Stakeholder relations code of practice

Freight/charter track access for new or potential train operators

Document version: 1.1

Contents

1. Introduction

You'll want to read this section of the code of practice is relevant if you're a new or potential freight or charter train operator, and you want to develop a train service timetable to get a track access contract.

2. Overview

This section gives you an overview of getting a track access contract as a freight and charter train operator.

2.1 Freight

To be able to run freight trains on the UK railway network, you need a contract with Network Rail.

This contract will contain the details and conditions about the trains you intend to run, known as freight access rights.

These access rights fall into four categories:

1. Level 1
2. Level 2
3. Spot bids
4. Extended spot bids or level 3 access rights

1. Level 1 access rights

This level of rights gives you access to timed train slots at the traffic's origin and destination. They're often route specific.

2. Level 2 access rights

These rights give you access to a number of train slots between an origin and a destination. They're often described as quantum rights. They can be useful for freight services where there is week-to-week or seasonal variation in demand.

For example, consider services to coal fired power stations. Demand can vary between summer and winter, and services are also affected by which coal supply points are open. This is when you'd use level 2 access rights.

3. Spot bids

Spot bid rights are available at shorter notice. They're often a better first option for prospective freight train operators, as well as better suiting charter trains. They let you access any available spare capacity that on the network.

Prospective freight train operators often start with spot bid rights and then progress to level 1 or level 2 rights.

4. Extended spot bids or level 3 access rights

If you need spot bid rights for longer than six months, you'd need to seek extended spot bid rights, also known as level 3 rights.

Initial steps

The first person you'll need to talk to is our appropriate freight Customer Relationship Executive.

They'll discuss with you the type of access rights you need, and proceed accordingly.

You can see an example of a model track access contract here.

Your Customer Relationship Executive will also advise you on whether paths are likely to be available for you to operate a service, and any specific local constraints like power supply and gauge. Find more details in Appendix A.

You might also need to undertake further train planning which, depending on exactly what you need, you might have to pay for.

2.2 Charter

Charter trains are usually one-off or limited frequency special passenger services, like trains to sporting events or luxury dining trains. Their access rights are usually spot bid only (see above).

Initial steps

There is a model contract for charter passenger track access. It lets you enter into track access contracts with us based on the charter model contract for providing passenger charter services, and it also lets you make certain specific amendments to such contracts. This contract has been issued as 'General Approval' by the ORR, so you can easily enter into it without the prior approval of the ORR.

At this point, you'll want to examine the industry framework and decide whether you want to continue discussing proposals for a new train service.

Your Customer Relationship Executive will also advise you on whether paths are likely to be available for you to operate a service, and any specific local constraints like power supply and gauge. Find more details in Appendix A.

You might also need to undertake further train planning which, depending on exactly what you need, you might have to pay for.

3. Freight and charter next steps

If you want to continue, your Customer Relationship Executive will discuss which steps you'll need to undertake in your application. The procedure may vary according to the types of access rights you're seeking and how soon you want to exercise them.

In most instances this means:

a) We'll seek the assurances and information we outline in Appendix B to evaluate your background and ability to deliver your proposed services

b) We'll negotiate the terms of the track access contract with you, and it will be approved by the ORR.

c) We'll invite you to take part in the timetable development process and participate at the annual timetable conference

This part of the process will generally not be appropriate for charter train operations.

d) You can apply for spot bid rights in certain circumstances using an approval process which doesn't need specific approval by the ORR. You can find more details on the ORR's website here.

Our relationship with you will also need to encompass a range of functions including finance, performance and safety and operations.

Timescales

Throughout the process we'll keep you informed of the timescales that apply to developing an access contract and agreeing an approved train service.

The timescales for determining train paths to deliver level 1 and 2 rights are governed by our timetable creation process. This is set out in part D of our network code, which describes the rules that are incorporated into access agreements.

You should allow 18 months for the process. This timescale can vary according to the quantity and flexibility of services you need, the level of certainty of rights you need, and the complexity of timetabling.

You can find a process chart with the procedural stages and anticipated timeframes for developing a timetable with level 1 or 2 rights in Appendix C.

You can find a process chart showing the procedural stages and anticipated timeframes for developing a timetable with spot bid rights in Appendix D.

You can also find information on the timetable development process in Appendix E.

Developing a track access contract

Once you've given us the necessary assurances, you can start commercial negotiations with us to draw up a track access contract.

