Nottinghamshire County Council

Report to Communities and Place Committee

5 December 2019

Agenda Item:5

REPORT OF THE CORPORATE DIRECTOR, PLACE

NOTTINGHAMSHIRE AND NOTTINGHAM LOCAL AGGREGATES ASSESSMENT – 2018 SALES DATA

Purpose of the Report

1. To inform the Committee of the latest 2018 sales figures for aggregate minerals in Nottinghamshire and to approve the Nottinghamshire and Nottingham Local Aggregates Assessment (LAA).

Information

2. As a Minerals Planning Authority (MPA), Nottinghamshire County Council is required to prepare a Minerals Local Plan against which applications for minerals development can be assessed. As part of the preparation of a new Plan, it is important to assess the future demand for aggregate minerals to ensure that a steady and adequate supply of minerals can be provided over the plan period.

3. The National Planning Policy Framework (NPPF) requires MPAs to undertake an annual Local Aggregates Assessment (LAA). The LAA should include average 10-year sales data and other relevant local information. This could for example include significant house or road building, new infrastructure for major projects or issues such as the exploitation of major new resources or resource depletion affecting future output.

4. The latest Nottinghamshire and Nottingham LAA covers the period 2009-2018.

5. The NPPF also requires MPAs to participate in an Aggregate Working Party (AWP) and take account of the advice of the Party when preparing their LAA; for Nottinghamshire this is the East Midlands AWP.

Nottinghamshire and Nottingham LAA

6. The Nottinghamshire and Nottingham LAA covers the County as well as the City as most mineral consumed within the city will be extracted within the county or further afield. Below is a summary of the key findings. The LAA including 2018 sales is attached in Appendix A.

Sand and Gravel

7. Sand and gravel sales are very sensitive to economic conditions and as a result of the recession, fell sharply between 2007 and 2010. Since 2010, sales in Nottinghamshire have remained subdued, well below pre-recession levels.

8. The 2018 sales figures stood at 1.56 million tonnes, a slight increase from the 2017 sales which totalled 1.3 million tonnes.

9. The 10-year sales average continues to fall, with it currently standing at 1.46 million tonnes compared to the previous year's average of 1.53 million tonnes. This decline is due to the greater influence of depressed sales since the recession in 2008 and the lack of new quarry developments to replace previously worked out quarries.

10. The latest 3-year average has increased slightly to 1.38 million tonnes compared to 1.36 million tonnes the previous year. See tables 1a & 1b below

11. Figure 1 on Page 9 of the LAA (Appendix A) sets out the previous 10-year annual sales information.

Sherwood Sandstone

12. Sherwood Sandstone sales are much lower than sand and gravel as it is used in more specialist markets. Sales have slowly declined since the mid-1990s. As with sand and gravel, sales fell significantly between 2007 and 2010 due to the recession. Since 2010 sales have remained relatively stable albeit at a lower level.

13. The 2018 sales figure stood at 0.46 million tonnes, a slight increase on 2017 sales which totalled 0.38 million tonnes. The 10-year sales average remains static at 0.36 million tonnes.

14. The latest 3-year average shows a small increase, up from 0.33 million tonnes in 2017 to 0.38 million tonnes in 2018. See tables 1a & 1b below. Figure 2 on Page 12 of the LAA (Appendix A) sets out the previous 10-year annual sales information.

Imports and Exports of Sand and Gravel (including Sherwood Sandstone)

15. Imports and exports of aggregates are only recorded as a one-year snap shot every four years as part of the full surveys undertaken by the East Midlands Aggregate Working Party (EMAWP). The most recent full survey was undertaken in 2018. The surveys do not include a breakdown for Sherwood Sandstone, hence all sand and gravel import and export figures include Sherwood Sandstone.

16. The amount of sand and gravel and Sherwood Sandstone known to be exported from Nottinghamshire in 2018 was 1.31 million tonnes, or 65% of the total amount extracted (2.01 million tonnes).

