SOUTH WALES REGIONAL AGGREGATES WORKING PARTY

Minutes of meeting – 10am on Monday 16th March 2015, at The Innovation Centre, Bridgend

Present:
Martin Hooker – Consultant (Chair)
Hugh Towns – Carmarthenshire CC (Secretary)
Susan Jones – Bridgend CBC
Ruth Amundson – Caerphilly CBC
Graham Dorrington – Ceredigion CC
Justin Waite – Merthyr Tydfil CBC
Malcolm Lawer – MPA
Mark Frampton - MPA
Mark Russell – MPA
Martin Davies – Monmouthshire CC
Lindsay Christian- Newport City Council
Gary Nancarrow – North Wales RAWP Secretary
Richard James – Pembrokeshire Coast NPA
Bob Smith – Pembrokeshire CC
Owen Jones – Rhondda Cynon Taff CBC
Stuart Gibson – The Crown Estate (Agent)
Adrian Wilcock – Torfaen County Borough Council
Andrew Wallace – Vale of Glamorgan C
Nathan Slater – Vale of Glamorgan C
Joanne Smith (JS) – WG
Steve Bool – WG

1. **Apologies:**

Lynda Healy – Blaenau Gwent CBC
Chris Morgan – Brecon Beacons NP
Tom Boothroyd – Carmarthenshire CC
Stuart Williams – Cardiff CC
Ken Hobden – MPA
Mike McGee – MPA
Michelle Griffiths - NRW
Ceri Morris – Neath Port Talbot CBC
David Harding - MPA

2. **Minutes of the SWRAWP Meeting 10th September 2014**

The minutes were accepted as a correct record.

3. Matters Arising

Section 3 – Owen Jones advised that discussions had taken place between RCT and the Vale of Glamorgan regarding the sharing of reserves at Forest Wood Quarry. A resolution was fairly close but RCT were unhappy that discussions had taken place at the last SWRAWP when they were not present. The Secretary clarified the position on landbanks relative to the provisions of MTAN1.

4. South Wales RAWP Update

Grant aid from WG to provide the Secretariat for the SWRAWP ends on 31st March 2015. Carmarthenshire will be submitting a Business Case for funding to cover 2015-16. JS advised that funding was available from WG for the SWRAWP but that it now had to be bid for annually.

The four-yearly AM Survey did not take place in 2013. It is now programmed for 2014. DCLG has confirmed that BGS have won the contract and a Steering Group is to be set up. Unfortunately, due to the AWP Contracts in England coming to an end on 31st March 2015 there may be a delay in getting representation from England. Gary Nancarrow and Jo Smith will represent Wales. A meeting is anticipated towards the end of April, with forms coming out for circulation in late May/June. Any delay will mean forms coming out in the summer with a knock on delay in producing the Annual Report. As things stand it will be difficult to get the Annual Report published before Christmas.

The Secretary advised that there were currently a number of vacancies (BGS, NRW and RWE nPower) as well as members about to retire (Basil Hollington – WG Agricultural Advisor). The Chair expressed great concern that NRW were again not represented at the meeting. The Environment Bill seeks to put NRW at the heart of natural resource planning but they consistently don't attend a forum that discusses that very issue. Jo Smith was asked to pass on that concern within WG.

5. North Wales RAWP Update

The NWRAWP is meeting on 24th March and it is expected that the Annual Report 2013 will be signed off.

Locally, there appears to be an upturn in activity with quarries being much busier. Company mergers have led to fewer units so the remaining ones would be expected to be busier but they are flat out and may be exhausted sooner if things continue in the same way. Significant movements of armourstone have been evident in the last 18 months.

Breedon Aggregate is a new player in the S&G market and there has been increased interest in S&G around Elsmere Port and Deeside. Current reserves are largely from one LPA and one site.

Wrexham and Gwynedd/Mon LDP's are at consultation stage.

6. AS2013

The AS2013 Annual Report was published to the website in December 2013.

Sales of primary aggregates rose from 8.22 million tonnes in 2012 to 8.7 million tonnes in 2013. Crushed rock sales rose from 7.39 million tonnes in 2012 to 7.55 million tonnes in 2013 accounting for 87% of primary aggregate production. Marine S&G Sales rose from 560,000 tonnes to 870,000 tonnes accounting for 10% of primary aggregate production. Land won S&G rose from 270,000 tonnes to 280,000 tonnes accounting for 3% of primary aggregate production. The significant increase in marine S&G sales was not reflected in landings of marine S&G and members considered that this was due to sales from stocks, differences in timing between sales and landings and the influence of the sales from the Bedwyn Sands (which are not part of the Crown Estate landing figures.

