The Chartered Institute of Logistics and Transport

Freight, logistics and the planning system: call for evidence

A response by The Chartered Institute of Logistics and Transport (UK)

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Local plan making and land availability

1. In your view, how effective are local plans at identifying development needs, and then allocating sites, for freight and logistics and how could this be improved?

How effective are local plans at identifying development needs and then allocating sites?

Local authorities necessarily have a local perspective and thus generally only see the very last stage of supply chains, which are at least regional, usually national and often global. The mean length of haul for non-bulk road freight is around 130 kms and for intermodal rail around 330 kms. Ports such as Felixstowe, Dover and Southampton etc. serve national markets. It is therefore evident distribution planning needs to be on a national scale; local planning authorities cannot have the capability to determine optimum national distribution land use strategies.

Even the grasp of local freight and logistics operational issues, such as essential deliveries to businesses, is often poor. Very few local plans recognise the strategic needs of freight and logistics, such as distribution centres (DCs) and intermodal transfer facilities. In the limited number of plans that do provide for logistics activity, the lack of real understanding by members and officers often means that the views of a commercial property development 'partner' are accepted without due challenge, leading to sub-optimal outcomes.

Examples of this can be seen in the North West where, in one case, a planning authority – apparently for local reasons - abandoned plans for a major multimodal warehousing complex on a brown field site in favour of a greenfield site that could only ever be served by road, but for which a local developer was pushing hard. In another instance, an adjacent local authority with a potential Strategic Rail Freight Interchange in its area, appears to be allowing the same developer to proceed with a road-only facility on the site, or at least to defer provision of rail facilities. Developers will naturally try to minimise development costs to improve their return, but this can often frustrate key policy objectives such as decarbonisation and modal shift.

Local planning policies do not routinely distinguish between non office/retail employment land use and does not therefore take into account the role of distribution centres as compared with other industrial or service-oriented land use. This is unfortunate given that distribution centres (DCs) tend

to attract far more freight traffic than other 'employment land' and means planners fail to appreciate the strategic need for DCs to be adjacent to motorway junctions, rail terminals and ports to minimise the impact on local populations and to maximise their competitiveness and therefore support the local economy. This is largely because planning policies tend to be more concerned with planning control rather than using planning to promote the local economy

The problem is thus two-fold. Some planning authorities are opposed to logistics developments on 'NIMBY' grounds (even if there are clear economic benefits, such as employment). In one instance in the West Midlands, officers recommended approval of a rail-connected warehouse for steel distribution and members of the planning committee were enthusiastic about the proposal until faced with opposition at a public meeting of the committee, at which point re-election considerations resulted in a *volte face*.

In other instances, the local authority accepts the need for logistics development but lacks the independent knowledge and judgement to ensure the scheme is delivered in a manner that delivers key policy objectives: a commercial property developer is allowed to minimise its costs by building on an inappropriate site or avoiding provision of essential infrastructure

The current local government structure does not provide an easy 'fit' for land use or transport planning. For example, small unitary authorities such as Portsmouth or Southampton City Councils cannot physically provide enough land for all their logistics needs, requiring cooperation with Hampshire County Council and relevant district councils as a minimum. This increases workloads for the local officers, without necessarily providing the outcomes the City Councils would want, and significantly delay the approval of 'bad neighbour' land uses, such as a waste transfer station.

Local Authorities are increasingly developing solutions to the perceived issue of freight traffic, such as consolidation centres, local microhubs and cargo bikes. However, as most local authority officials have a very limited understanding of the logistics industry these solutions are unlikely to be effective.

Supply chains may be international and intermodal, and there is a requirement for a full range of national, regional, and local warehouses across the UK. Exactly what facilities are needed will vary by commodity, lead time and locale, but the length and frequency of the freight trips between these warehouse facilities is what primarily determines the freight traffic flows that result.