You can negotiate with us before, after, or during the timetable development process, but it's normal to agree the contract before the timetable conference so you can exercise your required access rights during the timetabling process.

We'll need to carry out timetable development work and performance modelling before we can determine what capacity we can offer you. If this work is carried out as part of our normal timetabling process, we won't charge you. But if we do it before the timetabling process, we may have to charge. In that case, we'll inform you of any charges first.

We can finalise the access contract during or after we've developed the timetable if we don't know your requirements. In this case, you may choose to seek paths in the timetable that are under development or in actual operation, accepting that your requests will receive a lower priority. We will conclude the access contract on the basis of the paths that are available in that timetable.

In either case, you won't be able to exercise your access rights by running trains until you've got a track access contract which has been approved by the ORR.

We'll set out the purpose of the track access contract in our contractual relationship with you. New contracts normally fall under section 18 of the Railways Act 1993, where the terms are approved by the ORR. Please see Appendix F for a description of this process.

Where we haven't been able to agree on the access contract's terms with you, you can apply to the ORR for a new agreement under section 17 of the Railways Act 1993.

4. Further guidance material

The ORR has published two useful documents you'll also want to read:

Starting mainline rail operations: a guide to the regulatory framework.

'Criteria and procedures for the approval of track access contracts' and the national rules of the plan

5. Who do I contact?

To discuss your proposal in terms of how to obtain a track access contract, please contact:

For charter trains:

Rachel Gilliland
Customer Relationship Executive
Network Rail
Piccadilly Station
Manchester M60 7RA

Tel: 07767 644397
Email: rachel.gilliland@networkrail.co.uk

For freight:

Gordon Cox
Customer Relationship Executive
Network Rail
East Anglia House
12-34 Great Eastern Street
London EC2A 3EH

Tel: 020 7904 4084
Email: gordon.cox@networkrail.co.uk

If you have a general enquiry however, or need to contact us for any other reason, please call our 24 hour National Helpline on 0845 711 4141.

Appendix A: Loading gauges and power supply

Loading gauges on the main rail network

The maximum standard gauge profile for each route varies. Lineside and overhead structures can result in differences in gauge, which can constrain the types of vehicle that may operate on any single route.

Britain's railways have been constructed by a range of companies over the years, often to differing loading gauges. Network Rail has adopted a set of defined loading gauge standards for freight vehicles. A railway wagon built to one of the smaller loading gauges (eg W6) can operate on virtually any route on the network.

The larger loading gauges tend to have more headroom, which allows intermodal flat wagons to carry tall containers and swap bodies on certain routes. The table provides some examples of the application of wagon and load conditions within these standard gauges.

Unit type	**Container**			**Container**		
Unit width	**8'**			**2500mm**		
Wagon type	**FEA**	**IFA**	**IKA**	**FEA**	**IFA**	**IKA**
Maximum unit height	Feet and inches			Millimetres		
W6	8'	8'	8' 6"	2402	2448	2568
W7	8'	8'	8' 6"	2402	2448	2585
W8	8' 6"	8' 6"	9'	2638	2673	2793
W9	9'	9'	9'6"	2725	2770	2896
W10	9' 6"	9' 6"	9' 6"	2896	2896	2896

Full details and definition of the standard freight gauges currently in use in GB are set out in Railway Group Guidance Note GE/GN8573 (October 2004) 'Guidance on Gauging' Appendices 1 to 5. 'W6' is generally taken to include the W6A profile (modified for third rail). The gauges W6 or W6A, W7, W8 and W9 are static profiles to which allowances for dynamic effects must be applied, and are broadly incremental. W10 is derived upon a dynamic basis and is a suite of swept envelopes for permitted vehicle load combinations.

You'll find broad indications of each strategic route's predominant capability in the route plans: http://www.networkrail.co.uk/aspx/4451.aspx. They're not operational documents, though, so you should check with us that any data you use is the latest we have.

Power supply

As with gauge, different routes have different power supplies available, which may constrain the types of vehicles which can operate on it.

Around 40% of the main rail network is equipped with power supplies for electric trains.

These supplies can be divided into two groups:

1. 25kV ac overhead supply, provided through overhead cables (catenary), collected by a pantograph on the locomotive roof;

   Electrification at 25kV ac mainly covers the West Coast, East Coast and Great Eastern Main Lines and associated feeder routes.

