

SOUTH EAST ENGLAND REGIONAL TRANSPORT BOARD

Date: 27 October 2006

Subject: **Freight Route Utilisation Strategy (RUS) Board Response**

Report of: Planning Implementation Director
South East England Regional Assembly

Recommendations:

The Board is recommended to :

- I. Agree the proposed response to the consultation document as set out in Annex A.

Purpose of Report:

To provide a draft framework for the Boards response to the Network Rail Freight RUS consultation document.

Key Issues:

In September Network Rail published its first consultation RUS to consider national network needs focused on freight movements up to 2015. The document is at an informed, but not final, stage in its preparation. Rail freight is significant for the region's role as a gateway for the rest of the UK in terms of traffic from Ports, but also in the global terms of transport and logistic movements. The Freight RUS considers the rail network from a national perspective, and addresses the issues of freight demand, routing, gauging policy, capacity and capability constraints. The consultation provides an opportunity for the Board to assist Network Rail in preparing the final version of the document. The annex to this report sets out a full consultation response.

Board Members are reminded that Network Rail will be making a presentation on the development and content of the Freight RUS prior to the debate on the contents of this report.

1. South East Perspective

- 1.1 The South East Plan and Regional Economic Strategy set out the policy framework for the region. Both documents highlight the significant role of the South East region in terms of its function as a gateway to the rest of Europe and the world. Rail freight has an important part to play in assisting with the delivery of this role and addressing logistics and transport movement in the region. The Implementation Plan to the South East Plan, sets out the need to address regionally significant infrastructure needs in the region, of which key freight routes are a key issue and in summary fall into two main areas; regional and inter-regional access, primarily in terms of ports and aggregate flows; and access across and around London.

2. Current Regional & Inter-regional Flows

- 2.1 The consultation RUS notes that growth in rail freight has not been uniform across all commodities, with considerable increases in the haulage of coal and construction products across the country, whilst others have seen little change. In terms of the South East region, the most significant flows are driven by the deep sea ports in terms of containerised traffic, and aggregates. Members will recall the debates at the last meeting of the Board regarding the Governments Ports Policy Review, and the issue regarding the need for addressing the landside infrastructure.
- 2.2 There are a number of key messages for the region in the RUS worthy of noting:
- i. Southampton is the second largest port in the country handling around 20% of the UK container market with 31% being onward moved by rail. This is followed by London Ports (some of which are in the Region) handling around 12%, and Medway Ports handling 8% of total UK container traffic.
 - ii. As discussed at the Board's last meeting, the global move toward bigger shipping containers (9'6") means that the issue of the gauge (i.e. capability of structures on a route to be able to take the physical size of a train), is a crucial one if carriage by rail from the ports is to continue/grow.
 - iii. Other key rail commodities in the region include the construction industry, mainly in the form of aggregates, to supply construction within London and the South East. Combined these markets account for over 40% of UK market share, and mainly come into the region from the South West.
 - iv. Freight volumes through the Channel Tunnel declined sharply in 2001/2 due to security issues and disruption to traffic. Volumes have struggled to recover (particularly longer distance flows) and have yet to regain the make which existed prior to 2001/2.

- 2.3 Currently the main rail movements within the region are between Southampton to the Midlands and the North via Reading, Reading eastwards towards London, and Reading westwards towards the South West. Lines within and immediately around London also provide access from the Channel Tunnel and from ports on the East of region to the rest of the country.
- 2.4 It is important to recognise that, due to the long distance nature of movements, issues outside the region can have an impact upon it. The most significant of these issues includes those on the West Coast Main Line, giving access to the Midlands and the North, Greater Western Main Line in the South West and Wales providing mainly for aggregate traffic.

