



Department  
for Transport

## Freight Council Second Meeting

London International Shipping Week  
13:30 to 15:00, Wednesday 15 September 2021

Venue: HQS Wellington, London / virtual via Microsoft Teams

### Attendees

#### Ministerial attendance

- Hon. Rachel Maclean – Parliamentary Under Secretary of State for Transport (Chair)

#### Member attendance

- Elizabeth de Jong on behalf of David Wells, CEO, Logistics UK
- Duncan Buchanan on behalf of Richard Burnett, CEO, Road Haulage Association
- Gavin Simmonds on behalf of Bob Sanguinetti, CEO, UK Chambers of Shipping
- John Thomas on behalf of Jacqueline Starr, CEO, Rail Delivery Group
- Kevin Richardson, CEO, Chartered Institute of Logistics and Transport UK
- Maggie Simpson, CEO, Rail Freight Group
- Clare Bottle, CEO, UK Warehousing Association
- Mark Simmonds on behalf of Richard Ballantyne, CEO, British Ports Association
- Robert Griggs on behalf of Tim Alderslade, CEO, Airlines UK
- Robert Windsor, CEO, British International Freight Association
- Christopher Snelling on behalf of Karen Dee, CEO, Airport Operators Association
- Tim Morris, CEO, UK Major Ports Group
- Shane Brennan, CEO, Cold Chain Federation
- Amanda Francis, CEO, Association of International Courier and Express Services

#### Department for Transport senior official attendance

- Petra Wilkinson, Director, Maritime
- Rosalind Wall, Director, Roads
- Mike Alcock, Deputy Director, Freight and Ports

#### Other Government Departments/Delivery Bodies:

- Simon Emery, Senior Economic Development & Spatial Planning Manager, National Highways
- Paula Haustead, Head of Strategic Planning, Network Rail

- Ministry of Housing, Communities and Local Government
- HM Treasury

## Actions

- 1) Secretariat to circulate a copy of the Solent to Midlands Multimodal Freight Study slide deck, as presented by National Highways and Network Rail.

## Readout

### 1. Welcome and introductions

Minister Rachel Maclean provided an update on the Future of Freight programme and asked Freight Council members to send final comments on the terms of reference to the secretariat by the end of the week.

### 2. Presentation from NH and NR on the pilot corridor analysis project conducted between Southampton and the Midlands

Simon Emery from National Highways (NH) and Paula Haustead from Network Rail (NR) provided an overview of the study, outputs generated, lessons learnt and next steps.

The relevant press release and report can be found here:

<https://www.networkrail.co.uk/news/network-rail-and-highways-england-publish-first-phase-of-the-solent-to-the-midlands-multimodal-freight-strategy/>

### 3. Group discussion on managing cross-modal capacity on strategic freight corridors

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

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

- Value of freight is high in relation to other corridors, how are you valuing freight?
- Answer from NH: By sector, based on qualitative judgement.

Kevin Richardson - CILT UK

- What is the objective of this study?
- Answer from NR: the pilot study has been undertaken to consider National Highways and Network Rail collaboration. The study identified constraints e.g. diversionary routes. Next step is to further explore these constraints and determine collaborative action that can be taken.

Kevin Richardson - CILT UK

- The challenge with road infrastructure is understanding who has responsibility. Are you bringing in other agencies to inform this study, e.g. local planning authorities?
- Answer from NH: Study was focused on strategic level, specific roads. Remit excluded local roads.

Minister Maclean posed the following question to all attendees:

- How would you define strategic corridors?

Kevin Richardson – CILT UK

- Definition covers primary movements between ports, airports, rail – then movement from there through distribution centres. From distribution centres to urban distribution.
- Will always have lots of empties on a primary route because containers are predominantly going back empty.
- Anything moving freight e.g. from Southampton to the golden triangle, then to the distribution centre, then breaking out of container, then returning container mostly empty. Final steps are retail distribution then final mile to urban or rural areas.
- All of this can be considered strategic, but the primary route is arguably the most important.