2. 750V dc third rail supply, provided by a third rail running alongside the running lines, collected by shoes fitted to the locomotive bogies.

   Electrification at 750V dc is confined to the South East of England and Merseyside.

All new electrified railways are now generally constructed to the 25kV ac system.

Electric freight locomotives in Great Britain are almost entirely powered from 25kV ac overhead supplies, although two types of locomotive can operate from more than one power source:

1. Class 73 can operate from 750V dc third rail supplies, or from an on-board diesel engine which provides limited haulage.
2. Class 92 can operate from 25kV ac overhead and 750V dc third-rail supplies in Great Britain, and from Eurotunnel and SNCF 25kV ac overhead supplies.

For freight services, it's usual for trains to switch between locomotives at major hubs, sometimes between diesel and electric locomotives. That means the need for the points of origin and destination to be electrified isn't likely to be a major constraint. Indeed, third rail and overhead power supplies are normally excluded from freight terminals on safety grounds.

In such cases, diesel shunting locomotives may be required to pull trains to and from the electrified main line network, or electric locomotives may be allowed to reverse trains into a terminal on an electrified spur. This leaves the wagons beyond the electrified network, allowing for safe access by terminal operators and cranes.

As we process a request for track access, we'll examine whether these constrains present any practical difficulties and discuss any concerns with you.

Appendix B: Assurances we will need

We need the following assurances to be met - or be given evidence of a realistic expectation that they will be met - before incorporating any bid to run train services into a timetable, and before entering into negotiations to draw up a track access contract:

As a prospective operator you'll need to assure us that you're financially and practically able to operate a successful train service. You must also agree to be bound by the timetabling process. We'll have to deem that evidence satisfactory as operator of the network.

So you need to demonstrate:

a) that you have a sound business case

b) that you are financially robust enough to develop and operate the proposed train service. We'll seek a formal credit rating for either you, or for a parent company or financial backer, coupled with a bank guarantee to a value that will be set to cover our liabilities

c) that you'll have the necessary insurance arrangements to cover your operation of the proposed train service. The ORR will need to approve your arrangements, and you'll need to submit a copy of the ORR approval of your third party insurance and self-insurance arrangements to us

d) that you can source rolling stock and staff

e) that you have, or will have, an approved safety case to cover your operations

f) that if your intention is to operate steam hauled trains, you have a licence to do so

g) that you have an operating licence (or exemption), or that the ORR or Secretary of State has given public notice that they are minded to grant such a licence

h) that you have the necessary railway expertise, including train planning experience and train service operation

i) that you have the relevant permissions to use the terminals, freight facilities or stations that you need

We will also need to consider:

