

Report to Partnership Meeting 25 November 2016

RESEARCH AND STRATEGY DELIVERY

Branchliner

Purpose of the Report

This report provides members with an update on progress on the Branchliner project.

Summary

Following the Branchliner seminar, negotiations are proceeding with suppliers, freight operators and mills. HITRANS with support of Highland Council is working with Network Rail to progress the rail sidings.

Owners/Suppliers

The owners met on 14 November to agree the allocation of road space totalling 50kt. Tilhill will now assume responsibility for supply of 10kt for lineside loading to rail.

Buyers

Forestry Commission Scotland has contacted the key mills with a view to ascertaining their interest in being directly involved. For the purpose of the lineside loading trial of 10kt it is likely that the majority of the product will go to a single mill, with perhaps some saw log material to go to elsewhere

Rail operators

Two Freight Operators have produced indicative costs for the Branchliner 2 trial. They will be attending meeting with Tilhill, HITRANS, Highland Council and Highland Timber Transport Group to in the next two weeks to discuss the way ahead. The benefit of such trials would be to ascertain realistic revenue costs and we know there is potential for Mode Shift Revenue Support (MSRS) assistance with revenue costs and Strategic Timber Transport Scheme (STTS) funding towards any loading bank upgrading. Indeed some months ago HITRANS submitted a STTS application for assistance toward a £60k Branchliner2 project dealing with some of these issues and consideration of this application awaits these current developments. Weather conditions might suggest that trials wait start in March 2017.

HITRANS role - rail haulage

HITRANS has drawn up a train specification for rail haulage based on both lineside and fixed siding, to Inverness and further south. Prices have been received from two Freight Operating Companies. This= enabled a cost-model to be drawn up comparing road and rail.

HITRANS role - rail connection

Network Rail are working with HITRANS to develop a Customer Requirement Document which will then contractualise the request for a quote for the design of the permanent siding solution. The connection is now thought to be less demanding in terms of signalling infrastructure than previously thought. It is envisaged that Network Rail will finish their design by March 2017 enabling siding construction to be costed and completed by summer 2018. This pre-supposes that the economic case stacks up and emphasises the desirability of carrying out trials well in advance of substantial capital expenditure being incurred.

Grant

HTTG contacted Transport Scotland about the likely level of any Mode Shift Revenue Support (MSRS) that might be available. The theoretical maximum support might be as much as £7.50 per tonne (based on a series of assumptions fed in to the calculation) but this has to be constrained within the relevant annual budget.

RISK REGISTER

RTS Delivery

Impact - Positive

Comment – Modal shift to rail

Policy

Impact - Positive

Comment – Strategic fit with TS/SG Rail Freight Strategy

Financial

Impact

Budget line and value – This item may have an impact on the CP5 rail budget line

Comment – There is sufficient headroom for a small amount of expenditure to prepare the site for the trial.

Equality

Impact – None

RECOMMENDATIONS

Members are asked to note the report.

Report by: Frank Roach
Designation: Partnership Manager
Date: 16th November 2016

Annexe

HITRANS, along with partners Highland Council and Forestry Commission Scotland, is acting as the honest broker between the forest owners' group in the Flow Country, and the end-users in Inverness and Workington.

We are now seeking prices from Freight Operating Companies that will enable decisions to be made. We envisage 2016/7 for lineside loading, followed by fixed siding access from 2017 onwards.

We would ask FOCs to produce indicative costs for serving Kinbrace per train and estimated payload based on:

1. lineside loading – a campaign to get timber moving while the terminal scheme is developed
2. fixed conventional siding accessed by groundframe

Key assumptions are:

1. Max length 40 SLUs if running round at Forsinard
2. Train will length out before weigh out
3. Lineside tonnage 10k tonnes
4. Conventional siding tonnage 100k tonnes p.a.
5. Trains run 4-5 days per week
6. Siding/s will provide 400m standage and runround
7. Loading to rail on Kinbrace siding to be excluded
8. Offloading from rail at destination siding to be excluded
9. Supervision/COSS/possession for lineside loading to be included
10. Supervision for off-line (terminal) loading to be included