

## **RURAL ECONOMY AND CONNECTIVITY COMMITTEE**

### **PRE-BUDGET/FINANCIAL SCRUTINY ON ROADS MAINTENANCE IN SCOTLAND**

#### **SUBMISSION FROM TIMBER TRANSPORT FORUM**

The Timber Transport Forum welcomes this opportunity to provide views on road maintenance in Scotland and how it affects the forestry and timber industries.

#### **The Timber Transport Forum**

The [Timber Transport Forum](#)<sup>i</sup> is a national voluntary partnership that supports forestry by ensuring that the timber industry can access forests using local roads networks and take timber to market in a sustainable way. At the same time, the Forum seeks to minimise the impact of timber transport on the public road network, on local communities and on the environment.

The Forum is made up of representatives from eleven Regional Timber Transport Groups from across Scotland and the North of England, including Council Roads Authorities, the Confederation of Forest Industries, the Forestry Contracting Association, Scottish Forest & Timber Technologies, Forestry Commission England, Scottish Forestry, Forestry and Land Scotland, the Rail Freight Group and the Road Haulage Association.

The Forum works through Regional Timber Transport Groups which are themselves local partnerships of industry, local authorities and other public agencies.

#### **The Forestry and Timber Industries**

Scotland's forest resource covers 19% of the land area and produces 75% of the UK's home-grown timber. The UK is the second largest importer of timber in the world, importing three quarters of what it consumes.

Productive forestry in Scotland is a relatively new land-use. Most of the forests have been planted since the 1950s with timber volumes from Scottish forests increasing from 1 million tonnes/year in the 1970s to 8.55m tonnes/year today. Substantial areas of private forestry were planted in the 1970s, 80s and 90s and much of the timber coming on stream now is from these newer areas of forestry. Harvested forests are replanted. The timber harvest is predicted to continue to rise for the next two decades to stabilise at around 9-10 million tonnes/yr. The Scottish Government has targets to increase forest cover by planting new forests and these targets are anticipated to increase to tackle climate change.

Forestry and the processing of Scottish-grown timber is a major contributor to the nation's economy with a GVA of £771m, employing 19,555 people<sup>ii</sup> and providing the only carbon sink for Scotland's carbon budget. The industry relies on the public road network for haulage of roundwood from forests to processors (sawmills, board mills, papermills and biomass plants).

#### **The Roads we Use**

Timber is brought onto the public road network at around 3000 places across Scotland and uses approximately a third of local rural roads (about 10,000km), within 12 rural local authorities, to reach the trunk roads, railheads, harbours or processor destination. Most of the roads (65%) are minor roads – B, C and unclassified roads - as well as a few ‘minor’ A roads (sometimes single-track A roads like the A897), reaching into the most remote areas.

The network of rural minor roads that serve the timber industry has been developed as an [Agreed Routes Map](#)<sup>iii</sup> highlighting where the industry is expected to consult with the local roads authority over use of the roads for timber transport.

Most of these roads were surfaced over a minimal sub-structure in the early-mid 20<sup>th</sup> Century and have continued to be surface dressed over the years. Few have formal drainage systems. As roads maintenance budgets have diminished, the cycles of roads maintenance have lengthened resulting in many roads rarely being treated, if at all. The roads therefore have limited sustainable load bearing capacity. Many have restricted geometry that is challenging for modern lorries; single track roads are barely wider than the timber lorries and the road verges and road edges are often the first elements to suffer damage. Where a road crosses sections of soft or peaty ground (common in the well-forested regions), the road itself flexes and repeated lorry traffic can cause damage to the structure of the road.

Following reductions in roads maintenance budgets, the condition of these roads continues to deteriorate. Timber traffic on such roads inevitably exacerbates their already poor condition which can create tensions with the responsible roads authorities, with local communities and other road users.

As a result of the success of promoting Scotland as a visitor destination, the more scenic parts of the country are experiencing very high numbers of summer visitors and, at times, this tourist traffic can substantially impact on the efficiency of road transport, increasing journey times and raising resilience and road safety issues.

