

Freight Council – Seventh Meeting

09:30 to 12:30, Wednesday 25 October 2023

Venue: In person at Great Minister House & Virtual via Microsoft Teams

Attendees:

Chairs

- Richard Holden MP (Minister RH), Parliamentary Under Secretary of State for Transport, Department for Transport (DfT)
- Isabel Dedring (ID), Global Transport Leader, Arup (ARUP)

Freight Council Membership

- Amanda Zambon (AZ), Director of Policy, Association of International Courier & Express Services (AICES)
- Clare Bottle (CB), CEO, UK Warehousing Association (UKWA)
- Chris Seaton (CS), Director, Public Affairs Group (PAG) - *attended remotely*
- Daniel Parker-Klein (DPK), Director of Policy, Chartered Institute of Logistics and Transport (CILT) - *attended remotely*
- David Wells (DW), CEO, Logistics UK (LUK)
- Declan Pang (DP), Director of Public Affairs and Policy, Road Haulage Association (RHA)
- Geraint Evans (GE), CEO, UK Major Ports Group (UKMPG)
- Katrina Ross (KR), Policy Director, UK Chamber of Shipping (UKSC)
- Mark Simmonds (MS), Director of Policy & External Affairs, British Ports Association (BPA) - *attended remotely*
- Richard Smith (RS), MD, Road Haulage Association (RHA)
- Robert Windsor (RW), CEO, British International Freight Association (BIFA)
- Tom Southall (TS), Executive Director, Cold Chain Federation (CCF)

Delivery Group Representatives

- Angela Ward (AW), Skills Lead, Port Skills and Safety Limited (PSSL) - *attended remotely*
- Kevin Welstead (KW), Electric Vehicle Sector Director, Scottish and Southern Electricity Networks (SSE)
- Laura Nelson (LN), MD, Road Transport Industry Training Board (RITITB)
- Russel Fowler (RF), Senior Project Manager, National Grid (NG)
- Usman Ali (UA), Campaigns Advisor, Recruitment & Employment Confederation (REC)
- Yumann Siddiq (YS), Policy Manager, Energy UK (EUK)

Department for Transport (DfT) Officials

- Iain Forbes (IF), Director, Logistics and Borders
- Bob Moran (BM), Deputy Director, Decarbonisation Strategy -*attended remotely-*
- Paul O'Sullivan (PS), Deputy Director, Future Borders Policy
- Laura Marquis (LM), Deputy Director, Logistics and Supply Chains Policy
- Martin Gilmour (MG), Deputy Director, Planning, Transport and Housing Division

- David Elvy (DE), Head of Future of Freight Plan
- Homairah Ginwalla (HG), Head of Port Governance & Infrastructure
- Jane Boyne (JB), Policy Advisor, International Rail
- Alex Green (AG), Team Leader, Global Intelligence and People & Skills
- Jack Fantham (JF), Assistant Private Secretary to Richard Holden MP
- Kay Jaspal (KJ), Grade 6, Road Freight Strategy - *attended remotely*

Other Government Department (OGD) Representatives

- Charlotte Govan (CG), Department for Education (DFE) - *attended remotely*
- Aysha Ali (AA), Department for Work and Pensions (DWP) - *attended remotely*
- Matthew Hepworth (MH), Department for Work and Pensions (DWP) - *attended remotely*

Representatives of Devolved Governments

- Martin Ritchie (MR), Transport Scotland (TS) - *attended remotely*

Actions

- **ACTION [FC 7.01]** DfT to share outputs of freight value of time and value of reliability once their peer review has been completed.
- **ACTION [FC 7.02]** DfT to bring proposals on a National Freight Network to a subsequent Freight Council meeting.
- **ACTION [FC 7.03]** DfT to consider invitations to ministers or officials from other government departments to the Freight Council on border related issues.
- **ACTION [FC 7.04]** CB to share warehousing data with the Council.
- **ACTION [FC 7.05]** CB and AZ to present to the Council papers setting out key issues around areas such as planning or other areas where the Council and industry can input.
- **ACTION [FC 7.06]** DfT to reformulate their tracker for actions and live issues.
- **ACTION [FC 7.07]** DfT to establish an escalation procedure where cross-government views or inputs are required.
- **ACTION [FC 7.08]** People and Skills Delivery Group to share workforce-related analysis with MR.
- **ACTION [FC 7.09]** ID, DfT, and RW to explore how the policy area of freight crime can be approached as a part of the Freight Council
- **ACTION [FC 7.10]** RS to share their research regarding freight crime to be used as a starting point for further work by the Council.
- **ACTION [FC 7.11]** Secretariat to set all Council meeting dates for 2024.
- **ACTION [FC 7.12]** DW and DPK to develop a shared narrative on Freight & Logistics Industry as an engine of growth and present to the Council.

