

4 September 2012

Andrew Eyles
Office of Rail Regulation

cc Graham Smith
Rail Delivery Group



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Dear Andrew,

Consultation on the formalisation of the Rail Delivery Group

Rail Freight Group is pleased to comment on the ORR consultation, produced in consultation with RDG, on the formalisation of the Rail Delivery Group.

The establishment of the RDG, following the McNulty report, is seen as a key step in progressing industry reform, efficiency improvements and cost reduction. To that end, we are supportive of the principles in this consultation, which will place RDG in a stronger position to achieve the aims it has been set.

Our comments on the consultation are as follows.

1. The establishment of a formalised RDG should not add additional bureaucracy to rail industry processes, for example in the production of plans and strategies. The interaction of RDG, and other industry groups must be streamlined.
2. We support the proposals for leadership members, and the recognition of the need to ensure freight representation at that level.
3. We support the principle of licensed members and associate members in addition to the leadership members. We note that some parties, such as freight customers, suppliers and port and terminal operators, particularly those investing heavily in the sector may have a role to play in certain work-streams and sub groups, and the terms of associate membership should not preclude this.
4. We are content with the decision making proposals.
5. Although we note that the funding requirement for RDG should be modest, it will nevertheless be an additional cost for leadership members. In the spirit of cost reduction, we would expect that this cost should be offset by reductions in the levies

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paid to other industry bodies, as they become more efficient.

6. We recognise that RDG has been establishing itself in the last year; nonetheless the communication with the wider industry on its work activities and outcomes has been limited. A formalised RDG must be transparent on its activities and in its communications if it is to gain long term credibility.

This response can be placed on ORR's website in full.

Yours sincerely,

A handwritten signature in black ink that reads "M Simpson". The signature is written in a cursive, flowing style.

Maggie Simpson
Policy Manager

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