



Report of the Cabinet Member for Delivery and Operations

Extraordinary Council – 2 March 2021

Regional Technical Statement for Aggregates Second Review and Statement of Sub Regional Cooperation

Purpose:	To seek endorsement of the Regional Technical Statement of Aggregates, 2 nd Review and agree the progression of the Statement of Sub-Regional Collaboration between the City and County of Swansea, Neath Port Talbot County Borough Council and Carmarthenshire County Council on the provision of crushed rock mineral resources.
Policy Framework:	Planning and Compulsory Purchase Act 2004; City & County of Swansea Local Development Plan (2019); Planning (Wales) Act 2015; Planning Policy Wales, 2018; Mineral Technical Advice Note (MTAN) 1: Aggregates 2004
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The Regional Technical Statement 2 nd Review is formally endorsed in order to meet the requirements of National Planning Policy and to be used as: <ul style="list-style-type: none">• A strategic framework to be taken into consideration at Local Development Plan (LDP) review; and• A material consideration in the development control process once agreed by the Welsh Assembly Government; 2) The Statement of Sub Regional Cooperation between Swansea, Neath Port Talbot and Carmarthenshire County Councils attached at appendix B is agreed.
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1. Introduction

- 1.1 Mineral working is different from other forms of development in that extraction can only take place where the mineral is found to occur. It is also essential for the economic health of the country that the construction industry is provided with an adequate supply of the minerals that it needs, however this should not be to the detriment of the environment or amenity.
- 1.2 Minerals Technical Advice Note 1 (MTAN1): Aggregates (2004) requires the preparation of a Regional Technical Statement (RTS) for both the South and North Wales Regional Aggregate Working Party (RAWP) areas. The RTS documents are an important part of ensuring that an adequate supply of primary aggregates can be maintained, which meets local, regional and UK needs. Primary aggregates are naturally occurring sand, gravel and crushed rock used for construction purposes.
- 1.4 MTAN 1 envisages that each RTS will be reviewed every five years. The original South Wales RTS was published in 2008 and the First Review in 2014. The Council endorsed both documents and LDP mineral planning policies are based upon the recommendations of the First Review document. This Second Review commenced in 2018 and the final document requires endorsement by local planning authorities (LPAs) and Welsh Government.

2. Background and Context

- 2.1 The RTS provides a strategy for the future supply of construction aggregates within the region, taking account of the latest available information regarding the balance of supply and demand, and current notions of sustainability, including the proximity principle and environmental capacity. It must be emphasised that the RTS documents and the recommendations within them are of a strategic nature. They are not intended to provide site-specific information or guidance.
- 2.2 A key principle which underpins the overall approach within the RTS and MTAN1 is the need to move away from the old, demand-led system of 'Predict and Provide' to the more modern concept of 'Plan, Monitor and Manage'. The methodology used in the First Review in 2014, had been based primarily upon historical sales averages, combined with an assessment of the various 'drivers' of potential future change. Following the recommendations of the First Review RTS, Swansea was not required to make any future provision for land-won primary aggregates within the Swansea Local Development Plan (LDP).
- 2.3 For the Second Review, the methodology also reflects planned future requirements for housing and construction activity, and seeks to avoid perpetuating historical supply patterns in areas where there is scope to encourage more sustainable patterns of supply. The Second Review seeks to redistribute future HSA Sandstone supply within the region, in order to provide a more equitable distribution between NPT and Swansea (which has the same resources but no current production and, hitherto, no apportionments). This would potentially enable minerals working of the

Pennant Sandstone outcrops (the Swansea Beds) within the County of Swansea, which have not been worked on a modern commercial scale. It is possible these may be of inferior quality in terms of aggregate properties and/or the continuity and thickness of sandstone units, and therefore detailed investigations will be required into the specific properties.

