

# Introducing PRIVATE ROAD COOPERATIVES and their activities



*Many Finns have to manage and maintain, at their own expense, private roads which provide access to homes, summer cottages, parcels of forest or arable land. It is advisable that property owners living along private roads organize a private road cooperative, especially if several properties use the road and the road must be maintained in good condition.*

## **Road cooperatives maintain private roads**

Private roads are an important part of the Finnish road network. They convey traffic from state and municipal roads to private properties. The usufructuary right to use a private road is established in a private road survey. Property owners who use the road are normally road partners.

Road partners are responsible for the construction and maintenance of private roads at their own expense. To cover the costs partners have to pay road charges. These charges are apportioned between road partners based on the traffic required by the properties. The required traffic is measured in "road units". Road partners are collectively responsible for road management. They may operate either "unorganized" or establish a private road cooperative. If unorganized, all decisions have to be reached by mutual unanimous agreements.

## **Road partners are collectively responsible for road management**

A private road cooperative is an "organized" way to manage a road. The road cooperative elects a body to organize the affairs of the road. The elected body may either be a board of three or only one trustee. The private road cooperative makes decisions on matters re-

lated to road management in regular meetings. Decisions in the meetings are made by majority vote and they are binding on all partners.

The establishment of a road cooperative is recommended, especially if there are many road partners and the road is to be regularly maintained. The road cooperative is established either in a private road survey or a survey carried out by the municipal road council.



## **Legislation guides the road cooperatives' decisions**

The activities of private road cooperatives are governed by the Private Road Act. Rules are laid down to establish the proper procedures, for example, to summon meetings, prepare the agenda and maintain minutes of the meeting, accept new



members, make decisions on road units and road charges etc.

However, road cooperatives may exercise considerable discretion concerning the standard and

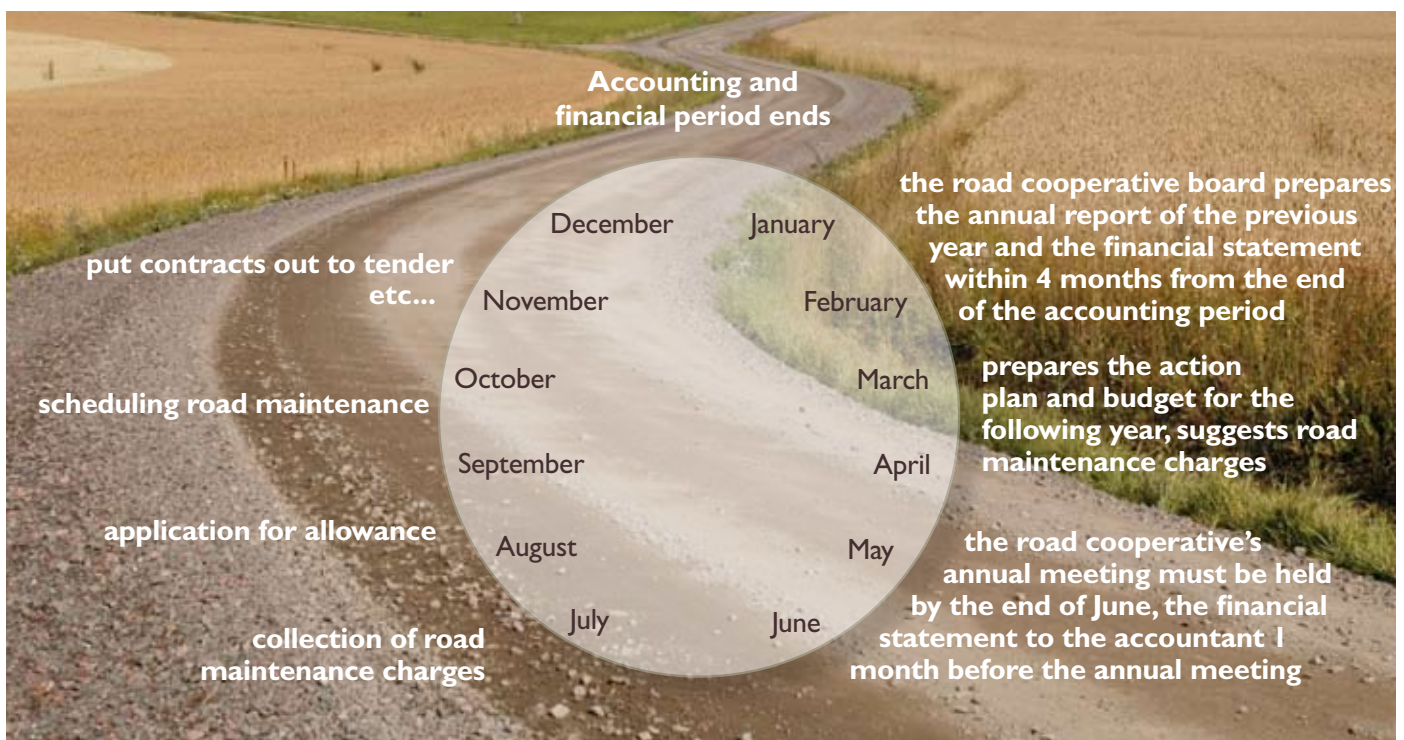
maintenance of the road. The road cooperatives also decide on the financing and timing of road management operations.

