



Management of Strategic Capacity on the Network

Network Rail's Code of Practice

Document Administration

Change Record		
Version	Date	Notes
1.0	03/07/2017	Version for consultation, replaces previous working draft
1.1	13/10/2017	Version incorporates revisions based on consultation responses

Abbreviations	
Acronym	Meaning
DfT	Department for Transport
LTPP	Long Term Planning Process
ORR	Office of Rail & Road
SCS	Strategic Capacity Statement

01. Queries or requests for guidance

01.01 Queries or any requests for guidance relating to the Strategic Capacity Code of Practice must be directed to Network Rail using the following email address:

StrategicCapacity@networkrail.co.uk

01.02 Any queries or requests for guidance relating to the Strategic Capacity Code of Practice must include the following details:

- Contact name and details of the requestor.
- Reference to the specific part of the Code to which the query or request relates.
- Specific details regarding the actual query or request itself.

02. Amendments to the Code

02.01 Where an amendment to the Strategic Capacity Code of Practice is sought, requests must be made to Network Rail via the email address previously stated. The requestor must provide specific wording suggested for the amendment and appropriate evidence to justify the change. Network Rail will investigate, decide on a course of action and, if it considers the change to be appropriate, will consult with the industry. Network Rail will aim to respond to all requests within 20 working days.

03 Review of and updates to the Code

03.01 The Strategic Capacity Code of Practice will be reviewed and updated based on the following timeline; amendments outside of these timescales may be made if required:

Strategic Capacity Code of Practice Timeline		
Date/Milestone	Stage	Notes
D-60	Internal review, any amendments to be consulted with industry.	Allows time for any necessary changes to be implemented prior to the publication of the next SCS at D-45.

Strategic Capacity Code of Practice – log of requests made		
Date	Request	Response

1. Strategic Capacity – An introduction

1. Purpose of Strategic Capacity

Strategic Capacity is capacity for which there is no immediate requirement but is likely to be needed by train operators in order to meet short-term requirements or longer-term future aspirations. This capacity is identified in the form of Strategic Paths which are listed in the Strategic Capacity Statement. When compiling the Working Timetable, Network Rail aims to include the Strategic Paths alongside the train slots requested by all train operators. Those included in the timetable are referred to as Strategic Train Slots.

This Code of Practice is intended to help meet condition 1 of Network Rail's network licence relating to how we manage the network and allocate capacity. The Code of Practice contains a number of sections covering how we do this and the principles and procedures we adopt when we deal with our stakeholders.

2. Context of Strategic Capacity

The requirements for creating and managing Strategic Capacity are referred to in several documents, which include:

- The Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 (the 2016 Regulations)
- Network Rail's Network Licence
- Network Rail's Network Statement

The relevant extracts from these documents can be found in Appendix A.

The Long Term Planning Process (LTPP), referred to in the Licence Conditions, enables the industry to develop potential infrastructure interventions and explore important strategic issues. There are several inputs which inform the LTPP:

- Market studies, which identify the strategic goals for each market sector of the rail industry over the next 30 years. They forecast the level of demand and the opportunities that higher levels may bring, and calculate what would be needed in order to meet these strategic goals.
- Local studies, which bring together the suggested outputs for all the market sectors for a particular part of the network. They evaluate the trade-offs between these suggested outputs for the different sectors and between the outputs and costs (including the cost of changes to capability). The local studies then form a view of the likely long-term allocation of capacity between sectors in order to inform decisions on the appropriate capability of the network. Services that operate across one or more local study boundaries are considered by a cross-boundary analysis working group to provide input to individual local studies.
- Network-wide studies, which identify strategic choices and appraise solutions to network-wide issues, including the benefits and challenges of technological change across the network.
- Network and Route Specifications (10-year and 30-year views) to devolve network capability requirements to Strategic Route Sections for the whole country.

The Network Code is a set of contractual rules incorporated into each track access agreement between Network Rail and all train operators. It covers those areas where all parties are obliged to work together to the same standards and timescales. Part D of the Network Code is relevant to the timetabling of train services on the network and includes the requirements and timescales for Strategic Capacity.

Section D4.6.2 (k) of the Network Code specifies that Network Rail shall avoid "changes, as far as possible, to a Strategic Train Slot other than changes which are consistent with the intended purpose of the Strategic Path to which the Strategic Train Slot relates". Network Rail

will therefore seek to use a Strategic Train Slot for the purpose that is shown in the Strategic Capacity Statement (SCS).

