

**NATIONAL CO-ORDINATING GROUP FOR THE REGIONAL AGGREGATES WORKING PARTIES**

**NOTE OF THE MEETING HELD ON MONDAY 10 JULY 2006 AT THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT, LONDON.**

**Attendees:**

Lester Hicks	-DCLG/Planning-Resources and Environment Policy Division (Chair)
Peter Bide	-DCLG/Planning-Resources and Environment Policy Division
William Mackenzie	-DCLG/Planning-Resources and Environment Policy Division
James Caddick	-DCLG/Housing Markets and Planning Analysis Division
Andrew Lipiński	-DCLG/Planning-Resources and Environment Policy Division (Secretary)
Susan Martin	-Welsh Assembly Government
Richard Gill	-Department for Trade and Industry
David Coleman	-DEFRA
Peter Fletcher	-London RAWP/London Borough of Havering
Paul Wilcox	-West Midlands RAWP/Staffordshire County Council
John Kilford	-South East England RAWP/West Sussex County Council
Gordon Halliday	-North East RAWP/Northumberland County Council
Roy Romans	-East of England RAWP/Bedfordshire County Council
Ian Thomas	-East Midlands RAWP/National Stone Centre
Phil Hale	-South West RAWP
Joanna Russell	-The Countryside Agency
Mark Russell	-British Marine Aggregate Producers Association
Duncan Pollock	-Quarry Products Association
Nigel Jackson	-Quarry Products Association
Ken Hobden	-Quarry Products Association
Paul Dixon	-Quarry Products Association/Hills Minerals and Waste Ltd
Lillian Harrison	-Quarry Products Association/Robert Brett & Sons Ltd
Mick Daynes	-Quarry Products Association/Hanson Aggregates UK Ltd
Jeremy Murfitt	-Quarry Products Association/Aggregate Industries UK Ltd
Keith Frost	-Quarry Products Association/Cemex UK Materials Ltd
Peter Huxtable	-British Aggregates Association

**Apologies:**

Apologies had been received from: Tim Malynn (East of England RAWP/Bedfordshire County Council), represented by Roy Romans, Mark Jones (South West RAWP/Cornwall County Council) represented by Phil Hale, Lonek Wojtulewicz (East Midlands RAWP/Leicestershire County Council), Martin Hooker (South Wales RAWP/Bridgend County Borough Council), Peter Watson (Yorkshire and the Humber RAWP/Yorkshire Dales National Park Authority), Mike Courts (Quarry Products Association/Robert Brett & Sons Ltd) represented by Lillian Harrison, Graham Marchbank (The Scottish Executive), Alan Thornley (North West RAWP/Cheshire County Council), Chris Dobbs (Quarry Products Association/Tarmac Central Ltd), Iwan Evans (North Wales RAWP/Gwynedd County Council), Natalie Bennett (English Nature), Howard Button (National Federation of Demolition Contractors) and Adam Day (Quarry Products Association/Day Aggregates).

**Agenda Item 1: Chairman's Introduction and apologies for absence.**

1.1 The chairman opened the meeting, introduced Peter Bide and William Mackenzie, explained that Peter and William had replaced Brian Marker and Richard Hilton, who had retired from DCLG, and welcomed Richard Gill (DTI) and David Coleman (DEFRA) as new members of the National Co-ordinating Group. Duncan Pollock introduced Ken

Hobden, who would be replacing him at the Quarry Products Association (QPA) as Director of Planning on his retirement in early 2007.

**Agenda Item 2: Minutes of the meeting of the Technical Sub-Group (held on Thursday 1 June 2006) and the minutes of the National Co-ordinating Group (held on Wednesday 5 October 2005).**

- 2.1 The chairman reported that ODPM (as was) had amended the Second Monitoring Report to include the following text proposed by the QPA: "Further monitoring is required to monitor the impact of the aggregates levy over time". The Second Monitoring Report was subsequently published in November 2005.
- 2.2 The chairman reported that ODPM (as was) wrote to members of the National Co-ordinating Group (NCG) on 7 October 2005 clarifying that the aggregates demand forecasts should be "flat lined" beyond 2011 to the end of the RSS period. The chairman reported that the QPA and DCLG had agreed a methodology for the handling of company confidential survey data by contractors undertaking surveys on DCLG's behalf.

