Public Document Pack

Scrutiny for Policies, Environment Committee

Wednesday 28 September 2022

10.00 am Luttrell Room - County Hall, Taunton

To: The Members of the Scrutiny for Policies, Environment Committee

Cllr S Ashton, Cllr A Boyden (Vice-Chair), Cllr A Bradford, Cllr B Clarke, Cllr M Dimery (Chair), Cllr H Hobhouse, Cllr M Kravis, Cllr M Martin, Cllr H Munt, Cllr T Power, Cllr J Roundell Greene and Cllr A Wiltshire

All Somerset County Council Members are invited to attend meetings of the Cabinet and Scrutiny Committees.

Issued By Scott Wooldridge, Monitoring Officer and Strategic Manager - Governance and Democratic Services - Date Not Specified

For further information about the meeting, please contact Jamie Jackson JAJackson@somerset.gov.uk or Democratic Services on democraticservicesteam@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Regulation 4 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers

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AGENDA

Item Scrutiny for Policies, Environment Committee - 10.00 am Wednesday 28 September 2022

****Public Guidance notes contained in agenda annexe****

1 **Apologies for absence**

Apologies for absence

2 **Declarations of Interest**

Details of all Members' interests in District, Town and Parish Councils can be viewed on the Council Website at Somerset County Council

The Statutory Register of Member's Interests can be inspected via request to the Democratic Service Team

3 **Public Question Time**

The Chair will allow members of the public to ask a question or make a statement about any matter on the agenda for this meeting. These questions may be taken during the meeting, when the relevant agenda item is considered, at the Chair's discretion.

4 **Scrutiny for Policies, Environment committee work programme** (Pages 9 - 22)

To receive an update from the Scrutiny Manager and discuss any items for the work programme.

To assist the discussion, attached are:

- The Committee's Forward Work Programme
- The Scrutiny for Policies and Place Forward Work Programme
- The Executive's Forward Work Programme

5 **Local Aggregates Assessment Consultation Update** (Pages 23 - 96)

To consider and comment on the Consultation Update report from the Acting Planning Policy Manager.

6 **Economic Futures- The Local Economic Assessment for Somerset** (Pages 97 - 112)

To consider and comment on the report from the Strategic Manager Economy and Planning.

7 **CDS Progress Update** (Pages 113 - 120)

Item Scrutiny for Policies, Environment Committee - 10.00 am Wednesday 28 September 2022

The Committee are asked to consider and comment on this report which provides a progress update to SCC which is the accountable body for the CDS programme. Further periodic updates will be provided to the Scrutiny Committee for Policies and Place Committee

8 **Any other business**

The Chair to raise any urgent items of business

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Guidance notes for the meeting

1. **Council Public Meetings**

The former regulations that enabled virtual committee meetings ended on 7 May 2021. Since then, all committee meetings need to return to face-to-face meetings. The requirement is for members of the committee and key supporting officers to attend in person, along with some provision for any public speakers. However due to the current COVID restrictions and social distancing measures only a small number of people can attend as meeting room capacities are limited. Provision will be made wherever possible for those who do not need to attend in person including the public and press who wish to view the meeting to be able to do so virtually.

2. **Inspection of Papers**

Any person wishing to inspect minutes, reports, or the background papers for any item on the agenda should contact Democratic Services at democraticservices@somerset.gov.uk or telephone 01823 357628.
They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers.
Printed agendas can also be viewed in reception at the Council offices at County Hall, Taunton TA1 4DY.

3. **Members' Code of Conduct requirements**

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership. The Code of Conduct can be viewed at: Code of Conduct

4. **Minutes of the Meeting**

Details of the issues discussed, and recommendations made at the meeting will be set out in the minutes, which the Committee will be asked to approve as a correct record at its next meeting.

5. **Public Question Time**

If you wish to speak, please contact Democratic Services by 5pm 3 clear working days before the meeting. Email democraticservicesteam@somerset.gov.uk or telephone 01823 357628.

Members of public wishing to speak or ask a question will need to attend in

person or if unable can submit their question or statement in writing for an officer to read out.

In order to keep everyone safe, we respectfully request that all visitors to the building follow all aspects of the Covid-Secure guidance. Failure to do so may result in you being asked to leave the building for safety reasons.

After entering the Council building you may be taken to a waiting room before being taken to the meeting for the relevant agenda item to ask your question. After the agenda item has finished you will be asked to leave the meeting for other members of the public to attend to speak on other items.

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been agreed. However, questions or statements about any matter on the agenda for this meeting may be taken at the time when each matter is considered.

At the Chair's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total (20 minutes for meetings other than County Council meetings).

You must direct your questions and comments through the Chair. You may not take a direct part in the debate. The Chair will decide when public participation is to finish.

If an item on the agenda is contentious, with many people wishing to attend the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will be restricted, to three minutes only.

In line with the council's procedural rules, if any member of the public interrupts a meeting the Chair will warn them accordingly.

If that person continues to interrupt or disrupt proceedings the Chair can ask the Democratic Services Officer to remove them as a participant from the meeting.

Provision will be made for anybody who wishes to listen in on the meeting only to follow the meeting online.

6. **Meeting Etiquette for participants**

- Only speak when invited to do so by the Chair.
- Mute your microphone when you are not talking.
- Switch off video if you are not speaking.
- Speak clearly (if you are not using video then please state your name)
- If you're referring to a specific page, mention the page number.
- Switch off your video and microphone after you have spoken.
- There is a facility in Microsoft Teams under the ellipsis button called turn on live captions which provides subtitles on the screen.

7. **Exclusion of Press & Public**

If when considering an item on the agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

If there are members of the public and press listening to the open part of the meeting, then the Democratic Services Officer will, at the appropriate time, ask Participants to leave the meeting when any exempt or confidential information is about to be discussed.

8. **Recording of meetings**

The Council supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings. No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chair can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

A copy of the Council's Recording of Meetings Protocol is available from the Committee Administrator for the meeting.

Please contact the Committee Administrator or Democratic Services on 01823 357628 or email democraticservicesteam@somerset.gov.uk if you have any questions or concerns.

Environment Scrutiny Draft Work Programme (September 2022- March 2023)

September

- Local Aggregates Assessment Consultation Update-Colin Arnold Planning Policy Manager (Acting)
- Economic Futures- The Local Economic Assessment for Somerset-Paul Hickson Strategic Manager Economy and Planning
- CDS Progress Update-Katriona Lovelock Service Manager Economy and Planning Team

October

- Climate Emergency and the Economy- Paul Hickson and Laura Jensen Climate Business Liaison Officer
- *EV Strategy and roll-out impacts and implications-Mickey Green on behalf of Decarbonisation SRO Michele Cusack
- Chard and Ilminster Section 19 (Flooding) Report Findings – Jon Doyle Strategic manager Community Infrastructure Commissioning, Climate Change and Flood and Water Management
- Approach to Fleet Decarbonisation-Mickey Green on behalf of Decarbonisation SRO Michele Cusack

November

- Phosphates Issues Overview and Actions agreed from Phosphates Summit Colin Arnold
- Nature Recovery **-**Climate Emergency Team
- Areas of Outstanding Natural Beauty overview-Jon Doyle and AONB Manager to be confirmed
- Estates decarbonisation – our programme and progress – December– Abigail Lamberti Energy Manager Property Services

December

- Interreg 2 Seas- End of Project Progress Report -Steve Dury Project Manager Coast Catchment Levels and Moors Peat- Update on work with DEFRA on the future of Peat Workings-Colin Arnold

January

- **Update on SRA Key Decision regarding SRA Funding and SCC Hosting role-David Mitchell Service Manager SRA
- An introduction to the work of Scientific Services-Darren Clark Service Manager Scientific Services
- ***Asset Management Plan and Disposals- Ollie Woodhams Head of Property Services and Victoria Goscomb Governance and Performance Property Services

February

- Severn Tidal Commission-Paul Hickson

Scrutiny for Policies & Place Committee Work Programme
2022-2023

Overarching themes	Committee meeting dates / proposed agenda items		Lead Officer/Item Lead
6 September 2022 @ 10am			
School Transport	Home to School Transport Policy		Service Manager, Transporting Somerset – John Perrett, Strategic Manager, Access Additional Learning Needs (ALN) – Phil Curd
Temporary Labour Contract	Temporary Labour Contract		Director of Customers, Digital & Workforce - Chris Squire Strategic Manager, HR Advisory - Melissa Fairhurst Strategic Manager, Procurement – Paul Skuse
Finance	Budget Monitoring Report – Month 4 (July)		Service Manager, Finance Business Partnering – Christian Evans
11 October 2022 @ 10am			
Revenues & Benefits	Council Tax Reduction (CTR) Policy Report Non-Domestic Rate (NDR) Discretionary Relief Policy Report Council Tax Policy Report		Assistant Director – Customer, Somerset West and Taunton Council - Richard Sealey
Transport	Transport Policy – link to report		Strategic Manager, Highways & Transport – Mike O'Dowd, Service Manager, Transport Policy - Matthew Prince
Transport	Bus Service Improvement Plan (BSIP) Annual Review		Strategic Manager, Highways & Transport – Mike O'Dowd-Jones Natasha Bates - Service Commissioning Manager
Information items	Cultural Strategy – link to report		Service Manager, Library & Registration Services - Sue Crowley
Finance	Budget Monitoring Report – Month 5 (August)		Service Manager, Finance Business Partnering – Christian Evans
8 November 2022 @ 10am			
Property	Dillington House Business Plan		Head of SSE – Ian Rowswell
Economy	Economic Growth and Business Opportunities		Service Manager, Economy & Planning - Paul Hickson
Highways	Briefing on service demand, management and contracts		Service Manager, Highway Maintenance - Andrew Turner
Highways	Assessment of 'Report a Problem'		Service Manager, Highway Maintenance - Andrew Turner

Scrutiny for Policies & Place Committee Work Programme
2022-2023

Finance	Budget Monitoring Report – Quarter 2/Month 6 (September)		Service Manager, Finance Business Partnering – Christian Evans
6 December 2022 @ 10am			
Insurance	Insurance Policy Contract Award – property, public liability, motor fleet, crime		Mendip District Council – Duncan Moss
Insurance	Insurance Policy Contract Award – property, public liability, motor fleet, crime		Duncan Moss Clinical Nurse Specialist, Accredited Cognitive Therapist, Trainer and Supervisor
	Somerset Futures Assessment		Service Manager, Economy & Planning - Paul Hickson
Finance	Budget Monitoring Report – Month 7 (October)		Service Manager, Finance Business Partnering – Christian Evans
	2020-21Local Aggregate Assessment work and recent consultation		
10 January 2023 @ 10am			
Libraries	Libraries Update		Service Manager, Library & Registration Services - Sue Crowley
Finance	Budget Monitoring Report – Month 8 (November)		Service Manager, Finance Business Partnering – Christian Evans
7 February 2023 @ 10am			
Finance	Budget Monitoring Report – Month 9 (December)		Service Manager, Finance Business Partnering – Christian Evans
Finance	Medium Term Financial Plan 2023/24 – Jason Vaughan		Director of Finance & Governance – Jason Vaughan
7 March 2023 @ 10am			
Finance	Budget Monitoring Report – Month 10 (January)		Service Manager, Finance Business Partnering – Christian Evans

Note: Members of the Scrutiny Committee and all other Members of Somerset County Council are invited to contribute items for inclusion in the work programme. Please contact Sarah Wright, Democratic Services (01823) 357628 sarah.wright@somerset.gov.uk who will assist you in submitting your item.

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/06/25 First published: 1 August 2022	Not before 22nd Aug 2022 Lead Member for Environment and Climate Change	Issue: Covid and National Driver Shortage Impact on Waste Collection Services and Costs Implications : Settlement of related contractual relief to SUEZ Decision:	Lead Member Key Decisions SWP Covid NDS Settlement v2a		Mickey Green, Managing Director - Somerset Waste Partnership / Acting Lead Director for Economic & Community Infrastructure Tel: 01823 625707
FP/22/05/07 First published: 22 June 2022	31 Aug 2022 Somerset Waste Partnership Managing Director / Acting Lead Director for ECI	Issue: Contract Award: Mechanical and Electrical Works, Wadham School, Crewkerne Decision:			
n/a First published: 31 August 2022	31 Aug 2022 Lead Member for Communities, Lead Member for Local Government Reorganisation & Prosperity	Issue: Allocation of funds from the LGR Programme Decision: To consider this report			Oliver Woodhams, Head of Corporate Property Tel: 07977400667
FP/22/07/07 First published: 31 July 2022	Not before 1st Sep 2022 Lead Member for Local Government Reorganisation & Prosperity	Issue: Decision to accept Somerset's UK Shared Prosperity Fund (UKSPF) allocation of £7.2m over three years Decision:			Julie Wooler, Economic Development & Strategic Tourism Officer

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/20/07/02 First published: 30 July 2020	9 Sep 2022 Lead Member for Development and Assets	Issue: Land at Cherry Grove / Colliers court Decision:	Key Decision Disposal of Parcel of Land at Cherry Grove Colliers Court Frome Appendix 1 - Plan of site Appendix 3 - Planning Application Plan Appendix 4 - Land Surrounding Site		Charlie Field, Estates Manager, Corporate Property Tel: 01823355325
FP/22/05/08 First published: 22 June 2022	9 Sep 2022 Lead Member for Development and Assets	Issue: Contract Award: Window, Heating and Roof Works at Frome College Decision:			
FP/22/01/10 First published: 2 February 2022	Not before 9th Sep 2022 Lead Member for Children and Families	Issue: Fostering and Permanence service's Fees and Allowance Increases for 2022/2023 Decision:			
FP/21/12/11 First published: 1 January 2022	Not before 9th Sep 2022 Director of Commissioning and Lead Commissioner for Economic Community Infrastructure	Issue: Decision for contract award for contractors for Saltlands Solar Park, Chilton Trinity Bridgwater Decision:			
FP/22/06/32 First published: 1 July 2022	Not before 16th Sep 2022 Leader of the Council	Issue: Clinically Extremely Vulnerable Grant Decision:			