- 2.4 **Consequently, Swansea is required, through its LDP process, to meet the apportionment set out in the RTS Second Review. This apportionment has been calculated as 0.305 million tonnes (mt) of crushed rock per year until the end of the Plan period and for 10 years thereafter (7.636 million tonnes over 25 years).** An explanation of how this figure has been calculated is provided in Section 3 of this report.
- 2.5 It should be noted that this amount of material is specifically for Carboniferous High Specification Aggregate (HSA) Sandstone. HSA Sandstone can be used for housing construction however it is primarily used as a road surfacing material due to its high skid-resistant qualities. In this regard it is primarily the levels of road construction and maintenance, rather than house construction, that influence demand for HSA Sandstone. There is no apportionment for Swansea in relation to land won sand and gravel or limestone. The figure is based on the assumptions that future aggregate requirements will increase in future years to reflect the increased planned requirements for house construction.
- 2.6 Housing delivery accounts for only part of overall construction activity, although at a national scale the all Wales statistics have historically revealed a very high degree of correlation between housing completions and aggregate sales (perhaps reflecting an economic growth variable). The RTS methodology therefore matched future aggregates provision with a combination of historical sales data and the planned requirements for housing construction in LDPs. It is worth noting that the modelling does not explicitly take into account the potential for changes that may arise as part of the response to climate change, including the potential for significant changes in material specifications in future construction activity. Notwithstanding the request for Council approval, the council will continue to work with Welsh Government to seek changes to the current regulatory regime, and will continue to assess where such changes can impact on the overall demand for traditional aggregates.
- 2.7 Swansea currently has zero existing landbanks of permitted reserves of crushed rock. The RTS requires the apportionment to be met through the allocation within LDPs of Specific Sites or, failing that, the identification of Preferred Areas. If, as a last resort, it is only possible to identify broad Areas of Search within LDPs, these should be sufficient to offer the potential of much greater quantities of reserves, in order to reflect the uncertainties involved in designating such a generalised search area. If it is not possible for Swansea to meet this requirement then a sub-regional approach is required. Swansea is part of the Swansea city region, with Neath Port Talbot (NPT) County Borough Council and part of Carmarthenshire County Council (CCC) (map attached in Appendix A).

- 3. Calculation of Swansea's Apportionment within the RTS Second Review**
- 3.1 The calculation of the apportionments set out in the RTS Second Review followed a four-stage process. Each stage, and its relevance to Swansea, is set out below:
- 3.2 **Stage 1 - Setting the National Level for future aggregates provision.** According to Welsh statistics there is a high degree of correlation between housing completions and aggregate sales. Statistics show that housing accounts for approximately 30% by value of all new construction. At a national level, therefore, and on the basis of being consistent in terms of planned provision for both housing and aggregates, it was agreed that the provision required for aggregates should be guided by a 30% uplift on historical sales figures. **The National Figure for future aggregates provision is 20.224 million tonnes per annum (mtpa).**
- 3.3 **Stage 2 - Calculation of the Regional Split between North and South Wales.** The national figure, set out in stage one, is split between North and South Wales. This split is based on the historical sales, that is 38% North Wales and 62% South Wales. **Having regard to this ratio, the South Wales figure for future aggregates provision is 12.486 mtpa.**
- 3.4 **Stage 3 - Calculation of Sub-Regional and LPA Apportionments.** South Wales has been split into seven sub-regions which reflect distinct market areas, between which there is relatively little movement of aggregate (see appendix 1 for a map of the subregions). The percentage of historic sales and house build rates for each authority provides the basis for the LPA apportionment. For Swansea this meant that the average historic sales were non-existent (0) but the authority has a high level of housing development (519.4 units pa) which makes up 39.6% of the sub-regions supply. This resulted in an annualised apportionment of 0.680mtpa. This figures was modified to reflect the current zero apportionment for Swansea and that realistic opportunities for resource development in Swansea only relate to high HSA sandstone which, at present, is supplied primarily from NPT. Swansea and NPT therefore have an equal split in the apportionment for sandstone and if a different balance is preferred, this would need to be agreed as part of their SSRC. Limestone is supplied only from Carmarthenshire. **Having regard to this approach, the Swansea apportionment is 0.305 mtpa of HSA Sandstone.**
- 3.5 **Stage 4 – Confirmed Total Apportionment for Swansea, for Sand and Gravel and Crushed Rock.** This final stage took the figures calculate in stage 3 and multiplied them by the number of years required (25 years for crushed rock) for LDP allocation's. Swansea does not have any active workings or permitted reserves to put towards this requirement, therefore the total requirement is for 67.636mt of crushed rock. There is no requirement for sand & gravel. **Having regard to this approach, the Swansea apportionment is 7.636mt of crushed rock (HSA Sandstone) over the remaining timeframe of the LDP (up to 2025) and over the following 10 years.**