3. Purpose of the Code of Practice

This Code of Practice sets out the principles and procedures that Network Rail will follow with the industry in managing Strategic Capacity on the network.

The Purpose of this Code of Practice document is to:

- Identify information required to make a request for Strategic Capacity
- Set out how this information will be evaluated
- Describe the evaluation process undertaken to consider whether to move relinquished paths into Strategic Capacity
- Set out how Network Rail will comply with its obligations from the various documents that have created the need to identify Strategic Capacity
- Encourage engagement and communication between Network Rail and stakeholders

This Code of Practice does not change the existing industry processes for the agreement and approval of access rights.

4. Purpose of the Strategic Capacity Statement

The Strategic Capacity Statement identifies Strategic Capacity in the form of Strategic Paths. It is published by Network Rail at D-45 for each timetable, i.e. 45 weeks prior to that timetable commencing. This then forms an input into the timetable development process alongside the access proposals made by each train operator requesting the services they would like to run.

2. Strategic Capacity – stakeholders

1. Network Rail’s obligations to stakeholders

This Code of Practice outlines the process which Network Rail uses to consider requests from stakeholders for Strategic Capacity.

In this context, the term ‘stakeholder(s)’ is taken to mean any current or potential provider or funder of train services, in accordance with the terminology of Condition 1.18 of Network Rail’s Network Licence.

2. Particular needs of stakeholders

Stakeholders require Strategic Capacity for the following reasons:

- On certain routes, there is limited capacity that could enable the operation of additional services;
- Business growth and the requirement to operate additional services on the network cannot be forecast precisely;
- Some network enhancements are funded to create additional capacity for a specific purpose and funders need visibility that this additional capacity is identified for its intended purpose;
- Capacity that exists needs to be protected in the form of useable slots when the timetable is constructed as it may be impossible to include them at a later date.

Network Rail intends to meet the needs of its stakeholders by identifying Strategic Capacity as follows:

- Evaluating all requests for Strategic Capacity received by stakeholders in line with this Code of Practice;
- Managing the relinquishment of unused freight train slots and identifying those which may have a strategic purpose;
- Optimising strategic train slots in line with their intended purpose;
- Making the list of strategic train slots visible to all timetable participants in an electronic format via a shared/online area;
- Capturing outputs from investment in rail transport.

3. Strategic Capacity Statement – process

1. Evaluation of new requests received by D-51

Network Rail will evaluate all requests from current or potential providers or funders of train services for Strategic Paths received by D-51 for each timetable. Any requests received after this date will be evaluated for the following SCS.

Requests for Strategic Paths should include the following information:

- Purpose and intent of the Strategic Path;
- How the request is linked to industry strategy (such as a Route Strategy), if at all;
- Place of origin and destination, with arrival and departure times;
- Path characteristics, including: routing, calling points and dwell times including any crew stops, sectional running times, timing load, length, weight, terminals times, rolling stock and locomotive type, route clearance including RT3973 and Summary of Compatibility;
- If the request is linked to a date specific customer/funder requirement or delivery date;
- Whether the request includes any part of a route declared “Congested Infrastructure”;
- If the request includes any peak passenger period
- Is the request is dependent on an infrastructure change and, if so, the expected date of delivery.

Network Rail will evaluate each request and respond directly to the requestor. In making any decisions in including the requests in the SCS, Network Rail will consider:

- Whether all the requests are complementary and compatible with other requests;
- If the routes the Strategic Paths cover are meeting their regulatory performance targets;
- If the request is compatible with the emerging maintenance strategy;
- Whether any existing Strategic Capacity paths could be used to meet the request;
- The requirements of the Decision Criteria in the Network Code, Part D 4.6.

Whether a request is accepted or not, Network Rail will provide feedback to the requestor in advance of the publication of the SCS at D-45. In the event of a rejection such feedback will include, if relevant, how the Decision Criteria has been applied.

2. Inclusion of previously identified Strategic Slots

The starting point for each new SCS will be the strategic capacity train slots that are currently available. The new requests which are accepted by Network Rail following the evaluation process detailed above will then be taken with the currently available paths to form the basis of the new SCS.

The flow diagram in Section 5.1 outlines this process

3. Contents of each Strategic Capacity Statement

Each Strategic Capacity Statement will contain the following information for each Strategic Train Path:

- Intended purpose of the Strategic Path
- Headcode and UID
- Origin and destination
- Arrival and departure times
- Days of operation
- Timing load

4. How the Strategic Capacity Statement should be used by Operators

The SCS serves as catalogue of strategic paths available to Operators in the coming timetable development period. During the timetable development process, should an Operator wish to utilise a path listed in the SCS they should indicate whether they propose to use all or part of a Strategic Path for its intended purpose using the Priority Date Notification Statement. The formal timetable process is set out in Part D of the Network Code.

