

CABINET – 18 MAY 2010

SOUTH EAST PLAN: THE SECRETARY OF STATE'S PROPOSED CHANGES TO POLICY M3 PRIMARY LAND-WON AGGREGATES AND SUB-REGIONAL APPORTIONMENT, MARCH 2010

Report by Head of Sustainable Development

Introduction

1. Policy M3 in the South East Plan sets out the amount of aggregate mineral extraction (sand and gravel and crushed rock) to be provided within the region and by each county. This is the apportionment which mineral planning authorities (MPAs) should make provision for in their Minerals and Waste Development Frameworks (MWDF). A review of the apportionment in Policy M3 is being carried out, as a partial review of the South East Plan.
2. Policy M3 currently provides for 13.25 million tonnes a year of sand and gravel and 2.2 million tonnes a year of crushed rock for the region. The current apportionment for Oxfordshire is 1.82 million tonnes a year of sand and gravel (13.7% of the regional total) and 1.0 million tonnes a year of crushed rock (limestone and ironstone) (45.5% of the regional total).
3. The Government periodically issues national and regional guidelines for aggregates provision in England. These set figures for production of land-won primary aggregates (sand and gravel and crushed rock) in each region, taking into account expected supply from other sources including secondary and recycled materials. New guidelines, for the period 2005 to 2020, were published by the Government in June 2009. These set lower figures for the South East region: 12.18 million tonnes a year of sand and gravel; and 1.56 million tonnes a year of crushed rock.

Review of Policy M3 – Aggregates Apportionment

4. The current apportionment is based on the past distribution of mineral production within the region. The South East England Regional Assembly (SEERA) considered and consulted on options for a new apportionment based on a more rounded and forward-looking methodology, as detailed in the attached Annex 1.
5. In March 2009 SEERA submitted a proposed revision of Policy M3 to the Secretary of State, and the Government Office for the South East carried out consultation on this. This proposal included a regional sand and gravel figure of 9.01 million tonnes a year, which was less than the Government's figure, but which SEERA considered appropriate since production rates have consistently been below guideline figures. The proposed sand and gravel apportionment was based on Option E (Demand and Resources) with a transition element to smooth the change, which gave a figure of 1.58 million

tonnes a year for Oxfordshire. For crushed rock, a continuation of the existing apportionment was proposed, but applied to a lower regional figure, giving a figure of 0.71 million tonnes a year for Oxfordshire.

6. The County Council strongly supported SEERA's proposed regional sand and gravel supply figure of 9.01 million tonnes a year and supported the proposed reduced Oxfordshire apportionment figures. These would increase the share of regional sand and gravel supply provided by Oxfordshire but by less than under the other options, except Option C (Demand).
7. An Examination in Public (EIP) was held in October 2009 and the Panel's Report was published in November 2009. The Panel agreed that the amount of primary aggregates supply that the South East should provide for should be reduced, and recommended a regional sand and gravel figure of 11.12 million tonnes a year. This is less than the new Government guideline figure of 12.18 million tonnes a year, but not as big a reduction as the 9.01 million tonnes a year that SEERA had proposed.
8. The County Council put forward evidence to the EIP (attached at Annex 2) to indicate that Oxfordshire has been providing a substantially higher proportion of the regional supply of sand and gravel relative to its share of both housing development and economic activity, and that any increase in the Oxfordshire apportionment would increase this difference. Any increase in production of sand and gravel in Oxfordshire would therefore be to supply markets elsewhere, with a consequent increase in lorry miles. This is unlikely to be a sustainable way of supplying requirements elsewhere in the South East, particularly given Oxfordshire's location on the north western edge of the region. However, this evidence is not referred to in the Panel's report and it would appear that these arguments have not been taken into consideration.
9. The Panel recommended an apportionment based on Option E, but with no transition element, giving a higher sand and gravel apportionment of 2.1 million tonnes a year for Oxfordshire. For crushed rock, the Panel recommended a reduction in the regional figure to 1.44 million tonnes a year and a lower apportionment of 0.66 million tonnes a year for Oxfordshire.
10. The Panel also recommended that the Government should review their aggregates forecasting model and determine whether the national and/or regional guidelines should be altered.