The planning Use Classes Orders only provide for industrial (B2) and Storage or distribution (B8) which does not reflect the range of activity or the likely local impacts. Both land uses seem to hold negative connotations in terms of noise, pollution and poor-quality jobs, which can be entirely false. Freight and logistics has an increasing proportion of skilled white collar jobs in route optimisation and planning, system design and management. Further, all areas will have a proportion of school leavers needing blue collar jobs and logistics can supply these at scale: a typical large modern warehouse requires well over a thousand staff.

Few local authorities recognise the importance of existing B2 and B8 sites and there are limited opportunities to protect them from re-development for housing. Indeed, the Minister responsible at the time directed the Mayor of London to remove the 'no net loss' of B2/B8 land requirement from the 2020 London Plan.

(See UKWA statement on London Plan no net-loss policy for a good rebuttal.)

How could this be improved?

Clearly, much greater understanding of the critical importance of freight and logistics by local authority (LA) planners is needed. This could be improved by the inclusion of freight and logistics in planning degrees and diplomas and in subsequent CPD. Realistically, however, the number of LAs and the turnover of staff means building and retaining knowledge is likely to be very challenging.

A more effective and quicker route might be to embed strategic freight and logistics planning expertise in each Sub National Transport Body (STB). STBs are made up of local authorities, so there is a direct chain of involvement and responsibility to those charged with implementing the planning process at local level. STB freight and logistics experts would understand the regional and national needs of both the public (policy) and private (commercial) sectors and could translate these to the local context, assisting LAs in the preparation of local plans and consideration of specific proposals.

Strengthened planning policy requirements and guidance are needed to ensure that local authorities understand and implement key policy requirements. Local issues must be considered but the emphasis should be on how, not if, freight and logistics facilities can be accommodated in key locations.

A key point to note is that freight and logistics is a fully private sector activity, meaning that substantial private sector investment in an area can be generated by facilitating appropriate freight and logistics development. Job creation is an obvious benefit and, through the uplift in commercial land value, large buildings will earn significant sums for the LA to use for other purposes, such as social care. A greater understanding of this and the calculation of wider economic benefits, as reflected in the Green Book and WEBTAG, would be a beneficial outcome of introducing more knowledge and understanding into the planning process for freight and logistics.

2. How effectively are the policies in national planning policy (Chapter 6) and associated practice guidance applied by plan makers in supporting the needs of freight and how could this be improved?

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It is rare for local authorities to build NDC- or even RDC-scale distribution centres into plans for their areas. In some cases, groups of local authorities will commission studies to estimate the long-term need for more warehouses in a sub region, but this will not highlight locational criteria and so does not help to precisely define where sites should be located. The companies who decide location will consider a range of sites in an area of perhaps a 50 km radius. In any case, the process is normally for developers to identify suitable sites well in advance of freight owning companies deciding they need a new DC.

The lack of knowledge and expertise on the part of LA planners leads to a reluctance, in many cases, to accept that national and regional needs mean that freight and logistics facilities are required in their area. Where the need is accepted, an independent view should be developed, without undue weight being given to the views and wishes of a commercial property developer.

Site allocation is rarely proactive by LAs and is often developer-led. This is not necessarily wrong, but proposals should be subject to informed scrutiny to ensure key policy objectives, notably decarbonisation and modal shift, are supported and not overlooked/ignored.

There can be a significant disconnect between national policy objectives and local authority aspirations for a particular site. A large rail-connected brownfield site in Oxfordshire was seen locally as a location for housing and leisure development. This proved to be unrealistic and logistics development has occurred, but only after the rail link was severed as it was considered unnecessary in the original masterplan.

Conversely, an SRFI has recently been proposed (coincidentally also in Oxfordshire) by a developer keen to develop a site, but the rail line adjacent to the site is not a main freight artery and would require roundabout routeing of trains. This would add to operating cost and hinder rail competitiveness. An alternative site exists less than 5 miles away, in the same local authority, which has good rail and road links and would make an excellent SRFI, but where the developer does not have an interest. This highlights the need for clarity of thought in strategic planning for key sites to avoid major opportunities being missed and a strongly suboptimal outcome for UK plc and the local economy.