3.6 It should be noted that Paragraph 49 of MTAN 1 states that landbanks are not required to be maintained within AONBs and so no allocations should be identified within the Gower AONB.

4. The Statement of Sub Regional Cooperation

4.1 The publication of the RTS (Second Review) could lead to the need to undertake an early full review of the LDP. In order to prevent this, and following discussions with NPT and CCC, agreement on a Statement of Sub-Regional Collaboration (SSRC) is the best way forward for each of the constituent LPAs at this time.

4.2 The SSRC confirms that each constituent LPA accept the individual apportionments for aggregates for their individual Authority areas, as set out in the RTS (second Review), and that (as a minimum) the RTS requirements for that sub-region as a whole will be met. NPT agrees to cover Swansea's apportionment requirement until the date of Swansea's Full LDP Review, as they have sufficient reserves. Consequently, in 2022, as part of the Swansea LDP Full Review, a 'call for sites' will be undertaken. It will be for the industry to submit potential mineral sites. If no sites are submitted, the SSRC will require review. Any lack of interest from industry will also be used as evidence for reviewed LDP mineral policies.

4.3 In accordance with the RTS Second Review, the Mineral Product Association (MPA) (the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries) were consulted on the draft SSRC. The MPA disagreed with the approach within the SSRC, and suggest Swansea allocate the apportioned figure as soon as possible, stating that *'The draft SSRC should be seeking to expedite the minimum new allocation of 7.636mt to meet its minimum required provision now, in order to maintain the minimum 10-year crushed rock landbank throughout the period up to 2031 rather than simply deferring this process.'*

4.4 The constituent LPAs disagree with the MPAs comments. The SSRC complies with the apportionments outlined within the RTS, and as explained within the SSRC itself, there is no need to make provision in Swansea at this time as there are existing reserves in NPT. Furthermore, industry may submit a planning application for mineral development at any time, not wait until LDP Full Review. Any such application would be assessed against Policy RP12: Sustainable Development of Mineral Resources, which sets out criteria against which all proposals for mineral development will be assessed. The RTS Second Review would be a material consideration.

4.5 The SSRC is part of the evidence base to support each constituent LPAs LDP. By approving the SSRC at this time, CCC can include the SSRC as part of the Focused Changes process of its LDP. The SSRC confirms that each constituent LPA accept the individual apportionments for aggregates for their individual Authority areas, as set out in the RTS, and that (as a minimum) the RTS requirements for that sub-region as a whole will

therefore be met. Members will recall that a cross-boundary collaborative agreement was previously reached with NPT in 2013, regarding the supply of primary aggregates, as part of the preparation of the LDP and in response to Swansea's apportionment figure within the original RTS 2008 document. Subsequent revision of the RTS during the process of adopting the LDP, meant that the need for a SSRC was no longer required as Swansea had no apportionment figure.

- 4.6 If the SSRC cannot be agreed, there will be serious impacts on the progression of the new LDPs for each LPA in the region, and potentially on the requirement for an early full review of the Swansea LDP, given that the requirements of National Policy would have not been met. The Welsh Government will, as a last resort, consider its default powers to intervene in the Development Plan process (MTAN 1, paragraph A3).