Proposed Revised Apportionment

11. The Secretary of State has now published Proposed Changes to Policy M3 for consultation. These follow the recommendations of the Panel for reduced regional supply figures and a revised apportionment. The proposed revised apportionment (with the existing apportionment and SEERA's March 2009 proposals for comparison) and other changes to Policy M3 are set out in the attached Annex 3. Updates to the sustainability appraisal report and Habitats Regulations Assessment have also been published.

12. The proposed regional figures and the apportionments for Oxfordshire are:

	Secretary of State's Proposed Apportionment (March 2010)	SEERA Proposed Apportionment (March 2009)	Existing South East Plan Policy M3 Apportionment
Sand and Gravel	Annual Average (million tonnes a year) 2010 – 2026		
Oxfordshire	2.10	1.58	1.82
South East	11.12	9.01	13.25
Oxfordshire proportion of regional total	18.9%	17.5%	13.7%
Crushed Rock	Annual Average (million tonnes a year) 2010 – 2026		
Oxfordshire	0.66	0.71	1.0
South East	1.44	1.56	2.20
Oxfordshire proportion of regional total	45.8%	45.5%	45.5%

13. Annex 3 shows that Oxfordshire has by far the largest proposed increase in sand and gravel apportionment. Buckinghamshire, Milton Keynes and West Sussex have smaller proposed increases. Berkshire, Hampshire, Kent and especially Surrey have substantial proposed decreases.
14. These proposals affect the provision for mineral working to be made in the MWDF. It is therefore important that the County Council makes a response to the consultation, which closes on 1 June 2010. Following consideration of responses to this consultation, the Secretary of State will publish final changes to Policy M3.

Comments of Head of Sustainable Development

15. Aggregates planning is based on a top-down, predict and provide approach. There is little scope for flexibility to be exercised at either the regional or MPA level in the overall quantity of aggregates to be provided or the make up of that provision. In particular, the system does not allow a region or MPA to provide for less primary land-won aggregate production where either the supply of secondary and recycled aggregate materials can be increased or the need for aggregates can be reduced through the use of more sustainable construction methods. It is to be regretted that these factors are not currently taken into account in the apportionment of land-won aggregates.
16. Under the Secretary of State's proposals, the Oxfordshire sand and gravel apportionment is increased by 15%, from 1.82 to 2.1 million tonnes a year, and the share of regional supply provided by Oxfordshire is increased from 13.7 % to 18.9%. This would increase the Oxfordshire apportionment to a much higher level than it has been since the early 1990s. (It was reduced from 2.2 to 2.0 million tonnes a year in 1994; and again to 1.82 million tonnes a year in 2006.) This increase is a function of the apportionment methodology in Option E, which strongly reflects that Oxfordshire has greater remaining resources of sand and gravel that are not constrained by national environmental designations than other south east counties.

