



Strategic Transport Leadership Board

9 June 2023

Agenda Item 8: Freight Programme Review

Recommendation:

It is recommended that the Board:

- a) Notes the work completed to date to develop our freight policies**
- b) Agrees to support development of a freight and logistics strategy and action plan**
- c) Considers the emerging priority policy areas for freight and logistics**
- d) Notes the production of the Keeping Trade on Track brochure, highlighting importance of the Ely Area Capacity Enhancements project.**

1. Purpose

- 1.1. This report provides an update on our freight work programme and sets out actions we have progressed. It sets out proposals for developing a freight and logistics strategy and accompanying freight action plan for which we are keen to understand Board priorities.

2. Key points

- 2.1. Supporting the freight and logistics sector is critical to realising the region's economic potential while lowering emissions and impact on communities.
- 2.2. EEH published its Freight Study in 2019, with a long list of interventions, a number of which have been completed or are underway. EEH's three-year business plan (2022 – 2025) committed EEH to a series of activities in support of the freight sector. The recommended way forward to address these ambitions is through the creation of a freight and logistics strategy and associated action plan for the region.
- 2.3. The sector has advised that it wants EEH to take a coordinated approach to engagement with the industry. We will therefore be forming a freight forum with Transport East and Transport for the South East to support this.
- 2.4. As we develop a freight and logistics strategy, we are keen to understand the Board's priorities and ensure these are reflected.
- 2.5. EEH has produced a brochure setting out the significant benefits investment in the Ely Area Capacity Enhancement project will bring by shifting freight from road to rail.

3. Context

- 3.1. The rise in e-commerce, accelerated by COVID-19 and enabled by investment in digital infrastructure, has changed the way people access services and facilities. This in turn has implications for the freight and logistics sector which need to be actively and positively planned for in partnership with the sector itself.
- 3.2. While freight and logistics services are essential for our businesses and communities, they can also have a significant impact on our communities, including issues around road safety (particularly on unsuitable roads), carbon emissions and air quality.
- 3.3. The freight sector is market led and therefore potentially the most difficult part of our transport system to influence. However, as set out below, there are actions the region can take to support the freight industry to: meet decarbonisation targets; use the most appropriate route options; and switch to the most sustainable modes. This will require partnership working, continued engagement and a strong evidence base to help understand current and future demand.
- 3.4. EEH has been developing an evidence base for understanding freight, logistics and servicing activity and how we can influence this positively, including looking at demand for alternative fuels and potential locations for associated refuelling infrastructure. We have also been engaging with our local authority partners and trade representatives to understand the best way we can work together to realise common objectives – crucially increasing efficiency and meeting decarbonisation ambitions.
- 3.5. We are already seeing innovation across the region from servicing businesses and providing customers with novel ways of having their goods delivered. Developing a freight and logistics plan will set out key objectives to harness opportunities for innovative solutions to ensure more efficient movements on the right routes and modes, and support decarbonisation.
- 3.6. It will set out a strong case for investment in the capacity on our rail network to accommodate even more of the longer distance trunk movements of freight – not just to the benefit of the Heartland but the UK as a whole, for example the much-needed capacity enhancements at Ely (see section below on our work advocating for investment in Ely).

4. Freight Study 2019

- 4.1. In 2019 EEH undertook a major study into freight and logistics across our region and beyond. It identified a number of priorities for the region, including improving strategic road access, maximising the use of rail freight, and encouraging investment in greener technology.
- 4.2. The work – informed by engagement with policy makers, major businesses, infrastructure operators and logistics companies – provided an assessment of the region's freight needs and the implications of future demands and trends up to 2050.
- 4.3. It highlighted opportunities within the sector to move more freight – such as construction materials – by rail and how we can make the region a testbed for trialling cutting-edge technologies which will make the sector greener.
- 4.4. It also identified the need to look at how we improve access for heavy vehicles onto suitable roads through the provision of new infrastructure. And, for example, how hauliers can access better navigation information to reduce the impact of HGVs on unsuitable roads.
- 4.5. It included recommendations to support meeting these priorities and a number of these have been completed or are underway. These are listed below:
- 4.6. **Alternative Fuelling Mapping Tool:** In partnership with neighbouring sub-national transport bodies (STBs), the mapping tool provides a better understanding of the potential regional and local impacts of the alternative fuelling of freight vehicles on carbon emissions. This includes mapping of current freight accessible infrastructure across the region (including electric, gas and hydrogen) and forecasting demand for alternative fuels and associated infrastructure requirements.