## **How does poor road condition affect our business?**

### Reduced efficiency

There is a substantial ‘infrastructure gap’ between the capacity of rural local roads for timber freight and the increasing requirements of the expanding forest and timber industries. Recognising this, the industry and council roads authorities liaise to voluntarily manage and control timber traffic to sustain the local network. This involves avoiding certain roads, limiting the number and frequency of lorry trips, avoiding particular times and seasons and investing in costly, lower-impact vehicle technologies. All of this adds cost and reduces the efficiency of the timber supply chain. The Forum produces various good practice documents that be found [here](#)<sup>iv</sup>.

Since the 1990s there has (until recently) been a hiatus in new planting. This corresponds to a forecast dip in timber supply in the 2030s. The timber processing industry is concerned about this reduction in supply and is keen to maximise the sustainable harvest from existing forests.

### Less timber

It is uncommon for infrastructure constraints to completely prevent timber getting to market. However poor road condition influences a range of issues and management decisions which ultimately put a dampener on the industry adding cost and inefficiency to the supply chain.

Buyers (and hauliers) will prioritise sites with easier access. Poor roads can substantially increase marketing risks especially where road damage may possibly halt or delay haulage. Timber sales in remote rural areas can be of marginal viability and higher costs may result in timber being delayed in coming to market in the hope that demand and timber prices allow for a reasonable return. Timber left standing beyond the optimum age for harvest increases the risk of large areas of trees being blown over before they are harvested - greatly reducing their value and the amount of useable timber. Poor access may make thinning the crop, which maximises timber yield and quality in the long term, un-viable.

#### Less investment

Harvested forests, by default, are required to be restocked. The condition of the road serving a forest will have a real influence on whether productive forests are restocked with timber species (that will require future haulage) or instead be converted to non-commercial forests. Similarly, local authorities are hesitant about supporting new planting of productive forest in areas with poor road infrastructure, looking to minimise their future maintenance liabilities. Landowners can be asked for upfront road improvements at the time of planting (30 years before harvest and haulage) which may make the woodland creation project less attractive to landowners or investors.

#### Poor public perception of forestry

Timber haulage is the key interface between the public and the forest industry. Rural communities are already sensitive to poor road condition. Where this is exacerbated by timber traffic, it is often the case that forestry and timber haulage become the focus for complaints. Responding formally to such complaints creates a substantial administrative burden for both councils and the industry but, more importantly, this impacts on the public perception of the industry as a whole. Timber lorries are seen as a problem rather than evidence of a busy sustainable rural industry. This has further complex impacts and makes it more difficult for the industry to deliver Regional and Scottish Government objectives for rural economic development and for tackling the climate change emergency.

#### **Addressing reduced roads maintenance spend**

The local roads networks are the fundamental foundation that provides a lifeline for all economic, social and environmental aspirations. Without this basic provision the self-generation of local wellbeing and all that it includes, cannot be achieved. A fit for purpose local roads network is critical for all rural areas to develop and prosper.

The forest and timber industries are cooperating, at considerable cost, to minimise the impact of timber transport on local roads and other road users. The Forum is not aware of any other rural freight-intensive industries taking such measures.

#### Targeting spend

Targeting of spend is clearly required. Typically, local roads authorities prioritise maintenance spend (regulating, structural overlays, surface dressing, drainage, (and gritting)) on the busier community or 'lifeline' roads. Timber haulage tends to take place on the more remote, lower volume, more minor roads, which are not given priority.

Rural Scotland in Focus 2016<sup>v</sup> says that rural Scotland is home to over 51,000 businesses (more than 30% of Scotland's registered businesses) employing 498,000 people (182,000 in remote rural locations), operating across a range of sectors.

Freight intensive sectors include the primary land-based industries; agriculture, fishing, forestry, mining and quarrying, and utilities, manufacturing (including the processing of timber, food and drink), and construction, as well as the wholesale and retail trade, distribution, transport and storage.

Local roads authorities should be encouraged to take account of rural businesses and productive land uses, such as forestry, and overlap these with community demand in assessing where to focus maintenance (and preferably improvement) spend. Demand for timber transport related road investment could, in some circumstances, spearhead wider development.