17. Production of sand and gravel in Oxfordshire has been below 2.1 million tonnes a year since 1991, and has been in steady decline since 1998, falling to 0.78 million tonnes in 2008. Regional production of sand and gravel has also fallen substantially and has been below the proposed figure of 11.12 million tonnes a year since 2003. From 1995 to 2008 average production of sand and gravel in Oxfordshire was 1.62 million tonnes a year. This represents 14.3% of regional production, much lower than the 18.9% now proposed. This is shown in more detail in the attached Annex 4.
18. The sustainability appraisal of the proposed apportionment includes an assessment of effects on proximity and transport objectives. For Oxfordshire it records a positive impact because the county has a large proportion of sand and gravel resources within a growth sub-region. I believe this to be a flawed assessment since it does not take into account that any increase in sand and gravel supply in Oxfordshire would be to serve markets elsewhere. I consider that this should instead be recorded as a negative impact.
19. Following publication of the Panel's report, the South East England Partnership Board (SEEPB) wrote to the Department for Communities and Local Government (CLG) to press for an early review and re-run of the forecasting model and the guidelines, as recommended by the Panel. CLG have rejected this, saying that it would be more appropriate to do this when new data is available from the 2009 aggregates monitoring survey (in 2011), and that implementation of the new guidelines should not be delayed.
20. I believe that the proposed regional sand and gravel supply figure of 11.12 million tonnes a year is too high; and that the proposed increase in the Oxfordshire sand and gravel apportionment to 2.1 million tonnes a year is unnecessary, inappropriate and unacceptable; for the following reasons:
 - (a) Annual sand and gravel production in both the South East region and Oxfordshire has been well below the proposed figures for some years, as shown in the attached Annex 4.
 - (b) Evidence has been put forward by SEEPB, and supported by the MPAs, to justify a regional figure of 9.01 million tonnes a year. Whilst this was not fully accepted by the Panel, they have recommended a review and re-run of the aggregates forecasting model and guidelines. This should be done as a matter of urgency, before the figures in Policy M3 are finalised.
 - (c) Oxfordshire's share of regional sand and gravel production has been substantially less than the 18.9% proposed and has been declining.
 - (d) Sand and gravel production in Oxfordshire has been falling steadily and has been below the proposed apportionment level since 1991; and in 2008 was only 37% of the proposed apportionment. There is no need for an increase in Oxfordshire's apportionment.
 - (e) Oxfordshire is on the north western periphery of the region and most of the sand and gravel resource is in the western part of the county.

Development, and consequent demand for aggregates, is currently and is planned to be proportionately higher elsewhere in the region, as shown by Option C and evidence submitted by the County Council to the EIP (Annex 2) which it appears was not taken into consideration. An increase in supply from Oxfordshire would be to serve other parts of the region or other regions, not Oxfordshire; and would result in longer distance lorry movements of aggregates with a resultant increase in climate change impacts. In addition to the adverse sustainability implications of this way of supplying sand and gravel to the South East, the increase in transport costs involved must cast considerable doubt on its economic deliverability.

- (f) The sustainability appraisal is flawed in its assessment of effects on proximity and transport objectives for Oxfordshire.
21. The proposed Oxfordshire crushed rock apportionment (0.66 million tonnes a year) would be a significant (34%) decrease on the current apportionment, reflecting a decrease in production of limestone and ironstone in recent years. I consider the proposed crushed rock apportionment to be appropriate.
22. I consider that the other proposed changes to the wording of Policy M3 should be supported, in particular the inclusion of a statement that apportionments will be subject to testing of deliverability in the preparation of MWDFs.

Corporate Policies and Priorities

23. The review of the aggregates apportionment has implications for the County Council's MWDF, in terms of both the amount of mineral working to be provided for and the programme for preparing it. Production of the MWDF can contribute to the Council's objective of providing value for money, but uncertainties over the plan-making process pose a risk to that. It can also contribute towards the Council's priorities for the environment and economy.

Risk Management

24. The MWDF is a high risk project because of the complexity of the process and potential implications for planning applications for major developments such as new mineral workings. The timing and outcome of the review of the aggregates apportionment could affect preparation of the MWDF. Delay to the review process could further delay the MWDF; and if the revised apportionment is not realistic and achievable it is likely to be more difficult to reach agreement on proposals for mineral working in the MWDF.