The private road board is responsible for the fulfillment of the road cooperative activities and for the legality thereof.

It is advisable that road cooperatives plan their activities according to the accounting period. The statutory duties of the private road board include, amongst others, accounting, the preparation of a schedule of proposed road charges and the summoning of meetings. Important issues which are to be included in the agenda of the general meeting include the presentation of an annual report and approval of financial statement, the proposed action plan and budget for the following year. If the term is a calendar year, the General Meeting should be held by the end of June.

One of the duties of the private road board is to report to the local District Survey Office the contact addresses of the chairman and the members of the road cooperative board. This information is added to the private road register, which is the only official register of such information.

## ***Yearly activity calendar of road cooperatives***



## **Financial assistance available to road cooperatives**

Even though road members are themselves primarily responsible for financing road maintenance, the private roads which are important to traffic and local residents are entitled to various subsidies. State subsidies according to the Private Road Act may be applied for from the lo-



cal Centre for Economic Development, Transport and the Environment. Municipalities may provide subsidies at their own discretion. State subsidies are intended basically for reconstruction and improvement projects, such as the improvement of load bearing capacity and drainage systems and the renewal of bridges and culverts, whereas municipalities assist in general annual maintenance. Roads mainly serving the forest industry may receive allowances for construction and reconstruction from the government forestry authority (Metsäkeskus).

## **Allowances are available for important private roads**

In many cases the requirement for receiving allowances is that an organized private road cooperative has been established. Public authorities provide information to road cooperatives on finding assistance. However, it is the responsibility of the board to actively apply for such allowances.

## **Public authorities support road cooperatives**

Private road cooperatives and especially boards have to deal with different authorities including District Survey Offices, in connection

### **Road cooperative meeting**

- The Meeting must be held at least every 4th year but accounts must be prepared and audited annually
- The Chairman or vice chairman of the road board convenes the meeting
- Summons to the meeting requires at least 14 days notice
- The notice and advertisement must include the place where a list of proposed road charges is on display for public inspection
- All essential items in the agenda must be included in the notice
- Minutes of the meeting is to be on view not later than 14 days after the meeting
- Appeal to the municipal road council is possible within 30 days after the meeting

with private road surveys, municipalities and their road councils as well as the Centre for Economic Development, Transport and the Environment.

The construction or transfer of a new private road requires a private road survey. Disputes concerning the location and boundaries of private roads are also resolved in a private road survey.



Surveys carried out by the road councils of municipalities deal with questions concerning existing private roads. They also handle complaints about the decisions of road cooperatives. It is possible to lodge an appeal against the decision made by a municipal road council with the Land Court.

## Further information

### Private Road Act (only in Finnish)

Laki yksityisistä teistä (15.6.1962/358).  
Published yearly in the Finnish law book (Ym 207)  
and on the website [www.finlex.fi](http://www.finlex.fi)

### Private Road Decree (only in Finnish)

Valtioneuvoston asetus yksityisistä teistä (21.12.2000/1267).  
Published yearly in the Finnish law book (Ym208)  
and on the website [www.finlex.fi](http://www.finlex.fi)

### Finnish Road Association

Organization for promoting roads and traffic in Finland, which the road cooperatives can join.  
[www.tieyhdistys.fi](http://www.tieyhdistys.fi)

## Litterature (only in Finnish)

### Aho, Saarenketo, Kolisoja: **Kelirikkokorjausten suunnittelu ja rakentaminen**; Tiehallinnon selvityksiä 64/2005

- Deals with main roads but is also suitable for various drainage problems on private roads.

### Hämäläinen Esko: **Tiekunta ja tieosakas**; Suomen Tieyhdistys 2007

- Good general information about the activities of road cooperatives, and practical questions on road maintenance.

### **Käsikirja yksityistien tienpidon osittelusta**; The National Land

Survey of Finland, publication nr 92,  
[www.nls.fi](http://www.nls.fi) -> julkaisut ja asiakirjat (in Finnish) -> MML:n julkaisusarja  
- Detailed and generally used guidebook for determining road units.

### Markkula Markku: **Yksityiset tiet**; Edita 2005

- Handbook on private road legislation.

### Rantanen, Turunen, Nousiainen:

**Vähäliikenteisten teiden kuivatus, ominaispiirteet ja kunnostaminen**; Tiehallinnon selvityksiä 65/2005

- Also suitable as aid when draining and repairing private roads.

### **Tierakenteen suunnittelu**; Tiehallinto 2005

- The guidebook provides suitable solutions for private roads

**Vähäliikenteisten teiden taloudellinen ylläpito, yhteenveto**; Tiehallinto 2006

### **Yksityisteiden parantamishankkeiden avustaminen,**

**Ohjeita hakijalle**; Tiehallinto

- A brochure intended for road cooperatives including the essential facts on state allowances for private roads.

Hämäläinen Esko: **Yksityistien parantaminen**; Suomen Tieyhdistys, 2010.

## Useful Internet pages

(information only in Finnish)

[www.maanmittauslaitos.fi](http://www.maanmittauslaitos.fi)

[www.tiehallinto.fi](http://www.tiehallinto.fi)

[www.metsakeskus.fi](http://www.metsakeskus.fi)