



## APPLICATION TO THE OFFICE OF RAIL AND ROAD FOR A FREIGHT TRACK ACCESS CONTRACT, OR AN AMENDMENT, UNDER SECTIONS 17-22A OF THE RAILWAYS ACT 1993

### 1. Introduction

Please use this form to apply to the Office of Rail and Road (ORR) for:

- Directions under section 17 of *The Railways Act 1993* (the Act) for a new track access contract. This is for companies who want to use Network Rail's network where the parties are not able (for whatever reason) to reach agreement.
- Approval for a new track access contract under section 18 of the Act. This is for use where terms have been agreed by the parties.
- Approval of a proposed amendment to an existing track access contract, agreed by both parties, under section 22 of the Act.
- Directions under section 22A of the Act for an amendment to an existing track access contract. This is for someone seeking an amendment to an existing track access contract to permit more extensive use of the railway facility if the parties are not able, for whatever reason, to reach agreement.

Network Rail should normally take responsibility for the pre-application consultation, where the terms are agreed. Before a consultation is made, complete this form up to the end of section 7. You should fill in the rest of the form after the consultation and before applying to ORR.

If, in the case of section 17 and 22A applications, the beneficiary and Network Rail have been unable to agree terms, the beneficiary should:

- (a) ask Network Rail to conduct a pre-application consultation in line with the code of practice; or
- (b) conduct a pre-application consultation itself, in line with the code of practice; or
- (c) submit the application to ORR and ask ORR to conduct the consultation, in which case, please complete this form in full before submitting it to us.

The form sets out ORR's standard information requirements for considering applications. Our [track access guidance](#) explains the process, timings and the issues we will consider. You should use our current [model freight track access contract](#) as your starting point. Please read the guidance before completing the contract and this form.

We are happy to talk to you informally before you apply. Please contact us [here](#). You can download a copy of this form, and of our model track access contract, from our [website](#).

You may also use and adapt this form to apply to use railway facilities other than those of Network Rail. Do not use this form for HS1, for which a separate form is available on our [website](#).

## 2. The application

**2.1 Title of contract or supplemental agreement** (please also include the section of the Act under which you are applying):

**Freightliner Limited 22<sup>nd</sup> Supplemental Agreement (Section 22A Application)**

**2.2 Contact details** (Company and named individual for queries):

<u>Facility Owner</u>	<u>Beneficiary</u>
Company: Network Rail Infrastructure Ltd	Company: Freightliner Limited
Contact individual: Robert Neep	Contact individual: Chris Matthews
Job title: Customer Relations Executive	Job title: Timetable Strategy and Rail Industry Manager
Telephone number: [REDACTED]	Telephone number: [REDACTED]
E-mail address: [REDACTED]	E-mail address: [REDACTED]
Address: Network Rail Ltd., Waterloo General Office, London, SE1 8SW	Address: Freightliner Limited, The Lewis Building, 35 Bull Street, Birmingham, B4 6EQ

**2.3 Licence and railway safety certificate:** please state whether you intend to operate the services yourself or have them operated on your behalf.

Freightliner Limited intends to operate the services itself and holds a valid operating licence under Section 8 of the Railways Act 1993. Freightliner also holds safety certificates, Part A and B, under Regulation 7 of the Railways, and other Guided Transport Systems (Safety) Regulations 2006.

Does the proposed operator of the services (a) hold a valid train operating licence under section 8 of the Act or an exemption under section 7, or a European licence with a GB Statement of National Regulatory Provisions issued under the *The Railway (Licensing of Railway Undertakings) Regulations 2005* **and** (b) hold a valid safety certificate under the Railways and Other Guided Transport Systems (Safety) Regulations 2006?

If the answer to either (a) **or** (b) is no, please state the point reached in obtaining a licence, exemption and/or safety certificate (as relevant).

Not Applicable

### 3. The proposed contract or amendment

**3.1 Executive summary:** please provide an executive summary of the proposed contract or amendment. This should cover the services, the commercial terms, and the reasons for making the application in the terms proposed. This information should be laid out clearly and concisely; and, in the case of an amendment, fully highlight the changes from the previous version of the contract.

Please also explain any important safety risks that have been identified arising from the proposal and how these will be controlled (by reference to the facility owner's safety authorisation and the train operator's safety certificate).

Please also state the commencement and expiry dates for the proposal, and, for new contracts or extensions to existing contracts, provide justification for the proposed duration of the contract where the total exceeds five years.

