

HERITAGE RAILWAY ASSOCIATION OF SOUTHERN AFRICA

(A Section 21 company incorporated not for gain)

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HRASA – INAUGURAL MONTHLY REPORT – OCTOBER 2009

Distribution: Members and Public

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INTRODUCTION

These are challenging times for the rail heritage preservation industry and the rail tourism industry as a whole. Budgets are stretched. Demand on HRASA, in particular, to deliver, is growing by the day. Effectiveness and efficiency management are placing big demands on budgets, and HRASA, as is the case with each of its members, are faced with the same challenge...how to increase the quality of service offerings to members, improve preservation planning and implementation, evaluation, member satisfaction and loyalty.

Recent feedback regarding HRASA and its activities, show that powerful and targeted communications are two of the MOST influential factors for rail preservation awareness. By sharpening external communications, HRASA aims to assure its members and the public at large that HRASA can deliver on its mandate, and so doing greatly influence member satisfaction and deliver enviable performance results.

HRASA, like any other institution is similarly a collection of many internal and external activities and processes, each with its own recipients or clients and mandates. Each process or activity is perfect for one member, and wrong for another. Members or clients will accordingly behave differently and will have a different need that need to be satisfied. Therefore, in pursuit of better service delivery to its members, HRASA will henceforth report on critical primary progress, activities, events and compliance issues on a monthly basis.

The information released will be a condensation of the monthly reports submitted by each board member.

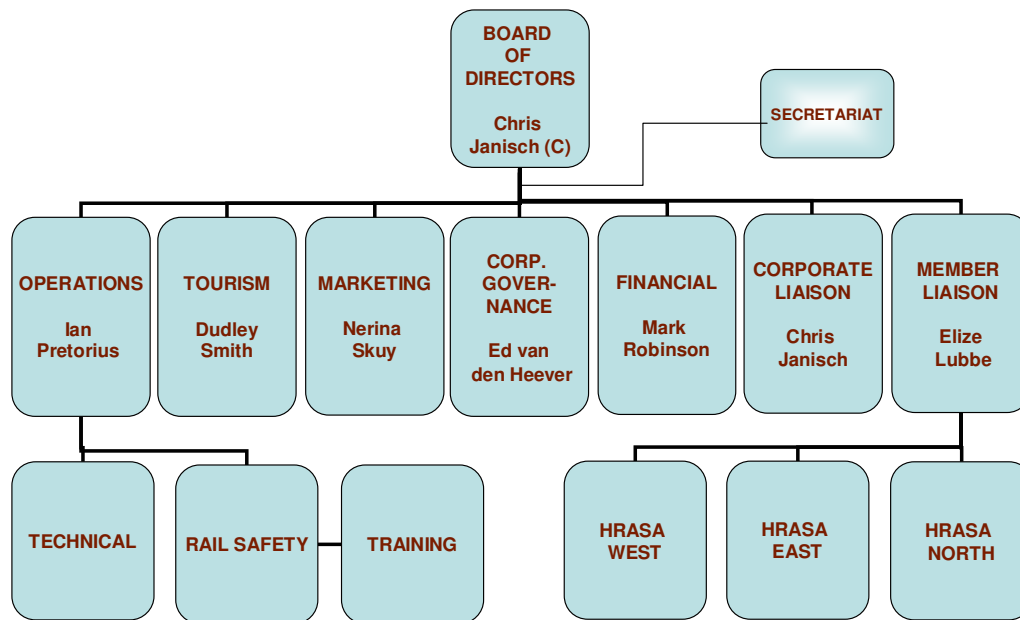
We trust that this will meet with member expectations, and contain the right communication elements to assure our members of the following revised HRASA Vision, as approved at the 2009 AGM held at Esselen Park, i.e.:

"To be the recognised representative organisation to oversee rail heritage; rail heritage preservation; the heritage rail tourism industry; represent and support its members who are involved with the rail preservation and railway tourism industry in Southern Africa"

To facilitate structure, the monthly reports will report on the activities of the new HRASA portfolio based structure as approved at the BOD Meeting held on 22 August at PE, i.e.:

- Corporate Liaison – Chris Janisch
- Operations – Ian Pretorius
- Tourism – Dudley Smith
- Marketing – Nerina Skuy
- Corporate Governance – Ed van den Heever
- Financial – Mark Robinson
- Member Liaison – Elize Lubbe

Management Structure



On behalf of the HRASA Board of Directors, I wish to call on our members to embrace this communication initiative, and together aim to improve the integrity and quality of rail heritage communications. I would particularly encourage all members to share their knowledge to the fullest, by circulating newsletters to the widest audience possible, by bringing important information to the attention of myself and the relevant board member, and by putting aside petty differences for the greater good. Please feel free to contact a board member on any relevant issues, copied to myself, so that we can assist wherever possible in providing solutions.

