

Wednesday, 5 September 2012

Specific Responses
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Dear

Andrew

On behalf of Angel Trains, thank you for the opportunity to comment on the consultation document 'Rail Delivery Group, formalisation'.

Since the RDG's formation Angel Trains has been an active supporter of the Group and its objectives, we believe that to date the Group has actually achieved much in a relatively short period of time and in an industry not noted for change.

Angel Trains supports the proposed formalisation of the RDG and believes this will further strengthen the Group's position and help it realise future savings within the industry.

In response to the specific questions contained within the consultation document:

2.6 Question 1 – Angel Trains believes that the Rail Industry, in totality must reduce the overall unit cost of production.

RDG since its formation and going forward, as proposed, has and will continue to help realise the changes and improvements envisaged by the McNulty Study.

Angel Trains believes that the formalised RDG as proposed can lead the industry and various tranches of work.

However, as proposed, by its very membership RDG will not be representative of the whole industry. This is not to say that the Group has not and will not be effective. Angel Trains understands that the ORR has to achieve a difficult balancing act; that the makeup of the Rail Industry is broad, and that to try to 'include' everyone would create an oversized and ineffective group.

If there were a desire to create a more representative group, a good structure to review and copy would be the composition of the RSSB Board.



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2.25 Question 2 – Taking into account our comments in response to Question 1, the proposed terms of scope of representation and criteria for membership appears to be appropriate.

2.30 Question 3 – Since the formation of RDG Angel Trains has engaged constructively on a number of occasions with the Group. Angel Trains employees have participated in work streams and presented to RDG itself.

As described in the consultation document, and not least because it attracts no specific rights, Angel Trains is unclear as to what "associate membership" will offer the business, beyond the current arrangements, in terms of engagement with RDG.

Angel Trains view the engagement and communication to date as being satisfactory and can see no reason to change this arrangement.

Angel Trains recognises that it is incumbent on itself to initiate and propose projects, ideas, etc. to RDG, which could contribute to the aims of the McNulty Study. To date Angel Trains has found RDG accessible and receptive.

Therefore, the current arrangement of RDG approaching key stakeholders to contribute to relevant workstreams and the communication between them appears to be effective and the need for 'Associate Membership' superfluous, particularly given the very wide range of interests it is meant to cover.

2.41 Question 4 – Not relevant

2.50 Question 5 – RDG as proposed by the make-up of its membership is not fully representative of the industry. However, the group has proven that it can lead and drive change and there is no reason to believe that this will differ under a formalised structure.

All concerned must and should recognise that the Rail Industry is made up of a number of 'commercial' interfaces and inevitably there will be decisions taken which will benefit the industry as a whole in the long-term but may cause short-term pain to certain participants.

2.53 Question 6 – No comment

2.61 Question 7 – As RDG is proposed in this consultation document these funding arrangements appear appropriate.

Should you wish to discuss any of the points above please do not hesitate to contact me.

Yours sincerely



Malcolm Brown
Chief Executive Officer