

Government Response to Better Delivery: A Challenge for Freight

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Foreword

The UK has one of the most efficient freight systems in the world. Every year, around 1.6 billion tonnes of goods move by air, sea, rail and road, ending up in factories, on supermarket shelves and on our doorsteps. Like arteries in the human body, the freight system underpins our national economic health, spreading prosperity through commerce across the UK. Transporting goods has never been more reliable, low cost and quick; however, the industry must face up to future challenges. Already a significant contributor to the UK's greenhouse gas emissions, freight must also manage its effect on congestion and consider how technology can help meet rising future demand.

In this context, the Government asked the National Infrastructure Commission (NIC) to provide advice on how to tackle these challenges, whilst ensuring a world class freight system continues to support UK growth. In April 2019, the NIC published its report 'Better Delivery: The Challenge for Freight'.

This document sets out the Government's positive response to the NIC's recommendations and updates on the significant progress that has been made enabling the Government to fully, or mostly, endorse the majority of the recommendations. This progress has been made against the backdrop of the enormous challenge posed to the freight sector by COVID-19 pandemic response and the start of our new relationship with the European Union. This response is an important part of the Government's commitment to a wider Future of Freight programme which will build upon the NIC's work in 'Better Delivery' to produce a long-term strategic plan for the freight sector. Our progress to date includes:

- The recently published Transport Decarbonisation Plan (TDP) "Decarbonising Transport: A Better, Greener Britain", which sets out how all parts of transport, including freight, will achieve net zero by 2050 and deliver significant cuts in carbon emissions along the way.
- Significant funding of decarbonisation projects that will benefit freight, including: £20m for advanced feasibility studies of zero-carbon road freight technologies; nearly £2m First of a Kind (FOAK) sustainable rail-freight projects; £3m for the first hydrogen transport hub in Teesside; and £4m in decarbonisation innovation competitions for rail.
- The recently published Williams-Shapps Plan for Rail sets out a new offer for rail freight to support its future growth, whilst recognising the economic and environmental benefits rail brings.

- The Future Transport Zones set-up in 2020, where new and innovative ways of managing urban congestion are being piloted and deployed by local authorities.
- The continued modal shift of freight from road to rail or water. This will help to manage congestion on the strategic road network and reduce emissions.
- The representation of freight in the planning reforms underway.
- Research into the availability, and potential wider sharing, of freight data.
- The recently established cross government and industry Freight Council, which enables the freight sector in the UK to support national growth and global competitiveness.
- And finally, the development of the Future of Freight, a long-term strategic plan for the sector, by the end of 2021. This will continue work on the NIC's recommendations and address wider and emerging challenges and opportunities such as our new relationship with the EU and the lessons learnt during COVID-19 pandemic at our ports and borders. To get involved in developing this, please email FutureofFreight@dft.gov.uk.

If we can futureproof our freight sector now, we'll be reaping the rewards for generations to come. Because economic success should not just be measured in pounds and pence, but also in levels of emissions, congestion and air quality. It will require government and industry to work in partnership: using the Freight Council to drive progress, harnessing the power of data and technology, and being guided by the Future of Freight long term strategic plan. We now have an opportunity, as we build back better from the pandemic, to create a truly sustainable economic future, with freight at its heart.

Rachel Maclean MP

Parliamentary Under Secretary of State for Transport

Better Delivery: The Challenge for Freight

- 1. The government welcomes the report 'Better Delivery: The Challenge for Freight'.
- 2. The government recognises the vital importance of the freight sector in delivering goods quickly and efficiently from all corners of the globe and all over the country to shops, doorsteps and assembly lines, supporting almost £400 billion in manufacturing sales.
- 3. This has come into sharp focus in response to the COVID-19 pandemic and therefore it is timely that the Government announces its ongoing work with industry to pursue growth that levels up every part of the UK, enables the transition to net zero, and supports our vision for Global Britain.
- 4. We support the ambition of the NIC's recommendations and fully, partially, or mostly endorse all of them. We further welcome the NIC's cross modal approach to the freight sector which we have adopted for the Government's long-term strategic plan for freight, Future of Freight, and the recently established Minister chaired Freight Council.
- 5. We will continue to develop work across all areas of the NIC's recommendations as part of that long-term plan and we will provide a further update to the NIC on progress against its recommendations following the publication of Future of Freight.
- 6. The government has agreed the following response:

