

Division(s): N/A
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## **CABINET – 26 NOVEMBER 2013**

### **OXFORDSHIRE LOCAL AGGREGATE ASSESSMENT 2013**

**Report by Deputy Director for Environment & Economy (Strategy & Infrastructure Planning)**

#### **Introduction**

1. The County Council has a statutory duty to prepare a new Oxfordshire Minerals and Waste Plan, to provide an effective planning strategy and policies for the supply of minerals and management of waste in the county, consistent with environmental, social and economic needs. The programme for preparing the plan is the subject of a separate report to this meeting.
2. Under the Government's National Planning Policy Framework, March 2012 (NPPF), the County Council must prepare a Local Aggregate Assessment annually. In addition, the duty to co-operate introduced by the Localism Act 2011 applies to the preparation of a local aggregate assessment since this is an activity supporting the preparation of a local plan relating to a strategic matter.
3. The Local Aggregate Assessment is a key part of the evidence base for the plan. It will establish the amount of provision for mineral working that should be made in the plan for the period to 2030. It will also be a material consideration in the determination of planning applications. This report recommends a Local Aggregate Assessment for Oxfordshire for 2013.

#### **Local Aggregate Assessment**

4. The Local Aggregate Assessment (LAA) provides a foundation for the development of the minerals strategy and associated policies in the Minerals and Waste Plan. Government policy in the NPPF is that the starting point for the LAA is the 10-year sales average (of minerals extracted in the county); but it goes on to say that authorities also need to consider other relevant local information.

#### *Sales of minerals over the last 10 years*

5. An important local consideration is that Oxfordshire's mineral resources, particularly sand and gravel, are of strategic importance and that moving forward it is expected that they will continue to serve not only local but wider markets. However, over the last 10 years sales of minerals from Oxfordshire's quarries have fallen. In particular, sales of sharp sand and gravel have fallen nearly 60%, from 1.37 million tonnes in 2003 to 0.56 million tonnes in 2012.

6. The decline in sales over this period reflects the situation nationally and to a large extent is due to the reduction in demand for construction materials resulting from the recession; but it has also been influenced by commercial decisions by mineral producers to concentrate production at quarries in other locations, particularly Gloucestershire. Oxfordshire has moved from being a net exporter of sand and gravel to a net importer. In 2009 the net import of sharp sand and gravel into Oxfordshire was 0.13 million tonnes, 17% of total consumption in the county.
7. Sales of sharp sand and gravel in Oxfordshire have increased slightly since 2010, but the 2012 figure of 0.56 million tonnes is well below the 10 year sales average of 0.81 million tonnes. If annual sales were to increase further, to around the 10-year average level, it is likely the County would once again become a net exporter of sharp sand and gravel, reflecting the strategic significance of Oxfordshire's mineral resources.

### *Draft Local Aggregate Assessment*

8. Supported by consultants Atkins, we produced a draft LAA in June 2013. This set out a proposed methodology that applied an adjustment factor to the 10-year average sales figure that sought to offset the impact of local circumstances that, arguably, have seen Oxfordshire's sales in the last 10 years suppressed more than has been the case nationally. This methodology was based on applying national consumption per head figures to Oxfordshire's population forecasts, to produce estimates of quantities of minerals consumed in Oxfordshire; and then applying an adjustment for the ratio of sales to consumption over the last 10 years to reflect the average net import or export position.
9. This adjustment methodology produced figures somewhat higher than the 10 year sales averages, as shown in the following table. The draft LAA (June 2013) presented these as options.

Mineral type	10 year Past Sales Average (million tonnes per annum)	Adjusted LAA Method (million tonnes per annum)
Sharp sand & gravel	0.81	0.96
Soft sand	0.19	0.24
Total sand & gravel	1.00	1.20
Crushed rock (limestone & ironstone)	0.47	0.58

10. Engagement and discussions on the draft LAA took place over the course of the summer and into early autumn with the South East England Aggregate Working Party and adjoining mineral planning authorities, as required by the

NPPF and under the 'duty to co-operate', and also with the minerals industry and local environmental groups opposed to new mineral working. The bodies concerned and details of meetings and correspondence are listed in Annex 1.

11. Feedback from this engagement was variable and highlighted the challenge associated with developing an approach that is easy to understand and apply but which takes into account local circumstances. Key themes in responses were:
  - i. support for Oxfordshire recognising the strategic importance of its mineral resources and that continued net import of sand and gravel is not a sustainable supply strategy in the medium to longer term;
  - ii. concern that the proposed adjustment methodology is not necessarily transparent and may not be robust, and consequently may not be defensible at the plan examination;
  - iii. questioning why Oxfordshire is not just using the 10 year sales average, as proposed in most other LAAs; and
  - iv. a mix of views on the level of provision, particularly for sharp sand and gravel, ranging from too low through to too high.
12. The South East England Aggregates Working Party was generally supportive of the adjusted methodology approach. The minerals industry expressed support for an LAA approach that results in figures above the 10 year sales average. Gloucestershire and Wiltshire Councils had concerns about the methodology but welcomed an approach that would meet future demand and remove the need for imports of sand and gravel from those counties. Other adjoining and South East authorities were less concerned about the level of provision but some had concerns about the robustness of the methodology and inconsistency with the approach used by other authorities. The local environmental groups thought there was no need for an adjusted methodology and that the 10 year sales average adequately took into account fluctuations in supply and demand over the period.