4. Ongoing management of Strategic Capacity – post publication of the Strategic Capacity Statement

1. Outputs of Strategic Capacity slots in each new Working Timetable

The Strategic Capacity Statement published at D-45 forms an input to the Timetable Development process. Network Rail treats the Strategic Paths in the SCS as it would an Access Proposal received at D-40. The New Working Timetable published at D-26 will include all the Strategic Paths which have been accepted as Strategic Train Slots.

During the timetable development process, Network Rail:

- Is entitled to flex Strategic Paths without limit to facilitate other access proposal in accordance with the Decision Criteria;
- Will notify ORR and Timetable Participants if it has not been possible to include the Strategic Paths shown in the Strategic Capacity Statement in the New Working Timetable and set out the reasons why this is the case.

2. Management of Strategic Capacity

Beyond D-26 other changes can be made by Network Rail to strategic train slots to:

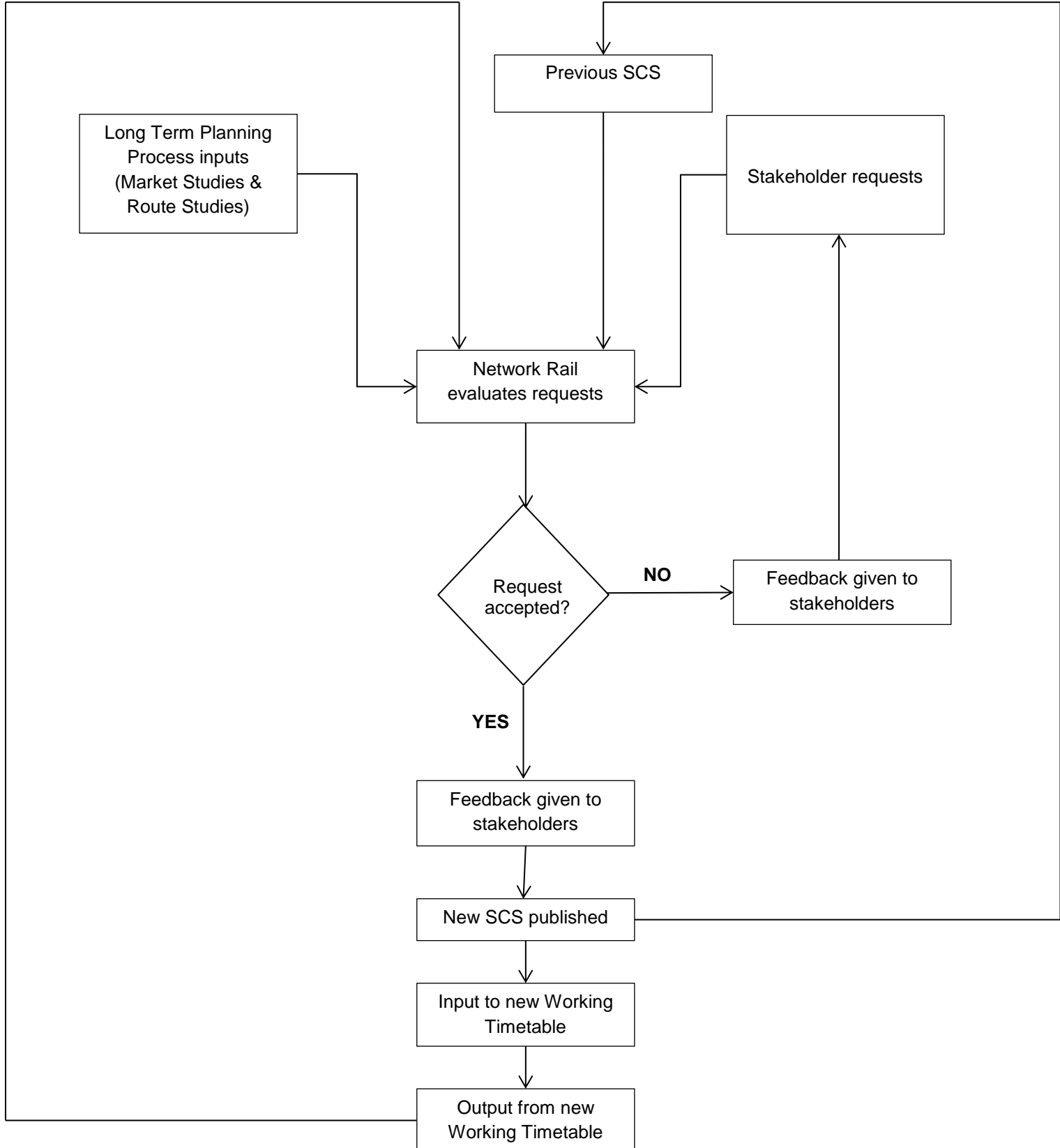
- Allocate slots to an Operator following a request to use the slot in line with its purpose;
- Add slots to the list of available slots following relinquishment by an Operator;
- Optimise slots in line with their intended purpose;
- Remove strategic train slots where these are deemed to be no longer required.