**Date of commencement:** PCD 2016

**Expiry date:** PCD 2026

Freightliner Limited ('Freightliner') holds a new Track Access Contract (Freight Services), dated 11th December 2016, expiring on the Principal Change Date (PCD) of December 2026.

Freightliner are seeking to update the Firm Access Rights that support the operation of intermodal traffic between the Port of Southampton and Leeds Freightliner Terminal.

This supplemental seeks to establish the amendments to paths on this route that were completed as part of the 'Southampton Freight Train Lengthening (SFTL) ESG' which were integrated into the timetable in December 2021. This ESG garnered cross industry support from Freight and Passenger operators, and was successful in unlocking significant benefits for the freight sector, enabling the operation of freight services from Southampton at up to 1800T trailing weight and 775m length. This took advantage of a multimillion pound package of government funding to deliver infrastructure improvements between 2010 and 2020 on the corridor between Basingstoke and Birmingham via Oxford and Banbury, providing sufficient standage for trains of this length in loops and on chords.

Trains running at this length and in the windows included in this proposed Supplemental Agreement have been included in the WTT and operating since the December 2021 timetable change. This Supplemental Agreement seeks to establish Firm Access Rights for these trains.

As part of this supplemental:

6 existing Firm Access Rights are amended.

3 existing Firm Access Rights are removed (one merged with an existing Firm Access Right being amended).

1 new Firm Access Right is requested (split from an existing Firm Access Right being amended)

**Overview of Amendments contained in the Supplemental Agreement:**

**Train Reporting Number** – Amendments to Headcodes are non-contractual and have no material impact on operations.

**Days per Week** –

- 4090 SX to EWD has been merged with 4054 which is being relinquished as part of this application. As such, there is no increase in days of operation.

- 4E91 MO has been split from an existing Firm Access Right (4E91 MSX) which is being amended. As such, there is no increase in days of operation nor an increase quantum in the number of rights.

**Amended timings** – The application is simply seeking to tidy up existing rights to match the WTT. Trains running in the windows have been included in the WTT and operating since the December 2021 timetable change.

**Routing** – Routing is no longer via Erewash Valley and as such has been removed from all rights contained in this application. There is no additional mileage. The re-routing via Toton takes the train on predominantly freight only infrastructure and away from the busy passenger service between Chesterfield and Derby.

**Intermediate Points** – The addition of Toton Centre as 2 minute intermediate point has no impact as this is on predominantly freight only infrastructure. There is no additional mileage.

**Maximum train length** – the increase in SLU is due to the ‘Southampton Freight Train Lengthening (SFTL) ESG’ which was integrated into the timetable in December 2021.

**With which of the Regions does this application interact?**

Southern	Eastern	North West & Central	Wales & Western	Scotland's Railway
x	x	x	x	

**3.2 Terms not agreed with the facility owner (for applications under sections 17 or 22A only):** please set out here any areas of the application which have ***not*** been agreed, the reasons for the failure to agree and the reasons for seeking these provisions. Please state the efforts you are making to resolve any disputes.

All aspects of this application remain at not-agreed status with Network Rail. This application was progressing through NR consultation but insufficient time has been available to complete this ahead of the ORR deadline to receive applications of 20<sup>th</sup> May 2024.

**3.3 Departures from ORR's current model freight track access contract:** please set out and explain here any:

- Areas where the drafting is different to ORR’s published template freight track access contract. Please explain why these departures have been made.
- Instances where the proposal departs from the charging and/or performance regimes established by ORR’s latest periodic review (or subsequent interim reviews) as reflected in ORR's model freight track access contract, including the financial implications (e.g. establishment of an access charge supplement or rebate).
- New processes (e.g. self-modification provisions) which have been added. Please demonstrate how these new processes are robust and complete.

Not Applicable

**4. The expression of access rights and the use of capacity**

**4.1 Benefits:** Please provide full descriptions of any new rights required, as compared to the previous contract (in the case of an amendment). Why do you need these new rights (if any)? Please describe any significant changes in the pattern of services and any impact on other operators, including other freight operators. Please provide a fully

marked-up version or document comparison of any tables in Schedule 5 which are being modified as a result of this application.

The Rights Table will reflect Freightliner's current operations, providing clarity to train planners, projects and strategic planning. It will provide assurance of a stable train plan for the foreseeable future.

The trains included in this Supplemental Agreement are of significant value to the UK economy in line with the UK's wider decarbonisation strategy and increasing demand for the movement of containers by rail, and take advantage of Government funding to support this modal shift.

