

Wynns Group response to the Department for Transport's Ports Policy Review consultation

Background

Wynns Ltd are the UK's only independent transport consultancy specialising in the movement of abnormal indivisible loads. In 1998 and working on behalf of Powergen, Wynns engineered the delivery of 7 loads in excess of 150 tonnes to Cottam Power Station in Nottinghamshire. The loads were delivered directly to site via the River Trent.

In November 2000 Wynns subsidiary company Robert Wynn & Sons Ltd was awarded an £8.5m freight facilities grant. The grant represented 99% of the total cost of the design and build of a specialist ro/ro barge and the purchase and conversion of a former inland tanker barge. The vessels, later named the Terra Marique and the Inland Navigator, work as a system to maximise the potential of the inland waterway network for the carriage of the largest and heaviest abnormal indivisible loads. Specifically, Special Order & VR1 categories which are granted for road movement by the Secretary Of State for Transport

The Government's "water preferred policy" was announced on June 11th 2002 by the then Parliamentary Under Secretary for Transport David Jamieson MP and clearly states that

"the Department's VSE Division will henceforth adopt a policy whereby water transportation is the preferred mode for the movement of the largest and heaviest abnormal indivisible loads. Road movements will only be authorised where the Department has considered the possibility but believes water transportation is not feasible"

In Summary

We welcome the Government's Ports Policy Review with particular reference to consideration of inland connections to ports.

The UK's commercial inland waterways will, we believe, have an increasing part to play in ensuring that the UK port sector continues to contribute greatly to our national economy.

The problems associated with port congestion and congestion on routes in and out of our major ports is well documented. We hope in answering the questions below we have set a coherent set of proposals which highlight the potential and if adopted we believe will ensure that the commercial navigations play their part within a national and regional integrated transport system.

Questions

Q4-2c Do you consider that Port Authorities (of more than a size that might be specified) should be recommended to prepare and maintain Master Plans along the lines which have been recommended for airports

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Q4-3(h) Nonetheless, we would consider views as to whether the arguments on balance continue to favour ruling out a ports strategy that is location-specific. p37p65

We do not believe that the Government should rule out a port strategy which is location specific. As with Airports, we believe that the Government has a duty to ensure that port development is targeted, proportionate and sustainable.

Having read Section 4 of the Ports Policy Review, we would advocate a two level approach

Firstly the Government should make an assessment of the inland connections to all ports and publish a table that ranks those with good inland transport links against those that do not. Further assessment should be carried out into the potential improvements which could be derived should investment be directed towards existing inland infrastructure.

Once this is carried out this should be used as a central pillar of the Governments thinking in the areas of inland waterway and port development.

Secondly the ports themselves should be required to develop a "Master Plan"

Each Port should be asked to clearly set out their thinking with regard to future development.

These master plans should be compiled using an agreed framework, which would include the consideration of alternative modes of onward transportation. Such a framework should again give great weight to the utilisation of existing inland transport links as well as consideration as to the potential to upgrade such infrastructure.

Q5-1 What do you consider to be the strength and weaknesses of the approach to port development consents whereby related road and rail enhancements are identified and their funding agreed

We consider the approach to be a sensible one. It is essential that inland connections be considered within the consent process.

We would request that where opportunities are identified, enhancement of a commercial waterway was considered and expect that any government guidance on this would include consideration of inland waterway enhancement.

We would hope that when considering inland connections to ports that thinking is applied to the whole length of the connection. This is particularly essential when

considering inland waterways, as the benefits will only be realised if you save significant road mileage

Q5-1b Should developing ports be required to fund incremental road and rail infrastructure to accommodate the increase traffic expected to be directly brought about by the development? If not, how should it be funded.

Developers will only fund infrastructure improvements if it is commercially advantageous to them or if they are encouraged as part of a planning process. We believe it is for the government to invest in the more sustainable inland connections should they wish freight movers to use them.

Should the investment in the infrastructure be made, then if it is commercially viable freight movers will seek to use it. Freight Grants can and should assist in specific one off costs, which would facilitate usage, but the actual track should be built and maintained by the government.

The UK's commercial waterways are already publicly owned, and we would hope, as referred to later, that those who are responsible for their maintenance and upkeep, identify opportunities for integration of transport modes and are incentivised to attract and facilitate freight carriage

Q 5-2 Is the Government doing enough to encourage traffic already using ports to make more use of rail, and if not what future measures might be taken.

While there is no doubt that this is a valid and timely question we would request that the same question be put in relation to short sea and inland waterway. If it was we believe it would be no in both cases.

We are more qualified to comment on inland waterways and therefore I would like to highlight that the Government is in our opinion doing very little to encourage traffic from ports for on carriage by inland waterway. I cannot site one regular cargo that is transhipped at a coastal port and carried along the inland waterways that have come about as a result of government encouragement, either in the form of grant aid or policy.

The government needs to review its grant regime and the way it makes regional funding allocations. Commercial waterways often flow through various local authorities and even RDA areas and therefore can easily be ignored. The Grant regime is cargo specific and therefore does not encourage ports, which will handle more than one shipping lines cargo and many different types of cargo.

We would make reference to our answer below which sets out what measures we would propose that may be taken to encourage traffic to use the inland waterways. However taking steps to ensure that freight movers pay the true cost of the movement is a principled step long overdue

Q5-3 Similarly, could Government, at acceptable cost, stimulate a step-change in use of inland waterways and coastal shipping to reduce HGV mileage? How? p43

The first point, which needs to be made, is what is considered to be an "acceptable cost"

Secondly, to answer the question, Yes. We do believe that the Government can stimulate a step change in the use of inland waterways and coastal shipping to reduce HGV mileage.

There are a number of steps that would need to be taken for this to occur. These are:

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1. Planning - The Government should follow the success that has been achieved on the Thames and seek to roll out nationwide a safeguarding of waterside sites throughout the commercial waterway network.
2. Departmental - The Government should transfer responsibility for the commercial waterways to the Department for Transport. The DfT has responsibility for road, rail and Ports so why not the Commercial Navigations. The potential of the inland waterways as a freight-carrying mode we believe is being compromised by the fact that responsibility currently lies with DEFRA.
3. Managerial - Those who are responsible for the managing of the commercial waterways should be incentivised to increase their utilisation as a freight-carrying mode. Currently most of the commercial waterway network is managed by British Waterways, who are funded in such a way that does not encourage them to increase the amount of freight carried. This cannot be the best way forward and we would request a review.
4. Economically - Road pricing in one form or another will be upon us soon and therefore the Government should start now to put in place the infrastructure and the incentives to encourage the transfer of freight from road to water. The current grant regimes needs to be strengthened to ensure that water is not losing out to rail. Steps need to be taken to ensure that government takes a joined up approach such that waterborne freight carriage opportunities are not lost.
5. We would also suggest that consideration is given to the sighting of bonded warehouses.

Duty is payable on off loading unless the cargo is placed in a bonded warehouse at the port. We propose that bonded warehouses are sited at strategic interchange sites at the head of the commercial navigations. We believe this would be another incentive for shippers to use inland waterways as opposed to road or rail.

To conclude

Generally the development of an existing facility, port or otherwise, follows the introduction or improvement of primary infrastructure put in place by central funding. It is then reasonable to request that enhancement of that infrastructure is carried out by the developer who sees commercial opportunity.

This in the case of waterways would mean that government would have to invest in the waterway network in terms of scale, reliability and integration following which commercial interest should be stimulated through grant aid encouragement.