

Meeting: Transport for the North Board

Subject: Approval of the Freight and Logistics Strategy

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Meeting Date: Wednesday 30 March 2022

1. Purpose of the Report:

1.1 To adopt the TfN Freight and Logistics Strategy following the consultation.

2. Recommendations:

2.1 That the Board note the progress to date, including the outcome of the consultation and the comments from Scrutiny Committee and that it formally adopt the Freight and Logistics Strategy (Annex 1).

3. Main Issues:

- 3.1 The TfN Board approved the draft Freight and Logistics Strategy for consultation in September, with the consultation taking place in January using an innovative online virtual engagement environment and supplemented with a series of workshops, 1:1s with key stakeholders and wider communications activity.
- 3.2 Over 200 people responded via the virtual consultation room and a further 30 by email to TfN Engagement or directly to the consultation team. There were over 500 separate comments submitted in total.
- 3.3 The main focus of the responses was overwhelmingly related to decarbonisation. This has led to a refocusing of the recommendations and objectives set out in the Strategy which strengthens the importance of decarbonising freight movements and encourages modal shift where appropriate from road to rail. Other contributions focused on the need to consider inland waterway options, port accessibility and resilience, lorry parking and HGV driver recruitment and retention. Changes have been made to the strategy to enhance the content and draw out key, focused priorities. It should be noted that the responses were overwhelmingly positive. Many highlighted the need for such a strategy and shared pointers around innovative ideas and technologies. Many respondents also highlighted the risks and opportunities for freight arising from the publication of the Integrated Rail Plan.

Objectives

- 3.4 The objectives of the Freight and Logistics Strategy have been revised in response to the consultation. They now focus on making networks more efficient to reduce the delays incurred by logistics companies on the road network, delays that increase carbon emissions. They are as follows:
- Reduce the number of incidences of unplanned closures of Major Road Network routes leading to severe journey delay;
 - Prioritise measures that tackle journey reliability and congestion;
 - Support less polluting and more energy efficient movement of goods on the transport network;

- Maximise the utilisation of rail, inland waterways and local distribution hubs to improve efficiency and support the modal shift of goods from road to rail and water;
- Improve the multi-modal North-South and East-West connectivity across the North;
- Optimise efficient flow of goods on the MRN and railway through improved flow of traffic and supported by technology;
- Maximise the economic development opportunities through a range of areas, including the clean growth opportunity flowing out of freeports, clean industrial clusters and the first mile freight that flows out of ports;
- Support the planning and development of well-connected warehousing and consolidation sites;
- Exploring the benefits of regional freight consolidation and distribution networks;
- Reduce the impact of air pollution from freight movements on the health of local communities;
- Reduce the impact noise from freight movements on the health of local communities;
- Increase electrification of the rail network; and
- Decarbonise road haulage through increased usage of zero carbon and low emission fuels.

Revisions to the recommendations

3.5 The recommendations in the strategy have also been revised in response to the consultation. The revised recommendations are as follows:

Decarbonisation

- Ensure the requirements of freight and logistics are fully accounted for in the Strategic and Economic Cases supporting investment proposals. TfN is continuing to improve methods for appraising user and non-user benefits that freight brings to the economy.
- To work with the private sector to ensure the freight and logistics demand forecasts are included within the business case for the Trans Pennine Route Upgrade;
- To work with Network Rail, freight operating companies and train operating companies to:
 - Make the case for incremental electrification of rail freight corridors;
 - Support the case for a rolling programme of electrification (inc. freight paths and the need to electrify from origin through to destination);
 - Support the ongoing development of alternative low carbon technology for freight movements;
- Facilitate and develop partnerships to achieve port to port zero-carbon multimodal corridors, with a focus on maximising the economic potential of freeport status to ports and their hinterlands, as well as the potential to produce and use green fuels in our ports including HGVs, rail and maritime. TfN will work to support industry as it develops the best business model for realising this opportunity.
- Underpinned by detailed analysis from the TAME activity, develop a suite of policy tools relating to air quality, impacts of urban delivery on consolidation/distribution centre locations, overnight lorry parking provision, detailed understanding of road freight movements including vans, heavy and light good vehicles and Smart Motorways, micro-consolidation, green shipping options, multimodal hubs, freight efficiency and use of e-cargo bikes

and future uses of infrastructure. This will support and further the Northern element of the DfT's Future of Freight work.

Supporting and enhancing the rail freight market

- To ensure that on the key rail freight corridors, TfN works with DfT, NR and GBR to support the existing freight traffic and enhances capacity and capability for existing freight and freight growth. This should focus on those route sections where capacity is likely to be constrained which includes the West Coast Mainline north of Golborne, Midland Mainline through Sheffield area, East Coast mainline 2 track section via Durham and the routes across Manchester. This may require the development of alternative freight priority routes which would need to be examined closely with industry once the Northern Powerhouse Rail routes are agreed to ensure existing rights remain unaffected.