John Thomas – Rail Delivery Group (RDG)

- How do we value freight? Cost benefit ratios are key for evaluation of road and rail schemes. In a world of constrained public finances, having schemes with good cost benefit ratios is important.
- RDG recently completed a piece of work which looked at this issue.
- Traditionally with rail freight, the economic evaluation only assesses non-user benefits – e.g. improvements in environment.
- Passenger schemes consider user and non-user. This is to the detriment of freight in the comparison of passenger v freight.
- Look at the way DfT has traditionally assessed freight v passenger – a level playing field is important to properly assess the benefits of all freight schemes.

Maggie Simpson – Rail Freight Group (RFG)

- Many stakeholders are pushing for their own freight corridors to be in scope e.g. Liverpool, Pennines.
- Longer freight trains out of Southampton - a third to half of trains we would like to run longer cannot because of Kenilworth station.
- Taking a strategic freight corridors approach enables links to be made between physical enhancements in place A with the consequent impact on place B etc – it's about linking these places and their impacts.
- Freight corridors are not the same as passenger corridors. Geographical considerations are very different for freight. We might think it's obvious what the freight corridors are, but stakeholders might not always know e.g. local authorities, passenger sector.
- We should understand what these are and communicate this to stakeholders.

Tim Morris – UK Major Ports Group (UKMPG)

- Very supportive of this work, congratulate NH and NR on this.

- Port operators in Southampton are also very positive and some automotive companies in the Midlands are positive too.
- For UKMPG, this work is about improving flexibility and predictability. I have a queue of people pushing for their area to feature in a study e.g. “what about Manchester, Felixstowe, Liverpool”.
- I have a few questions:
  - a) How do you propose to solve the constraints?
  - b) How can we in the Freight Council help with this?
  - c) Intelligence behind route / mode decisions – how do people choose these?
- Answer from NR: NH and NR are aware of the constraints. We have a national freight team and we look strategically/work across the whole country. We are doing a significant timetabling exercise across the Wessex route. NR have met with Associated British Ports to see what they are doing with Southampton and the opportunity of running longer trains.
- Answer from NR continued: Take Maggie’s point that we need to handle constraints. Working together is the best way to make the differences here. We presented to our national strategic planning community and talked about the economic and social value of rail freight, not just non-user benefits as mentioned above.

Elizabeth de Jong - Logistics UK (LUK)

- Transport for the North have produced 7 strategic freight corridors. They would be happy to share their analysis and data.
- One key need for strategic freight corridors is about the UK’s international competitiveness in global trade. We need a proper strategy to ensure we are making the best use of our limited resources, which aligns with other strategies e.g. maritime.
- LUK have published a report which considers competitiveness. This report can be found here: <https://logistics.org.uk/logisticsreport>
- The OECD have changed their statistics on competitiveness. UK historically scores low on Road and Rail. We are 33 in our World Bank ranking.
- Agree with the purpose set out in the briefing note: a focus on port connectivity and multimodal capacity. Sea and airports need better connections by rail.
- We should take a holistic view of our network, not just where parallel options exist as per NH/NR study. Must be genuinely cross modal.
- Must look at modal selection for different consignments. This may help with competitiveness points.
- Want a cross-department approach. We must bring in planning through MHCLG, as well as other key departments such as BEIS and HMRC.
- Planning system is so important, and freight needs a lot of help here. Lots of HMG focus on housebuilding, but not much consideration for the logistics sector. Taking a strategic freight corridor approach could be a way of getting freight seen as essential infrastructure and galvanising people to get clear outcomes.

Minister Maclean posed the following question:

- We have talked about ports, airports and being outward facing. Should we formally include international corridors, or should we look inwards?

Elizabeth de Jong – LUK

- There is so much we can do internally, but inevitably the scope will need to include bringing things into the UK (i.e. need to include international)

Christopher Snelling – Airport Operators Association (AOA)

- There may be intercontinental freight corridors we wish to preserve/develop (eg UK/Far East). These may not suit the strategic freight corridor approach, but we need to look at them.
- Night flights policy, airport expansion, reaching the far east and so on. Where we want to expand connectivity, we need to look at domestic strategic corridors serving international traffic.
- The value of freight is often not linked to intrinsic value of the product. For example, a widget itself might not be worth much, but if it causes the closure of a factory, its value is significantly increased.
- The more information gathered to help assess the value of freight, the better.
- However, we must not confuse “strategic” with “important”.
- This study looked at high volume. In aviation, freight is high value but in comparison to road freight, it is low in terms of volume.
- Onward movement of air freight is more of a network and diffused around many airports around the country. This strategic corridor approach may suit high volume road and rail freight, but for aviation might not be so relevant – though aviation must not be forgotten.