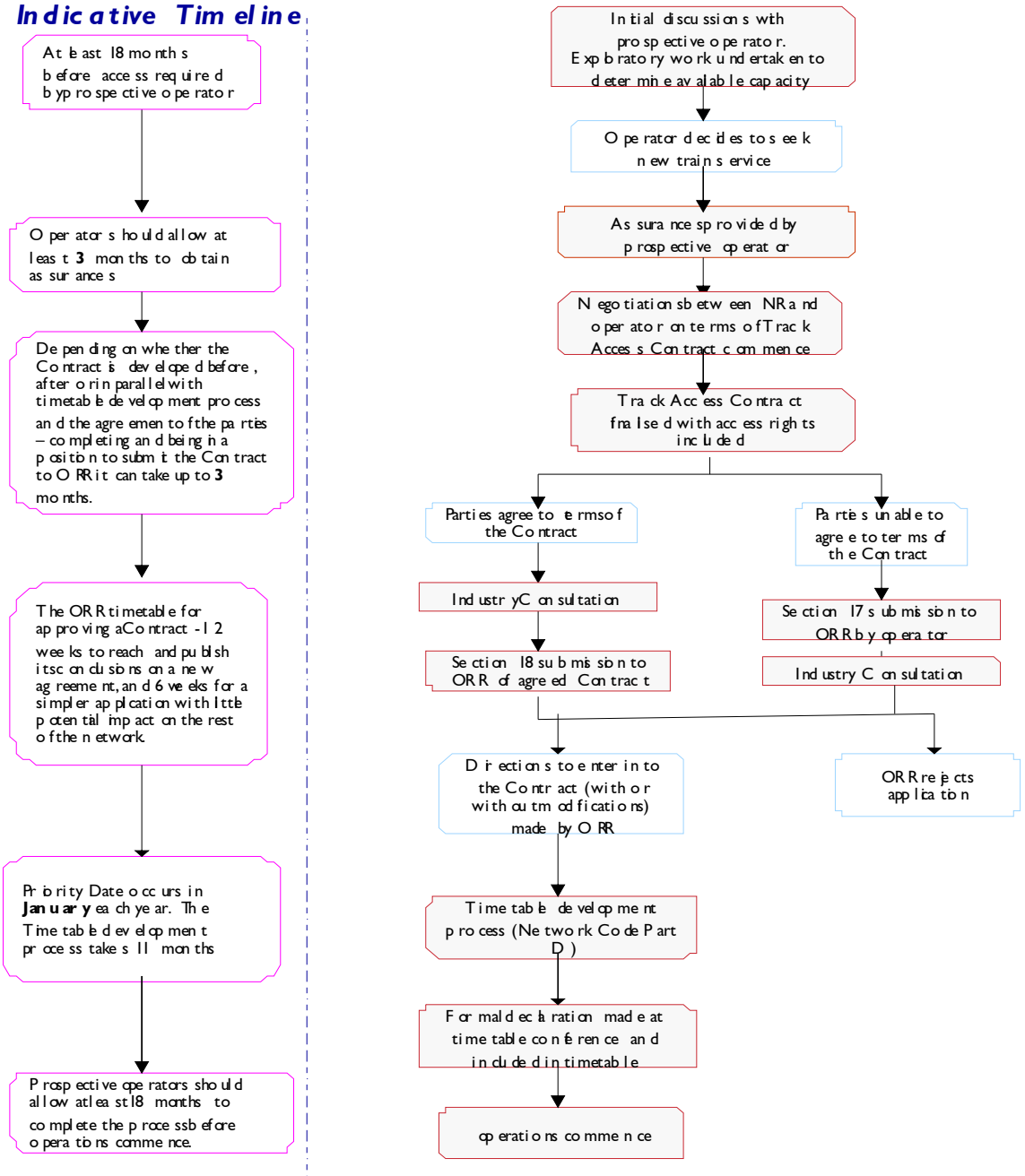
a) whether there's enough capacity on the whole of your proposed route, for the entire duration of the proposed service(s)

b) the impact of any new service proposals on the Route Utilisation Strategies.

You should also consider the assurance checklist in Appendix F.

