



Britain's longest established operator of scenic railway excursions

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

Consultation on Schedules 4 and 8 possessions and performance regimes

Dear Mr Mills,

I refer to the ORR consultation on the Schedule 4 and 8 possessions and performance regimes, and in particular the proposal to remove the £5000 incident cap currently applied by Network Rail in respect of charter services (questions 44 and 45 in the consultation document).

Our record over many years bears witness to the fact that we have cost Network Rail virtually nothing in delay costs. Further costs or the potential for such would threaten the viability of our volunteer-run business which is vital to the SRPS, a registered charity.

Unlike TOCS operating passenger franchises the Charter business receives no subsidies from the public purse while providing an excellent service to the public

The recorded £660,000 which the cap has denied Network Rail must be overshadowed by the profit they have accrued from Charter business over the period. Any change in the current situation must carry a risk of severe reduction in the charter business and a reduction in the overall surplus to Network Rail.

Our detailed comments are attached.

Yours sincerely,

James Robertson
Chairman
SRPS Railtours Ltd



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Consultation on Schedules 4 and 8 Possessions and Performance Regimes

Detailed comments on proposal to remove incident caps for Charter Train Services

SRPS Railtours and The Scottish Railway Preservation Society wish to respond to the ORR consultation on the Schedule 4 and 8 possessions and performance regimes, particularly in relation to questions 44 and 45.

SRPS Railtours Ltd is a trading subsidiary of the Scottish Railway Preservation Society, which is a registered charity. All profits from SRPS Railtours are donated to the charity. The carriages used for SRPS Railtours are owned by the Scottish Railway Preservation Society and maintained at Bo'ness by members, the only volunteer group to maintain a set of passenger coaches to the high standards required for running on Network Rail. Proceeds from the Railtours are used to restore rolling stock and locomotives of historical value, and to develop the Society's preserved railway and The Museum of Scottish Railways at Bo'ness in West Lothian, which recently achieved the status of a National Collection. The Society's members have organised SRPS Railtours for over forty years and this has been and continues to be a major source of funding for the museum and preserved railway. Most of our excursions are diesel-hauled and the locomotives are usually supplied by the TOC responsible for the operation on the main-line.

In answer to question 44 of the document - *Do you agree with our proposal not to require Network Rail to provide incident caps to charter operators on the basis this currently results in a subsidy to charter operators? If not, please tell us why?* We do not agree because the commercial insurance market is unlikely to be able to provide cover. We are also concerned that the alternatives suggested will result in increases in costs that inevitably would be passed on by means of increased fares to our customers, which in the current economic climate would not be acceptable to a significant number of them. Consequently the continued viability of our operation would be in jeopardy.

In response to question 45 - *Do you agree that incident caps are something that could be provided to charter operators by the private insurance market? If not, please tell us why?* Our response is the same as for question 44 as it is unlikely that the commercial insurance market would be able to provide this cover.



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SRPS Railtours organises excursions to many of the more remote highland lines, and it has been acknowledged that the passengers carried to destinations such as Kyle of Lochalsh, Mallaig and Oban make a significant contribution to the local tourist economies. Our excursions, in common with other charter train operators, attract a large number of passengers who do not normally travel by train or haven't travelled by rail for many years. Carrying several hundred passengers through the highlands by train is significantly more environmentally friendly than fleets of coaches or cars on the remote roads. SRPS Railtours is the only Scottish-based charter train company which offers the opportunity to have a day out over a scenic route with meals provided, a level of service which the TOCs do not offer on these routes.

SRPS Railtours are unique in that we are not only charter train promoters but also stock owners and the trading subsidiary of a railway heritage charity. We are not in a position to assess what impact removal of the cap would have on our operation. As far as we are aware our record over the years has been one of very little impact on the performance of trains of other TOCs. We very largely operate on the margin and our programme does not generally comprise trains which could conflict with services at peak periods. Most of the routes are over relatively quiet sections of the network. Our trains do not generally present a significant risk and we should request that any proposed levy should take full account of this and not lead to us indirectly subsidising higher risk charter train operations on the more congested parts of the network. From our observations most delays to our trains are the result of external factors such as late running service trains and it is not clear what credit would arise from such delay to the trains that are operated for us.

Most charter train companies are small businesses which do not have the resources to risk incurring unlimited penalties or significant increases in the already substantial costs of running these excursions. These concerns apply to SRPS Railtours and the potential loss of this income would be a major blow to The Scottish Railway Preservation Society and have a severe impact on the continuing development of the Museum of Scottish Railways.

Roger Haynes

Commercial Manager
SRPS Railtours Ltd