3. Forecasts of Regional & Inter-regional Flows

- 3.1 Forecasting within the RUS has been taken forward with the full involvement of the freight and logistics industry. Key messages for the region up to 2015 are that there is likely to be a significant increase in the following:
- i. Containerised traffic through the ports (82-90%) in the majority of cases through Southampton
 - ii. Construction materials (20-26%) mainly from the South West and Wales, and
 - iii. Channel Tunnel flows (200-260% - although from a very low base).
- 3.2 The effects of forecasts for total rail freight lead to significant increase in demand on the lines from the Channel Tunnel, the London Lines, West Coast Main Line and Great Western Main Line. This however has to be assessed against current unused existing provision already existing within the network. This assessment shows that there is already a very high take up of Intermodal paths (90%), although substantially less for aggregates (37%) and the Channel Tunnel (21%) traffic. Off setting this against the predicted growth means that there is a need to address the networks capacity to provide for containerised traffic, but those for construction and the Channel Tunnel can, in the majority of cases, be catered for within the existing network up to 2015.
- 3.3 As part of the forecasting work a sensitivity test has been undertaken on the Southampton northwards line to assess the implications of gauge clearance on this line. This would in effect see the implementation of the SMART scheme reported under agenda item 6. This confirms that demand for services on this line would rise an additional 10% if the capability to carry larger containers was introduced.

4. Key Proposals contained within the RUS

- 4.1 A process of identifying measures to address the issues flagged up by the demand forecasts has been undertaken. In terms of impact upon this region the focus is concerned with access from Southampton Port in terms of conflict movements at Reading West Junction, enabling better movements between Coventry and Nuneaton and crossing movements at Coventry, and signalling issues between Reading and Oxford. This analysis also draws attention to the role that East West Rail (as reported under agenda item 6) may play in the longer term by providing alternative freight routing opportunities. There are some more minor issues regarding London Lines, however these are almost exclusively linked to access from the East of England Region to the north of the capital, rather than those from the South.
- 4.2 The RUS has also considered the issues of rail gauge to enable larger containers to be moved by rail. The analysis shows that the route from Southampton via Reading to the Midlands and the North is the single highest national priority scheme currently not committed. The diversionary route to provide continued gauge clearance is considered as falling in to the next most importance band of schemes nationally, along with routes E/W Midlands and north from London towards the East of England.

5. Discussion

- 5.1 There are a number of key points on which the RUS should be supported. The analysis of the key issues is clear, with freight access to/from Southampton Port, being the principal issue in the region. However there is a need for clarification on a number of issues, briefly set out below, and more fully reflected in the proposed full in Annex A.
- 5.2 Regarding the underlying forecasts, there are a number of concerns primarily regarding the treatment of future passenger demand. Bearing in mind that freight routes are in the majority also used by growing passenger services, the issues of global capacity and capability of the rail network as a whole becomes a considerable factor in managing future demand for freight and passenger services alike. This becomes a further issue where significant changes to the network are planned.
- 5.4 Finally the RUS also fails to mention the ongoing Ports Policy Review being undertaken by the Department for Transport. The Board made a number of comments regarding how greater certainty needs to be provided to ensure that the landside infrastructure issues of ports access needs to be addressed. These issues are also reflected in the draft response.

6. Next Steps

- 6.1 The Freight RUS beings to address the key issues for rail freight in the region, and crystallises the key issues. However there are a number of areas which require further analysis and thought prior to final publication. The response highlights a number of issues that have bearing on the development of passenger services which run within and through the region. The proposed response contains recommendations for both Network Rail and the Department of Transport to address these issues.

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SOUTH EAST ENGLAND REGIONAL TRANSPORT BOARD

PROPOSED RESPONSE TO FREIGHT RUS, NETWORK RAIL

1. Introduction

- 1.1 The South East England Regional Transport Board is a partnership board chaired by the South East England Regional Assembly. Its membership comprises six Regional Assembly members, a Board member from the SEEDA (the Regional Development Agency), together with representatives from the Government Office, the Highways Agency, Network Rail, Confederation of Passenger Transport and the environmental sector.