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/08/04 First published: 12 August 2022	Before 16 Sep 2022 Lead Member for Children and Families	Issue: Use of former Misterton School Site for delivery of Therapeutic Education Provision Decision: To consider this report			Claire Winter, Deputy Director of Children's Services Tel: 01823 359389
FP/22/08/01 First published: 10 August 2022	Not before 16th Sep 2022 ECI Operations Director	Issue: Structures Minor Works Term Service Contracts Decision:			
FP/22/05/06 First published: 22 June 2022	Not before 16th Sep 2022 Lead Member for Development and Assets	Issue: Contract Award: Builders Works, Wadham School, Crewkerne Decision:			
FP/22/06/15 First published: 1 July 2022	21 Sep 2022 Executive	Issue: Revenue Budget Monitoring Report - Month 4 Decision:			Leah Green
FP/22/06/03 First published: 22 June 2022	21 Sep 2022 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/08/02 First published: 10 August 2022	21 Sep 2022 Executive	Issue: Quarter 1 (+1) Corporate Performance Decision:			

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/08/03 First published: 10 August 2022	21 Sep 2022 Executive	Issue: Taunton Community Governance Review Decision:			Michael Bryant
FP/22/08/07 First published: 24 August 2022	21 Sep 2022 Executive	Issue: Crisis short-term residential accommodation and Crisis Community Outreach Service Decision: To consider this report			Mel Lock, Adults and Health Operations Director, Adults Social Care Tel: 01823 356207
FP/22/09/01 First published:	21 Sep 2022 Executive	Issue: Commercial Decision: Education lease conditions Decision:			Ian Rowswell, Head of Support Services for Education (SSE) Tel: 01823359564
FP/ 22/08/05 First published: 23 August 2022	Not before 22nd Sep 2022 Director of Finance	Issue: Acceptance of Funding for the Multiply (Adult Numeracy) Programme Decision: To accept funding of £751k in year 1 to delivery a numeracy skills programme and to agree sub-contracting to arrangements for delivery.			Melanie Roberts, Service Manager - Economic Policy Tel: 01823359209
FP/22/08/08 First published: 31 August 2022	22 Sep 2022 Director for Economic and Community Infrastructure Commissioning	Issue: Contract Award: Somerset Innovation Support Service Decision:			Paul Hickson, Strategic Manager - Economy and Planning Tel: 07977 400838

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/08/08 First published: 24 August 2022	24 Sep 2022 Lead Member for Adult Social Care	Issue: Waiver to extend open framework agreement for homecare providers in Somerset Decision: Extension of the current open framework for home care until 31st March 2024			James Sangster, Service Manager Tel: 01823359053
FP/22/07/03 First published: 31 July 2022	27 Sep 2022 Lead Member for Public Health, Equalities and Diversity	Issue: Resettlement Pledge 2022/23 Decision: The resettlement pledge from Somerset in support of the UKRS/ARAP/ACRS schemes for 2022/23.			
FP/21/08/03 First published: 1 September 2021	Not before 30th Sep 2022 Leader of the Council	Issue: Governance for the delivery of the Somerset Climate Emergency Strategy Decision: For the Leader of Somerset County Council to agree and approve the proposed cross-authority governance for the delivery of the Somerset Climate Emergency Strategy			Jon Doyle, Service Manager
FP/22/04/02 First published: 3 May 2022	Not before 30th Sep 2022 Director of Commissioning and Lead Commissioner for Economic Community Infrastructure	Issue: Key Decision for the extension of the grant funding agreement for the management of the SSEF between SCC and SCF Decision:			Paul Hickson, Strategic Manager - Economy and Planning Tel: 07977 400838

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/21/07/05 First published: 2 August 2021	Not before 30th Sep 2022 Lead Member for Transport and Digital	Issue: Award of specialist traffic signals contract Decision:			John Kitchen, Traffic Control Engineer, Traffic Control, Traffic & Transport Development Tel: 01823358140
FP/22/07/05 First published: 31 July 2022	Not before 1st Oct 2022 Lead Member for Transport and Digital	Issue: Parking Review Update and Changes to On Street Parking Permit Scheme Decision:			Steve Deakin, Parking Services Manager, Parking Services, Community and Traded Services Tel: 01823355137
First published: 3 May 2022	Not before 17th Oct 2022 Lead Member for Development and Assets	Issue: Disposal of Dunpole Farmhouse and Magnolia Cottage Decision: FP/22/04/03			
FP/22/06/04 First published: 22 June 2022	19 Oct 2022 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/04/01 First published: 3 May 2022	19 Oct 2022 Executive	Issue: Award of contract (s) for the provision of Temporary Labour Decision:			Paul Skuse, Service Manager, Commercial & Procurement - Business
FP/22/06/16 First published: 1 July 2022	19 Oct 2022 Executive	Issue: Revenue Budget Monitoring Report - month 5 Decision:			Leah Green

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/06/30 First published: 22 June 2022	19 Oct 2022 Executive	Issue: Somerset Integrated Domestic Abuse Service (Lots 1 to 5) Approval to Award Decision:			Louise Woolway, Deputy Public Health Director Tel: 01823 357269
FP/22/06/26 First published: 1 July 2022	19 Oct 2022 Executive	Issue: Medium Term Financial Plan 2023/24-2027/28 Update Decision:			Donna Parham, Head Corporate Finance & Deputy S151 Officer
FP/22/06/05 First published: 22 June 2022	16 Nov 2022 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/06/33 First published: 1 July 2022	16 Nov 2022 Executive	Issue: Peninsula Fostering framework Agreement - Decision to award Decision:			
FP/22/06/17 First published: 1 July 2022	16 Nov 2022 Executive	Issue: Revenue Budget Monitoring Report - month 6 Decision:			Leah Green

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/07/04 First published: 31 July 2022	16 Nov 2022 Executive	Issue: Peninsula Residential Dynamic Purchasing Agreement - Re-Tender Decision: Authorise the entering of a Residential Dynamic Purchasing system with Peninsula consortia to manage Residential Childrens Homes placements for looked after children in Somerset.			Julie Breeze, Service Manager Tel: 01460258609
FP/22/06/06 First published: 22 June 2022	14 Dec 2022 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/07/01 First published: 31 July 2022	14 Dec 2022 Executive	Issue: MTFP 2023/24 update Decision:			Donna Parham, Head Corporate Finance & Deputy S151 Officer
First published: 1 July 2022	14 Dec 2022 Executive	Issue: Revenue Budget Monitoring Report - month 7 Decision:			Leah Green
FP/22/06/07 First published: 22 June 2022	January 2023 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/06/27 First published: 1 July 2022	January 2023 Executive	Issue: Draft 2023/24 Budget and Medium Term Financial Plan Decision:			Donna Parham, Head Corporate Finance & Deputy S151 Officer

FP Refs	Decision Date/Maker	Details of the proposed decision	Documents and background papers to be available to decision maker	Does the decision contain any exempt information requiring it to be considered in private?	Contact Officer for any representations to be made ahead of the proposed decision
FP/22/06/19 First published: 1 July 2022	January 2023 Executive	Issue: Revenue Budget Monitoring Report - month 8 Decision:			Leah Green
FP/22/06/08 First published: 22 June 2022	February 2023 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance
FP/22/06/28 First published: 1 July 2022	Not before 1st Feb 2023 Executive	Issue: 2023/24 Budget, Council Tax Setting, and Medium Term Financial Plan Decision:			Donna Parham, Head Corporate Finance & Deputy S151 Officer
FP/22/06/20 First published: 1 July 2022	Not before 1st Feb 2023 Executive	Issue: Revenue Budget Monitoring Report - month 9 Decision:			Leah Green
FP/22/06/09 First published: 22 June 2022	March 2023 Executive	Issue: S24 Compliance Update Report Decision:			Jason Vaughan, Director of Finance & Governance

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Somerset County Council
Scrutiny for Policies and Place Committee
28/09/2022

Local Aggregate Assessment 2017-2019 Consultation Update

Lead Officer: Colin Arnold
Author: Andrew Gunn
Contact Details: CArnold@somerset.gov.uk
Lead Executive Member: Cllr Ros Wyke
Division and Local Member: n/a

1. Summary

1.1. The National Planning Policy Framework (NPPF) requires Mineral Planning Authorities to publish an annual Local Aggregate Assessment (LAA). The LAA is an assessment of the demand and supply of aggregates in Somerset. It is a very important part of the evidence base to ensure that a steady and adequate supply of minerals is maintained to meet the mineral needs of the country. This LAA was prepared by the policy team at SCC with the support of our appointed consultants BPP, in conjunction with Exmoor National Park Authority and in discussion with mineral operators in Somerset.

A draft version of the LAA was shared in February 2022 with the South West Aggregate Working Party (SWAWP) and other stakeholders. The SWAWP is an advisory group comprising of Mineral Planning Authorities, central government and representatives from the aggregate industry in the South West. Overall, the comments received were supportive and some revisions were made to take account of those. In July, a final version of the LAA was sent to members and SLT for any final comments. No comments were received, and subject to final sign off, the LAA is ready to be published.

2. Issues for consideration / Recommendations

2.1. The LAA report outlines that Somerset remains a major producer of crushed rock aggregates. Indeed, Somerset had the highest sales of crushed rock of all the Mineral Planning Authorities areas in England in 2019 with aggregate sales of 15.19 million tonnes. Importantly, Somerset has sufficient permitted aggregate reserves of carboniferous limestone with a 27.1 year landbank. (The landbank figure is the number of years supply with planning permission). The current reserves are therefore above the 15-year landbank provision as set out in the Somerset Mineral Plan.

2.2 For the first time, and with the agreement of the operator, the LAA has been able to report separately the data for Silurian Andesite. The high polished stone value of Silurian Andesite is used for road surfacing due to its anti-skid qualities. Due to these specific qualities, the Somerset Mineral Plan also makes provision for a separate 15-year landbank for Silurian Andesite. The current reserve of just under 3 million tonnes gives a landbank figure of 7

years which is below the 15-year plan requirement. In order to address this issue, and the difficulties expressed by the operator in safely accessing those permitted reserves, the operator is looking to submit a planning application within the next year to extend the quarry.

2.3 One key point that did arise from the consultation process was stating the importance of the 2 rail linked quarries (ie Whatley and Torr Works). Moreover, whilst the current landbank for crushed rock is 27.1 years, the planning permission end dates of the two main rail-linked quarries, are due to expire in 2030 and 2040 respectively. This has potential implications for the ability of crushed rock worked in Somerset to meet future demand for crushed rock in the London and the South-East. Whilst the 2 rail linked quarries are clearly very important, close monitoring is required of all the expiry dates to ensure that the landbank is maintained. Engagement with operators has begun and shall continue to ensure that the steady and adequate supply of minerals is maintained.

3. Background

3.1. The LAA is an assessment of the demand for and supply of aggregates in Somerset. Aggregates (sand and gravel, and crushed rock) are the raw materials used in construction and a range of other products. The LAA is required by central Government to forecast the demand for aggregates based on the average of 10 year sales data and other relevant local information. SCC, as the Mineral Planning Authority must participate in the operation of an Aggregate Working Party (AWP) and take the advice of that AWP into account when preparing their LAA. SCC are members of the South West AWP which is an advisory group comprising of Mineral Planning Authorities, central government and representatives from the aggregate industry in the South West

3.2 The Somerset LAA is also prepared on behalf of the Exmoor National Park Authority for that part of Exmoor which is located in Somerset.

4. Consultations undertaken and outcomes

4.1. The draft LAA was shared in February 2022 with the South West Aggregate Working Party (SW AWP) and other stakeholders. Three responses were received from the SW AWP, the South East AWP and Aggregate Industries (quarry operator). Overall, the comments received were supportive considering the report to be thorough and comprehensive. Aside from some clarification sought in relation to some of the figures and tables, the key points made stressed the importance of the 2 rail linked quarries at Whatley and Torr Works. Moreover, particular attention should be given to the landbank figure and the planning permission expiry dates for those 2 rail linked quarries, both of which currently expire in 8 and 18 years respectively. Additional wording was added to the LAA report to acknowledge this point.

In July 2022, a final version of the LAA was sent to members and SLT for any final comments. No comments were received, and subject to final sign off, the LAA is ready to be published.

5. Implications

5.1. The Local Aggregate Assessment (2017-2019) report is an important part of the evidence base for the SCC Mineral Planning Authority setting out the latest position regarding mineral supply and demand. Without the report, the Mineral Planning Authority would not be able to thoroughly undertake its monitoring role nor have the latest information to assist and inform the forthcoming review of the Somerset Mineral Plan.

6. Background papers

6.1 Local Aggregate Assessment 2017-2019 report.

Note For sight of individual background papers please contact the report author

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Somerset
Local Aggregate Assessment

Sixth Edition, data to 2019

(incorporating data from 2017-2019)

Somerset County Council with Exmoor National Park Authority

Minerals and Waste Development Framework

SOMERSET County Council

EXMOOR NATIONAL PARK

This document has been prepared by Somerset County Council in partnership with Exmoor National Park Authority

Cover photographs: Main image and bottom left image: Whatley Quarry (taken by SCC); middle left image: view of an aggregate working area (taken by SCC); top left image: Halecombe Quarry (taken by SCC).

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For further details of the Somerset Minerals and Waste Development Framework, and to view and download this and related documents, please visit the Somerset County Council website:
https://www.somerset.gov.uk/waste-planning-and-land/

For further details of the Exmoor National Park Local Plan, please visit
http://www.exmoor-nationalpark.gov.uk/planning/planning-policy

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Executive summary

Somerset Local Aggregate Assessment – Sixth Edition (data to 2019)

	Sand & Gravel[1]	Crushed Rock	Crushed Rock (HPSVSA[2])	Marine Aggregates	Secondary Aggregates	Recycled Aggregates
2019 Sales	*0.500 mt*	15.19 mt	23,595 t[3]	46,832 t	0	73,950
10 year average	*0.506 mt*	12.05 mt	240,877 t	-	32,343 t	51,037 t
3 year average	*0.546mt*	15.07 mt	34,233 t	64,394 t	20,009 t	47,692 t
1 year trend	⬇	⬇	⬇	⬇	⬇	⬆
LAA rate	*0.500*	13.4 mt	400,000 t[4]	64,394 t	32,343 t	51,037 t
Reserves at end of 2019	*4.199 mt*	363.7 mt	2.9 mt	-	-	-
Landbank (years), LAA rate	*8.3*	27.1[5]		-	-	-
Landbank (years), sub-regional apportionment	*4.5*[6]	27.1	N/A	-	-	-

Comments

This LAA was published in 2021 and reports data for 2019. An LAA reporting data for 2020 will follow.