**Agenda Item 3: The Third Monitoring Report of the National and Regional Guidelines for Aggregates Provision in England, 2001-2016 (Paper NCG 2006/01).**

- 3.1 Peter Bide introduced the "National and Regional Guidelines for Aggregates Provision in England, 2001-2016: Third Monitoring Report" paper and explained that the report had been revised to incorporate comments made by TSG members following the TSG meeting on the 1 June 2006.
- 3.2 Continuing, Peter Bide explained that the paper set out the steps taken to update the forecasting model and to re-run it on the basis of February 2006 Cambridge Econometrics forecasts of construction activity. The report indicated there will be a 3.2% decrease in the demand for aggregates over the period 2001-2016 compared to the guidelines for aggregates provision. Given this small divergence between forecast aggregates demand and the guidelines DCLG did not intend to revise the guidelines this year.
- 3.3 James Caddick reported that the same methodology was used to prepare the updated forecasts as for the First and Second Monitoring Reports
- 3.4 Continuing, James Caddick noted the concerns expressed at the Technical Sub-Group (TSG) regarding the robustness of the regional demand forecasts for the English regions, and that these forecasts for the London, South East and East of England regions did not apparently reflect the likely growth in construction activity driven by large scale commercial and construction activity. The expected impacts of large scale building projects were included in the construction forecasts but at a national level, and this increase in demand was apportioned to the regional level. This was because it is more robust to model data, particularly over the longer term, at a national level.
- 3.5 In conclusion, James Caddick reported that DCLG would continue to monitor the construction forecasts.
- 3.6 The chairman invited comments from members.
- 3.7 Appendix A: Para. 20 & 25: Duncan Pollock proposed that "constraints" should be replaced by "assumptions" to be consistent with paragraph 18 of Appendix A.
- 3.8 Appendix A: Para. 36: Duncan Pollock proposed that the text on the intensity of use of aggregates should be consistent with, and cross-referenced, to paragraph 3 of Annex A, in Appendix A.
- 3.9 Appendix A: Annex A- Para. 3: Duncan Pollock suggested that there should be a reference to and an explanation for the increase in the intensity of use of all aggregates since 2003.

- 3.10 Appendix A: Annex B - Table B1: Duncan Pollock expressed concern that there was a 'flat line' projection for the regional aggregates demand forecast for London, which did not reflect the potential growth in construction activity and increase in demand for aggregates driven by forthcoming large scale construction projects. He proposed that a footnote provided an explanation of the apparent lack of significant increase of demand for aggregates in London. In a short discussion the chairman noted that while this was intuitively correct, there was (as had just been explained) no objective basis for allowing for this in the model; an ad hoc adjustment here would mean ad hoc adjustments for other suspected regional factors, which would in effect replace the model by a series of negotiated numbers.
- 3.11 David Coleman enquired when it would be possible to model the impact of the Aggregates Levy on the demand for aggregates. DCLG reported that as the model is currently constructed, it would not be able to identify effects of the levy. This is because the model operates at a 'global' scale, a level above that which would enable the identification and modelling of individual parameters such as the levy. DCLG commented that it would be for HMCE and HMT to commission work to identify whether the levy has had an impact on demand for primary aggregates. DTI reported that such work has been undertaken but has not been published.
- 3.12 Paul Wilcox enquired whether the aggregates demand forecasts were informed by DCLG's housing projections. DCLG reported that the Barker housing figures are aspirational and, because they are not a firm commitment, they would not be included in the construction forecasts.
- 3.13 Ian Thomas reported that the British Geological Survey (BGS) and the National Stone Centre had undertaken research to collect base data on the demand for aggregates that would arise as a consequence of the increase in construction activity in the South Midlands Growth Area and to inform the preparation and monitoring of the sub-regional apportionment of the aggregates guidelines. He enquired whether similar research had been undertaken for other regions. DCLG reported they were unaware of other such work being undertaken. However this is the sort of work that might be identified as being required during the preparation of Regional Spatial Strategies (RSSs).

#### **Agenda Item 4: Progress Report on Minerals Policy Statement 1 "Planning and Minerals".**

- 4.1 The chairman reported that DCLG had now finalised Minerals Policy Statement 1 "Planning and Minerals" (MPS1) and its four annexes, and were progressing with obtaining the necessary clearances. DCLG hopes to publish MPS1 and its four annexes in autumn 2006. The chairman added that the Energy Review would be published in July 2006, and that there was a link through the gas storage section of the Oil and Gas Annex. But this would not delay the publication of MPS1

#### **Agenda Item 5: Update on Aggregates Minerals Survey for England and Wales, 2005 and the Survey of Arisings and Use of Alternatives to Primary Aggregates in England, 2005.**

- 5.1 William Mackenzie reported that the Aggregates Minerals Survey for England and Wales, 2005 (AM2005) was underway and due to be completed and published in January 2007. As with the last survey, AM2005 comprised two survey forms: Form A, which collects data from industry for aggregates sales and Form B, which collects information from MPAs on aggregates sites granted and refused planning permission and on tonnages of aggregate at such sites.
- 5.2 Continuing, William Mackenzie reported that Form A had now been distributed to mineral site operators for completion, via the RAWPs and Mineral Planning Authorities (MPAs). Mineral site operators were requested to return the completed Form A to MPAs by 17 July 2006. Form B had been distributed to MPAs for completion, via the RAWPs, and the deadline for the completion of the form had now passed. BGS were now chasing those

MPAs that had not completed and returned the survey form.

