

AGREED MINUTES

East of England Aggregates Working Party

Meeting on 6 February 2019 starting at 2pm

Venue: County Hall, Market Street, Chelmsford, CM1 1QH

ATTENDEES

Members	
Richard Greaves (RG)	Essex County Council (Chairman)
Roy Romans (RR)	Bedfordshire Authorities
Phil Dash (PD)	Essex County Council
Emma Chapman (EC)	Hertfordshire County Council
Chris Stanek (CS)	Peterborough City Council
Richard Drake (RD)	Norfolk County Council
Others	
Peter Dawes (PD1)	Frimstone Ltd/BAA
Eleanor Johnston (EJ)	Marine Management Organisation
Mark North	MPA
Alan Everard	Tarmac/MPA
Apologies	
Kirsten Hannaford-Hill (KH-H)	Aggregate Industries/MPA
Angela Watts (AW)	Brett/MPA
Trefor Evans (TE)	British Aggregates Association
Ann Barnes (AB)	Cambridgeshire County Council
Emma Fitch (EF)	Cambridgeshire County Council
Shaun Denny (SD)	Cemex / MPA
Mark Page (MP)	Hanson/MPA
Graham Gunby (GG)	Suffolk County Council
Cameron Clow (CC)	Suffolk County Council
Richard Read (RR1)	SEEAWP, LAWP
Mike Pendock (MP1)	Tarmac
Richard Hatter (RH)	Thurrock Borough Council

Item No.	Subject	Owner
1	Welcome, Introductions & Apologies	RG
	RG welcomed everyone to the group and introductions were made for the benefit of new attendees. AE announced he would be representing Tarmac in place of MP1 following a reorganisation. Apologies – as set out on previous sheet.	
2	Minutes of the last meeting & matters arising	RG/SM
	<ul style="list-style-type: none"> • Wharf Capacity Study <p>SM had circulated an email from James Cutting of Suffolk CC who is scoping the study with links to other studies carried out and had invited Members of the group to review the key elements the study should cover along with any questions. A response was only received from Herts CC and SM wrote to JC who responded (as previously circulated) to confirm the £6k funding resource from EELGA remains available. JC seeks views from the AWP's as to what such funding would best be used for e.g. consultancy services. SM contacted RR1 who circulated this to members of SEEAWP and London AWP but the feedback received suggested this would add little value and is not seen as a priority. West Sussex had recently spent £15k on a study for just their area and Surrey has similarly pursued their own work on this infrastructure. In short there was little appetite for such a study from SEEAWP and LAWP with work on recycled aggregate sites considered more pressing. RR questioned how far the available £6k would go given West Sussex had spent £15k on their area alone. AE felt there was potential given the limited number of port authorities if the capacities/future plans of Associated British Ports and Yarmouth could be ascertained as few wharves exist beyond those operators. RD confirmed only one wharf existed in Great Yarmouth which is safeguarded. RR suggested it was up to those authorities which have wharf facilities to decide as a non-issue for the Beds authorities. It was suggested that one issue of relevance may be whether marine capacity is a constraint such that the ability to permit land-won resources is being over-catered for. RG commented that Essex CC needed to carry out a piece of work in any event to look at the capacity of wharves the results of which could be fed back to serve Norfolk and Suffolk. RG suggested Essex CC would go it alone if it proved that too much red tape was involved in pursuing the EELGA funding and feedback to the group. Essex CC to pursue directly with JC.</p> <ul style="list-style-type: none"> • Annual Monitoring Survey <p>SM had contacted RR1 as agreed and questions regarding production capacity had been added to the survey forms distributed last month.</p> <ul style="list-style-type: none"> • Local Aggregate Assessments 	RG

