

CILT(UK) Supplementary Response to Hinckley National Rail Freight Interchange (NRFI) Consultation



The Chartered Institute of Logistics and Transport is a professional institution embracing all transport modes whose members are engaged in the provision of transport services for both passengers and freight, the management of logistics and the supply chain, transport planning, government and administration. Our principal concern is that transport policies and procedures should be effective and efficient, based on objective analysis of the issues and practical experience, and that good practice should be widely disseminated and adopted. The Institute has a number of specialist forums, a nationwide structure of locally based groups and a Public Policies Committee which considers the broad canvass of transport policy.

Introduction

CILT was pleased to respond to this consultation in April 2022. This supplementary response is made in light of the Secretary of State for Transport's recent announcement of a Rail Freight Growth Target. We consider this reinforces strongly the points made in our initial response and believe it would be helpful to explain why this is the case.

We would reiterate that CILT has a policy of strict neutrality between commercial operators and developments. Accordingly, our input relates to the strategic aspects of the proposal and should not be viewed as endorsement of Tritax Symmetry as a commercial entity.

Rail Freight Growth Target

The Secretary of State for Transport announced a Rail Freight Growth Target (RFGT) of a 75% increase in tonne kilometres by 2050 in December 2023. This represents a major strengthening of Government policy and commitment to rail freight and rail-based logistics.

Whilst there is growth potential across a number of sectors, it is clear that the two leading major rail freight commodities - Construction materials and Intermodal - will deliver much the greatest part of the target. Together they account for over 70% of rail freight and both have grown at 4% p.a. CAGR over the last 20 years. CILT's analysis suggests that both are likely to double by 2050, given suitable infrastructure and services.

Relevance to Hinckley NRFI

So far as Intermodal growth is concerned, the key aspect of achieving the RFGT is provision of intermodal transfer facilities, which work most efficiently and sustainably when warehousing is located at the point of modal transfer. It is crystal clear that modal switch to deliver the RFGT, and decarbonisation of UK long distance freight transport, is critically dependent on the creation of Strategic Rail Freight Interchanges (SRFIs) such as Hinckley NRFI.

The largest intermodal growth opportunity lies in the movement of Deep Sea containers from ports to inland distribution centres. The onward movement of goods from distribution centres offers further significant opportunities but, unless very long distances (500+ kms) are involved, only where those distribution centres are at a rail connected location.

As we noted in our initial response, most major UK supply chains are structured around National Distribution Centres (NDCs) in the Midlands – generally in the ‘Golden Triangle of Logistics’ - and Regional Distribution Centres (RDCs) in four or five key locations around the country. Hinckley is at the heart of the Golden Triangle and is thus very well located to cater for market demand, both inbound from the ports and outbound to RDCs around the UK.

The Secretary of State chose to adopt Option 2 of those suggested by GBR’s Strategic Freight Unit, which assumes no major public sector investment in the rail network beyond those schemes already approved. It is thus significantly to Hinckley’s advantage that Government recently approved substantial capacity enhancement of the Felixstowe to the Midlands and North (F2MN) trunk route, by removing bottlenecks at Ely and Haughley Jn near Stowmarket. This further reinforces Hinckley’s very highly advantageous location in relation to the rail network, with good connectivity to all parts of the UK.

Conclusion

We consider that Hinckley NRFI is a critical aspect of achieving the Rail Freight Growth Target, due to its prime location on the key F2MN route. Its ability to receive goods direct by rail from ports, notably Felixstowe, and despatch consignments by rail to RDCs around the country is a powerful strategic advantage. The fact that capacity enhancement of this route has now been authorised further strengthens the strategic case for an SRFI at Hinckley.

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CILT

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