

[REDACTED]

From: Malcolm.charis [REDACTED]
Sent: 11 January 2018 14:52
To: Planning Policy
Cc: John Gough
Subject: Nottinghamshire Minerals Local Plan - Issues & Options consultation
Attachments: Nottinghamshire MLP Issues & Options Jan 2018 - Comments of Mick George Ltd.docx

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Dear Sir, please find attached the comments of Mick George Ltd on the Issues and Options Consultation and the Sustainability Appraisal Scoping Report. Please add me to the email list for notification of progress on the MLP and accordingly treat me as the company's agent for the Local Plan. We would be pleased to discuss any aspect of our comments with you at any time.

Regards
Malcolm Ratcliff
Charis Consultancy Ltd
For Mick George Ltd

Nottinghamshire Minerals Local Plan - Issues & Options Consultation Jan 2018

Comments of Mick George Ltd (MGL)

Question 1: The Plan should include planned development that might affect the future demand for minerals, such as housing, employment and the implications of HS2. For example, MGL currently has the contract to supply concrete and fill material to the A14 construction project in Cambridgeshire. This is severely straining existing supplies and sucking in replacement material from many miles around. Other large infrastructure projects will have the potential to affect areas outside of the immediate area where they are being constructed especially if supplies of material in places like Notts are under-replenished by years of low growth and low provision in Local Plans.

Question 2: no comment

Question 3: MGL agrees with the key strategic issues.

Question 4: In MGL's view the consultation document has not given any consideration to the improved market conditions experienced by the industry over the last three years. PPG says that averages of past production should not be used to project future demand since they are backward looking. Specifically, PPG says to include planned levels of housebuilding in their forecasts, *"Local Aggregate Assessments must also consider other relevant local information in addition to the 10 year rolling supply, which seeks to look ahead at possible future demand, rather than rely solely on past sales. Such information may include, for example, levels of planned construction and housebuilding in their area and throughout the country."* (para 27-064). The use of the 10 year average on its own is therefore fundamentally flawed, and should be discontinued.

This is especially required since the averages of the last 10 years' production are heavily skewed towards recessionary conditions which no longer apply. By basing future provision on such a figure the Council risks building in a permanent loss of capacity at a time of increased market demand, and expectations by communities for new houses and more jobs. If Nottinghamshire underprovides for its own needs, it will put strain on other areas to make up the shortfall.

Therefore, the most glaring omission from the analysis is any consideration of future growth, and the distortions in supply that have occurred because of the recession. MGL does not know why the big companies have not increased their production from Notts sites during the recovery rather than keeping large reserves mothballed, and importing material from Lincolnshire, but there are companies like MGL who see opportunities to meet increased demand from Nottinghamshire and cannot do so if the County Council does not provide alternative sites.

In the company's view, the Plan must ignore the distortions of the recession and plan on the basis of pre-recessionary conditions, or must use a statistical approach which has the benefit of being robust, up-to-date, open and transparent, free of assumption, and easy to understand.

In this latter case the company suggests the statistical link between sand and gravel production and housing completions is used, which can be derived from figures used in the LAA. Using sand and gravel sales and housing completions between 2006 and 2015 gives a Pearson Correlation Coefficient (PCC) of +0.825146 which is a very strong positive linear relationship, and which has an equally strong basis as a causative effect. Applying the expected annual average planned housing completion rate for the county over the plan period of 4,574 dwellings to that PCC using the forecast function in Excel gives a return sand and gravel forecast of 2.9 Mt pa, which MGL suggests is a robust alternative to the 10 year average. MGL therefore suggests that this figure is used to plan for future sand and gravel provision.

Question 5: no comment

Question 6: MGL strongly objects to a policy preference of extensions over new sites. NPPF contains no such provision, whilst PPG advises that there are cons as well as pros when considering extensions and new sites, and that therefore all proposals should be treated on their merits. Each operator should be allowed to make their case for new working without being hamstrung by a policy bias. The company was extremely critical of the last MLP SA exercise in selecting sites, which produced biased results because new sites were consistently scored lower in SD terms without proper scrutiny or consideration. For example, new accesses were scored lower than the use of an existing access on an a priori basis, irrespective of whether there was any empirical evidence that an existing access was substandard and caused traffic problems, or whether a new access could be constructed to satisfy national policy. This is both inequitable and unjustifiable.

The consultation proposals also raise competition issues. The company has previously remarked in consultations on the last MLP that 75% of the county's sand and gravel reserves are controlled by one company. NPPF advises against large reserves being tied up in few sites, and it is considered that the principle also extends to a large overall reserve being held by one company even if this is spread over a number of sites since the effect on supply is the same. A policy of preferring extensions over new sites is an artificial barrier to market entry and is undesirable as it allows incumbent companies to avoid competition with the possibility of abuse of market power. It is also unnecessary if the declared reason for the policy is the protection of the environment and this can be achieved by treating sites equally without affecting competition. Let the merits of competing sites be considered on equal terms and the issue of competition goes away. MGL may have more to say on this issue later in the Local Plan process after taking legal advice. A bias towards extensions should therefore be dropped from policy.

