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JM/rc

9 February 2006

Abigail Grenfell
Manager, Network Regulation
Office of Rail Regulation
1 Waterhouse Square
138-142 Holborn
London
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Dear Abigail,

Enforcement policy and penalties statement – draft consultation

This response is written on behalf of First Group which currently operates the First ScotRail, First Keolis TransPennine, First Great Western and First Great Western Link franchises, Hull Trains open access operation and GB Railfreight.

First Group supports the approach the ORR has taken in the draft policy and penalties statement. We find it clear and transparent.

However we have a slight concern that a staged approach of investigation and escalation may lead to perverse behaviour if the stages are not completed in a timely and efficient manner. The person committing the alleged breach may rely on the length of time it takes to investigate as part of his decision to breach.

We feel penalties must be set at a level that deters such behaviour. We strongly agree with the aggravating factors as set out in paragraph 15 of chapter 5 and that 15(a) or (b) may cover the type of breach we have outlined.

Yours sincerely



Jim Morgan
Director, Passenger Development, Rail