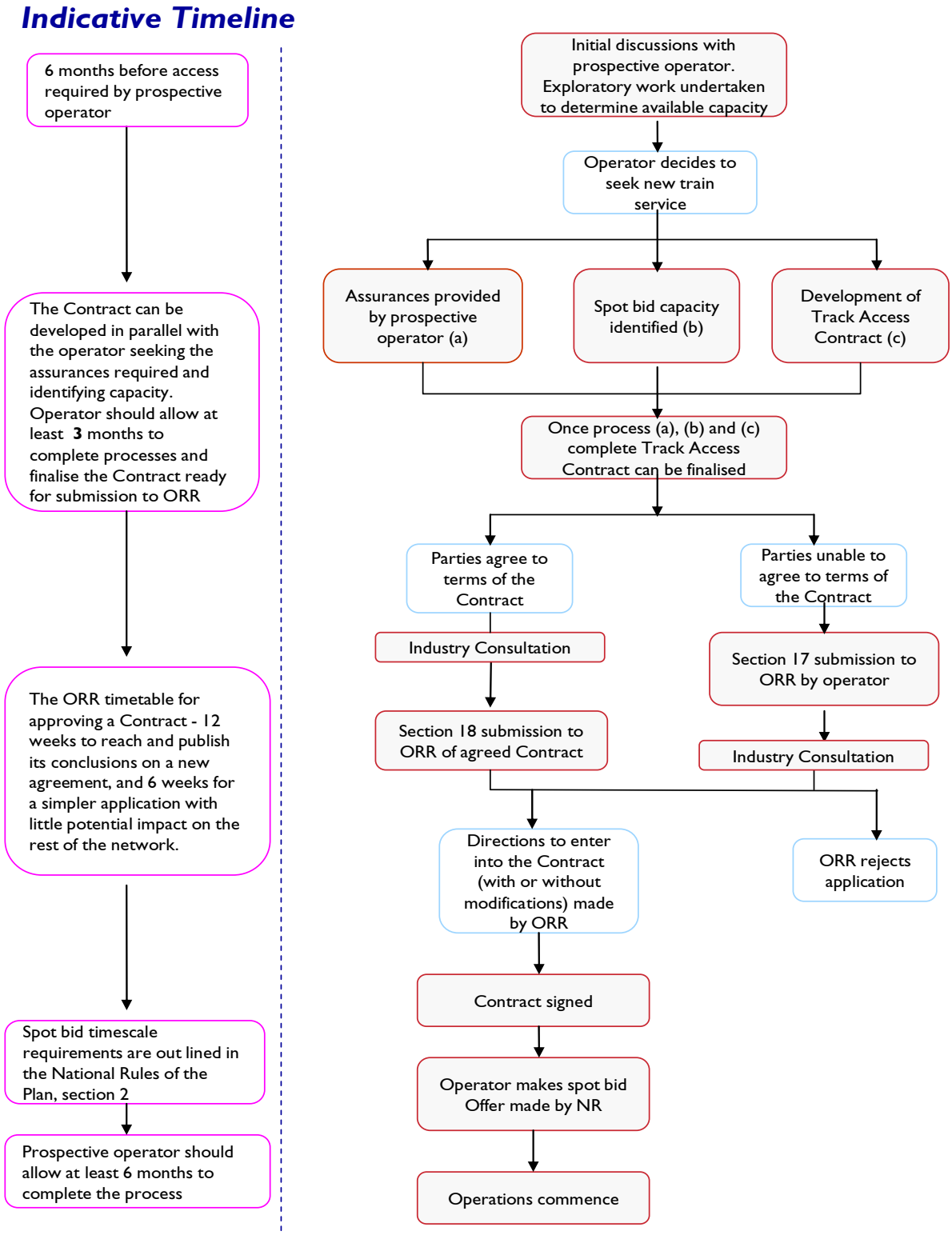
Appendix C: Process chart – level 1 and 2 rights

Gaining a track access agreement with a permanent path (level 1 and 2 rights) for a prospective operator



Appendix D: Process chart – spot bids

Gaining a track access agreement with spot bid rights for a prospective operator



Appendix E: Timetable development process

The Customer Relationship Executive will give you details of the appropriate train planning contact to help you develop your service plans to the process set out in Part D of the Network Code. The Network Code is an industry document which describes the rules which are incorporated into each access agreement.

The Customer Relationship Executive will, in most cases, act as the key contact for train planning and will help you assess if and where space exists in a future timetable for potential new services.

We'll invite you to the annual timetable conference, and you'll need to declare which level 1 or 2 rights you intend to obtain and exercise. National Rules of the Plan contain a plain English description of the timetable planning process, together with details of the planning schedule and requirements you'll need to meet as you bid for train paths. The Customer Relationship Executive will be able to guide you through the exact process you'll need to follow.

After we've received declarations from every train operator that wants to run services in the new timetable, we will consult with them all and develop a draft timetable. As a train operator, you can amend, delete or add to your bid up to four weeks before we issue the draft timetable. Once it's been issued, all the train operators have time to assess the draft and tell us about any amendments they need.

We won't keep the information you give us in the timetable process confidential, unless there are exceptional circumstances. We'll publish an initial list of operators' aspirations for using the network before the timetable conference.

The exact timescales for the timetable development process vary from year to year. The Customer Relationship Executive supplies those details.

Once paths have been identified to a prospective operator, that operator can exercise them as soon as we have expressed them in a valid track access contract.

Operators whose commercial needs dictate that they need access to the network more quickly than the full timetable process allows can use the spot bid process. This gives them access to train slots, as long as there's an approved track access contract in place when they use the slots. You'll find full details in the Network Code and National Rules of the Plan.

A freight operator must request access from train planning in an agreed format. We would expect to make an offer within one week of your submission, as long as you already have a relevant access agreement and can use an existing train path. There are occasions when finding a train slot for spot bid traffic is difficult, in which case it might take longer.

For charter trains, it's generally not practical for operators to devise a formally compliant spot bid. The request for access would normally be based on an arrangement between the operator and the Customer Relationship Executive. This usually means we'd devise the detailed access arrangements on your behalf, based on an agreed specification. In that case, our timescales would be much longer.

