

This document has been put together to show FoFNL's response to each of the first eight questions contained in the Transport Scotland Consultation on Rail Freight 2015/16 proforma. The response was made using the prescribed format but we felt it would be easier to read online if laid out this way. Question 9 was a request for any other comments. FoFNL's comments are in the form of a paper which is called "Collaboration rather than Competition the key to lower Carbon" and concludes the document.

CONSULTATION QUESTIONS

1) *What are your views on the vision for rail freight in Scotland?*

It is too limited. If Scottish Ministers truly wish to achieve a lasting reduction in carbon (and other) emissions then it is not enough to "encourage" or to "work with". Industry will always seek the lowest costs in order to maximise their profits: no rational business (or household) would behave differently. Government must legislate to achieve ends of this type - a good example is the Clean Air Act. Rail freight will only achieve the necessary major increase in use if the cost of carrying freight over long distances by road truly represents the cost to the environment and the infrastructure of so doing. Thus there must be introduced an equivalent road-use charge to the charge levied by Network Rail for freight loads. Naturally this cannot be done overnight: the rail network is inadequate for the volume of freight needed to have an impact on carbon emissions. Ministers must develop a 20-year plan to bring the rail network to an appropriate size (line doublings, gauge clearance, sidings) and gradually over this period introduce taxes on road haulage sufficient to divert long-distance traffic onto the railway. These taxes should *not* impact on the necessary road journeys to and from railheads: they are not to be seen as punitive on lorries, merely on their use where a train would be both environmentally preferable and a practical alternative. In the meantime, however, the first steps set out seem appropriate.

2) *What are your views on the market opportunities identified in the document?*

They are fine as far as they go, but are only the first steps in what should be a long, and much more ambitious, process.

3) *What are the 3 biggest opportunities for growth in the rail freight sector in Scotland?*

Recent extreme weather conditions can leave no doubt that climate change is firmly established. Scotland must play its part - indeed it must be a leader - in reducing carbon emissions. These catastrophic events - flooding in city centres - seen in everyone's home on TV mean that the political will to effect a major change in human behaviour is high: *this* is the biggest single opportunity, and politicians who choose to ignore it will be held responsible. The Prime Minister - quite unfairly - attracts opprobrium in the North of England because people - voters - are flooded out of their homes; the heavy rainfall is not the Prime Minister's fault, nor is the historic folly of building houses near river-banks and on flood plains.

In the short term the other opportunities for rail include the inevitable disruption to the road system of the closure to HGVs of the Forth Road Bridge, and the disruption while the A9 and other trunk roads are enduring road works.

4) *What are the 3 biggest challenges to growth in the sector?*

The widespread, and generally false, belief that the railway is unreliable, whereas the roads are not. The very real extra costs involved in getting goods from the factory to a railhead, and from the other railhead to the customer: these costs have to be addressed as avoiding them, and the attendant opportunity for damage and delay, will always remain. At present (December 2015) the low price of oil is clearly a major issue, but most economists believe that the low price is only temporary and that the average price over the 2020s decade will be a great deal higher. We are living in a downward blip, and should plan for the time when it ends.

5) *What are your views on the role of the Scottish Government, as outlined in the document?*

That it has the power to do much more than it seems inclined to wish to do at the moment.

6) *What are your views on the steps necessary to create a stable environment for growth?*

The Scottish economy is too small (in a global sense) to be able to produce a stable environment for growth. Even the UK and the EU could not achieve this on their own. Modest steps to ameliorate the worst effects of the next global recession would be useful, but since no-one knows when this will be it is hard to suggest what might be useful. Scottish Ministers must be watchful and ready to act swiftly when the need arises. Governments commonly carry out desk-top exercises to plan for catastrophic events - flooding, acts of terrorism and so on. They should do the same for economic disasters too.

7) *Should targets be set in the final strategy and if so, what areas should these cover?*

Setting targets often leads to inappropriate "box-ticking" ends. If targets are to be set care should be taken to make them steps on a road, rather than ultimate destinations.