**4.2 Adequacy:** please set out how you have satisfied yourself that there is enough network capacity for the proposed and/or amended services (or will be at the time of

service operation). Please also set out whether there are any implications for overall network performance and the facility owner's maintenance and renewal activities. Please confirm whether the proposed Rights will involve operation over an area subject to a Declaration of Congested Infrastructure, or whether the capacity requirement will result in a Declaration of Congested Infrastructure by Network Rail (under the Network Code).

This Supplemental Agreement does not make any changes to train slots from a capacity perspective and train paths remain as they currently are.

**4.3 Firm Rights:** Do these Firm Rights in the proposal contract relate to service freight haulage contracts which you hold or will hold? If so, how? How does the duration of these haulage contracts compare with the duration of the proposed track access contract?

Freightliner holds multi year customer contracts for all traffic the train slots included in this supplemental agreement.

**4.4 Contingent Rights:** please set out the extent to which you expect to use the Contingent Rights in the application. In particular, please state whether the proposed rights are seasonal (e.g. 3 months each year) or occasional (eg MO, SX, etc).

Not Applicable – no contingent rights are sought

**4.5 Window size:** Please set out the reasons for the origin and destination window sizes used in the Rights Table in Schedule 5.

The one-hour windows requested for the new Firm Rights are in line with the ORR directions letter of 29th February 2016. This ensures a stable train plan from one timetable to the next, allowing both Freightliner and Third Parties to efficiently manage and optimise access to the network.

**4.6 Long term planning process:** please state which Route Studies are relevant and whether the proposed rights are consistent with them. If they are not consistent please give the reasons. See Network Rail's [website](#). What consideration has been given to any issues emerging from relevant Events Steering Group concerning capacity on the routes covered by the application (if Network Rail network).

The traffic is of significant economic importance to the economy and as such has featured in all relevant Route Studies on the UK rail network; including the Freight Market Study and the Freight

Network Study and the Network Rail Freight Strategy that will feed into the Whole Industry Strategic Plan.

Trains included in this Supplemental Agreement have been included in all future timetable development work and Event Steering Groups, and are currently included in outputs for the East Coast Main Line ESG due to go live in December 2024.

## 5. Incentives

**5.1 Train operator performance:** please describe any planned projects or initiatives associated with the operation of the proposed services aimed at improving your performance (including faster or longer trains).

Freightliner continues to work collaboratively with Network Rail on performance initiatives to drive further performance gains in line with our performance improvement plan. Freightliner have invested in a number of technological improvements intended to improve communication and the ability to react to delays and issues on the network, including:

- Provision of new iPads with Driver Advisory Software to train crew. This provides real time train running advice to drivers to assist them in right time running as well as to make it easier for them to report delays.
- Introduction of Mobile Train Consisting software technology on certain train flows to improve the efficiency and reduce the time taken to consist trains prior to departure.
- Investment in Power BI to analyse all performance data to better understand recurring performance issues and drive business cases for capital investment.

Additionally, Freightliner have invested significantly in the construction of a new wagon and locomotive facility at Ipswich, primarily intended to improve maintenance of the Intermodal wagon fleet, reducing movements to other facilities or reliance on third parties for this work, alongside investment in new intermodal wagon fleets since 2020 bringing more modern rolling stock into intermodal consists improving reliability.

**5.2 Facility owner performance:** please describe any planned projects associated with the operation of the proposed services aimed at improving the facility owner's performance.

Freightliner operate the terminals at Southampton and at Leeds and are incentivised towards high performance through the Schedule 8 mechanism as well as engaging in regular dialogue and performance forums with Network Rail where Right Time Departures, Arrivals to Fifteen and

**5.3 Restrictions of Use:** set out and explain the reasons for any changes from the Restrictions of Use regime in the model freight track access contract (Schedule 4).

There are no changes to the Restriction of Use regime.

## 6. Enhancement

**6.1 Enhancement details:** where the proposal provides for the delivery of any network enhancements, or the services in the proposal are subject to any planned network enhancements, please give full details of the relevant enhancement schemes, including a summary of outputs from the scheme, timescales and the extent to which the network change procedure in the Network Code (Part G) has been completed (where appropriate, by reference to submissions made under ORR's enhancement reporting framework).

There are no network enhancements associated with this application, nor are any of the proposed services subject to network enhancements.

**6.2 Enhancement charges:** please confirm that the arrangements for the funding of any network enhancements are consistent with ORR's [Policy Framework for Investments](#), and summarise the level and duration of payments, and the assumed rate of return (see chapter 3 of the Conclusions document).

Not applicable to this application

## 7. Other

**7.1 Associated applications to ORR:** please state whether this proposal is being made in parallel with, or relates to, any other current or forthcoming application to ORR (e.g. in respect of track, station or light maintenance depot access contracts). Where the application relies on another operator relinquishing access rights, please provide details.

