Mr Michael Beswick Director, Rail Policy Office of Rail Regulation One Kemble Street London WC2B 4AN

Monday 28th January 2013

Dear Michael

Proposed change to status of minority shareholders of Leadership Group companies in the Rail Delivery Group

We write in response to your letter of 18th January 2013 regarding the proposed amendment to the RDG's formal articles which would give minority shareholders in TOCs and FOCs greater status in the work of the Leadership Group.

RMT is concerned that the 'Articles' upon which the RDG is formally founded are being amended to accommodate the corporate structure of Leadership Group companies, at the request of Keolis whose majority shareholder is the French Government/SNCF. We are opposed to extending alternate director status to all shareholders of TOC and FOC companies on the RDG, as proposed in the ORR letter.

We would also state that, as a result of this proposal, it is clear that rail workers and passengers are second class citizens when it comes to the development of UK rail policy which is now largely set by the TOCs, FOCs and Network Rail on the RDG. Other than voting in General Elections, opportunities for the workforce and passengers to engage with the RDG over their plans for implementing the McNulty inspired cuts and other plans for reform of the rail industry have been severely restricted.

The state-owned rail companies from three other European countries, the Netherlands (Abelio), France (Keolis) and Germany (DB Schenker and Arriva Trains), through their membership of the RDG now have a greater say in UK rail policy than trade unions or passenger representatives. RMT believe that this is a serious flaw in the foundation of the RDG and should be corrected as soon as possible through

extending membership of the Leadership Group of the RDG to the rail trade unions and rail passenger groups.

As nominal regulator of the RDG, the ORR must ensure that this amendment does not further imbalance the composition of the RDG. Given the significance of the RDG to rail policy development and implementation, now and in the future, the workforce and passengers providing and using rail services in the UK, must be included in these discussions and on an equal footing with RDG companies profiting from UK rail contracts.

We look forward to the ORR's further comments in this matter and would welcome further discussion with the ORR over the composition and statutory safeguards governing the RDG.

Yours sincerely

Bob Crow

General Secretary

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