Question 8: It is clearly beneficial to have a spread of sites across the county since it is SD to supply as locally to the market as possible. All areas should therefore be considered where mineral is present and can be accessed in an environmentally acceptable way.

Question 9: For the same reason no one area should be prioritised over another.

Question 10: Barge transport is very expensive to set up and is only used to the company's knowledge at present in Worcestershire where it may be coming to an end shortly as reserves at the site in question run out. If it is proposed to be used to justify a site allocation then it is considered that the operator should be required by condition or legal agreement to use this form of transport.

Question 11: No comment

Question 12: No comment

Question 14: Recycled aggregates have probably reached their peak in terms of contribution to national and local markets. They provide about 28% of the market for aggregates; all companies are involved in producing and selling them, and data from Defra shows that over 90% of C&D arisings are recycled, which means that further gains will be marginal. It is certainly MGL's experience that material taken to its inert landfill sites is either already treated

to remove recyclable material, or will be treated at the landfill site. Only loads containing very small quantities of recyclable material are tipped where it is uneconomic to carry out further recycling. Therefore, it may be expected that the level of recycled aggregates in the market will rise and fall with economic conditions, and the proportion used will not grow significantly.

Question 25: The list of management policy areas appears to cover everything. Please do not repeat national policy in the Local Plan; keep it short and simple.

Comments on Sustainability Appraisal Scoping Report

As a general comment on the scoping report, it is considered that there is not sufficient emphasis on the economic importance of minerals which would be in accordance with national policy that minerals are essential to support sustainable economic growth and our quality of life, and that when determining planning applications, local planning authorities should give great weight to the benefits of the mineral extraction, including to the economy. There is also not sufficient reference to specific implications of mineral extraction for the community's growth aspirations.

3. Have all the relevant documents been listed in Appendix 1? If not, what others should be included?

Under the heading of Economy and Employment Sources of information, these should be expanded to include

- The Mineral Products Industry at a Glance 2015 & 2016 Editions
- The Foundations for a Strong Economy - Initial assessment of the contribution of the mineral products industry to the UK economy - October 2012 Capital Economics
- Derby & Derbyshire Nottingham & Nottinghamshire LEP (D2N2) Economic Strategy

4. Have the key messages from the documents review been correctly identified in Table 1? If not, what should be added, amended or deleted?

Under the heading Minerals Key Messages the order and emphasis should be changed as follows,

- Secure adequate and steady supplies of minerals by and maintenance of appropriate land banks and by incorporating planned future growth across the County;

- Reduce the reliance on primary minerals, by encouraging the increased use of recycled and secondary materials;
- Safeguarding mineral resources from sterilisation;
- Maximise the benefits and minimise the impacts of minerals operations over their full life cycle;
- Minimise environmental impacts from mineral working and promote best practice at all sites.

Under the heading of Economy and Employment Key messages the order and emphasis should be changed as follows,

- Mineral products are part of the unseen and unloved part of the economy, but which employs the bulk of the workforce and generates much of the country's prosperity. It isn't high profile or glamorous but nevertheless, without it, much of what is high profile would simply not be possible.
- The Mineral products industry generates £6.4 Billion of Gross Value Added (GVA) and employs 78,000 people directly. A similar number is supported indirectly.
- Using GVA per worker as a measure the sector's productivity employees are 1.6 times more productive than the average for the UK generating over £82,000 of GVA per worker each year.
- The industry contributes similar levels of GVA to the economy as creative, arts and entertainment, the manufacture of electrical equipment, information service activities, and air and spacecraft.
- The industry is also a major tax payer contributing over £1 Billion of taxes to the exchequer each year (2012 figure).
- The industry spends over £5 Billion on suppliers each year which benefits many other sectors by increasing economic activity in every region of the UK (2012 figure).
- The biggest customer of the industry is the construction sector, which is crucial to providing the infrastructure that the country will depend on to supply the economic growth that it needs to renew the economy. In total the contribution to this sector was £144 Bn.
- In total the construction sector spends over £6 Billion pa on mineral products (over 5% of construction turnover) which are vital to almost every type of building project (2014 figures).
- Every £1 invested in construction delivers £3 of benefit to the total economy (2012 figures).

- The total value of mineral products in construction is £6.4 Billion pa. Of this over £2 Billion is product flow into infrastructure products. Repair and maintenance and private commercial property construction accounts for another £2.2 Billion and non-infrastructure public work accounts for £800 Million.
- The total turnover of the industries which are dependent on mineral products for their raw materials is £495 Billion pa, and support jobs for 3.4 Million people.
- About 225 Million tonnes of mineral products are extracted in the UK each year or 900,000 tonnes every working day. This represents the largest materials movements in the economy although much of it is unseen by the public.
- The LEP target is to increase the potential growth in the number of private sector employee jobs from 30,000 (if current trends were to continue) to 55,000 in the ten year period to 2023, and accelerate the delivery 77,000 new homes. This investment will play a critical role in tackling barriers to the effective operation of the economy and enable the rapid delivery of suitable employment and housing sites that meet local planning objectives. Evidence indicates that, without a step-change in infrastructure investment across D2N2 the area will face serious constraints in unlocking these ambitions.
- Planned future growth across the County will increase overall demand for minerals;
- Ensure a steady and adequate supply of minerals to support sustainable economic growth;
- Support the rural economy and encourage rural diversification;
- Help to promote diverse range of employment opportunities and skills development;
- Encourage new and innovative technologies;
- Provide an appropriate framework for investment to enable the timely delivery of key infrastructure (i.e. clear planning policies showing where development is likely to be acceptable).

