

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP**15 DECEMBER 2009****FREIGHT ACTION PLAN****REPORT BY STRATEGY MANAGER**

This report updates the Partnership on work being undertaken to develop Freight Quality Partnership initiatives and seeks approval for a Draft Regional Freight Action Plan.

1 RECOMMENDATIONS

1.1 That the Partnership:-

- (i) endorses the award of the commission for a study into the potential for Freight Consolidation Centres for Perth and Dundee to consultants JMP at a cost of £39,498;
- (ii) notes submission of representations to the Scottish Government on the Scottish Multi-Modal Freight Locations Study, as detailed in Appendix B;
- (iii) approves a contribution of £10,000 towards development of a Montrose Masterplan; and
- (iv) agrees the Draft Regional Freight Action Plan as outlined in paragraphs 3.9 – 3.11 and remits this for further detailed development to the Freight Quality Partnership Steering Group.

2 BACKGROUND

- 2.1 At its meeting on 24 June 2008 the Partnership agreed to establish a Regional Freight Quality Partnership (FQP) (Report RTP/08/15 refers). The first meeting of this group took place on 23 September 2008, at which time it was agreed to establish an FQP Steering Group, to give detailed consideration to the scope and priority actions to be addressed by the FQP, and to assist in the development of a Regional Freight Action Plan. The FQP Steering Group includes representation from a range of freight interests in the region and has met on three occasions on 21 November 2008, 22 May 2009 and 4 November 2009.

3 DISCUSSION**Freight Consolidation Centres Study**

- 3.1 The Partnership at its last meeting noted progress in commissioning a study into the feasibility of Freight Consolidation Centres serving Perth and Dundee (Report RTP/09/38 refers). A consolidation centre would aim to reduce the number of separate deliveries to a location by providing facilities where deliveries can be collected together and then a high load vehicle or dedicated vehicles covering ambient, refrigerated, hazardous or security based cargo can

make multi drop deliveries into the destination area. This would lessen the requirement for several vehicles to enter congested areas and deliver part loads to individual units or shops by using common vehicles to supply several outlets.

- 3.2 The study utilises funding of £50,000 which has been awarded by Scottish Government to Perth & Kinross Council in partnership with Tactran, for the specific purpose of undertaking an assessment of the potential for introducing a Freight Consolidation Centre in support of the Council's Air Quality Management Action Plan.
- 3.3 Invitations to tender for the study were issued to nine consultants who had responded to a notice requesting expressions of interest. Submissions were received from six consultants by the tender deadline of 2 October 2009. Detailed analysis of submitted bids, based upon an 80% quality/20% price tender assessment, is shown in Appendix A. Following consultation with officers of Perth & Kinross Council and the Treasurer the contract to undertake the study was awarded to JMP, at a cost of £39,498. JMP started work on the commission on 29 October 2009.
- 3.4 The consultants are required to produce a Draft Final Report by the end of January 2010. The findings and recommendations from the study will be reported to the Partnership's next meeting.

Scottish Multi-Modal Freight Locations Study

- 3.5 The Partnership noted at its last meeting the Scottish Multi-Modal Freight Locations Study that had been prepared by consultants Scott Wilson on behalf of Scottish Government, Scottish Enterprise and HIE (Highlands and Island Enterprise) (Report RTP/09/38 refers). As noted on 22 September, the study was extremely disappointing in respect of its assessment of the potential for development of the region's 3 key ports at Dundee, Montrose and Perth. The Partnership agreed to delegate the matter for detailed consideration by the Freight Quality Partnership Steering Group.
- 3.6 The Group considered the study at its recent meeting and a letter has been sent to Scottish Government, expressing concerns and disappointment about the Study findings, as set out in Appendix B.

Montrose Masterplan

- 3.7 Angus Council has agreed to develop a Masterplan for the Montrose Port area. This will focus on maximising development opportunities in the Port of Montrose and adjoining GlaxoSmithKline factory. The area north of Montrose Harbour is in a depressed state and in need of new investment. Access to the Harbour North Quays and GlaxoSmithKline factory is poor. The scope for improved inter-modal connections to the Port was identified in the Regional Transport Strategy and is also identified in the Angus Council Local Plan.
- 3.8 Potential partners include Angus Council, Scottish Enterprise, Montrose Harbour Board and GlaxoSmithKline. The Masterplan will examine opportunities for improving road-rail connections; increasing port capacity, particularly to serve the burgeoning Offshore Wind Energy sector; and redevelopment of the area including possible use of surplus land at GlaxoSmithKline. An initial estimate of the cost of the Study is £60,000, though

this will be subject to further discussion between the partners on the Study's scope. In view of the strategic transport interest and fit with RTS objectives to promote improved access to Ports, it is proposed that the Partnership makes a contribution of £10,000 towards the Study, the costs of which will be met from the 2009/10 Revenue Programme, as discussed in a separate report.

