

Islands Transport Forum

Report to Meeting of 21 June 2017

FERRY FREIGHT FARES REVIEW

1. Following a commitment made in the Ferries Plan 2013-2022, Transport Scotland, under guidance of a Working Group of key stakeholders, is currently conducting a comprehensive review of ferry freight fares. The aim of the review is to deliver a new freight fares structure that is simple, fair and consistent.

2. The Working Group has had the opportunity to contribute to the scope and content of research to inform the freight fares review as well as comment on draft reports from the research. The membership is:

- Transport Scotland
- Argyll & Bute Council
- Comhairle nan Eilean Siar
- Orkney Islands Council
- Shetland Islands Council
- Highland Council
- North Ayrshire Council
- HITRANS
- ZetTrans
- Strathclyde Partnership for Transport
- Highlands & Islands Enterprise
- Freight Transport Association
- Road Haulage Association

3. Much work has already been done on this complex subject area including:

- research into the current fares structure across all of Scotland's ferry networks;
- looking at best practice abroad;
- developing methods of setting fares; and
- conducting economic impact assessments of different fare-setting options across all routes.

4. Copies of reports, papers and minutes of meetings are available on the Transport Scotland website.

5. A preferred option for setting fares has now been identified. At the most recent meeting on 27 March 2017, the Working Group identified some further analysis to be undertaken. This has been conducted and a submission is being prepared for Ministers.

6. No definitive commitment has been made on timing. It is likely a long lead in time will be required given the way the haulage industry operates (i.e. contracts). Transport Scotland expect to be in a position to provide information on the way forward once Ministers have considered advice.