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Submission date: 20-Nov-2018 04:51PM (UTC+0000)

Submission ID: 95125245

File name: 761_Wayne_Thomas_1704626_Thomas_149364_1095530456.docx

Word count: 1851

Character count: 10518



University of Wales Trinity Saint David

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Responsibilities and liabilities When carrying Third Party Goods

Transport and Professional Competence

M4X01276

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1704626

20/11/2018

Abstract

The following work identifies the responsibilities and liabilities when carrying third-party goods.

It has been analysed with the use of a PESTLE format which was formulated with the information supplied from published works by acknowledged authors with relevancy in their fields of study which relate to the pertinent areas that this report is covering, from the information gleaned by the PESTLE analysis.

The two areas chosen to be looked at are the Legal and Political aspects as they are the largest areas highlighted by the PESTLE analysis that effect the responsibilities and liabilities when carrying third-party goods.

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1 Introduction

The following report will outline the general requirements of the responsibilities and liabilities that are essential when implementing the process of carrying third party goods and the associated duties, it will focus on two specific aspects of this process which are the Legal and Political aspects.

1.1 Aims

To highlight the various responsibilities such as duty of care that is expected, including the implied and contractual obligations associated with this, with the appropriate legislation that these obligations entail.

1.2 Objectives

To give the reader an insight into this complex and heavily legislated activity third party liability concerning the carriage of third-party goods within the UK, EU, European Free Trade Association (EFTA) and Globally.

2 Literature Review

2.1 Introduction of Literature Review.

The reading of literature for this report was conducted using the following publications, Lowes Transport, Managers and Operators Guide by Lowe David, Supply Chain Management and Transport Logistics by John J. Liu, Global Logistics and Supply Chain Management by Mangan John and Warehouse Management by Richards Gwynne, concurrently with research utilising online Databases such as University of Wales Trinity St David's (UWTSD) Library portal and Google Scholar and PDF searches.

2.2 Examination.

After the examination of information supplied by the sources the author of this report agrees with the information gleaned from the publications and find the sources to be competent in their findings in the authors opinion.

2.3 Conclusion.

The conclusion is that in the previous publications mentioned, they give an informed and concise view of the responsibilities and liabilities concerning the carriage of third-party goods and the bulk of information used in this report was gathered from these publications along with the other sources mentioned.

3 Methodology

The Report was compiled by reading of material from various sources, online libraries and physical libraries, web resources using Google Scholar, Her Majesty's Revenue and Customs (HMRC)GOV.UK site and the use of the information gleaned allowed the following Political, Economic, Social, Technological, Legal and Environmental (PESTLE) analysis to be compiled.

3.1 Pestle Analysis.

Responsibilities and
Liabilities when carrying
third party goods.
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Element	Factor	Impacts
Political	Third country (Grewal N.2018) Change of Government. Brexit. Terrorism.	Political instability. Increased legislation. Blockades by foreign Powers (Brexit).
Economic	Reasonable care or lack of. Duty of care or Reasonable care. Damaged Goods.	Loss of use, financial costs. Impaired use. Total loss.
Social	Population. Delivery on time Failure.	Civil unrest, strikes. affects operations due to tardiness or Force Majeure.
Technological	GPS Systems. EPOS, ERP, ARP systems. RFID. Item Tracking.	All rely on technology which is vulnerable to Interruption or external influence i.e. hacking, malevolent acts or human error.
Legal	Insurance. Contracts, inc Force Majeure clauses. Licensing. Litigation. CPC. Driver CPC. Operator. Bonded storage. Customs and Excise. Legislation. (Carriage of Goods by road Act 1965, Air and Road act 1979).	Goods are vulnerable. Unforeseeable events. Unable to move through borders unless due process carried out. Legal costs plus punitive/compensatory costs if award is against CEP Fines, Points on license, Prison. Fines, Prison, Unable to hold CPC position again. Extra costs. Increased admin costs. Good/vehicles seized. Fines or seizure of goods by HMRC. To obey current legislation or incur penalties be it financial or criminal.
Environmental	Emissions. Euro 1 to Euro 6, Reg 715/2017 Acts of God.	Fines and Enforcement for noncompliance, Environmental damage. Inclement weather, volcanic events.

3.2 PESTLE Result.

After completing the PESTLE analysis, it illustrates that the Legal and Political aspects appear to have the largest impact on the process of carrying third party goods and the associated responsibilities and liabilities.

4 Discussion

The two aspects of many concerning the responsibilities and Liabilities of the carriage of third-party goods which have been chosen via the use of the PESTLE analysis for deeper insight are the Legal and Political aspects.

4.1 LEGAL

The legal aspect of the carrier's duties be it implied, contractual or legislated are as follows.

To follow all government legislation and compulsory insurance coverage for all fair hazards, trade body (Lowe.D.2018) recommendations plus all relevant licensing for activities involving national and international boundaries. A few examples of the major UK Government and EU legislation are listed below.