For the first time the two distinct types of crushed rock won in Somerset are reported separately ('Crushed Rock' and 'High PSV Silurian Andesite') to allow monitoring against Somerset Minerals Plan policy SMP2 which requires maintenance of separate landbanks. This has only been possible by presenting information that under normal circumstances would be considered commercially confidential. In this exceptional case explicit agreement to publication of the information was obtained from the operator.

Crushed rock sales in 2019 decreased by 1.7% from 2018 levels, which marks the first decrease in sales since 2012. Crushed rock sales from Somerset were higher than any other Minerals Planning Authority area in England and higher than sales recorded in at least the 19 years

[1] The Mineral Planning Authorities for Somerset, Devon and Cornwall have signed an MoU that provides a mechanism for sharing data and maintaining a joint sand and gravel landbank. Data shown in italics relates to sales in Devon in 2018.
[2] HPSVSA = High Polished Stone Value Silurian Andesite
[3] Single operator has agreed to waive confidentiality
[4] See paragraph 2.25 for explanation of derivation of the LAA rate for HPSVSA
[5] Policy SMP2 expects a 15 year landbank to be maintained
[6] Based on sub-regional apportionment for the period 2005-2020 of 14.91 million tonnes equating to 930,000 tonnes per annum

preceding 2018. Historic sales data for crushed rock has been amended such that crushed rock sales have been derived from total reported crushed rock sales minus High PSV Silurian Andesite sales. Somerset continues to be the most important supplier of crushed rock in the south of England and in 2019 was the largest producing county in England. Somerset is a key supplier of crushed rock to London, the South East and East of England as well as the wider South West. The two rail linked quarries supplying London, the South East and East of England have planning permission until 2030 and 2040. This matter will be considered during the review of the Somerset Minerals Local Plan.

For the fourth year in a row, annual sales of crushed rock have exceeded the annual sub-regional apportionment figure of 13.4 mt.

Crushed rock reserves at the end of 2019 have decreased by 8Mt, from 2018 estimates but are approximately the same as those in 2017.

High PSV Silurian Andesite sales are at an historic low. The theoretical landbank based on 10 year average sales is about 7 years but this masks issues associated with accessibility of the remaining reserve.

From 2018 to 2019 the data shows decreased sales for marine aggregates and increased sales for recycled aggregates.

Sales of secondary aggregate occur from a single operator with a productive capacity of up to 18,000tpa.

Further efforts to engage with operators in 2018/2019 has resulted in improved operator returns for secondary and recycled aggregate but these continue to indicate that recycled aggregate sales from CDE waste management sites make a limited contribution of overall aggregate sales in Somerset. This may be due to the abundance of primary aggregate which makes the production of recycled aggregate uneconomic.

Landings of marine won aggregate (sand and gravel) remains low with a single wharf now operational making a small contribution to aggerate supply overall.

1 Introduction

1.1 Aggregates (sand and gravel, and crushed rock) are the raw materials used to make construction products. They are an essential part of everyday life and can be found in our roads, houses, schools and hospitals.

1.2 There are three main sources of aggregate in the UK: land-won; marine-dredged; and recycled and secondary. Land-won aggregates (often referred to as "natural" or "primary" aggregates) are materials extracted directly from the ground in quarries or pits. Marine-dredged aggregates comprise sand and gravel dredged from the sea floor in licensed areas of the UK continental shelf. Secondary aggregates are a by-product from mineral operations or industrial processes. Recycled aggregates are materials produced by treatment of construction and demolition waste.

1.3 Somerset is the largest producer of crushed rock in the south of England and in 2019 was the largest producer in England. Somerset is a key supplier of crushed rock to London, the South East and East of England. The vast majority of crushed rock is extracted from quarries in the east Mendip Hills.

1.4 Two types of crushed rock are worked in Somerset - Carboniferous Limestone and Silurian Andesite (sometimes known by the generic term 'Basalt'). Silurian Andesite with a high Polished Stone Value (PSV)[7] has a distinct market in the manufacture of surface dressing for use in the skid resistant wearing course of roads.

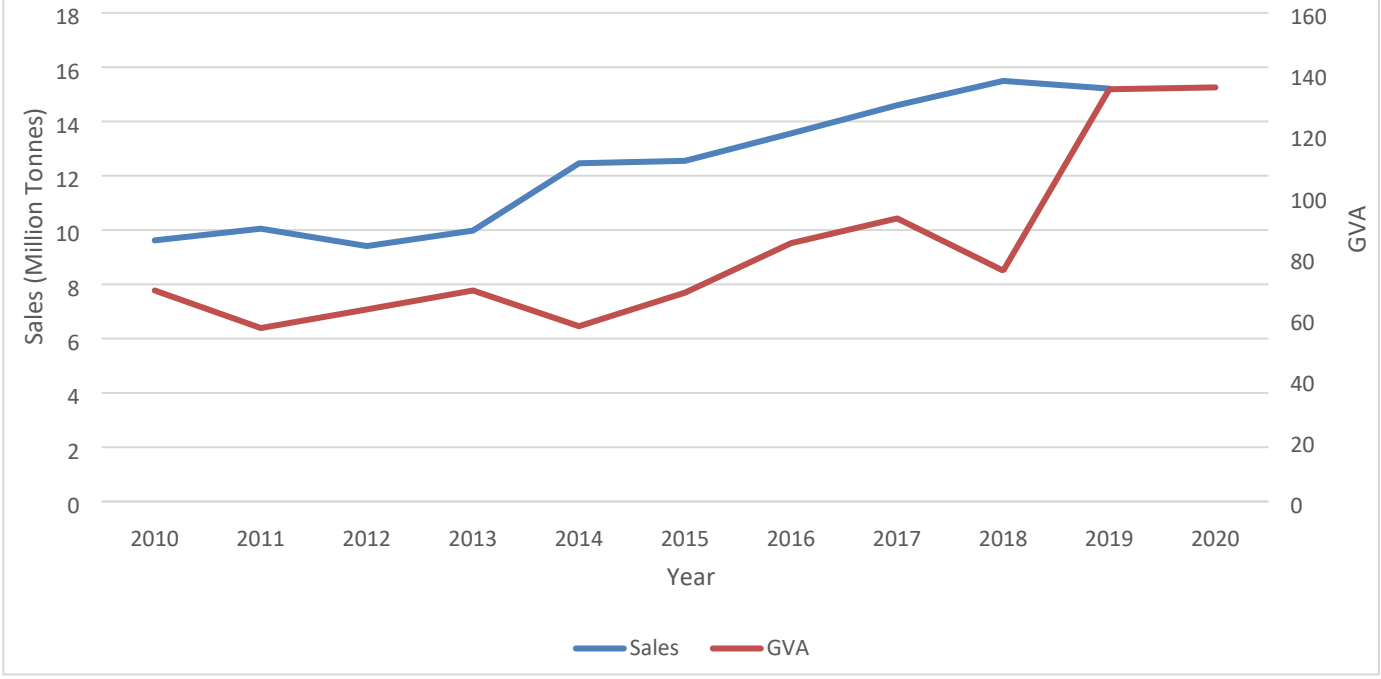
1.5 Mineral extraction is of considerable economic importance in Somerset, directly employing over 1000 Full Time Equivalent (FTE) across the four sectors of aggregates, quarry products, building stones and stonemasons. The Gross Value Added from mining and quarrying in Somerset in 2019 was modelled at around £135 million[8]. A study[9] completed in 2014 indicated that overall annual turnover across these four sectors was approximately £209.2 million in 2013 (£145 million of which came from the aggregates sector). The study also estimated that

[7] Polished Stone Value is a physical property of crushed rock aggregate which is measurable as resistance to polishing. High polished stone value materials offer a good resistance to polishing and are important in road surfacing to improve skid resistance.
[8] Source: Advanced Modelling of Regional Economies (AMORE) Database Tool 2020, provided by Dr Steven Brand, Plymouth University'. N.B. This is a modelled value and so the actual value may vary from this.
[9] Geckoella/RPA, The Benefits of Quarrying and Related Activities to the Somerset Economy – Executive Summary, July 2014

there are a minimum of 280 indirect FTE employees associated with the mining and quarrying sector in Somerset.

1.6 Figure 1 below shows the relationship between GVA and sales of crushed rock over the period 2010 to 2019.

Fig. 1 Crushed Rock Sales and GVA 2010 to 2019



Note: The GVA values for 2010 to 2018 are actual values whereas the 2019 value is modelled

A Local Aggregate Assessment for Somerset and Exmoor National Park

1.7 As stated in the National Planning Policy Framework (NPPF),[10] each Mineral Planning Authority is required to prepare an LAA assessing the demand for, and supply of, aggregates in their plan area. This is known as the Local Aggregate Assessment (LAA). Somerset County Council is the Mineral Planning Authority for Somerset, excluding Exmoor National Park. Exmoor National Park Authority (ENPA) is the Mineral Planning Authority (MPA) for Exmoor National Park.

1.8 A large proportion of Exmoor National Park lies within the historic boundary of the county of Somerset and this LAA covers that part of the National Park. The part of the Exmoor National Park not in Somerset is within the historic county of Devon and aggregate supply in this part of the National Park is addressed by the Devon LAA. The

[10] MHCLG. National Planning Policy Framework. July 2021. Paragraph 213.

purposes of National Parks are twofold: to conserve and enhance the natural beauty, wildlife and cultural heritage; and promote opportunities for the understanding and enjoyment of the special qualities of National Parks by the public.

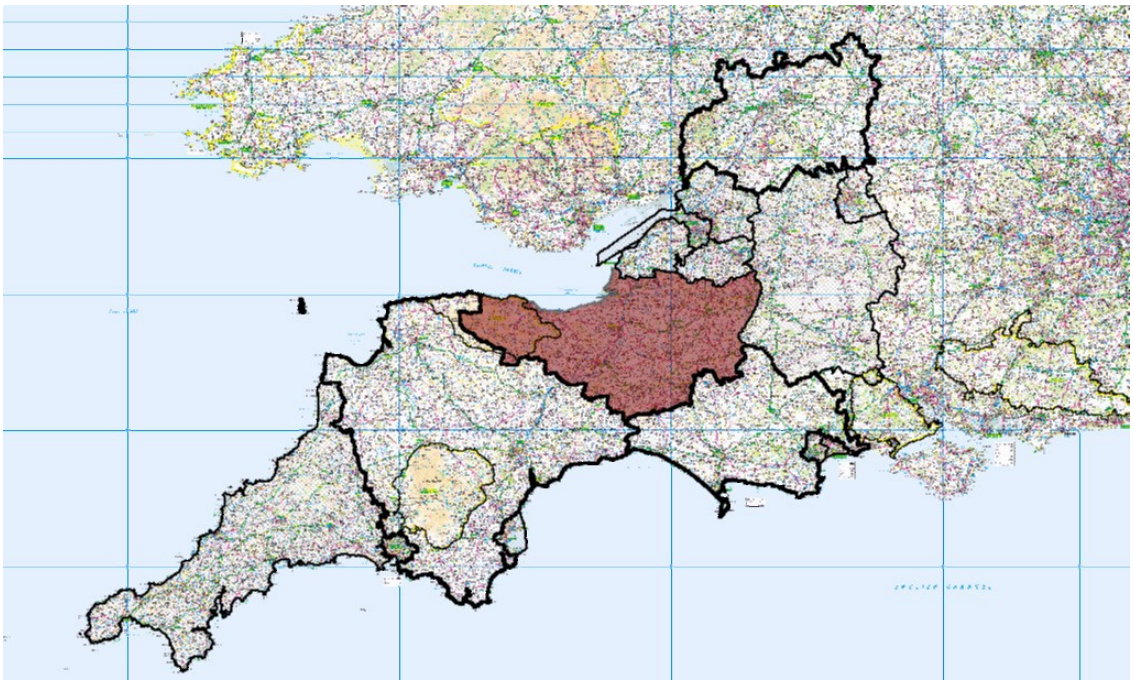
1.9 Exmoor National Park currently produces no land-won aggregates. Despite a long history of mineral extraction on Exmoor, there are at present no operative mines or quarries in the National Park although local stone for buildings which was sourced from these quarries is always in demand.

1.10 Due to the impacts of modern mineral extraction, large scale quarrying would be in conflict with the purposes of National Parks. The Exmoor National Park Local Plan recognises the potential conflict between modern mineral extraction and statutory National Park purposes; the conservation and enhancement of Exmoor's landscape, wildlife, cultural heritage, public enjoyment of the area's special qualities as well as impacts on the health and amenity of local communities. Apart from the small-scale extraction of building and roofing stone, minerals development is therefore not considered to be appropriate in the National Park and this includes development related to the supply of aggregates from within the National Park.

1.11 Historically the 'sub-regional' apportionment (the quantity of aggregates a sub-region was expected to plan for over a given time period) established by the Regional Aggregate Working Party grouped Exmoor with Somerset.

1.12 Given the location of the two authorities; National Park Purposes; and, the limited scope for aggregate working in Exmoor National Park, it is deemed appropriate by SCC and ENPA to produce a joint LAA, acknowledging also that a proportion of the Exmoor National Park lies in Devon and would be covered by Devon County Council's LAA. On this basis, this LAA has been prepared by Somerset County Council (SCC) in partnership with Exmoor National Park Authority. For the purpose of this assessment, 'Somerset' should therefore be taken to include the Somerset MPA area and a large proportion of the Exmoor National Park that is located within the county of Somerset as shown in Figure 2.

