Minimum Service Levels in Event of Strike Action: Rail Services

Logistics UK submission

Introduction

1. Logistics UK is one of the country's largest business groups, supporting, shaping and standing up for safe and efficient logistics. We are the only organisation representing the entire logistics sector.

2. We represent a sector delivering an increasingly innovative, productive and sustainable system of essential national infrastructure. This system ensures the availability of the products that households, businesses and public services rely on every day, and is supporting the UK's transformation for the future. Our membership of over 20,000 includes global, national and regional businesses and SMEs spanning the road, rail, sea and air industries as well as the buyers of freight services, such as retailers and manufacturers.

3. Rail freight makes a major contribution to the UK economy each year, carrying over £30bn in goods and contributing £2.45bn to the UK economy. It is also vital for achieving net zero, as it is estimated to prevent 7m lorry journeys per year, preventing 1.4m tonnes of CO2 emissions annually[1]. Maximising the role of rail as part of an integrated logistics system will see additional modal shift from road to rail, reducing emissions further. This would be supported by increased capacity on the railway for freight, additional infrastructure and space for logistics to facilitate multi-modal interchange at key hubs, and fairer track access charges.

Response to the Minimum Service Levels Enquiry

4. While the rail freight sector has not been directly involved in the recent industrial relations disputes, strikes amongst Network Rail signallers have reduced the operating hours of the railway. This has, in turn, reduced the capacity of the railway available for freight.

5. The noticeable decline in rail freight volumes underlines the detrimental effect that industrial action is having on rail freight demand. The total rail freight moved between 1 July and 30 September 2022 was 4 billion net tonne kilometres – 6.4 per cent lower when compared with the same time period in 2021. Around 30 per cent of all freight movement has been cancelled on strike days, whilst the proportion of freight trains arriving within 15 minutes of scheduled arrival time, as measured by the ORR's (Office for Rail and Road) own metric, was 84.9 per cent – the lowest level of freight performance since the time series began in 2013.

6. Whether during normal or shortened hours, sufficient paths should be made available to rail freight operators, to allow for the continuation of freight being transported, given its significant value to the country – both economically and environmentally.

Ellis Shelton
Policy Advisor
Logistics UK
eshelton@logistics.org.uk

Ben Garratt
Deputy Director – Public Affairs
Logistics UK
bgarratt@logistics.org.uk

[1] Rail Delivery Group, the role and value of rail freight in the UK, April 2021 https://www.raildeliverygroup.com/media-centre-docman/12807-2021-04-role-and-value-of-rail-freight/file.html