In urban areas, the pressure to build more houses can lead to key rail-connected or rail-accessible sites being zoned for residential use. House building is a relatively footloose activity but rail-related logistics activity, by definition, can only be located alongside a railway line.

A similar situation exists in encouraging the use of inland waterways, with many practical sites now developed for residential use. The ability to safeguard such sites for logistics use applies only in London and rests with the Secretary of State for Housing, Communities and Local Government, rather than directly with the Mayor of London. If modal shift is to be maximised it is essential that modal interchange terminals – rail and water to road - are provided and protected in urban areas, and strategically across the country to bring in consumer goods and construction materials and remove waste for recycling.

How could this be improved?

Our answer is the same as that given in response to Qu 1, repeated here for ease of reference. Much greater understanding of the critical importance of freight and logistics by local authority (LA) planners is needed. This could be improved by the inclusion of freight and logistics in planning degrees and diplomas and in subsequent CPD. Realistically, however, the number of LAs and the turnover of staff means building and retaining knowledge is likely to be challenging.

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3. How effective is engagement between industry and local authorities in the course of local plan making? How can this be improved?

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In general, the engagement between Local Authorities and the freight industry is very poor or non–existent, and there is only a slight improvement during the development of plans or local projects. If the Freight industry is engaged, the likely contacts will be with Logistics UK and the Road Haulage Association. However, there is a variety of specialist industry trade associations who may be able to assist, and there is a critical requirement to include the users – manufacturers/importers/retailers on one hand and logistics/transport companies on the other.

Any engagement tends to be based on a local authority needing input to a specific development plan, often with limited direct benefit to the industry. The majority of businesses see little benefit in engaging on a short-term basis as there is an unwillingness on the part of LAs to tackle many of the existing issues the industry faces on a day-to-day basis, such as congestion and the lack of journey time reliability, and kerbside access for deliveries. This is particularly true for SMEs.

Industry is not blameless in this regard, as it often does not engage effectively, if at all, with LA planners. Margins in logistics and transport are thin and many companies cannot justify the cost of having a person to liaise with large numbers of external bodies on planning and policy matters. Logistics companies generally leave warehousing development to the commercial property sector and simply take the best facility available at the time it is needed.

Some freight businesses are keen to engage for a specific purpose and have a budget to employ people for such tasks. Over the last 10 years of so, this has tended to be new entrants to the market and tech businesses and, with little understanding of the complexity of the freight industry or the technology involved, local authorities can be easily misled.

For example, the TfL Freight Forum proved to be extremely useful in the run up to and through the London 2012 Olympic and Paralympic Games with engagement from Freight Trade Associations, individual freight businesses, and a wide range of customers and resident representative groups, such as the Noise Abatement Society. While TFL's engagement through the Forum continued 6-monthly following 2012 the number and range of attendees decreased, and it was only in 2015 when

the New London Plan was being developed that the industry could see potential benefit and engagement levels increased again.

Without greater local authority understanding, the use of existing engagement groups, such as the Central London Freight Quality Partnership, should be maximised. If no such group exists, local authorities should consider how to ensure the freight industry is better represented in plan and policy making, possibly through liaison with local Business Improvement Districts, Chambers of Commerce or LEPs, if their funding is restored.

How can this be improved?

There are far too many LAs for strategic engagement to take place with every authority, although local issues can and should be conducted in this way, probably through Chambers of Commerce or LEPs. Strategic logistics facilities need to be planned on a regional basis and STBs are probably best placed to lead the discussion. A regional logistics planning and development forum could be created by each STB, with membership from LAs, freight and logistics operators, commercial property developers, National Highways and Network Rail/GBR. The objective would be to define emerging needs for the region, the optimum locations and constraints that exist in achieving a mutually satisfactory outcome.

A good example of this has been the collaboration between the two STBs in the South West of England - Peninsula Transport and Western Gateway. Together they prepared a joint freight strategy recognising the close relationship for movement of freight in their area and the need to facilitate, at a meaningful scale, the connections with the national networks of road and rail and ports / airports. They have established a freight strategy delivery partnership which regularly achieves over 30 attendees across all modes of transport and provides the most useful conduit for national organisations to engage regionally. Early examples have included collaboration with GBRTT on rail freight terminal development and with National Highways with respect to lorry parking and rest area.