Recommendation 1: Decarbonising Road Freight

Government should commit to decarbonising road freight by 2050, announcing plans by the end of 2021 to ban the sale of new diesel powered HGVs no later than 2040. To support this:

- Government should, in conjunction with distribution and transmission network operators, prepare detailed assessments of the infrastructure required to enable the uptake of battery electric or hydrogen HGVs, including the refueling requirements at depots and key rest areas on major freight routes. For battery electric, these assessments should include enhancements to distribution networks alongside alternatives to reinforcement, such as energy storage. For hydrogen, these assessments should cover the production, storage and distribution of hydrogen, including any dependency with the decarbonisation of the heating supply system.
- Ofgem, as part of the next energy distribution price review (RIIOED2) starting in 2023, should include a clear requirement for distribution network operators (in partnership with the freight industry) to map out the infrastructure upgrades and opportunities for alternative solutions, such as energy storage, required to enable large-scale freight van charging at depots.

- 7. The Government mostly endorses the recommendation and fully agrees with the need to decarbonise road freight by 2050, our approach to which set out in full in the Transport Decarbonisation Plan (TDP). The recommendation cannot however be fully endorsed as the Government is currently consulting on the timescales for phasing out the sale of new non-zero emission HGVs and further work is required ahead of the Future of Freight's publication on options and scenarios for road haulage energy infrastructure. Additionally, the Government maintain that modal shift of freight from road to more sustainable alternatives such as rail, cargo bikes and inland waterways will continue to be a key measure to help the freight sector achieve net zero by 2050, as well as reducing emissions as quickly as possible in the nearer term.
- 8. Since the NIC's report, in 2019, the UK became the first major economy to pass net zero emissions into law, committing to a Net Zero 2050 target as recommended by the Climate Change Committee.
- 9. Furthermore, the recently published TDP following extensive stakeholder engagement includes substantial announcements on the decarbonisation of road freight. The TDP makes provision for investment in R&D, financial incentives and a strategy to meet net zero emissions by 2050. Key elements for road freight are:
 - 9.1 Developing zero emission road freight technology and incentivising the uptake of new zero emission vehicles.
 - 9.2 Improving the efficiency of the existing fleet.
 - 9.3 Encouraging modal shift of freight to lower carbon forms of transport where possible.
 - 9.4 Decarbonising the last mile of deliveries.
 - 9.5 Recognition that there is no uniform approach to transport decarbonisation and different solutions will be required in different places across the UK. Developing solutions that consider the needs of different locations is one of our six strategic priorities for transport decarbonisation.
- 10. Government is currently consulting on phase out dates for the sale of new non-zero emission HGVs, to ensure the road freight fleet reaches zero emissions by 2050. Responses can be submitted to HGVconsultation@dft.gov.uk by 3 September 2021 and we will aim to publish a response before the end of 2021. In particular, views are being sought on:
 - 10.1 ending the sale of new non-zero emission HGVs from 3.5 tonnes up to 26 tonnes by 2035 or earlier if a faster transition seems feasible;
 - 10.2 ending the sale of new non-zero emission HGVs greater than 26 tonnes by 2040 and;