2. Scope and Planning Context

- 2.1 The Board thanks Network Rail for providing the opportunity to comment on the development of its first network wide RUS. The Board agrees with Network Rail that these issues need to be dealt with on national basis, and supports the need for the geographical RUSs to consider in more detail some aspects. **It is however unclear as to how existing adopted RUSs, for example the South West RUS, will take on board the outcomes of the later developed Freight RUS, and would ask Network Rail to clarify this in the final version of the document.**
- 2.2 It is unfortunate that there are no published Regional Planning Assessments (RPA) able to be taken into account within the region. The Board is concerned that this should not lead to a differential treatment of passenger demand in the Region being assumed. It is understood that RPAs covering Kent and the Southern area are to be published shortly by the Department for Transport, and that work has already begun on the Thames Valley RPA, which is due to be published in Spring next year. This means that a more generic approach to passenger demand has been taken, in basic terms meaning that passenger services are determined not to have an impact on available freight paths. Whilst this may be a reasonable assumption in other areas, due to the pressure for rail services in the South East, and in particular on the Southampton – Basingstoke – Reading - Oxford – Banbury route, this may well underplay the need for potential capacity enhancements in the region. **The Board would urge the Department to publish the RPAs covering the region as soon as possible taking into account the issues highlighted in the Freight RUS in terms of the demand for freight paths. The Board also urges Network Rail to take the RPAs into account once published, in finalising the Freight RUS.**
- 2.4 **The Board notes that RUS has taken into account regional policy documents, but would like to draw Network Rails attention to the outcome of the Freight Policy review recently undertaken by the**

Regional Assembly. This has provided greater clarity in terms of the role and importance of ports within the region, placing clearer emphasis on the Gateway Ports – Dover, Southampton, Portsmouth, Medway (Sheerness), Medway (Thamesport) and Port of London.

- 2.5 The Review has reconfirmed that the Southampton – West Midlands freight route is the highest priority in terms of freight movement within the region.

3. Demand & Base lining Network

- 3.1 The Board notes that Network Rail has worked with industry partners in developing the demand and forecasting detail for the RUS. However it is unclear if and how Network Rail has taken into the Department for Transport Port Policy Review. Whilst the general outcomes of the forecasting underlying both piece of work appear to support each other, **the Board urges Network Rail to ensure that the final version of the RUS makes it clear as to how these two strands of work interact, and in particular how the important land side infrastructure requirements of ports are addressed. The Board also urges the Department for Transport to ensure that the Freight RUS is taken into account when finalising the Ports Policy Review.**

- 3.2 The RUS identifies the need and demand for future freight paths. This indicates that there are nationally significantly freight movements occurring on a number of lines within the region. Due to the importance of these flows for the South East and the other regions, this traffic needs to be protected in the future. The Department for Transport is developing the Crossrail Access Option which has the potential to impact upon the allocation of paths on the GWML, and also the High Level Output Specification setting out the role of the network between 2009 and 2014 and beyond. **The Board urges the Department for Transport to take into account the outcomes of the Freight RUS in developing both of these pieces of work, and to protect the freight paths as indicated by the RUS. The Board also requested Network Rail to better illustrate how this inter play between passenger and freight demands could impact on the Freight RUS in the final version of the strategy.**

4. Gauge Enhancement & Gap Analysis

- 4.1 The analysis in the RUS makes it clear that the principal issues identified in the Gap Analysis in the region are those affecting the Southampton to West Coast Main Line section – ie Gap's 8 and 9. **The Board strongly supports the classification of this section of line as the single section highlighted as being 'highest priority core W10 route' that is currently not committed. The Board notes that there is no reference in the RUS to the work being led by SEEDA in relation to the TiF Productivity bid to implement this scheme, and would suggest that the final report should reflect this.**

- 4.2 Turning to Gap 8 – the **Board is fully supportive of the recommendations in this section. The Board specifically supports the comments in the RUS that the East West Rail proposal would provide a benefit to the national rail freight network.**
- 4.3 Regarding Gap 9 – the **Board supports Network Rail in considering the need to review signalling headway Didcot East northwards, and draws attention to the work already underway by Network Rail on identifying signally improvements and capacity enhancements to the section of track between Didcot and Oxford. Equally the Board draws attention to the ongoing work regarding the Reading Station, and whilst the core scheme promoted at present does not include the Reading West Junction improves, does considerably improve movement for all trains in that area. The Board also supports Network Rails continuing work regarding Reading West Junction.**

5. Conclusion

- 5.1 The Board is supportive of the significant work that Network Rail has undertaken. This response provides Network Rail with some additional areas of focus which could usefully improve with the underlying evidence base. **It is not clear from the document how and by when the final RUS will be published, nor how financially actions from the RUS may be taken forward, this should be clarified in the final version of the RUS.**

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South East England Regional Transport Board

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