4. How effectively does planning currently support efficient use of established freight and logistics infrastructure? How could it better support existing infrastructure?

How effectively does planning currently support efficient use of established freight and logistics infrastructure?

There are many cases where the planning of residential development near to freight generating sites, in order maximise the use of brown field land, means that freight operators then face limitations on their well-established activities for amenity reasons. This can have a detrimental impact on modal switch where established railheads can become surrounded by new residential development.

Lack of knowledge and understanding by planners means that freight and logistics are generally seen as undesirable and unwelcome. Proposals to make more efficient use of established infrastructure are usually regarded with suspicion rather than being welcomed.

Even at existing rail sites, with well-established Permitted Development (PD) rights for freight and logistics activity, it is common for local authorities to oppose new activity, in spite of the fact this would take many hundreds of long-distance HGVs off the roads and save substantial amounts of carbon. In a

recent example, the local authority fought for 8 months against the use of a long-standing rail site in Rotherham for container handling, even though PD rights clearly applied.

In other instances (e.g. at Angerstein Wharf in Greenwich), a local authority has allowed a developer to build residential properties immediately alongside a very active 24/7 rail freight terminal without specifying any screening or shielding. It is inevitably only a matter of time before residents in the new properties complain to the council, which then feels obliged to try and use any powers it has against the rail terminal, even though the problem was created by the council itself granting permission for the houses and residents buying their properties in full knowledge of what was next door.

How could it better support existing infrastructure?

As notes above in our answers to Questions 1 and 2, strengthened planning policy requirements and guidance are needed to ensure that local authorities understand and implement key policy requirements. Local issues must be considered but the emphasis should be on how, not if, freight and logistics facilities can be accommodated in key locations.

Planning authorities need to grasp that their citizens need to be fed, their waste disposed of, their houses, schools, hospitals and roads built and maintained. Without land for freight and logistics in the right place, with appropriate zoning around it, these activities cannot function. Goods, be they bulk materials for construction or retail products for consumers do not appear where they are needed out of thin air – they need a supply chain, which necessarily involves freight and logistics activity relatively close to the end customer.

The length and frequency of freight trips between warehouse facilities and customer premises determines the freight traffic flows and which vehicles are used. Treating urban logistics land as a resource for housing or commercial development forces the last-mile trip to be in larger vehicles, as the stem mileage becomes more impractical in smaller vehicles. Planning authorities should be required to protect and safeguard logistics land to prevent this continual erosion of available facilities, notably of rail terminals and river/inland waterway wharves.

If carried out intelligently, using the air space above a rail terminal, it is possible to achieve intensification of urban industrial land use. This could involve other freight and logistics activity, such as a parcels depot, or a different land use, such as a builders' merchant or bus garage. A good example of the latter can be seen on the approach to Paddington, where the Westbourne Park bus garage is located above a rail terminal serving a ready–mix concrete plant. In all such cases, land previously occupied by the bus garage, builders' merchant etc could be used for (high density) residential development.

It is interesting to note the greater understanding of the scope for intensification in Paris: see https://drive.google.com/file/d/1pf7cskXY_aZdJiFr6uhg2J_7YQLTWiSv/view?usp=share_link

Better dialogue between industry and planners is needed, probably via STBs as outlined above. For example, decarbonisation of the UK steel industry is likely to lead to large tonnages of scrap metal being moved over long distances from urban areas to South Wales and Humberside, instead of being exported. The Steel industry sees this as a natural rail movement and rail loading terminals will thus be required in urban areas. It would probably be sensible to co-locate scrap loading with other bulk material activity, such as aggregates or domestic waste handling, but this is highly unlikely to occur if

left to individual commercial initiatives. It could, however, be facilitated by discussion between the key players in the public and private sectors, probably led by STBs.