	<p>A letter had been sent to all MPAs within the group to say their LAA was acceptable.</p> <ul style="list-style-type: none"> • Statements of Common Ground (SoCG) <p>CS confirmed that Cambs & Peterborough would be publishing their draft SoCG in March with a view to working up a final version over the summer. MN reported that certain other AWP's (Et Midlands, W.Midlands & Yorks & Humber) were less keen to get involved taking the view that AWP's are not policy making bodies. RR commented that the reference to AWP's in the NPPF suggests their strategic views should be expressed as is the case with a LAA looking at provision with the local plan then based on the LAA. MN offered to write to Carolyn Williams ascertain the thinking of other AWP's. CS referred to recently issued PAS guidance on the preparation of SoCGs for minerals and waste local plans and would forward the link to SM for circulation with the Minutes. Group generally understood the aim to be to produce a high level SoCG overview in order to reach consensus. RR suggested that MPAs would benefit from clearly identifying those parts of the SoCG they wished particular consultees, e.g. AWP's, to comment upon. PD raised a point about the involvement of Districts which RR interprets as districts within a MPA area and adjoining districts which the MPA would need to consult in any event.</p> <p>The Minutes of the October meeting were approved, seconded and signed as a true and accurate record.</p>	<p>MN CS</p>
3	Update on latest minerals survey	ALL
	<p>RG understood that the survey forms had been circulated to operators. Operators had been given until the 1st Feb to submit their returns. Of those MPAs present, some returns had been received with other needing to be chased up. MN offered to move things along with operators if returns were outstanding. JS confirmed that collated returns from MPAs had been requested by 22nd Feb in order to progress matters as far as possible in the absence of confirmation from MHCLG regarding future Secretariat contracts. Following news on that front (<i>see below</i>), it was suggested that providing Collated Returns by the end of February would give sufficient time to prepare the draft AMR ahead of the group's next meeting.</p>	
4	Contract Update	RG
	<p><i>This Item was inadvertently skipped but covered in the discussion under Item 6 below.</i></p>	
5	MMO Presentation	EJ
	<p>EJ gave a PowerPoint presentation on Marine Planning with specific reference to the East Marine Area and explained that Marine Plans have to be established by law with the Marine Policy Statement acting as the UK Framework for such plans. The UK is covered by 11 Marine Plan areas which provide 6 Marine Plans covering up to 12 nautical miles inshore and up to 200 nautical miles off shore. The East Marine</p>	

Plan was adopted in April 2014. The South Marine Plan was adopted in July 2018 whilst Marine Plans for the NW, NE, SW and SE need to be adopted by 2021 although aiming for 2020 to provide some contingency. Marine Plans have a 20 year vision and post adoption are reviewed every 3 years as required by the Marine and Coastal Access Act 2009. The East Marine Plan was accordingly reviewed in 2017.

Marine Plans are used in granting or refusing marine licences. The NPPF and National Planning Practice guidance require reference to be made to marine aggregates. The MMO don't provide figures but instead comment on the overall impact of marine aggregates. Figures are published by the Crown Estate on landing tonnages.

RR queried how the MMO decides on the tonnage needed to be supplied over the 20 year period. In response it was commented that supply is basically controlled by the licence following discussion between the MMO and the applicant as to what is required and with strict controls imposed. The licence therefore allows for a certain tonnage rather than providing towards a specific target. The tonnages allowed for under new licensing are so great as to give operators the confidence needed for the capital investment.

EJ highlighted three aggregate policies AGG1, AGG2 and AGG3 which effectively serve as safeguarding policies against the potential threat of other proposals e.g. off-shore wind farm devts. Further information can be sourced from the gov.uk website and the Marine Information System (MIS). Specific queries regarding licensing in the East area can be directed to Heather.hamilton@marinemanagement.co.uk

In response to a question as to who decides the content of the final plan for adoption, EJ explained that an Issues & Options document is drawn up for stakeholders which proceeds up to a third stage involving the drafting of policies. PD added that Marine Plans have a level of independent assessment akin to a local plan albeit without the Hearing. CS added that Marine Plans do not form part of the Development Plan by virtue of different enacting legislation.

RG recalled that at the Examination in Public into the Essex Replacement Minerals Local Plan, the county council was accused of over-supply and that marine aggregates would be more sustainable, a view he did not necessarily share.

Investment needed was noted as being very significant albeit principally relating to replacing vessels rather than additional ones. AE also suggested a higher degree of partnership working than is the case with on-shore production.

A question was asked as to how MPAs best take account of Marine Plans to reduce supply provision on shore. In response, AE highlighted a grading issue noting that marine aggregates in the East tend to be