Network Rail will maintain and make available an up-to-date list of the strategic train slots available in each timetable, which will include any changes in allocation as detailed above. Removal of strategic train slots will only take place following a period of industry consultation.

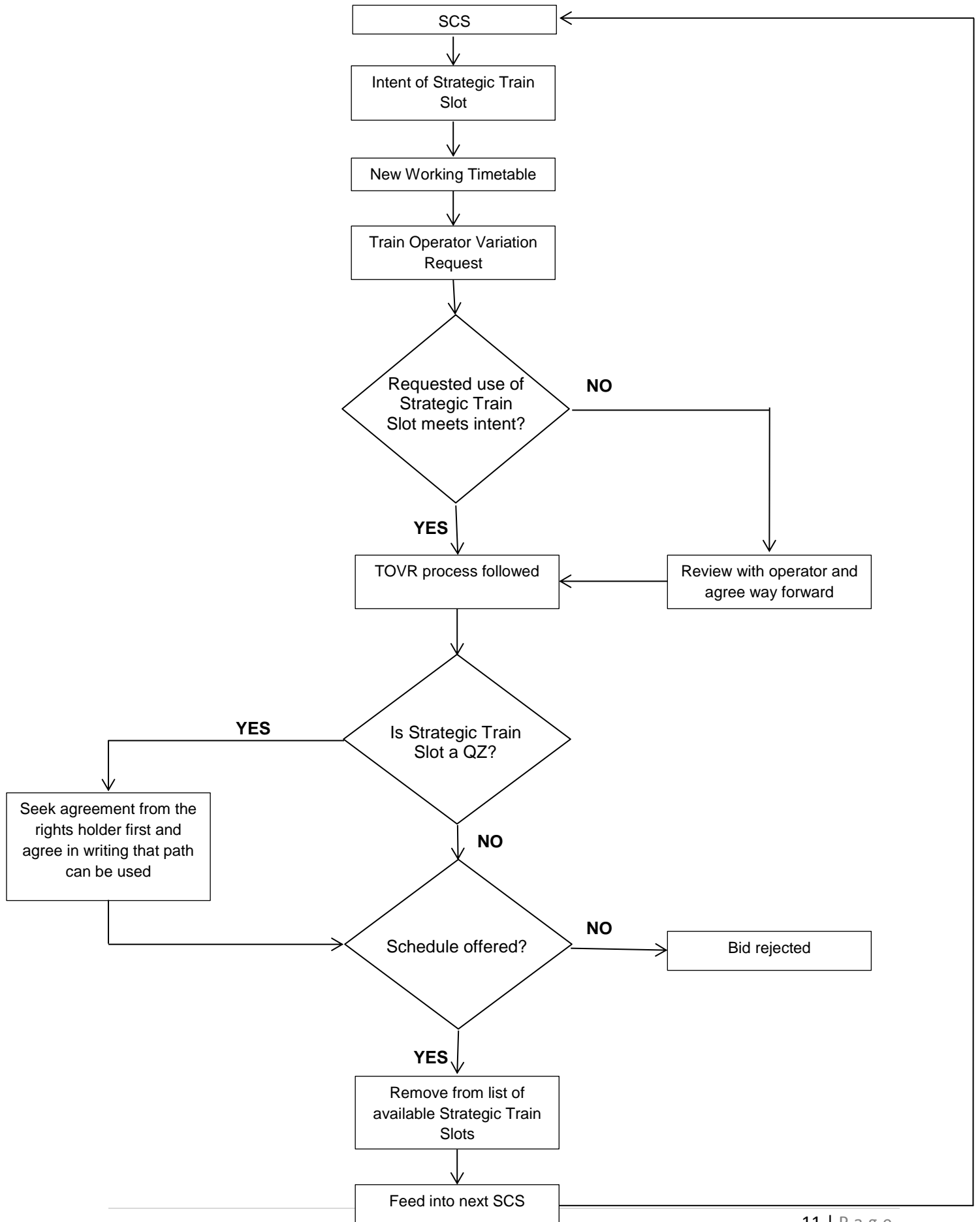
The flow diagram in section 5.2 outlines the process for utilising Strategic Capacity post D-26.