Figure 2: The Location of Somerset and Exmoor National Park within South West England (shaded area refers)



1.13 The LAA is also informed by cooperation with other Mineral Planning Authorities (in particular Devon County Council) regarding future sand and gravel provision. There is a Memorandum of Understanding between Somerset County Council and Devon County Council (and Cornwall Council) which details this cooperation (See Appendix 1)

1.14 The LAA has been informed by consultation with all the MPAs in the South West Aggregate Working Party (SW AWP) and other interested parties as appropriate (see Appendix 2 for list of consultees).

The fundamentals of Local Aggregate Assessments

1.15 There are significant geographical imbalances in the occurrence of suitable natural aggregate resources and the areas where they are most needed. Balancing these differences in supply and demand is the principle underpinning the Managed Aggregate Supply System (MASS).

1.16 The Government recognises the need to maintain the fundamental principles behind MASS and also acknowledges the importance of local factors in determining appropriate levels of aggregate extraction.

1.17 The LAA is structured around policy in the NPPF and associated planning practice guidance on minerals, which incorporates guidance on the Managed Aggregate Supply System[11]. Furthermore, SCC has had regard to a document produced by the Mineral Products Association and the Planning Officers Society[12] that provides guidance on the production of LAAs which reflects national policy and guidance.

1.18 Planning Practice Guidance expects that LAAs should contain three elements:

- *'a forecast of the demand for aggregates based on both the rolling average of 10-years' sales data and other relevant local information;'*[13]
- *an analysis of all aggregate supply options, as indicated by landbanks, mineral plan allocations and capacity data e.g. marine licences for marine aggregate extraction, recycled aggregates and the potential throughputs from wharves. This analysis should be informed by planning information, the aggregate industry and other bodies such as local enterprise partnerships; and,*
- *an assessment of the balance between demand and supply, and the economic and environmental opportunities and constraints that might influence the situation. It should conclude if there is a shortage or a surplus of supply and, if the former, how this is being addressed.'*

1.19 PPG also states that LAAs must also consider 'other relevant local information' in addition to the 10 year rolling supply, which seeks to look ahead at possible future demand, rather than rely solely on past sales. Such information may include, for example, levels of planned construction and housebuilding in their area and throughout the country. MPAs should also look at average sales over the last three years in particular to identify the general trend of demand as part of the consideration of whether it might be appropriate to increase supply. This baseline assessment, together with an assessment of all supply options (including marine dredged, secondary and recycled sources), should help MPAs plan for a steady and adequate supply of aggregates.

1.20 The Managed Aggregate Supply System anticipates co-ordination of aggregate supply at the national level by the 'National Aggregate Co-ordinating Group' which provides guidance to government on national

[11] MHCLG. Planning Practice Guidance. March 2014. Paragraph 060[5]
[12] https://mineralproducts.org/documents/LAA_GUIDANCE_May2017.pdf
[13] Also see paragraph 213a of the National Planning Policy Framework

and sub-national guidelines on future aggregate provision which MPAs should take account of when planning for future supplies[14]. The latest guidelines[15] cover the period 2005 to 2020, which includes the period covered by this LAA, and have not yet been renewed.

1.21 The LAA takes account of feedback from the South West Aggregate Working Party (AWP), which is an advisory group comprising of Mineral Planning Authorities (including SCC and ENPA), central government and representatives from the aggregate industry operating in the south west of England. The AWP provides advice on the supply of, and demand for, aggregates to central government and Mineral Planning Authorities. The AWP also undertakes annual monitoring of aggregates production, by type, use and the level of permitted reserves allowing for annual consumption to be calculated.

1.22 The LAA for Somerset is updated regularly[16] and used as a tool to inform the development, review and/or monitoring of the Somerset Minerals Plan and the Exmoor National Park Local Plan. The LAA itself does not set policy or identify locations from where new supply should be achieved; that is done via the Minerals Plan[17].

1.23 This LAA provides an annual assessment of the level of provision required in Somerset to support an adequate and steady supply of aggregates, based on the rolling average of 10 year sales and an assessment of any relevant local information. This LAA reports data relating to 2019. A separate LAA reporting data for 2020 is being prepared.

Monitoring 'Landbanks'

1.24 Aggregate 'landbanks' are the principal monitoring tool used in LAAs to indicate to MPAs early warnings of possible disruption to the provision of a steady and adequate supply of land-won aggregates in their particular area.

1.25 The aggregate landbank is a measure of the number of years it would take for the permitted reserve in an MPA's area, in this case Somerset, to become fully depleted if the aggregate were to be worked at a rate

[14] See NPPF paragraph 207 d)

[15] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7763/aggregatesprovision2020.pdf

[16] LAAs should be updated an annual basis but due to resource constraints SCC has been unable to update the Somerset LAA in recent years. This LAA is therefore the most recent LAA for Somerset since LAA 2016.

[17] https://www.somerset.gov.uk/waste-planning-and-land/somerset-minerals-plan/

established by the LAA (using the average of annual sales over a 10 year period as a starting point) which is known as the 'LAA rate'. The calculation of the landbank is therefore the total amount of permitted reserves of aggregate for which valid permissions are extant, excluding dormant sites, divided by the LAA rate.

1.26 National policy[18] requires mineral planning authorities to plan for a steady and adequate supply of aggregates by maintaining landbanks of a least 10 years for crushed rock and 7 years for sand and gravel, whilst ensuring that the capacity of operations to supply a wide range of materials is not compromised.

1.27 National policy also expects that landbanks for any aggregate materials of a specific type or quality which have a distinct and separate market should be calculated and maintained separately.

1.28 Recognising that Somerset is a nationally important supplier of crushed rock, the Somerset Minerals Plan expects a 15 year landbank to be maintained. Furthermore, in light of their separate markets and consistent with the NPPF, the SMP makes a distinction between the crushed rock resources of Carboniferous Limestone and High PSV Silurian Andesite[19].

1.29 Policy SMP2 states the following:

'The Mineral Planning Authority will make provision for a rolling 15 year landbank of permitted reserves of both Carboniferous Limestone and Silurian Andesite throughout the Plan Period based on the findings of the Local Aggregate Assessment.'

1.30 Historically landbank calculations have been carried out based upon the permitted reserve being worked at the rate of the sub-regional apportionment. The introduction of LAAs allowed MPAs to estimate their own rate of future annual sales, rather than use the sub-regional apportionment. Guidance is included in PPG that expects LAAs to use the following to establish future demand:

"A forecast of the demand for aggregates based on both the rolling average 10-year sales data and other relevant local information;"

[18] National Planning Policy Framework (NPPF) paragraph 207

[19] Note that not all Silurian Andesite worked has a high PSV but that which has a lower PSV (weathered) contributes to other crushed rock supplies.

1.31 In light of Minerals Plan Policy SMP2, the supply and demand of the two types of crushed rock extracted in Somerset (high PSV Silurian Andesite and other forms of crushed rock) are considered separately in this LAA as set out below. It should be noted that this is the first time the LAA has considered the different crushed rock types separately.

Geology of Somerset[20]

1.32 Somerset has a diverse geology, resulting in a rich distribution of economic mineral resources – from Carboniferous limestone and igneous rock (Andesite / Tuff) in the north east (in particular in the Mendip Hills), to Devonian and Carboniferous sandstones in Exmoor National Park and west Somerset. Budleigh Salterton Pebble Beds and limited quantities of river terrace deposits form the main sand and gravel resources in the county.

1.33 Somerset is a nationally important source of crushed rock aggregates, predominantly from the Lower Carboniferous limestone of the Mendip Hills, as shown in Figure 4 (a) and (b). Large scale extraction is mainly limited to limestone of a Carboniferous age; however, Jurassic age limestones are still worked on a smaller scale for building stone.

1.34 Carboniferous limestone, such as Gully Oolite, Birnbeck Limestone, Vallis Limestone, Clifton Down Limestone and Hotwells Limestone form the broad ridge of the Mendip Hills which extends from Frome westwards to Weston-super-Mare. The Mendip sequence comprises a thick series of shelf type limestones that are divided into a number of formations, but there is little variation in their aggregate properties. All formations of limestone with the exception of Lower Limestone Shale form resources of road stone, railway ballast, construction fill and concreting aggregate.

1.35 Igneous Silurian rocks in the form of Andesite and Tuff can also be found centrally in the Mendip Hills. As noted previously, some of the Andesite material is good for road surfacing since, below the zone of weathering, it is strong, durable and resistant to polishing with a high PSV. Weathered Silurian Andesite is less suitable for skid resistant road surfacing but has other uses as a crushed rock aggregate for example in road bases.

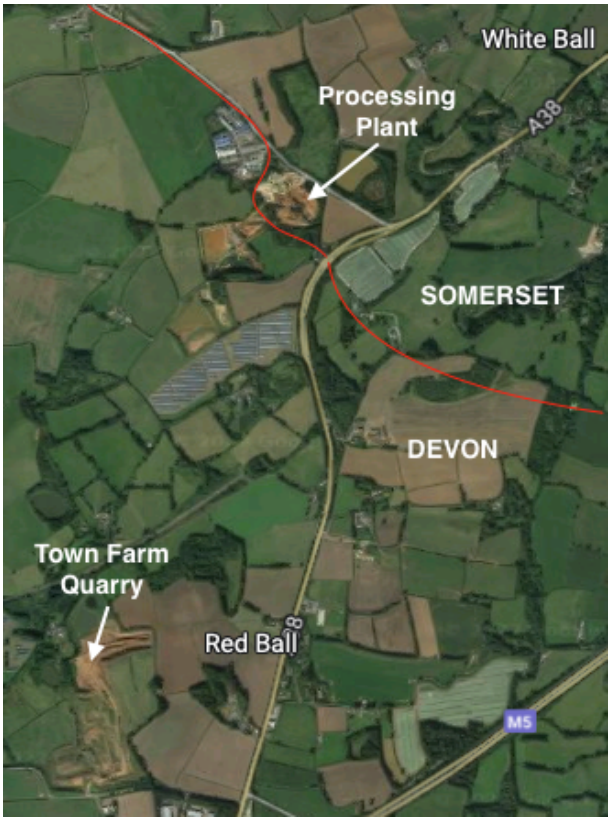
1.36 The sand and gravel resources are limited and occur largely in river terrace deposits, sub-alluvial gravel deposits and bedrock deposits.

[20] All geological information presented here is referenced from: British Geological Survey, Mineral Resource Information in support of National, Regional and Local Planning: Somerset (2005).

However, the river terrace deposits and sub-alluvial gravel deposits are of limited thickness across the county and are not currently worked.

1.37 In Somerset the Budleigh Salterton Pebble Beds form the sand and gravel bedrock. Currently these are worked at Town Farm quarry on the Devon / Somerset border; material is currently extracted on the Devon side for processing across the border in Somerset at Whiteball Quarry (see Fig. 3 below).

Fig. 3: Town Farm Quarry and Processing plant in White Ball showing the Devon Somerset border (shown by red line)



1.38 There are several aggregate workings across the county, varying in size and resource. Table 1 shows the active permitted aggregate quarries and the mineral extracted across Somerset and Exmoor National Park (excluding inactive and dormant sites). Figures 4 (a) and 4 (b) show the location of the main quarries. These Figures will be updated in the next LAA to reflect changes to sites.

Table 1: Active Permitted Aggregate Quarries in Somerset and Exmoor National Park

Quarry	Operator	Mineral	Permitted Annual Output (tonnes)	Grid Reference
Battscombe	Hanson Quarry Products Europe Ltd.	Carboniferous Limestone	1.3 million[21]	ST 459 544
Callow Rock	Aggregate Industries UK Ltd.	Carboniferous Limestone	1.3 million[22]	ST 447 560
Cannington Park Castle Hill	Castle Hill Quarry company Ltd.	Carboniferous Limestone	190,000 combined output	ST 251 403
Chard Junction[23]	Aggregate Industries UK Ltd.	Sand and Gravel	Output constrained by limit on HGV movements	ST 342 044
Gurney Slade	Morris and Perry Ltd.	Carboniferous Limestone	2.0 million	ST 625 493
Halecombe	Tarmac Quarry Products Ltd.	Carboniferous Limestone	1.0 million	ST 701 474
Moons Hill Complex	John Wainwright and Company Ltd.	High PSV Silurian Andesite	400,000[24]	ST 662 460
		Weathered Silurian Andesite	800,000[25]	
Torr Works	Aggregate Industries UK Ltd.	Carboniferous Limestone	8.0 million	ST 693 463
Whatley	Hanson Quarry Products Europe Ltd.	Carboniferous Limestone	8.0 million[26]	ST 732 480
	Total Crushed Rock (exc. HPSVSA):		**21.4 million**	
	Total High PSV Crushed Rock		**400,000**	
	Total Crushed Rock		**21.8**	

[21] 1.3 Mt derived from condition that total sales should not exceed 6.5 million tonnes over a period of 60 calendar months
[22] 1.3 Mt is an average derived from condition that total sales should not exceed 6.5 million tonnes over a period of 60 calendar months
[23] Site straddles border with Dorset – majority of extraction is within Dorset and sales are reported in the Dorset LAA. An application to extend this site to provide an additional reserve of 930,000 tonnes is being considered by Dorset County Council.
[24] Value relates to productive capacity as planning permission does not condition maximum capacity
[25] Value relates to productive capacity as planning permission does not condition maximum capacity
[26] 8Mt is an average derived from condition that allows 24 million tonnes over any successive 3 calendar years.

