

FREIGHT FARES REVIEW WORKING GROUP

DATE: 10 November 2016

VENUE: Victoria Quay, Edinburgh

PRESENT:

- Graham Laidlaw - Ferries Unit, Transport Scotland
- Margaret Horn - Ferries Unit, Transport Scotland (chair)
- Brian Gordon - Ferries Unit, Transport Scotland
- Paul Flynn – Ferries Unit, Transport Scotland
- Caroline Gregory - Transport Analytical Services, Transport Scotland
- Spencer Thompson - Transport Analytical Services, Transport Scotland
- Pam Stott - Freight & Inland Waterways, Transport Scotland
- Ranald Robertson - HITRANS
- Tony Jarvis – Highlands & Islands Enterprise

EXTERNAL (by conference call):

- Martin Reid – Road Haulage Association
- Brian Archibald – Orkney Islands Council
- Alan Millar – Argyll & Bute Council
- Louise Kirk – North Ayrshire Council

APOLOGIES:

- Allan Comrie – Strathclyde Partnership for Transport
- Iain MacKinnon – Comhairle nan Eilean Siar
- Chris Macrae – Freight Transport Association
- Michael Craigie – Shetland Islands Council & Zetrans

MINUTES:

Welcome

1. Margaret Horn welcomed everyone to the eighth meeting of the Freight Fares Review Working Group.

Recap of agreed approach

2. Margaret Horn then provided a recap of the history to the work and approach taken for assessing fares options which was previously agreed by the Working Group.

Ferry Freight Fares Options: Fare Changes & Community Impacts Presentation

3. Spencer Thompson gave a presentation of the work that Transport Analytical Services (TAS) have carried out detailing the impacts of the three potential options for freight fares that had been identified at earlier meetings and agreed to be taken forward. A presentation setting out the work will be made available on the TS website and circulated to the Working Group.

4. There followed a discussion around the technical content of the presentation, the information presented and the impacts of the three different options. Following these exchanges, a common consensus amongst the group was reached with all in agreement that Option 1 (fixed charge + rate per lane metre per mile based on distance threshold) was the option to focus on progressing further.

5. Discussion took place around some specific examples of routes on the network if applying Option 1 methodology; anomalies, outliers and unique aspects of some routes with respect to end users.

6. There was an agreement for TAS to conduct further analysis around anomalies and outliers for the rest of the routes on the network applying Option 1 methodology, to include all islands (small, medium and large).

Action Point – HITRANS wished to liaise with TAS and HIE to explore the impact of applying this option to Local Authority routes within their area. HITRANS will also speak to ZetTRANS to request that they do likewise on Shetland routes.

7. A discussion around possible tweaking of parameters of Option 1 to suit if required. Agreement within the group was reached that it is important to get as much information as possible on community analysis to ensure there are no hidden dangers or negative impacts not considered.

8. There then followed a discussion on discounts, levels and different types, with state aid implications considered. There was consensus and agreement in principle within group that any discounts that are sector specific (ie. free empty return for lorries carrying hay, livestock & live shellfish) should come directly as support from the Scottish Government department with policy responsibility for that sector, not through ferry freight fares.

9. There was agreement within the group that it was important to have a communications strategy in place for informing stakeholders of the work that is taking place, and communicating any fare changes as far in advance as possible. A long lead-in time is desirable due to the nature of freight contracts – Martin Reid indicated that around one year was the average length at the current time. A network-wide haulier engagement event, similar to the previous event, was suggested and confirmation was provided by Martin Reid that RHA and FTA can attend the same event.

Next steps

10. Transport Scotland would be meeting with Minister for Transport and the Islands to discuss this work in more detail and obtain his views on issues such as costs, discounts, timescales, etc.

11. Transport Scotland intend to then put further advice to Ministers later in the new year, to update on the additional work undertaken on impacts of Option 1 once complete.

Next meeting

12. The next meeting to be held early in 2017.

AOB

13. No other business was raised.

Ferries Unit
Transport Scotland
15 November 2016