



Freight Council Inaugural Meeting

15.15 to 16.45, Tuesday 8th June 2021

Virtual Meeting

Attendees

Ministerial attendance

- Rt Hon Rachel Maclean – Parliamentary Under Secretary of State for Transport (Chair)
- Rt Hon Robert Courts - Parliamentary Under Secretary of State for Transport

Member attendance

- David Wells, CEO, Logistics UK
- Duncan Buchanan on behalf of Richard Burnett, CEO, Road Haulage Association
- Gavin Simmons and Matthew Wright on behalf of Bob Sanguinetti, CEO, UK Chambers of Shipping
- Jonathan Chatfield on behalf of Jacqueline Starr, CEO, Rail Delivery Group
- Kevin Richardson, CEO, Chartered Institute of Logistics Transport
- Maggie Simpson, CEO, Rail Freight Group
- Peter Ward, CEO, UK Warehouse Association
- Richard Ballantyne, CEO, British Ports Association
- Robert Griggs on behalf of Tim Alderslade, CEO, Airlines UK
- Robert Windsor, CEO, British International Freight Association
- Rupinder Pamme on behalf of Karen Dee, CEO, Airport Operators Association
- Tim Morris, CEO, UK Major Ports Group
- Tom Southall on behalf of Shane Brennan, CEO, Cold Chain Federation
- Amanda Francis, CEO, Association of International Courier and Express Services

Department for Transport senior official attendance

- Gareth Davies, Director General, Aviation, Maritime, International and Security
- Petra Wilkinson, Director, Maritime
- Rosalind Wall, Director, Roads
- James Dowler, Deputy Director, Critical Freight Taskforce
- Mike Alcock, Deputy Director, Critical Freight Taskforce



Guest attendance

- Sir John Armitt, Chair, National Infrastructure Committee
- Simon Weaver, Senior Policy Advisor, National Infrastructure Committee

Actions

- 1) Freight Council members to review the minutes, which will be approved at the next Freight Council meeting.
- 2) The Freight Council members will provide comments to the DfT on the Terms of Reference. These will be sent to Widad.Chhibi@dft.gov.uk.

Readout

1. Welcome and introductions

Minister Rachel Maclean (RM) provided introductory remarks.

Petra Wilkinson and Rosalind Wall introduced themselves as joint Senior Responsible Officers (SROs) at the DfT for the future of freight work.

Gareth Davies noted that, due to COVID-19 and EU exit, the profile of freight across Whitehall has never been higher.

2. Terms of reference

A draft copy was circulated before the meeting.

RM provided context to the Terms of reference:

- The council will focus on cross-modal freight issues and will not replace other forums where mode specific issues are the focus.
- The focus of the Council in the coming months will be the development of the long-term plan. Solutions to challenges and opportunities will sit foremost with the industry.
- The Council should be genuinely collaborative. The final long-term plan should contain commitments from both Government and industry to address identified priorities.
- Trade associations representing the freight operators should form the core of this group. The Terms of Reference as drafted provide flexibility to expand the attendance at these meetings.



- Officials are exploring options to develop a co-chair system (as happens at the Retail Sector Council) with a designated Minister and an independent representative from the sector sharing chairing responsibilities.
3. NIC and the NIC freight report

Sir John Armit (JA) outlined the origins of the NIC, the work that it does and provided an overview of the NIC report “Better Delivery: the challenge for freight”.

4. Future of Freight

This section outlines key points made by Freight Council members. In order of speaking.

Minister Maclean – DfT

- Stated that the focus of the Freight Council should be cross-modal and focused on long term opportunities and challenges.
- Stated that freight is well placed to help Government achieve its strategic priorities, particularly:
 1. Decarbonisation
 2. Levelling-up
 3. Improving transport for the user
- Highlighted the five themes for the future of freight work which underpin the above objectives:
 - a) Decarbonisation and Environment
 - b) Technology and Innovation
 - c) Place, International and Supply Chain Resilience
 - d) Capacity, Infrastructure and Political Economy
 - e) Business Models and Consumer Behaviours

David Wells - Logistics UK

- Raised the high competition and low margins in the freight sector and the cost of adopting new IT systems.
- Raised the point of efficiency. Stated that moving away from large HGVs and setting up mandatory consolidation centres may increase congestion and work against normal operation of supply chains.



- Stated the importance of gathering evidence on the sector and the need to avoid unintended consequences of policy interventions.

Duncan Buchanan - Road Haulage Association (RHA)

- Stated that the major long-term challenge for RHA members is decarbonisation.
- Stated the importance of competition. Stated that competition for customers is driving developments in the use of data. Proposed that competition should underpin decarbonisation initiatives.
- Proposed a cohesive national regulatory framework, rather than diverse local regulations.