- 10.3 increasing the maximum permissible weights for certain alternatively fuelled and zero emission HGVs and other vehicles.
- 11. Government are also consulting on a recently published a Green Paper proposing options for a carbon dioxide regulatory framework for all new vehicles in the UK, , including the possible introduction of a zero emission vehicle (ZEV) mandate and how it might apply to HGVs. This will establish a regulatory framework that could be used to deliver these ambitious phase-out dates whilst ensuring emissions reductions from conventional vehicles along the way.
- 12. Elements of the TDP for freight will be further developed and taken forward in partnership with industry under the Future of Freight in 2021, including for other modes such as maritime, rail and aviation. This ensures that a holistic view is taken of the freight system's decarbonisation journey.
- 13. Significant government investment has already been made in decarbonising road freight, including:
 - 13.1 £20m for advanced feasibility studies, to be carried out in 2021/22, into pioneering zero emission road freight technologies including electric and hydrogen fuel cells. The studies will involve engagement with infrastructure delivery partners including National Grid.
 - 13.2 Over £300k in Transport-Technology Research and Innovation Grants (T-TRIG), in 2019 and 2020, for 11 early-stage R&D projects to decarbonise the freight system.
 - 13.3 £3m in 2021 for the Tees Valley Hydrogen Transport Hub, a large-scale and long-term initiative, to act as living lab to understand hydrogen's role in decarbonising the transport system, including freight.
- 14. Government agrees that the provision of energy supply networks for the road and wider freight sector is important to efficiently achieving a net zero emission freight sector. Notable work has been undertaken across government to assess requirements for future fuel and charging infrastructure, but further cross modal work on future energy infrastructure requirements will be required as part of Future of Freight. Progress to date includes:
 - 14.1 The role of hydrogen in the decarbonisation of freight, including HGVs, will be considered in the upcoming UK Hydrogen Strategy, which will set out our approach to developing and scaling up a UK hydrogen economy to help meet the challenge of net zero by 2050. We recognise that action is needed across the entire hydrogen value chain to support readiness for new technologies delivering the production, supply and storage of hydrogen across a range of sectors (including industry, transport, heating and power). Should hydrogen prove the best way to decarbonise the HGV sector, this work will ensure there is sufficient supply of hydrogen to meet the demand.
 - 14.2 Work with the Connected Places Catapult has also been initiated to map transport energy usage across all modes and fuel/energy vectors, to understand the scale of the transition required. Work has progressed with mapping this at a

- national level and will then move on to focusing on the Greater Manchester area as an exemplar of what can be done, to support planning for local decarbonised transport energy infrastructure.
- 14.3 As noted above, £20m funding has been provided for advanced feasibility assessments in 2021/22 for zero emission road-freight technologies, in order to better understand where and when different zero emission options could be effectively tested and trialled by the sector. National Grid form part of the core delivery group for this scheme ensuring they are informed alongside government on future network demand.
- 14.4 The Office for Zero Emission Vehicles (OZEV) have close working relationships with National Grid, Distribution Network Operators (DNOs) and Ofgem in relation to electric car and light van charging demand as part of Project RAPID, which will be built upon to assess the need to address HGV and wider freight requirements.
- 15. Whilst the NIC report states modal shift is not capable of replacing all HGV journeys, it still has a key role to play in reducing polluting HGVs from our roads alongside other congestion, safety and noise pollution benefits. Freight trains currently emit around a quarter of the CO2e emissions of HGVs per freight tonne km. Water-borne freight also delivers significant CO2e efficiencies. The Government therefore remains committed to modal shift from road to rail or water and will also continue to explore new and innovative intra-modal and trans-modal shift opportunities that new technologies present alongside ongoing collaborative effort with industry to reduce emissions of the freight sector as a whole.

Recommendation 2: Decarbonising Rail Freight

Government should undertake detailed cross modal analysis, using a corridor-based approach, of the long-term options for rail freight's transition to zero emissions, including low carbon rail services and the scope for road-based alternatives.

It should then publish, by the end of 2021, a full strategy for rail freight to reach zero emissions by 2050, specifying the investments and/or subsidies that it will provide to get there.

- 16. The Government mostly endorses the recommendation and agrees with the need to define a pathway to reach zero-emission rail freight by 2050 and that it is important to set out plans for rail freight decarbonisation within the context of decarbonising freight more broadly. The TDP does just that as it sets out what Government, business and society will need to do to deliver the significant emissions reductions needed across all modes of transport, including road, rail and maritime freight, to reach net zero emissions by 2050. Given this, the Government will not be publishing a standalone rail freight decarbonisation strategy.
- 17. The TDP sets out an ambitious pathway to achieving net zero emissions across all modes of transport by 2050. Regarding rail freight specifically, the plan sets out:
 - 17.1 A commitment for all trains to be zero emission by 2050, with sustained carbon reductions in rail along the way in the interim.
 - 17.2 The ambition to remove all diesel-only trains from the network by 2040.
 - 17.3 A commitment to introduce a rail freight growth target.

