A new road classification for Cambridge

July 2022

Summary

Logistics UK has serious concerns about the creation of a Road Network User Hierarchy in Cambridge. We believe it could lead to unintended consequences for logistics including increased mileage, emissions and cost. It is important that aims to reduce private car use are separated from essential freight journeys which have little alternative.

A holistic approach to new transport schemes must therefore be adopted to ensure that positive steps for one set of road users doesn't adversely impact others, such as logistics, which are performing essential deliveries.

Logistics UK is calling on the Greater Cambridge Partnership to:

- Consider infrastructure changes to alleviate bottlenecks
- Develop innovative policies to support and enable efficient freight such as allowing HGVs to access bus lanes and greater access for deliveries to be made at night when the roads are quieter
- Encourage the use of public transport and targeting congestion penalty measures to single-occupancy private cars
- Maintain access to the kerbside for deliveries and servicing activity, including access to residential streets for home deliveries
- Ensure that any changes to the road network are clearly communicated to logistics firms and drivers, many of which will not be located in the city, including clear on-street signage and road markings and inclusion in updates to sat nav and routing and scheduling systems

About Logistics UK

Logistics UK is one of Britain's largest business groups and the only one providing a voice for the entirety of the UK's logistics sector. Our role, on behalf of over 19,000 members, is to enhance the safety, efficiency and sustainability of freight movement throughout the supply chain, across all transport modes. Logistics UK members operate over 200,000 goods vehicles - almost half the UK fleet - and some one million 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.

We seek to ensure that our industry can continue to supply businesses and consumers with the goods they require every day whilst reducing any social impacts – including carbon dioxide emissions and air pollution. The logistics industry wishes to play a positive role in helping reduce emissions.

Logistics UK's policy positions are determined by the members of its Councils. Over 300 managers and leaders from across road freight attend Logistics UK's Freight Councils throughout the UK every quarter. These Policy Councils meet in 13 locations across the UK. Nominated members are then able to participate in the UK-level Road Council where our policy positions on road issues are ratified. There are also Air, Rail and Water Councils that all members can join, as well as Shippers Council for logistics customers and a Strategic Council to address long-term issues

About the Logistics industry

The logistics industry plays an indispensable role servicing our towns and cities, supplying communities and supporting local economies. To enable the industry to operate as efficiently as possible, logistics must be considered part of the UK's essential infrastructure, with appropriate local and national policies and regulatory frameworks in place to support its crucial role.

The impact of logistics operations in urban areas can be minimised through careful consideration of road space reallocation, supportive urban planning and appropriate steps to support future vehicle and mobility technologies.

There is an inherent transport cost in everything we buy. As the UK recovers from the global pandemic, we are now faced with a cost-of-living crisis. According to Logistics UK's Manager's Guide to Distribution Costs, total operating costs for a 44-tonne articulated truck increased by 13.4% in 2021, due to increased fuel prices (our members' biggest cost) and upward pressure from wages as the industry experienced an acute driver shortage. At the same time, there was a

5.9% increase in the Retail Prices Index (RPI) inflation rate in the year to December 2021, which raised most other input costs.

This is putting an unsustainable burden on logistics businesses, which traditionally operate on very low margins of around 1 or 2%. Smaller operators are likely to be disproportionally affected by the increase in driver salaries and fuel costs.

Supporting an efficient supply chain and minimising unnecessary regulatory barriers is essential in keeping the cost of goods and services as competitive as possible for Cambridge's residents, businesses and visitors.

Response to consultation

Congestion

Congestion causes significant inefficiencies in the logistics sector in terms of delivery times and operating costs, but it also contributes to further CO_2 emissions through tailpipe emissions as vehicle engines idle whilst in traffic. According to INRIX 2021 Global Traffic Scorecard[1], Cambridge was the second most congested city in the UK after London. Drivers in Cambridge lost on average 75 hours per year due to congestion equating to £618 per driver with a total cost of congestion in Cambridge of £11 million.

Congestion is predominantly caused by passenger cars: In 2021, 222.3 billion vehicle miles (bvm) were driven by cars, compared to 55 bvm for vans and 17.8 bvm for lorries.[2] Given the economic importance of road freight traffic, the Greater Cambridge Partnership should focus on keeping road freight moving.