Robert Windsor – British International Freight Association (BIFA)

- We are heavily dependent on trade. I think we all know the key lines (corridors).
- Freight usually gets thin end of the wedge, we need a better balance.
- How do we balance passenger and freight to meet the needs of this country?
- Freight is crucial to aviation and rail.

The Minister posed the following question:

- We’ve talked about connectivity between large urban areas. What about freight inside of urban areas?

Amanda Francis – Association of International Courier and Express Shipping (AICES)

- Keeping international strategic corridors open to customers is really important. For express this includes access to key express hubs at EMA and Stansted as well as routes from international ferry ports and Eurotunnel.
- There needs to be a cross modal approach and recognition that if an international access port is closed then the DfT needs to look strategically to ensure resilience. For example, the closure of Eurotunnel for maintenance over September meant that express

operators had to redirect consignments to EMA and then truck down to South East because there were no additional slots available to SE airports.

- Key interest for AICES is if one of these major points of entry is shut, what action can DfT take to mitigate the impact on the transportation of air express.
- Compulsory consolidation centres don't work with the express model. Members all take action to minimise the environment impact of operations, but In addition to sustainability, policy makers need to consider business model of express and what customers expect from express deliveries in terms of a door to door time definite and secure service.
- Users of services and non-users – completely agree that both need to be considered. This comes up a lot in relation to night flights. The issue is not the interests of aviation industry versus local community groups. But rather the need to consider the importance of express and overnight deliveries for the whole UK economy and the need to ensure balance with local community interests.

*The Minister left the meeting to return to Parliament. Ros Wall, Director for Roads, took over as chair.*

Mark Simmonds – British Ports Association (BPA)

- Agree with most of what has been said. Agree that we need to include international considerations in this work. BPA represent lots of container ports and short sea markets that operate more like a bridge to Europe.
- Agree with points on value vs importance of cargo (reinforced widget point above). Some goods might not hold value as an individual item but can be considered critical e.g. food.

Gavin Simmonds – Chambers of Shipping (CoS)

- The Solent study is a good bit of work. However, can't forget about some other drivers and factors.
- Always concerned when only England is on a map of the UK. There is a lot of cross-country movement into Scotland, Wales and Northern Ireland.
- Bulk: there is an evident shift towards containerised cargoes. Had a worrying conversation about the emerging trend of cement being put in containers and going onto the road system. It's important that bulk cargo and the efficiency of maritime sector in transporting bulks is not ignored.
- Imperative to include the role of maritime sector and how sea routes can alleviate pressure on land routes.

Clare Bottle – UK Warehouse Association

- When talking about planning, it's important to not just thinking about roads/lorry parks/intermodal hubs. Must consider warehousing needs.
- If warehouses are in the wrong place, road/rail miles are added to the overall trip. Ignoring infrastructure needs will reduce ability to meet green agenda.

- Warehouses are getting bigger or smaller, not many are medium sized. Can share data on this if helpful.
- Would very much like UKWA to be linked into questions about planning.

Tim Morris - UKMPG

- Will HE and NR be looking at average journey time and predictability on these corridors?
- Answer from NR: when planning timetable changes, NR look at journey times, start to end and performance impact on reliability of service. Analysis of the study demonstrated that rail freight is relatively reliable, similar to highways.

*Ros Wall, DfT Director for Roads, closed the discussion with the following remarks:*

- It's difficult for the Department to value what is inside containers. We are aware of this challenge. To solve this, we need more data.
- If we are doing this work based on strategic freight corridors, we need to work with industry to get more data/insight to build a full picture on the value of goods moved and their end destination.
- Decarbonisation and planning are on our agenda for deep dives for future meetings.
- MHCLG will be invited to attend.

Petra Wilkinson, Maritime Director

- It would be good to revisit this study in future to reflect on outputs generated and lessons learnt.