

## **FTA Response: Safeguarded Wharves Review 2018**

### **1. About FTA**

The Freight Transport Association (FTA) is one of Britain's largest trade associations, and uniquely provides a voice for the entirety of the UK's logistics sector. Its role, on behalf of over 17,000 members, is to enhance the safety, efficiency and sustainability of freight movement across the supply chain, regardless of transport mode. FTA members operate over 200,000 goods vehicles - over half the UK fleet - and some 700,000 liveried vans. In addition, they consign over 90 per cent of the freight moved by rail and over 70 per cent of sea and air freight.

### **2. Role of water freight in London**

The FTA strongly supports greater use of inland water freight, in London and other cities with waterway infrastructure, to help ease pressure on congested road infrastructure. Our 2016 policy report *Growing the UK inland water freight sector: Lessons from the Thames* (available at [www.fta.co.uk/water](http://www.fta.co.uk/water)) provided a detailed review of the Thames water freight market and called on planning authorities to require water freight to be used as part of planning consent where possible; scrutinise planning applications that seek to change status of safeguarded wharves; and protect areas for support services (e.g. boatyards and supply).

### **3. Summary of the recommendation**

The consultation paper recommends the removal of safeguarding from five wharves, as follows:

1. Railway River Thames, Borough of Bexley
2. Priors Bow Creek, Borough of Newham
3. Mayer Parry Bow Creek, Borough of Newham
4. Welbeck Barking Creek, Borough of Barking & Dagenham
5. Phoenix River Thames, Borough of Havering

And for the following three wharves where safeguarding direction is recommended to be removed only if the Silvertown Tunnel Scheme and wharf consolidation proceeds:

6. Thames River Thames, Borough of Newham
7. Manhattan River Thames, Borough of Newham
8. Sunshine River Thames, Borough of Newham

### **4. Comments on the five Wharves Proposed for Unconditional Release**

#### ***4.1 Safeguarding should remain the status quo***

Safeguarding does not preserve and protect wharves from development or alternative uses indefinitely and without justification. Indeed, in our 2016 report *Growing the UK inland water freight sector* we argued that it is good practice for such designations to be reviewed to confirm whether the safeguarding remains necessary or appropriate.

However, in this case the consultation paper proposes the release of five wharves from safeguarding status in the absence of a compelling business case for redevelopment. We consider that it would be preferable to retain safeguarding status unless a developer can make a compelling case for the change in status. We ask the GLA to provide further information on any proposed redevelopments for these five wharves that we are unaware of.

#### ***4.2 Insufficient evidence to justify release***

A review of the Individual Site Assessment report that accompanies the consultation reveals gaps in the justification for this proposal. In the cases of Priors, Mayer Berry and Welbeck, one of the

key justifications for release is that the landside infrastructure does not support river traffic. This is an indication of poor planning, which “locks in” road transport as the only means to access the site, and no analysis is provided of what it might take to return them to productive water freight use.

In the cases of Railway and Prioris, there does not appear to be landside development which precludes their re-activation for river freight use. In addition, the consultation paper lacks clear evidence of the cost of returning these two wharves to productive use for freight.

Regarding possible development opportunities for wharves on Bow Creek, there are sometimes opportunities to move freight from the Thames into the canal network and, vice versa. Bow Creek is a good interchange point for river barges transshipping into canal barges, and vice versa, to deliver to the east side of London either via the Regent's Canal or the River Lee. Our members have highlighted the lack a good wharf where this interchange could happen. It may be possible that one of the Bow Creek wharves could be used for this purpose and make a workable link between the Thames and London's canal network.

Finally, according to the consultation document, in only one case, Welbeck, has there been any attempt to market and promote freight services. This implies a lack of ambition and direction by the owners/operators of the wharves. **Therefore, FTA strongly disputes the conclusion that these wharves should be recommended for release.**

#### ***4.3 Ownership and control: Safeguarding is not sufficient to increase water freight activity***

As the well-known case of Orchard Wharf makes clear, safeguarding wharves by itself will not ensure their use for waterborne freight<sup>1</sup>. Operators need to be given right of access on reasonable terms and rent, and active promotion is vitally important. As noted above, there appears very little evidence of marketing being carried out on these five wharves (except for Welbeck).

A more fundamental question is around the ownership and control of these wharves, which is not made clear from the evidence provided in the consultation documents. Can the GLA provide reassurance that the lack of investment in these sites, and the road-centric landside developments, are purely coincidental and not a deliberate attempt by owners to run-down the asset in the hope of obtaining release from safeguarding?

