

Speech by John Dodwell, a Trustee of the Canal & River Trust, at the Freight by Water conference on North of England Water Freight Opportunities organised by the Freight Transport Association on Wednesday November 26 2014 at Wakefield, Yorkshire

Context.

The FTA used this conference to launch their new Shippers Guide to “Making use of water freight”, covering short sea and coastal shipping as well as the use of inland waterways. The FTA represents the transport interests of companies moving goods by road, rail, water and air. It is not an organisation representing suppliers of freight services, such as road hauliers (who have their separate organisation).

The conference was chaired by Chris Welsh, the FTA’s Director of Global and European Policy. Other speakers included

- Helen Miller and Max Rathmell from Leeds City Council planners about “Planning policy: safeguarding of wharves; gravel and sea dredged aggregates”
- Warren Marshall from Peel Ports about “Port of Liverpool & The Manchester Ship Canal: Integration and Developments”
- Rob Brewster from PD Ports about “Teesport Port Centric Logistics”
- David Quarmby, chair of Canal & River Trust’s Freight Advisory Group, about the work leading up to that Group’s report about CRT’s freight waterways, followed by John Dodwell, CRT Trustee, talking about the actions CRT is taking, following that report
- Ian Goldthorpe from the West Yorkshire Combined Authority (a grouping of local authorities in that area) about their perspective of water freight opportunities and challenges
- FTA’s Chris MacRae about the Department for Transport’s Modal Shift Grants
- FTA’s Chris Welsh about the adverse effect on short sea and coastal shipping about new EU rules on the sulphur content of ship engine exhausts
- Summing up by Mike Garratt, Managing Director of the consultants MDS Transmodal

In his remarks, John Dodwell said

“The work done by David Quarmby’s group has been much appreciated by the Canal & River Trust. You will recall that in July 2012 the Trust took over it’s English and Welsh waterways from the state owned British Waterways as part of “a bonfire of the quangos”. In the opinion of some, BW’s views on moving freight by water were at best uncertain – caught between a squeezing of its Government grant and the need to keep the rest of the canal network going for leisure. Tonnages declined – as you saw in David Quarmby’s slides – as the Yorkshire coal pits closed. 2m tonnes a year was lost when Ferrybridge stopped taking coal deemed to be too sulphurous to burn. In the absence a pro-active marketing, few new traffics were found to replace those lost. CRT decided to do something about this and so asked David Quarmby’s group to review whether there was a potential for freight. Hence their report David has just been telling you about – and the concept of Priority Freight Routes.

I’m pleased to tell you that CRT has accepted the Report’s recommendations. Let’s have a really good effort at energising the Yorkshire waterways. Stop being re-active and start being pro-active. If it works here, then look at the Trent, the Severn, the River Weaver in Cheshire and others. That doesn’t mean ignoring any initiatives about those navigations. For example, there is a thriving traffic on the Severn moving aggregates, seen here unloading.



CRT is supporting a possible new aggregates traffic near Nottingham and is engaged in local consultations about possible waste movements on London's River Lee. In congested urban areas, there is sometimes scope for barges to bring in or take away construction materials – and the barges offer extra storage space.

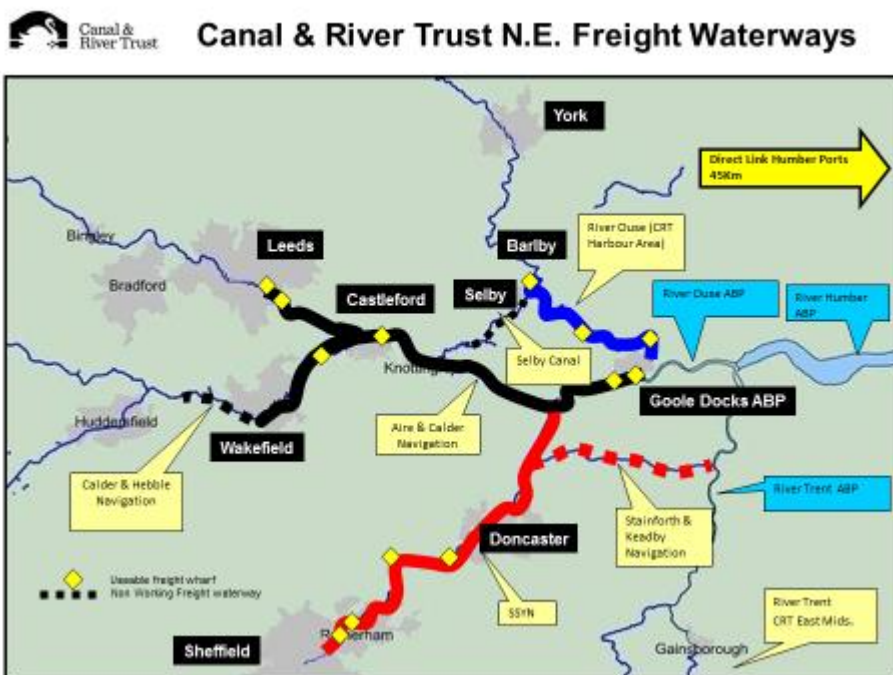
See here work at the King's Place cultural centre at Kings Cross in London





And, of course, there is scope for the delivery of domestic coal and other fuels by narrow boat on the leisure waterways.

