Line;

to assess the credibility and value for money of any alternatives which meet the programme's key value for money objectives; and

to report to the Secretary of State within 3 months."

You will be free to conduct the review as you see fit, subject to respecting commercial confidentiality. The Government will publish your report when it is completed.

A copy of this letter has been laid in the House.

Your ever, Andr.

ANDREW ADONIS

I an really grutoful to you for underaking this work. It is of immense public importance.