

WP09 FREIGHT STRATEGY

WP09 Draft Freight Strategy

23 September 2021

Please note that the following recommendation is subject to consideration and determination by the Board before taking effect.

RECOMMENDATION

It is recommended that:

- (a) The Board approves the process outlined in this paper for finalising the draft Freight Strategy for the South West.

1. Background/Introduction

The Peninsula Transport STB in conjunction with the Western Gateway STB is drafting a Freight Strategy for the South West. Work Package 9 (WP09) Freight Strategy is one of the accompanying technical work streams being used to progress development of the Peninsula Transport Strategy in 2022.

The document has been prepared alongside the development of the Draft Peninsula Transport Vision, which was published for consultation between 12 July and 17 September 2021. The draft Vision is “Transforming transport across the peninsula to enable our society and economy to thrive and our unique and outstanding environment to flourish” and is underpinned by five cross-cutting goals.

The Freight Strategy will be used as part of the evidence and recommendations in the development and publication of a full Peninsula Transport Strategy in 2022. This builds on the freight analysis and engagement presented in the Regional Evidence Base (REB), published in 2019, and the Economic Connectivity Study (ECS), published in 2020.

WP09 has been developed with engagement with Officers and stakeholders from the Freight sector and wider business community.

2. Emerging freight issues

The analysis and engagement for WP09 has highlighted the vital nature of the freight industry, as well as the challenges faced, in the Peninsula region. This includes the importance of close links with the Western Gateway and the regions beyond. Significant issues highlighted include;

- The South West has a growing and ageing population with significant numbers living in coastal and rural locations that are difficult and expensive for the freight sector to serve;
- A shortage of lorry drivers, lack of attractiveness of working in the sector and generally low levels of skills are seriously affecting the ability to deliver;
- The road freight sector is still a major polluter and there is a need to help it make decisions on how to decarbonise in the context of the wide and confusing range of options to consider;
- The South West is well placed to generate much of its own energy in the future, from a combination of sources: wind; solar; marine; and, biomethane. How does the freight sector best tap into this range of power alternatives to the diesel engine?;
- Congestion on both the Strategic Road Network and local roads, particularly in the summer, is not a new problem. The freight industry does its best to counter this by

operating round the clock where is practicable, but more can be done by influencing other road users and coordinating better with public transport;

- Connectivity is not as good as in many other parts of the country. There is a limited road and rail network across the South West with several counties with no motorway and few stretches of dual carriageway, hence journey times are slow;
- Few alternative routes exist for road and rail freight operators and hence if there is an incident there is a lack of resilience in the supply chain;
- Technology is moving fast, and this is changing ways that consumers buy and the service they require. This is one reason why the number of vans has been growing sharply over recent years with an extra spike in demand from online retail related to the Covid-19 pandemic. There are concerns that this has brought inefficiencies into the supply chain;
- There is potential for rail freight in the South West, but a number of factors have been holding back the sector such as: the lack of terminals; the lack of electrified routes; and, the dispersed nature of demand in the area. However, it is believed that there are solutions to all of these given a concerted effort;
- The region has a good network of commercial ports and with changing supply chains due to various factors, including Brexit, there is scope to revitalise the facilities at some of these ports to exploit new opportunities. One of the most important is to maximise the newly granted Freeport status of Plymouth and South Devon.

3. Interim South West Freight Strategy document and process for finalising

An Interim draft of the Freight Strategy has been prepared, building on feedback from Stakeholder Workshops held in June and July 2020, as well as from Peninsula Officer guidance, and one to one calls and written submissions. The analysis, review, and feedback has been used to determine the main freight issues across the region (summarised above). Following that, a set of approximately 70 draft interventions have been compiled aimed at addressing the issues (c.50% relevant to road-based interventions and c.50% relevant to other modes).

Alongside Officer and Member feedback, it is proposed that the Freight Strategy for the South West will be finalised by:

1. Preparing a scoring pro-forma for reviewing the provisional list of interventions – including reference to the draft Goals;
2. Presenting and scoring the set of draft interventions in a stakeholder workshop on September 16th;
3. Presenting an initial summary of the workshop discussion to the Peninsula Transport Board Meeting on 23rd September;
4. Updating the draft list of interventions to allow for modifications, additions and deletions following dialogue and feedback;
5. Circulation by email of the draft Final Report for comments from Officers, co-opted Members and Board Members; and
6. Submission, presentation and sign-off of the final Freight Strategy report at a future Peninsula Transport Board Meeting, including highlighted opportunities and recommendations for interventions to be taken forward further in the Full Peninsula Transport Strategy.

The report will also factor in relevant feedback from the Peninsula Transport Vision document.

Recommendation: The Board approves the process for finalising the draft Freight Strategy for the South West.

4. Financial Considerations

The costs of drafting the Freight Strategy document are from allocated funds from the Department of Transport (DfT).

5. Legal Considerations

There are no specific legal considerations.

6. Risk Management Considerations

The Peninsula Transport Programme Management Group reviews risk and assigns the required mitigation actions across the Peninsula Transport work packages on at least a monthly basis. The group reports monthly to the DfT in compliance with the terms of the DfT's funding support letter.

This policy/proposals have been assessed and all necessary safeguards or action have been taken/included to safeguard the Sub-national Transport Board (STB) position.

7. Reasons for Recommendation

The recommendation is proposed so that the Freight Strategy can be prepared and approved in a timely manner to inform the development of the Full Peninsula Transport Strategy and be considered in other work packages.

The Freight Strategy has been developed through a robust and formal process: collecting data; looking for best practice freight operations and case studies from other geographical areas; and, gaining wider input from industry, the Local Enterprise Partnerships (LEPS), Local Authority officers, trade bodies, universities and other stakeholders.

This process will help meet the DfT requirements to research, develop and publish a transport strategy for the Peninsula STB region and will also inform the development of Western Gateway's transport strategy.