### *Minerals and Waste Cabinet Advisory Group*

13. A Cabinet Advisory Group (chaired by Cllr David Nimmo Smith with Cllr Anne Purse as deputy chairman) has been established. This Group is already considering work on the new Minerals and Waste Plan and will advise the Cabinet on key issues at the appropriate decision points.
14. The Cabinet Advisory Group considered the draft LAA and the feedback from the engagement with other authorities, organisations and interest groups at its meeting on 23 October.
15. The Group's discussion highlighted concerns that the adjustment methodology proposed in the LAA was unclear and not easy to understand. Members were concerned that the Council's evidence would be hard to defend at later stages in the process. In addition, the members on the Group emphasised the fact that based on the 10-year sales average there would already exist scope for sharp sand and gravel production within Oxfordshire to increase substantially above the current level; and they questioned the need

for setting a figure that is higher than the 10-year sales average. On this point, members questioned why Oxfordshire should adopt a different approach from that apparently being taken by other mineral planning authorities.

16. The Cabinet Advisory Group asked the Officers to look again at the LAA methodology.

*Further consideration*

17. Within the South East, the draft Oxfordshire LAA is the only one that has proposed an adjustment to the 10 year sales average. All other LAAs are based on a 10 year sales average, unless the authority already has an adopted plan with a different figure, except for one case where the average of the last 3 years sales has been used because there were no sales during the first part of the 10 year period. Outside the South East, all LAAs that we are aware of use the 10 year sales average.
18. The adjusted methodology proposed in the draft LAA relies on certain assumptions and relationships which are open to challenge and may be difficult to explain and defend; and there is a risk that the approach would be found unsound at examination. These include the use of population as a proxy for demand; the application of national consumption per head figures to Oxfordshire; the use of the ratio of sales to estimated consumption as the net import or export position in Oxfordshire over the last 10 years; and the use of an average of those figures as a net import or export factor as an adjustment factor applied to the level of provision in future years.
19. Having looked at the LAA methodology in the light of these factors and the responses to the June 2013 draft LAA, I am not convinced of the need for an adjustment to be made to the 10 year sales average. There is significant headroom between the 10 year average figures and the position in 2012, as shown in the table below, which would enable sales to increase such that Oxfordshire could move from being a net importer to a net exporter of sharp sand and gravel.

Mineral type	10 year Past Sales Average (million tonnes per annum)	Sales in 2012 (million tonnes per annum)
Sharp sand & gravel	0.81	0.56
Soft sand	0.19	0.16
Total sand & gravel	1.00	0.72
Crushed rock (limestone & ironstone)	0.47	0.24

20. The NPPF requires the LAA to be updated annually. This updating should include an assessment for each mineral of the current 10-year sales average as the basic indicator of demand; the reserves of minerals already with permission (the landbank); and the additional provision that will need to be made in order to meet expected demand. Given that these figures will change annually, this points to an approach in the revised Minerals and Waste Plan whereby the minerals policies do not specify the exact amount of mineral to be provided through the plan but state that permissions will be granted as and when required in order to meet the level of need indicated by the most recent LAA and landbank position.
21. This would reflect that a fundamental part of any plan is the need to monitor and review it in light of changes in circumstances. But it would also help avoid the Minerals and Waste Plan becoming outdated too quickly and hence reduce the frequency with which policies would need to be fundamentally reviewed.
22. I consider that, in conjunction with this type of approach, it would be appropriate for the LAA to be based solely on the 10-year sales average. In addition to the headroom for an increase in sales that this would in any case provide, any increased requirement for mineral supply, as indicated by an increase in the 10-year sales average, could be accommodated through the flexibility provided by the plan policies. There would be therefore no need for the 10-year sales average to be adjusted through the use of a methodology using a proxy for actual demand (such as the population proxy proposed in the draft LAA).
23. The views of the South East England Aggregates Working Party, the minerals industry and key adjoining authorities on the use of a 10-year sales average for Oxfordshire rather than the adjusted methodology have been sought and will be reported at the meeting.
24. Subject to consideration of those views, I consider that the draft Oxfordshire LAA should now be finalised with a conclusion that, notwithstanding the fall in sales over the last 10 years, the appropriate LAA figures for Oxfordshire are the 10 year sales averages. These figures should then be used as the basis for the provision for mineral working to be made in the draft Minerals and Waste Local Plan that is produced for public consultation in February 2014. The LAA will be published alongside the draft plan, as one of the evidence documents, which will provide a further opportunity for comment to be made on it. These figures should also be used as the basis for calculating the Oxfordshire landbank, which will be a material consideration in the determination of planning applications.

