

IBEC submission to Better Regulation Group

Dublin City Council (DCC) Heavy Goods Vehicle (HGV) Management Strategy

It is acknowledged that HGV's are a productive asset for business which present management problems in a congested urban environment.

Many Cities seek to ameliorate some of the adverse impacts - however in introducing a total ban in a major port city, Dublin is practically unique.

Adjacent port Cities that are comparable in scale, including Liverpool and Belfast are not even contemplating the introduction of anything as extreme as the approach being adopted here.

The approach in London is based on a congestion charge that applies to all vehicles. Arguably this approach, by limiting car traffic – the main cause of congestion – improves efficiency for freight deliveries so the cash cost is recovered, at least in part.

Significantly, while London has a nighttime truck ban (enforced since 1988) DCC is proposing that the freight industry avail of night hours to effect deliveries in the city.

There can be little doubt that a large scale increase in nighttime freight movements, if sustained, will result in a fresh round of objections from residents. Political pressure will then be applied to curtail this activity, which will leave the city with no options in terms of facilitating essential deliveries.

The proposal



To reduce City congestion and maximise utilisation of the port tunnel (scheduled to open in October '06), Dublin City Council are introducing a new HGV management regime – effectively a series of new traffic regulations.

Major features:

- Ban on 5 axle plus trucks from 1900-0700 daily
- City centre exclusion zone defined by map
- limited access permits from DCC

IBEC 'regulatory impact' focus of concern



Context: Dublin hosts Ireland's largest port and is also the country's distribution and retail capital.

City transport infrastructure very poorly endowed compared with comparable port cities. (IBEC Atkins study 2003 looked at Liverpool & Belfast)

'IBEC's principal focus of concern relates to the proposal for implementing a HGV cordon in circumstances where its impact on trade and on the wider economy is poorly understood.'

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Impact 1 – the distribution economy



While the entire debate has focussed on port-related traffic, the reality is that around 70% of city truck movements are non-port related.

Figures are imprecise because DTO failed to complete its 2002 *Regional freight management study* which was intended to inform the strategy.

Alternatives for companies:

- deliver from 1900 to 0700? (but most Cities are regulating night-time deliveries)
- Use smaller vehicles? (which loses productivity gain from containers and increases traffic volumes)

Impact 2 - distribution efficiency



A consignment from the port to Cornelscourt, which today travels via the southern suburbs –15 km/45min transit, under the cordon regime, will be required to undertake a 55 km/120 min transit via the port tunnel and a heavily-congested M50.

This 'free tunnel' routing will also entail payment of up to €9.90 per trip in tolls at Eastlink and Westlink. (Worst case scenario is south bank traffic, i.e. MTL terminal)

Access by permit



DCC has acknowledged that certain categories of HGV traffic will require City centre access – construction materials, forecourt deliveries etc.

The position regarding permits for other businesses located in the City centre is far from clear.

Access permits – practical considerations



The holder of a permit will enjoy a significant competitive advantage but no information is available on the mechanics of a system which is to be introduced in January.

Who will hold the permit? whether the distributor/retailer or the HGV operator – either approach presents practical difficulties.



Case 1: Argos use ‘High cube’ trailers ex-UK which travel directly from Dublin Port to City stores – similarly Marks & Spencer.

Case 2: The fruit and vegetable market, includes over 60 traders requiring regular container deliveries from 0500 to 15.00.

IBEC proposals



Defer HGV strategy prior to full economic impact assessment.

Maintain alternative freight access corridors to the south and west of city.

Infrastructure investment – particularly Eastern bypass.

Strategic planning focus on docklands as new distribution hub.

Adoption of best practice internationally to City deliveries (Study by TCD).

IBEC response to the Dublin City Council HGV strategy

Background

In December 2004, Dublin City Council (DCC) formally adopted a HGV management strategy for the City. The primary aim of the strategy is: “*to maximize the use of the Dublin Port Tunnel (DPT), and minimize HGV use of Dublin’s streets by HGV’s traveling to/from Dublin Port.*”

In addition the strategy seeks to:

- manage the small number of ‘over height’ HGV’s that cannot use the DPT.

- deal with diverted HGV’s given a partial or full DPT closure.

- minimize the number of non port-related HGV trips on the city’s streets between 07.00 and 19.00.