Complying with all relevant Operator licensing('O') requirements for the UK market. Regulation 881/92/EEC intra-European road haulage (Lowe.d.2018). Community Licences which in the UK are automatically issued to 'O' license holders negating the need for separate applications.

The need for road haulage permits for operation in non-EU countries and third world, which are issued from International Road Freight Office (IRFO) which is a division of the Driver and Vehicle standards Agency (DVSA) which can be found via GOV.UK.

Convention on the Contract for the International Carriage of Goods by road 1956 (CMR) (Lowe.D.2018) which apply to all transport operators be it large or small concerns, (if the goods stay in the vehicle which began the delivery process). Failure of carrying out operations knowingly or not without the CMR is known as a 'unwitting CMR' (Lowe.D.2018). this does not pertain to local delivery vehicles such as mail operators.

Cabotage, which is the internal haulage by Foreign courier, express and parcel (CEP)s inc Heavy goods operators, the most current legislation is articles 8 and 9 of regulation 1072/2009/EC which has been in use since 14 May 2010(Lowe.D.2018). Customs documentation within the curtilage of the EU and EFTA (L. Khúlová,2016)

4.2 POLITICAL

The political aspects highlighted from the PESTLE concerning the effects of politics on the responsibilities and liabilities of the carrying of third-party goods are outlined as follows.

Brexit and the possibility of the UK becoming a 'third country' (G.Gee.et al,2018)is going to have a large impact on the responsibilities and liabilities of carrying third-part goods (CILT 2017), this will be down to the conversion of EU legislation and customs systems into UK law, this will be a long-protracted process due to complexity of the current shared legislation and I also the backlash(REF) from the current EU bureaucracy as Brexit is implemented.

The current system of open borders influences CEPs and the 'O' licence holders in their responsibilities and liability as they must implement varying procedures to deal with differing requirements when transporting third-party goods in cross border (EU and EFTA) movements which at this date in time is a reasonably stable process but can change in relation to differing political policies that are ever changing when a new government is elected by the inhabitants who are of voting age and legally registered in that particular country.

The security aspect of this is large problem for the movement of third-party good due to the increased threat of terrorism present in the world today (GOV.UK. 2018.Threat level Severe)

With the onus being placed on CEPs and other providers whom incur the responsibilities and liabilities when carrying third-party goods, they have a duty to be the first line of defence (GOV.UK, Hostile Vehicle Mitigation (HVM)) is an example of advice from the UK government on their GOV.UK site.

Terrorism has been on the increase (Allen,G, 2018) due to an increased number of radical groups from both sides of the political spectrum resorting to the use of terrorism to get their views or doctrine made known.

This has influenced the movement of goods due to increased security one example is the American US Customs-Trade Partnership against Terrorism(C-TPAT) (Mangan.J,2016),it is one many measures which can prolong the movement of goods, along with the associated cost increase for implementing these which in turn is passed down to the shipper and consignee via increased charges.

5 Conclusions.

This author through the reading of pertinent material associated with the responsibilities and liabilities of the carrying of third party good has surmised the industry has gone through considerable evolution over the last 40 years and in its existing form has a relatively stable technique of dealing with the issue of the carrying of third-party goods and if the existing state of affairs were maintained would carry on in this manner, with industry led improvements in partnership with the associated Governmental Departments like HMRC,IRFO and DVSA.

The one large aspect which is guaranteed to upset the existing Status quo will be Brexit.

Due to Brexit and the possibility of the UK becoming a 'third country' (G. Gee.et al,2018) there is great uncertainty to foresee what the Legal and Legislative fallout would be to the issue of the carrying of third-party goods and associated responsibilities and liabilities.

To make any further comments would be postulation until the process of Brexit is completed and there are hard facts available to determine what course the legal and Political consequences will be for the issue of responsibilities and liabilities for the carrying of third-party goods across all sectors involved in this process.

6 References

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G.Gee Leaving the EU? The Legal Impact of "Brexit" on the United Kingdom Edited by Graham Gee (University of Sheffield) Luca Rubini (University of Birmingham) Martin Trybus (University of Birmingham) Institute of European Law, Birmingham Law School retrieved 18.11.2018.