But the main effort is in Yorkshire with its large waterways and good connections to the various Humber ports and their trade. I'll be showing you some photos so you can see the size of barges involved. Here's a map of what we are talking about.



CRT has set up an internal freight steering group to take this forward. Led by Stuart Mills, a main board director, it includes David Quarmby, Mike Garratt of the consultants MDS Transmodal (who knows a lot about trade movements), David Lowe, chairman of the Commercial Boat Operators

Association (which represents barge operators) and some senior CRT staff with myself in attendance. Matters the group is dealing with include:

- What cargoes are moving from where and to where. The waterways used to carry a lot of domestically mined coal but almost all the UK pits are closed now. We need to look at today's logistical needs.
- What we call the Humber ports are dominated by Associated British Ports who operate Immingham, Grimsby, Hull and Goole (itself some 50 miles inland). But there are also the smaller ports and wharves of Howdendyke upstream of Goole (on CRT's Yorkshire Ouse river) with others like Guinness, Flixborough, Keadby etc on the lower Trent in the Scunthorpe area. These are all served by smaller ships mainly coming from other parts of the UK (such as stainless steel scrap from London) and Europe.

Here at Guinness Wharf you can see two ships



In each case the shippers will have decided to come as far inland by ship as possible before unloading (such as steel from northern Spain). A recent example of good relocation is at Howdendyke where Helm Fertilisers entered into a 10 year deal whereby 50,000 tonnes a year of fertiliser is imported from Europe and North Africa for storing, blending and bagging before being distributed.



Here is a ship being unloaded at Howdendyke.



- So CRT will look to see how much of this import trade could be carried by barge – to places like Leeds, Wakefield, Rotherham etc. We anticipate working with dock companies. A few years ago saw steel for the construction industry coming by Leeds by barge – shown next - before being frustrated by a property company which wouldn't grant a long enough lease to justify the cost of installing permanent unloading equipment.



A current example is Exol Oils in Rotherham which brings imported oils by tanker barge from Hull – 460 tonnes a time; saving, as they say, not only 34 HGV lorry journeys a week but also vastly improving handling efficiency when deliveries arrive at their site. The barge – seen here in Rotherham - unloads in 6 hours; the equivalent number of lorries would take 17 hours





CRT will also look at moving containers by barge to Leeds, using vessels similar to this one used in Holland. We are looking at 32 standard containers in 2 layers of 16





Generally, CRT is looking at ensuring its Yorkshire waterways can be used by what are known as Euro Class 11 size standard barges which can carry 650 tonnes – that’s replacing 26 25 tonne capacity lorries. This would enable such barges to be brought across from Holland and used here.



- So CRT is looking at what improvements to the waterways might be needed. Maybe a lock may need modernising or a bridge raised. Getting under the bridge is OK when the barge is loaded but the barge is higher in the water when returning with empty containers. However, an alternative solution may lie in pumping water into special ballast tanks to lower the barge and CRT is looking at that.

It's not just bulk cargoes and containers which are suitable. AILs – or abnormal indivisible loads – move by water. Such things as power station transformers. Here's an example on the way up the River Ouse to Drax Power Station





We heard earlier today that fuel typically is about 35% of total lorry costs whereas it is only 17% for water freight. Let's also remember the labour efficiency of barges. A barge crew of 2 can move 500 tonnes more quickly than if they drove HGVs up and down the roads.

I sometimes hear people say "but barges are slow". Well, yes, they are slower than lorries but they can move bulk cargoes more quickly. The tanker barges to Rotherham take 12 hours from Hull. Barges generally offer "next day delivery".



I expect there will be some infrastructure improvements and thus a need for funds. Here, I expect CRT to take a leaf out of the railways' book and look outside for funding. Maybe some Local Enterprise Partnership money from central resources, maybe some EU money

CRT looks to work with local authorities. We support Leeds City Council in its efforts to get wharves protected. And we hope to see their example being followed by Wakefield Council and those in South Yorkshire. It is instructive to look at London where they have had a wharf protection policy in place for some years. Faced with property companies hoping for planning permission to build houses, the Port of London Authority has had to use the compulsory purchase procedure. They are now in the process of buying – at industrial land prices - two wharves. In both cases, they have got tenants lined up who will be bringing goods in by barge.

As I've mentioned, CRT is looking to work with the ports and logistics industries. You heard earlier today about marine aggregates from off the Humber estuary. CRT is helping to provide a wharf in Leeds to which processed sea-dredged aggregates would come by barge from Hull.

So my message to you is that CRT is very much open for business for freight on its Yorkshire waterways and welcomes enquiries.

Any questions, please?