Financial and Staff Implications

25. The review of the aggregates apportionment does not have any direct implications for finance or staffing.

RECOMMENDATION

26. **The Cabinet is RECOMMENDED to:**

- (a) agree the following response to the consultation by the Government Office for the South East on the Secretary of State's Proposed Changes to Regional Spatial Strategy for the South East (South East Plan) Policy M3 – Primary land-won aggregates and sub-regional apportionment:**
 - (i) the County Council objects to the proposed changes to the sand and gravel figures in Policy M3, particularly the regional figure of 11.12 million tonnes a year and the Oxfordshire figure of 2.10 million tonnes a year, for the reasons set out in paragraph 20 of this report;**
 - (ii) the County Council supports the proposed changes to the crushed rock figures in Policy M3;**
 - (iii) the County Council supports the other proposed changes to the wording of Policy M3, in particular the inclusion of a statement that apportionments will be subject to testing of deliverability in the preparation of MWDFs;**
- (b) authorise the Head of Sustainable Development, in consultation with the Cabinet Member for Growth and Infrastructure, to submit a response to the consultation based on this report.**

CHRIS COUSINS
Head of Sustainable Development
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Background Papers: Nil

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May 2010

SEERA Options for Sub-Regional Land-Won Aggregates Apportionment

The Panel that held the Examination in Public (EIP) of the Waste and Minerals Alterations to RPG9 in 2004 recommended (in their report, December 2004, that a review of the apportionment in Policy M3 be carried, as a partial review of the South East Plan. The South East England Regional Assembly (SEERA) considered the following six options for a new apportionment based on a more rounded and forward-looking methodology:

Option A 'Past Sales' – heavily weighted to existing sales and therefore similar to the existing apportionment;

Option B 'Resource' – weighted to the distribution of mineral resources within the region;

Option C 'Demand' – weighted towards where future demand for aggregates is expected to be within the region;

Option D 'Environmental' – weighted towards avoiding areas of national and international conservation and landscape importance but also strongly influenced by the distribution of mineral resources;

Option E 'Demand & Resources' – equal weighting given to demand for aggregates and location of mineral resources;

Option F 'Equal Weighting' – no variation in weighting between criteria.

SEERA discounted options A, B and F, all of which would give significant increases in sand and gravel apportionment for Oxfordshire.

In May 2008 SEERA consulted on options C, D and E for a revised apportionment. Option C would give Oxfordshire a reduced proportion of regional sand and gravel supply and reduce the Oxfordshire apportionment, but Options D and E would substantially increase it.

Option C was supported by many respondents to the SEERA consultation but there were serious doubts about its practicality and it was criticised for being too close to the existing situation. Consequently there was no overall support for it from MPAs.

ANNEX 2**Oxfordshire County Council Submission to Policy M3 Examination in Public October 2009****D1. Is Option E (with additional sales element) the appropriate basis for the sub-regional apportionment of whatever regional total is deemed to be justified?**

1. In response to the SEERA Consultation Document, May 2008 (CD 1.7), Oxfordshire County Council expressed preference for Option C 'Demand' but recognised that it may not be practical. The reasons for this response were set out in a report to the County Council's Cabinet Member for Sustainable Development, 17 July 2008, as follows:
 - (12) 'Option C would be advantageous for Oxfordshire in that the aggregates apportionment and hence the minerals supply requirement would be reduced. The lower apportionment figures would be closer to actual production levels in recent years and closer to the level of demand for these minerals in the county, and transportation of minerals by road should be reduced. But other parts of the region – Buckinghamshire, East Sussex, Isle of Wight, Medway, Milton Keynes and West Sussex – would be faced with increased apportionments. There are doubts over the practical capability of those areas to increase the supply of land-won sand and gravel and/or crushed rock to the region and the practicality of this option is therefore uncertain.'
2. In response to the Review of Policy M3 – Recommendations for amending the policy, March 2009 (CD 1.2), Oxfordshire County Council supported the proposed changes to Policy M3 but stated that the Council's support for the sub-regional sand and gravel apportionment in the proposed changes to Policy M3 is only on the basis of a regional total figure of 9.01 million tonnes a year. The reasons for the Council's view were set out in a report to the County Council's Cabinet Member for Sustainable Development, 26 May 2009, as attached at Appendix 1.
3. Oxfordshire County Council continues to prefer Option C but recognises that for practical reasons of delivery there is an argument for giving weight to resources as well as demand. In the interests of coming up with a sub-regional apportionment that all MPAs could sign up to, we were therefore prepared to support an apportionment based on Option E provided it would not adversely impact on Oxfordshire. We supported the modification of Option E to include a transitional sales element for practical reasons. Because of existing quarry infrastructure and permitted reserves, mineral company commitments and plan preparation periods, it would take time for a changed apportionment under Option E to be planned for and implemented. It therefore made sense to include a transition period based on the existing pattern of sales for the first 5 years.

