EXECUTIVE SUMMARY

This 4th Annual Mineral Planning Survey (AMPS4) has been produced against the background of a continuing increase in demand for aggregates during 2014.

The fact that insufficient new reserves are being permitted to keep pace with demand continues to be a concern. This report draws attention to the small number of large new permissions in recent years that have masked the fact that capacity to produce primary aggregates is being lost and the spatial distribution of that capacity is becoming localised; in many cases remote from the areas of highest demand.

In the short term, this is not likely to affect the overall availability of primary aggregates but rather the range of sources will become more limited; there could be local shortages and materials will have to travel further. Such local shortages are already being reported and the average road mileage travelled by aggregates from their source has increased quite significantly from 28 miles in 2012 to 32 miles in 2014.

THE KEY FINDINGS OF THE REPORT ARE:

- **Sales** – total MPA sales of land-won sand and gravel and crushed rock in GB increased by 6.1% and 13.5% respectively in 2014, reflecting growth in overall construction and economic activity.

- **Replenishment of aggregate reserves** – sand and gravel is being severely under-replenished as reserves are used twice as fast as new capacity is being permitted. Crushed rock is superficially being replenished but this is skewed by a few large permissions which mask general under-replenishment elsewhere.

- **Number of planning applications** – operators have been slow to respond to the upturn whilst local authorities may not have the capacity to deal with a surge in applications effectively.

- **Appeals** – ‘planning by appeal’ remains an unattractive option for operators with very low numbers being submitted due to the time, cost and uncertainty.

- **Number of planning decisions** – decisions are low in line with the comparatively low level of applications.

- **Time taken to obtain permission** – it still takes almost 3 years on average to secure permission for both sand and gravel and crushed rock reserves although this is only a part of an overall period of up to 15 years from site identification to production.

- **Shares of national provision** – remain stable but the figures are dominated by one large permission in Scotland.

- **Number of Core Strategies/Development Plans adopted** – after 12 years of the plan led system, we still only have 56% core strategy and 25% complete local plan coverage in England. In Wales, local plans coverage is around 60%. The prospects of full plan coverage by 2020 looks unlikely.

- **The plan led system** – with over half of new permissions being for sites that have not been allocated in mineral plans, the plan-making system is not providing the certainty that it should for Government, mineral operators or the public.

INTRODUCTION

AMPS4 is the latest in a series of annual reports produced by the Mineral Products Association (MPA) based upon a survey of the planning activities of the membership in the previous year i.e. 2014. MPA members are responsible for over 90% of UK aggregate production as well as cement and other essential primary materials such as industrial sand, lime, and dimension stone.

The objective of the AMPS reports is to focus on facts and statistics that are relevant to the mineral planning processes which are essential to sustain our industry and those that rely on it, primarily construction and manufacturing. Attention is drawn to other reports produced by the MPA which evidence the Sustainable Development performance of the industry, the contribution it makes to the UK economy, and industry achievements in relation to quarry restoration and biodiversity.

Some of the figures relate only to construction aggregates operations which represent by far the largest part of mineral extraction activity in Great Britain. The planning statistics relate to all planning applications submitted by MPA members and include data for other minerals. Each figure sets out the scope of the information presented and there are variations between the topics in the amount of historical data that can be drawn upon. This is principally because the AMPS report is continually evolving in response to comments received. The objective is to make it a document that is useful to all those involved in the process of planning for minerals. Some data have only been collected since relatively recently, whilst other data go back to the 1990s.

None of the statistics in AMPS4 take account of the resources granted planning permission on appeal. The validity of the historic data was still being checked at the time AMPS4 was being compiled and will be included in AMPS5. The effect upon AMPS4 data or conclusions is not considered to be significant.
SECTION ONE – AGGREGATE SALES AND REPLENISHMENT

1.1 SALES

Note that Figure 1 has been derived from sales data for sand and gravel and crushed rock submitted by MPA members only, but overall GB sales are unlikely to be more than 10% higher than those shown. It substantiates the general observation of members that primary aggregate demand is continuing to climb slowly towards 2007, pre-recession, levels with crushed rock aggregates showing a more rapid recovery than sand and gravel.

Figure 1. Total MPA land-won aggregate sales volumes (GB)

1.2 REPLENISHMENT

Figure 2 shows the actual tonnages in new permissions issued to MPA members during each of the years since 2004.