Logistics UK calls on the Greater Cambridge Partnership to consider the impact of traffic displacement which would be caused by the creation of a Road Network User Hierarchy. Any restrictions put in place on freight vehicles have the potential for lengthy diversions which will increase journey times and could also result in the need for additional vehicles to complete the same level of work increasing costs, emissions and congestion.

Zero emission freight consolidation

The proposals suggest that access to restricted streets will only be maintained for those operating zero emission freight consolidation schemes.

Logistics UK members are committed to reducing carbon emissions and achieving net zero. The take up of zero-emission Light Goods Vehicles is growing, with the Society of Motor Manufacturers and Traders (SMMT) forecasting electric van sales to double to 23,130 vehicles or 6.4% of the market in 2022. But this is still a small percentage when compared to over 32 million cars on UK roads, of which around 400,000 are battery electric cars and are now outselling diesel cars. Van operators wishing to switch to zero emission vehicles are facing lengthy lead times of approximately 18 months to two years. And there are significant challenges in terms of recharging infrastructure, both for publicly accessible charge points and dedicated charging at depots.

For larger goods vehicles, the shift to zero tailpipe emission vehicles is more challenging. The Government has pledged that by 2035, new HGVs weighing 26 tonnes and under must be zero emission at the tailpipe, with new HGVs over 26 tonnes having until 2040 to be zero emission at the tailpipe to be eligible for sale. At the end of 2021, there were just 507 licensed ultra-low emission HGVs[3]. According to Logistics UK's Industry Survey 2021/22, the primary barriers to the take up of alternatively fuelled HGVs are high initial capital costs; limited availability of fuelling options/infrastructure constraints; issues with on-board fuel storage and limited range; number of charging points; and lack of vehicle models available.

Rather than restricting access to only allow zero-emission vehicles, the Greater Cambridge Partnership should instead focus on supporting last-mile delivery companies to locate suitable pockets of land for micro-consolidation centres, such as under-utilised car parks, to enable zero-emission last mile deliveries using small electric vehicles and cargo bikes.

The consultation proposes vehicle and user exemptions, including delivery vehicles making combined deliveries. It should be noted that significant consolidation already takes place in the supply chain, so it is important to ensure that those already maximising the efficiency of their operation are not required to split loads via a consolidation centre. Requiring loads to be broken down into smaller vehicles for urban access can increase congestion and emissions, and HGVs are often the most efficient way to move goods into urban areas.

It should also be remembered that a vibrant city requires a wide range of deliveries and servicing activity including retail stock, medical supplies, beer to pubs, food to restaurant and waste collection and therefore there is no one single solution to improving efficiency.

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[1] https://inrix.com/scorecard

[2] Provisional road traffic estimates, Great Britain: October 2020 to September 2021

[3] https://www.gov.uk/government/statistical-data-sets/vehicle-licensing-statistics-data-tables

Recommendations

The Greater Cambridge Partnership should focus on infrastructure changes to alleviate bottlenecks, as well as innovative policies to support and enable efficient freight, encouraging the use of public transport and targeting congestion penalty measures to single-occupancy private cars.

Priority access should be considered for goods vehicles delivering into Cambridge. For example, allowing HGVs to access bus lanes, particularly on arterial routes, could help maximise the use of valuable road space. This will help incentivise their use by improving their efficiency.

There should also be greater access for deliveries to be made at night when the roads are quieter. Enabling goods vehicles to spend less time in congestion will significantly increase their efficiency and reduce emissions.

It is essential that logistics operators continue to have access to the kerbside for deliveries and servicing activity, including access to residential streets for home deliveries which are not just a convenience, but a lifeline to many residents.

Any changes to the road network must be clearly communicated. Many logistics firms servicing Cambridge will not be located in the city, so communications aimed at local residents and businesses may not reach them. It is important therefore that on street signage and road marking are clear, particularly to those who are unfamiliar with the local area. Changes also need to be fed as quickly as possible into sat nav and routing and scheduling systems used by logistics companies, to enable them to plan compliant journeys.

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