

**SCOTTISH FREIGHT AND LOGISTICS ADVISORY GROUP (SCOTFLAG)
MEETING ON THURSDAY 5 MARCH 13:00, VICTORIA QUAY**

Present: Margaret Horn (Transport Scotland), Chair
Michael Cairns (Tactran)
Phil Flanders (Scottish Council for Development and Industry)
Jim McCall (British International Freight Association)
Douglas Norris (Chartered Institute of Logistics and Transport)
Chris MacRae (Freight Transport Association)
Margaret Simpson (Freight Transport Association)
Martin Reid (Road Haulage Association)
David Spaven (Rail Freight Group)
Frank Roach (Hitrans)
Tony Jarvis (Highlands and Islands Enterprise)
Pam Stott (Transport Scotland)
Bob Bridges (Transport Scotland), Secretariat

Guests: Brian Robinson (LowCVP)

WELCOME AND INTRODUCTIONS

1. Members and guests were welcomed to the meeting. Apologies from John Nicholls, Rab Dickson, Chris Dubber and Adrian Brown were received.

MINUTES AND ACTIONS FROM PREVIOUS MEETING

2. David Spaven provided an update to the progress on Action 5 from the meeting on 28 October 2014. Rail Freight Group had sought clarity on the award from Transport Scotland in respect of the Rosyth – Zeebrugge service and had subsequently submitted a request under the Freedom of Information Act.
3. The minutes of the meeting held on 28 October 2014 were agreed.

LOWCVP PRESENTATION

4. Brian Robinson gave a presentation setting out the work of LowCVP and its vision and aims.



Freight - ScotFLAG
meeting - Thursday 5

5. In response to a request for comments, both the FTA and RHA confirmed that they were represented on the work being done by LowCVP.
6. The group consisted of a good mix of manufacturers, research and development organisations and operators. There were four working groups which focussed on: buses, fuels, cars and innovation.

Action 1: TS to circulate presentation slides to ScotFLAG members.

LOW EMISSIONS STRATEGY (LES) CONSULTATION

7. Pam Stott introduced this item. The LES was now out for consultation. The evidence showed that all poor air quality sites were transport related, but this was not necessarily due to freight movements. The RHA are represented on the Scottish Urban Air Quality Group and is feeding into the LES work. One of the objectives of this work was to identify the causes in order to consider potential solutions. Martin Reid noted that mitigation measures need to be proportionate to the scale of the problem. Pam Stott explained that the LEZ Framework was a tool for local authorities to assess if an LEZ is appropriate for them.
8. Margaret Simpson said that Dundee's analysis had shown poor air quality was primarily due to taxis and buses. The freight trade associations raised concerns about local authorities' ability to come together to take a consistent approach, hoping that the issues experienced in London would not be repeated in Scotland. They reiterated the need for a proportionate approach as freight operators' margins are so tight, the financial constraints placed upon them does not allow them to take a 'leap of faith'.
9. Pam Stott said that RTPs and FQPs may have an opportunity to co-ordinate at a regional level.
10. Chris MacRae commented logistics companies operate on a UK-wide basis and the LEZ in London had skewed the vehicle element as newer vehicles were deployed in London while older, less compliant vehicles were operational in the rest of the UK. He also added that a relaxation of out of hours deliveries was one of the easiest ways to reduce emissions and there were lessons to be learned from the experience of the London Olympics and Glasgow Commonwealth Games.

Action 2: TS to circulate link to LES consultation to ScotFLAG members.

UPDATES

Freight Transport Inquiry

11. The Chair set out the background to the Infrastructure and Capital Investment Committee's Freight Transport Inquiry. There had been three evidence sessions and Committee members had visited Grangemouth and WH Malcolm.

The Inquiry was expected to run until May/June 2015. Emerging issues included:

- Freight Policy – suggestion policy was dated and needed refreshed.
 - Mode Shift Grants – questions over their effectiveness and accessibility to industry.
 - Land-side access to freight hubs – importance of maintaining ‘last mile’.
12. Chris MacRae commented that the notice period inviting individuals to give evidence had been very short. David Spaven said the process had been open and constructive. He said the Committee had indicated that they had valued their visit to Coatbridge and one of the issues raised was a culture of short contracts and no longer term commitments. There was general discussion about the sharing of financial risk.
13. The Chair mentioned that a new group called the Scottish Road Haulage Group had engaged with MSPs. Their website suggested they represented the views of the Scottish haulage industry. Neither RHA nor FTA were aware of the group.

