



Trades Union Congress

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date: 13 September 2012  
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Dear Andrew

**Consultation on formalisation of the Rail Delivery Group**

Thank you for your invitation to submit a response to the ORR's consultation on the formalisation of the Rail Delivery Group. This submission represents the views of the Trades Union Congress, representing 53 affiliated trade unions and 6.2 million members. This membership includes the trade unions operating in the rail industry ASLEF, RMT, TSSA and Unite.

**Question 1 - Please comment on whether you consider that the purpose of the RDG will drive the changes and improvements envisaged by the McNulty study.**

The purpose of the RDG as outlined in paragraph 2.3 of the consultation document will be undermined by the composition of the RDG and its governance arrangements.

The TUC believes that the *Rail Value for Money Study* includes both flawed analysis and recommendations that will have significant impacts on rail passengers, workers in the rail industry and the taxpayer. The RDG will reflect the interests of its members and will prioritise and drive forward those recommendations that best serve its interests. This will be exacerbated by the lack of a meaningful counter-balance from organisations representing the interests of the passenger, railway staff or the UK taxpayer.

While we recognise that the RDG will "not gain any special powers or authority" and that "nor will it have any statutory role", it is clear that its formalisation will provide it with exceptional power

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General Secretary: *Brendan Barber* Deputy General  
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within the industry. It would be disingenuous to believe that a body with the power to “develop, promote and *establish* (our italics) policies, strategies and plans for the industry” will not play a significant role in shaping our rail industry.

The RDG’s role will be to “lead the development and implementation” of policies, strategies, plans and reforms that “it considers necessary”. It will “promote” reforms and “changes to industry architecture and actions” and “resolve industry-wide issues” through “guiding” and “directing” industry partners.

The consultation document is clear that it will be a “key resource for the governments of the UK, Wales and Scotland”. More alarmingly, it is expected that “over time the RDG will seek to take back to the industry from government key roles and responsibilities”.

With the government’s rail command paper envisaging a greater role for the industry in implementing rail reform, this represents potential corporate capture of the policy agenda that gives us cause for concern.

**Question 2 - Are you content with the proposed structure of the RDG board, particularly in terms of scope of representation and criteria for membership?**

The RDG will be an exclusive body composed of the leadership of Network Rail and train and freight operator owning groups. As such, it will not be able to lead Great Britain’s rail industry in the interests of “its users and for taxpayers” nor will it be the “collective voice of the rail industry”.

The exclusion of the voice of the rail industry workforce and rail passengers from the decision making level of RDG means that it cannot represent the interests of the whole industry and runs contrary to the spirit of both McNulty and the government’s rail command paper of all partners in the industry working together.

The rail industry provides a public service with a broad range of social, economic and environmental benefits. The exclusion of stakeholders that may represent some of those key environmental, economic, regional or social interests is a further cause for concern.

Trade unions have advocated the establishment of a rail industry forum for many years. We believe that a mechanism for promoting dialogue in the sector between all social partners, covering strategic issues and priorities would be hugely beneficial. We do

not believe the proposed make up or representation within the RDG board allows for this.

We would strongly recommend that the RDG decision-making body should contain representatives of rail industry staff, through the appropriate trade unions, as well as passenger groups and other key stakeholders, who should all have voting rights.

**Question 3 - Please comment on how you consider RDG could best engage with license and associate members**

The proposal for associate members to participate in the work of RDG sub-groups but to have "no specific rights in respect of representation at meetings or voting" is unsatisfactory. It represents a significant imbalance of power relationships between the leadership of Network Rail and the train and freight operator owning groups on the one hand and those who use, work on and pay for the service on the other.

We believe that trade unions and passenger groups should have a form of status that allows for participation in decision-making within the RDG and voting rights.

**Question 5 - Will the proposed voting and quorum arrangements provide you with the assurance that decisions taken by RDG will have sufficient cross-industry support to justify implementation?**

With the exclusion of all stakeholders other than the leadership of Network Rail and train and freight operator owning groups in its executive body, the RDG cannot be described as representative and, as such, cannot demonstrate "cross-industry support".

The policies, strategies, plans and reforms it deems necessary will be seen to reflect the interests of those members who had access to the decision-making arrangements of the RDG.

This is emphasised by the fact that the annual forum will be held in order to "inform the industry of RDG's activities during the previous year and its plans for the coming year" further entrenching this top down form of engagement.

The fact that the Code of Conduct, the consultation informing this formalisation and, presumably, the arrangements drawn up for its membership and governance will all have been either heavily influenced or directly drafted by the current RDG does not inspire confidence.

Yours sincerely

A handwritten signature in black ink that reads 'Frances O'Grady'.

**Frances O'Grady**  
Deputy General Secretary