Use of primary aggregate for concrete production was up from 1.01 million tonnes in 2012 to 1.19 million tonnes in 2013, with 95% of the increase being made up of limestone. Consequently, there was a drop in the use of limestone for roadstone and other construction uses/fill and an increase in the use of sandstone/igneous for those end uses.

Use of Marine S&G for asphalt production had doubled from 170,000 tonnes in 2012 to 340,000 tonnes in 2013. Members were unable to explain why that should be but assumed that there must be some technical reason for that. (NOTE: It has subsequently been suggested that this may be due in part to the increased customer preference for hot rolled asphalt mixes which use sand rather than gritstone/limestone fines.)

There is evidence starting to appear of a ripple effect, what happens in SE Wales one year seems to happen in South West Wales/Powys the following year.

Crushed Rock Landbanks indicate only Blaenau Gwent and RCT with landbanks less than 25 years and preferred areas have been identified by both LPA's in their LDP. S&G landbanks indicate only Ceredigion with less than 25 years and allocations at two sites have been made in their LDP.

There has been a substantial drop in the sales of secondary aggregate from 1.58 million tonnes in 2012 to 820,000 tonnes in 2013. Members were unable to explain the reason for this but it was noted that the Llanwern site was pretty much exhausted.

There had been a very poor response to the road planings survey but this has always been the case.

7. WG Update

The Planning Bill has reached Stage 2 with Government amendments and a significant number of non-government amendments tabled. WG will decide whether amendments are accepted or not. Key issues for the Minister are the Welsh Language and the gender balance on Joint Planning Boards (looking at 40% female). The Bill is still on schedule for Royal Ascent in the summer.

The Future Generations Bill is slightly ahead. Government and non government amendments have resulted in much of the content being removed although this may be reversed.

The Environment Bill will be next. Members expressed concern regarding the potential for duplication and the introduction of another tier of regulation. LPA's already balance the environmental/social/economic aspects of a development and there is no need for NRW to do the same. Gareth Jones of WG confirmed at the MPA Conference recently that the primacy of the planning system was non-negotiable. Members therefore questioned what Natural Resource Management Plans were going to do and how that was going to be integrated into the current system. It was felt that it would be helpful if NRW staff of the appropriate level attended SWRAWP meetings so that these matters could be discussed.

Responses to the Positive Planning Consultation have been analysed but there has been no announcement as yet. Planning Policy Prospectus has been published. PPW is to be aligned with the Future Generations Bill and the Minister wants MPPW and PPW to be integrated before that happens. The consolidation will see the elements that are not integrated into PPW put in a framework beneath which will include MTANs and the extant MPG's. There will probably be new MTAN's.

Planning Fees will increase later this year, probably in September.

8. MPA/BAA Report

The MPA reported that there was evidence of business picking up and a far more positive mood in the industry. GDP in the UK grew by 0.7% in the three months to January 2015, up from 0.5% the previous quarter. Output growth was 7.4% in 2014 and it is forecast that aggregate growth will be 5% in 2015 with a slight softening in 2016/17. Asphalt sales are expected to increase by 4% as the highway strategy moves forward. The new build market is increasing, bulk cement sales are increasing and there is increased demand for bag cement.

MPA has commissioned the Welsh Economic Business Unit to carry out a study into the value and contribution of the industry to Wales. It was done at a GB scale in 2012 but now its being done at a Wales level. Questionnaires have been sent to 32 producers in Wales, the data will be analysed and a report is expected by the end of June 2015. The next stage may be to look at breaking the data down to a North Wales and South Wales level but that remains to be seen.

The MPA Conference/Seminar/Lunch was well received. Members thought that the venue was much better with adequate parking nearby but they questioned the value of NRW saying the same thing every year.

The Quarrying Industry in Wales – A History, written by Ian Thomas has been well received. This was funded by the ALSF but this fund has now decreased from £1.5 million to £500,000 due to lack of applications. Projects are capped at £100,000 and have to be completed in 12 months. The eligibility criteria have also been tightened and have moved away from research based to community based projects. The MPA are proposing to produce leaflets to promote the fund or it will be lost as it has been in England.

A BAA representative was not present so no update was provided.

