

About the TfN Freight and Logistics Strategy

This is the first pan Northern Freight and Logistics Strategy. It builds on the outputs of our Strategic Transport Plan in developing a multimodal freight strategy for the North of England that can meet the current and future requirements of the North.

The future of the North is rapidly changing. There are widespread demographic changes in population, employment and economic prosperity. Together with the impacts of Brexit, Covid, technological change, future distribution of housing and jobs, changes in our shopping habits and policies on decarbonisation, will all have a profound impact on the future shape and requirements of the freight and logistics industries.

While these impacts present some uncertainty about future requirements, they also present an opportunity to re-shape the economy of the North to be more productive, efficient and sustainable while at the same time improving the environment, health and wellbeing. Delivering an efficient multi-modal freight network, that is integrated across all modes, is key to delivering these objectives and meeting the needs of industry, the economy, other transport users and the environment.

In planning such a network it is clear that interventions on the rail network cannot be considered in isolation of the highway network or vice versa. Rail freight is often dependent on road for distribution from rail heads, while removing freight from the strategic road network has widespread benefits for all users.

Building on studies and analysis undertaken by ourselves and bodies such as DfT, Network Rail, and National Highways, the aim of this Strategy is to undertake an overarching analysis of freight requirements across both road, rail, port and inland waterways in the TfN region, identify key constraints or challenges on the existing networks, and provide a list of possible areas of work including developing business cases for interventions and policy solutions that will best support economic growth and decarbonisation. The strategy also sets out the key objectives for consideration within the context of TfN's activity and role and articulates our policy positions in terms of Freight and Logistics.

This strategy covers road, rail and waterborne freight linking to port and warehousing opportunities. It is based on an examination of existing policy documents, an extensive survey of existing evidence, workshops held with areas of industry, detailed rail capacity modelling and further analysis. This is particularly relevant where the modelling cannot address the issues raised in existing evidence.

The three main issues for road and rail are similar: network capacity and capability, terminal availability and decarbonisation. However, they require different policy and investment responses.

While most of the responsibility for policy implementation lies with national and local government, TfN operates at a geographical and institutional level that allows us to facilitate a regional approach to assessing measures and research.

TfN is also uniquely placed to assist our partners in the development of business cases using our advanced data and modelling analysis skill set. We have already shared modelling tools with other sub national transport bodies. This is possible because once the way of working something out is set out in code, it is easy to swap the data sources in and out to apply the code to different areas. This is the way we can help our partners to obtain enhanced evidence, data platforms and intelligence to inform bespoke local and regional strategies in future. This can in turn support national policies to take account of spatial and social variation.

Key objectives

The key objective of the Freight and Logistics Strategy is to accelerate our Investment Programme interventions that would best support the strengthening of the North's economy. Additionally, to set out how we can accelerate the move to zero carbon that is within TfN's gift. We have already published our Decarbonisation Strategy which sets out the trajectory towards zero carbon.

Additionally, to identify the policy positions TfN needs to develop to deliver the strategy effectively which will inform the review and revision of the Strategic Transport Plan and Investment Programme published in 2019.

Set in the context of the Northern Transport Charter ambitions of Championing and Inclusive and Sustainable North, securing a Long-term Northern Funding Settlement, putting the North's rail passengers first and leading Strategic Transport delivery this strategy will move the debate forward on supporting the ambitions that will enhance the North's economic strength and ambition.

Why a strategy now?

The North is a place of economic opportunity, renowned for its natural beauty, heritage, culture and innovation. Transport for the North's ground-breaking piece of economic research the 'Northern Powerhouse

Independent Economic Review¹ published in 2016 identified Freight and Logistics as a key enabling sector to underpin the growth of the North's economy. The freight and logistics sector is a key part of the North's economy, both today and in the future. By 2050 it could be worth over £30bn and employ more than 500,000 people.

The North has particular strengths in freight, logistics and warehousing. Reflecting its unique geography, the North is well served by seaports. Immingham – with bulk handling, Roll-On Roll-Off and Lift-On Lift-Off capability – is the largest seaport in the UK by tonnage. The North of England also accounts for a substantial proportion of British freight transport, in particular rail, with 56% of total rail freight lifted to, from or within the region.

Combined, the North's logistics assets have the potential to provide increasingly important capacity for the UK, especially in the context of growing levels of trade entering the UK via ports.

Future investment in the North's transport network must be considered within the context of the UK's productivity challenge, the long-term opportunities for a more inclusive and balanced UK and Northern economy, and critically the need for rapid and concerted action on reducing transport carbon emissions.

