Port of London Authority
Bakers' Hall
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Response to Port of London Authority Thames Vision 2050 consultation

1. About London First

London First is a business campaigning group with a mission to make London the best city in the world to do business, for the benefit of the whole UK. We convene and mobilise business leaders to tackle the key challenges facing our capital. We are made up of around 175 leading employers across a wide range of sectors including strong representation from the transport, port and maritime industry.

Over the past three decades, we've campaigned for the creation of the office of London Mayor and Transport for London, for Crossrail, for congestion charging and for expansion at Heathrow; we incubated Teach First and created the UK's largest annual jobs and careers fair for school leavers, Skills London.

2. The Thames' role in London's economy

The river has long played a central role in London and the South-East's regional economy, prosperity and growth. The tidal Thames and the Port of London generate 43,500 full-time equivalent jobs, of which 27,000 are people directly employed in port-related operations, with the remainder in the associated supply chain and support activities. Port and maritime activities on the tidal Thames generate £4bn gross value added (GVA) a year, and some £1bn of new investment is planned in the sector. An additional £2.4bn of GVA is generated by tourism associated with the river, while residents alone take 10m walks or bike rides along the river every year and there are more than 5,000 regular rowers.

The Thames is the heart of London and has iconic status that resonates globally thanks to the two millennia of heritage and culture that lie on its banks. It is a hugely important cultural destination and many thousands flock to the capital each year to visit iconic bridges, historic vessels and the myriad of entertainment, culture, and hospitality venues located alongside the river. London First has long made the case that the river should form a more integral part of London's transport strategy with a particular focus on freight, passenger services, riverside development, and natural capital.

3. Freight and Thames 2050: Trading Thames

To deliver on the ambitions of the Thames 2050 vision for Trading Thames, it is important to recognise the role that transporting freight via the river can play in terms of both reducing carbon emissions and helping to free up the capital's congested road network. Major infrastructure projects like Crossrail and Thames Tideway have pioneered this approach, as has London First member Cory Riverside Energy. The latter is saving around 10,000 lorry movements a year by passing freight and waste along the river. Cory has also decarbonised its river fleet, by moving all its vessels to biofuel, reducing emissions across its business by 90%[1]. The private sector thus has a fundamental role to play in supporting decarbonisation on the river, a theme at the heart of the 2050 vision.

It is also important to consider land allocation and the impact of this on the operation of the river. Following the construction of Tilbury2, and with the creation of the Thames Freeport, additional port and freight capacity will be required in the near future, and it is essential that land is allocated appropriately to accommodate this. This is particularly important in the context of meeting the challenge set out within the Thames 2050 vision for Trading Thames, which shows that trade in the UK's biggest port will continue to rise to meet growing demand, from 50 million tonnes annually to 70-80 million tonnes. This will require increased investment in river infrastructure and an approach which focuses on asset resilience to ensure that this infrastructure remains fit to support trade on the river for the long term.

The next significant step to be taken to increase the use of the river for freight is in the realm of light freight. There are challenges that remain to be resolved if this is to become a widespread and cost-effective method of transportation for parcels and smaller deliveries. A strong vision and effective collaboration will be required across the public and private sectors. There are several exciting trials taking place both in London and elsewhere which should provide a strong evidence base for scaling up light river freight whilst minimising double handling and riverside congestion challenges. This must form part of an effective city-wide strategy for light freight and last mile deliveries.

To ensure a sustainable future for London, the GLA (Greater London Authority) should create a senior position to provide city-wide leadership and strategy on issues relating to freight, servicing, and deliveries. This could be modelled on the Night Czar, the Chief Digital Officer, or the Walking and Cycling Commissioner.

4. Riverside development: Destination Thames

London First has also consistently made the case that there does not need to be a tension between protecting industrial riverside sites and residential development. Effective design and engagement can ensure that these two types of development can accommodate each other. For example, the development at Battersea Power Station, being led by Battersea Power Station Development Company is increasing accessibility to the river for

[1] Cory Riverside Energy Sustainability Plan (2021), URL

pedestrians in former industrial sites that were previously off limits. They have created a new riverside walk from the South side of the river at Chelsea Bridge all the way to the South Bank. The development at Circus West is also now host to over 20 bars, restaurants, shops, leisure and entertainment venues along the riverside benefitting residents and visitors[2].

The protection and enhancement of the river's wharves will also be fundamental to the objectives of Destination Thames, in terms of increasing accessibility to the river and enhancing quality of life for residents, many of whom specifically choose to locate near the river to take advantage of a vibrant river/seafront and maritime economy.

Freight movement would also not happen on the river without wharves, and it is critical that these wharves are protected to ensure that freight can continue to be moved via the river. Wharves are also needed to handle goods coming on and off ships and can help to create a more resilient UK supply chain. Major infrastructure projects like Thames Tideway have had success in using the river to transport materials primarily because they have had the scale to create their own temporary loading and unloading infrastructure. Without coordination and investment, this is an impossible barrier for smaller operators and those who cannot rely on temporary permissions backed by parliamentary statute.

