



Strategic Transport Forum

12th July 2019

Agenda Item 4 – Freight and Logistics Study

It is recommended that the Forum:

- a) Notes the conclusion of the Freight and Logistics Study, and**
- b) Considers the recommendations that should be taken forward as a priority and agree next steps.**

1. Freight and Logistics Overview

- 1.1. Forum members are reminded that England's Economic Heartland commenced a study into the future of freight and logistics in the Heartland area. The driver for the work was the recognition of the need to future proof the freight and logistic needs of businesses, industry, and consumers and the impact that the movement of goods and services plays in realising the region's economic potential.
- 1.2. Following updates to the Forum in January 2019 and May 2019, the final report of the Freight and Logistics Study has now been received.
- 1.3. Findings of the report suggest a range of opportunities for England's Economic Heartland to influence and improve the way freight and logistics is moved on the Heartland's roads, rail, urban/ rural areas, and airports against a backdrop of future trends, emerging technologies and the scale of transformational growth. Case studies of best practice and recommended solutions are provided and appraised based on their level of strategic priority, deliverability and levels of compatibility with the challenges and opportunities identified.
- 1.4. Forum members have previously recognised that logistics is going through a period of unprecedented change, and that this represents an opportunity for EEH to act as a catalyst for change by identifying regulatory, policy and innovation change within the sector that will support the overall vision and ambition for the region's transport system.
- 1.5. Proposed changes reflect the positive correlation between the smooth movement of goods, services, materials and a strong economy. Removing barriers to the freight and logistics sector and supporting its evolution is in keeping with England's Economic Heartland's other two priority principles: Accessibility and Inclusion and Quality of Life and the Environment. This is due to the way our people and businesses are increasingly aware of the need to balance the requirement for fast access to goods and services with our environmental responsibilities.
- 1.6. Engagement with wider stakeholders has been a major theme throughout the development of the study. The project team have engaged extensively through interviews and a major workshop with industry, businesses and policy makers. This programme of engagement has informed the technical elements of the study and provided an opportunity to expand EEH's professional network; showcasing the added value of a Sub-national Transport Body.

- 1.7. The study has received keen interest nationally: the National Infrastructure Commission has endorsed the report as an excellent step forward in thinking about planning for freight and subsequently invited EEH to their knowledge sharing event on freight in the autumn. The Department for Transport has asked EEH to discuss the report's findings so it can influence national policy thinking. Finally, EEH has been invited to give the key note speech at the Chartered Institute of Logistics and Transport's 'Logistics Research Network Annual Conference' taking place at the University of Northampton this autumn.
- 1.8. The timing of this report is unique as it will be the first significant freight report published following the National Infrastructure Commission's 'Better Delivery: The Challenge for Freight' report on freight to Government. Many of the recommendations in the EEH Freight Study respond to the challenges set out in this report.
- 1.9. The study is now complete and provides an assessment of the Heartland's freight needs and the implications of future demands and trends up to 2050. This has identified how EEH can capitalise on opportunities and reduce barriers to this vital sector which is critical to realising the region's economic potential. The work has also analysed the opportunities for rail freight; transferring goods from road to rail, this includes the movement of construction materials by rail.
- 1.10. The report considers:
 - Chapters 1- 3: Introduction to Freight / Logistics in the Heartland / Policy Review
 - Chapters 4: Logistics in the EEH Area
 - Chapters 5-7: Road / Rail / Air Freight
 - Chapters 8 - 10: Construction Logistics / Stakeholder Engagement / Future Trends
 - Chapters 11 -13: Issues and Opportunities / Solutions / Developing a Strategy
- 1.11. A copy of the Executive Summary of the Report is attached at Annex A.