5 Additional Impacts

- 5.1 The RTS Second Review, in accordance with PPW, requires LPAs to safeguard primary aggregate resources. The Swansea LDP already does this via Policy RP13.
- 5.2 Swansea plays an important strategic role in the delivery of marine based supplies being landed at the wharves within Swansea. The LDP safeguards wharves and railheads in order to provide a full range of sustainable transport options (whether or not they are currently utilised) and this will continue in any review of LDP policy.

6. Equality and Engagement Implications

- 6.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

- 6.2 An Equality Impact Assessment (EIA) screening has been undertaken and identifies low impacts. The RTS2 is in accordance with national planning policy and provides evidence upon which policies within the LDP must be based. The findings of the RTS2 will be taken into account at LDP Full Review in 2022. The LDP itself will be subject to full EIA. The results of the screening are set out in Appendix C of this Committee Report.
- 6.3 The SSRC has been produced in collaboration with Swansea, Neath Port Talbot and Carmarthenshire Councils. Representatives of the mineral industry were consulted on the SSRC. Both the RTS2 and SSRC will be

material planning consideration in the consideration of relevant planning applications.

- 6.4 A public and stakeholder consultation was organised and undertaken by Consulta Ltd on behalf of the Welsh Government in 2019. The RTS2 was amended as a result of the consultation and the final version was published in September 2020. It is now being presented to Council for endorsement, prior to endorsement by Welsh Government.

7. Financial Implications

- 7.1 There are no significant financial implications arising from the endorsement of the RTS Second Review. The cost of the SSRC process can be accommodated within existing budgets and staff resources.

8. Legal Implications

- 8.1 The RTS Second Review will provide a regional planning document and will be a material consideration in evaluating future relevant planning applications and as background evidence in the production of future development plans.
- 8.2 As there are currently no allocations, preferred areas or areas of search within the LDP, it does not reflect the recommendations of the RTS Second Review.
- 8.3 A Statement of Sub-regional Collaboration (SSRC) has been prepared in collaboration with Neath Port Talbot and Carmarthenshire Councils in order to formally adjust the aggregate apportionment allocated to Neath Port Talbot and Swansea, until Swansea's LDP is reviewed in 2025/26. The SSRC will be a material consideration in the consideration of relevant planning applications and form part of the evidence base needed to support each Local Development Plan (LDP) or Strategic Development Plan (SDP). Once agreed, the SSRC will remain in place until it becomes superseded by the requirements of future reviews of the RTS, or new information comes forward which justifies a change. The LPA's within the Swansea City Region agree to accept their apportionments as set out in the RTS Second Review.
- 8.4 If the Council does not endorse the RTS Second Review the Welsh Government have indicated it will, as a last resort, consider its default powers to intervene in the process (MTAN 1, paragraph A3). Furthermore, it will be used as baseline evidence by the Welsh Government in the production of future development plans and the minerals policies therein.

Background Papers:

Planning Policy Wales, 2018

<https://gov.wales/sites/default/files/publications/2019-02/planning-policy-wales-edition-10.pdf>

Mineral Technical Advice Note (MTAN) 1: Aggregates, 2001

<https://gov.wales/sites/default/files/publications/2018-09/mtan1-aggregates.pdf>

Regional Technical Statement For North Wales and South Wales Aggregate Working Parties 2nd Review (Main Document)

https://www.swansea.gov.uk/media/37671/Regional-Technical-Statements-for-the-North-Wales-and-South-Wales-Regional-Aggregate-Working-Parties---2nd-Review---Main-Document/pdf/Regional_Technical_Statements_for_the_North_Wales_and_South_Wales_Regional_Aggregate_Working_Parties.pdf