8) *What are your views on the actions identified in the document and who should take the lead role in delivering these?*

Government *must* take the lead. There are so many other players in the game that even getting them all together in a room is well-nigh impossible. In general terms Governments should encourage (or discourage) where possible, either by the use of warm words or by taxation. But just occasionally a problem so critical arises (August 1914, for example) that seemingly draconian legislation (DORA) is required - and very quickly

accepted by the population. The climate change crisis is worse because its incidence is gradual: the response must be as vigorous.

Collaboration rather than Competition the key to lower Carbon

Response to Transport Scotland Consultation on Rail Freight 2015/16.

This consultation is timely especially as emissions reduction climate targets for transport continue to be missed and yet the need to transport freight in a more sustainable way in large volumes becomes ever more urgent.

It is a good time for more strategic and visionary thinking.

We can and must look at major efforts to achieve substantial modal shift of freight away from road towards rail and sea in order to help achieve the Government's environmental policy objectives.

Freight audit of Highland lines needed

Any freight audit of Scotland will be considering the major reduction in volumes of coal now being transported on Scotland's railways. This should leave spare capacity on some lines and a surplus of a certain kind of bulk rail wagons, but other new rolling stock, new freight facilities and new line capacity will also be needed for the future.

A freight audit of the Highland lines will show very little rail freight at all. What existed decades ago has largely been captured by road hauliers due partly to the relentless increases in permitted lorry sizes and weights; the easier access to back loads; but also due to the substantial increases in the numbers of passenger trains being run on already congested tracks. The Highland lines are largely single track with passing places and some sections are now operating at full capacity.

There are always opportunities for rail freight but without a more determined "steer" from the Government it is often difficult to realise them. Truck drivers are in short supply with many likely to retire in the next few years. Road surfaces (and bridges) are wearing out because of the heavy pounding from so many HGVs and repair money could be saved if more freight was diverted to rail. Government policies clearly suggest we should be doing this for good environmental reasons. It can only happen if there is sufficient capacity in both rail freight vehicles and track. Single track is anathema.

Infrastructure enhancements

The need for major infrastructure enhancements on the lines to Inverness and further north has become only too apparent. Many of the often infrequent passing loops are too short to accommodate optimum length freight trains – of 1230 tonnes Gross Trailing Load, equivalent to some 28 timber lorries or 28 Tesco containers. At present the Highland Main Line (HML) trains can only take 20 Tesco containers. (This is a far cry

from the consultation's stated 76 lorry loads per train which is possible on routes further south.) If nothing else, this demonstrates why it is so important to provide more track capacity on the HML, Far North (FNL) and Inverness-Aberdeen (InvAb) lines to give rail freight the chance to become more competitive. Railfreight usually has a better competitive edge the longer the distance to be hauled, so the Highland routes should score well here, but not if the trains are severely limited in length and payload.

The Scottish Government's current aspirations (stretching well over the time horizon to 2025 or 2030 and beyond) are to enable an hourly passenger train frequency on the lines to Inverness from Perth and from Aberdeen and to permit an increased number of trains to operate more robustly on the Far North Line. Facilitating freight on all these lines is also an aspiration but it is not tightly defined.

If modal shift is to occur, and be sustained, it is essential that these freight improvements are substantial and in place long before the completion of the dualling of the A9 in 2025 and of the A96 in 2030. If not, there is the likelihood of even the current rail carryings being abstracted by the improved roads. In other words, this would mean driving a juggernaut through Government environmental policy.

The most effective way to improve capacity on the HML and InvAb lines for both freight and passenger would be by joining two loops together to create long stretches of double track. This saves two sets of points in the middle with consequent operational savings and also much easier pathing of trains. Join more than two loops together and the efficiency gains are even greater. Such double tracking is what is really needed on both lines.

Improved capacity on the HML for a freight path every one or two hours and capacity on both the HML and on InvAb (and south of Aberdeen) to allow them to act as diversionary routes for both freight and sleepers is the way to inspire confidence that the lines can attract and carry much more freight. This point was comprehensively demonstrated by the flooding disruption in early January 2016. Some of this extra freight traffic will require to continue on to the FNL. As discussed below there could be several more freight trains on this line stopping at intermediate sidings to load and offload part-trainload traffic.