- 17.4 A commitment to incentivise the early take up of low carbon traction for rail freight.
- 17.5 An ambitious, sustainable and cost-effective programme to fully decarbonise our railway guided by Network Rail's Traction Decarbonisation Network Strategy (TDNS). This will help the rail freight industry to invest in new electric locomotives and alternative solutions to reduce emissions.
- 17.6 A commitment to build extra capacity on our rail network to meet growing demand for rail freight and to support further modal shift of freight from road to rail.
- 18. Modal shift will not in itself decarbonise rail and therefore cross-modal analysis has not informed the decarbonisation pathway for rail but it remains a key measure to reducing overall emissions from freight until zero emission technology becomes more widespread. As part of the Government's appraisal process of new investments, cross modal analysis on a corridor basis is already, and will continue to be, carried out on large investments that have significant impacts across modes. However, as noted in the response to recommendation 1, a cross modal approach to assessing future energy infrastructure requirements for freight is needed and will be undertaken as part of Future of Freight's development in partnership with industry over 2021.
- 19. The above is further underlined by the commitments in 'Great British Railways: The Williams-Shapps Plan for Rail', published May 2021, to set out a new offer for rail freight to support its growth and future development. The Plan particularly commits to accelerating, where possible, short-infill electrification projects that benefit freight and improve freight connectivity, in recognition that rail is the only form of transport currently capable of moving both people and heavy goods in a low carbon. This builds on the almost 700 track miles of extra electrification completed by Network Rail (for passenger services) in recent years. Additionally, it sets out that the government will continue to provide five-year funding settlements for rail infrastructure, which will include the investments needed to continue to decarbonise our railways.
- 20. Beyond the policies announced in the TDP, the Government extensively invests in and supports the rail freight sector to decarbonise in multiple ways:
 - 20.1 The Department for Transport (DfT) has funded, and continues to fund, innovative technologies to reduce emission from rail freight through the FOAK competitions. We are providing nearly £2 million in funding for five decarbonisation focused rail freight projects as part of the 2021 FOAK competition.
 - 20.2 Ongoing collaboration on R&D with the rail freight industry and Rail Safety and Standards Board (RSSB) on options to reduce emissions from rail freight. For example, RSSB's T1160 project defined efficient roadmaps for the UK rail freight industry to move towards decarbonisation.
 - 20.3 Funding of a Connected Places Catapult-led R&D project in 2021-22, that will identify low-emission technologies for use in the rail freight estate and stimulate innovation in this sector.

- 21. In order to deliver near-term decarbonisation for the wider freight sector, the Government continues to support and incentivise modal shift of freight from road to rail and water through the Mode Shift Revenue Support Scheme and Waterborne Freight Grants (as well as to manage road congestion as outlined in recommendation 3). Freight trains currently emit around a quarter of the CO2e emissions of HGVs per freight tonne km. Waterborne freight offers further emission reduction potential, especially when combined with the Clean Maritime Plan's decarbonisation commitments and the Government's support for clean maritime demonstration projects (£20m in 2021):
 - 21.1 In 2020/21, the Government allocated up to £20m to freight grants, a 28% increase in funding compared to 2019/20. This equates to 57,489 tonnes CO2e less than moving the goods by road in 2020/21.
 - 21.2 To further enable modal shift, between 2014-2019, the Government invested over £235m in the Strategic Freight Network to improve the capability and capacity for rail freight. Further infrastructure funding is being made available going forward through the Rail Network Enhancements Pipeline (RNEP). For example, the Government has invested £120.6m in the Southampton Freight Train Lengthening Project. Freight services between Southampton, the Midlands and the North can now carry up to 20% more goods as a result of track, signals and sidings improvements. Trains once restricted to 520 metres in length can now be extended up to 775 metres in length, or 14 extra containers per train.

