
Rail Freight Well Placed to Respond to Brexit Outcome

Recent Brexit discussions over the future of British import and exports will be of particular interest to the UK freight industry, with rail activity at ports very much in the spotlight.

In Control Period 6 (CP6) it is the expectation that freight volume will grow by up to 3% annually. This forecast also supports the business case for HS2 as the additional paths required on existing trunk routes will be hard to find without some reduction in current passenger use. It is also an element of input to the Williams Review to ensure future industry management structures encourage freight growth with appropriate access opportunities and planning systems that reflect short notice customer needs.

Network Rail has provided a total of £700 million investment in the Strategic Freight Network (SFN) since the company was established to unlock much-needed capacity. Projects have been shown to generate a benefit-cost ratio of between 4:1 and 8:1 and further infrastructure enhancement is planned in CP6, for example to double sections of the Felixstowe branch and provide an underpass at Peterborough (Werrington Junction) to remove conflicting movements when freight trains access the Joint Line to reach Doncaster.

Capacity to serve the three container terminals at Felixstowe will be increased to allow 47 daily paths with many services using the new East facing chord at Ipswich to reach Peterborough via Ely. Much of the SFN work has involved altering track layouts to accommodate longer heavier trains given the investment in locomotives capable of haulage at speeds that allow pathing between passenger services.

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crosses Cannock Chase with 6M55 0700 Portbury - Rugeley Power Station on 1st Dec 2009, the first revenue-earning service for Class 70 Powerhaul.[/caption]

Recently introduced 3,800hp heavy haulage locomotive type from General Electric (USA) that has enabled greater payloads to be hauled resulting in big increases in productivity.

In the period from 2003/4 to 2016/17, the payload of trains measured in net tonne kilometres has risen from an index of 100 to not far short of 180 which has had a major benefit by allowing 50% of freight paths on the national network to be relinquished either for use by other freight services or passenger operations.

These levels of efficiency have enabled the freight operators to gain a 25% share of international container movement between ports and inland distribution terminals which represents a rise of 90% over the past two decades. Another strongly performing sector is the bulk movement of construction aggregates where rail has a market share of 40% for demand in London and the South East, which in this case is a rise of 110% since privatisation.

Freight movements by rail bring significant productivity benefits for freight forwarders and environmental benefits. An assessment by the Rail Delivery Group covering the 2016/17 financial year calculated that goods worth £30 billion were conveyed, which generated productivity benefits over alternative transport modes of £1.2 billion. External benefits in terms of improvements to air quality, reduced congestion and fewer roads accidents amounted to £0.5 billion. There is a reduction of 76% in carbon emissions for each tonne conveyed by rail over road

The increased size of trains has meant that on average 76 Heavy Goods Vehicle movements are removed for each rail service which has resulted in 7.8 million fewer trips, the equivalent of 1.66 billion fewer kilometres travelled.



Drax Power Station is Britain's largest electricity generating plant with a capacity of 3.9 megawatts equivalent to 6% of national demand. Conversion from burning coal to biomass has taken place for two-thirds of the capacity with rail transporting new fuels from ports at Hull and Liverpool.

The Freight Operating Companies have worked hard to replace their dependence on coal movements given Government policy to phase out coal-fired power stations so the 2018 reduction of 13% in conveying this traffic should be compared with a 13% increase in inter-modal container traffic, which is mostly hauled between ports and inland distribution terminals. Some grant assistance is provided by the Government as the Mode Shift Revenue Support (MSRS) scheme allows shorter distance flows to be moved by rail that would otherwise be uncompetitive. £17 million was paid in the 2017/18 financial year under this scheme.

FCP has a track record for providing advice on eligibility for MSRS grants and has assisted freight forwarders in successful funding applications.

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