5. How should freight and logistics be factored into statutory local transport plans and sub-national transport strategies?

Through a thorough understanding of the origins and destinations of freight into and out of an area, considering the scope for modal change and determining a road, rail and waterborne freight strategy to optimise the outcome. This will almost certainly require collaboration between local authorities.

There needs to be a better coordination of transport and land use planning at all levels of planning, and a much better integration of planning for the movement of people and goods. Whether by road or rail, most freight moves on the same routes as people, and planning these as separate activities builds in conflict.

In the same way as people move between land uses generating trips, freight moves from its origin (B2, B8, farmers field, etc.) to the customer, often via the kerbside. This makes the land use of the delivery point critical to understanding the freight impact – a restaurant will have very different delivery needs and local traffic impacts from an office or health clinic, and yet they are all land use class E. Similarly, a local community centre will generate different freight and transport impacts from a swimming pool, but both are F.2.

The local political pressure to resist major freight generating developments almost always leads to an adversarial relationship between a developer and a local authority. The only obvious means of addressing this is through a national planning strategy, hand in hand with road, rail and port investment plans. Given the typical life time of large sheds (>250,000 sq feet), it would not be difficult to develop a national strategy whereby the current stock of such sheds (say 500 million sqft, perhaps growing marginally to 600 million sqft over 30 years), was considered as a national infrastructure requirement. This would allow some focus on the benefits of locating such stock on sites that are well served by multiple modes. Data and modelling tools are available and being invested in by the DfT that could develop a national plan, in consultation with industry, taking into account decarbonization, labour supply, transport costs and land prices etc.

As indicated above, we see STBs performing a key role in improving regional and local planning for freight and logistics. A region is a more appropriate scale to undertake strategic planning and an STB can act as sources of expertise and advice to local planners. We propose each STB should facilitate and support a regional freight and logistics planning group, linking industry and the planning community.

With this informed support from and via STBs, we believe there should be a statutory obligation on planning authorities to provide for freight and logistics in local transport plans. Such provision should reflect the requirements of supply chain logistics for bulk materials (e.g. aggregates), manufactured products (e.g. food, drink and automotive) and retail goods. In all cases, such provision should support and facilitate key policy objectives of modal shift and decarbonisation.

The type of provision will vary but can essentially be broken down into three categories:

a. Links to major production locations and ports: these will generally be significant employers in and contributors to a local area

b. Major warehouses, both National Distribution Centres (NDCs) – generally in the Midlands 'Golden Triangle' – and Regional Distribution Centres (RDCs), which are generally clustered in a limited number of locations from which retail outlets etc can be served most efficiently, e.g. North West RDCs cluster around Wigan/Haydock, between Liverpool and Manchester; South West RDCs cluster around Avonmouth/Chepstow, serving the West of England and South Wales.

c. Edge-of-City locations, from where final deliveries can be made across an urban area. Whereas (a) and (b) are trunk (long/medium haul) activities, this category caters for the transfer of goods from the trunk movement (increasingly by rail) to local delivery road vehicles, which can already be battery powered due to their smaller size and limited operating range. Such sites can be much smaller than (a) or (b) as little if any warehousing is involved and only very limited processing e.g. concrete manufacture, which can only take place close to the final destination. They are essentially modal transfer points and no more.

Planning decision taking and the applications process

6. What aspects of the applications and decision taking process work well and what aspects do not work well?

What aspects of the applications and decision taking process work well?

The NSIP process for Strategic Rail Freight Interchanges (SRFIs) generally works well. Considerable work is required by the developer but this is accepted, as the process is reasonable for the scale of development and is conducted by skilled planning professionals on an objective 'UK plc' basis. This does not guarantee that a DCO application will be successful, but a well-prepared application that contributes to key policy objectives has a good chance of gaining its DCO. Developers are thus prepared to incur the effort and cost in preparing an application.