2. England's Economic Heartland's Priority Actions

- 2.1. Having incorporated previous feedback provided by the Forum, the report proposes a list of actions that are intended to address the issues and opportunities identified. Proposals are separated by Strategic, Road, Rail, Air, Urban Logistics, Construction Logistics, Rural and New Modes of Freight.
 - 2.2. The report's recommendations have been tested with the EEH Freight Steering Group and sense checked with the National Infrastructure Commission, Network Rail and others.
 - 2.3. Based on advice from Transport Officers the EEH Business Unit has identified those recommendations which it recommends should be taken forward as a priority by the Forum (these are set out in this paper below).
 - 2.4. Taking forward solutions require a mixture of ownership at a sub-national level and collaboration with partners more locally.
 - 2.5. Subject to the approval of the Forum, the EEH Business Unit will develop a detailed programme of work to deliver the priorities.
- Regional Freight Priorities
- 2.6. **Create an EEH freight data repository:** EEH can build on its Regional Evidence Base by identifying a programme of data collection (e.g. traffic counts, haulage surveys and new data sources collected by Delivery Management Systems). Working with STBs, DfT, Network Rail and Highways England to develop a specification of data requirements will also identify where regulatory changes are required, this includes limited but mandatory data sharing with Government. EEH could potentially play a 'broker' role as an independent and trusted third party data collector.
 - 2.7. **Develop an ongoing engagement plan:** Recognising the way freight policy is best delivered when industry, government and stakeholders work together, a freight engagement plan will consider the issues identified through this study and set out the way EEH can work with its existing freight network and attend regional meetings to



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deliver better outcomes. In addition, working alongside established groups, EEH may decide to create a regional freight forum tasked with covering areas such as construction or rural deliveries. This can build on the strengths of the EEH steering group.

- 2.8. **Improve strategic road access:** Work proactively to improve journey time by prioritising and sequencing infrastructure investment from a freight perspective. EEH should work proactively to improve end to end journey times for goods vehicles, whilst reducing the impact of hauliers using inappropriate routes through the design of new infrastructure. Providing access to better navigation information will reduce the impact of HGVs in rural communities, while maintaining access to goods.
- 2.9. **Maximise the use of rail freight:** EEH can continue to grow rail freight market share, to, from and through EEH, reducing road congestion and improving safety by continuing our work with Network Rail and partner STBs. EEH can develop a corridor approach to specifying and providing capacity, capability and route availability along our key rail freight routes. Encouraging the use of East West Rail to move freight by working with East West Rail Company to identify demand and promote the development of terminals alongside EWR to provide construction materials, will support growth in EEH.
- 2.10. **Improve air quality and greenhouse gas emissions:** EEH is well placed to become a centre of excellence for alternatively fuelled goods vehicles due to the cluster of automotive and technical businesses and organisations in the Heartland. By working with partners such as SEMLEP, there is an opportunity to reduce surplus freight movements by encouraging investment in logistics and last mile deliveries by trials of new technology.
- 2.11. **Reduce the impact of lorry parking:** In response to the national shortage of lorry parking in the Heartland, particularly around Northampton and Milton Keynes, ensure that sufficient lorry parking is provided during the development of new infrastructure and development. EEH should work with Government and infrastructure operators to influence the wider issues of lorry parking and increase capacity within the region.

Working With Partners

- 2.12. **Work with local authority partners to integrate freight needs into planning and decision making:** EEH is well suited to address one of the central findings identified by the NICs Freight Report that suggest freight requires more obvious recognition in the early phases of the planning stage. Working closely with its partners, EEH could set a minimum standard approach to including freight needs in corridor studies and new developments through construction management plans, delivery and servicing plans and other considerations.
- 2.13. **Coordinate freight regulation across the Heartland:** Industry made it clear that certainty over regulation is seen to be a key enabler of efficiency and innovation. EEH should review and influence a common standard for freight regulation nationally and provide consistent application of regulation locally across the region. This will make the Heartland a more attractive location and destination for businesses and improve logistics efficiency.
- 2.14. **Create an EEH logistics innovation working group:** The Heartland is already a leader in technology, innovation and learning and therefore primed to 'test' some unique approaches that support businesses in the Heartland to adopt new logistics solutions and technologies. Working with interested LEPs and the Transport System Catapult, a logistics innovation working group would help break down the barriers to innovation that the market currently cannot.



3. Next Steps

- 3.1. The final report of the Freight and Logistics study has been well received by the EEH Freight Steering Group after a period of extensive scrutiny from partners and wider stakeholders, with a final discussion taking place at the Transport Officer Group on the 5th July 2019.
- 3.2. It is intended that the final report will be launched at the 3rd Regional Conference on 16th July 2019 in support of the publication of the Outline Transport Strategy.
- 3.3. Following publication, work will commence on developing and taking forward the action plan to deliver the Forum's preferred recommendations. EEH Business Unit will provide a progress update to the Forum at the turn of the year.

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