17. In 2018 the main export markets are were Northamptonshire, Rotherham and Doncaster and neighbouring authorities in the East Midlands. This is due to limited reserves in these areas and the quality of sand there not meeting the specifications for making high strength concrete.

18. Imports of sand and gravel into Nottinghamshire from elsewhere in the East Midlands were lower compared to the amount extracted from the County's own quarries. However, the amount imported totalled approximately 583,000 tonnes in 2018 the majority coming from Lincolnshire.

Crushed Rock (including aggregate limestone)

19. Nottinghamshire only has one dedicated aggregate limestone quarry (at Nether Langwith). The quarry was originally opened to supplement a much larger quarry in Derbyshire, however it has been inactive since 2007. No sales were recorded in 2018, in line with previous years. See tables 1a & 1b below. Figure 3 on Page 16 of the 2018 LAA (Appendix A) sets out the previous 10-year annual sales information.

Imports and Exports of Crushed Rock

20. Limestone resources in Nottinghamshire and Nottingham are relatively limited and therefore all crushed rock used in Nottinghamshire is imported. The 2018 Aggregates Minerals Survey states that 1.26 million tonnes was imported predominantly from Leicestershire, Derbyshire (including the Peak District National Park Authority) and Yorkshire and Humberside (predominately Doncaster Metropolitan Borough Council).

Table 1a – 10-year average sales figures (million tonnes)

	2013 LAA (2002-2011)	2014 LAA (2003-2013)	2015 LAA (2005-2014)	2016 LAA (2006-2015)	January 2017 LAA (2007-2015)	October 2017 LAA (2007-2016)	May 2019 LAA (2008-2017)	Current LAA (2009-2018)
Sand and gravel	2.58	2.43	2.24	2.05	1.89	1.7	1.53	1.46
Sherwood Sandstone	0.46	0.44	0.42	0.40	0.39	0.37	0.36	0.36
Limestone	0.08	0.06	0.05	0.03	0.02	0.005	0.002	0.00

Table 1b – 3-year average sales figures (million tonnes)

	2013 LAA (2009-2011)	2014 LAA (2010-2012)	2015 LAA (2011-2013)	2016 LAA (2012-2014)	January 2017 LAA (2013-2015)	October 2017 LAA (2014-2016)	May 2019 LAA (2015-2017)	Current LAA (2009-2018)
Sand and gravel	1.51	1.61	1.55	1.46	1.45	1.4	1.36	1.38
Sherwood Sandstone	0.33	0.34	0.35	0.35	0.37	0.35	0.33	0.38
Limestone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Alternative Aggregates

21. Alternative aggregates are made up of recycled and secondary materials and includes some types of construction and demolition waste, asphalt road planings, Desulphogypsum (DSG) and ash from power stations.

22. National estimates show an overall increase in the use of alternative aggregates over the last 30 years, peaking at 71 million tonnes in 2007. Sales rise and fall in line with the overall demand for aggregates, with sales in 2016 standing at 66.9 million tonnes. It is estimated that alternative aggregates make up around 29% of total aggregate use – three times higher than the European average.

23. The British Geological Survey and Minerals Products Association acknowledge that further significant growth is likely to be limited due to the high levels that are already being recycled. The availability, cost and suitability of these materials to meet specific technical specifications will also affect their ability to replace primary aggregates.

24. The amount of DSG and ash available from power stations is also likely to fall significantly in the future as the remaining coal fired power stations are to be decommissioned by 2025.

25. Local data for alternative aggregates remains limited. The only data available is throughput data at permitted recycling facilities rather than sales data.

26. As recycled aggregates are available on the open market, their contribution is already taken into account when calculating future demand for primary aggregates owing to their impact on annual sales.