4. We recognise that Oxfordshire contains a greater share of the South East's theoretically available sand and gravel resources than any other MPA in the region; in the LUC 'Primary Aggregates Sub-Regional Apportionment in South East England – Final Report' November 2007 (CD 1.10), Table 2.11 shows Oxfordshire as having 26% of the area of unsterilised combined sand and gravel resource outside of international designations (+250m buffer).
5. The main resource in Oxfordshire is sharp sand and gravel; soft sand accounts for only around 17% of total sand and gravel production. Almost all of Oxfordshire's sharp sand and gravel production is from the deposits of the Thames valley. The BGS map of un-sterilised sharp sand and gravel resources in Oxfordshire – CR/06/147 (CD 1.48d) shows sand and gravel deposits elsewhere in the county, but these are generally thin and/or poor quality. There is only one small sharp sand and gravel quarry outside the Thames valley, at Finmere in the north east of the county. As the BGS map (CD 1.48d) shows, Oxfordshire's un-sterilised sharp sand and gravel resources are heavily concentrated in the west of the county, on the north side of the river Thames upstream from Oxford.
6. The Thames valley sharp sand and gravel resources upstream from Oxford are on the periphery of the South East region and are well distanced from demand areas in the region other than in Oxfordshire. This position can be seen from Figure 3 of the BGS 'SEERA: South East Plan – Review of Mineral Supply and Demand – Commissioned Report CR/06/147', 2006 (CD 1.44). These resources can only be satisfactorily accessed via the A40, north west of Oxford. Production of sharp sand and gravel in Oxfordshire mainly serves local, Oxfordshire markets. The only significant movements of this mineral out of the county are from Caversham Quarry, in south east of the county, which supplies into the Reading market area in Berkshire.
7. Appendix 2 shows that Oxfordshire's percentage of housing completions in the South East region averaged 8.6% between 1996 and 2005, and that over the period 2006 to 2026 Oxfordshire is expected to provide for 8.4% of the regions planned house building. This average for 1996 to 2005 was similar to Oxfordshire's percentage of the South East region's Gross Value Added (GVA), which averaged 8.9% over the period 1996 to 2006. This suggests that housing development is a good indicator of overall economic activity in the county.
8. These figures indicate that Oxfordshire's share of construction activity over the period to 2026 will be essentially the same as it has been since 1996. They also indicate that the demand for aggregates in Oxfordshire as a proportion of the regional demand will not change over the period to 2026 from what it has been in the recent past.
9. Appendix 2 also shows that between 1996 and 2007 Oxfordshire accounted for 14.6% of regional sales of sand and gravel, varying year by year only between 12.5% and 15.6%. The sub-regional apportionment for Oxfordshire under the existing South East Plan Policy M3 is 13.7% (1.82 mtpa of 13.25 mtpa) and prior to 2001 it was 12.1% (2.0 mtpa of 16.5 mtpa). The current proposal is for an Oxfordshire apportionment of 17.5% (1.58 mtpa of 9.01 mtpa).