This application sits alongside Freightliner Limited's 21<sup>st</sup> Supplemental Agreement which seeks to amend the timing loads for the trains included in this supplemental to reflect those in the WTT. The inclusion of these in this supplemental was not supported by Network Rail Eastern Region.

**7.2 Unregulated access:** please comment on whether any contracts are being negotiated for access to a facility adjoining Network Rail's network (e.g. to a freight light maintenance depot), including where ORR's approval is not required. For more information, see [The Railways \(Class and Miscellaneous Exemptions\) Order 1994](#). (This is relevant in the context of clause 6.4 of the model contract.)

Not applicable to this application

**7.3 Supporting information, side letters and collateral agreements:** please:

- state here any relevant information in support of the proposal, including a list and explanation of any other material being submitted (and supply copies with the application).
- confirm here that the whole of the proposal between the parties has been submitted with this application and that there are no side letters or other documents which affect it.

Annex 1 – A fully marked up extract of the Schedule 5 Rights table containing all services included in this Supplemental Agreement. This includes changes highlighted in yellow with red text, removals in red and additional rights in green.

**7.4 Confidentiality exclusions:** please list any parts of your application which you have excluded on the grounds of confidentiality, from the version of the application sent to consultees for any pre- application consultation process, and provide reasons. If there has been no pre-application consultation, you should state any parts of the application you want us to exclude from publication.

Not applicable to this application

**8. Pre-application consultation**

*Note: Where a pre-application consultation is to be undertaken in line with the Code of practice for industry consultations, the remainder of this application should not be completed until after that consultation has been completed.*

**8.1 The consultation:** has a pre-application consultation been carried out in line with the [Industry code of practice for consultations](#)? If yes, please:

- state who conducted the consultation;
- list all train operators and any other parties that were consulted, stating which parties responded and attach their responses and any associated documentation to this form; and
- state the period allowed for the consultation. If this was less than one calendar month, please explain the reasons for this.
- If the consultation was concluded some time ago, please explain why you consider it is still valid.
- Have there been any recent significant changes since consultation that could affect the validity of the responses received?



If a pre-application consultation has not been carried out, please explain the reasons and whether any informal discussions have been held with any third parties who might be affected by this application and the nature of any concerns which they raised.

TBC

**8.2 Resolved issues:** please set out any issues raised by consultees which have been satisfactorily resolved. You may wish to refer to responses attached to this form. Please explain any changes as a result of the consultation.

TBC

**8.3 Unresolved issues:** please set out any issues raised by consultees which have *not* been resolved to the consultee’s satisfaction, including any correspondence with that consultee. You may wish to refer to responses attached to this form. Please explain why you think these issues should not stop ORR approving the application.

TBC

**9. Certification**

*Warning: Under section 146 of the Railways Act 1993, any person who, in giving any information or making any application under or for the purposes of any provision of the Railways Act 1993, makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, is guilty of an offence and so liable to criminal prosecution*

**In the case of agreed applications under section 18 or 22, the facility owner should fill in the information in the box below. For disputed applications under section 17 or 22A, the applicant should fill in the required information.**

I certify that the information provided in this form is true and complete to the best of my knowledge  
Signed ..... Date...07/05/24...

Name (in caps) ...CHRIS MATTHEWS... Job title ...TIMETABLE STRATEGY AND RAIL INDUSTRY MANAGER

For (company) .....FREIGHTLINER LIMITED.....

For section 18/22 applications, please provide a letter of support from the beneficiary or ask them to sign here:

Signed ..... Date.....

Name (in caps) ..... Job title .....

For (company) .....

**10. Submission**

**10.1 What to send:** please supply, in hard copy or electronic format, the signed application form, one copy of the proposed contract or amendment, with copies of any documents incorporated by reference (other than established standard industry codes or other documents) and any other attachments, supporting documents or information.

**10.2. Checklist of documents attached to the application form:**

- Proposed new contract or supplemental agreement
- Marked up Schedule 5 (including key)
- Marked up comparison to model contract (where applicable)
- Consultation responses
- Replies to consultation responses
- Other supporting documents, side letters or collateral agreements (please list):


**10.2 Where to send it:**

Freight Track Access Manager Email: [track.access@orr.gov.uk](mailto:track.access@orr.gov.uk)

Access, Licensing and International Team  
Directorate of Economics Markets and Strategy  
Office of Rail and Road  
25 Cabot Square  
London E14 4QZ