### **Financial and Staff Implications**

25. The Minerals and Waste Local Plan is included within the work priorities of the Environment and Economy Directorate and funding provision for this project is held in the Minerals and Waste Plan Project earmarked reserve. This report does not raise any additional financial or staffing implications.

## RECOMMENDATION

26. **The Cabinet is RECOMMENDED to**
- (a) approve the 10 year average sales figures set out in the table in paragraph 19 of the report as the provision figures in the Oxfordshire Local Aggregate Assessment 2013, for use as the basis for provision for mineral working in the consultation draft Minerals and Waste Local Plan and for calculating the Oxfordshire landbank;**
  - (b) authorise the Deputy Director for Environment & Economy (Strategy & Infrastructure Planning) in consultation with the Cabinet Member for Environment to finalise the Oxfordshire Local Aggregate Assessment 2013 for publication.**

MARTIN TUGWELL

Deputy Director for Environment & Economy (Strategy & Infrastructure Planning)

Background papers:

- i. Oxfordshire Local Aggregate Assessment Final Draft Report June 2013.
- ii. Responses from consultees on the Oxfordshire Local Aggregate Assessment Final Draft Report June 2013.

All background papers are kept in the Minerals and Waste Policy Team at Speedwell House, Oxford.

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November 2013

**Meetings and Correspondence with Other Local Authorities and Organisations  
July – October 2013 on the Draft Oxfordshire Local Aggregate Assessment  
June 2013**

Organisation	Meeting or Correspondence	Response
South East England Aggregate Working Party	Meeting 03.07.2013	Minutes of Meeting
South West Aggregate Working Party	Email exchange + follow-up phone call	Written response 19.08.2013
West Midlands Aggregate Working Party	Email sent 21.08.2013	No response *
East Midlands Aggregate Working Party	Email exchange	Email 23.09.2013
East of England Aggregate Working Party	Email exchange	Email 09.08.2013
Buckinghamshire CC	Meeting 25.07.2013	Email 30.08.2013
West Berkshire Council	Meeting 25.07.2013+ follow-up email	No written response **
Reading BC		No written response **
Wokingham BC		No written response **
Bracknell Forest Council		No written response **
Royal Borough of Windsor & Maidenhead	Meeting 18.09.2013 + follow-up email	No written response **
Slough BC		No written response **
Hampshire CC	Meeting 05.07.2013 + follow-up email	No written response **
Surrey CC		No written response **
Kent CC	Email exchange	Email 08.07.2013
East Sussex CC	via SEEAWP + follow-up email 21.08.2103	No written response ***
West Sussex CC	via SEEAWP+ follow-up email	Email 30.08.2013
Isle of Wight Council	via SEEAWP	Email 02.07.2013
Wiltshire Council	Meeting 29.08.2013	Written officer response 12.09.2013
Swindon BC		
Gloucestershire CC	Meeting 05.07.2013	Email 06.08.2013
Warwickshire CC	Meeting 10.07.2013	Email 31.07.2013
Northamptonshire CC	Meeting 24.07.2013 + follow-up email	Email 21.08.2013
Milton Keynes Council		No written response **
Cherwell DC	Meeting of Oxfordshire Planning Policy Officers 20.09.2013	No written response **
Oxford City Council		No written response **
South Oxfordshire DC		Written officer response 04.10.2013
Vale of White Horse DC		No written response **
West Oxfordshire DC		Written officer response 20.09.2013
Environment Agency	Meeting 16.07.2013	Letter 06.09.2013
Mineral Products Association	Meetings 31.07.2013 +	Letter 27.08.2013

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Oxfordshire Mineral Producers Group	follow-up email and 01.10.2013	Written response from Hills Quarry Products Limited 31.07.2013
Local Environmental Groups (OXAGE): CPRE; AGGROW; OUTRAGE; Eynsham; BACHPORT; PAGE; CAGE; SEAG	Meetings 13.09.2013 and 04.10.2013	Written report prepared by consultants 03.10.2013

\* No response has been received from the West Midlands Aggregates Working Party despite a reminder being sent.

\*\* No written comments have been received following meetings with West Berkshire Council, Reading BC, Wokingham BC, Bracknell Forest Council, Royal Borough of Windsor & Maidenhead, Slough BC, Hampshire CC, Surrey CC, Milton Keynes Council, Cherwell DC, Oxford City Council and Vale of White Horse DC. At the meetings with these authorities, no significant concerns were raised over the draft Local Aggregate Assessment with the exception of Windsor & Maidenhead, who expressed concerns over the complexity of the methodology (but not over the resultant provision figures). (These concerns are similar to those raised in the response by Buckinghamshire CC.) Windsor & Maidenhead were asked to provide written comments in a follow-up email, but none have been received.

\*\*\* No response has been received from East Sussex CC. (There is very little mineral supply relationship between Oxfordshire and East Sussex.)