Additional Demand for Aggregates in Nottinghamshire

27. Along with the 10-year average, the LAA is required to take account of other relevant local information in regard to additional future demand. This includes any significant infrastructure projects, future house building and population growth. Future infrastructure projects are likely to include improvements to the A1/A46 junction near Newark, and The High Speed 2 line which will pass along the western boundary of the county. Based on the District and Borough Local Plans, it is estimated that approximately 4,574 dwellings per annum will be built in Nottinghamshire over the plan period. The plan period for the new plan is proposed to be until 2036. Future demand from outside the county – particularly from Rotherham and Doncaster is also taken into account.

28. The LAA does not regard these local factors as leading to a return to sales of aggregates at the levels reported in the pre-2008 period in the short to medium term. It therefore suggests that the 10-year sales averages are a reliable basis for considering future demand.

National Sales

29. The Annual Minerals Raised Inquiry (AMRI) survey published by the Office for National Statistics provided data on national sales. The most recent version

published in March 2016 covering 2014 data shows that national sales for sand and gravel, and crushed rock have increased year on year from the low point experienced in 2012. The AMRI has since been discontinued.

East Midland Sales

30. The EMAWP Annual Monitoring Report collates data relating to aggregates sales for each Minerals Planning Authority in the East Midlands. (The sales data for Nottinghamshire has been used in this report). The latest report shows that unlike Nottinghamshire, sand and gravel sales across the East Midlands up to 2016 have been increasing since the low point in 2009. 2017 sales fell very slightly compared to 2016 sales. Sales of Crushed rock across the area have also been increasing from the low point in 2012. 2017 sales decreased slightly (0.5%) compared to 2016 data.

Targeted Consultation

31. As required by national planning guidance, the Local Aggregates Assessment has been submitted to the East Midlands Aggregate Working Party to seek their views on the approach set out in the LAA.

32. Concerns have been raised by the minerals industry stating that the LAA/ Minerals Local Plan is not making adequate provision over the plan period. The reasons given include the reliance on sales data heavily influenced by low sales, increased demand from renewed house building, the amount of permitted reserves locked up in mothballed/inactive quarries and other planned major infrastructure schemes such as HS2. Most adjacent Minerals Planning Authorities considered the content of the LAA is satisfactory.

Conclusion

33. The 2018 data shows that sales of sand and gravel in Nottinghamshire have increased marginally against the 2017 data, however sales remain subdued. This is against a wider backdrop of rising sales at both the East Midlands and national levels. The 10-year average sales figures continue to fall, as a direct result of the 10-year period taking into account a greater proportion of recession data.

34. Based on the evidence available, it is considered that the sales data used to forecast demand in the emerging Minerals Local Plan remains relevant. Any changes to the demand forecast would result in delays to plan preparation as additional stages of public consultation would be required.

35. The LAA is produced annually and will be used to monitor dales in Nottinghamshire.

Other Options Considered

36. The only other option would be not to approve or publish a new Local Aggregate Assessment, however the production of this document is a requirement in the National Planning Policy Framework and Managed Aggregate Supply System (MASS) guidance. It is new evidence which supports the review of the Minerals Local Plan and it is important that the Committee approves its publication.

Reason for Recommendation

37. To agree the Nottinghamshire and Nottingham Local Aggregates Assessment as it forms part of the evidence base of the Nottinghamshire Minerals Local Plan. Production of Minerals Local Plan and associated documents is a statutory requirement.

Statutory and Policy Implications

38. T This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial implications

39. There are no direct financial implications arising from the contents of this report. The Committee should note that the City Council contribute £750 per annum towards the production of the document since it covers their obligations as a mineral planning authority.

RECOMMENDATION

1) That Committee approve the Nottinghamshire and Nottingham Local Aggregates Assessment – 2018 sales data.

Adrian Smith
Corporate Director, Place

For any enquiries about this report please contact: Steven Osborne-James, Principal Planning Officer, Planning Policy Team, 0115 97 72109

Constitutional Comments [SG 23/10/2019]

40. The recommendation falls within the remit of the Communities and Place Committee by virtue of its terms of reference.

Financial Comments [RWK 24/10/2019]

41. There are no specific financial implications arising directly from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

All