

## Report to Partnership Meeting 8<sup>th</sup> April 2011

### STRATEGY DEVELOPMENT

#### MORAY TASKFORCE TRANSPORT INTERVENTION – ECONOMIC CASE

### FINDINGS

#### SUMMARY

The report identifies those areas where government investment in transport, following the closure of RAF Kinloss, is likely to provide the greatest benefit to the future economy of Moray.

#### RECOMMENDATION

The Partnership is asked to

1. Approve the Report,
2. Support Moray Council's efforts working in partnership with the Scottish Government, in enabling delivery of the Transport Interventions identified in the Study Executive Summary as included in the Appendix to the Report.

#### BACKGROUND

With the closure of RAF Kinloss impending and the future of RAF Lossiemouth uncertain, it is important that measures are put in place to assist the maintenance and growth of the economy in Moray. Improvements to transport would play a key role by improving access for employers and improving links to and from Moray for various types of trip including travel to work, the movement of goods and tourist trips.

The Moray Taskforce has already identified a number of ways in which the local economy could be supported, and at an early stage in that process a list of possible areas for investment was submitted to the Scottish Government. Whilst this list included some areas for transport investment, there remained a need to focus on transport in more detail to identify with more certainty those interventions which were most likely to have a short or medium term benefit to the Moray economy.

The Strategic Transport Projects Review (STPR) and the HITRANS Regional Transport Strategy (RTS) were published prior to the downturn in the national economy with the associated reductions in defence spending that will impact on the economy of Moray. The STPR identified the government's national strategic transport priorities. Whilst some of the transport interventions proposed for the Moray Firth and North East of Scotland would indeed assist the Moray economy, for example the proposed improvements to the Aberdeen – Inverness rail service, a more local focus is also needed at this time. The RTS equally identified improvements on the A96 transport corridor as requiring action, both in relation to rail and road.

In December 2010 the HITRANS board approved funding to assist Moray Council to commission Jacobs, the Council's term consultants for transportation, to compile a report identifying the

particular areas of strategic transport investment which would best maintain and help to grow the economy in Moray. This was with a view to submitting the report to the Scottish Government to support requests for financial assistance in delivering improved transport access to the area. It was not intended that the report should represent an in-depth economic study, but rather an examination of the major options by a consultant who has many years' experience of transport in Moray, and also has considerable expertise in the methodology used by Transport Scotland for selecting national transport investments.

The consultants were also asked to include in their report the possible funding of improvements to Buckie Harbour, specifically aimed at improving those facilities which would enable Moray to actively participate in future offshore renewable energy opportunities, as identified as an option in the recent Offshore Renewables Study undertaken by HITRANS. The findings of this aspect of the study will be examined in much more detail by officers of the Council in conjunction with HIE. However, the fundamental importance of dredging services to the future use of Buckie harbour and therefore to the local economy has been identified, and the report highlights the value of government assistance to support replacement of the Council's aging dredger. This will ensure that renewable energy companies wishing to invest in Moray can do so with confidence.

An executive summary of the report is contained in **Appendix 1** and the full report is available on the HITRANS website.

The potential transport investments identified in the report are categorised according to how much assistance the investment is likely to provide for the economy, estimated cost, and how deliverable they are. They include the establishment of a direct coach service between Moray and the Central Belt of Scotland, which has previously been the subject of a Report to the Board, and a replacement dredger as high priorities. Improvements to the Aberdeen – Inverness rail service, some of which are included in the STPR, together with other less costly changes, more quickly achievable and with significant benefits, have been identified. Road improvements on both the A96 and the A95 trunk roads are included.

Whilst STPR already includes some A96 improvements outwith Moray, and these will have some positive impact on journey times between Moray and both Inverness and Aberdeen, other improvements to the route within Moray have been identified as more likely to have a positive impact on the local economy.

The STPR and RTS make no provision for improvements to the A95 which is a vital link for goods to and from Moray and for the local tourist industry. The two most restrictive sections of the A95 between Craigellachie and the A9 at Aviemore are both located to the south of the Moray – Highland Council boundary. Nevertheless, the report recommends that Transport Scotland, who have already identified these two sections of the route as substandard, should bring forward improvement schemes here as a priority bring benefit to a the wider regional area.

Risk	Impact	Comment
RTS delivery	-	
Policy	✓	The report highlights necessary improvements to the A95 which were not identified during development of the RTS, all be it at a time of differing economic circumstances.
Financial	✓	The Study was completed within budget
Equality	-	

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