

Petition: P-05-691 A fair deal for forest rallying

Y Pwyllgor Deisebau | 12 Medi 2016

Petitions Committee | 12 September 2016

Research Briefing:

Petition number: P-05-691

Petition title: **A fair deal for forest rallying in wales**

Petition text:

We call on the National Assembly for Wales to urge the Welsh Government to ensure that future cost increases for the use of forest roads for car rallying in Wales are fair and in line with costs in England and Scotland.

Natural Resources Wales' proposed pricing structure from June 2016 onwards would double the current cost, and is completely at odds with new contracts in place for the same purposes with Forestry Commission's in England and Scotland.

Whilst NRW are seeking to double the current cost – England and Scotland are raising the cost (from the previous contract) by just 0.7%.

Rallying in Wales is a £15 million pound industry with huge tourism benefits to rural Wales. NRW's proposed costs would make future events unsustainable in Wales due to high costs. We request that this is investigated fully to find out why the proposed costs are so hugely inflated by comparison to other regions.

Background

Natural Resources Wales (NRW) manages the Welsh Government's forest estate on its behalf.

NRW and the Motor Sports Association (MSA) are currently in discussions around the fees that NRW charges the MSA for undertaking rallying activities on the forest roads that it is responsible for.

NRW has [stated](#) that there is a discrepancy in the amount it costs NRW to prepare and reinstate its forest roads for rallying and the fees paid by the MSA. NRW has said:

This meant that in 2015 the MSA paid NRW £339,000 in stage rally charges, including their flagship event Wales Rally GB, but the actual cost to reinstate the roads used for rallying was £655,000.

This represents a difference of £316,000.

Furthermore, NRW has said that the latest agreement for stage rally charges expired in 2015, but that it agreed to hold the existing charge until May 2016 at the MSA's request, to provide further opportunities for discussion.

NRW has [also](#) said that:

In the case of rallying, we realised that for many years we were undercharging for the work we did by more than 50% and, given the pressure on budgets in the public sector, we cannot afford to lose that amount of money from our budget. This is why we started talking with the MSA about the problem earlier this year to try and find a solution to cut the costs or to increase what we charged.

In England and Scotland there is a [joint agreement](#) (PDF 203KB) between Forestry Commission England and Forestry Commission Scotland, and the MSA. The current agreement runs from 1 January 2016 to 31 December 2018. The charges for 2016 have increased in line with the Retail Price Index (RPI) at 0.7% (October 2015). For example the 2016 charge for primary usage for Special Stage Rallies is £688 per mile. The equivalent fee in 2015 was £683 per mile.

Welsh Government action

Lesley Griffiths, the Cabinet Secretary for Environment and Rural Affairs, wrote to the Committee on 3 August 2016. She said:

This is primarily an issue for Natural Resources Wales (NRW) and the Motor Sports Association (MSA). I am aware the two bodies met recently and NRW made a proposal to the MSA who are still considering the offer. Discussions are ongoing and I am hopeful an agreement will be reached shortly.

National Assembly for Wales action

This issue has not yet been considered by the Assembly.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.