Previous to this, in April 2004, IBEC commented on the initial strategy options paper prepared by consultants Delcan. Our comments then remain valid, especially given the apparent reluctance of DCC to countenance any meaningful moderation of its initial position:

“It is evident from the broad tenor of comments in the report, that HGV’s - and commercial traffic generally - are viewed ...as “a problem” which requires the mobilisation of a range of measures if it is to be neutralised in terms of its impact. This is clear, for example, from the introduction to the report where the need for HGV access to the City, post-Dublin Port Tunnel (DPT), is described as a problem to be surmounted. It is a matter of great concern to IBEC, in terms of the need for a balanced assessment of the impact of freight, that throughout this report, the concentration is almost exclusively on adverse impacts.”

“The report fails to acknowledge the role of transport and distribution as essential services generating substantial employment (100,000 employees, mainly located in the GDA) and value added in terms of the economic well being of the city and the wider economy.”

“This is a serious shortcoming because, having failed to consider freight in terms of its economic contribution, the report’s authors have no context in which to evaluate the extent to which an agenda of restrictions might damage, not only the efficient operation of the supply chain, but also industrial competitiveness and the viability of key facilities, including Dublin Port.”

Following this initial submission, IBEC published a major report on access to Dublin Port (copy enclosed). This report, undertaken by consultants Atkins, concluded that the port, even allowing for improved access for freight via the port tunnel, will continue to perform poorly from an access point of view, especially when measured against comparator ports such as Belfast and Liverpool. The report is also critical of the City’s road infrastructure investment deficit, which is identified as the major contributor to congestion and poor traffic performance.

Regarding the set of HGV management proposals as approved by the City Council, **IBEC’s principal focus of concern relates to the proposal for implementing a HGV cordon in circumstances where its impact on trade and on the wider economy is poorly understood.** Enforcement of the cordon is tied to a proposed permit system. A linked concern for business relates to the absence of designated truck transit corridors. In addition, the emerging Port tunnel management regime has generated widespread unease in the haulage sector, particularly having regard to the impact of retaining truck tolls at both Eastlink and Westlink at their current levels.

These points of concern are addressed in more detail in the paragraphs which follow:

1. The HGV cordon

The proposed HGV cordon has the potential to adversely impact on trade and distribution activity in the Capital, and this, from IBEC’s perspective, is likely to offset welfare benefits accruing to Dublin in traffic management terms. We see a real danger of the cordon having an impact in terms of stifling development of Dublin Port and undermining the City’s status as a trade and distribution centre. Far from improving port access, the end result could be to increasingly isolate Ireland’s largest port from its national trade and distribution hinterland.

On this basis, the City Council is clearly ignoring - or understating - the wider economic impact of its traffic proposals. The Government - and in particular the Minister for Transport - should not preside over such a high risk strategy on the part of a single Local Authority.

That this proposal should emerge with the full support of the elected representatives and the Council management will come as little surprise when considered alongside the Masterplan for the South port area – another recent proposal from the City Council whose impact will be to curb the growth potential of the port.

Having regard to all the circumstances, IBEC is asking that the HGV management proposals be the subject of a wide-ranging *Economic Impact Assessment*; this is an option provided for under the Government’s policy on ‘Better Regulation’.

The day-to-day freight impact of the cordon will vary depending on the origin and destination of port traffic, with the most severe impact on traffic originating in the South port area and destined for the southeast quadrant of the city. Thus, a consignment from the MTL Terminal to Cornelscourt, which today travels via the southern suburbs – a distance of some 15 km, will, under the cordon regime, be required to undertake a 45 km trip via the port tunnel and a heavily-congested M50.

This routing will also entail payment of €9.90 in tolls at Eastlink and Westlink.

In IBEC’s view the imposition of such an expensive and inefficient diversion is inconsistent with the principals of sustainability and optimized distribution.

As additional concern for business is the impact of the cordon on non-port HGV traffic. This will result in hundreds of unnecessary truck movements being added to the M50 on a daily basis, with consequential impact on congestion.

Alternative policy options which could be considered:

- **Designate truck access and transit corridors as alternatives to the tunnel.** In this regard HGV transit along the City quays, the canal corridors and to the Southeast via Ringsend should be permitted.
- **Prioritise construction of the Eastern Bypass** which will provide a port access facility for the south eastern quadrants.
- **Facilitate the relocation of logistics and distribution facilities from the M50 to the Dublin port hinterland.**

2. The permit system.

A permit system for trucks will be expensive to introduce and expensive to enforce and operate. IBEC is not persuaded of the merits of the City Council's case for a permit system for HGV's. Neither are we convinced that HGV's, which could utilize the port tunnel, will divert instead through the City centre. **A better approach, in our view, would be to closely monitor HGV traffic flows following the opening of the port tunnel and base any interventions on the scale of any diversion problem which might emerge.**

IBEC is convinced that the level of tunnel avoidance by HGV traffic will be very low.

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