BRITISH PORTS ASSOCIATION – SCOTTISH PORTS COMMITTEE

WRITTEN SUBMISSION

Summary of main points:

- The quality of the transport network is critical for efficient freight movement and business growth.
- Support for the network should be backed up by clearer funding commitments.
- New arrangements are needed whereby information about port connectivity needs can be regularly fed into the planning process.

Background:

This response is made on behalf of the Scottish Ports Committee which represents the overwhelming majority of ports in Scotland. The Scottish ports sector handled 72m tonnes of freight traffic in 2013, representing 15% of the UK total. Although the total tonnage for Scotland has shown a decline since the early 2000s, this is mainly attributable to reductions in oil and oil related traffic. Very significantly, there has been a corresponding rise in other traffic, particularly unitised (containers and ro-ro) traffic. This has shown a 50% growth since 2001. It is unitised traffic which relies on efficient hinterland connections, both road and rail. As a whole, therefore, the sector is placing greater demands on the Scottish national transport network and this demand is likely to grow in line with economic growth.

The ports sector in Scotland and throughout the UK is financially and strategically independent of government. Investment decisions are based on market need and changes in demand, for example the need to support the growth of the offshore renewables industry.

There are two highly significant areas of public policy on which ports depend. The first is the efficiency of the planning system and the treatment of Harbour Revision Orders, and the second is government spending on connecting road and rail infrastructure. The latter area is subject to sometimes competing demands, for example between passenger and freight based projects, and especially budget constraints. A potential dilemma is that the greater the ease with which freight can be transported on land within Scotland, the growth of coastal shipping could be compromised. Similarly, improving links with the rest of the UK and addressing some of the issues of Scotland’s peripherality from the largest markets could, potentially, increase the flow of Scottish goods through other UK ports. Ports throughout the UK compete strongly with each other and no opportunities are lost to attract new business.

Scottish Government statements on transport, so far as they go, recognise its importance, but tend to be light on more rigorous commitments to funding, and tend not to recognise the overall competitive position of Scotland and the UK compared with other EU member states. The DfT’s “Action for Roads” published in July 2013 stated that “While the British strategic road network was not too different from its EU competitors twenty years ago, it now falls a long way short. Since 1990, the length
of new motorway built in France is greater than the whole of the UK network”. This is in spite of the fact that “one of the UK’s greatest strengths is its compactness”.

The government’s “Programme for Scotland 2014-1015” published in November 2014 fully acknowledges the role that transport plays “in both connecting communities and increasing sustainable economic growth”. It also details a number of necessary motorway improvements and the stimulus these will provide to the local and regional economies. We welcomed the third National Planning Framework published in June 2014 which includes a number of port related projects. These include the Grangemouth investment zone, described as a nationally significant site for industry and freight, additional freight capacity on the Forth to accommodate North Sea shipping routes, and the expansion of Aberdeen Harbour, a “nationally important facility” which not only supports the oil and gas sector, but “makes a significant contribution to the wider economy of the North East”.

The statement issued by the Scottish government in its pre-referendum document, “Scotland, the Future” also recognises the importance of transport links, particularly given Scotland’s geographical position and the challenges of peripherality, both within Scotland and in relation to the rest of the UK. It also confirmed the Scottish Government’s long term objective of dualling the road network between all Scottish cities by 2030. It also referred to opportunities (admittedly in an independent Scotland, but the principles remain) to integrate the transport network fully with other infrastructure networks, for example, an alignment of transport policy with energy policy.

Turning to the individual questions, our response is as follows:

1. Can you identify the main infrastructure and policy obstacles to the free flow of freight in Scotland, whether carried by rail, road, air or sea.

In terms of obstacles, the central and fundamental issue is funding of infrastructure. As already noted, there is no lack of support for improving infrastructure, but delivery is sometimes slow and it can be the case that passenger priorities dominate freight. Although the two sometimes go together, support for high speed rail could tie up capital which might be used across a broader range of projects. It is often the case for ports that although the main highway network is good, the links to it are poor, or traffic becomes gridlocked in towns and cities.

Although the overwhelming majority of freight arrives and leaves ports by road, rail can still play a significant role and the lack of good rail connections outside the central belt is a constraint on freight traffic movement. More attention needs to be given to rail freight alongside the need to expand passenger capacity.