Figure 4 (a): Crushed Rock Aggregate Workings in east Sedgemoor[27]

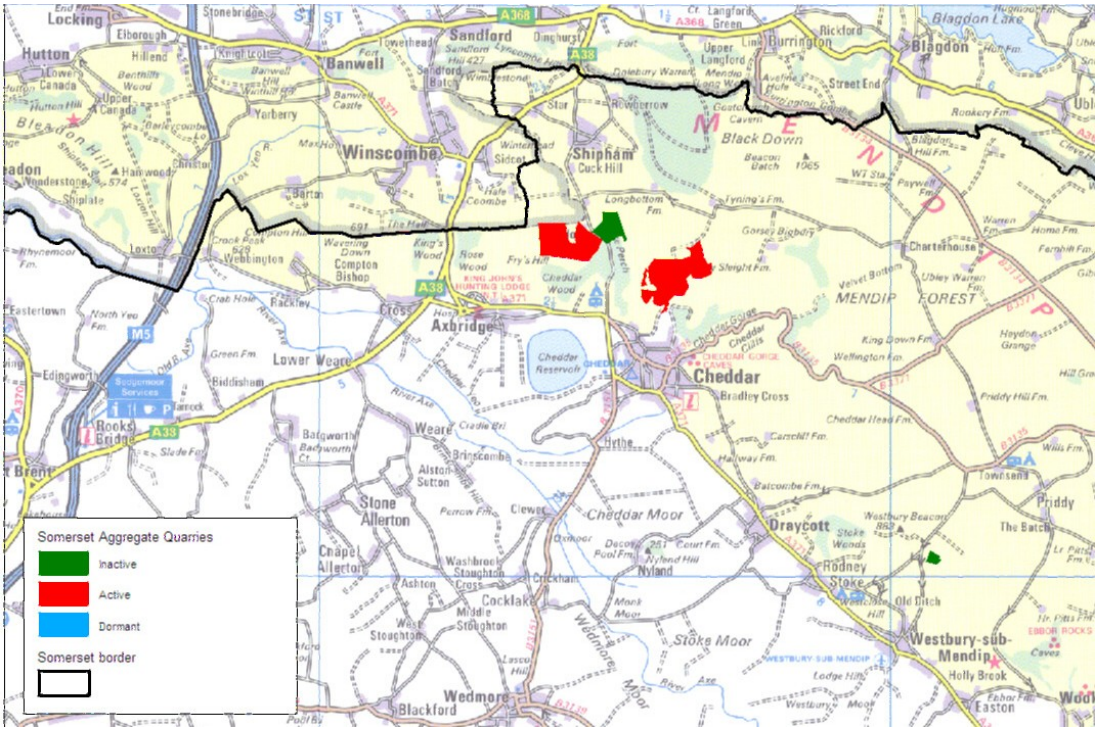
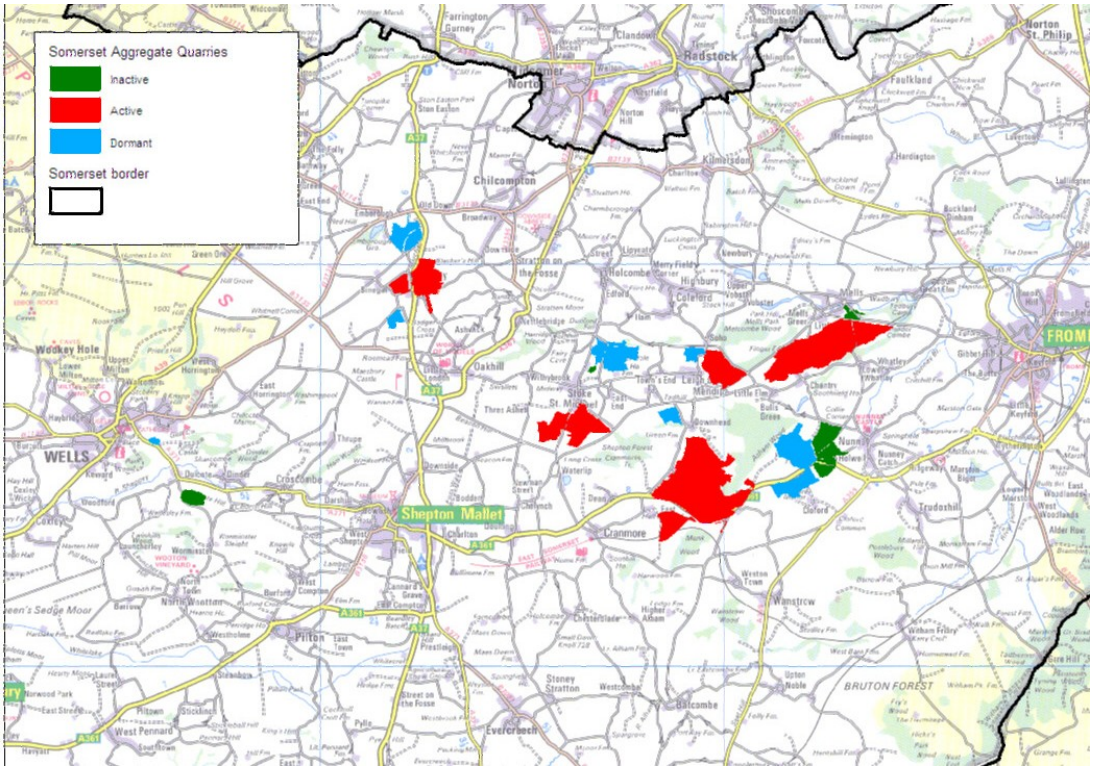


Figure 4 (b): Crushed Rock Aggregate Workings in East Mendip



[27] Figures 4 (a) and 4 (b) will be updated in the next LAA to show changes to sites

1.39 It is notable that there are several crushed rock quarries in Somerset with a large permitted output in excess of 1 million tonnes per year. The Somerset Minerals Plan[28] aims to ensure that large landbanks bound up in a few sites do not stifle competition, result in cumulative impacts and sterilisation of resource elsewhere. The Mineral Plan Policy SMP3 enables the County Council to review all proposals for crushed rock extraction taking account of the benefits they provide to the economy. The production of the LAA each year helps to provide a mechanism for monitoring any potential issues in minerals supply.

1.40 It is noted that a number of the county's building stone quarries have previously sold stone as aggregate and may have the potential to do so in the future; however, the permitted output of those quarries is very small when compared with the operations listed in Table 1.

1.41 Inactive and dormant crushed rock quarries are listed in Table 2 below. This shows the main non mineral use permissions granted where applicable. Further permissions have been issued at some sites and details may be obtained from the relevant District Council.

1.42 The current Somerset Minerals Plan does not include any allocations for the working of aggregates.

[28] See paragraph 6.48

Table 2: Inactive and Dormant Permitted Aggregate Quarries in Somerset and Exmoor National Park

Site	Aggregate type	Status (SMP)	Main non mineral use permission	Permitted Output (tonnes per annum)	Permission End Date
Cookswood /Holcombe	Crushed Rock (Limestone)	Inactive (east)/dormant (west)	1996: County permission with S106 agreement requires site not to be worked until cessation of Whatley extension, permission reference 109122/002. 2014: District permission (Mendip) for non-mineral development (development of a holiday retreat), permission reference 067818/010	-	-
Dulcote	Crushed rock	Inactive	2016: District permission (Mendip) for non-mineral development (food manufacturing) – permission reference 2016/1155/FUL	240,000	31st Dec 2013
Holwell/Colemans	Crushed rock (Limestone)	Inactive	-	930,000	21st Feb 2042
Lime Kiln Hill	Crushed rock (Limestone)	Inactive	-	No condition	21st Feb 2042
Shipham Hill	Crushed rock (Limestone)	Inactive	-	250,000[29]	21st Feb 2042
Stoke Lane	Crushed rock (Limestone)	Inactive	-	35,000 unless a Highway scheme is submitted and approved by the MPA.	2042

[29] 250,000 derived from condition that production should not exceed 1.25m tonnes over 60 calendar months

Westbury (also known as Broadmead quarry)	Crushed rock (Limestone)	Inactive	2013: County Permission for non-mineral development (explosives research, development and test centre), permission reference 2012/2357; 2018: District permission (Mendip) for the erection of a warehouse and classroom building, permission reference 2018/0683/FUL (the principle of the use has been established by the extant permission granted by the County Council in 2013).	60,000	31st Dec 2015
Barnclose	Crushed rock (Limestone)	Dormant	1996: County permission with s106 agreement for the revocation without compensation of Barnclose Quarry once the Whatley extension permission, is implemented, permission reference 109122/002	N/A	21st Feb 2042
Cloford	Crushed rock (Limestone)	Dormant	-	-	21st Feb 2042
Emborough	Crushed rock (Limestone)	Dormant	1997: County permission for use of part of land as hardcore and crushing facility, permission reference 106720/004	N/A	N/A
Highcroft	Crushed rock (Limestone)	Dormant.	2014: County permission for inert infill for restoration for part of site, permission reference 2014/0038/CNT	N/A	2042
Tadhill	Crushed rock (Silurian Andesite)[30]	Dormant	-	N/A	N/A
Tor Hill	Crushed rock (Limestone)	Dormant	2018: District permission for non-mineral development on part of site (storage of staging equipment), permission reference 2015/2405	N/A	N/A
West Quantoxhead/Vinnicombe	Crushed rock (Devonian Sandstone (High PSV))	Dormant	-	-	N/A
Westdown	Crushed rock (Limestone)	Dormant		No output restrictions	N/A
	Total Crushed rock (Limestone) permitted output (min):			**1.215 million[31]**	

[30] It is unclear whether this is High PSV Silurian Andesite

[31] This is a minimum value as quarries with no limits on production have not been added to this total. Dormant and inactive sites have not been counted where it appears there is little or no prospect of future working due to other development.

2. Land-Won Aggregates

2.1 Aggregate data are collected on an annual basis by the Mineral Planning Authorities and Aggregate Working Parties. The data collected by each MPA in the South West have historically been presented in the South West Aggregate Working Party (SW AWP - formerly South West Regional Aggregate Working Party) annual report. The report provides an annual update of the area's output and reserves and reflects the regional position of the aggregate supply system.

2.2 A four-yearly aggregate mineral survey is conducted nationally, which collects data and information on: Sales and reserves; imports and exports; and which sites work aggregate within or adjacent to environmental and/or landscape designations. While the most recent available report relates to data collected for 2014[32], the most recent survey completed collected data for 2019 and the next LAA will take account of the results of that survey.

2.3 As Minerals Plan Policy SMP2 expects landbanks of two different types of crushed rock (High PSV Crushed Rock (Silurian Andesite) and Crushed Rock other than HPSVSA ('Carboniferous Limestone') to be maintained separately, the sales and reserves of these two aggregate types ought to be reported separately. However, as High PSV Crushed Rock is supplied by a single operator from a single quarry complex the sales are confidential. Nevertheless, the two aggregate types have been dealt with separately as set out below.

2.4 The extraction of High PSV Silurian Andesite requires the prior extraction of overlying weathered Silurian Andesite material that, while not being suitable for use in asphalt, is sold for uses in construction and so is counted towards Crushed Rock sales in Somerset.

2.5 New data received from the operator extracting Silurian Andesite decouples sales of High PSV Silurian Andesite from those of lower PSV weathered Silurian Andesite material that have occurred over the last 10 years and the records of crushed rock sales in Somerset over this period have been updated accordingly.

2.6 'Crushed rock' sales in Somerset are taken as sales of Carboniferous Limestone and weathered Silurian Andesite and so the 'Carboniferous Limestone' landbank (as referred to in Policy SMP2) is derived from sales and reserves of both these aggregate types.

[32] MHCLG: Aggregate Mineral Survey 2014 available at: https://www.gov.uk/government/publications/aggregate-minerals-survey-for-england-and-wales-2014

Crushed Rock sales, reserves and productive capacity

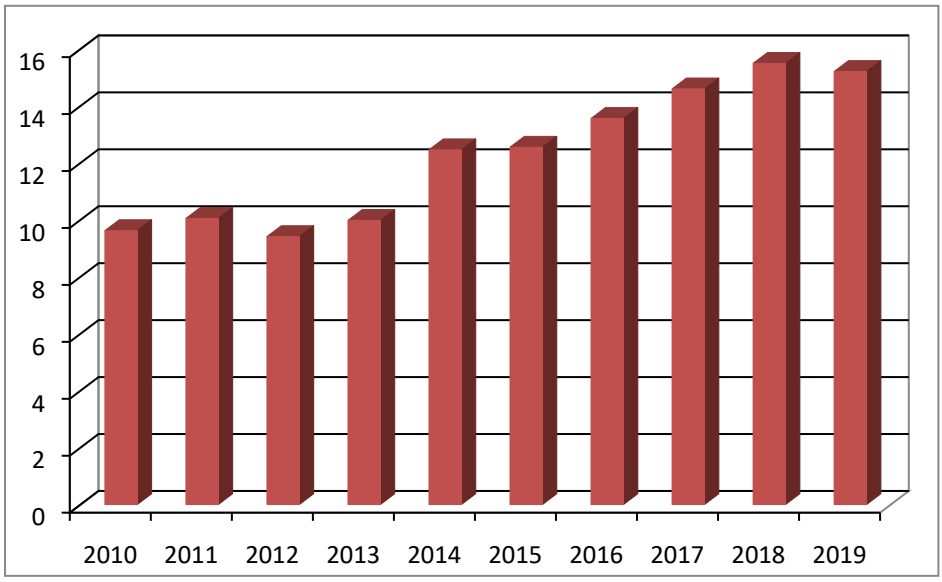
Crushed Rock (excluding high PSV) Sales

2.7 Total sales of crushed rock in the form of Carboniferous Limestone (and weathered Silurian Andesite) (referred to as 'Crushed Rock') in Somerset for a ten year period between 2010 and 2019 are shown in Table 3 and Figure 5 below.

Table 3: Crushed Rock sales in Somerset 2010-2019

Year	**Crushed rock (exc. HPSVSA) Sales (million tonnes)**	***Crushed rock sales (inc. HPSVSA) (million tonnes)***
2010	9.25	*9.62*
2011	9.650	*10.05*
2012	9.08	*9.41*
2013	9.66	*9.98*
2014	11.99	*12.46*
2015	12.27	*12.55*
2016	13.41	*13.56*
2017	14.56	*14.60*
2018	15.45	*15.49*
2019	15.17	*15.20*
10 year average	**12.05**	***12.29***
3 year average	**15.07**	***15.10***
Trend:	**Increasing**	***Increasing***

Figure 5: Total Sales of Crushed Rock in Somerset 2010-2019 (million tonnes)



2.8 The ten year sales pattern shows recovery in sales following a period of austerity which resulted in reduced levels of development which began in 2008. This is in line with national trends.