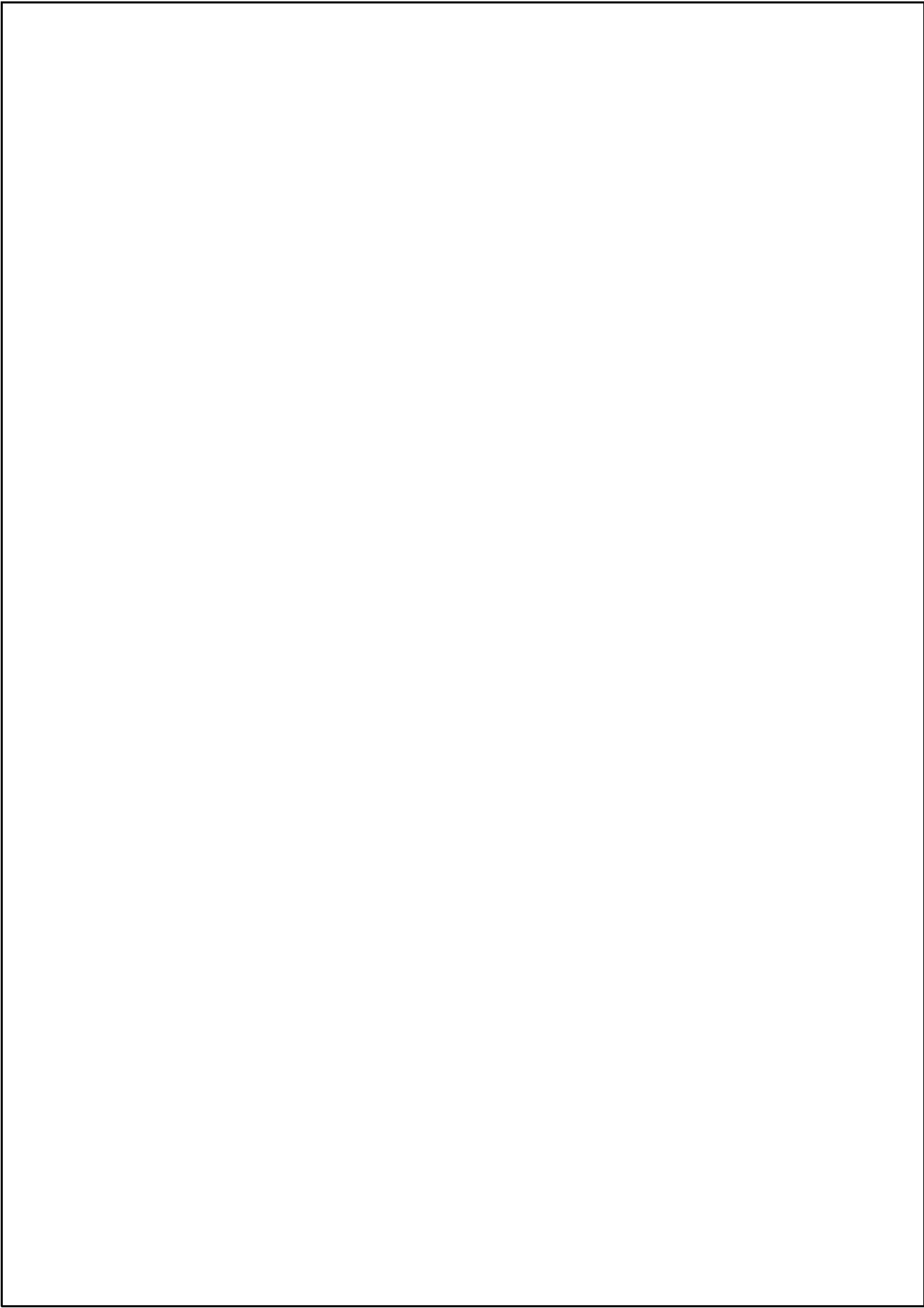
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Khúlová, Lucia, EFTA, Sciendo Studia Commercialia Bratislavensia, 2016, Vol.9 (35), p.313-322.retrieved 18.11.2018.

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Mangan.J,L.Chandra,Global Logistics and Supply Management, C-TPAT , 3rd edition 2016
p.122.



FINAL GRADE

50/100

GENERAL COMMENTS

Instructor

The assignment is to be in the form of a written report in which you will discuss the Carrier's Responsibilities and Liabilities when carrying third party goods. The task assignment is to be 1,750 words, +/- 10%.

Assessment Criteria:

Outline the carrier's responsibilities and liabilities under law and their defence against spurious claims

Word Count: 1590

Carriers responsibilities & Liabilities for the movement of goods is really simple:

To deliver the product to:, the right place, in the right condition, in the right quantity and in the right time.

You could have narrowed your assignment to the UK only, which would have made it a lot simpler

Once you understand in simple terms what the carriers responsibilities and liabilities are, then you can address the assignment question in full.

Whilst any company [irrespective of their discipline] I agree have legislation etal to adhere too, especially where the legislation has absolutes..

However in even simpler terms what processes does the carrier need to employ as a defence against spurious claims, you appear not to have answered this element.

I am not arguing about the need for an "O" licence, compliance with EU directives etal, these are what any company would be required to do, we are concentrating on the movement of third party goods [ergo on behalf of some-one else - so what are the responsibilities and liabilities of the carrier in this respect]

Why did you not use Rushton as a reference resource? He did have the answer!!

	Grade
RIL	57.1%
K&U	57.1%
Analysis	42.9%
Prac	
Skills	42.9%
Total	50.0%

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