

WORK PACKAGE 12 INTERNATIONAL GATEWAYS STUDY

WPI2 International Gateways Study

8th December 2022

Please note that the following information recommendations is/are subject to consideration and determination by the Board before taking effect.

RECOMMENDATION

It is recommended that:

- (a) The International Gateways Study report and recommendations are approved.
- (b) The Board agree that Work Package 12 is signed off as complete, and
- (c) The Board approves the international gateways priority recommendations identified as part of the International Gateways Study.

1. Background/Introduction

The Peninsula Sub-national Transport Body (STB) is working with the Western Gateway STB to explore both the current and future role of international gateways within the South West. This study was carried out jointly between the two STBs because of the synergies and relationships between the two areas in relation to the movement of people and goods. This mirrors the approach taken within WP09 Freight Strategy.

The study will be used as evidence in the development of the broader regional Transport Strategy for the South West of England which will be published in 2023. The vision and goals of the Peninsula Transport STB provide the overarching purpose for this study. The study aims to explore the role of ports and component activities, the importance of air connections serving the region for tourism and business, and the constraints of road and rail infrastructure and the impact of neighbouring gateways on regional activity.

The International Gateways Study has been developed with engagement from Officers and stakeholders, including co-opted members and the wider business community.

2. Overview of the International Gateways Study

The initial scope of the study was formed through engagement with Local Authority Officers which highlighted key issues over the role, function and efficiency of international gateways in moving people and goods across the region. The aim of this is to summarise the challenges and present the key opportunities for movement of people and good internationally to and from the peninsula. Evidence from across multiple themes, disciplines and project work was used to better inform the study. The study identified key findings for the three key modes that interact with the international gateways, ports, airports and road/rail. From these key findings, the study identifies eight priority recommendations.

There is a timely requirement for this study as the way in which people live their daily lives has undergone significant change due to multiple emerging trends and scenarios. This has caused the way

in which people consume goods and services to rapidly change which has implicated the way in which international gateways operate. The following scenarios form the backdrop for this change and subsequently this study.



New Trade Arrangements

The inevitable repercussions on customs processes, immigration flows and supply chain activity from future trade and border arrangements.



Post COVID 19 Lifestyles

The implications of changes to global shipping and marked changes in travel behaviours, consumption and ready supply of goods and services.



Conflict & Climate Change

The consequences on supply chain efficiency, costs and availability and shift in attitudes towards sustainable, ethical sourcing and practices.



Inclusive Local Growth

The optimism for 'levelling up' and delivering investment for communities across various sectors of the economy including reshoring activity.



New Devolved Governance

The move towards further devolution of decision making for transport, health and education to the regional level and new accountable bodies.



Decarbonisation Agenda

The acceleration towards net zero across all industries and the desire to reduce emissions and mitigate costs associated with rising energy costs.

Based on the analysis carried out within this study, the following key findings have been identified for ports, airports and road and rail.

Ports:

- Ports across the region are key to regional prosperity but compete for scarce passenger and commodity flows
- Burgeoning opportunities emerging to better connect ports with sector supply chains (e.g. automotive)
- There are proactive opportunities to look at enhancing local and strategic road and rail connectivity to ports
- More specialisation in commodities sourced, shipped and handled and new areas of focus (e.g. metals)
- Emerging port ecosystems fostering economic/employment activity and SME growth around new industries (e.g. offshore wind)
- Ports are recovering post pandemic from a reduction in passengers and goods; but need to partner locally to grow market share
- Diversification is at the heart of port developments; in response to the digitisation and decarbonisation agendas
- Growth in 'blue' tourism and added value services in and around ports; linked to regional pull

Airports:

- Airports play a pivotal regional role as key 'anchors' for local employment, supporting access to markets and visitor connectivity
- Short haul flights are the mainstay but new territories are coming only to serve passenger and cargo markets

- There is an increased concentration of sector activity, namely third party logistics co-locating within airport hinterlands to serve the region
- There is a need to explore the future quality and ease of access to airports in line with visitor, employee and JIT delivery standards
- Airports experienced significant decline in patronage after positive growth for many years. Larger airports have a wider regional draw
- There is some contradiction between growth plans, revenues from car parking and minimising surface access externalities
- Airports, like ports, are fledging economic clusters and living laboratories to help build industry resilience and provide skilled jobs
- Decarbonising surface access arrangements need to take place alongside alternative fuel technologies for the aviation industry

Road and Rail:

- The SRN plays a key role in moving goods and people between ports and airports. There are distinct regional corridors
- Tourism and business travel relies on integrated travel between modes to be appealing, as well as promotion/marketing
- Road digitisation and vehicle fleet decarbonisation will improve the efficiency of road transport. Gateways play a large role.
- There are signs of more integrated ticketing options coming to fruition to make multi modal travel more appealing
- Seasonality and a lack of diversionary routes impact network resilience. This can reduce the appeal to markets/customer due to trip reliability
- The region is well served by coach links to major international gateways outside the region and can meet seasonal demands
- There is an absence of rail terminals across the region to facilitate the transfer of goods between modes serving gateways
- Gauge clearance, weight restrictions and a lack of diversionary routes hinder the scaling up of the rail and gateway offer regionally

Based on these key findings, the following eight priority recommendations for moving goods and services via the international gateways in the peninsula (please note that the recommendations are not listed in priority order):



Development of a South West Demonstration Zone to aid the decarbonisation of the industry as well as facilitating economic agglomeration



Strengthening South West links between Manufacturing Groups, DMOs and International Gateways (supply/visitor chain activities)



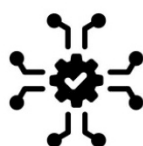
Capitalise on the potential benefits of Freeports in Plymouth (and to some extent through Enterprise Zones) including the skills agenda



Targeted investment in road/SRN sections and corridors to support future growth aspirations at ports/airports



Updated surfaces access strategy for airport locations that have a greater focus on sustainable travel and future freight consignments



Accelerate port centric logistics and smart port developments to aid with improving the efficiency and sustainability of port operations



Optimise the use of existing rail freight links and examine, in greater detail, the potential of interchange sites in port/airport hinterlands.



Scaling alternative fuels and energy network infrastructure at international gateways for multi fuel/mode options

3. Financial Considerations

The cost of drafting the International Gateways Study document is from allocated funds from the Department for Transport (DfT) from FY21/22. The work has been undertaken within approved budgets.

4. Legal Considerations

There are no specific legal considerations associated with this paper.

5. 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.

6. Reasons for Recommendation

The work on the International Gateways study has undertaken a comprehensive review of the current and future role of the various international gateways that serve the Peninsula STB area. The recommendations are to approve the study report and to work with the SW Freight Forum and local ports and airports representatives on taking forward plans for proposed interventions in coming years.