Action 3: TS to send link to SRHG website to members.

Rail Freight Policy

14. The Chair apologised that the proposed update on rail freight policy development could not be given as Sharon Wood was unable to attend the meeting. Chris MacRae commented that Transport Scotland Rail Policy officials had given an update on HLOS and Rail Freight Strategy at a meeting on 3 March. David Spaven added that there were encouraging signs of a holistic approach being taken.

Action 4: TS Rail Freight Policy to provide a written update for circulation with ScotFLAG minutes.

Prestwick Airport

15. The Chair provided a high level update on Prestwick airport. She said that the sale could take a number of years. There had been recent growth in freight business and the development of cargo was essential to the business going forward.
16. Jim McCall commented that cargo was the only thing that had improved at Prestwick. No approach had been made to the two main cargo providers and he suggested a change of strategy was needed. He noted that fish is the biggest export from Scotland but no mention was made of it in a recent report. Whisky would not go out of Prestwick unless something went wrong. .

17. Douglas Norris noted that recognition was needed that business lost from Prestwick would not remain in Scotland, but be displaced to either English airports, or more likely airports on the Continent.

Action 5: Jim McCall to produce a written paper for circulation to TS Aviation policy and FTA.

HGV Skills Shortage

18. The Chair provided an update to work being taken forward in respect of the reported HGV skills shortage. TS had facilitated a meeting between the RHA and Skills Development Scotland with a similar meeting offer extended to FTA. Some training policy (Modern Apprenticeships) sits with SG Skills colleagues whilst initial driver training, and CPC qualifications were reserved issues.
19. Douglas Norris commented that there is a skills shortage on buses too. David Spaven said there is no problem on rail. Martin Reid said that the meeting with HM Treasury was well received and while the industry remained hopeful of support in the budget, it was a case of 'wait and see' for now. Chris MacRae explained that licence acquisition was expensive for individuals and was a more prolonged process.
20. Jim McCall said that more drivers had been trained in aviation security in last quarter than in the last four years. Chris MacRae said that the FTA's members got through Christmas by bringing in drivers from the north of England, Republic of Ireland, the Netherlands etc. Pam Stott suggested that it may be worth operators funding training in order to secure contracts, with recovery mechanisms in place to safeguard operators' investment should drivers leave employment. Martin Reid said that companies have a number of foreign workers, but many have been employed for a number of years and there are not so many migrant workers.

Planning sub-group

21. Pam Stott provided an update of the work from the first meeting of the sub-group. The sub-group had prioritised identified infrastructure projects and was seeking location information to accurately plot projects onto a map to further evaluate priorities from a geographical context. David Whitehead, British Ports Authority, had been invited to join the sub-group.

Any Other Business

22. Michael Cairns provided an update on the Sustainable Urban Logistics Plan for Dundee (SULP) - the work had come to an end and a final report had been drafted.

Action 6: Michael Cairns to circulate final SULP report to ScotFLAG.

23. On the LaMilo European Project, there had been 2 sessions held in Perth in the autumn. As a result Tactran are currently assisting with developing a business

plan in partnership with a social enterprise company and Dundee City Council. Tactran are also working with Heriot Watt University to host a workshop on 17 June. The workshop will be aimed at public sector bodies and an invitation will be extended to ScotFLAG members.

24. Frank Roach advised that the report on the Lifting the Spirit rail project had just been published.

**Action 7: Frank Roach to circulate copy of Lifting the Spirit report to members.
Action: Frank Roach to forward Rail Freight Conference report to TS for circulation to ScotFLAG.**

25. David Spaven enquired about the level of representation of RTPs on ScotFLAG. It was explained that RTPs were represented collectively by Rab Dickson, who was unable to attend the meeting. Michael Cairns was subbing. Michael Cairns advised he has sought comments from other RTPs to update the group but had received no responses.

DATE OF NEXT MEETING

26. Exact date to be agreed, but likely to be September 2015.