- 4.7. The next stage of this work is ongoing. Midlands Connect, with EEH's input, is leading the development of a tool to help authorities know what the existing provision is, forecast the infrastructure requirements and identify the most suitable locations. EEH has carried out some work in partnership with City Science to develop a platform to support a national freight decarbonisation tool.
- 4.8. **Mitigating impact of construction:** Initial investigative work has been undertaken to understand the impact of planned strategic infrastructure on road freight demand. This is a significant issue for the region due to the volume of infrastructure needed to support the region's growth ambitions; the limited number of rail freight heads and the high percentage of road-based freight in the region.
- 4.9. Through a strategic and holistic view of the materials and workforce demand that planned housing and infrastructure generates and key construction materials pathways, we can start to understand what actions could be taken to mitigate impacts – on both the environment and congestion. This could include construction consolidation but also identifying infrastructure requirements that will facilitate mode shift to rail.
- 4.10. **Collaboration with other sub-national transport bodies:** EEH is continuing to work with the wider STB community to understand opportunities to support the logistics sector with positive outcomes for our regions. This includes working with Midlands Connect reviewing the National Freight Model and mapping tools; working with Transport East and Transport for South East to set up a Freight and Logistics Forum; and representing the 'East of England' on the Freight and Logistics All Party Parliamentary Group Inquiry on the Future of Freight.
- 4.11. **Ely:** The Felixstowe to Midlands and North (F2MN) strategic rail corridor plays an increasingly fundamental role in driving the UK's international trade, providing the main strategic rail link for freight between the ports in the East and the Midlands, the North and Scotland. In July 2020 England's Economic Heartland wrote a joint letter with Transport East and Midlands Connect to voice our collective support for the ongoing programme of capacity enhancements on the internationally important F2MN rail corridor.
- 4.12. The Ely Capacity Enhancement Programme is a key infrastructure improvement that will support increased capacity for freight on this route, removing almost 100,000 HGV journeys. EEH, with support from Transport East, has produced in-house a brochure highlighting the benefits of the scheme, which includes supportive quotes from industry, trade bodies, local authority leaders, MPs and peers. The brochure, in the annex, is being formally launched at the East of England APPG on 19 June which Board members are welcome to attend.

5. Developing a Freight and Logistics Strategy

- 5.1. At its meeting in March, EEH's transport officer group supported the creation of a freight officer group to support the development of an EEH freight and logistics strategy and action plan.
- 5.2. The first meeting was well attended and there was broad consensus that it would be useful for EEH to produce a strategy and action plan and update the data that underpinned the Freight Study (2019).
- 5.3. The strategy will mainly be produced 'in-house' with some bespoke pieces of work being commissioned to refresh data and better understand the impacts these are having in the region. This is necessary given how many changes have occurred both as a result of the pandemic and advancements around decarbonisation, consolidation and innovation.
- 5.4. Some of the initial programme priorities raised by the freight officer group for EEH to develop as part of a freight and logistics strategy include:



- **Mapping and data review:** This includes updating data on warehousing locations across the region; reviewing freight origin-destination data from ports and other locations both within and across the region; and ensuring consistency with mapping tools currently available, for example reviewing authorities' lorry route maps to produce a regional one to ensure routes link up. This will enable better understanding of the impact measures will have on freight movements, for example weight restrictions, first and last mile interventions such as cargo bikes and micro consolidation.
- **Support the industry:** This includes updating mapping on lorry parking and resting spaces and identification of gaps; and continued work supporting identification of sites for alternative re-fuelling. This will help identify where we plan infrastructure for freight and encourage freight onto the right routes in the region.
- **Engagement with government and industry:** This includes leading on industry engagement and creating a regional freight partnership or forum with Transport East and Transport South East. EEH will also ensure the freight officer group is updated on key government policy, documents and consultations (with EEH leading consultation responses as appropriate).
- **Consolidation and last mile:** This includes reviewing and sharing consolidation and last mile best practice and innovation. This will help identify similar interventions that support efficient and clean movement of goods on the right routes and modes, and reduce impacts to local communities.
- **Rail Freight:** This includes capacity enhancements and infrastructure projects (for example strategic rail freight interchanges) that support mode shift from road to rail to support decarbonisation, reduce congestion and improve safety by reducing HGV movements in the region.

6. Next steps

- 6.1. Subject to comment and approval from Board, work will progress 'in house' to draft our freight and logistics strategy, with some bespoke pieces of work being commissioned where appropriate.
- 6.2. We will establish a freight forum with Transport East and Transport for South East to engage with industry and gain their insight to support an action plan that will contribute to the efficient movement of goods within and through our region.
- 6.3. We will continue to make use of the freight officer group to ensure local priorities inform our regional strategy and bring updates to the transport officers group. We will update Board on progress and bring the final draft strategy and action plan back to a future Board for final comment and approval.

Helen Fallon

Principal Lead –National Networks and Freight

June 2023

List of Annexes

Annex 1 – Ely Brochure 'Keeping Trade on Track'