Minutes

1. Welcome and Introductions

- 1.1. Co-Chair ID opened the meeting and welcomed attendees.

- 1.2. ID highlighted the purpose and agenda for the day and emphasised the need to review where the Freight Council stands, reflect on progress to date, and agree priorities for the next 12-18 months.
- 1.3. ID gave an overview of the freight and logistics industry and reflected on the sector's importance to the nation's economy including some key facts and figures.

2. Progress to Date

- 2.1. IF gave a high-level update on recent successes and developments within the Future of Freight Plan.
- 2.2. IF highlighted progress across the five priority areas.
 - 2.2.1. Enabling the transition to net zero:
 - The Freight Energy Forum (FEF) is now up and running. Three meetings have been held to date with the most recent taking place on 16 October 2023. A work programme has been agreed, focused on future energy demands and barriers.
 - 2.2.2. Data and technology:
 - As part of Freight Week which took place on 16 October 2023, Minister RH launched the second year of the Freight Innovation Fund (FIF).
 - The FIF will take forward exciting opportunities and innovations across the sector, including artificial intelligence and data.
 - 2.2.3. People and skills:
 - Year two of Generation Logistics has launched and continues to raise awareness and perceptions of the sector with new audiences.
 - 2.2.4. Freight and planning call for evidence (CfE):
 - A joint DfT and DLUHC CfE was published on 4 July 2023 and closed on 6 October 2023. Response analysis is now underway.
 - DfT have been engaging across the sector on government funding for driver facilities.
 - 2.2.5. National Freight Network:
 - The National Freight Network (NFN) work is developing within the department, with a focus on understanding freight flows and their value.
- 2.3. ID opened the floor for comments. DW stated that given current context, the one thing missing on the list is the agenda for growth: 10% inflation is not gross domestic product (GDP) efficient, and a forward-looking logistics sector is an enabler of growth. HM Treasury needs to focus on this aspect of growth. DW also argued that certain aspects of planning impact the freight industry's development.
- 2.4. RS added that Generation Logistics is a great initiative that has raised the profile of the sector, but its visibility in the curriculum should be reviewed.
- 2.5. PS spoke about technology, that there are data issues around UK borders and border fluidity. Various upcoming government initiatives may impact freight, including the Target Operating Model (TOM), EU Exit changes, and the EU's Entry and Exit System (EES) system. Digitisation and automation are key focuses to increase border fluidity, which includes what we need to do about the single trade window. There is a lot of work needed to achieve automation at the border, and a lot of this is wrapped up in technology. When there is disruption of heavy goods vehicle (HGVs) on the Strategic Road Network, contingencies must be supported by technology.
- 2.6. CB outlined that there has been circa 50% growth in warehousing since 2015 and we outperformed the global index in terms of automation; arguing that the Future of Freight plan is effective, however warehousing must play a larger role.
- 2.7. RW explained that border issues have been complex, with impacts across various port-hubs. There are some concerns around the Single Trade Window and its impacts; RW also argued that on the topic of net zero, domestic aims differ to

- international aims so it may be a confusing picture and honest communication is needed.
- 2.8. AZ agreed with DW regarding growth. An escalation process through the Freight Council would be useful. The Council ensures good dialogue – although there is the need for clarity on establishing a cross-government response to freight issues. AZ emphasised that local authority policies such as direct vision standards will cost the freight sector millions. On the valuation of freight, AZ added that a collectively agreed figure would be helpful in the council's advocacy.
 - 2.9. IF agreed on freight valuation, responding that there is poor collective understanding here, and work is underway within DfT to change this.
 - 2.10. **ACTION (FC 7.01)** – DfT to share outputs of freight value of time and value of reliability once their peer review is completed.
 - 2.11. On the NFN, TS emphasised that there has seen less visible progress compared to the other Future of Freight plan priority areas. As a central point where a lot of challenges, including borders, come together, it would be good to see the NFN roadmap. On escalation issues, TS believes there is a potential for the Freight Council to look at problems such as temperature-controlled storage.
 - 2.12. **ACTION (FC 7.02)** – DfT to bring proposals on National Freight Network to a subsequent Freight Council meeting.
 - 2.13. On the need for an escalation process at the Council, RS agreed and raised driver facilities, welcoming the increase of funding to improve provision.
 - 2.14. DP added that local planning authorities do not necessarily consider national infrastructure and the importance of roadside facilities. Here, a UK government taskforce could play a central role in making decisions, many of which are of national significance.
 - 2.15. Minister RH joined the meeting, and ID highlighted the following key points from the discussion:
 - 2.15.1 Process – there is collective agreement to position the Freight Council as the place for Members to raise top tier issues with government and to initiate discussions around the strategic priorities.
 - 2.15.2 Growth – economic growth needs to be a focus for the Council to facilitate dialogue between government and industry.
 - 2.15.3 Strategic programme – members are interested in the dialogue on decarbonisation and would also like to establish a way of escalating as well as responding to wider freight issues.
 - 2.15.4 Border fluidity – how this impacts the sector; although this issue is being dealt with in multiple areas of government, the group wants to better understand how it can feed into these discussions.
 - 2.15.5 Devolution – the government can provide informational guidance and best practice on the decision-making processes led by local authorities.
 - 2.16. Minister RH responded to the points raised:
 - 2.16.1 Welcomed the discussions on growth and stated that the policy announcements made during Freight Week are geared towards this.
 - 2.16.2 Borders: There is cross-government work ongoing here and ministers or officials from OGDs can be invited to attend future meetings of the Freight Council to discuss border issues.
 - 2.16.3 **ACTION (FC 7.03)** – DfT to consider invitations to ministers or officials from OGDs to the Freight Council on border related issues.
 - 2.16.4 Devolution: The Minister addressed devolution, noting this can give rise to different priorities and solutions for freight, whilst reiterating the government's commitment to champion devolution.
 - 2.16.5 Net zero: A £200 million investment was announced during Freight Week to decarbonise freight vehicles, drive innovation and create new jobs to support the sector. A call for evidence was also launched seeking information on zero emission HGV and coach infrastructure. The call for evidence will inform an

