

Carriers Responsibilities and liabilities

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Carriers Responsibilities & Liabilities

When Carrying Third Party Goods

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1 Introduction

This report will discuss and analyse the responsibilities and liabilities of carriers whilst transporting 3rd party goods. Lieb stated 'third party logistics is the use of an external company to fulfil the complete logistical process or selected activities which traditionally was a function performed by the organisation itself' (1992).  1. As this practice has grown exponentially since Lieb wrote of growth in 1992, with it there has been more legislation enacted and emphasis on the responsibilities of carriers. These could be defined as a financial responsibility which could mean litigation or compensation, a legal obligation to perform operations within legislation, duty of care for the load/consignment or a social aspect.

1.1 Objective

The objective of this report is too highlight some of wide range of subject areas that could carriers could be responsible or liable. This will then be narrowed down, then the area chosen will be analysed. The report will then lead to a conclusion on the responsibilities and liabilities of carriers when they transport 3rd party goods.

2 Methodology

In this report a PESTLE analysis will be used to highlight some of the areas that carriers may be responsible or liable.

Figure 1

PESTLE Analysis of affects on Carriers

	Political	Economic	Social	Technologica	Legal	Enviromental
	Trading between countries post Brexit	Cover for Damaged Goods	Delivery on Time	RFID (Radio-Frequency Identifiaction)	Carriage of Dangerous goods	Noice Pollution
	Border Controls	Fuel Prices	Coveinence of Delivery	Tacographs	Insurance	Emissions
	EU Directive	Work Force		Asset Tracking	CPC Driver Licence	Sustanability
	Tax Rates	Economic Fluctuations		Container GPS	CPC Operator	
	Trading Sanctions				Litigation	
	Infrastructre (Building , Repairing or Upgrading)				Licence for Transport of Drugs	
					Licence for Transport of Ammunition	
					Legislation	
					VOSA	
					Lost Consignmne	
					Transfer of Goods	

Using the PESTLE analysis in Figure 1, this report will now discuss in greater detail an area for which carriers could be responsible or liable.

The method of research for this report will be the reading of books, journals, websites and legislation. The research is also based on some working and practical knowledge of the subject.

3 Discussion/Analysis

3.1 Transport of Lithium Batteries Classed as Dangerous Goods by Road

Technology has become such an integral part of society in UK over recent years. 'Modern technology is ubiquitous in society and plays an important role in nearly everything humans do' (Surry & Baker III, 2016) The prominent forms of technology are portable electronics such as mobile phones, laptop computers and tablet computers. These devices are powered by a rechargeable lithium-ion battery. Yet there are many other forms of modern technology that is portable so requires a battery these include many medical devices. There is a wide range of machinery and devices used in medicine, these require different batteries and need replacing regularly. While many of these do also use rechargeable lithium-ion batteries many them also use lithium-metal batteries. Both compositions of these batteries are classed as dangerous goods by the United Nations Economic and Social Council (ECOSOC). UN Recommendations on the Transport of Dangerous Goods were developed by the 'ECOSOC Committee of Experts on the Transport of Dangerous Goods. These recommendations were drawn up with the advances of technology and materials. The recommendations are a guide to help develop national and international regulations and expect all governments and all parties responsible for regulation conform to the UN model regulations' (United Nations Economic Commission for Europe, n.d.). The regulations give a universally recognised 4-digit number proceeded with UN. This number is used when shipping any form of dangerous good to help the carrier identify what they are carrying. For packages carrying any form of lithium in a battery are:

- UN3090 Lithium Metal Battery
- UN3091 Lithium Metal Battery in Equipment
- UN3480 Lithium-ion Battery
- UN3481 Lithium-ion Battery in Equipment (Croner-i Ltd, 2018)

'The Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 is the legislation for the carriage of dangerous goods by road and rail in the UK. This legislation follows the regulations of ADR' (Lowe & Pidgeon, 2018).

'The ADR Convention or European agreement concerning the International Carriage of Dangerous Goods by Road is a substantial document that was produced by United Nations Economic Commission (UNECE). EU (European Union) member states all agree to the ADR and this governs the carriage of dangerous goods by road'. (Lowe & Pidgeon, 2018).

'The ADR is made of 9 parts, this is published over 2 hard-back books. The parts cover:

1. The scope of the agreement, definitions, units of measure, training of persons involved with shipping dangerous goods, safety obligations, carrying of Class 7 goods, the rights of contracting parties to the agreement to restrict the carriage of certain goods for reasons other than safety and an appendix of competent authorities in each signatory states. For the UK this is the Department for Transport.
2. The general provisions and classifications of goods and list the 9 main classes and sub-classes, the test method to classify dangerous goods and cross reference procedures.
3. The list of dangerous goods classified with their unique UN number.
4. Packing and tank provisions
5. Consignment procedures
6. Construction and testing of packaging and IBC's
7. Carriage by road and handling/loading of dangerous goods
8. Vehicle crews and equipment
9. Construction and approval of dangerous goods carrying vehicles.' (Lowe & Pidgeon, 2018)

The classification of dangerous goods is split into 9 general classes, these are:

- Class 1 Explosive substances and articles
- Class 2 Gas
- Class 3 Flammable liquids
- Class 4 Flammable solids, Substances liable to explode or emit flammable gases on contact with water
- Class 5 Oxidizing substances and organic peroxides
- Class 6 Toxic and infectious substances
- Class 7 Radioactive material
- Class 8 Corrosive substances
- Class 9 Miscellaneous dangerous substances and articles

Lithium batteries (metal or ion) are under the class 9 classification.