Figure 2. Tonnages in new land-won SG permissions by year of issue (GB)
The replenishment rates shown in Figure 4 and Figure 5 show the tonnages from Figures 2 and 3 expressed as a percentage of the tonnage sold during the same year. These low and variable rates are of increasing concern, particularly for sand and gravel as we enter a period of apparent economic recovery. That is a real concern because our survey (Figures 16 and 17) shows that typically it takes almost 3 years simply to obtain planning permission and when land acquisitions and other processes are taken into account, operations granted planning permission in 2014 may not actually come into production for a further 5 to 6 years. Hence it may be 10 years before supply problems caused by deficits in replenishment become apparent. The life cycle of a new greenfield site from identification to the commencement of production is now typically 10 to 15 years.
Figure 6 and Figure 7 show the replenishment data "smoothed" by applying a 3 year rolling average to the data used for Figures 4 and 5. At around 76%, the three-year average replenishment rate for crushed rock is, on the face of it, less of a concern than for sand and gravel at 51%. However recent replenishment of crushed rock reserves has been dominated by consents for a small number of very large operations in Scotland, Leicestershire and Somerset. Permissions of this scale are infrequent due to the limited number of larger quarries and the longer intervals between each planning application to extend such quarries.
Using the overall replenishment rate as a measure of the “health” of the aggregates industry has the same shortcomings as using landbank figures for that same purpose; it does not reflect the capacity of the industry to supply or the additional cost or transport miles that accrue due to this spatial concentration of capacity or the availability of specialist aggregates to meet specific but vital end uses. In 2014 the capacity of the industry to supply had only become an issue in a few areas but the average road transport miles had shown a dramatic increase, from 28 miles in 2012 to 32 miles in 2014.

By far the largest of the 3 major new consents in the last 10 years was at Glensanda (414mt). It is a large scale coastal quarry which is significant at the European level.
2.1 NUMBER OF APPLICATIONS

Unsurprisingly, aggregate producers scaled-down the acquisition of new reserves during the period of the recession, as can be seen from Figure 8 and Figure 9. Both show that the vast majority of planning applications since 1999 were for extensions to existing sites.

As the market continued to grow in 2014, there was little reaction in the form of new applications for sand and gravel extraction, with activity in that sector hitting an all-time low. It is possible that this reflects the reactivation of permitted ‘mothballed’ capacity by sand and gravel producers as a first reaction to the improving market. Our survey was not designed to pick up that statistic. Figure 9 shows that crushed rock applications were more reactive to the upturn but still not sufficient to address the low replenishment levels.

Figure 8. Number of land-won SG extraction applications by submission year (GB)

Figure 9. Number of CR extraction applications by submission year (GB)
Figure 10 shows the number of ROMP submissions and Section 73 applications that have been made each year since the information was first recorded in 2009. These are included in our survey because they represent a significant element of the call upon planning authority resources. The peak caused by the requirement for periodic review submissions had largely passed by 2014 with only 1 ROMP submission being made. More than 20 applications were made to vary planning conditions (S73), an area of activity that has been reasonably consistent since 2011.

![Figure 10. Number of ROMP and S73 applications by year of submission (GB)](image)

2.2 NUMBER OF APPEALS:

- It has not yet been possible to collate data on mineral planning appeals for 2014 yet but Figures 11 and 12 show the position at the end of 2013. The overall number of appeals continues to be low. Anecdotal information from MPA members indicates that there is little appetite to use the appeal system, principally because of cost. Where a refusal recommendation seems inevitable, the most likely action is to withdraw the application (see the comment under 3.1).

- As mentioned in the introduction, none of the charts shown in other sections of AMPS4 take into account the permissions granted on appeal. However, the effect will be negligible as the tonnages are not significant. It will be taken into account for AMPSS.

![Figure 11. SG appeal decisions by year of decision (GB)](image)
Figure 12. CR appeal decisions by year of decision (GB)
**SECTION THREE – PLANNING AUTHORITY PROCESSES**

3.1 NUMBER OF DETERMINATIONS

- Figures 13 and 14 indicate that in 2014 determinations of both sand and gravel and crushed rock applications were close to an all-time low. Figures 8 and 9 show that the number of sand and gravel applications submitted in those years was also low. Once more no applications were refused during the year, leaving the average approval rates during the period 1999 to 2014 at 90% for sand and gravel and 95% for crushed rock.

- Whilst this seems to be a reasonable success rate, it does not take into account any proposals that were withdrawn. We have no record of those that were withdrawn at the pre-application stage but anecdotal accounts indicate that this could be quite a significant number. Since 2014 some 5% of applications were withdrawn after submission but before they were determined. That represents a substantial waste of the resources of both planning authorities and applicants and is a reflection of the current uncertainty in the plan-led system.
3.2 TIME TAKEN TO OBTAIN PERMISSION

Figure 16 and Figure 17 show the time taken for each element of the process of obtaining a mineral planning permission. Note that only since 2006 have data been gathered on the time taken between a resolution to grant planning permission and the actual issue of the permission. This is principally the time taken to finalise Section 106 agreements which are often required as a condition of mineral permissions.