Recommendation 3: Managing Congestion

To help manage peak time congestion on the urban transport network, local authorities should include a plan for urban freight within the infrastructure strategies they are developing.

These plans should review local regulations to incentivise low congestion operations, consider the case for investments in infrastructure such as consolidation centres, and identify the land and regulatory requirements of new and innovative low congestion initiatives.

- 22. The Government mostly endorses the recommendation and agrees in principle, though the focus should be on managing congestion across the board to ensure a fluid end-to-end freight system and not just in urban environments. This was acutely demonstrated in December 2020 and early 2021 with the need to manage congestion at ports and borders as a result of COVID-19 control measures and end of EU Exit transition period. In terms of urban congestion, work is ongoing with Local Authorities in Future Transport Zones and a review of guidance for Local Transport Plans, where urban freight should be planned for rather than in isolation of wider local transport requirements.
- 23. Local Transport Plans bring together Local Transport Authorities' responsibilities for planning, designing, delivering and maintaining local transport infrastructure, helping to focus strategic transport planning that is tailored to local circumstances and to transport needs of both people and freight. The Department for Transport (DfT) is committed to encouraging Local Transport Authorities to regularly update their Local Transport Plans to help facilitate efficient and sustainable freight networks now and into the future. As such, DfT is looking at revitalising its guidance on Local Transport Plans and will ensure freight is a key consideration in that review process.

- 24. Tackling urban congestion and adopting innovative solutions to last mile logistics, are key challenges for the logistics sector and local authorities. The Government's broad and ambitious Future of Transport Programme supports industry and local leaders to secure the UK's position as a world-leading innovator. Key elements include:
 - 24.1 An Urban Strategy published in 2019 that helps cities, government and innovators to harness the various emerging mobility opportunities.
 - 24.2 A regulatory review of how transport regulations need to change to be fit for the future and how to address outdated regulation, which acts as a barrier to innovation.
 - 24.3 A Traffic Technology Forum, bringing together local authorities and technology providers to jointly resolve challenges. Through this collaborative forum, successful tests of traffic signal prioritisation have already taken place, with the potential for this to be used for freight flows for both urban environments and the strategic road network.
- 25. To supplement this, in 2020 the DfT announced a £90 million funding boost for real-world testing of new transport innovation for people and goods in 3 new Future Transport Zones. Highlights for freight include:
 - 25.1 Research on how urban consolidation centres and last mile delivery can help make freight transport more efficient and sustainable in Portsmouth and Southampton.
 - 25.2 E-cargo bikes for last mile delivery in Bath, Bristol, Derby and Nottingham
 - 25.3 Drone delivery of medical supplies to the Isle of Wight.
- 26. Like the place-based approach to transport decarbonisation described in recommendation 1, the above approaches recognise that different solutions will be required in different places across the UK to manage congestion. Local and regional level organisations are often best placed to make the decisions that will deliver the practical changes that are needed.
- 27. Furthermore, as outlined in the Prime Minister's Cycling and Walking Plan ('Gear Change') published in 2020, the DfT will be tendering in 2021 for a desk-based research project to examine the feasibility and requirements of a real-world pilot of a compulsory urban consolidation centre, to test whether such consolidation of goods will lead to fewer trips and therefore reduced congestion and emissions without producing unnecessary inefficiency and cost.
- 28. Whilst above initiatives remain ongoing, the lessons learnt as they progress, including the implications for street design to facilitate urban freight transport will be taken forward in the Future of Freight's development in 2021.
- 29. Managing congestion and freight capacity in non-urban environments is also a key requirement for seamless national and international connectivity and modal shift continues to play a key role in maintaining capacity on our strategic road network and ensuring union connectivity.