Important freight flows also take place between the mainland and the islands and ferry terminal infrastructure needs to be included when national needs are under consideration. The freight element in the ferry network can also be marginalised by passenger needs, who at least have the option to fly whereas freight is almost solely reliant on ferries. Ferry traffic is of course largely domestic, but the Lerwick-Aberdeen route is an example of a link in an international trade route with considerable volumes of seafood heading to the Continent.
In 2013 the Institute of Civil Engineers (ICE) produced its report, “The State of the Nation Scotland: Transport” which drew attention to not only the need for investment in new infrastructure, but also the need to make provision for road maintenance, particularly bearing in mind extreme weather events. This is another factor which especially impacts on local roads rather than the main network. The report identified a significant backlog of repair work, the cost of which was estimated at £1.5bn. Maintenance should be a further priority for funding and as the report also points out, the capital required for both this and for further development of the network “may require innovative thinking to bring in funding from beyond the public purse to speed up delivery”. An associated issue is the lack of certainty in funding and what the ICE report described as “the dangers of stop/start investment patterns”.

An important consideration will be the cost benefit ratios for investment. One of the conclusions of the Eddington Report commissioned by the DfT in 2006 is, we believe, still very relevant in that it identified strong cost benefit ratios for investment in access to ports which they assessed as between 3-15 and which translate into equivalent GDP benefits.

2. How can Scotland’s rail, road, air and sea freight routes to the rest of the UK, to Europe and worldwide be improved?

The points we have made in answering Q1 largely cover our response here. There is good port capacity in Scotland with some significant expansion already consented. Ports are able to respond quickly to market demands. We are not looking to change ports policy which already allows high sensitivity to the market, but bearing this in mind and the points we have made in Q1, we would suggest that one of the results of this inquiry could be a move towards a much better shared understanding of port needs in relation to the transport network. This could be tackled in a number of ways, for example, setting up a new specialist freight group to liaise between ports and Transport Scotland on specific infrastructure needs. Whatever emerges, the ultimate aim should be to achieve a better and continually updated understanding of port connectivity requirements which can feed through into decision making.

Port projects have been recognised in the NPFs and are represented in NPF3, which we very much welcome. It is important that NPFs recognise the need not only for new port facilities where appropriate, but also the need to enhance existing facilities bearing in mind the generally good capacity that the sector provides. Equally important is that once a development is identified, the need to accommodate existing and increased traffic flows on the public network should be recognised. There has to be a joined up approach.

3. How can the Scottish Government structure its freight grant schemes to support the switch of freight to more sustainable modes of transport?

This is an area where it would be helpful to have more in depth discussion with the Scottish Government. For example, a long standing issue is the level of support provided to rail whereas no such support is provided to coastal shipping. Another area is the possibility of support for freight operators in addition to the capital necessary to develop a facility. Although we welcome freight grant schemes, the
take up is generally low and this does raise the question of whether the funds earmarked for this could be better used elsewhere, for example, in funding other transport schemes.

4. Are there any European Union initiatives which could provide further opportunities for Scottish freight transport?

The main EU initiative which could provide further opportunities for Scottish freight network is the Trans European Network (TEN-T) programme. We are actively engaged with the UK and Scottish Governments on exploring the opportunities presented by TEN-T which relate mainly to rail infrastructure schemes. The bulk of the funding is likely to go to eastern EU countries, but there are some possibilities and we will continue to work to ensure these are fully explored. The main opportunities will probably arise for Forth Ports and Clydeport which are recognised as Core ports within the EU transport network. There are then a number of ports recognised on the Comprehensive TEN-T network which may benefit financially but the opportunities are much reduced in comparison. The disparity between what is on offer for Core and Comprehensive ports is an area that requires attention.

5. How can the freight industry make a contribution to greenhouse gas emissions reduction?

Efficient transport networks will automatically contribute to reducing greenhouse gas emissions with less congestion and more efficient road use. Coastal shipping is already proven to be a low carbon method of moving high volumes of freight.

6. Which policy changes, or infrastructure improvements, are required to increase the flow of goods through Scotland's major sea ports?