9. Marine Dredging Update

The Crown Estate Agent advised that the statistics for 2014 were being prepared and would be published shortly.

The Crown Estate Capability and Portfolio was produced in November 2014. It looks at the difference between reserves and resources, gives 10-year and 3-year average extraction figures and looks at extraction and delivery by region of the UK. The information for the 2015 brochure is currently being gathered and will be published towards the end of the summer.

Marine Aggregates Capability and Portfolio 2014 (which includes data from 2013)
http://www.thecrownestate.co.uk/media/389767/ei-marine-aggregates-2014.pdf

BMAPA and The Crown Estate have produced their 16th Annual Report in relation to the area of seabed dredged and landing statistics by region of the UK. The report covers data for 2013.

The Area Involved – 16th Annual Report (covers 2013 dredging and data)
http://www.thecrownestate.co.uk/media/438891/ei-marine-aggregate-dredging-sixteenth-year-review.pdf

Every 5 years The Crown Estate produces Cumulative Impact Reports which provide a 15 year review. The latest report provides data for 1998 – 2012.

Marine Aggregate Dredging 1998 to 2012 – A Fifteen Year Review
http://www.thecrownestate.co.uk/media/5360/ei-marine-aggregate-dredging-fifteen-year-review-1998-2012.pdf

The Crown Estate is currently going through a tender round in which areas of seabed can be bid for. This round started towards the end of 2014. Tenders are being reviewed and HRA is being undertaken. Results of the tender process will be publicised in 3 months or so.

BGS published a report and a mineral resource map - The marine sand and gravel resources of Welsh waters and the Irish Sea (2012). It has been published as part of the research project Mineral Resource Assessment of the UK Continental Shelf commissioned by The Crown Estate.

BGS Mineral Resource Assessment on behalf of The Crown Estate Map –
http://www.thecrownestate.co.uk/media/5717/ei-wales-ireland-sand-and-gravel-resources-map.pdf

BGS Mineral Resource Assessment on behalf of The Crown Estate Report –
http://www.thecrownestate.co.uk/media/5736/ei-wales-ireland-sand-and-gravel-resources-report.pdf

Five year time extensions have been given to dredging licenses in area 470 which were due to expire.

A Draft Marine Plan is expected in June 2015. The Marine Plan once finalized will replace IMADP. The Industry considers that IMADP was very prescriptive and the Marine Plan needs to be more flexible in order to respond to technological change and better quality information. There are a relatively small number of resources that need to be safeguarded. One difficulty with the Bristol Channel is that it is a single dynamic but covered by Welsh and English administrations. It was suggested that the Severn Estuary Partnership might be a mechanism to bring things together.

The Crown Estate will be issuing leases shortly in relation to Tidal Range Opportunities.

10. Secondary Aggregates

There was no-one present to give an update on secondary aggregates.

11. Major Projects Update

Enquires are out for supplying the Swansea Bay Tidal Lagoon. A significant quantity of rock is required but sand is proposed to be used from inside the lagoon. The Inspectors Report is expected in March 2015, a decision in June 2015 with build commencing in 2018 if the scheme is approved. It is rumoured that material for the construction will come from Cornwall but this is controversial and there are local issues. If the Swansea scheme gets the go-ahead then Cardiff/Newport will be next.

The proposed M4 Relief Road at Newport is subject to an application for Judicial Review from Friends of the Earth. The western end is significantly lower and will require substantial quantities of fill material.

Heads of the Valleys widening is ongoing and the Circuit of Wales has obtained significant funding. There may also be demand for rail ballast as part of the electrification of the South Wales line.

12. Any Other Business

Local Government Re-organisation – there was concern about the uncertainties surrounding LGR and where minerals will sit in a new system. Will they be a strategic, local or national issue? In addition, the suggested dates for LGR conflict with the review date for the RTS 2018/19.

The MPA are continually expressing concern regarding the availability of mineral specialists in LPA's. It is essential in their view that LPA's are provided with adequate resources to provide career progression pathways and succession plans. Alternatively, consultants may have to provide more and more information on behalf of their clients, even going as far as providing a draft Committee Report. Bigger LPA's may have more resources whereas LPA's are too small at present. Specialism's are an issue specifically being looked at by WG.

The Vale of Glamorgan LDP will be submitted to WG in May 2015.

13. Date of next meeting – 10am on Monday 14th September 2015 at the Innovation Centre, Bridgend