I feel strongly that HRASA is now functioning as a proper responsible and effective organisation. We have been most successful in making our presence felt within Transnet and other related bodies, and have also begun to make forays into governmental entities which are vital to our future. As you will see later, we have had notable successes within Transnet Freight Rail and Foundation, and we are starting to be taken seriously.

Ours is not an easy job. We are in need of your fullest support in order to increase our effectiveness. Please become pro-active and get involved in the running of HRASA. It is after all YOUR organisation!

■ **Chris Janisch:** *HRASA Chairman*

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- Corporate Liaison-Chris Janisch
- Operations – Ian Pretorius
- Tourism – Dudley Smith;
- Marketing – Nerina Skuy;
- Corporate Governance – Ed van den Heever;
- Financial – Mark Robinson; and
- Member Liaison – Elize Lubbe.

■ Corporate Liaison

The Chairman, Chris Janisch, as the responsible BOD Member takes on the portfolio of Corporate Liaison, assisted by Nerina Skuy; Elize Lubbe; Ian Pretorius and Dudley Smith. The Sub-committee launched itself out of the blocks and has made significant progress.

- The Sub-Committee will focus on the Secretariat; Liaison with Transnet – TFR; Transnet Foundation, Heritage Trust, Access and Lease Agreements, SAHRA and PRASA – amongst others.
- Following a very productive and constructive meeting with Transnet on 8 September 2009, a NEW MOU was negotiated and signed. The MOU formalised the relationship between HRASA and Transnet and has contextualised many concerns. Roles, responsibilities and corporate as well as many legal aspects are now in place, and sets the scene for constructive dialogue.
- The control and management of national rail heritage assets has subsequently been reassessed and revised guidelines are expected in due course. This includes recent events regarding assets at Millsite and Humewood, for which the Deed of Donation has been cancelled. The revised situation sees stock being dealt with as part of a new holistic approach to national assets. HRASA has been assured that no scrapping will take place while the situation awaits resolution. This matter will in due course be communicated extensively.
- HRASA will continue to make recommendations regarding the future of the remaining rolling stock located across the country. These processes and interventions are positive indications of the standing, trust and co-operation between HRASA and Transnet.

HRASA was recently contacted by the RSR with a view to more clearly establish the *modus operandi* of heritage clubs, and specific issues arising from heritage activities. The discussions held were extremely positive and reinforced the sound relationship with the RSR. It appears that some operators are not familiar with ALL the requirements for rail safety. To facilitate the understanding of the legal requirements, HRASA will assist the RSR in formulating a regulatory framework specifically geared for heritage rail.

■ Operations

Ian Pretorius as the BOD Member and custodian of the Operations Portfolio will henceforth report on Technical and Rail, Safety matters. Assisting him in this regard are; Chris Janisch and Mike du Plooy (Operations/Technical), and Coen Pretorius (RSR Rep) and Kevin Wilson-Smith (RSR).

- The Sub-committee will focus on: Operational and Technical matters; Services; Access agreements and Lend-lease agreements.
- Similarly the Rail Safety Sub-committee will focus on; Rail safety matters; SANS 3000 (Safety); Liaison with RSR and Training.
- The main recent activity of this sub-com has been to negotiate Rates and Invoicing with TFR. This came about as a result of the sudden imposition of high and irregular rates for heritage trains. Following meetings with TFR operations and executive on 17 August, we were presented with a formal letter, which recognises the concerns raised by HRASA on the day. A most successful conclusion was reached during a meeting held on 13 October, attended by Chris Janisch, Nerina Skuy and Elize Lubbe, at which a fair and consistent set of access rates was applied to each club. We are currently disputing the high pilot fees. However, TFR have indicated that we may do away with pilots should our drivers have the necessary route knowledge. We are also required to interface with TFR on a monthly basis, thus ensuring good communication.

- The sub-com has also met with the TFR executive in the hope of clarifying and improving the status of heritage rail clubs. Although TFR are committed to freight haulage and have indicated that we will fall under PRASA in future, including any new access agreement applicants, we were well received and have been given positive feedback.

The full impact of this portfolio will be elaborated in due course.

■ Tourism

Dudley Smith as the BOD Member takes on the exciting portfolio of Tourism. Assisting him in this regard are Chris Janisch; Nerina Skuy; Ian Pretorius and Mike du Plooy.