The main changes needed are those already outlined, namely improvements in the overall transport network which will improve trade flow and encourage business growth. These create the best opportunities for increasing the flow of goods handled by Scotland’s ports. This will require significant and stable funding policies.

To provide the Committee with a better understanding of necessary port related infrastructure schemes, we have provided an indicative list submitted by members.

We hope these comments are of help and we are always happy to supply further background to the Committee.

David Whitehead OBE
Director
16 January 2015
List of Suggested Infrastructure Improvements at Scottish Ports

ABERDEEN

Problem: Main access to port is constrained by busy roads. Increased vessel sizes associated with existing and new traffic flows requires longer and deeper berths. Capacity constraints resulting in increased costs and risks for established oil and gas.

Desired Works: Freight priority lanes in roads. Construction of additional berthing capacity at Nigg Bay.

Steps Taken: The port authority has been involved with the RTP and its predecessor, along with the Freight Quality Partnership and Local Planning Authority to discuss these infrastructure needs. Feasibility study of Nigg Bay development progressing with project named in National Planning Framework 3.

FORTH

Port of Grangemouth

Problem: Ongoing lack of investment in main arterial route connections of M8 motorway and further enhancement to M9 motorway junctions. Consideration to be given to appropriate flood defences for the upper Forth to protect the Port and Grangemouth.

Desired Works: Upgrade of the A801 Avon Gorge to provide an improved HGV connection between the M8 and M9 motorways. Flood defences to be installed at appropriate parts on the upper Forth and Grangemouth, including the Grange Burn and River Carron.

Steps to take: Both Falkirk and West Lothian Councils have completed all design and technical evaluations of the A801 upgrade, including the necessary land purchases. Flood defence options for the Grangemouth area are currently being developed by Falkirk Council in conjunction with a number of partners.

Port of Leith

Problem: Congested and inefficient road connections to the Port.

Desired Works: Improved road connections via the East to the Port.
Steps to take: Limited, with some initial masterplanning undertaken in preparation for NRIP.

MONTROSE

Problem: Failure to improve road access to the port is restricting development of the potential of the port.

Desired Works: Improved road links to the port to and from the A90 Aberdeen / Dundee and the A92 Montrose / Dundee.

Steps Taken: The port has continuing dialogue with Angus Council, Scottish Enterprise and Scottish Government.

OBAN

Problem: Access to the port involves negotiating the very congested town centre. On approaching the terminal, all traffic is obliged to cross a 19th century railway bridge. In the event of this bridge being considered inadequate for heavy traffic, there is no other access to the port. Having gained access to the terminal, in the summer months at least, it is not unusual for vehicles arriving early for a sailing to be told to go away and come back later, as the place is choked with traffic. There is no HGV parking in Oban, and this often results in trucks orbiting the town’s one way system, with obvious consequences.

Desired Works: The best solution would be a new port in a different location in the area, arranged in a different way, and which would also give the ships a better opportunity to land and leave than that afforded by the present facility, which is most unsuitable, and long term, a barrier to trade.

SCRABSTER

Problem: Poor road access to the port via the A9, particularly Berriedale Braes. The steep gradient and hairpin bend at the Braes is a very challenging road alignment, especially for HGVs and other long vehicles.

Desired Works: Removal of hairpin bend and improve road alignment. These works would improve journey times and road safety by removing the need for vehicles to slow down or stop to negotiate the bend.

Steps Taken: Following inception and design workshops and public consultation, draft road orders for the Berriedale upgrade were
published in December 2014 but there is no current commitment to undertake the works.

ULLAPOOL

Problem: Poor access via the A835.

Desired Works: Widening of the A835.

Steps Taken: N/A

All North West Coast Ports
OBAN, MALLAIG, FORT WILLIAM, TOBERMORY, CRAIGNURE, UIG, PORTREE
and on to INVERNESS and others

Problem: All North West Ports depend on the A82 with the A82 branching to Oban, to Mallaig A830 and the A87 to Portree and Uig. In many parts; the structure, the width, the alignment of this the only west coast artery / major trunk road are still in the 19 century.

Desired Works: Improve all sections of the A82 below modern twin track trunk road standards before 2020 Passenger and Freight numbers and volume from these ports should justify EU TEN-T funding for the A82