5. Passenger Transport: Destination Thames

The Thames 2050 vision risks underplaying the role that the river can and does perform more broadly as a transport route in the capital. Passengers are steadily returning to the river as people continue to make their way back to offices and workplaces and this form of travel is proving attractive to existing customers and to those who have previously never travelled using the river.

Private companies like Uber are pioneering new smart ways of enabling passenger transport on the river. In 2020, Uber partnered with Thames Clipper to launch 'Uber Boat by Thames Clipper' which links the two travel modes of river and road via the Uber Trips app, providing Londoners and visitors with even more options to commute, visit, explore and enjoy the city by river. Uber Boat is also taking steps to decarbonise its river fleet; later this year Uber Boat will launch the UK's first hybrid high speed passenger ferries which will rely solely on battery power from biofuel charging stations outside of central London. As well as being the city's most eco-friendly passenger boats, these will also be Uber Boat's quietest vessels[3].

Many other cities, such as New York and Hamburg, have river services supported by state subsidies which is not the case in London where they are reliant on private funding. Every effort must be made to ensure this successful privatised model does not lead to a fragmentation in passenger experience when using the river as one leg of a longer multi-modal journey. The introduction of contactless ticketing and pier locations on the Transport for London (TfL) tube map are welcome, and further integration to provide a seamless

[2] Battersea Power Station, Circus West Village (2017), URL
[3] Uber Boat by Thames Clipper, hybrid boats (2022) URL

journey for passengers should be at the heart of any strategy to grow patronage on the Thames.

Raising additional funding for piers is also critical to opening more areas of the river for passenger services. Prior to the pandemic, TfL had an ambition to double the number of annual river trips to 20 million by 2035 through their Passenger Pier Strategy. And while the pandemic has negatively impacted the finances of TfL, the Mayor in his manifesto recommitted to his target of achieving 80% of all journeys made either through walking, cycling, or by public transport in 2041. If the Mayor is serious about achieving this ambitious target, extending river services through new piers served by extended river bus services will be important. The sums involved are relatively small, and river infrastructure should not be at the back of the queue. The Mayor's stated ambition should feature more prominently throughout the Thames 2050 vision and further thought should be given to how investment and growth can be unlocked.

6. Catchment partnerships: Natural Thames

To help the river the play its part in delivery of net zero in London by 2030, decarbonising the services using the river as a form of highway through the capital is critical. There is a persistent risk that inland waterways fall between the cracks of urban transport and seagoing transport. Decarbonising vessel power systems remains a challenge and ensuring adequate funding – including through government support – is available will be essential to achieving the UK's net zero targets. There may be additional scope for coordinated activity to accelerate this transition across operators and these should be explored.

Businesses, government and stakeholder groups will also need to increase their focus on natural capital solutions to reducing biodiversity loss, reducing instances of flooding, reducing pollution and cutting levels of plastic and harmful chemicals discharges in the river.

London First member Thames Water has committed to a 50% reduction in the total annual duration of spills across London and the Thames Valley by 2030, and within that an 80% reduction in sensitive catchments[4]. Through its business plan for Ofwat's price review period 24, Thames Water will also commit £5 million over five years, in partnership with the Rivers Trust, for partnership projects and capacity building to help improve water quality in both the river and across Thames Water's geography more broadly.

To deliver nature-based solutions (NBS) in the water sector and thus to help the Thames to realise its full potential as a source of natural capital, it is fundamentally important to begin with a *catchment first approach* which looks at the issues within the whole catchment (whether flooding and resilience, water quality, improving ecological status) and assesses the mix of interventions which water companies and others need to make to deal with those issues, of which NBS will be one. The regulatory framework should then encourage a blended solution for the whole catchment.

[4] Thames Water, river health improvement package (2022), URL

This will require a long-term approach to regulation towards enabling the long-term investment that is required to adopt NBS at scale. It would also be beneficial to link the Water Industry National Environment Programme and proposed Methodology for PR24 to the delivery of Environment Bill targets expected to be set for mid-2030s. If the costs and benefits of different options are considered by Ofwat on a five-year basis, and with environmental commitments usually needing to be delivered within a single five-year period, treatment wetlands that can take seven or more years to design, build and mature to full performance are left at a distinct disadvantage.

NBS will also not be appropriate in all cases but an in-the-round assessment of environmental risk and a catchment first approach by default will unlock the potential for more NBS. To achieve this, the regulatory system needs to look above and beyond the existing 5-year asset management periods as well as looking at whole-of-life costs with the water sector more broadly. This will also help the private sector to support the objectives of Natural Thames within the 2050 vision.

For further information on London First and our work programme related to the river Thames, please contact Muniya Barua, Managing Director, Policy and Strategy mbarua@londonfirst.co.uk