5.3 Continuing, William Mackenzie reported that the Survey of Arisings and Use of Alternatives to Primary Aggregates in England (2005) was also now underway and due to be completed and published in early 2007. The survey forms had been distributed to licensed landfill operators, crusher and screener operators and registered exempt site operators, for completion. The response rate thus far was reasonable. The contractor (Capita Symonds) was now chasing non-responders. The chairman reported that he had written to the QPA and the BAA (at their suggestion at TSG in June 2006) requesting that their members co-operate fully with the AM 2005 survey.

5.4 The RAWPs expressed concern that several MPAs had experienced difficulties in distributing the AM2005 survey forms because of resource constraints and other priorities, such as public inquiries. DCLG reported that many MPAs had responded. The RAWPs proposed that DCLG should write to MPAs encouraging them to ask mineral site operators to complete the survey form and to then prepare the sub-regional collations as a priority. This was agreed.

**Action Point: DCLG to write to MPAs to encourage them to co-operate with the AM2005 survey and to prepare the sub-regional collations.**

5.5 Continuing, John Kilford noted the severe resource pressure on DCLG could constrain its ability to fund aggregates surveys, and expressed concern that this could send a negative message to MPAs about the importance of this work. He proposed that DCLG should emphasize the priority the Department gave to its research programme and the on-going management of the aggregates supply mechanism in the letter. The chairman noted that the position was that DCLG managed to protect the aggregates surveys in its steeply reduced research programme: this reflected the continuing importance Ministers attached to managing aggregates supply.

5.6 Roy Romans enquired whether the *Survey of Arisings and Use of Alternatives to Primary Aggregates in England* would collect data from operators on the use of non-aggregate materials, such as clay in major construction projects as bulk fill, and to identify where primary aggregates were used instead of alternative material for site engineering work.

5.7 DCLG reported that the survey collected information on the production, use and disposal of recycled aggregate and soil from licensed landfill operators, crusher and screener operators and registered exempt sites. Mineral extracted from mineral sites or landfill operations and used for site engineering work and the backfilling of quarries was classified, for survey purposes, as a primary aggregate. Duncan Pollock reported that data for primary aggregates, such as clay, sold for construction uses, including fill, would be collected by the Annual Minerals Raised Inquiry survey.

5.8 Ian Thomas reported that the Waste Resources Action Programme (WRAP) would shortly be publishing a report on the sustainable use of resources for the production of aggregates in England.

#### **Agenda Item 6: RAWP Contracts.**

6.1 The chairman reported that DCLG had now received all the tenders and supplementary information from the RAWP Secretaries, and that these had now been evaluated. The tenders were in the process of being scrutinised by DCLG's procurement executive, prior to issue of contracts. The total value of the tenders received was higher than the agreed financial provision. As a result DCLG had had to approach the tenderers to seek reductions in their bids. He thanked the tendering organisations for their flexibility on costs.

6.2 Continuing, the chairman reported that cost constraints meant that DCLG was no longer able to fund the costs of the RAWP Convenor. DCLG were now considering how and in what form the Convenor role and the RAWP Secretaries Group could take in the future. Initial thoughts were that there was scope for ad hoc meetings to take place, chaired by

DCLG. After the contracts have been let DCLG would seek views from the RAWP Secretaries on how best to proceed.

**Action Point: DCLG to seek views from the RAWP Secretaries on what form the Convenor role and the RAWP Secretaries Group should take in the future, including their collective organisation.**

6.3 Paul Wilcox reported an increasing demand on RAWP resources and expertise by the Regional Assemblies. He proposed a need to clarify the relationship between the RAWPs and the Regional Assemblies. The chairman reported that the role and tasks of the RAWP Secretaries are detailed in the specifications which form part of the RAWP contracts. However, there was scope for DCLG to consider including a clause in the contracts to clarify the relationship between the RAWPs and the Regional Assemblies. If the Regional Assemblies wanted the RAWPs to undertake work in addition to that required by the specification they would need to commission and pay for this themselves.

**Action Point: DCLG to clarify the relationship between the RAWPs and the Regional Assemblies in the RAWP contracts.**

#### **Agenda Item 7: The application of the methodology for the preparation of strategic environmental assessments.**

7.1 The chairman reported that at the meeting of the TSG on the 23 June 2005, the industry had expressed concern that the regions and MPAs were not undertaking a common approach in the strategic environmental appraisals (SEAs) of draft development plans. Members asked that there should be guidance from DCLG on the preparation of SEAs. The chairman reported that ODPM (as was) had published full guidance on the preparation of SEAs in November 2005 (Sustainability Appraisal of Regional Spatial Strategies and Local Development Documents: Guidance for Regional Planning Bodies and Local Planning Authorities).