5. Have the implications for the SA framework been accurately assessed in Table 1. If not, what should be added, amended or deleted?

Please see above.

6. Has all the relevant baseline data been included in Appendix 2? If not, what else should be included?

Under the heading Economy and Employment - delete the last sentence and replace with *"Although the minerals sector is not a major employer this reflects its greater productivity, not its lack of importance to the local economy, which can be judged by its support for its major customer, the construction industry, which is in turn recognised by D2N2 economic Strategy as one of the six priority growth sectors. It literally underpins everything else in the economy providing essential raw materials for new infrastructure, the 55,000 jobs intended to be created by 2023, the 77,000 homes to be constructed by 2023, and for the local economy's growth sectors in manufacturing and services."*

9. Have all the relevant sustainability issues been correctly identified in Table 2? If not, what amendments are required?

Under Population Sustainability Issue Identified add the fact that it is intended to provide over 90,000 houses in Nottinghamshire during the plan. Under Significance to Plan add according to BGS estimates this will require the use of about 36 Mt of aggregates (400 tonnes per house), not including additional needs of non-housing related infrastructure, commercial, retail and industrial development, etc.

Under Economy and Employment restate MGL's comments under question 6 and change assessment to High Significance. How can the Plan influence this issue? – add steady and adequate supply of minerals.

Under Climate Change Sustainability Issue Identified – add *"Sustainability for minerals requires that as far as possible, supply should be locally based. This in turn requires that mineral miles are minimised. Current road delivery distance for aggregates (2015) is 34.9 miles and is growing as a result of localised shortages. It is therefore essential to reduce unnecessary imports of mineral from adjoining areas which have no advantages of greater resources or fewer environmental constraints."*

Under Significance to Plan – it is unlikely that mineral development would take place in the worst affected greenhouse gas areas, since these are urban based. However, it is still essential to reduce distances over which minerals are transported by making local supplies available. Change significance to high.

Under How can the Plan influence this issue? – mention the need to reduce unnecessary imports.

Under Transport – all columns repeat analysis as for climate change.

12. Do the SA objectives adequately cover the sustainability issues which are relevant to the Minerals Local Plan? If not, what amendments are required?

Under SA Objectives –

1. Change to “Ensure that steady and adequate provision is made including for community growth aspirations to meet local and national mineral demand.”
3. Change to “Promote sustainable patterns of movement including the elimination of unnecessary imports of minerals, and encourage the use of more sustainable forms of transport”.
7. Change to “Minimise any possible impacts on, and maximise contribution to, climate change adaption through provision of flood relief.”
8. Change to “Protect the potential of high quality agricultural land and soil consistent with efforts to enhance biodiversity and the constraints of restoration.”
13. Change to “Support wider economic development, contribution to community growth aspirations, local plan provision for development and local job opportunities”.

13. Are the decision-making criteria and proposed indicators appropriate? If not, what amendments are required?

1. Change objective to “Ensure that steady and adequate provision is made including for community growth aspirations to meet local and national mineral demand.” Add “Will the plan identify steady and adequate resources to meet local and national requirements

including community growth aspirations, over the plan period?" to decision making criteria. Add "forecasts of aggregates" and "Local Plan provision figures for housing and employment" to proposed indicators.

3. Change objective to "Promote sustainable patterns of movement including the elimination of unnecessary imports of minerals, and encourage the use of more sustainable forms of transport". Add "Will plan/proposals reduce levels of unnecessary imports of mineral?" to decision making criteria. Add "levels of imports of aggregates" to proposed indicators.
7. Change objective to "Minimise any possible impacts on, and maximise contribution to, climate change adaption through provision of flood relief." Add "Will it lead to flood relief or provide flood storage capacity?" to decision making criteria. Add "Number of permitted sites that provide flood relief or additional flood capacity" to proposed indicators.
8. Change objective to "Protect the potential of high quality agricultural land and soil consistent with efforts to enhance biodiversity and the constraints of restoration." Add "Will any loss of soil potential be offset by biodiversity gains?" and "Is loss of soil potential unavoidable?" to decision making criteria. Add "Amount of land offset by biodiversity gains" and "amount of land restored to original quality by use of inert fill" to proposed indicators.
13. Change objective to "Support wider economic development, contribution to community growth aspirations, local plan provision for development and local job opportunities". Add "Will it contribute to Local Plan objectives for development provision?" and "Does it fulfil forecast levels of demand?" to decision making criteria.