

Margret Haswell

Executive, Access and Licensing
Email: track.access@orr.gov.uk

19 April 2023

Megan Holman
Customer Manager
Network Rail Infrastructure Ltd
Waterloo General Office
London
SE1 8SW

Quentin Hedderly
Network Capacity Advisor
DB Cargo (UK) Ltd
Lakeside Business Park
Doncaster
South Yorkshire DN4 5PN

Dear Megan and Quentin,

Amendment of a track access contract between Network Rail Infrastructure Limited and DB Cargo (UK) Limited: Fifty Sixth Supplemental Agreement.

1. Today the Office of Rail and Road (ORR) approved the Fifty Sixth Supplemental Agreement (SA) to the track access contract (TAC) between Network Rail Infrastructure Limited (Network Rail) and DB Cargo (UK) Limited (DBC) under section 22 of the Railways Act 1993 (the Act), submitted to us on 6 April 2023. This letter sets out the reasons for our decision.

Background

2. This SA is to add 18 new 30-minute window firm rights between the new Royal Mail Midlands Automated Parcel Hub at Daventry International Rail Freight Terminal in the Midlands and Sheildmuir Mail Terminal in Scotland.
3. Royal Mail has made significant investment in its Midlands Automated Parcel Hub. The strategy is to use the rail infrastructure to connect product from the midlands to Scotland and reduce Royal Mail's dependence on road and air networks. These new rights supplement its existing rail services which will continue to connect London with the North West and North East of England and Scotland, supporting the ambition to grow the percentage of product being moved by rail.
4. The parties have agreed 30-minute windows as Royal Mail requires this to meet regulatory targets and to provide security for its express parcels market. These services are due to be phased in this year. Given the significant challenge finding paths on the busy West Coast Mainline (WCML) and to avoid abortive work by its planning team, Network Rail has agreed to the new firm rights to protect them as soon as possible to provide Royal Mail with the security it requires. Network Rail will monitor the position closely and should the customer not utilise the full complement, any unused rights will be transferred to Strategic Capacity.

Schedule 5 Rights Table

5. Two rights (1M04 and 1M11) potentially conflict with a Grand Union Train Limited (GUT) and a First Trenitalia West Coast Rail Limited (Avanti West Coast or AWC)

service contained in section 17 and section 22A applications respectively. These applications are ongoing and are not yet decided. Network Rail's planning team has worked closely with DBC and Royal Mail to find a solution that allowed the progress of this 56th SA that would also accommodate the different potential outcomes of the passenger applications.

6. Each Headcode in the Rights Table has two associated arrival and departure timings. The first set is incorporated in the December 2022 Working Timetable (WTT) and the second is included in the West Coast Mainline Event Steering Group Concept Train Plan (WCML ESG CTP). This novel solution provides a degree of certainty to the customer in this particular situation by providing two sets of timings for each right such that if ORR approved the GUT and/or AWC applications then Network Rail can fall back to the WCML ESG CTP at the next timetable change to protect all three operators' potential services. In this case the redundant timings would then be removed using General Approval. The Rights Table is annotated to this effect.

Consultation

7. The draft SA went out to full industry consultation between 14 February 2023 and 14 March 2023. Cross Country (XC Trains Ltd), GWR (First Greater Western Ltd), Northern Trains Limited and Transport Focus responded. There are no unresolved issues or objections.

ORR Review

8. The parties have agreed 30-minute windows as this traffic is regarded as more time critical than most other freight and this is consistent with our [2016 decision](#) regarding DBC Royal Mail traffic.
9. Network Rail engaged with us early on and kept us informed of progress. The parties have done a lot of work and analysis to find a solution to this particular circumstance. This is an example of positive collaboration to find bespoke answers.
10. Our review of the application raised no operational, performance or economic concerns and we are content that it is consistent with current track access policy.

ORR Decision

11. This application is under section 22 of the Act and therefore is agreed between the parties and there are no outstanding issues. We are content to approve this agreement.
12. In making this decision, we are satisfied that it reflects our duties under section 4 of the Act, in particular:
 - (i) to protect the interests of users of railway assets;
 - (ii) to promote the use of railway network in Great Britain for the carriage of passengers and goods and the development of that railway network, to the greatest extent ...economically practicable;
 - (iii) to promote efficiency and economy on the part of the persons providing

railway services; and

- (iv) to enable persons providing railway services to plan the future of their businesses with a reasonable degree of assurance.

Conformed Copy

- 13. Under clause 18.2.4 of the TAC, Network Rail is required to produce a conformed copy, within 28 days of any amendment being made, and send copies to ORR and DBC. I look forward to receiving the conformed copy.

Public register and administration

- 14. Copies of the approval notice and the agreement will be placed on ORR's public register ([Public register](#)) and copies of this letter and the agreement will be placed on the ORR website.

Yours sincerely

A handwritten signature in black ink that reads 'M Haswell'.

Margret Haswell