Similarly, we have asked MPA members to record the time taken in pre-application discussions. However, examination of past data indicates that during the period 2006 to 2010, pre-application times in relation to some applications were not recorded and that may account for the relatively low overall times in those years. The historic average time taken to obtain a permission is still almost 3 years (33 months for SG and 34 months for CR). There seems to have been no improvement in the time taken to deal with mineral applications despite the low numbers that are currently being submitted. This does raise serious concerns about the capacity of planning authorities to deal with the increase in application numbers which will inevitably occur as a consequence of the economic recovery.
3.3 SHARES OF NATIONAL PROVISION

Figures 18 and 19 show that almost half of the new GB reserves that have been approved since 2006 occur in Scotland and Wales. Further to that and as previously mentioned, most of the new reserves in Scotland are at one site, Glensanda.
The percentages shown in the above charts are estimated from a sample provided by MPA members.

**TABLE 1. METRICS FOR PLANNING AUTHORITY APPROVALS, PERMISSIONS ISSUED ONLY, 2006-2014****

<table>
<thead>
<tr>
<th>Material Type of site</th>
<th>SG New</th>
<th>SG Extension</th>
<th>CR New</th>
<th>CR Extension</th>
<th>Total All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nb. of approvals</td>
<td>24</td>
<td>115</td>
<td>0</td>
<td>53</td>
<td>193</td>
</tr>
<tr>
<td>Tonnage approved (Mt)</td>
<td>52</td>
<td>169</td>
<td>0</td>
<td>956</td>
<td>1178</td>
</tr>
<tr>
<td>Area covered (Ha)</td>
<td>1744</td>
<td>5269</td>
<td>0</td>
<td>1887</td>
<td>8911</td>
</tr>
<tr>
<td>% Of Total GB Approved number</td>
<td>12%</td>
<td>60%</td>
<td>1%</td>
<td>27%</td>
<td>-</td>
</tr>
<tr>
<td>% Of total GB Approved Tonnage</td>
<td>4%</td>
<td>14%</td>
<td>0%</td>
<td>81%</td>
<td>-</td>
</tr>
<tr>
<td>% Of Total GB approved Area</td>
<td>20%</td>
<td>59%</td>
<td>0%</td>
<td>21%</td>
<td>-</td>
</tr>
<tr>
<td>Tonnes x 10^3 per approval</td>
<td>2163</td>
<td>1471</td>
<td>0.0</td>
<td>18047</td>
<td>-</td>
</tr>
<tr>
<td>Tonnes x 10^3 per Ha approved</td>
<td>30</td>
<td>32</td>
<td>0.0</td>
<td>507</td>
<td>-</td>
</tr>
</tbody>
</table>

*This table covers only a sub-sample of the survey responses, i.e. all returns that provide both tonnage and area information. It excludes returns that have either information missing.*
SECTION FOUR – DEVELOPMENT PLANS

4.1 NUMBER OF CORE STRATEGIES ADOPTED EACH YEAR SINCE 2007

- Figure 20 shows that by the end of 2014, only 65 out of 117 (56%) of mineral planning authorities in England had an adopted Core Strategy. Even fewer had a complete Mineral Plan, as only around 25% of the expected supporting DPDs (e.g. development management policies, site allocations and Proposals Maps) were in place. What is more significant is that all of the major aggregate producing areas, including Leicestershire (under review), Derbyshire, Somerset, Staffordshire and North Yorkshire, were missing from that number.

- The projections for 2015 to 2019 shown on Figure 20 are based on schedules produced by mineral planning authorities which are likely to be optimistic.

- The situation was considerably better in Wales where 15 out of 25 (60%) Local Development Plans had been adopted and a further 5 were at an advanced stage.

- If the current adoption rate in England does not improve, it will take until the end of 2020 for all 117 Core Strategies to be adopted, by which time some of the earlier ones will require review. On that basis, it seems unlikely that complete coverage of up-to-date mineral plans will ever be achieved.

4.2 ALLOCATED V UNALLOCATED SITES

- Figure 21 shows that there is a marginally greater chance of obtaining planning permission for a site that has not been allocated in a minerals plan than for one that has been identified and allocated. During the period 2006 to 2014, of the 203 new permissions that were granted, more than half (107) were for sites that were not identified/allocated in an adopted Mineral Plan.

- Whatever the causal pathway might be behind that statistic (and a lack of up-to-date mineral plans might be one such path) the fact is that it is indicative of a plan-led system that is not delivering some 12 years after full plan coverage was supposed to be in place.
4.3 PLANNING OFFICER RECOMMENDATIONS

For permissions granted between 2006 and 2014, 86% were granted in the context of an officer recommendation for approval. It seems likely that a high proportion of the remaining 14% could also have had officer approval. The evidence suggests that elected members on planning committees are being guided by officer recommendations.

Figure 21. Local plan status of approvals, CR & SG applications, 2006-14

- Not allocated: 53%
- Not stated: 7%
- Allocated in a plan: 40%

Figure 22. Officer recommendation of approvals, CR & land-won SG permissions, 2006-2014

- Approved: 86%
- Not stated or not applicable: 14%

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The Mineral Products Association is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries.

For further MPA information visit www.mineralproducts.org

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