Appendix F: Assurance checklist

ASSURANCE REQUIRED	DETAILS	CONTACT
ROGS (Railways and Other Guided Transport Systems Regulations (2006))	ROGS were introduced to put the requirements of the 2004 European Railway Safety Directive into place with the aim of creating a common European railway safety framework. ROGS require the majority of railway operators to maintain a safety management system and hold a certificate stating that the safety management system has been accepted by the ORR.	The ORR is responsible for granting certificates which indicate that an operator's safety management system has been accepted by the regulator.
Operating licence	Section 6 of the Railways Act 1993 (as amended) makes it an offence to be the operator of a railway asset without a licence or a licence exemption. Licences are granted by the ORR. New passenger operators will need to obtain a passenger licence and, depending on their proposed operation, a station licence and/or a light maintenance depot licence.	You can get detailed information about the types of licence a new operator needs, and the processes and timescales that apply, from the ORR.
Business case	The new operator's business case proposal must be realistic and achievable, and must be consistent with the reasonable requirements of other customers and funders.	You should contact the relevant Network Rail Commercial Advisor (Passenger) or Route Freight Manager (Freight) to discuss the details of any business case.
Financial robustness	We will need financial assurances from the new operator to quantify the risk of doing business with them, and to verify they have the financial capability to cover all payments they owe for the duration of a track access contract.	Please contact us to obtain more information about the type of financial assurances we need.
Rolling stock and staff	We need to be confident that new operators will have adequate rolling stock and staff for train services to run. They should supply us with firm confirmation of the availability of appropriate rolling stock (e.g. route cleared, and capable of keeping to the proposed timetable) and recruitment plans.	You should ask for a detailed explanation of our requirements from the relevant Network Rail Route Commercial Advisor (Passenger) or Route Freight Manager (Freight).
Claims Allocation and Handling Agreement (CAHA)	All licensed rail operators should have appropriate claims handling protocols agreed by the ORR. CAHA is the only relevant protocol. The aims of the agreement are:	The ORR requires all operators to sign up to CAHA protocols as part of their operating licence conditions. You should ask the ORR for details.

	• to minimise the cost of claims handling to the rail industry. • to reduce the costs of inter-industry disputes by use of a pre-determined allocation regime for small claims. • to verify claimants are not prejudiced by disaggregation of the industry.	
Railway expertise e.g. train planning	Planning and running a train service on the rail network in Britain is extremely complex. We need to know that new operators have the experience, skills and knowledge they need to be an effective and efficient operator of passenger trains.	When a potential new operator first contacts us, our Route Commercial team and Capacity Allocation Manager will work closely with them to verify that they have the necessary expertise and understanding of the complexities of the rail industry.
Railway industry Emergency Access Code	It may be necessary for licence holders to grant other parties access to their network to alleviate the effects of an emergency on the Network Rail network. The Emergency Access Code defines everyone's responsibilities, rights and obligations. The code lets everyone who has signed up to it gain access to railway facilities that are operated by other licence holders when it becomes necessary, so that railway vehicles that cause or are the subject of emergencies can be removed from and/or accepted onto another network as soon as it is possible.	We are responsible for managing the procedures and processes relating to the emergency access code. This includes executing and delivering admission documents and informing the ORR and all other parties of any entries to, or withdrawals from, the code. Initial contact should be made with the relevant Network Rail Route Commercial Advisor (Passenger) or Route Freight Manager (Freight).

Appendix G: Process for obtaining the ORR's approval

The Customer Relationship Executive will work with you to fill in the template model track access contract by the ORR. They will develop successive drafts with us until both parties are happy that the document reflects the contractual relationship they want to work under.

Once we've agreed your proposed access rights in principle and set out in the track access contract, we will consult with other operators about your proposal's impact on their access rights. If necessary, and with your agreement, we might amend or flex your rights to avoid conflicts with other operators' rights.

After a period of industry consultation, we'll jointly submit the final track access contract to the ORR with feedback from the consultation with other operators. You can find out more about this in section 3 of 'Criteria and procedures for the approval of track access contracts'.

The ORR must approve the contract before you can operate train services, unless you've been given spot bid rights.

If the ORR is satisfied, it will give directions to you and to us to enter into the track access contract, which may have modifications.

When it's been signed and exchanged, the agreement is 'live' and you can start the operations it permits.