7.2 Gordon Halliday reported that in the North East Region, the Regional Assembly had commissioned ERM to undertake an environmental appraisal of aggregates supply scenarios for North East England. This was published in February 2006, and was being considered by the North East RAWP. The report has been copied to DCLG to consider whether it provided a consistent and transparent approach for the appraisal of aggregates supply scenarios and was consistent with Government guidance on SEAs and sustainability appraisal.

**Action Point: DCLG to consider whether the "Environmental Appraisal of Aggregates Supply Scenarios for North East England" prepared for the North East Regional Assembly is consistent with Government guidance on the preparation of Strategic Environmental Appraisal and sustainability appraisals.**

#### **Agenda Item 8: Landbanks: Permitted reserves at dormant sites.**

8.1 Ian Thomas asked for clarification whether reserves at a dormant site with a planning permission, but subject to the review of conditions (i.e. they are not extractable until the conditions review is complete), were permitted reserves for the purposes of surveying reserves in RAWP and Aggregate Minerals surveys, and whether they should be incorporated into landbanks. At the meeting of the East Midlands RAWP, on the 21 June 2006, it became clear that some MPAs are counting such 'reserves' towards their landbank, whilst others are not. This inconsistency is likely to be repeated in other regions. The chairman reported that the legal position for sites that have been classified as dormant under the Environment Act (1995) or the Planning and Compensation Act (1991) had been established in the Wells case. Without a conditions review no quarrying can take place from a dormant site, and hence the 'reserves' are not permitted reserves and cannot be incorporated into landbanks. When the conditions review was completed a permitted tonnage becomes apparent, which may or may not be different from any earlier permitted annual tonnage permitted by previous conditions. It is the new permitted tonnage that should be incorporated in the landbank.

8.2 Continuing, members welcomed this clarification and proposed that a consistent approach should be taken in all regions. Ian Thomas proposed that DCLG should write to the RAWP Secretaries clarifying what constitutes permitted reserves for the purposes of surveying reserves in RAWP and Aggregates Minerals surveys, and calculating landbanks. This was agreed.

**Action Point: DCLG to write to RAWP Secretaries to clarify what constitutes permitted reserves for the purposes of surveying reserves in RAWP and Aggregates Minerals surveys, and calculating landbanks.**

#### **Agenda Item 9: Next Steps.**

- 9.1 **DCLG to write to MPAs encouraging them to co-operate fully with the AM2005 survey**
- 9.2 **DCLG to seek views from the RAWP Secretaries on what form the Convenor role and the RAWP Secretaries Group should take in the future, including their collective organisation.**
- 9.3 **DCLG to clarify the relationship between the RAWPs and the Regional Assemblies in the RAWP contracts.**
- 9.4 **DCLG to write to RAWP Secretaries to clarify what constitutes permitted reserves for the purposes of surveying reserves in RAWP and Aggregates Minerals surveys, and calculating landbanks.**
- 9.5 **The NCG to agree the Third Monitoring Report and recommend to DCLG its publication.**
- 9.6 **DCLG to consider whether the "Environmental Appraisal of Aggregates Supply Scenarios for North East England" prepared for the North East Regional Assembly was consistent with Government guidance on the preparation of Strategic Environmental Appraisal and sustainability appraisals.**

#### **Agenda Item 10: Date of Next meeting.**

- 10.1 The next meeting would be arranged for the summer of 2007 to fit into the annual monitoring cycle of the national and regional guidelines for the provision of aggregates.

#### **Agenda Item 11: Any other business.**

- 11.1 The chairman noted that this would be Duncan Pollock's last attendance at the meeting of the NCG. John Kilford reported that he will be retiring in 2007, and that this would be his last NCG meeting. The chairman thanked them both for their contributions and wished them well. He also noted that in the current re-structuring of DCLG he was required to re-apply for his own post. He would not be seeking a move to new work. The results of the re-selection would be available in September.
- 11.2 Duncan Pollock requested that DCLG should circulate the results of, and progress of, research projects funded by the Aggregates Levy Sustainability Fund, which were managed by the Mineral Industry Research Organisation, on behalf of DCLG. This was agreed.
- 11.3 The chairman reported that funding had been secured for the next five years for the DCLG- British Geological Survey Joint Minerals Programme. This provided scope for some funding for ad-hoc research on minerals.
- 11.4 Ian Thomas reported that WRAP were preparing a report on the availability of recycled aggregates from former runways in England, which was timetabled for publication in July 2006. There were low volumes of potential recycled aggregates available from up to eight sites.

Planning-Resources and Environment Policy Division  
DCLG  
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