

## **MMS Methodology to examine Rail Freight**

*Freight on Rail* wants to ensure that the full potential of rail freight is investigated in all multi-modal studies and that all those with rail freight interests are consulted.

We are most disappointed that the role of rail freight has been under-represented in CHUMMS and other studies, and we are anxious that other studies are on the point of making exactly the same mistake.

The Government's Ten-Year Transport Plan targets a growth in rail freight of 80%. This will not be realised unless multi modal studies fully investigate the case for rail freight nationally.

We would ask that the methodologies used be reviewed as a matter of urgency to take account of what we believe to be significant distortions in the way the assessments are being carried out.

In order to help this process we have laid down the following key criteria which we believe must be analysed in order for a thorough investigation of the rail freight potential.

### **Rail-freight expertise**

*Freight on Rail* believes that each study should have a rail-freight expert appointed, without such, the opportunities for a modal shift to rail-freight will never be fully assessed. Just having the SRA representative on the steering groups is not sufficient because unless they are a real freight expert they cannot represent rail freight interests in depth. Therefore, all the key rail freight players must be contacted, including EWS, Freightliner, Railtrack, GB RailFreight, DRS, and the Rail Freight Group so that there is real and effective consultation.

### **Misleading criteria applied to rail freight**

The extent to which rail-freight is relevant will vary from study to study. In some studies, the impact and growth in road freight is an important issue and in all cases rail freight needs to be considered. There are some freight markets where rail freight cannot make a big impact but many studies and consultants mistakenly believe that the rail freight role is limited to bulk and long distance freight. For instance, the blanket statement that rail freight is not viable for journeys under 300km is a generally held misconception. This is totally wrong, as break-even distances are market specific. Traffic such as aggregates and waste can be economic over distances as short as 12 miles. Therefore proper sectoral analysis must be undertaken to establish what the addressable market actually is.

#### **Examples of short viable rail freight journeys are listed below**

- 7 miles - Traffic from Workington to Teesport
- 12 miles - Coal transportation from Selby colliery to Ferrybridge Power Station in Yorkshire
- 19 miles - Aggregates from Greenwich to Kings Cross
- 40 miles - Waste removal from Cricklewood to Bedfordshire
- 60 miles - Container traffic to and from Felixstowe to Tilbury
- 93 miles - Container traffic to and from Southampton to Barking
- 136 miles - Coal from Newport Docks to Fifoot Power Station in Wales

### **Solutions must be incremental**

*Freight on Rail* accepts that rail-freight will never provide a substitute for the short distance trips in vans and small vehicles. However it argues that it can make a big impact on tonne kilometres, by addressing the small number of trips in big vehicles that account for a majority of tonne kilometres and which therefore affect the trunk road network. Even where freight only represents a small

percentage of all traffic, and within that the rail freight potential modal shift is even smaller, it is still worth evaluating and addressing and should not be dismissed as insignificant.

### **Examination of Flow Data outside study area**

Multi modal studies where there appears to be no opportunity for rail-freight may find the opposite upon closer inspection, especially if longer flows that pass through the study areas are considered as well as flows just confined to the study area. Rail freight often use routes outside the corridor being studied but if carried by road would pass through the study corridor. Therefore any examination of rail freight potential needs to examine rail freight routes outside the study area as these routes could potentially handle road freight flows inside the study area.

### **Freight Measurement**

Existing and forecast freight flows need to be examined to establish the extent of convertible road flows as well as existing rail freight flows. It is generally accepted that freight is hard to measure and model. It relies on roadside O&D surveys which are costly to perform so that the HGV data may be unreliable and variable. For example, national traffic statistics data differentiating between long and short distance growth may be combined, which makes data unreliable and misleading, when analysing potential shift to rail-freight. *Freight on Rail* advocates that a bottom-up approach, with on the ground interview-based work is the preferred freight analysis method to identify the major movers of freight in an area. Without this, *Freight on Rail* fears that there is consequently a risk that studies could address what can easily be measured and modelled, with the more unknown factors being ignored.

### **Planned network enhancements must be taken into account**

It is vital that rail freight opportunities should not be limited to current network capability and capacity. Full regard for the current SRA plans as outlined in the SRA Strategic Plan January 2002 and the SRA Freight Strategy May 2001 for enhancements must take place including full examination of existing and potential terminal provision. Planned rail enhancements outside the study areas which could affect road freight within the study area should be taken into account.

### **There are a number of broader policy issues, which are likely to affect rail freight activity**

#### **Government Rail Freight targets and the SRA Strategic Plan**

The SRA's Strategic Plan of January 2002 sets out the specific infrastructure enhancements needed for the Government's target of 80% freight growth and 50% passenger growth to be achieved. Multi modal studies should take this top-level commitment to the expansion in railway capacity and capability into account assessing rail's ability to take freight off the road network. We are concerned that some multi modal studies have chosen to accept the present situation - where capacity constraints exist on some railway routes and at some locations - as fixed for the future, and are therefore making the false assumption that rail cannot handle additional traffic. The reality is that the Government has promised approximately £4 billion in support for additional capacity and capability for freight growth and that the SRA is now implementing the enhancements.

The multi modal studies are tasked with looking at transport options for a 30-year time period. This time scale must be reflected in planning rail freight potential. Rail infrastructure timescales are in the order of 100 years with maintenance periods of 50 years. These factors also need to be taken into account when examining rail freight potential.

#### **Restructuring of Road Haulage Taxation**

The outcome of the Treasury review of road haulage taxation and the probable introduction of distance-related taxation, as well as the EU working time directive, are likely to have a significant impact on the relative competitiveness of rail freight.

#### **Track Access Charges**

The recent decision by the Rail Regulator to reduce freight track access charges will increase rail freight viability. The introduction of a company neutral rail freight grant scheme by the SRA scheme will make rail more competitive. Modest changes in costs and subsidies can convert substantial flows to rail.

**There are also the following appraisal issues, which need to be given full consideration in establishing the benefits of rail freight.**

**Constraints which exist to road building**

Do the studies give full weight to such constraints as:-

- a) Sites of special scientific interest
- b) Physical constraints such as conurbations

**Impact of not developing rail freight on Transport infrastructure**

Doing nothing to develop rail freight will lead to even more congested roads.

**Full implications of reduced pollution from rail freight needs to be taken into account**

Rail produces around 80% less carbon dioxide than road. Full impact of these externalities need to be evaluated to judge full benefits of rail transport in terms of reduction in the levels of pollution and health care costs.

**Road Congestion**

Congested roads are more vulnerable to disruption from minor mishaps such as lorries shedding loads or vehicles breaking down at busy junctions. These often-trivial events have an impact out of all proportion, causing huge delays and making road network inherently unreliable. This is contributing to rail freight's relative competitiveness by taking away an advantage that road used to have.

**Road Damage from HGVs**

Road damage is an exponential function of speed and weight so that the provision and maintenance costs attributed to lorries would greatly exceed those attributable to cars.

In 1998/9 local authorities spent nearly £1.5 billion in maintaining and repairing their road network.

Lorries are disproportionately responsible for this – a 40 tonne, 5 axle lorry causes tens of thousands of times more damage than an average car.

**Traffic Counts**

A lorry being counted simply as a vehicle, like a small saloon car distorts analysis. We believe that an HGV is equivalent to at least three saloon car type vehicles when assessing its impact on congestion.

*Freight on Rail* would like to be assured that there is an overall review of the methodologies used in these studies so that the factors we have highlighted are addressed in the future.