The planning process for construction activities can function reasonably effectively, as in London's specified Construction Logistics Plan (clocs.org.uk/page/construction_logistics) that deals with the location, routing and frequency of deliveries during the construction phase. Similarly, Mineral Planning processes do assist in highlighting needs for aggregates facilities (wharves and rail sidings) but, even here, local authority/borough opposition can make realisation of a nominated/protected site challenging. An example of a wharf reactivation project that has been delayed by many years due to the planning system is Tunnel Wharf at Blackwall, which is a safeguarded wharf under the London Plan, but has suffered six years of delays and incurred considerable cost for the company involved.

What aspects do not work well?

By contrast, applications which have to follow the conventional local authority route face a minefield of local politics, which are often emotional and sometimes personal. Further, a lack of understanding of the need for the facility on the part of officers, let alone elected members on a planning committee is often evident, and – even if the general need is recognised - a general NIMBY stance prevails: decarbonisation and modal shift are supported as general policy objectives, so long as the means of achieving them are in another authority's area.

It is inescapable that local planning processes are inappropriate and ill-equipped to meet strategic national objectives, which suggests that a higher level decision-making process is required for such strategic national facilities, so that local factors – whilst being given due consideration – do not override key national policy objectives such as decarbonisation. Strengthened planning policy requirements and guidance are needed to ensure that local authorities understand and implement key policy requirements. Local issues must be considered but the emphasis should be on how, not if, freight and logistics facilities can be accommodated in key locations.

Where decisions are made at a local level, it needs to be clear to planning officials and (probably more importantly) planning committees that decisions which are contrary to strategic national requirements will be overturned at appeal and that they will have to bear the full costs of taking such action from their council's budget. The Planning Inspectorate would clearly need to be briefed and remitted to implement this approach to ensure consistent application across all areas.

Specifically, the LA planning process takes far too long, requires costly knowledge and support and there is a lack of flexibility for 'interim uses', e.g. for trials of new logistics solutions such as microhubs or temporary freight parking and waiting areas.

Reducing the impact of general freight traffic to existing (urban) locations is more complex, but the planning system should require all new developments to have appropriate off-road delivery and servicing locations. New developments could also be encouraged to include concierge-type solutions or microhubs for operators to use, including encouraging their use for the surrounding area, possibly through something similar to a Section 106.

At a local level, many local authorities are encouraging the use of microhubs. However, even for a limited trial of such facilities and where land is identified or even owned by the local authority, full planning permission is often required. This requires knowledge of the planning system and can take many months, both likely to severely restrict the number of logistics operators who pursue such options.

Questions relating to specific policy priorities

Supporting supply chains

7. How effective is the planning system at addressing the operational needs of the freight and logistics sector and how could this be improved? How could a national freight network be recognised in national planning policy?

How effective is the planning system at addressing the operational needs of the freight and logistics sector?

As indicated above, with the exception of SRFIs and, to a degree, Mineral Planning Policy, the planning system is poor at identifying the needs of the freight and logistics sector, both strategic and operational. Strengthened planning policy requirements and guidance are needed to ensure that local authorities understand and implement key policy requirements. Local issues must be considered but the emphasis should be on how, not if, freight and logistics facilities can be accommodated in key locations. We believe that the involvement of STBs would help significantly in improving the situation.

A review of regional and national network current and planned flows and developments should be undertaken to check that any specific project would be aligned with regional and national changes and investments in all transport modes and logistics infrastructure. A way to verify this check would be to allow local planning decision makers to have access to the National Freight Network Model that is defined in the Future of Freight document. Approving a project that will not be integrated with regional and national freight and logistics flows will reduce economic benefit and resilience by causing additional and sub optimal freight movement.

How could a national freight network be recognised in national planning policy?

We support the concept of a National Freight Network (NFN) involving all modes and see the planning of freight and logistics facilities as an essential aspect of this. All supply chains have an origin, be it a production plant or a port, and a destination where the end customer is located. Most will have intermediate locations such as NDCs and/or RDCs. Whichever mode, or combination of modes, is used to transport freight, the flows will be defined by these locations and, in turn, they will generate the traffic which uses the Network. It follows that planning of freight and logistics facilities cannot be undertaken without consideration of the NFN and vice versa.