Decarbonisation has become a global priority. As science and political will converged, greater importance of reducing carbon emissions has been placed on all areas of society, not just the freight and logistics sector. When the STP was published decarbonisation had emerged as a key area of activity. Now TfN has grown and developed as an organisation, and with significant Member support, decarbonisation is now a key strategic priority and the TfN Decarbonisation Strategy² and Freight and Logistics Strategy have been developed together to ensure consistency.

There remains a role for Government to be clear on the ways in which the transport sector achieves decarbonisation. We need to capitalise on a rolling programme of electrification, the innovative work on hydrogen fuelling in the North East, the growth in offshore wind on the East and West Coasts.

Freight was considered as an integral part of the Strategic Transport Plan published in February 2019. It was informed by evidence from industry

¹ <https://www.transportfornorth.com/wp-content/uploads/Northern-Powerhouse-Independent-Economic-Review-Executive-Summary.pdf> Accessed June 2021

² <https://transportfornorth.com/decarbonisation/> Accessed June 2021

and the TfN 'Enhanced Freight and Logistics Analysis'³. Following progress made on developing the business case for Northern Powerhouse Rail⁴, work on the Strategic Development Corridors⁵ and the TfN Investment Programme⁶, the next step is to produce a Freight Strategy that will enable Board to agree strategic freight priorities for TfN and then be clear with industry and partners on how to take freight projects and programmes forward. The recent publication of the Government's Integrated Rail Plan⁷ demonstrates the volatile nature of making decisions in infrastructure investment. In terms of the Freight and Logistics sector, their needs will not diminish even if passenger behaviour changes. Therefore, the need for planning interventions to maximise the use of the networks and investments required in future to accommodate growth needs to be carefully planned and considered. This strategy sets out how TfN can articulate that need for the North of England and work with funders on delivering the investments needed.

This freight and logistics strategy has a multimodal focus which means it considers road, rail, maritime and inland waterways networks. The nature and profile of the activity at TfN has meant that rail does take up a large proportion of this freight and logistics strategy. This is because work on the Northern Powerhouse Rail business case, the Rail North Partnership and Strategic Rail at TfN is significant. Additionally, the rail freight operators have a well-established set of rights to access the rail network. This means that there has to be a significant understanding of freight on the railway and how programmes of investment impact on this and how we build and sustain the relationships needed to secure the success of the programmes we are championing in the North. The main rail benefit comes from the opportunity that modal shift from road to rail presents in terms of decarbonisation.

Fully integrating the recommendations of the Williams Shapps Plan for Rail⁸ published in May 2021 is key to securing the modal mix we are striving for. The value of freight services and the access they have to the rail network has been clearly identified.

³ <https://transportforthenorth.com/wp-content/uploads/Freight-and-Logistics-Enhanced-Analysis-Report.pdf> Accessed June 2021

⁴ <https://transportforthenorth.com/northern-powerhouse-rail/> Accessed June 2021

⁵ <https://transportforthenorth.com/strategic-development-corridors/> Accessed June 2021

⁶ <https://transportforthenorth.com/investment-programme/> Accessed June 2021

⁷ <https://www.gov.uk/government/publications/integrated-rail-plan-for-the-north-and-the-midlands> accessed November 2021

⁸ [Great British Railways: Williams-Shapps plan for rail - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/great-british-railways-williams-shapps-plan-for-rail) Accessed June 2021

Great British Railways will have statutory duty to promote rail freight and sets out how the government will work with the market to secure investments in the network. In turn, this will offer certainty to the freight market so that investments in engines and rolling stock can be planned at the right place at the right time. The example of securing investment at Ely will enable North to gain benefits too, so our approach to rail investment will always need to be seen in a national context. This is an example where both TfN and Transport for the South East have both recognised the need for investment and have supported this through the Strategic Freight Network Steering Group on behalf of the Sub National Transport Bodies.

We will work with GBR and Government when it sets a growth target for rail freight and embeds freight firmly into strategic decision making. This is a huge step forward but does not diminish our aspirations for sustainable decarbonised road freight growth.

Freight by road accounts for 90% of all tonnage moved in the North including first and last mile deliveries. Continuing to improve the network and decarbonise the fleet is vital in the short – medium term as we recognise that mass electrification of rail won't happen until 2040 at the earliest. There will be an urgent need for the Freight and Logistics industry to liaise closely with both local and regional planners to plan network changes that will accommodate the shift to decarbonised streets. This has happened successfully in cities such as Rotterdam and Amsterdam. Consistent education over more than 30 years and planned changes to road layouts over time have enabled greater and safer cycle usage and integration in the cities.

In summary, the strategy consists of the following sections:

- Our networks;
- Our objectives;
- Road and Rail considerations;
- Future role of TfN analysis; and
- Delivery of the Strategy and Recommendations.