- The Sub-Committee will focus on: Community participation; Tourism industry relationships; Local government relationships; Preservation grouping and unity; Private sector participation and Recognition of achievements.
 - Dudley has left for Australia to attend the *Railway Heritage Conference* in Ipswich, and will also be representing HRASA. We wish him well as he presents his paper on "*Approaching Rail Heritage Preservation for the Perspective of Local Economic Development*", and look forward to his feedback. It should be noted that much of the funding for Dudley's trip came from a Transnet donation. Steam in Action, Sandstone, FOTR, Reefsteamers, Skuys Communications and Travel Route 62 also contributed to the fund. It was, however, disappointing that many members did not assist. This is the sort of experience which can only add value to all our members.
 - Tourism Industry relationships derived from the "*White paper on Tourism which states that Tourism must be Government led, private sector driven and community based*" are on top of the Team's agenda. It is this ideal that justifies the view that HRASA has a "home" within the department of Tourism. Time will tell as to whether or not HRASA will receive the recognition from government which we are due.
 - Dudley and Nerina Skuy represented HRASA at the Eastern Cape Provincial Government (ECDORT) workshop entitled "*The Future of the PE-Avontuur Narrow Gauge Line*". As the title indicates, the outcomes of this project are critical to the rail heritage movement.
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■ Marketing

Nerina Skuy as the BOD Member takes on the Marketing portfolio. Assisting her in this regard are Mark Robinson; Dudley Smith and Charles Phillips.

- The Sub-Committee will focus on the Secretariat; Marketing model; Publicity and awareness; Corporate materials and the HRASA image at shows and forums.
 - The following events were attended during 2009: Africa Rail 2009, with Chris Janisch and Nerina Skuy jointly presenting the status of heritage rail and the role of HRASA. The proposed events to target in 2010 include: Africa Rail 2010 (Johannesburg); Railways & Harbours (Cape Town); Wheeltech (Cape Town); and Tourism Indaba – 2010 (Durban; Outdoor Adventure & Travel (Johannesburg and Cape Town). The sub-com has also recommended networking with the Tourism Empowerment Council SA (TBC) and Fair Trade in Tourism SA (TBC). Any enquiries or recommendations should be submitted directly to Nerina.
 - Kevin Wilson-Smith and Steve Appleton will be assisting the marketing Team with changes and updates to the HRASA website. The website will soon include, a BOD and Members Forum; Regional and Sub-Committee reports; Interactive national and regional member location maps; Heritage rail-related information and links; Updated membership listing and member and related organisation/persons website links. This is scheduled to be completed by mid-November 2009.
 - In line with the new HRASA communication approach, a heritage rail map, a range of brochures and pamphlets, as well specific marketing opportunities are in the pipeline.
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■ Corporate Governance

Ed van den Heever as the BOD Member takes on the portfolio of Corporate Governance. Assisting him in this regard are Chris Janisch; Nerina Skuy and Kevin Wilson-Smith. Post the election of the new BOD the following items were addressed:

- The Sub-Committee will focus on the Secretariat; Review restructuring; Amend AOA; Code of Conduct and Leadership development.

- AGM amendments to the revised Main Business (Vision), HRASA Objectives (Mission) and membership categories were circulated for comments and approval. The revised Article of Association is in the process of registration with the Registrar of Companies. Copies will in due course be sent to all members.
- The BOD has approved HRASA policies and support documentation in respect of: BOD appointments (roles and responsibilities); Revised Operation Structure (see introduction); Code-of-Conduct and Finance, Levels of Authority.
- A Prospectus for HRASA is being compiled and will be published shortly.
- To facilitate the assessment of HRASA's effectiveness and efficiency, a Management Guide, based on recognised Operational Framework, is scheduled for completion and publication by December 2009.
- The outcomes of this portfolio will in due course be shared with the Members to similarly encourage and facilitate the enhancement of Corporate Governance.

■ Finance

Mark Robinson as the BOD Member takes on the portfolio of Finance. Assisting him in this regard are Bruce Brinkman; Ian Pretorius and Nerina Skuy.

- The Sub-Committee will focus on Finance management; Finance reports; Membership Register; Fund-raising initiatives and National Insurance.
- As is the case with many organisations during this financial crisis, HRASA is no exception. The overall financial model is currently under review. Various alternatives are available to boost income and will be discussed in length at the October Board Meeting in Cape Town. It is a fact that HRASA will require better funding if it is to provide a better service to its members.

■ Member Liaison



Elize Lubbe as the BOD Member takes on the portfolio of Member Liaison. Assisting her in this regard are Mark Robinson (HRASA West), Dudley Smith (HRASA East); Mike du Plooy and Nerina Skuy. Elize also represents the HRASA North region.

- The Sub-Committee will focus on; Membership Growth; Members services; Training / skills; Induction and Liaison with regions.
- The full impact of this portfolio will be elaborated in due course. HRASA sees the boosting of its membership base as a priority.
- Any membership enquiries should be directed to Elize and copied to Nerina Skuy.

■ Board Meeting

The next Board meeting will be held in Cape Town on 31 October 2009. Should members have specific questions regarding the various portfolio activities, kindly direct the questions to Nerina Skuy, who as the HRASA Secretary will ensure it reaches the responsible BOD Member.

■ HRASA VISION

"To be the recognised representative organisation to oversee rail heritage; rail heritage preservation; the heritage rail tourism industry; represent and support its members who are involved with the rail preservation and railway tourism industry in Southern Africa"