Concentrations of tourist traffic should also be a driver for targeting spend on roads maintenance for both trunk and rural roads to improve mobility where visitors and domestic rural business needs overlap and potentially conflict.

### Modal shift

Modal shift can, in places, take timber traffic off local and trunk roads often in places where visitor traffic is significant; for example, the [TimberLINK<sup>vi</sup>](#) service is a public service contract that takes timber by sea from Argyll ports, across the Firth of Clyde, to processors in Ayrshire, avoiding Loch Lomond.

Rail haulage of timber in Scotland has stalled since 2009 although efforts are ongoing to restart timber by rail from forest areas with poor road access. The shift to rail is hampered by the aged, poor rail infrastructure serving rural Scotland and the dearth of modern freight access points. Developing bespoke timber rail services requires large upfront costs, lengthy process and committed long term volumes.

Notwithstanding modal shift examples, local rural roads would still be required to be used to enable timber to access the modal shift loading points.

### **Future Funding**

Through voluntary measures and partnership working with local authorities, the forestry and timber industries have sustained access to the increasing timber harvest but at considerable cost to the supply chain.

Forestry is a nationally supported industry but forestry is not covered by local authority planning regulations and commercial forestry, like agriculture, does not pay business rates. Much of the economic benefit is from management, harvesting or timber processing companies which can be distant from the forests where the road impact is most apparent. There is therefore a rationale for a national contribution to

the maintenance of timber transport routes. There is precedent for such funding which was available from Government up to the mid-late 1990s. Money from Government was “ring fenced” and used to fund forestry route improvements.

The Scottish Government provides an annual [Strategic Timber Transport Fund](#)<sup>vii</sup> that co-finances localised small-scale road improvements. The opportunity to bid for strategic timber transport fund co-finance has helped secure local authority investment in some otherwise non-priority roads but a longer-term financial commitment to maintenance and improvement is required.

A new funding model for local authority roads maintenance is a necessary requirement. For too long, local authority roads maintenance budgets have been an easy target to accrue local authority budget savings. This is not a sustainable position. As mentioned above, there is precedent for a funding model that would “ring fence” roads maintenance expenditure to be targeted and prioritised for growing Scotland’s economy and providing a level playing field to enable rural businesses and communities to prosper.

Any new approach (model) must be locally-based where all the knowledge exists. The problems associated with timber transport are all local and such transport does not necessarily prejudice the trunk road network. Building local partnerships with all concerned, including community resilience, is key to underpinning the local and national economy and Scotland’s wellbeing.

A solution is required to address the long-term maintenance of the 30,000km of low-volume minor rural roads otherwise Scotland’s economy will be much diminished. Such a solution will require recognising rural Scotland as inherently productive and worthy of investment in social and economic activity.

Unless funding models can address the rural challenge, it is likely that large areas of Scotland will be left behind and will not realise their social and economic potential. ‘Landlocked’ forests, isolated by poor road condition, may become wastelands.

The Timber Transport Forum would be happy to provide further information as required and will expand on the content of this paper when it gives evidence directly to the committee.

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<sup>i</sup> <https://timbertransportforum.org.uk/>

<sup>ii</sup> <https://forestry.gov.scot/images/corporate/pdf/economic-contribution-forestry-2015.pdf>

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<https://timbertf.maps.arcgis.com/apps/webappviewer/index.html?id=4a23d4910e604b71872956441113c83c>

<sup>iv</sup> <https://timbertransportforum.org.uk/work/good-practice>

<sup>v</sup> [https://www.sruc.ac.uk/downloads/file/3184/rural\\_scotland\\_in\\_focus\\_2016\\_-\\_full\\_report](https://www.sruc.ac.uk/downloads/file/3184/rural_scotland_in_focus_2016_-_full_report)

<sup>vi</sup> <https://forestry.gov.scot/forestry-business/timber-transport/timberlink>

<sup>vii</sup> <https://forestry.gov.scot/forestry-business/timber-transport/strategic-timber-transport-scheme>