#### ***4.4 Concerns over capacity forecasts***

The consultation paper estimates the capacity of the network of safeguarded wharves is estimated at 18.0mt and recommends a reduction of capacity to c.17.4mt, a fall of 3.5%. FTA considers that there is sufficient uncertainty in the demand analysis to cast doubt on the conclusions of the study.

As paragraphs 2.2.6 – 2.2.7 of the background report notes, “Assessing capacity is problematic, as it can be affected by so many variables”, such as water depth which can limit the size of a vessel using to high tide only and the presence of on-site processing facilities, which can be critical to the economic viability of the wharf but can also restrict capacity. Other capacity restrictions include a lack of suitable transport access and restrictions in operating hours imposed for planning consents. The section concludes that “All of these factors make it extremely difficult to provide a totally accurate assessment of wharf capacity”<sup>2</sup>.

Finally, the analysis does not address the concern noted above, namely that whether there is any evidence of demand being deliberately constrained by owners in the hope of release from safeguarding. For these reasons, FTA is sceptical of the assertion that there is spare capacity in the safeguarded wharf network.

#### ***4.5 Conclusion***

**FTA considers there to be insufficient evidence to justify removal of safeguarding status.**

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<sup>1</sup> At public enquiry the owners confirmed that they intended to ‘land bank’ the Orchard Wharf site to prevent use until safeguarding was removed.

<sup>2</sup> Forecasting London’s Freight Demand and Wharf Capacity on the Thames 2015 – 2041, Ocean Shipping Consultants Version.

## **5. Comments on the three wharves proposed for conditional release**

As noted above, the following three wharves where safeguarding Direction is recommended to be removed only if Silvertown Tunnel Scheme and wharf consolidation proceeds:

1. Thames River Thames, Borough of Newham
2. Manhattan River Thames, Borough of Newham
3. Sunshine River Thames, Borough of Newham

The Mayor is recommending that a safeguarding Direction is applied to Royal Primrose wharf adjacent to Peruvian wharf, which “would allow a group of operators, affected by the Silvertown Tunnel, to co-locate and derive benefits from co-location, release existing sites for redevelopment as other uses, reduce the areal coverage of these operations whilst increasing their actual capacity and deliver modal shift benefits from road to water.”

The FTA view is dependent upon that of the current operators of the wharves are content with the proposed solution. If there is significant and evidence-based challenge to this proposal from freight operators at consultation stage, then FTA would be minded to oppose these proposals.

We would also like to highlight on behalf of members that Thames Wharf in LB Newham, is probably the most active general freight wharf of the more central wharves. If this were not close due to the Silvertown Tunnel Scheme, it is important that another wharf in that area is found or an existing ‘mothballed’ wharf reactivated – e.g. Orchard Wharf.

## **6. Policy Framework**

We would like to make some further comments on the broader policy framework as set out in Section 1 of the consultation document. The inclusion of this information is helpful to set the context. This leads to a number of questions however:

First, how many of the various policy instruments are leading to concrete actions? For example, how is the London Environment Strategy contributing to a growth in water freight? Has the River Concordat now been amended to include the promotion of freight movement by water? FTA would kindly request the GLA to provide an audit to assess the contribution of these policy instruments.

Second, are the bewildering array of different “Vision” statements, organisations, policies and planning regulations, working in harmony or conflict? It appears to us to be incongruous to have a Port of London Authority “20 Year Vision” with a commitment to “maintain or reactivate viable cargo handling facilities, with at least five additional facilities brought into operation by 2025”, quoted in a document from the GLA that proposes to remove safeguarding status for up to 8 wharves. In general, policy should provide a new wharf facility, that supports London's current requirements, when an existing safeguarded wharf is given over to development.

It also leads to a more specific policy point: Local Authorities should not have the power to grant planning permission for other development on safeguarded wharves that are active – as is the ludicrous situation that exists on Comley’s Wharf, Fulham, where a development would incorporate a currently operational concrete batching plant.

Finally, there is a broad assumption throughout this consultation paper that freight moving on the River arrives into / from the Thames estuary. However, if using the River is considered in the broader terms of transshipping loads to wharves and other sites along its embankment, say west of Tower Bridge, there is no reason why locations for safeguarding should not be sought in the west – e.g. Penton Hook Marina, Egham Hythe. Although this would mean smaller loads travelling downstream, it does mitigate freight originating on the west side of country having to first travel to Tilbury, for example, to then travel back up the River to Central / West London. There are also question of water depths but these are manageable if freight were to travel downstream.

In conclusion, the question of whether a cargo handling facility is “viable” is the key issue here, as on this point rests the safeguarding status of the wharf. The FTA view is that the evidence proposed is not sufficiently robust to justify removal of safeguarded status and risks the delivery of the PLA 20 Year Vision for water freight along with other policy and planning targets.

### **Contact for further information**

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