Statement on behalf of CEMEX UK Materials Ltd.

AGGREGATES Policy 1

Question 1

CEMEX UK Materials Ltd. (the ‘Company’) is of the view that the current manner of calculating provision based on averaging the preceding 10 years of sales will underestimate the demand for sand and gravel aggregates over the Plan period. This is because the average includes sales data for the period 2008 – 12 when demand was severely depressed due to poor trading conditions. Evidence referenced by the County Council’s 2015 LAA (paragraphs 8, 14 and Appendix 2) indicate significant increases in housing completions both with the County itself and neighbouring Authorities which traditionally have sourced much of their aggregate requirements from within Staffordshire. Despite this, by relying solely on the preceding 10 years of sales the County Council do not appear to have accounted for the evidence they themselves have identified.

It is acknowledged that the Sub Regional Apportionment is not without its flaws as annual production has consistently undershot the SRA figure of 6.602 million tonnes per annum. There are, however, no widely accepted alternative approaches to calculating sand and gravel provision beyond either previous sales or the SRA. The Company believes that it would be wise for the SRA to be adopted at least in the short term as it is an agreed methodology and unlike 10 years of preceding sales it will not lead to the possibility of sand and gravel being under provided for within the County. A short term adoption, possibly seen in the context of an early review of the Plan, will provide the County Council with sufficient time to develop an alternative methodology drawing from the evidence that it has itself identified and for which the view of the West Midlands Aggregate Working Party could also be sought.

Question 2

At the time of writing it is difficult for the Company to comment on an alternative methodology for estimating demand as there is no widely agreed ‘third way’ beyond the methodologies referred to above. It is believed that North Yorkshire County Council and a number of Minerals Planning Authorities in North East England have proposed alternative methodologies that do seek to account to some degree for projected housing completions, but that the Development Plans within which these methodologies have been proposed have yet to be adopted. It would seem logical, however, that a ‘third way’ methodology should, in principle, account for projected housing completions within its jurisdiction as house construction (and associated
infrastructure) is a major consumer of aggregate products and can be therefore considered as a barometer of likely future demand.

In the Company’s experience aggregate demand in Staffordshire is closely linked with consumption in the West Midlands conurbation, particularly those Local Authorities to the North and West. As a major market for Staffordshire sourced sand and gravel products the West Midlands conurbation market does have a significant bearing on the demand for these products. In order to gain a more accurate appreciation for the likely demand for and therefore required the provision of sand and gravel within the County than either of the current two methodologies it would be desirable to incorporate projected housing completions from those West Midlands authorities that border Staffordshire into any alternative approach.

Questions 3 – 8

No comment.

Question 9

The Company would not support a ‘blanket’ policy that sought to establish ‘Areas of Search’ in the locality of all existing sites as this would be a barrier to new entrants into the Staffordshire aggregates market. It is because the land within such ‘Areas of Search’ would be likely to be worked as extensions to existing sites, perpetuating existing patterns of supply distribution. In addition, such a ‘blanket’ approach would not account for mineral availability, deliverability or environmental considerations including cumulative impact. The current ‘Area of Search’ is, in the Company’s view, the appropriate approach as it is known to contain sand and gravel reserves, has the support of both a number of quarry operators and land owners and hence is, in principle deliverable, and would be less likely to stifle potential competition as access to an existing working would not be necessary in order to develop a new reserve.

Question 10

The Company would prefer the phrase ‘material circumstances’ to ‘operational reasons’ as there may be legitimate but non-operational reasons why it is necessary to commence development of a permitted extension to a site prior to completing development of the existing site. The alternative phraseology proposed would allow more discretion to be exercised whilst retaining the overarching principle that the development of existing quarries should be completed prior to developing extensions.

Omission Sites

Question 1(iii) Moddershall Grange

The potential reserve at Moddershall Grange appears to been rejected as a Preferred Area for the winning and working of sand and gravel on the basis that the
County Council questions whether the site would be required within the Plan period and that unspecified landscape issues would be “very difficult” to fully mitigate. It is the Company’s contention that the Plan underestimates the required provision for sand and gravel due to an overreliance on sales data from the last ten years whilst ignoring more recent data that points to a recovery in sales and projected housing completion data both within the County and neighbouring Authorities which form part of the Staffordshire sand and gravel market (see objections to Policy 1 and paragraphs 7.6 – 7.8 and answers to Qs 1 and 2 above). The potentially substantial reserve within the Moddershall Grange site (approximately 10 million tonnes of sand and gravel) would go some way to overcoming the underprovision identified. It would also provide additional source of aggregate supply to a market currently supplied by a relatively small number of suppliers when compared to the south of the County. The site is also well located to supply aggregate products to two major infrastructure projects that are proposed to be implemented within the County, the widening of the M6 motorway and the construction of the High Speed 2 railway line north of Birmingham.

With regard to landscape considerations Moddershall Grange is not located within or in the vicinity of any nationally or locally made landscape designations. The Company has not been party to the deliberations of the Council with regard to its perception of the landscape impact of working this site for sand and gravel but is not aware of any factors at the Development Plan stage that indicate that landscape impacts could not be mitigated satisfactorily. The Company also believes that the aim should not be to fully mitigate impacts as described by Table 5 of the Environmental Report. A more appropriate test would be ‘can identified likely impacts be mitigated to the point of non-significance’.

The Company believes that the Moddershall Grange site should be identified as a Preferred Area for sand and gravel extraction on the basis of: -

- A predicted shortfall and sand and gravel provision within the County;
- Its location in the north of the County where there are relatively few sources of sand and gravel, a number of potential large scale infrastructure projects and the ongoing regeneration of Stoke-on-Trent, and;
- The site is not located either within or in the vicinity of land identified for its landscape sensitivity. It is not aware of any landscape impacts that would be likely to result from the winning and working of mineral that could not be mitigated to the point of non-significance.