- 30. The Government continues to incentivise long-distance modal shift through the Mode Shift Revenue Support and Waterborne Freight Grant schemes, which support the carriage of freight by rail and water on routes to reduce road congestion and emissions. As discussed in response to recommendation 2, in 2020/21, the Government allocated up to £20m to freight grants, a 28% increase in funding compared to 2019/20, which led to 881,504 loads taken off roads in 2020/21 alone.
- 31. 'Great British Railways: The Williams-Shapps Plan for Rail', further underlines the Government's commitment to strengthening the place of rail freight so that it can play a greater role and reduce congestion on our roads, by committing to:
 - 31.1 Establish a national freight co-ordination team within Great British Railways to act as a single point of contact for freight operators and customers to improve the freight customer experience.
 - 31.2 Setting a growth target for rail freight.
 - 31.3 Introducing new access agreements that support the growth of the rail freight market.
 - 31.4 Working with the market to consider vital network enhancements that increase capacity for freight.
- 32. Sir Peter Hendy's 'Union Connectivity Review', to be submitted to the Government Summer 2021, has also taken the need for seamless freight connectivity across the UK into consideration. Some of the recommendations from this report will be taken forward under the Future of Freight.

Recommendation 4: Better Planning to Enable Optimisation

Government should produce new planning practice guidance on freight for strategic policy making authorities. The guidance should better support these authorities in planning for efficient freight networks to service homes and businesses as part of their plan making processes. This new planning practice guidance, which should be prepared by the end of 2020, should give further detail on appropriate considerations when planning for freight, such as the need to:

- provide and protect sufficient land/floorspace for storage and distribution activities on the basis of population and economic need, with particular consideration for the floorspace requirements for last mile distribution and consolidation centres;
- support the clustering of related activities within a supply chain, minimising the distance that goods must be moved and maximizing the potential for efficient operations;
- maximise the potential for freight trips to be made at off peak times; and
- accommodate deliveries and servicing activity at the point of delivery.

- 33. The Government mostly endorses the recommendation and agrees in principle there is a need to look further into freight's representation in the planning system. The precise guidance changes required depend on a better understanding of the planning issues that exist for freight, to be identified through the development of the Future of Freight. The Government will continue to take the opportunity to consider freight in both the strategic planning reform process as well as in planning policy guidance as that guidance is periodically updated.
- 34. In the 'Planning for the Future' White Paper, the Government set out its vision for a new and improved planning system. The White Paper set out changes in the way we plan for and design new development. This will include reviewing the National Planning Policy Framework. The Ministry of Housing, Communities and Local Government (MHCLG) is currently reviewing and analysing the reform consultation responses and will publish a response in due course setting out our decisions on the proposed way forward.
- 35. The planning reforms will provide an opportunity to review the current system and ensure sustainable development is a key part of any future planning system; this will include considering how the freight system is sustainably planned and delivered.
- 36. The National Planning Policy Framework has been amended to reflect that the movement of freight can have specific location requirements. It makes clear that planning authorities should plan for storage and distribution operations at a variety of scales and in suitably accessible locations. Updates were also made to planning practice guidance on housing and economic needs in July 2019 regarding the need for planning authorities to assess the need and allocate space for logistics, including last mile facilities. We will continue to consider what further role planning practice guidance can have in ensuring the freight and logistics sector is supported by the planning system, in line with the NIC's recommendations.
- 37. To inform this work, the Government recognises the need to explore opportunities for planning to contribute to an efficient freight system and to ensure planning is fit for purpose for freight now and in the future. Through the Future of Freight work, in partnership with industry, the Government will:
 - 37.1 Assess whether further changes are required to support freight industry aspirations by better understanding the successes and challenges of planning for freight.
 - 37.2 Take stock of the lessons learnt from the Future of Transport initiatives outlined in response to recommendation 3, to ensure the planning system can provide the supporting infrastructure necessary to facilitate freight innovation and urban modal shift.
 - 37.3 Consider the importance of street design in facilitating sustainable freight transport and its interaction with the local environment.

- 37.4 Assess how the requirement for HGV Parking can be better facilitated within the planning system, including better utilisation of existing infrastructure such as Park and Ride schemes.
- 37.5 Pursue improvement opportunities identified through the 'Union Connectivity Review'.

Recommendation 5: New and Better Data

Government should develop a data standard for freight data collection to support local authorities, outlining the requirements for technological capability, data requirements, and data format.