2.9 Somerset supplied some of the crushed rock needed for the infrastructure behind the London 2012 Olympic Games. The increased sales production occurred over a period of national economic austerity. If Somerset had not contributed aggregates to Olympic infrastructure the economic effects could have had a significant impact on sales. Although sales in 2019 were slightly lower than 2018 they were still higher than the at least the 19 years preceding 2018 and above the sub-regional apportionment value of 13.4mt.

2.10 It is noted that there was a slight increase in sales in 2013 when compared to the previous year, and a more significant increase in 2014 (approximately 20% increase in crushed rock sales in 2014 compared with 2013). 2015 presents a contrast to the significant increase observed in 2014, with a smaller increase of just under 1% in sales, however subsequent years show an ongoing strong increases in sales to 2018. In 2019 there was a slight decrease in sales which was likely due to the slow down in construction due to uncertainties associated with the UK leaving the European Union.

2.11 Looking at the UK picture overall, according to the Mineral Products Association[33], there was 2.2% growth in crushed rock sales and 2.9% growth in sales of sand and gravel in 2018. In 2019 crushed rock sales were reported to be nearly 100 million tonnes. Furthermore 25% growth in asphalt production was reported between 2010 and 2019.

Crushed Rock (excluding HPSVSA) reserves

2.12 Based on industry data, Somerset had estimated permitted reserves for Crushed Rock (excluding HPSVSA) at the end of 2019 of approximately 363.7 million tonnes[34].

2.13 Total permitted reserves within the county change year on year, impacted by the previous year's sales and any changes to operator estimates of permitted reserves. For the first time, the calculation of 'Crushed Rock' reserves does not include reserves of High PSV Silurian Andesite which are considered separately below. The figure for permitted reserves in Somerset at the end of 2019 takes account of these factors.

2.14 Notable increases in permitted reserves since 2015 (when the last LAA was prepared that referred to permitted reserves in Somerset of 380 mt):

[33] 8th Annual Mineral Planning Survey Report (AMPS 2019), Mineral Products Association)
[34] Note that while this value differs from that used in AMS 2019 it is considered an accurate figure.

- In 2016:
  - No permissions granted
- In 2017:
  - No permissions granted
- In 2018:
  - 30mt Northern Lateral Extension of existing Callow Rock quarry (Ref:1/17/16/083)
- In 2019:
  - Planning permission was granted for a further deepening of part of Halecombe quarry (Rookery Farm area) which provided an additional 10mt of limestone bringing the total reserves to around 16.5 mt.
  - Torr Works Quarry (Leighton Quarry area)- planning application approved to vary the approved working and restoration scheme leading to a loss of 10Mt of permitted reserves.
  - Castle Hill Quarry – (Ref 1/13/17/00012) - extraction of limestone (approved 21/6/2019 by appeal) resulting in additional reserves of 385,000 tonnes.

Crushed Rock (excluding HPSVSA) Productive Capacity

2.15 The MPA/POS guidance on the preparation of LAAs suggests that it is *"appropriate that the LAA should consider the productive capacity of sites collectively to supply material in the quantities required (as set out in the annual rates of provision expected in the LAA and/or MLP)"*. Reporting on productive capacity addresses potential concerns that, while a landbank may indicates a healthy level of reserves, by itself this is not a measure of the ability of an area to meet demand as reserves may be bound up in a small number of sites which have a maximum output limited by plant capability and planning restrictions (tonnage, working hours, lorry movements).

2.16 A basic estimate of productive capacity can be obtained from consideration of:

- The number of active sites;
- annual throughputs conditioned on planning consents;
- throughputs advised by the operator in planning applications;

2.17 The annual survey of operators in Somerset has not previously requested productive capacity information but was included in the survey of operations in 2020. Where information was received this has been taken into account in the estimate of productive capacity included in Table 4 below.

2.18 Footnotes to Table 1 show that the annual throughputs are based on conditions which allow working of a certain quantity of aggregate over a certain period and so it is possible for supply to 'flex' in years when demand is exceptionally high although ultimately the conditions mean that higher production rates could not be maintained over a period greater than 3 to 5 years. Table 4 shows the maximum average annual production rate that could be achieved taking into account the conditions on annual throughputs at certain sites.

Table 4: Crushed Rock (excluding HPSVSA) Productive Capacity Indicators

	Number	Maximum average annual production rate (tonnes)
Active sites:	7	18.9 million
Dormant and inactive sites:	13	1.275 million[35]

2.19 The value of just under 19 million tonnes productive capacity suggests there is headroom capacity of around 4 million tonnes which would allow increases in production, however this does not take account of limits on capacity that may be caused by operational constraints within individual quarries.

High PSV Silurian Andesite rock sales, reserves and landbank

2.20 As set out in Section 1.0 above, High PSV Silurian Andesite has particular resistant properties which make it especially suited to use in road wearing courses. In light of its distinct use, the sales, reserves and landbank for this type of crushed rock need to be considered separately. This is noted in the SMP that states:

"based on current evidence, the Andesite landbank is anticipated to last approximately 22 years. However, it should be noted that the LAA will be updated annually and these figures are likely to change in the future in accordance with market demand and permitted reserves."

2.21 Reserves are known to exist at the active Moons Hill quarry complex. At Moons Hill, high PSV Silurian Andesite (known colloquially as 'premium stone') has been extracted for over 100 years. Recent information provided by the operator indicates that reserves may now be as low as 2.9 million tonnes. The productive

[35] This is a minimum value as quarries with no limits on production have not been added to this total. Dormant and inactive sites where it appears there is no prospect of future working due to other development have not been counted.

capacity of the site is 400,000tpa based on the capacity of plant and equipment used to process the extracted aggregate.

2.22 In recent years access to the High PSV Silurian Andesite reserves at Moons Hill has become more constrained due to issues with the stability of the quarry benches associated with working at increasing depths. This has resulted in a marked decline in sales of High PSV Silurian Andesite from Moons Hill from a maximum of 466,906 tonnes in 2014 to 23,595 tonnes in 2019.

2.23 The difference between the 10 year average sales (240,877tpa) and the three year average (34,233tpa) reflects the recent decline in extraction.

2.24 Use of the 10 year average sales value to calculate the landbank is not considered appropriate because sales have been so heavily constrained in recent years. If the value of 400,000 tonnes is used (the productive capacity of the site) then the theoretical landbank is around 7.25 years which is well below the 15 years level included in the SMP. However, difficulties associated with accessing the reserves mean that the landbank for High PSV Silurian Andesite is much less than this.

2.25 To address this issue the operator is preparing plans to extend an existing quarry. In recognising the need to maintain a 15 year landbank for High PSV Silurian Andesite and in anticipation of the need for further development of this aggregate, Policy SMP9 safeguards the entire Silurian Andesite resource within Somerset and the SMP policies maps specifically set out an area of search for future Silurian Andesite working.

Land-won sand and gravel sales

2.26 In Somerset there is a sand and gravel resource at Whiteball in the form of the Budleigh Salterton Pebble Beds formation which straddles the Somerset- Devon border.

2.27 For some time the production at Whiteball has been based on extraction taking place on Devon's side of the border. Therefore, Somerset does not have a 10 year sales average to inform potential future supply requirements from Somerset.

2.28 Sand and gravel resources available in Somerset are generally limited. This is also the situation in Cornwall whereas resources in Devon are more plentiful. This was recognised in a joint sub-regional apportionment shared between Somerset, Cornwall and Devon. This arrangement has been continued and is recognised in a Memorandum of Understanding that was signed in 2015 (see Appendix 1). The MoU therefore provides a mechanism for sharing data and maintaining a joint sand and gravel landbank. Though not included in its most recent LAA, Devon's 7th LAA (February 2019) notes: "*For land-won sand and gravel, the Devon LAA*

includes sales and reserves within the adjoining counties of Cornwall and Somerset, as the limited levels of production and reserves within those areas prevent their separate reporting for confidentiality reasons."

2.29 The extraction operations at Whiteball mentioned above supply aggregates into both counties and have always contributed towards meeting Somerset's shared apportionment with Devon and Cornwall.

2.30 In July 2012 a Certificate of Lawfulness for an Existing Use or Development (CLEUD) was permitted for mineral processing, processing plant and ancillary operations and development at the Whiteball operations on the Somerset side of the border (Gipsy Lane).

Sand and gravel landbank

2.31 National policy[36] requires mineral planning authorities to plan for a steady and adequate supply of aggregates by maintaining landbanks of a least 7 years for sand and gravel, whilst ensuring that the capacity of operations to supply a wide range of materials is not compromised. Given the circumstances surrounding Somerset's sand and gravel resource as outlined above, Somerset is not in a position to maintain its own sand and gravel landbank and, in accordance with the MoU, also mentioned above, supply and demand considerations are combined with Devon and Cornwall with a combined landbank calculation for the three counties set out in the Devon LAA.

2.32 In its 2010-2019 LAA, Devon County Council reports sand and gravel permitted reserves at the end of 2019 of 4.199 million tonnes, with a landbank period of 8.3 years. However a more recent LAA for Devon indicates the landbank had declined below 7 years.

2.33 Information on future provision is included in section 6. Somerset County Council will continue to work with Devon County Council and Cornwall Council in the monitoring of the sand and gravel landbank in the future, as set out in the MoU.

[36] National Planning Policy Framework, paragraph 213

3 Imports and Exports

3.1 Information on the aggregates imports and exports for Somerset is available within the 2014 Aggregate Mineral Survey (AMS)[37]. AMS 2014 identifies Somerset as a net exporter of crushed rock providing markets in the south west and south east. Somerset is, however, a net importer of sand and gravel and is largely reliant on imports from other Mineral Planning Authorities in South West England.

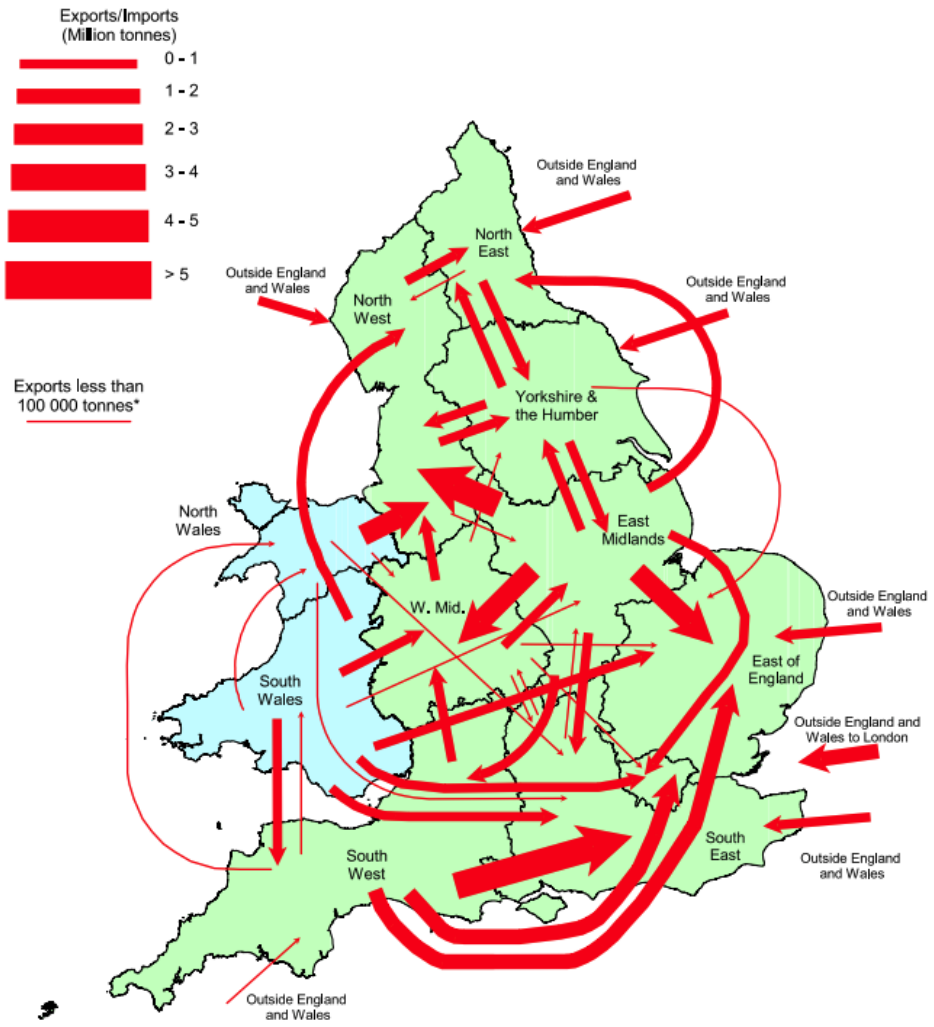
3.2 Table 5 provides details of the crushed rock exports from Somerset based on the 2014 data, showing that Somerset is a nationally significant provider of crushed rock, exporting to markets across the south of England. Approximately 26% of Somerset's crushed rock for aggregate use is exported to South East England; whilst 12% is exported to London; and 51% stays within Somerset and the south west[38].

3.3 In 2014, London was the single biggest importer of Somerset crushed rock, mainly due to the significant imbalance between aggregate sources and major development schemes and noting the rail links between Whatley and Torr Works Quarries and the South East. Outside London, Berkshire, Essex and Wiltshire were the counties importing the largest amount of Somerset crushed rock, mainly because of their limited supply and high development demand, and because the counties are also rail-linked with the Whatley and Torr Works quarries. The flows of crushed rock within England are illustrated in Figure 6 below.

[37] MHCLG: Aggregate Mineral Survey 2014 available at: https://www.gov.uk/government/publications/aggregate-minerals-survey-for-england-and-wales-2014. The 2019 Survey has been published and the results of this will be reported in the next LAA.

[38] These figures are based on the "end destinations" data collated for the BGS Aggregate Mineral Survey 2019, which does not include crushed rock sold for non-aggregate purposes.