	<p>more sand-rich and therefore can't simply use dredging to achieve a 50:50 sand:gravel mix so therefore not directly substitutable. Would have to go further north around Hull for a better substitutable mix. RR questioned whether the funding referred to under Item 2 could be better used to investigate the extent to which off-shore sand may replace sand provision from land-won sites. MN commented that substituting land-won for marine aggregates is linked to economic circumstances and ultimately market driven. It therefore works for London, Southampton, Hull etc whereas the East is more sparsely populated and consequently little point in promoting additional wharves in such places. It is better to understand the capacity of the wharves and the materials that could potentially go into them. MN would provide a presentation on this issue for circulation.</p>	<p>MN</p>
<p>6</p>	<p>MPA Update</p>	<p>MN</p>
	<p>MN referred to his previously circulated Economic and Market Outlook Report:</p> <ul style="list-style-type: none"> • 2018Q4 AND 2018 MPA MARKET SALES. Demand for aggregates, asphalt and ready-mixed concrete (RMC) rebounded strongly in 2018Q4, lifting the overall performance of these markets for 2018 as a whole. Only mortar sales, closely linked to housebuilding, fell in 2018Q4 compared to Q3, the second consecutive quarter of decline. Sales volumes for 2018 as a whole show growth for aggregates and asphalt respectively, while RMC sales by contrast fell for the second consecutive year, albeit at a slower pace compared to 2017. Mortar sales, which continue to benefit from momentum in housebuilding, accelerated in 2018 in comparison to 2017. • ECONOMIC OUTLOOK. Latest data from the ONS show that UK GDP grew by 0.3% in the 3 months to November 2018, down from 0.6% over the summer. Based on the assumption that the current Brexit withdrawal negotiations result in a 'Deal', including a transition, forecasters expect further muted growth in 2019 and 2020. However, the risks of a 'No Deal' remain significant, and the result of increasing trade frictions and a potential sharp depreciation of Sterling could well undermine these growth prospects. • CONSTRUCTION. Construction output between January and November 2018 was 0.9% higher than the same period in 2017. In their latest forecast, the CPA expects construction output to remain broadly flat this year (0.3%), followed by slow growth in 2020 (1.6%). Infrastructure and housing are expected to drive growth over the next two years, whilst Brexit-related uncertainty will continue to impact on commercial work. This outlook is based on the assumption that a revised Withdrawal Agreement will be agreed to ensure a transition period to December 2020, or, at least, that a delay to Article 50 will allow for renegotiation. • Recycled and secondary aggregates in GB: MPA estimates for 2017. Work carried out by MPA early in 2018, proposed a 	

methodology to estimate the contribution of recycled and secondary sources to the total GB aggregates market. Using this methodology, MPA estimates that a total of 248 Mt of aggregates were supplied in GB in 2017, 29% of which were supplied from recycled or secondary sources.

- Buoyant housebuilding in 2018 highlighted by 14.3 per cent growth in mortar sales volumes, ahead of ONS market indicators.
- Annual volumes of the essential housebuilding material hit highest level since 2004, despite falling marginally in Q4 2018.
- Asphalt sales broadly flat in 2018 with major projects on the strategic network yet to come online.
- Faltering London housebuilding and commercial construction markets reflected by 4.8 per cent drop in ready mixed concrete sales in the capital for 2018.

MN referred to a meeting on 8 Dec 2018 involving MPA colleagues and Simon Gallagher, Director of Planning at MHCLG which had been arranged as a follow up to the NPPF revisions. He reported this as being a positive meeting and that SG clearly understands MASS. A Statement of Need was being prepared which the MPA are helping to draft. Mention was also made of tinkering to the PPG paragraphs on Minerals in the Q1 of 2019 although nothing further heard to date.

SG had indicated that the AWP's would be funded next year. RG added that his contact had similarly confirmed that this had been progressed with contracts due to go out at the end of the month with a view to securing relevant signatures prior to the expiry of the current contract at the end of March. RR reported he had similarly received such an indication of a further roll over year for the current contracts.

It was asked whether SG had given any indication for revisiting the apportionment guidelines, Question 39 posed in the NPPF consultation. MN reported that SG understood the need for a top down approach and it was arguably whether MPAs have the resources to forecast but certainly would ensure better consistency. Such an approach also takes out the politics noting the Nottinghamshire experience. RG added that his discussion with Steve Wright at MHCLG suggested that we may be in the same position as reviewed national guidelines won't be in place by 2020 when the current guidelines run out but at least positive the matter is under discussion.