Responsibilities and liabilities of carrying dangerous goods does not start with the carriers. Carriage of dangerous goods within the UK is a chain which starts with the Department for Transport. The department is responsible for applying the ADR within the UK and ensuring the legal requirements are met which include the identifying and classifying dangerous goods. The consignor also has responsibilities before the goods are transferred to the carrier. These include identifying the

dangerous goods, correct accurate documentation and 'identifying if the product needs special packaging, load size limits, correct labelling and isolation' (Rushton, et al., 2017). Assuming all the procedures performed by the consignor the package is transferred to the carrier.

The carrier has responsibility all through the company's procedures from management down to the drivers. These responsibilities are mainly legal that needs to be followed diligently for the safety of everyone involved with in the supply chain of the goods.

The chain of liability for the carrier starts with management to ensure that staff handling the dangerous goods are adequately trained whilst loading, handling and transporting dangerous goods. 'Carriers must also employ a dangerous a goods safety adviser (DGSA) who is qualified and to ensure drivers are holding vocational training certificates are trained in emergency procedures' (Lowe & Pidgeon, 2018).

Carriers are required to check dangerous goods adhere to ADR when they receive the package. Many carriers publish guidelines for companies to follow when they are preparing to ship dangerous goods. A good example of this is a battery distributor for hospitals, ship many variants of lithium batteries. The preferred carrier for this company requested the company train the staff on how to handle and ship dangerous goods. The company was asked to nominate trained personnel to sign any Shipper's Declaration of Dangerous Goods to ensure package was to ADR standard. This measure helped the carrier ensure the packages collected from the distributor met all legal requirements.

With the responsibility passing to the carrier once the package is collected, this means that drivers are required to follow certain rules. 'Drivers must not carry unauthorised passengers in vehicle, open any package containing dangerous goods unless authorized and cannot smoke or carry anything that can produce flames' (Lowe & Pidgeon, 2018).

Drivers are expected to refuse packages which contain dangerous goods if they feel there is any damage to the package or any sign of defect or leaks. Documentation is an important part of carrying dangerous goods. Drivers are required to carry the correct documentation when transporting dangerous goods. 'This documentation will be the information from the consignor which will include weigh, description, UN number, hazard class, how many packages and the volume, the name and address of both consignor and consignee plus any other information required' (Lowe & Pidgeon, 2018). They are also required to carry information on what procedures to follow in case of an accident or emergency. If a fire starts whilst carrying lithium batteries, the driver needs to know what type of battery they are carrying (metal or ion). 'if a lithium metal fire starts a specialist

class D extinguisher is required, for a lithium-ion fire a class A extinguisher is required but do not use water as this creates hydrofluoric acid which is corrosive and absorbed through the skin' (Argos Fire Protection Limited, 2018). This information is critical as the driver must inform the relevant emergency services.

Carriers are also responsible for the loading of vehicles carrying dangerous goods this may include making sure its not overloaded, the packages are loaded and stored securely, the vehicle has the correct labels, markings and badges are on the vehicle to identify it is carrying hazardous cargo. 'This will usually consist of the diamond which coincides with the class of dangerous goods carried and 2 orange rectangles on the front and back of the vehicle' (Health and Safety Executive, 2018)

4 Conclusion

This report has discussed how carrying dangerous goods by road is highly regulated. The legislation put in place by the UK government is in line with ADR regulations set by UNECE. This implies that this is a major topic with in the logistics business.

Carriers must of course adhere to these regulations. With this the responsibility and liabilities for carriers increases. The Government has some responsibilities for dangerous goods but only in the sense of legislation and enforcement. When shipping dangerous goods, the participants (consignor, carrier and consignee) are all responsible to a point but the main emphasis is placed on consignor and carrier. The consignor has responsibilities, but if a carrier takes a package and do not check the package does not adhere to ADR, they are liable for any consequences that may occur.

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Carriers Responsibilities and liabilities

GRADEMARK REPORT

FINAL GRADE

GENERAL COMMENTS

57 /100

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

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Carriers responsibilities are:

To deliver the right product, to the right destination, in the right quantity and right condition. These are the four pillars.

It is true that the logistics company has to adhere to legislation, especially where absolutes are embedded in that legislation.

So in terms of using your PESTLE analysis for example you could have aligned the four pillars to you pestle and discussed what the responsibilities are in terms of meeting the requirements of:

Road Traffic Act, Environmental Legislation, carriage of Dangerous Goods by Road.

And How the carrier ensures the products arrive at their destination (route planning may be?) in the right quantity (what measures does the carrier take to ensure this - defence) Right Time, couple that with route planning and in the right condition - some form of protection in transit maybe.

You have concentrated on just one aspect of responsibility , that of Dangerous Goods, as interesting as it is, it does not tell the whole story and for which you assignment has suffered accordingly.

	Grade
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RIL	71.4%
K&U	42.9%
Analysis	42.9%
Prac	
Skills	71.4%
	0.0%
Total	57.1%

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Comment 1

Improper citation

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