FREIGHT ON RAIL

15th June
Rail freight growth & potential
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“An average freight train can remove 50-60 HGVs from our roads”
Freight on Rail

- Freight on Rail members
  - DB Schenker
  - Freightliner
  - Direct Rail Services
  - Rail Freight Group
  - Campaign for Better Transport

www.freightonrail.org.uk
What is Freight on Rail?

- FoR acts as facilitator at national, sub-national & local levels
- Working with:-
  - Local authorities, LEPs, ITAs, Combined Authorities, Environmental NGOs/unions
  - TfL, Department for Transport, ORR
  - EU.
  - Vice President of Transport & Environment – leading Brussels NGO
Key points

• Growth and potential of rail freight
• What rail freight needs to grow
  Terminals
  More Capacity
  Longer heavier faster trains
• Challenges – market distortion in favour of road
• Congestion relief potential of rail freight undervalued by Government

• Devolution – opportunities & risks
Rail freight volumes increase

Sustained growth since 1994

Forecast to double by 2034

- Consumer traffic has grown by 30% since 2006/7
- Construction traffic increased by 17 per cent in 2013/14: 10% last year.
- Consumer traffic forecast to quadruple by 2034; grew 5% last year.
The economic, safety and environmental benefits

- Rail reduces congestion and improves reliability - worth £1.6 billion to economy
- An average freight train can remove 60 long distance HGVs
- Rail is safer than road. HGVs are six times more likely than cars to be involved in fatal accidents on minor roads
- Rail produces 70% less CO2 than equivalent road journey

![Graph showing train movements and CO2 emissions](source: 2009 Guideline to Defra’s GHG Conversion Factors: Methodology Paper for Transport Emission Factors, October 2009, Defra.)
More terminals needed, especially for consumer traffic

• Planning permission needed for all sizes of terminals
• More terminals like Daventry needed
  Current jobs  5000
  With expansion 9000
• Private sector want to develop > 10 Strategic Rail Freight Interchanges
So national and local Government support is so key

Rail freight needs clear local and national spatial planning frameworks
- Identify & protect sites, lines/sidings with existing or possible future potential for rail in LDFs & strategic plans
  Eg Stratford to Cheltenham, Ipswich chord. Heathfield, HS1 at Beam Reach

• Supportive Government policy
  National Planning Policy Framework
  Strengthened DfT Strategic Rail Freight Interchange Policy within National Networks National Policy Statement

• Local Transport Plans & SEPs – make provision for rail freight

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Upgrades to support Strategic Freight Network

HLOS Government funded schemes for period 2014-2019 to create robust network with diversionary routes

Capacity
Felixstowe – Nuneaton Phase 2
Oxford corridor - Basingstoke to Reading bi-directional signalling
Gauge - Great Western

But danger that some funded work will not get delivered in CP5 due to cost escalation and lack of skills.
Rail freight challenges

- Competition - road freight heavily subsidized
- Capacity constraints
- Protecting strategic rail freight capacity
- Funded upgrades need to be delivered in this control period
- Fair track access charges need to be set for 10 not 5 year period
Market distortion in favour of road

DfT figures show that:
• HGVs pay less than a third of costs they impose on society in terms of crashes, congestion, road damage and pollution.
• £6.5 billion annual subsidy

• HGVs get almost ten times more subsidy than rail freight.
• Therefore Government needs to support rail accordingly.
Congestion relief benefits of rail being undervalued

- A 50% increase in rail could reduce HGV traffic on busier roads by 12 per cent and road congestion by 9-12%.
- In congested conditions each single per cent increase in traffic causes several percentage increase in congestion.
- Government figures state that a 2% reduction in traffic, results in congestion falling by 10%.

- HGVs occupy considerably more road space than cars, need longer braking distances, are slower to manoeuvre & therefore cause more road congestion.

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Opportunities and risks of Rail devolution

- Terminals offer local economic regeneration so wider benefits of rail freight must be taken into account.
  
  But

- Freight is often long distance crossing boundaries

- Rail freight needs more capacity to serve industry