Multi-modal connected warehousing

- TfN should support the development of new strategic freight warehouse location clusters in the North by:
 - Working with national and local partners to identify the need for additional strategically located rail connected warehousing;
 - Supporting the planning and delivery of strategic clusters in an integrated way, including parking and rest facilities for road haulage and the provision of appropriate refuelling networks as required to meet net zero carbon.

Capability building

- TfN should work with the Department for Transport and delivery bodies to enhance the scope and availability of freight related data and analytical tools, building on the TAME analytical capability for freight and logistics. Improving the availability of data will strengthen business case development and support more efficient strategic planning, increase freight efficiency and support industry efforts to reduce emissions.
- TfN should continue to work with the sector and DfT to understand and communicate future demand and identify likely trends, building on the work undertaken for the TfN Future Travel Scenarios. This should include the implications for freight movements on an East-West and North-South basis, demand for and access to ports changes and potential change in uses of freight terminals including distribution centres. This should then be utilised in business case development and the refreshed TfN Strategic Transport Plan.

3.6 Once agreed by the Board, the recommendations will form the basis of TfN's forward work plan on freight and logistics, subject to the agreement of the TfN business plan. TfN will use the strategy to inform the revision of the Strategic Transport Plan (STP). Policy positions concerning different aspects of freight and logistics will be developed. The areas which will be considered are:

- Air quality impacts arising from emissions from HGVs;
- Impacts of urban delivery on consolidation/distribution centre locations;
- Overnight lorry parking provision;
- Micro-consolidation;
- Green shipping options;
- Freight efficiency and for example use of e-cargo bikes;
- Future uses of infrastructure;
- Express logistics;

- Rail connected warehousing (and multi modal hubs).

3.7 In conclusion, the consultation process was successful with good levels of both interest and engagement and the strategy has been revised and strengthened as a result. TfN will present the final draft of the strategy to TfN Board on 30 March 2022 for consideration and approval.

4. Corporate Considerations

4.1 *Financial Implications*

There are no direct financial implications arising from this report.

4.2 *Resource Implications*

The resources required to deliver the work plan which will follow the approval of the strategy will be worked through and considered as part of business and resource planning for the 2022/23 financial year.

4.3 *Legal Implications*

There are no apparent new legal implications arising from this report.

4.4 *Risk Management and Key Issues*

There are no risk implications arising from this report and thus a risk assessment is not required.

4.5 *Environmental Implications*

This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the EIA Directive and therefore doesn't stimulate the need for SEA or EIA. Environmental impacts have been considered within the strategy itself and any proposed infrastructure developments related to freight will be subject to screening for the need for EIA by the relevant development authority as part of the design development and consenting process.

Shifting road freight to rail, increasing road freight efficiency and decarbonising HGVs are all essential to achieving our decarbonisation objectives within TfN's Decarbonisation Strategy.

4.6 *Equality and Diversity*

Not required.

4.7 *Consultations*

A consultation was undertaken in January 2022 and the results included in the paper.

4.8 *Scrutiny Considerations*

Scrutiny considered the Freight and Logistics Strategy on 16 March 2022 at the Consultation Call at 10am. This was held online as there was not sufficient time to consider the item at the previous in person meeting. There were a series of eight themed areas to consider whilst pulling the work programme together. These are alongside a letter to Network Rail and Local Planning Authorities to urge them to ensure rail connected warehousing was both a key consideration in Local Plan development and Development Management activity in relation to new planning applications whether at pre or full application stage.

The Scrutiny Committee raised the following points:

- Since the publication of the Integrated Rail Plan Board should note that it did not contain enough investment to see the growth in rail freight activity that the North has ambitions to achieve;
- TfN should continue to advocate for the right rail gauge in the right place and seek to achieve investment to W12 levels where possible;

- TfN should ensure that the clarity on the alternative fuelling networks whether hydrogen or electric is planned and communicated carefully. Then industry needs clarity on delivery timescales so it is clear when investments in fleets would see most benefit;
- Investment in rail networks should include both line speed improvements and considerations of weak bridges so maximum tonnage trains can run across the whole network;
- TfN need to work with industry and partners to maximise the access to the rail network to ensure the right trains run at the right time and maximise rail capacity;
- Freight and Logistics should form part of regular meetings with relevant representative membership bodies and Local Enterprise Partnerships;
- Understand the need for Trafford Park to Newcastle intermodal traffic and investment opportunities; and
- Carefully consider the issue of reopening the Penistone Line railway.

5. Background Papers

5.1 September 2021 Scrutiny Report

6. Appendices

6.1 Draft post consultation version: Transport for the North Freight and Logistics Strategy February 2022.