Freight Action Plan

- 3.9 The development of a Regional Freight Action Plan has been delayed pending the publication of the Scottish Multi-Modal Freight Locations Study. This was previously identified as a Scottish Strategic Freight Study and originally intended for publication in summer 2008. It had been anticipated that the Study would have set a strategic context for the Tactran Freight Action Plan. However, as reported to the last Partnership meeting and outlined above, this Study has failed to define any significant schemes or proposals to support development of freight transport and facilities for the region.
- 3.10 The development of a Draft Freight Action Plan has been discussed with the FQP Steering Group and the following priorities themes have been identified :-

Overnight Lorry Parking

- 3.11 As reported to the Partnership's meeting on 22 September 2009 (Report RTP/09/38 refers) a comprehensive study into strategic Lorry Parking has been concluded. A number of the recommended actions from this are currently being progressed, including giving consideration to the use of future Park and Ride sites for overnight lorry parking.

Freight Consolidation Centres

- 3.12 This study is in progress, as outlined above.

Timber Transport

- 3.13 The Partnership is an active member and contributor to the Stirling and Tayside Timber Transport Group. The Group is pursuing development of a Timber Strategy and specific Actions will be identified in consultation with the Stirling and Tayside Timber Transport Group.

Support of Port Development and Rail Connections

- 3.14 This is ongoing and includes progressing RTS Delivery Pan proposals for inter-modal regional rail freight facilities at Dundee, Montrose and Perth, and improved road links to the ports of Dundee, Montrose and Perth. The proposed Montrose Masterplan study outlined above would also inform this Action.
- 3.15 The approved RTS Capital Programme includes provision for significant improvements to the road access at Dundee Port, as discussed in the separate report on Capital Programme Monitoring. As reported to the meeting on 22 September 2009 (Report RTP/09/38 refers) a previous bid for European funding to support introduction of a rail connection into the Port was unsuccessful. Discussions are ongoing with Dundee City Council, Forth Ports and Scottish Enterprise, regarding other potential European funding sources and further developments will be reported to a future meeting.

- 3.16 This Action also includes ongoing work in connection with a potential rail freight connection for Highland Spring in Blackford.

Investigation of Vehicle Priority Routes/Lanes

- 3.17 This Action would consider the feasibility of allowing existing and proposed bus priority lanes to be used by goods vehicles. Specific proposals would be developed in consultation with the FQP Steering Group and Councils.
- 3.18 The Partnership is asked to approve the above priority themes as a framework for development of a Freight Action Plan, and to remit detailed development of the Action Plan and related proposals to the Freight Quality Partnership Steering Group.

4 CONSULTATIONS

- 4.1 This report has been prepared in consultation with the Transport Officers Liaison Group and the Chief Officers Liaison Group who are in agreement with the proposals.

5 RESOURCE IMPLICATIONS

- 5.1 An allocation of £25,000/annum exists within the approved 2009/10 and 2010/11 Revenue Programme for support of the development of the Regional Freight Action Plan. An additional Scottish Government contribution of £50,000 has been secured in partnership with Perth & Kinross Council in 2009/10 to meet the costs of the Freight Consolidation Centres Study.

Michael Cairns
Strategy Manager

For further information contact email michaelcairns@tactran.go.uk or tel. 01738 475774

NOTE

Background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) which were relied on to a material extent in preparing the above Report :-

Reports to Partnership on 29 April 2008, 24 June 2008, 10 March 2009 and 22 September 2009.

Scottish Multi-Modal Freight Locations Study Final Report, Scott Wilson Scotland Ltd.

Freight Consolidation Centres Study – Tender Award

9 companies were invited to tender and 6 submitted tenders as listed below in alphabetical order:

AECOM
Colin Buchanan
JMP
MVA Consulting
Steer Davies Gleave
WSP

Tenders were assessed on an 80% quality and 20% price format

Quality

The following aspects were considered in evaluating quality of proposal:

Understanding of the brief
Methodology
Experience
Project Management

The quality score is converted into a quality index, with the top quality score being assigned 100 and the other quality scores being related to the top quality index proportionately.

Price

The financial score is equivalent to the tenderer's fixed lump sum fee, with the lowest financial score being assigned a financial index of 100 and the other financial scores being related to the lowest financial index taking the inverse proportion.

Evaluation

Quality and financial scores are given in table below in descending order of overall score

Quality Score	Indexed Quality Mark	Financial 'Score' (£)	Financial Index	Overall Score
806	100	39498	75	95
778	96	47481	63	90
741	92	46960	63	86
580	72	29800	100	78
645	80	45668	65	77
640	79	46920	64	76

Notes

- Overall Score = [(Indexed Quality Mark) x 0.8] + [(Financial Index) x 0.2]
- Any tenders scoring an Indexed Quality Mark of less than 70 are deemed to have failed to reach the required quality threshold and are discarded at that stage.