Maggie Simpson – Rail Freight Group (RFG)

- Stated the need for improved capacity management and welcomed this and other aspects of the Great British Railways: Williams-Shapps plan for rail.
- Emphasised that 2040 is not a long time to replace expensive locomotives.
- Stated the importance of investor certainty (for infrastructure, equipment) to permit the private sector to support Government priorities (including decarbonisation), which the sector wants to do.

Peter Ward – UK Warehousing Association (UKWA)

- Requested that Government take a joined-up approach. Stated that the following Government departments should be included:
 - ❖ Ministry of Housing, Communities and Local Government (MHCLG) - land use and planning.
 - ❖ Department for Business, Energy and Industrial Strategy (BEIS) – energy use forecasting, power generation.
 - ❖ Department for International Trade (DIT) - global supply chains.
 - ❖ Department for Digital, Culture, Media and Sport (DCMS) – digitisation.
 - ❖ Department for Work and Pensions (DWP) – labour and skills.



- Asked why DCMS is the department working on digitisation of supply chains which arose from the G7 meeting in April.
- Asked how this work can be combined with the work that the DWP is doing on apprenticeship schemes.
- Raised the role that warehousing has in delivering new infrastructure.
- Stated that there is a known shortage of warehousing.
- Stated that there is a big labour and skills shortage.

Tim Morris – UK Major Ports Group (UKMPG)

- Stated the importance of a cross modal approach and the need to think in a customer focused and holistic way. Stated that end customers are not interested in the mode used.
- Raised the point of decarbonisation. Stated that Government will need to support industry to achieve this, including funding.
- Stated the importance of a light touch approach from Government.
- Stated that freight has a clear role in the “levelling up” agenda. Stated that a terminal, distribution centre or manufacturing facility can have a big impact on the local area.
- Stated that inland coastal shipping also has a role alongside road and rail.

Kevin Richardson – Chartered Institute of Logistics and Transport (CILT)

- Raised the importance of rural transport, in the context of the challenges of decarbonisation.
- Stated that the CILT is focusing on decarbonisation, skills and labour shortages, supply chain resilience, business recovery and consumer behaviour.

Jonathan Chatfield – Rail Delivery Group (RDG)

- Stated that different transport modes should not be in competition, rather there should be collaboration to ensure appropriate mode is chosen from economic and environmental perspectives.



- Stated the need for understanding of the policy levers, for example regulation, charging regimes, available to Government.
- Highlighted research that Deloitte has done on the interaction of freight and passenger rail.

Amanda Francis – Association of International Courier & Express Services (AICES)

- Stated that the acceleration in e-commerce following COVID-19 is a permanent shift.
- Stated that customer demand requires night flights and day deliveries.
- Emphasised the importance of a cross Government approach, as well as a cross modal approach.

Richard Ballantyne – British Ports Association (BPA)

- Stated the need for a cross Government approach. Proposed that this should include Department for Environment, Food and Rural Affairs (DEFRA), Her Majesty's Treasury (HMT), BEIS, DWP and MHCLG.
- Proposed that the approach should be radical and exciting, including ideas such as strategic transport gateways.
- Asked about the future of connectivity funding after the EU TEN-T network.
- Raised the role of coastal shipping.
- Stated that bulk freight should be considered, not just unitised freight.

Tom Southall – Cold Chain Federation (CCF)

- Stated that the importance temperature controlled freight should not be forgotten, including its role in the delivery of time sensitive goods.
- Emphasised the importance of power infrastructure.
- Stated that chilling emissions are not counted as transport, but instead will fall under BEIS and DEFRA, nonetheless the solution will be transport solutions.
- Stated the need for joined up and long-term policy making.



Robert Griggs – Airlines UK

- Stated that COVID-19 has raised the profile of air freight.
- Emphasised the importance of aviation sector to the UK and the need to maintain its competitiveness.
- Stated that the aviation industry welcomes the Jet Zero Council and is committed to net zero by 2050, despite the difficulties for the sector.
- Raised the issue of noise relating to air freight.
- Raised the tension between local and national priorities for aviation.

Gavin Simmonds – UK Chamber of Shipping (UKCoS)

- Raised the point of technology and stated the need for a phased approach in adopting new technology which may not yet be available.
- Raised the future UK-EU border processes. Emphasised the importance of avoiding barriers to flow of trade and the role cross Government working has to ensure this, in particular with UKBF and DIT.
- Raised the role of upstreaming customers and other border checks to help facilitate trade flows.

Robert Windsor – British International Freight Association (BIFA)

- Emphasised the importance of bringing new people into the freight sector and the importance of IT skills.
- Proposed that DWP be included in the work to address the skills shortage in the sector.
- Stated that crime is a significant issue but under reported.
- Raised the point that freight transport shares infrastructure with private users.
- Stated that congestion and delays are caused primarily by passenger and not freight transport.

Sir John Armitt – NIC



- Stated that clarity was needed in the road map for technology to support investment in decarbonisation.
- Emphasised the importance but also the challenge of cross Government and cross modal working.