The FNL needs a redesign of its signalling system to permit this. The RETB system is far too inflexible to cope with extra trains and the new and reopened sidings which are crucial. We should not discount the possibility of a new line from Nigg Station or Fearn to industrial sites such as Global Energy at Nigg.

New and increased freight traffic

1 Whisky and allied industries

HITRANS carried out the Lifting the Spirit whisky trial in 2014 based on road haulage to and from a concentration depot at Elgin goods yard. It demonstrated that huge opportunities exist for transport by rail.

Many distilleries are sited alongside the FNL, HML and InvAb lines: at Edderton, Glenmorangie, Invergordon, and Dalmore, on the FNL; Dalwhinnie, and Pitlochry on the HML; and Glen Tauchers, and Kennethmont, on the InvAb line.

Invergordon, Keith and Elgin would be suitable as concentration points for whisky industry traffic. Such traffic covers the incoming raw materials and considerable outgoing by-products as well as the distilled whisky.

A huge new distillery at Roseisle was recently opened two miles down the mothballed Roseisle branch which leaves the InvAb line at Alves. There used to be grain discharge sidings at Muir of Ord on the FNL and maybe some traffic could use the remaining sidings there too.

2 Domestic and commercial waste traffic

The Highland region lacks a large landfill site and many big lorries are used to transport waste daily from Inverness to Longside near Peterhead. There was a pedestrian fatality with one of these trucks in Nairn in 2015 and another tipped over near New Pitsligo some years ago.

It would be safer if this traffic could go by rail. A current option would be to take the material by rail to Oxwellmains near Dunbar. If present suggestions to reopen the Buchan line come to pass that could also include Longside. Future direction of waste to landfill is an urgent current policy issue in the Highlands where rail freight ought to become a major player.

3 Gas traffic to Caithness

Another safety gain would be to take the gas supplies to Caithness by rail rather than the big road tankers having to negotiate the Cambusavie Bends and Berriedale Braes on the A9 north of Dornoch. The Georgemas Junction freight terminal would be the logical distribution point. This is long distance traffic from SW England and eminently suitable for rail haulage perhaps in tandem with the retail and offshore oil supplies (below).

4 Georgemas Junction for retail and parcels etc

The rail terminal at Georgemas could be developed for retail traffic provided critical mass can be secured with other complementary cargoes. The Safeway train to Inverness used to run through to Georgemas. The Tesco train now runs only as far north as Inverness and could be extended north. A DHL parcels train used to run to Inverness and again there should be scope to reinstate and extend this to a Georgemas parcels concentration depot removing many white vans from the A9.

Georgemas could also become a concentration depot for other supplies to Caithness and Orkney such as building materials, perhaps combined with the above two trains into one service north of Inverness.

5 Offshore oil supplies

Another specialised market could be supplies and equipment for offshore rigs and platforms through the port of Scrabster, using Georgemas as the rail head. A daily train from Aberdeen would save many nautical miles by ship.

6 Timber traffic

Timber traffic should be a major commodity carried on the Highland railways as many of the roads were not designed for large heavy lorries and some have been damaged. One train can take on many lorry loads of timber.

HITRANS is doing a lot of work with its “Branchliner” project to take timber out of the A897 catchment area from an improved terminal at Kinbrace. About ten years ago timber was being taken out overnight using lineside loading at Kinbrace. There is now so much mature (and windblown) timber requiring harvesting over the next twenty years that the only way is either by rail or by massive expenditure on upgrading the A897.

The windblow needs urgent removal before it rots, and the proposed three new sidings at Kinbrace need to be linked in to the renewed RETB signalling system before it goes live in summer 2016, making a decision on going ahead with this project urgent. It needs the co-operation of all the forestry and haulage interests with enthusiastic encouragement from the Scottish Government.

An added advantage of the project is that it could help to provide a passing loop which could be used by passenger trains also. The 35-minute-long single track section from Helmsdale to Forsinard is the longest single track section in Britain, a major source of delay to trains at times of late running.