Figure 6 Crushed rock inter-regional flows, 2014[39]



3.4 A Statement of Common Ground with West Berkshire Council has been signed concerning the ongoing supply of crushed rock by rail from Somerset to depots at Theale in West Berkshire.

3.5 In 2014, imports of crushed rock were limited. The MPA areas of Devon and North Somerset provide the largest proportion of imports serving local markets in Somerset. Small amounts of imports also come from other areas in the south west and South Wales.

[39] Source: MHCLG: Aggregate Mineral Survey 2014

Table 5: Crushed Rock Exports from Somerset (2014)

Region	Destination	Export amount (tonnes)
South West	West of England (Avon)	151,655
	Cornwall and Isles of Scilly	4,531
	Devon, Plymouth, Torbay and Dartmoor National Park	138,247
	Dorset	237,478
	Gloucestershire	21,743
	Wiltshire and Swindon	717,850
	Unknown but somewhere in the South West	501,793
South East	Berkshire	924,297
	Buckinghamshire and Milton Keynes	39
	East Sussex and Brighton and Hove	64,757
	Hampshire and the Isle of Wight	630,245
	Kent and Medway	323,446
	Oxfordshire	457,423
	Surrey	212,199
	West Sussex	538,783
	Unknown but somewhere in the South East	39
East	Essex, Southend and Thurrock	1,023,400
	Hertfordshire	59,551
	Suffolk	890
West Midlands	Herefordshire	89,609
	Staffordshire	23,295
	Warwickshire	78
	Unknown but somewhere in the West Midlands	6,847
London		1,502,020
Yorkshire and Humber		55
Wales		514
Total		**7,630,784**

3.6 The East of England's AWP's Annual Monitoring Report (AMR) (2017)[40] states that 2.8mt of crushed rock was imported into the region, however it was unable to state the sources and quantities of imports due to confidentiality reasons. If the figures have remained steady since 2014 then based on the above table, it can be assumed that at least a third of the exports from the South West region to the East of England region were from Somerset into Essex. The East of England AWP AMR also stated that its own landbank was at 11 years therefore, unless further reserves have been permitted, there is likely to be a greater reliance on imports in the future.

3.7 The London Aggregates Monitoring Report (AggMR)[41] (2017) shows that 3.9mt of crushed rock[42] was used in 2017, of which 1.5mt was imported from Somerset (0.9mt from Leicestershire).

3.8 In contrast to crushed rock, Somerset currently has no land-won sand and gravel workings and is heavily dependent on imports. Table 6 shows the majority of Somerset's sand and gravel imports come from other authorities in the south west supplemented by smaller supplies from the south east. Dorset is the single largest provider of sand and gravel, whilst Devon also makes a significant contribution. The landbank identified in the Dorset LAA (2009 to 2018) is 9.31 years. This is based on a 10 year average of sales.

3.9 The Chard Junction Quarry on the Somerset-Dorset border is a large contributor to Dorset's sand and gravel export into Somerset. The site predominantly serves local markets around the Yeovil, Taunton and Tiverton areas and is an important contributor to the local markets. An extension to this site for an additional 930,000 tonnes is being considered by Dorset Council in 2021. The planning application documents estimate that if permission is granted, the site will be worked by 2030.

3.10 Dorset's Minerals Sites Plan (adopted December 2019) estimates that the sites allocated by Policy MS-1 provide approximately 17mt of sand and gravel. This figure is higher than the 10.69mt required to be provided through the Plan, providing necessary flexibility should sales rise or allocations not come forward as expected. In addition to the estimated permitted reserves figure at the end of June 2019 of approximately 11.51mt, this will provide a total supply of approximately

[40] https://www.centralbedfordshire.gov.uk/migrated_images/2017-annual-monitoring-report_tcm3-29394.pdf
[41] https://www.london.gov.uk/sites/default/files/lawp_annual_monitoring_2017.pdf
[42] Limestone not split out

28.5mt over the plan period. The sand and gravel resource blocks identified in the Dorset Minerals Strategy (adopted 2014) are found outside Bournemouth and Poole, with some areas extending as far as Dorchester. It is clear that any site allocations for this resource will likely be some distance from the Somerset border.

3.11 A 2014 Memorandum of Understanding between Somerset and Dorset (and Gloucestershire and Wiltshire) recognises the importance of imports sand and gravel into Somerset from Dorset.

3.12 Using 2019 data, Devon CC has calculated a landbank of 8.3 years for sand and gravel based on the 10 years sales average (0.5mt) and reserves of 4.199mt. Acknowledging the potential need for other sites during the latter stages of its plan period (to 2031), Devon County Council has allocated two sites to ensure a steady and adequate supply.

3.13 The 2014 AMS reported that Gloucestershire and Wiltshire also supplied smaller amounts of sand and gravel to Somerset markets, as did Hampshire, Kent, Oxfordshire, Cambridgeshire and Swansea (City of). However, arguably these sources are less significant to Somerset's annual usage and the possibility to increase or rely on these sales – in particular from more distant counties - is constrained by the high transportation costs.

Table 6: Sand and Gravel Imports into Somerset (2014)

Region	Origin	Import amount (tonnes)
South West	Bristol	<1% (<5,000)
	Gloucestershire	<1% (<5,000)
	Dorset	70-80% (368,000-421,000)
	Devon	1-10%(5,000-50,000)
	Cornwall	0
	Avon	0
	Wiltshire	<1% (<5,000)
South East	Hampshire	<1% (<5,000)
	Kent	<1% (<5,000)
	Oxfordshire	<1% (<5,000)
Other	Cambridgeshire	<1% (<5,000)
	Swansea (City of)	<1% (<5,000)
Total		**526,000**

4. Capacity of Aggregate Transportation Infrastructure

Rail Infrastructure

4.1 There are advantages to transporting aggregates by rail instead of by road. It is thought that the transportation of aggregates is responsible for up to 40% of the carbon[43] produced by the aggregate production industry as a whole. Increasing rail transportation reduces the number of road trips made and reduces carbon production. There are also several social benefits to limiting the number of vehicles on the road, including traffic congestion, damage to minor roads and exhaust pollution amongst others.

4.2 The viability of using rail for the transportation of aggregates is largely dependent on the existing rail infrastructure. Somerset currently has two railheads, one at Whatley Quarry and the other at Torr Works. Approximately just under 40% of Somerset's crushed rock is transported from these railheads, serving markets in London, the South East and the South West of England.

4.3 Mendip Rail Limited (MRL) is a joint venture company between Aggregate Industries UK Limited and Hanson Quarry Products Europe Limited and is responsible for rail logistics from Somerset's rail-linked quarries to market destinations. It operates 24 hours per day, 6.5 days per week. Quarry operators are responsible for loading operations.

4.4 Loading operations are adjusted to suit market demands and service requirements, and currently take place 18 hours per day, 240 week days plus Saturdays as required. It is estimated that this provides for a combined capacity for the railheads at Torr Works and Whatley Quarry of approximately 6.5 million tonnes per annum. With extending hours of loading operations, this could be increased to 10 million tonnes per annum. However, in recent years, the actual amount of material moved by rail has been less, indicating there is capacity to increase the amount moved by rail subject to the demands of the market and capacity of the network.

4.5 Whatley and Torr Works maximise rail usage because rail transport to London and the South East is more practical, sustainable and cost effective. The Somerset Minerals Plan is also supportive of minerals transportation by means other than road.

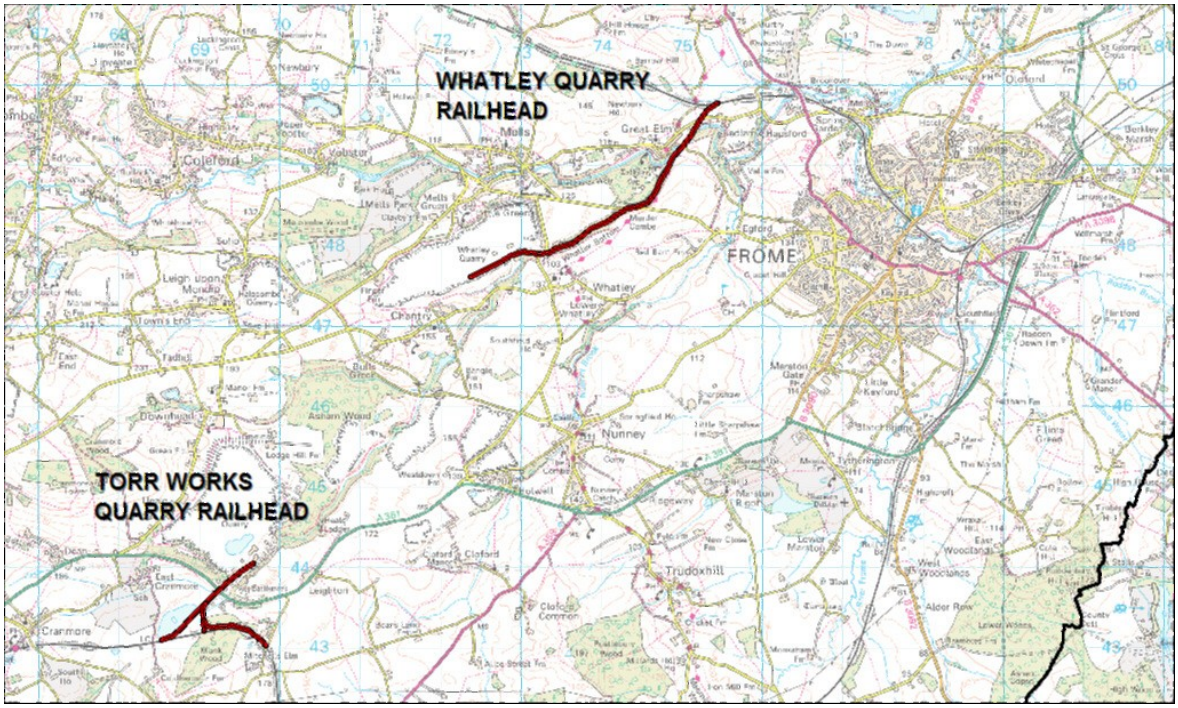
[43] Mankelow, J et al. (2010): Assessing the Carbon Footprint of Transporting Primary Aggregates

4.6 The majority of aggregates exported by rail serve markets in the south east and London, whilst aggregates transported by road are often more locally distributed within the south west.

4.7 The main railheads which have a direct link to the Mendip quarries are located in London, West Berkshire, West Sussex and Hampshire. Aggregates transported into these railheads are then either transported to neighbouring MPA areas or consumed within the importing MPA. There are also other smaller rail depots which receive crushed rock from the Mendip Hills which import less significant amounts of crushed rock.

4.8 It is important to note that while the current landbank for crushed rock in Somerset is 27.1 years, the planning permission end dates of the two main rail-linked quarries, Whatley Quarry and Torr Works, are due to expire in 2030 and 2040 respectively. This has implications for the ability of crushed rock worked in Somerset to meet future demand for crushed rock in the London and the South East.

Figure 7: Railheads in Somerset



Wharves

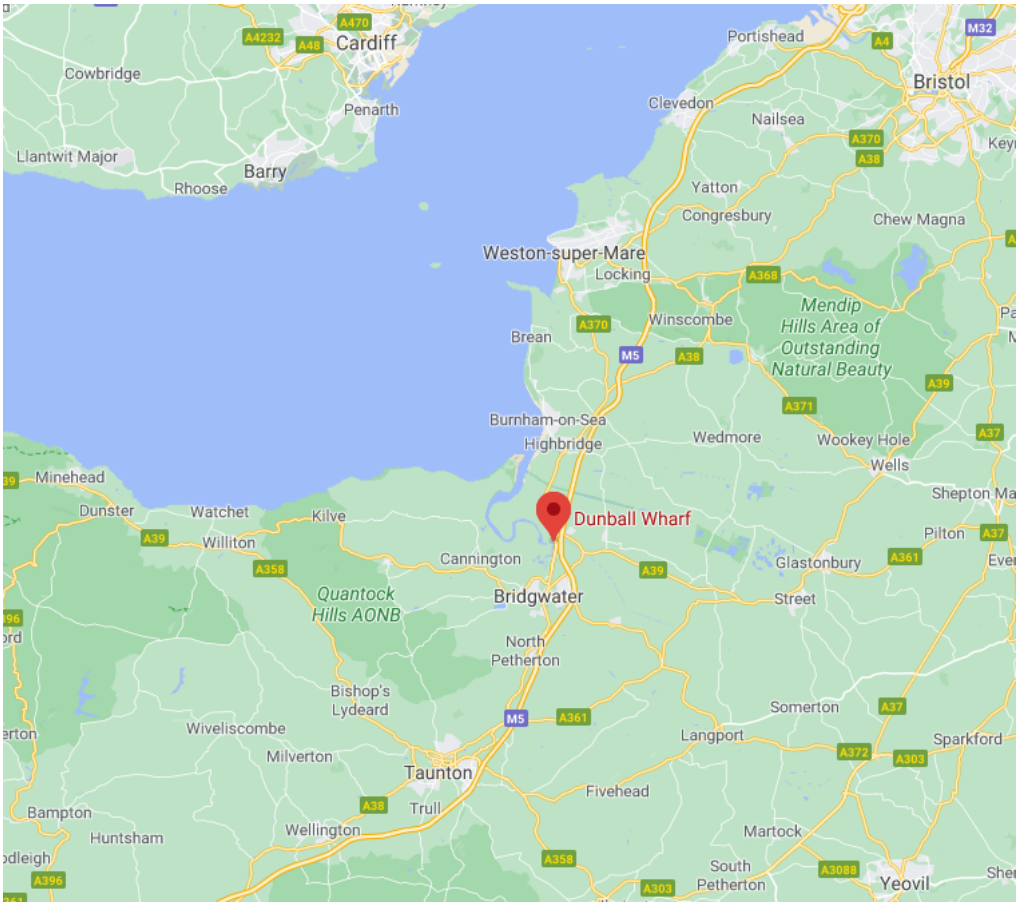
4.9 Until 2019 there were two wharves in Somerset – Dunball wharf and Combwich wharf (both located to the north of Bridgwater) importing

aggregate. Combwich wharf has recently been brought back into use to import large loads of construction materials needed for the Hinkley Point C nuclear power station development. A new jetty has also commenced operations at Combwich in 2019 for the importation of sand and gravel and aggregates to the Hinkley Point C development. Crown Estates data suggests that some of the sand and gravel imported to Combwich is marine won.