The company with the highest overall score of 95 is JMP with a tender cost of £39,498.

APPENDIX B

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8th December 2009

Dear Jonathan,

Scottish Multi-modal Freight Locations Study

The Tactran Partnership and Tactran Freight Quality Partnership (FQP) wish to comment on the above study, recognising the importance of the Study in the further development of freight policy and implementation of freight related projects in Scotland.

The Tactran Partnership Board noted the publication and outcomes of the SMMFL study at its meeting on 22 September 2009. The study has also been considered by the Regional FQP, which represents a wide range of freight stakeholder interests within the Tactran region. The Partnership and FQP are severely disappointed at the apparent lack of recognition within the study of the potential which the region's 3 ports at Dundee, Montrose and Perth present as strategic ports on the east coast of Scotland, as highlighted and acknowledged in the National Planning Framework 2. It is also felt that the study overlooks the current absence of, and potential for, development of regional multi-modal freight facilities aimed at reducing the current dominance of road freight traffic and encouraging a shift to more sustainable modes of freight movement, both within and through the region.

It is noted that the Study was intended to examine the possible development of Scotland's key freight locations in terms of their competitiveness and contribution to other issues such as promoting modal shift and providing wider benefits. The Study stressed that one of the key elements of the freight network is good functioning multi-modal freight hubs which enable modal shift and interchange within and through the logistics supply chain. It is, therefore, disappointing that the Study fails to give adequate consideration to opportunities for multi-modal freight hub development in the Tactran region. It is felt that, both nationally and regionally, it fails to adequately address the Freight Action Plan for Scotland objective of "promoting modal shift to rail and shipping" and similar objectives in the National Planning Framework for Scotland 2.

The consultants undertook stakeholder consultation and from this identified 16 multi-modal freight options/locations. This includes only one location in the Tactran region, at the Port of Dundee. Little consideration appears to have been given to potential developments at the region's other ports of Montrose and Perth. Further to this, work commissioned by Scottish Enterprise Tayside (SET) on an Outline Business Case & Pre-Feasibility study into rail freight facilities in Tayside, published in 2007, and a follow-on study commissioned jointly by SET and Tactran reporting in May 2008 on a Dundee Port freight railhead appear not to have been considered. Whilst the study purports to have been based upon analysis of

existing and future freight transport patterns in each Regional Transport Partnership area, it is disappointing that this analysis appears to have overlooked the key freight issues and opportunities which are identified in the Tactran RTS and associated studies, despite these issues having been raised in stakeholder consultation meetings.

The Study notes that, of all the RTP areas, road freight in the Tactran region has the highest modal share and that this is set to increase slightly. It is surprising, therefore, that the consultants failed to consider the need and opportunity this presents for truly multi-modal (water/road/rail) facilities in the region to address the presently high road share. The Study's detailed consideration of the Port of Dundee notes that the road network is operating within capacity but fails to consider peak period congestion or constraints on road access into the Port. Road access currently is constrained. There are active Tactran/Dundee City Council proposals currently being pursued to provide improved road access to the Port. These are aimed at supporting the significant opportunities Dundee Port offers in relation to supporting the emerging renewables industry. The strategic location of both Dundee and Montrose as potential renewables hubs appears to have been completely overlooked, with an extremely limited growth potential identified at Dundee and no acknowledgement of the role which Montrose or Perth can play.

There are also concerns regarding the accuracy of the Study, which comments that "Montrose harbour has a rail yard which is used to ship forestry products abroad". There are no active rail freight facilities in the Tactran region, while the former freight sidings at Montrose handled the rail-to-road bulk transfer of agricultural lime for the surrounding catchment area until the traffic ceased around four years ago. Within "The Tactran Area" analysis on pages 33 – 34, there are further inaccuracies in terms of the identification of STPR projects of relevance to the region, including omission of Projects 17 and 23 relating to rail enhancements between Inverness/Aberdeen and the Central Belt, and Project 28 the Halbeath – Inverkeithing rail connection for freight.

Both the Tactran Partnership and the FQP are concerned that the Study's conclusions present an inaccurate picture and assessment of the potential for developing regional freight hubs and facilities, which does little to support regional efforts to develop the role and contribution of our Ports and freight sector generally through inward investment. Tactran and other regional partners are keen to explore opportunities for leveraging inward investment and possible European funding support to enable the potential of our Ports to be fully realised, and the unambitious conclusions with regard to freight potential in the Tactran region could serve to undermine these efforts.

Tactran and the FQP would welcome the opportunity to engage positively with Scottish Government to discuss means of progressing regional freight initiatives which promote truly multi-modal opportunities within the region in support of national and regional strategy objectives for supporting sustainable economic growth. I would welcome the opportunity to discuss further with you, or appropriate officials, our key concerns regarding the SMMFL study and also our key priorities for freight within the RTS.

Yours sincerely,

Eric Guthrie
Director