Included in this would be the development of strategic freight planning across both rail and road from a supply chain perspective. A good example of this would be the work by National Highways in mapping the changing nature of supply chains with the emergence of battery giga factories in the UK and the future transition in automotive supply chains, as the sector transitions to electric and hydrogen powertrains from internal combustion engines. A future example could be the movement of the raw material Lithium Carbonate to the giga factory at Bridgwater and thence to manufacturing plants across the UK, in both cases probably by rail. Only by taking a regional / national view can the overall visibility of the supply chain be seen and the implications recognised.

This becomes all the more critical for the decarbonisation of freight and logistics. It will be much harder to decarbonise freight and logistics if permission for major freight-generating facilities, such as large warehouses, are built away from the NFN, specifically away from the core rail freight network. National planning policy should mandate, or at least prescribe, that major freight generating developments should be built on the NFN, with rail and/or water connectivity, unless there are unavoidable reasons (e.g. geology determining where quarries can be located) why this cannot occur. Even then, the planning system needs to require a clear, committed plan from the developer for how freight will reach the NFN, to ensure key policy objectives can be met.

The approach of 'trunk by electric rail, distribute by battery truck' is a touchstone for zero carbon logistics and electrification of rail routes serving major freight locations, together with a charging infrastructure for local and regional distribution by battery trucks is a key component of a National Freight Network. National planning policy should mandate, or at least prescribe, that major freight and logistics locations need adequate power supplies, which will need significant planning involvement.

Recent studies suggest that over 60% of HGV charging will take place at the home depot and another 20% at other logistics locations, such as warehouses or supermarkets. Less than 20% is likely to take place at public charging locations such as motorway service areas (MSAs). It follows that power supplies to depots, warehouses and supermarkets should be prioritised. MSAs will require megawatt charging capability to recharge HGVs in less than an hour and this is likely to be very costly, particularly as MSAs are often in rural locations well off the main high-capacity grid. The small proportion of HGV

charging that is likely to occur at MSAs, coupled with modal swich of trunking to rail, suggests that MSA connection is unlikely to have a good Benefit Cost Ratio and should thus not be a priority.

The decarbonisation of freight

8. How can the planning system support our net zero ambition for freight and logistics?

By ensuring that major freight generating developments (industrial or distribution) are sited at locations that can be served by low carbon modes, particularly rail. Siting such developments at locations that can only be served by road makes it much harder for low carbon rail-based multimodal options to be competitive. The economics of this are straightforward: at an SRFI the cost of moving a container from the on-site rail terminal to a warehouse is likely to cost c. £20. If the same load is to be moved over public roads, even over a short distance, it will usually cost £100-200, which means that rail can only compete over very long distances of 250-300 miles or more.

To permit modal shift and decarbonisation of medium distances flows, particularly of consumer goods, in the 100-250 mile range, it is essential that major freight developments are rail connected. We propose that there should be a presumption (or stronger) against locating warehouses of 500,000 sqft or more on non-rail connected sites and that this should also apply to developments with an aggregate warehouse footprint of 750,000sqft or more. It should be noted that warehouses of 500,000 sqft or more make up just 0.5% of the total number of warehouses but account for 10% of warehouse floor space. Similarly, warehouses of 250,000sqft or more make up only 2% of warehouses but account for 20% of floor space. It follows that these very large warehouses generate a disproportionate volume of freight traffic and must be treated differently from other buildings in the logistics (and other) sectors.

It must also be recognised that the main reason SRFIs have been so successful in driving and facilitating modal shift is because provision of rail facilities – main line access and an intermodal terminal - is mandatory. Any move to Strategic Freight Interchanges, where rail facilities were not mandatory, would leave modal shift and decarbonisation of supply chain logistics dead in the water. Quite simply, developers would invest in sites where they did not have to incur the, often not inconsiderable, cost of a main line connection and intermodal terminal.