- infrastructure strategy due for publication in 2024. Looking to make Freight Week an annual event and a future meeting of the Freight Council could be held during that week.
- 2.16.6 Data and Technology: Minister RH wished to further amplify the FIF announcement. He urged members to contact Connected Places Catapult and explore how they can become involved in this work.
 - 2.16.7 Generation Logistics: Year Two of Generation Logistics was launched – the flagship campaign designed to ensure the freight sector has the talented people and skills needed to excel.
 - 2.16.8 Mode Shift Revenue Support (MSRS): A review is taking place on MSRS.
 - 2.16.9 HS2 and Network North: The Government aims to transfer funding benefits into roads. Road resurfacing will be a key project. DfT is aware of concerns relating to the A4 and working at pace here.
- 2.17. Minister RH concluded his comments and emphasised that the freight and logistics sector is fundamental to the UK economy and welcomed feedback from Freight Council members on what more could be done.
 - 2.18. CB thanked Minister RH for his attendance at Year of Warehousing event. Noted that the Office for National Statistics (ONS) warehouse data is out of date, and UKWA has access to better data that can potentially be shared more broadly.
 - 2.19. **ACTION (FC 7.04)** – CB to share warehousing data with the Council.
 - 2.20. UA queried how concerns can be best relayed to DfT. Minister RH responded that the Freight Council can be used to relay concerns, and that members can write to him or raise specific issues with their local MP at the constituency surgeries.
 - 2.21. DW stated that many in the sector have raised issues with Transport for London regarding policies that are locally determined but have a national impact. Minister RH encouraged Freight Council members to look at a variety of engagement approaches in raising such concerns.
 - 2.22. GE added that it is heartening to hear that the Minister and his colleagues recognise the importance of the sector and are appreciative of the challenges they face.
 - 2.23. AZ raised the issue of devolution and stated that the Freight Council could explore setting standards or a framework around policy areas such charging bays to help Devolved Governments think holistically about the freight sector.
 - 2.24. Minister RH stated that the Government is undertaking work on charging infrastructure, including charging points for commercial vehicles and industry will be consulted as this progresses.
 - 2.25. ID added that we may be able to learn from Active Travel England's approach.
 - 2.26. Minister RH left the meeting, and the co-chair opened the floor for further reflections.
 - 2.27. RW noted that freight security and crime are yet to be discussed and could be a focus for the Council – theft of vehicles and at warehouses. This is largely seen as a victimless crime, but not entirely accurate and there seems to be less police interest.
 - 2.28. RS added that there are certain hotspots across the country as per nationwide statistics.
 - 2.29. AZ stated that AICIES understand the Home Office position is not to create new crime categories at this time.
 - 2.30. RW noted further that cyber-crime is increasingly becoming an issue, as well as physical crime. It is useful to distinguish between the two and they need to be taken seriously.
 - 2.31. LN added, one of the things missing in the Council's workstreams is around cyber security, which is one of the major risks to the industry.
 - 2.32. IF responded to the comments made during the discussion. It is for the Council to determine its priorities and strategic direction, including topics to undertake specific work on and engage the Minister on.
 - 2.33. ID suggested Freight Council members draft a paper raising key freight issues and setting out how industry and government can help.