Much of the timber would go to users in the Highlands such as Balcas wood pellets in Invergordon; Norbord oriented strand board factory at Morayhill east of Inverness on the InvAb line; James Jones’ sawmill at Mosstodloch (InvAb); and the BSW sawmill at Boat of Garten (HML and Strathspey Railway). The outlet at Norbord urgently needs provision of the new siding to replace the one which was built over during a previous expansion phase.

Timber is a major crop in the Highlands and there may be a requirement for a concentration despatch point at Aviemore on the HML as well as the reuse of the yard at Huntly (InvAb) and other locations on both lines.

7 Cement and oils

There are currently weekly trains of cement from Oxwellmains to Inverness and of oil from Grangemouth to Lairg. The oil train can only operate with the tanks 75% full because of a weight restriction on the Oykel viaduct.

8 Other traffic

Other potential traffic might include quarry stone and aggregate. Planning for all these cargoes will require further investment in appropriate modern wagons. Fish and parcels could also be carried on passenger trains.

9 Wagonload traffic

Much of this new traffic may be easier to start up as wagonload or part trainload rather than waiting for full length trainload quantity. The possibility of operating trains with several different cargoes picked up perhaps at different sites and consigning to different destinations should be investigated further. The Freight-Multiple-Unit might be ideal for lines such as the FNL. A one-size-fits-all policy of high volume freight trains cannot serve the needs of the Highlands adequately.

10 Non-intrusive crossovers

The new idea of non-intrusive crossovers allowing access to lineside sidings would reduce signalling complexities and costs significantly. This could be very beneficial on the FNL.

11 New terminals

There appears to be a potential mismatch between local government planning procedures and the provision of new rail terminal sites and road access to these. Councils are not responsible for rail services or rail infrastructure, and designations of land for rail expansion can easily be forgotten. Greater strategic thinking and co-ordination is needed here. A Scottish Government Planning Advice Note and follow up action is required.

12 Connections to ports

Similarly it is strategically important to future-proof interchange between sea and rail freight traffic. The Inverness Harbour Branch still exists and should be protected. Invergordon has been used to tranship imported coal in the past. Invergordon is one of few really deep-water ports in Britain and rail access to the quaysides there should be protected and developed. The recent increase in the freight gauge envelope which now ends at Elgin should be extended through to Inverness and Invergordon as larger containers become more prevalent on trains from southern ports.

13 Security of fuel supplies

World markets continue to be in turmoil. No-one predicted the current low oil price and no-one can predict what will happen in the Middle East in future years. Should oil become scarce or expensive enough to restrict transport movements, the Highlands would be the first area of Britain to suffer. The area is too dependent on road transport. Rail and sea can offer greater bulk much more cheaply than lorries. Rail capacity and siding infrastructure and extra new rolling stock cannot be put in place in a few short weeks quickly enough to respond to a sudden crisis. We must build in some future-proofing and start planning this now. We are often reminded of the need to repair the roof while the sun is shining: low oil prices equals sunshine in this context.

14 STAG appraisals

This response is predicated on strategic thinking for the future rather than being dependent on STAG appraisals. No doubt the STAG system has its uses but it is apparent that rail schemes for the less-populated Highlands rarely top the list following the STAG criteria and that this has directed enhancements elsewhere in preference. Such a strategic

imbalance needs to be corrected. It may be time, after several years of experience, to revisit the STAG criteria to see if they are still set efficiently for all parts of Scotland.

This scenario cannot continue without the Highland railways falling further behind modern railways elsewhere. We are in danger of developing a three-tier system with the fast High Speed lines from Glasgow and Edinburgh to London freeing up more cross-border freight capacity on the existing cross-border lines; central Scotland lines seeing electrification and more freight loops and modernised terminals; but the Highland lines left with few terminals or through services.

14 Strategic thinking

We trust that the outcome of this consultation will be more strategic thinking about the Scottish railway network as a whole to ensure that rail freight can adequately and efficiently serve the peripheral areas equally as well as the conurbations. The Highland economy needs the indispensable economic and environmental benefits of rail freight too. Appropriate market intervention by Government is the only way to ensure this.

FoFNL, January 2016.