Referring to the reported decrease in the last two quarters for mortar sales, RR asked whether this was seen as a seasonal decline or the start of a downturn. In response MN felt it was difficult to know – there was a seasonal element to this but suggested that the uncertain economic situation was also a factor with growth predicted to be fairly

	flat this year and in 2020 linked to continuing uncertainties surrounding Brexit.	
7	National Planning issues	
	SM reported that no update had been received from Vicky Engelke or anyone else at MCVLG.	
8	Draft Lincolnshire LAA - consideration	All
	<p>General comments made that the draft contained good analysis but then made a rather perverse conclusion sticking with the 10 year average. The document looked at house building but the analysis then stopped with no assessment as to what that may mean in terms of provision. RR commented that the NPPF has to be the starting point and then need to go beyond that and may well do so with the Minerals Local Plan Review. Reference to production capacity was noted as being included. MN was aware of several tensions in the East Midlands area e.g. provision from Notts etc. RG suggested that the crushed rock landbank of 20Mt giving a landbank of 39 years did not present an issue for the EEAWP. The group observed that it would need to see how Lincs is planning for future supply rather than this just being a statement although with the plan adopted only 2 yrs ago it wouldn't be reviewed soon. MN advised that ultimately the question is whether the AWP is making steady and adequate provision and the group agreed that the purpose of an LAA is to act as the trigger for a review.</p> <p>RG suggested that SM needs to respond to Carolyn Williams as the AWP Secretary and raise the question of future forecasting not addressed and that future house building development may mean future aggregate supply in Lincs may need to be higher in the future but nothing needed to be done at this stage until the local plan is due for review.</p> <p>A 6 yr landbank is identified based on the apportionment figure although applying the NPPF guidelines achieves a 10 yr landbank and 8 sites are identified as sand and gravel allocations. Concluded that the current landbank and provision identified in the forward plan probably provides sufficient material using the 10 year average. Lincs are probably forecasting as well as can be expected but could comment on future forecasting.</p>	SM
9	The Sizewell Project	GG/CC
	<p>Item related to the proposed construction of a new nuclear power station, Sizewell C, which is currently the subject of a Stage 3 consultation until 29 March 2019. Unfortunately, no Suffolk CC representatives were in attendance.</p> <p>It was commented that the consultation sought views on alternative transport options namely a rail-led and road-led strategy but did not</p>	

	<p>extend to a marine-led option. It was commented that again the project indicated no government thought as to how material would be supplied, particularly given how the project was sprung on the Mineral Planning Authority and the industry when announced alongside HS2 and the A14. A similar scenario applies with waste arisings associated with the Lower Thames Crossing.</p> <p>Suggested that rail solutions in conjunction with ABP need to be looked at in advance with clarity provided on where the mineral is and how it gets transported to the site. RR suggested that the AWP should be included as a consultee on the proposals to understand what quantities of building materials (e.g. limestone) are required and the sources. It was noted that Hinckley Point has a jetty to receive marine sand and gravel or delivered limestone. Agreed such comments should be drawn to GG's attention. SM to draft a comment for circulation around the group.</p>	SM
10	Notice of Submission of the Minerals Local Plan for Gloucestershire (2018-2032)	
	It was unclear why this item had been added to the agenda but generally felt that it was difficult to understand why it would have a particular impact on the EEAWP.	
11	MPA Update on Local Plans	MPA reps
	<p>An update had been circulated prior to the meeting using the agreed template and was noted. EC confirmed that Herts CC was at consultation until 22 March 2019 on its Reg 19 Minerals Local Plan and the previous consultation had generated some 5,500 representations. It was noted that SM had, in response to a request by Julie Greaves, sent a letter on behalf of the group at the LAA stage confirming it was content with the apportionment Herts CC is making. However, this was not a response to the Reg 19 consultation. It was suggested that EC formally consults the group enabling the its earlier response to be repeated.</p> <p>With reference to Devt Mgmt issues in Herts, EC commented that the Bae site, a preferred area in the adopted plan, with a resolution to grant permission from Jan 2017 subject to a s106 agreement is being referred back to Committee.</p> <p>CS highlighted that the Cambridgeshire and Peterborough Minerals and Waste Local Plan was going out to consultation on its preferred approach over March to April 2019 and was being reported to Committee at Cambs CC on 7 Feb 2019.</p> <p>RG reported that Essex CC was conducting an internal review as to whether there is a need to update policies within its Replacement Minerals Local Plan.</p>	EC/SM

12	Any other business	All
	None raised so RG took the opportunity to play a short video from a recent conference on the theme of the future cost of sand entitled 'Let's talk about sand' by Denis Delestrac, available to view on YouTube.	
13	Dates of Next Meetings	Chair
	In order to accommodate members from Cambridgeshire CC, dates of the following meetings were arranged for Thursdays at 14:00 hrs, Essex CC: 13 June 2019, 7 Nov 2019 and 6 Feb 2020.	All to note