Regional Technical Statement Second Review Appendix B (South Wales)

https://www.swansea.gov.uk/media/37670/Regional-Technical-Statements-for-the-North-Wales-and-South-Wales-Regional-Aggregate-Working-Parties---2nd-Review---Appendix-B-South-Wales/pdf/Regional_Technical_Statements_for_the_North_Wales_and_South_Wales_Regional_Aggregate_Working_Parties.pdf

Appendices:

Appendix A	Sub-regional Areas and their Constituent Local Planning Authority Areas in South Wales
Appendix B	Statement of Sub Regional Cooperation
Appendix C	Equalities Impact Assessment Screening

Sub-regional Areas and their Constituent Local Planning Authority Areas in South Wales



Source: Regional Technical Statement: Second Review - Appendix B (South Wales)

STATEMENT OF SUB-REGIONAL COLLABORATION – SWANSEA CITY SUB-REGION

Introduction

PPW10 (paragraph 5.14.10) states that ensuring the sustainable supply of minerals is a strategic issue which plays a fundamental underpinning role in supporting non-minerals development. Each local planning authority (LPA) should ensure that it makes an appropriate contribution to meeting local, regional and UK needs for primary minerals which reflects the nature and extent of resources in the area and their best and most appropriate use, subject to relevant environmental and other planning considerations. For aggregates this should be done under the aegis of the North and South Wales Regional Aggregates Working Parties, whose role is to provide a regional overview of supply and demand and through the framework provided by the Regional Technical Statements for Aggregates.

The Regional Technical Statement for the North Wales and South Wales Regional Aggregate Working Parties– Second Review (RTS2) (September 2020) identifies the necessary apportionments and any necessary allocations at LPA level but also at a sub-regional level. This is to allow sub-regional areas to make adjustments in apportionments within those sub-regions if more detailed investigation by the LPAs indicates that such adjustments are justified. To that end, RTS2 requires Statements of Sub-regional Collaboration (SSRCs) to be prepared, collaboratively, by all constituent LPAs within each RTS sub-region (as defined by the RTS 2nd Review) as part of the evidence base needed to support each Local Development Plan (LDP) or Strategic Development Plan (SDP). Once agreed, an SSRC will remain in place until it becomes superseded by the requirements of future reviews of the RTS, or new information comes forward which justifies a change.

This document is the SSRC for the Swansea City Sub-region which comprises the City and County of Swansea, Neath Port Talbot and Carmarthenshire (for crushed rock) local authority areas.

RTS2 apportionments and allocations

The table below sets out the individual LPA apportionments and allocations for crushed rock as set out in the RTS2 for LPAs within the Swansea City Sub-region.

Local Planning Authority	New Annualised Apportionment for crushed rock (mt)	Total Apportionment Required over 25 years.	Existing permitted reserves at end of 2016 in mt	Minimum Allocation needed to meet Required Provision (mt)	Additional reserves at Dormant sites, 2016 (mt)
Carmarthenshire	1.102	27.556	59.900	0.000	13.82
Swansea	0.305	7.636	0.000	7.636	0
Neath Port Talbot	0.305	7.636	16.480	0.000	0

On this basis Carmarthenshire and Neath Port Talbot have sufficient permitted reserves at existing sites to meet their apportionment so no further allocations are necessary within their LDP's. Swansea has no existing reserves and is therefore identified as requiring an allocation of a minimum of 7.636 million tonnes to meet its apportionment up to 2041.

RTS2 states that by default, each SSRC will simply confirm that all constituent LPAs within a particular RTS sub-region accept the individual apportionments for aggregates for their individual Authority areas, as set out in the table above, and that (as a minimum) the RTS requirements for that sub-region as a whole will therefore be met.

However, RTS2 recognises that in exceptional circumstances, an SSRC may identify an alternative pattern of supply which achieves the RTS requirements for that particular sub-region in a different way. Such circumstances may arise *either* where one or more LPAs within the sub-region are unable to meet the minimum requirements of their apportionments identified in the RTS *or* where an alternative, achievable and more sustainable pattern of supply is identified through collaboration between the LPAs involved.

