

Report to Partnership Meeting 28 November 2014

RESEARCH AND STRATEGY DELIVERY

Branchliner

Purpose of Report

To provide Members with a progress update and background information on a proposed timber transport by rail project.

Background

As reported to the Partnership meeting on 26 September 2014 HITRANS has been working in conjunction with Highland Timber Transport Group for a number of years on ways to unlock the Flow Country timber problem.

Last year we studied the issue of road timber transport in Upsticks. The Partnership have submitted a project application to the Strategic Timber Transport Scheme to provide funding for mode shift to rail, obviating heavy use of fragile road networks.

Using the template of Lifting the Spirit this would enable an investigation we wish to investigate a mechanism for providing a common user timber-rail service using both fixed sidings at Georgemas and the Kinbrace lineside loading facility. Network Rail is supportive of the concept. Match funding may be achieved by capitalising the lease charges for a train set, and diverting revenue costs from road haulage to rail haulage. If our application was successful HITRANS would once again play the role of fund raiser and disburser of funds to its contracted suppliers for logistics and rail haulage.

The project aims to deliver a managed trial of rail haulage of timber between Caithness and the Flow country to Inverness in the summer of 2015. Key elements of the project are:

- Establishing a regular timber railfreight service for the duration of the project with the costs of the rail operation de-risked for the timber industry
- Delivery of a substantial volume of timber from sidings at Georgemas Junction, supplemented by raiaside loading from existing facilities at Kinbrace
- Establishing the logistical, cost and infrastructure barriers to providing a viable ongoing service for timber, with application to the Far North Line and other rail served forests in Scotland
- Delivery of a key element of the HTTG Strategy for the Flow Country 2014-16

Update

HITRANS submitted the funding bid as detailed in the full report to the HITRANS meeting in September shortly after that meeting. This application was followed on 28 October 2014 with a joint presentation being made with the Highland Council to the Strategic Timber Transport

Scheme (STTS) funding body at Forestry Commission Scotland in Edinburgh. The outcome of our application is awaited.

The total budget estimated should the application be successful is as per the earlier report to the partnership which would be for a total budget of £500,000. This is made up as follows:

- Strategic Timber Transport Scheme support requested: £400k
- Third party funding £100k
- HITRANS commitment: Project Management and seedcorn funding

Recommendation

1. Members are asked to note the report and to approve HITRANS' involvement in leading the project.

Risk	Impact	Comment
RTS delivery	√	This project fits well with a number of RTS Horizontal themes.
Policy	√	This project has integration and environmental benefits.
Financial	√	This project is fully funded
Equality	-	No impact on equalities issues.

Report by: Frank Roach
Designation: Partnership Manager
Date: 19 November 2014