Such a standard must seek to ensure consistent data quality and format across technologies to allow regional and national aggregation and should be complete by the end of 2020.

- 38. The Government partially endorses the recommendation. Whilst the Government agrees with the importance of using better freight data and analysis in policy and investment decisions at all tiers of government, there are challenges in a common data standard and increasing data sharing across the freight sector and the Government's response to those challenges is not fully developed. The better use of freight data, including the option of a common data standard, will be explored as part of the Future of Freight's development, building on initial data discovery work already completed.
- 39. The Government is aware that data collection from a predominately privately owned and operated sector can be challenging due to commercial sensitivities. The Government understands that a common data standard could be one of a suite of options to support the sharing/consolidation of private and public sector data on freight, but further work is necessary before confirming the need for such a standard.
- 40. As such, the DfT commissioned Frazer Nash Consultancy in 2020 to undertake a freight data discovery study to provide high-level insight into the current UK freight data landscape. This study highlighted further work needed to demonstrate the benefits of freight data sharing to the private sector alongside development of a data standard.
- 41. To build on that discovery work, the DfT has commenced work with the Connected Places Catapult on an end-to-end logistics data research project, to conclude early 2022, to investigate how to enable access to high quality freight data in terms of

accuracy, completeness, and timeliness and to develop the user cases necessary to drive private sector participation. Access to such data will facilitate evidence-based freight investment decisions and policies that align with industry priorities. The challenges, opportunities and barriers of sharing freight data that the project will identify at a granular level will be instrumental in informing work on relevant future freight data standards.

- 42. The Government is also working with the Sub-National Transport Bodies on opportunities and challenges of freight data and analysis to inform strategic plans. Notably, Transport for the North (TfN) have recently developed a prototype freight data repository to inform strategic planning for freight. The Department for Transport and TfN are working together to understand what lessons learned from this will assist in the development of relevant data standards.
- 43. Further engagement with Sub-National Transport Bodies and wider local and devolved government will be taken forward through the Future of Freight work, including the next steps required to develop relevant data standards.

Recommendation 6: A New Status for Freight

Government should establish a new biannual 'Freight Leadership Council', inviting representatives from BEIS, DfT, MHCLG, DEFRA and HM Treasury, devolved administrations, all freight modes and parts of the supply chain.

This Council's main focus should be on strategic, long term issues –specifically supporting decarbonisation of road and rail freight by 2050. This Council should hold its first meeting before the end of 2020.

- 44. The Government fully endorses the recommendation and fully recognises that there is a need to elevate the status of freight and the vital role it plays across the UK. The Freight Council has since been established as recommended. Work on Future of Freight, a long-term strategic plan for the freight sector, has been re-invigorated. Now, after responding to the challenges of COVID-19 and our new relationship with Europe, both industry and government can look forwards.
- 45. A cross modal freight forum, chaired by Future of Transport Minister, Rachel Maclean MP, was formed in Spring 2020, with focus at the time on response to immediate resilience issues presented by COVID-19 and the end of the EU transition period.
- 46. This has transitioned into the Freight Council, that held its first meeting in June 2021. The Freight Council will embrace and overcome the longer-term opportunities and challenges facing the sector including, but not limited to, lessons learned from recent resilience challenges.
- 47. The Freight Council will continue to meet quarterly to fulfill a key role in codeveloping the Future of Freight, a long-term strategic plan for the freight sector, and ensuring an ongoing strong voice for freight across government, reflecting its critical importance.

- 48. The Freight Council sits at the apex of government engagement with the freight sector, but the Government will continue to develop and embed cross Whitehall and industry engagement at all levels as it takes forward its long-term plan for freight.
- 49. The establishment of the Freight Council and the cross government focus on freight has been welcomed by industry and we look forward to continuing to work with them through the Council and beyond.
- 50. Cross modal working arrangements within the DfT and cross government structures (established in response to COVID-19 and the end of the EU exit transition period) have been retained and strengthened to support the Freight Council, Future of Freight and the freight sector more broadly. This will ensure a cross modal and holistic view is given to the challenges and opportunities of the sector over the long term.