RTS2 sets out the considerations that will need to apply, in such circumstances, as follows:

1. ***Inability to meet RTS apportionments:*** In order to demonstrate an inability to meet RTS apportionments, an LPA would need to show either that it has no (or insufficient) workable aggregate resources of the type required by the RTS and/or that there is no interest from the minerals industry in developing such resources within the area. It will *not* be sufficient simply to demonstrate that the area has no existing quarries or no recent production, or that alternative resources and/or permitted reserves exist within another LPA.

2. ***An alternative pattern of supply:*** Where an alternative pattern of supply is proposed this will entail transferring some or all of the RTS apportionment from one LPA to one or more other LPAs within the same sub-region, so as to make corresponding increases in provision within those authorities, as required by MTAN 1. The receiving authorities will need to increase their apportionments (and, where necessary, allocations), to ensure that *as a minimum*, the overall requirements for ongoing supply within that sub-region, as set out in the RTS, are met (both numerically and in terms of aggregate type). It will not normally be appropriate to merely transfer apportionments to an LPA with sufficient existing reserves to arithmetically absorb the apportionment, without reference to the additional consideration of productive capacity.

There is no requirement for Swansea or Neath Port Talbot to make any provision for land won sand and gravel. Carmarthenshire is required by RTS2 to work with the West Wales Sub-region in relation to land won sand and gravel.

Assessment

RTS2 recognises that Swansea has a high population density but no active quarries or pits, relying instead on neighbouring Carmarthenshire for most of its limestone supplies, on Neath Port Talbot for supplies of road surfacing

aggregate, and on marine dredged sources landed at Swansea Wharf for building sand.

Swansea does have indigenous resources of Carboniferous Limestone but these are almost entirely within an AONB designation – that of the Gower Peninsula. Therefore realistic opportunities for resource development in Swansea relate only to high PSV sandstone which, at present, is supplied primarily from NPT. The Mineral Safeguarding Map of Wales indicates the areas of high PSV sandstone within each LPA.

Limestone is supplied only from Carmarthenshire, which the RTS2 argues needs to retain its apportionment in full, with the balance of apportionments (for sandstone) being shared between Swansea and NPT. The figures shown in the RTS2 for those two LPAs assume an equal split between them. If a different balance is preferred, this would need to be agreed by those LPAs as part of their Statement of Sub-Regional Collaboration.

Conclusion

Carmarthenshire provides the only realistic source of limestone aggregate within the sub-region and therefore a continuation of the historic supply is appropriate, recognising that the sites in Carmarthenshire are already the source of supply for the sub-region.

The RTS2 seeks to split the HSA apportionment equally between Neath Port Talbot and Swansea in order to provide a more equitable balance of reserves in closer proximity to the major source of the demand. RTS2 allows for a different balance provided the considerations set out in the RTS2 are applied.

In order to demonstrate an inability to meet RTS apportionments, an LPA would need to show either that it has no (or insufficient) workable aggregate resources of the type required by the RTS and/or that there is no interest from the minerals industry in developing such resources within the area.

At present Swansea is unable to demonstrate that is the case and the appropriate test for that will be the LDP review due to commence from September 2022 and be completed by late 2025/early 2026. There are more than sufficient reserves within NPT to take up the joint apportionment within this period without resulting in under provision and moving away from the overall 25-year apportionment for NPT. It is envisaged that NPT would take on the majority of the supply in the first part of the 25-year period of RTS2 and Swansea will seek to take on the supply load for the second part of the 25-year period of the RTS2 following the LDP Review. In addition, Policy RP12 of the Swansea Local Development Plan allows mineral development to be permitted subject to a number of criteria being satisfied. Therefore, if the industry has any proposals to bring forward sites within Swansea to meet the RTS2 allocation it can do so in the period up until the LDP is reviewed.

Therefore, the LPA's within the Swansea City Region agree to accept their apportionments as set out in the RTS2.