



FREIGHT TRANSPORT ASSOCIATION

Rob Mills
Office of Rail Regulation
One Kemble Street
London
WC2B 4AN

28th January 2013

Dear Rob,

FTA response to Office of Rail Regulation Consultation on Schedules 4 and 8 possessions and performance regimes

Thank you for asking FTA to comment on ORR's consultation on Schedules 4 and 8 possessions and performance regimes. The Freight Transport Association (FTA) represents over 14,000 companies spread across the UK relying on or providing the transport of freight both domestically and internationally, to or from the UK. Our members involved in rail freight include shippers of bulk, deep sea and domestic intermodal and retail goods, and also freight operating companies and logistics service providers, accounting for approximately 90 per cent of goods moved by rail.

FTA's primary rail freight focus is to represent the shippers – the ultimate end users – of rail freight who make the decisions about modal choice. We are though also interested in the regulatory and operational policy architecture of the industry to the extent that it affects competition and shipper choice. Indeed we have the main rail freight operating companies in membership, together with logistics service providers and rail freight shippers. Due to our primary representational focus being upon the end users of rail freight services, we will not have detailed answers to give to all of the individual aspects of this further consultation as some will be necessarily more freight train operator focussed, but we will be commenting on the general principles. The questions are as listed by ORR at <http://www.rail-reg.gov.uk/pr13/doc/sch4-8-consultation-questions.doc>

Overall FTA supports the existence of this regime and wants to see it function efficiently so as to motivate correct behaviours and network efficiency (for freight in our case)

Question 1: As far as we are aware consultation is with freight operators rather than end customers (i.e. shippers of goods).

Question 2: FTA would support consultation with end freight customers (i.e. shippers) as well as freight operators.

Question 3: Consultation with freight end customers could be via Network Rail Route Freight Managers in the Freight Team.

Question 4: While we can see logic to what is proposed here, it may be more of a matter for our rail freight operating company members.

Question 5: This seems to be the corollary of Question 4 above.

Questions 6 and 7: These questions may be more appropriate for rail freight operating company members.

Question 8: A regime that maximises the incentive to provide services to end customers with minimised disruption is vital. Freight shippers want to be certain that they can have at least a six day a

week if not a seven day a week railway or it is very difficult to encourage them away from road freight, rail freight's primary competitor.

Questions 9 – 19: As these are passenger possessions regime questions we have no comment.

Question 20: The important point is that this is a compensatory aspect. What is important is try to ensure up front that disruption to freight services is minimised.

Question 21: As per answer to above Question 21 above.

Question 22: What is important here is that additional cost burdens are not imposed upon industry.

Questions 23 – 30: As these are passenger possessions regime questions we have no comment.

Question 31 – 36: These questions may be more appropriate for rail freight operating company members.

Question 37: There seems to be a potential issue here about small FOCs and potential FOCs. Perhaps there needs to be a bespoke regime here for small new entrants. What is important is to have a market that facilitates new entrants so as to stimulate competition and customer choice.

Question 38: There may be an issue with the ability of the Insurance market to provide adequate alternative cover in this area.

Question 39: As per Question 38 above there is a danger that new traffics could be made too risky.

Question 40: As per answers to Questions 38 and 39 above.

Question 41: As per answer to Question 37 above.

Question 42: As per answer to Questions 38 and 39 above.

Questions 43 – 47: As these are charter possessions regime questions we have no comment.

I do trust that you find these comments useful. Please contact us if required to discuss any matters further.

Yours sincerely



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