10. If house building is taken as an indicator of construction activity, it would seem that Oxfordshire has been supplying some 70% more sand and gravel than its share of regional development (14.8% of sand and gravel sales compared with 8.6% of housing completions from 1996 to 2005); and that under the proposed Policy M3 apportionment this would increase to 108% (17.5% of regional sand and gravel total compared with 8.4% planned house building). In addition, Oxfordshire's share of sand and gravel sales has been 66% more than Oxfordshire's share of regional GVA (14.8% of sand and gravel sales compared with 8.9% of GVA from 1996 to 2005/2006). This indicates that Oxfordshire has been providing more than its regional share of sand and gravel supply in terms of demand for aggregates, and that it is being expected to provide an even greater share in the future.
11. This is supported by a comparison of the ratio of sand and gravel sales / apportionment to housing completions / planned house building in the South East and Oxfordshire, as also set out in Appendix 2. This shows that the ratio is higher in Oxfordshire than in the South East and that the percentage decline in the ratio between each 5 year period is greater in the South East than in Oxfordshire.
12. Given that Oxfordshire is relatively rich in sand and gravel resources, this situation could make sense, but only if those resources were well placed to supply the region as a whole. As already explained, this is not the case. If the proportion of land-won sand and supply in the South East that comes from Oxfordshire is increased, this will result in an increase in the average distances from quarry to market and an increase in sand and gravel lorry miles travelled. This is unlikely to be the most sustainable way of supplying aggregates in the South East. It is likely to be more sustainable to supply from more local sand and gravel resources elsewhere in the South East, closer to markets, and/or to make up any deficiency in supply with aggregates transported by rail or sea from outside the South East.
13. Whilst in principle the County Council believes that Option C is the most appropriate basis for the sub-regional apportionment, we were prepared to accept the proposed apportionment based on Option E with a transitional sales element in order to secure an agreed apportionment, but only on the basis of a regional total of 9.01 mtpa. This is because we believe there should be a reduction in the Oxfordshire sub-regional apportionment from the existing 1.82 mtpa level, for the reasons set out in Appendix 1 (paragraph 15), and the apportionment in the proposed Policy M3 does give a 13% reduction in the Oxfordshire figure to 1.58 mtpa, although this is significantly less than the proposed overall regional reduction of 32%.
14. For the reasons set out above, Oxfordshire County Council does not consider that Option E with a transitional sales element would be an appropriate basis for the sub-regional apportionment if the regional total was increased above 9.01 mtpa. In particular, any apportionment of an increased regional total that would result in a sub-regional apportionment figure for Oxfordshire of more than the existing 1.82 mtpa would adversely impact on Oxfordshire, would result in an increase in sand and gravel lorry mileage, and would therefore be wholly unacceptable.

Extract from Oxfordshire County Council Report by Head of Sustainable Development to Cabinet Member for Sustainable Development, 26 May 2009

- 12 The changes to Policy M3 proposed by SEERA challenge the government's approach. They include a regional supply figure for sand and gravel that is less than the government's current and draft proposed figures, based on local evidence. This lower regional figure is supported by a study carried out for SEERA by consultants Green Balance, 'Review of the Basis for the National and Regional Guidelines for Aggregates Provision 2005 – 2020 as Applied to South East England' January 2009. I believe that the proposed regional sand and gravel supply figure of 9.01 million tonnes a year is justified and should be strongly supported.
- 13 The proposed sand and gravel apportionment for Oxfordshire is 1.58 million tonnes a year. This would be a 13% decrease from the current apportionment, although the share of regional supply provided by Oxfordshire would increase from 13.7% to 17.5 %. But this is a lower proportion than under most of the other options considered by SEERA; and the Oxfordshire figure is less than it would be under a straight Option E apportionment, due to the transition element based on past production. For comparison, Oxfordshire's sand and gravel production over the period 2002 – 2006 averaged 1.47 million tonnes a year, representing 14.4% of regional production, although in 2007 it fell to 1.06 million tonnes a year, only 12.5% of the regional total.
- 14 Of the options considered by SEERA, only Option C – 'Demand' would give Oxfordshire a reduced proportion of regional sand and gravel supply. This option was supported by many respondents to the SEERA consultation but there were serious doubts about its practicality and it was criticised for being too close to the existing situation. Consequently there was no overall support for it from MPAs.
- 15 I believe a reduction in the Oxfordshire sand and gravel apportionment is supported by the following factors:
- the government has proposed a reduction in the regional sand and gravel figure, and there is sound evidence to support a further reduction as proposed in the revision of Policy M3;
 - sand and gravel production in Oxfordshire has been below the current apportionment level since 2002, has been falling steadily since then, and in 2007 was only 58% of the apportionment level;
 - Oxfordshire is on the north western periphery of the region and much of the sand and gravel resource is in the western part of the county;
 - development and therefore demand for aggregates is proportionately higher elsewhere in the region (as shown by 'Demand' Option – C);
 - an increase in supply from Oxfordshire to serve other parts of the region would result in longer distance lorry movements of aggregates with resultant increase in climate change impacts.'