It is not difficult to understand why commercial property development companies might want to see a DCO route for any large warehouse development, as the cost saving from not funding rail facilities would go straight to their bottom line and their investors. Understandable as this is, it would frustrate key policy objectives and leave the public sector having to foot the bill for rail freight facilities at warehousing complexes.

In urban areas, it should be mandatory for planning authorities to identify and protect modal transfer sites along main rail lines that have, or could have, good HGV access. These should be used for bulk materials (such as aggregates and waste/recycling materials) and consumer goods in intermodal units for delivery to retail outlets.

It should be a mandated objective for the planning system to identify, in liaison with Welsh and Scottish governments, all major production and import locations in Great Britain. LA's, with the support of STBs, Network Rail/GBR et al, should be required to produce a plan in conjunction with the businesses involved for decarbonising freight and logistics from such locations. Modal shift of longer distance flows is likely to be a key element of these plans, generally through a rail connection.

This process is common in other countries across Europe and works well, particularly with major new production plants: giga factories such as Gravity Park at Bridgwater, would be a case in point. A good example of the importance of connecting major production locations to rail is the Highland Spring plant near Gleneagles, where construction of a simple loading siding allows around 60% of their output to be sent by rail, completely avoiding both local and trunk roads.

Whilst it is desirable that a rail connection would allow direct loading at the plant this may not always be feasible, but other options are available. A dedicate haul route for battery tractor units to take intermodal units to a rail terminal a short distance away is an option for many plants and is under active consideration for a consumer goods plant in the North. An enclosed conveyor is a feasible option to move aggregates from a quarry to a railhead and similar solutions could apply at other bulk material plants.

A further important contribution of the planning system to decarbonisation is to enable the construction of zero carbon generation and, particularly, the new grid links and connections needed to transport electricity from where it is produced, notably offshore wind farms, to where it is required in the main urban areas.

HGV driver parking facilities and welfare

9. What more could local plans and decisions do to facilitate the supply of high-quality HGV parking and driver facilities?

Parking and driver facilities are simply part of the required transport infrastructure and the more they are on the same site as the sheds the lower the impact of freight on local roads. Planning conditions should require developers build 'complete packages', with space/facilities for recharging/refuelling, driver rest and truck maintenance etc. Locating general HGV facilities at intermodal terminals/SRFIs can, however, act against modal shift policy objectives since this increases HGV movements to and from the site, which inevitably makes it harder to obtain planning permission.

Strengthening the Union

10. How can planning policy in England help to support the freight and logistics sector across the whole of the UK?

By ensuring that major warehouses are located on rail connected sites and that there is adequate capacity on the WCML to transfer cargo to rail, notwithstanding cancellation of HS2 north of Birmingham, which we regard as deeply disappointing and unwise. Because of distance, Anglo Scottish freight flows are the most well suited in the UK to early modal shift. Central Scotland to North West England is a major high-volume axis and, at c.200 miles, is rail competitive given the right intermodal terminal facilities. These exist in Scotland and are proposed, but not yet extant, in the North West. Longer distance flows to the Midlands and South East already see significant rail intermodal volumes, notably to/from DIRFT at Daventry, and there is scope to greatly increase the rail market share given adequate route and terminal capacity.

The same logic applies to trunk movements within England and to/from Wales and Ireland. Freight and logistics bind the Union together economically and planning policy can make a significant

contribution to improving the effectiveness, efficiency and carbon footprint of these economic linkages. In the process, a major contribution to levelling up would be made and, by facilitating greater modal diversity, resilience of the supply chains that bind the Union together would be improved.

Whilst very much regretting the cancellation of HS2, we welcome the related announcement that capacity is to be increased on the vital freight route from Felixstowe to the Midlands and North, with investments at Ely and Haughley Junctions. This route should also be electrified as key strategic investment for freight and logistics, supporting supply chains for businesses in the Midlands and the North.

A series of investments in capacity on the West Coast Main Line are required in lieu of the capacity that would have been released by HS2. These include 4-tracking between Colwich and Stafford plus between Winsford and Warrington. It is also essential that a significant proportion of the capacity released by HS2 Phase 1 continues to be earmarked for freight.

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