5. Management of Strategic Capacity – flow diagrams

1. Creation of Strategic Capacity Statement



2. Usage of Strategic Train Slots



Appendix A

1) Access, Management and Licensing of Railway Undertakings Regulations 2016

The need to identify capacity reserved for short term needs stems from regulation 24 of the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 (the 2016 Regulations). The text is shown below.

Ad hoc requests

24.—(1) In addition to making an application for capacity in accordance with the annual timetable process described in regulation 22, an applicant may submit ad hoc requests for individual train paths to the infrastructure manager.

(2) The infrastructure manager must respond to a request described in paragraph (1) as quickly as possible and, in any event, no later than five working days from receipt of the request.

(3) The infrastructure manager must make available to all potential applicants for such individual train paths information about available spare capacity on the network for which it is responsible.

(4) The infrastructure manager must, including in the case of congested infrastructure, undertake an evaluation of the need for reserve capacity to be kept available within the final working timetable to enable it to respond rapidly to foreseeable ad hoc requests for infrastructure capacity.

2) **Network Licence**

Network Rail's Network Licence Condition 1 also refers to planning for future capacity and allocating capacity. The need to plan into the future for demand stems from the Planning and Long Term Planning Process (LTPP) sections of the Network Licence. The text is shown below

Planning

1.4 The licence holder shall plan the means by which it will comply with the general duty in condition 1.2 over the short, medium and long term to meet reasonably foreseeable future demand for railway services.

1.5 In complying with condition 1.4, the licence holder shall consult, and take into account the views of, persons providing services relating to railways and funders so as to facilitate effective industry-wide planning.

1.6 In complying with condition 1.4, the licence holder shall prepare and provide to ORR plans, strategies or other documents demonstrating its compliance and proposed compliance with the general duty in condition 1.2, including: (a) the delivery plan referred to in condition 1.10;

(b) those associated with or arising from the long term plans (including route utilisation strategies) referred to in condition 1.14;

(c) other plans, strategies or documents that ORR may reasonably require from time to time; and

(d) revisions of the plans, strategies and other documents referred to in condition 1.6 (a) to (c) that ORR may reasonably require from time to time.

1.7 Each of the plans, strategies and other documents referred to in condition 1.6 shall demonstrate the position, as appropriate, on a network-wide basis and at a suitably disaggregated level of detail.

1.8 Each of the plans, strategies and other documents prepared in compliance with condition 1.6 shall be provided to ORR in respect of such period, in such format and structure, to such standard and level of detail and in accordance with such requirements (including any requirements as to publication) as ORR may, from time to time, specify by notice or in guidelines to the licence holder.

1.9 Any notice or guidelines to the licence holder issued under condition 1.8 may include a procedure under which ORR may object to the contents of a plan, strategy or other document on grounds specified in the notice or guidelines.

Long term planning process

1.14 In complying with condition 1.4, the licence holder shall establish and maintain long term plans to promote the long term planning objective in accordance with guidelines issued by ORR under condition 1.8.

1.15 The long term planning objective referred to at 1.14 means the effective and efficient use and development of the capacity available on the network, consistent with the funding that is, or may become, available during the period of the long term plans and with the licence.

1.16 The licence holder shall have due regard to the long term plans when carrying out its licensed activities.

1.17 The licence holder shall from time to time and when so directed by ORR review and, if necessary, amend each long term plan to ensure that it continues to promote the long term planning objective.

Capacity allocation

1.18 In complying with the general duty in condition 1.2, the licence holder shall co-operate with any potential provider or potential funder so as to identify ways in which its reasonable requirements in respect of the allocation of capacity on the network could be satisfied.

3) Network Statement

For each timetable year Network Rail publishes a Network Statement as required by the Access, Management and Licencing regulations. This includes a section on Strategic Capacity, which cross references to this Code of Practice.

The latest version of the Network Statement can be found on Network Rail's website at <https://www.networkrail.co.uk/industry-commercial-partners/information-operating-companies/network-statement/>