- 16 The proposed Oxfordshire sand and gravel apportionment is higher than recent actual production levels and would be an increase in the proportion of regional production. This reflects the fact that Oxfordshire has greater remaining resources of sand and gravel than other south east counties. But it would be a significant decrease on the current apportionment and is based on a better apportionment method than others that were considered by SEERA. Given that other options either produce adverse apportionments for Oxfordshire or lack support from other MPAs, I consider the recommended apportionment to be acceptable on the basis of a regional sand and gravel total of 9.01 million tonnes a year.

Housing, Sand & Gravel Sales and GVA Figures for Oxfordshire and the South East Region

Appendix 2

Housing Completions

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SE Region	27415	28639	26490	25494	23130	25447	24725	28447	32050	33309
Oxon	2199	3217	2558	1917	1829	1830	1603	2015	2895	3538
% of total	8.0	11.2	9.7	7.5	7.9	7.2	6.5	7.1	9.0	10.6

Housing Completions / Planned House Building

Period	1996 – 2000 (completions)	2001 – 2005 (completions)	1996 – 2005 (completions)	2006 – 2026 (planned 5 year average from South East Plan)
SE Region	131168	143978	275146	163500
Oxon	11720	11881	23601	13800
% of total	8.9	8.3	8.6	8.4

Sand and Gravel Sales (thousand tonnes)

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
SE Region	12826	12872	13369	13580	12630	12449	11484	10638	10405	9713	8804	8502
Oxon	1875	1908	2068	1970	1866	1925	1787	1606	1480	1289	1166	1059
% of total	14.6	14.8	15.5	14.5	14.8	15.5	15.6	15.1	14.2	13.3	13.2	12.5

Sand and Gravel Sales (thousand tonnes) / Sand and Gravel Apportionment (million tonnes per annum)

Period	Sales 1996 – 2000	Sales 2001 – 2005	Sales 1996 – 2007	Apportionment 1996 – 2000	Apportionment 2001 – 2008	Proposed Apportionment 2010 – 2026
SE Region	65277	54689	137272	16.5	13.25	9.01
Oxon	9687	8087	19999	2.0	1.82	1.58
% of total	14.8	14.8	14.6	12.1	13.7	17.5

South East Ratio of Housing Completions / Planned House Building to Sand and Gravel Sales / Proposed Apportionment

Period	1996 – 2000	2001 – 2005	2010 – 2026 (5 year average)
Housing completions / planned house building	131168	143978	163500
Sand & gravel sales / proposed apportionment	65277 (thousand tonnes)	54689 (thousand tonnes)	45050 (thousand tonnes)
Ratio	0.50	0.38	
% decrease in ratio	–	24%	26%

Oxfordshire Ratio of Housing Completions / Planned House Building to Sand and Gravel Sales / Proposed Apportionment

Period	1996 – 2000	2001 – 2005	2010 – 2026 (5 year average)
Housing completions / planned house building	11720	11881	13800
Sand & gravel sales / proposed apportionment	9687	8087	7900
Ratio	0.83	0.68	0.57
% decrease in ratio	–	18%	16%

Gross Value Added (GVA) for the South East Region and Oxfordshire £ million)

Year	1996	1998	2000	2002	2004	2005	1996 – 2006 average
SE Region	94,059	109,467	122,985	137,307	152,706	166,003	130,421
Oxon	7,864	9,562	11,047	12,291	13,788	14,920	11,579
% of Regional GVA	8.36	8.74	8.98	8.95	9.03	8.99	8.88