- 2.34. **ACTION (FC 7.05)** – CB and AZ to present to the Council papers setting out key issues around areas such as planning where industry and government can input.
- 2.35. AZ suggested that there are a mix of strategic priorities as well as individual issues within the Council - it might be useful to have a tracker of live issues and include specific policy asks and an escalation route in the forum.
- 2.36. **ACTION (FC 7.06)** – DfT to reformulate their tracker for actions and live issues.
- 2.37. **ACTION (FC 7.07)** – DfT to establish an escalation procedure where cross-government views or inputs are required.
- 2.38. TS queried if there is a way for the Freight Council to monitor areas like electric vehicles (EVs) on the road and ensure accountability among industry members in meeting commitments related to the adoption of EVs.
- 2.39. IF noted that DfT officials can present government tools that are available to measure such commitments on EVs adoption, including the upcoming work of the Freight Energy Forum.

3. Future of Freight Programme Updates

- 3.1. IF gave a high-level update on enabling transition to net zero, stating the FEF has met three times, identified key gaps, and now has two workstreams underway looking at future energy demand and barriers to investment.
- 3.2. Freight Week announcements: Winners of the Zero Emission HGV and Infrastructure Demonstrator programme have been announced – demonstrations of HGV zero emission technologies to take place over the coming years with all vehicles and infrastructure to be in place by summer 2025.
- 3.3. KR stated that there is a misconception in the shipping industry on how they can utilise electricity to reach net zero. DfT policy areas must be joined up here, as the shipping industry is diverse. The technology to utilise electricity already exists, but industry is struggling to work coherently and deliver a unified message to National Grid or ports. Shifting freight to water, therefore, may not work unless a holistic DfT approach is taken.
- 3.4. RF mentioned that NG has done some work on electricity in the transition to net zero, including guidance, and encouraged members to reach out for further information.
- 3.5. GE opined that there is a need for industry to come together and give government a sense of the picture on the ground and present back to government.
- 3.6. ID added that the visibility of FEF could be improved.
- 3.7. RW queried if there is a role for the Freight Council to take any actions regarding how the sector can use electricity and existing technology to transition to net zero.
- 3.8. IF noted that there are existing governance and reporting mechanisms through which government will analyse the supply and demand and consider where, how, and what needs to be taken into account.
- 3.9. LM provided a high-level update on the People and Skills Delivery Group:
 - 3.9.1 The Delivery Group brings together industry trade body and cross-government representatives and met for the second time in October 2023.
 - 3.9.2 UA and LN who are attending this FC meeting are members of the Delivery Group.
 - 3.9.3 DfT has developed a Workforce Assessment bringing together relevant data and evidence to detail the current state of the sector's workforce. The assessment sets a baseline to inform future work and has facilitated discussions in the first two Delivery Group meetings on possible interventions to address key barriers to recruitment and retention.
 - 3.9.4 The Group has identified five potential priorities for the next 12 months for group members to action, such as mapping training provision and boosting diversity within the sector.

- 3.9.5 The group has also identified areas to seek to strategically influence others to take action, such as reform of the Apprenticeship Levy.
- 3.10. DP added that it would be good to get logistics on the curriculum as a T-level.
- 3.11. MR (*online remark from the teams' chat*): asked for workforce related analysis to be shared with the Scottish Government. Supply chains extend across the UK and analysis on the impact of the 33 measures introduced by the UK Government and other related issues on recruitment/retention will have relevance to Scotland.
- 3.12. **Action (FC 7.08)** – People and Skills Delivery Group to share workforce related analysis with MR.
- 3.13. DE provided an update on the freight, logistics and the planning system call for evidence (CfE), stating it has closed on 6 October 2023. The CfE is jointly branded exercise with DLUHC, and it is still too early to confirm the government's response – this will be given according to timelines and illustrate a cross-government position.
- 3.14. ID and IF highlighted and summarised key points:
- 3.14.1 Regarding crime, the Freight Council could look at this area and feed into existing work on this led by DfT's Road Freight Strategy team.
 - 3.14.2 On growth, it could be helpful for members to convene between meetings. Perhaps there can be a meeting or discussion on this.
 - 3.14.3 On borders, there is an opportunity to use the gravitas of this forum to bring along some ministers from other departments.
- 3.15. **Action (FC 7.09)** – ID, DfT, and RW to explore how the policy area of freight crime can be approached as a part of the Freight Council
- 3.16. DP confirmed that the RHA has conducted research already on crime and is happy to share their recommendations that have been gathered.
- 3.17. **Action (FC 7.10)** – RS to share their research regarding freight crime to be used as a starting point for further work by the Council.
- 3.18. **Action (FC 7.11)** – Secretariat to set all Council meeting dates for 2024.
- 3.19. ID brought the meeting to a close, reflecting on discussions and thanking Council members for their comments; presenting options for how these can be incorporated into a high-level narrative with the following action:
- 3.20. **Action (FC 7.12)** - DW and DPK to develop a shared narrative on Freight & Logistics Industry as an engine of growth and present to the Council.