Source: GVA by NUTS3 area at current basic prices, Office for National Statistics

ANNEX 3**Secretary of State's Proposed Changes to Policy M3 of the South East Plan –
Sub-Regional Land-Won Aggregates Apportionment
March 2010****A. Sand and Gravel Apportionment**

Mineral Planning Authority	Annual Average (million tonnes a year) 2010 – 2026		
	Secretary of State's Proposed Apportionment (March 2010)	SEERA Proposed Apportionment (March 2009)	Existing South East Plan Policy M3 Apportionment
Berkshire unitaries	1.33	1.00	1.57
Buckinghamshire	1.05	0.86	0.99
East Sussex / Brighton & Hove	0.10	0.07	0.01
Hampshire	2.05	1.62	2.63
Isle of Wight	0.10	0.09	0.05
Kent	1.63	1.40	2.36
Medway	0.18	0.11	0.17
Milton Keynes	0.28	0.16	0.12
Oxfordshire	2.10	1.58	1.82
Surrey	1.27	1.32	2.62
West Sussex	1.03	0.79	0.91
South East Total	11.12	9.01	13.25

B. Crushed Rock Apportionment

Mineral Planning Authority	Annual Average (million tonnes a year) 2010 – 2026		
	Secretary of State's Proposed Apportionment (March 2010)	SEERA Proposed Apportionment (March 2009)	Existing South East Plan Policy M3 Apportionment
Kent	0.78	0.85	1.2
Oxfordshire	0.66	0.71	1.0
South East Total	1.44	1.56	2.20

Changes to Wording of Policy M3

The Secretary of State's Proposed Changes to Policy M3 of the South East Plan also include the following detailed changes to the wording of the policy:

CA6

- Deletion of reference to supply from secondary and recycled materials (covered by Policy M2) and from marine dredged aggregates (outside MPA control) to focus the policy on primary aggregates.
- Clarification that the policy is for supply of primary aggregates over the period to 2026.
- Inclusion of a statement that MPAs should make separate landbank provision for soft sand and sharp sand and gravel where appropriate.
- Clarification that crushed rock landbanks should be at least 10 years.
- Inclusion of a statement that sub-regional apportionments will be subject to testing of deliverability in the preparation of MWDFs.

Some related changes to the supporting text are also proposed.

ANNEX 4**Sand and Gravel Production and Apportionment in the South East Region and Oxfordshire 1989 to 2008**

Year	South East Region Production of Sand & Gravel million tonnes	Oxfordshire Production of Sand & Gravel million tonnes	Oxfordshire Percentage of Regional Production
1989	*	3.05	
1990	*	2.45	
1991	*	1.63	
1992	*	1.72	
1993	*	1.63	
1994	*	1.86	
1995	13.78	1.88	13.6%
1996	12.83	1.88	14.7%
1997	12.87	1.91	14.8%
1998	13.37	2.07	15.5%
1999	13.58	1.97	14.5%
2000	12.63	1.87	14.8%
2001	12.45	1.93	15.5%
2002	11.48	1.79	15.6%
2003	10.64	1.61	15.1%
2004	10.41	1.48	14.2%
2005	9.71	1.29	13.3%
2006	8.80	1.17	13.3%
2007	8.50	1.06	12.5%
2008	7.30	0.78	10.7%
Average 1999 – 2008	10.55	1.49	14.1%
Current Apportionment (Existing Policy M3)	13.25 million tonnes a year	1.82 million tonnes a year	13.7%
SEERA Proposed Apportionment (March 2009)	9.01 million tonnes a year	1.58 million tonnes a year	17.5%
Secretary of State's Proposed Apportionment (March 2010)	11.12 million tonnes a year	2.10 million tonnes a year	18.9%

Source: SEERAWP Aggregates Monitoring Reports

* Figures not available for current South East England Region