4.10 Dunball wharf ceased operations in 2019. The viability of the wharf for aggregate landing operations was affected by the number of landings that could take place within the appropriate tidal range. Data reported by the Crown Estate was used as the value for sales at Dunball Wharf in this LAA, this is because data provided by the operator is confidential due to the fact that there are so few wharves in Somerset. Landings at Dunball wharf made a small contribution to the supply of sand and gravel into Somerset.

4.11 Marine-won aggregate landings in Somerset are 2.67% of those in the South West and 0.19% of total landings in the UK.

Figure 8 – Location of Dunball Wharf



Road Network

4.12 The majority of minerals extracted in Somerset are from the Mendip Hills and the related quarries are well served by the major road network running through Somerset. The major roads provide adequate capacity for mineral transportation. The M5 motorway creates a major transport corridor running north to south and the A303 provides eastward connectivity towards London, the A361 is the main route running through the Mendip Hills and is the main haulage route connecting the large quarries to the A39 and M5 and the A36 to Wiltshire and the south.

4.13 Having noted the capacity of the major road network, it is also important to note the current[44] constraints associated with the local roads in the eastern area of the county. Appropriate mitigation measures are needed to ensure mineral transport has the least amount of impact on the local area as possible, thus reducing the adverse impact of heavy lorry movements on local communities. It should be noted that the latest County Council Annual Monitoring Report reports a very low number of public complaints received relating to mineral transport.

[44] Some of these will be overcome with planned improvement to the A303

5. Alternative Aggregates

Marine Dredged Sand and Gravel

5.1 Marine-dredged sand and gravel originating from the Bristol Channel was landed at Dunball Wharf, which was run by a single operator. Aggregate landing operations at Dunball Wharf ceased in 2019.

5.2 Data from the Crown Estates indicates that around 28,700[45] tonnes of marine-dredged sand and gravel was landed at this wharf in 2019, this is consistent with a decreasing trend of landings (65,500t in 2018[46] and 80,000 tonnes in 2017[47]). Crown Estates data also indicates that marine won sand and gravel was landed at Combwich.

5.3 Dredging for marine aggregates is licensed by the Crown Estate. In 2019 the licensed area in the South West region was 127.21 km^2 [48]. There is currently a significant difference between the licensed and actual dredging amount. The total area available to be dredged in 2019 was 28.91 km^2 and the total area actually dredged that year was 7.85 km^2 (which represents 6.17 per cent of the licensed area in the South West region). If landings and tide allow there is potential to dredge more material.

5.4 Since the last LAA the following changes to the areas licenced for dredging have occurred:

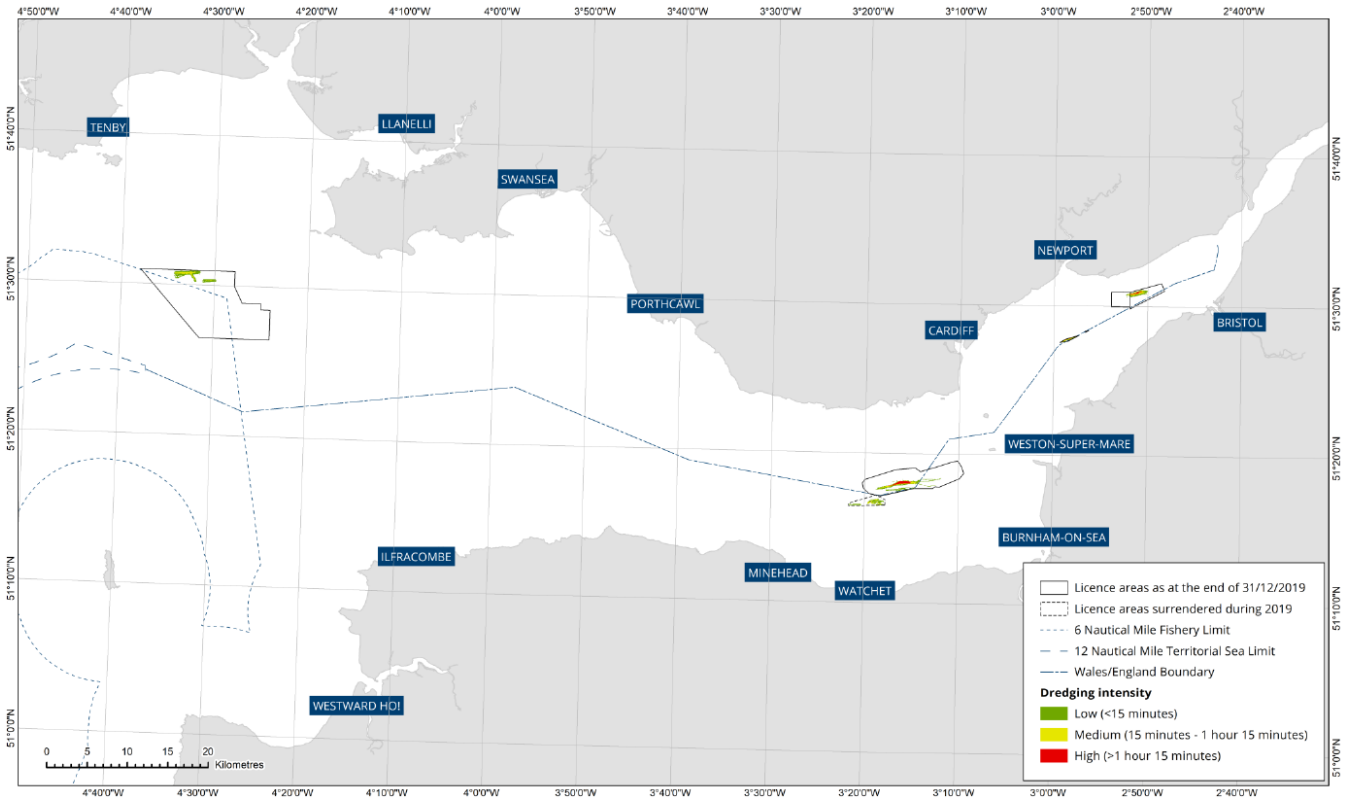
- New licenced area north of Watchet in 2018 (+30km^2)
- Licence surrendered for smaller area north of Watchet in 2019 (-4km^2)

This shows that overall the area licensed for dredging has increased.

5.5 The dredging of watercourses may help to provide limited quantities of material on a very small scale, in particular linked with identified "pinch points" where the removal of the material would help in local water level management and flood risk mitigation.

[45] https://www.thecrownestate.co.uk/media/2942/marine-aggregates-summary-statistics-2019.pdf
[46] https://www.thecrownestate.co.uk/media/2942/marine-aggregates-summary-statistics-2019.pdf
[47] https://www.thecrownestate.co.uk/media/2944/ei-marine-aggregate-statistics-2017.pdf
[48] The Crown Estate: Marine Aggregate Extraction: The area involved – 22nd annual report

Figure 9: Marine dredging licensed areas in South West England[49]



[49] Source: The Crown Estate: Marine Aggregate Extraction: The area involved – 22nd annual report

Recycled and Secondary Aggregates

5.6 Recycled and secondary aggregates form another potential alternative source of aggregates. In the UK the production of such alternatives has been encouraged by the introduction of the Aggregates Levy, which is applied to primary aggregates unless specifically exempt.

5.7 A 2005 government budget report commented on the impact of the aggregates levy as follows: "*There was a marked increase in the volume of china clay waste and slate waste sold as aggregate as a result of the economic incentive presented by the aggregates levy exemptions granted to these products. Between 2001 and 2004 china clay waste sold as aggregate in the UK increased by 14 per cent to 2.5 million tonnes*."[50]

5.8 The Mineral Products Association estimate that in 2018, a total of 71 million tonnes of recycled and secondary aggregates, derived from a range of sources, were re-used in construction in Great Britain, 90% (64 million tonnes) of which originated directly from construction activity, through demolition work and road repairs.

5.9 Secondary aggregates are usually obtained as a by-product of certain types of quarrying or industrial activities. As part of its operations, Bowdens Quarry (a building stone quarry) produces up to 18,000tpa of secondary aggregates.

5.10 The waste arising from construction, demolition and excavation (CD&E) comprises a range of material, of which the 'hard' inert elements (such as concrete, bricks, stone, road planings, rail ballasts and glass) can be recycled for use as aggregates.

5.11 Table 7 outlines recycled and secondary aggregate sales in Somerset, informed by surveys undertaken by Somerset County Council.

[50] HM Treasury, Budget 2005 – Investing in our Future (HC 372), March 2005

Table 7: Recycled and secondary aggregate sales 2005-2019

Year	Recycled Aggregate Sales from sites with fixed plant (tonnes)	Secondary Aggregate Sales (tonnes)
2005	14,131	40,666
2006	34,015	42,752
2007	21,162	55,474
2008	15,137	56,786
2009	25,045	116,222
2010	26,323	128,699
2011	34,059	27,955
2012	60,934	27,955
2013	105,770	2943
2014	63,170	0
2015	65,130	19,501
2016	11,911	56,095
2017	22,398	60,284
2018	46,187	0
2019	73,950	0
10 year average	51,037	32,343
3 year average	47,692	20,009

5.12 The previously unreported data for the years 2017 to 2019 shows a steady increase in recycled aggregate sales over this period. This may be due to a number of factors including:

- Improved reporting or recycled aggregate sales;
- additional sites producing recycled aggregate; and,
- ongoing impact of policy supporting the production and use of recycled aggregate.

5.13 It is acknowledged that evidence gathering for recycled aggregates remains a challenge. It should be noted that the data presented is based on a survey of fixed recycled aggregate production facilities and does not include recycled aggregate produced by mobile crushers located at demolition sites. The quantity of recycled aggregate sales reported are therefore an underestimate.

5.14 An inert waste review[51] was published in 2016 which noted that, at that time, there were 27 sites in Somerset generating recycled aggregate, treating or

[51] Waste Topic Paper B – Inert Waste Review, May 2016, Somerset County Council

transferring construction and demolition waste, and/or treating or handling soil. The review estimated that collectively these facilities offered capacity of more than 1 million tonnes per annum.

5.15 Table 8 lists the current permitted, fixed aggregate recycling facilities in Somerset. Such facilities tend to be located in former quarries or waste transfer stations. Furthermore, operational quarries and other development sites can also generate recycled aggregate e.g. via the use of on-site crushers.

Table 8: Fixed aggregate recycling plants in Somerset

Location	Operator	Application number	Permission end date
Colham Lane WTS, Cricket St Thomas, Chard, TA20 4BX	AA Pike Construction Ltd	13/02398/CPO	n/a
Emborough Quarry – inert recycling depot, Emborough, Radstock, BA3 4SD	RM Penny (Plant Hire and Demolition) Ltd	106720/008	n/a
Rear of Sycamore House, Walrow, Highbridge, TA9 4RA	JD Pope and Sons Ltd	1/12/06/006	n/a
Dunwear Depot, Rivers Lane, Dunwear, Bridgwater, TA7 0AA	RK Bell Ltd	1/09/97/009	n/a
Southwood Waste Recycling Facility, Southwood Common, Evercreech, Shepton Mallet, BA4 6LX	Commercial Recycling Ltd.	054492/028	n/a
Colemans Quarry – aggregate recycling, Holwell, Nunney, Frome, BA11 4PX	Aggregate Industries UK Ltd	077905/012	21/02/2042
Lower Farm, Podimore, Yeovil, BA22 8JG	Podimore Recycling Ltd	02/02128/CPO	n/a
Burcott House Farm WTS, Pennybatch Lane, Wells, BA5 1NH	Cheddar Skips	030580/004	n/a
The Old Railway Yard (LA Moore Demolition Ltd), Haybridge, Wells, BA5 1AH	LA Moore Demolition Ltd	101679/014	n/a
Norton Fitzwarren Sidings, Taunton, TA2 6SA	Luffman Plant Hire	SCC/3637/2019	31/12/2024
Castlefields WTS, The Drove, Castlefields Industrial Estate, Bridgwater TA6 3ED	S Roberts and Son (Bridgwater) Ltd	08/93/00118 (SDC)	n/a
Greenham Quarry WTS, Greenham, Wellington, TA21 0JU	Wasteology Ltd	4/35/13/0022	n/a

The Old Brick Works (Wellington Waste Management), Higher Poole, Wellington, TA21 9HW	Wellington Waste Management	4/46/13/0028	n/a
Lime Kiln Hill WTS, Mells, Frome, BA11 3PH	Western Skip Hire	SCC/3677/2019	31/03/2022
5 Artillery Road, Saracen Business Park, Brympton, Yeovil, BA22 8RP	YPH Waste Management	SCC/3507/2018	n/a

5.16 The fall in secondary aggregate sales shown in Table 7 is due to how extracted aggregate has previously been defined as secondary. The processes involved in quarrying for Carboniferous Limestone and Silurian Andesite do not tend to generate by-products that meet the standard definition of secondary aggregates. So, even if the product is secondary to the main / premium output of the site, most, if not all, such by-products should be considered as primary aggregates.

5.17 By continued engagement with operators, Somerset County Council is continuing to improve its records and monitor the impact of its policies in support of recycled and secondary aggregate production.

5.18 There are minimal import and export data for recycled and secondary aggregates in Somerset. There is likely to be a limited amount of cross-border transfer of material, but it is considered to be small with the bulk of material supplying local markets.

5.19 In summary it can be said that recycled aggregate sales from CDE waste management sites make a limited contribution of overall aggregate sales in Somerset. This is likely due to the local abundance of primary aggregate which makes the production of recycled aggregate particularly uneconomic in some areas of the county.

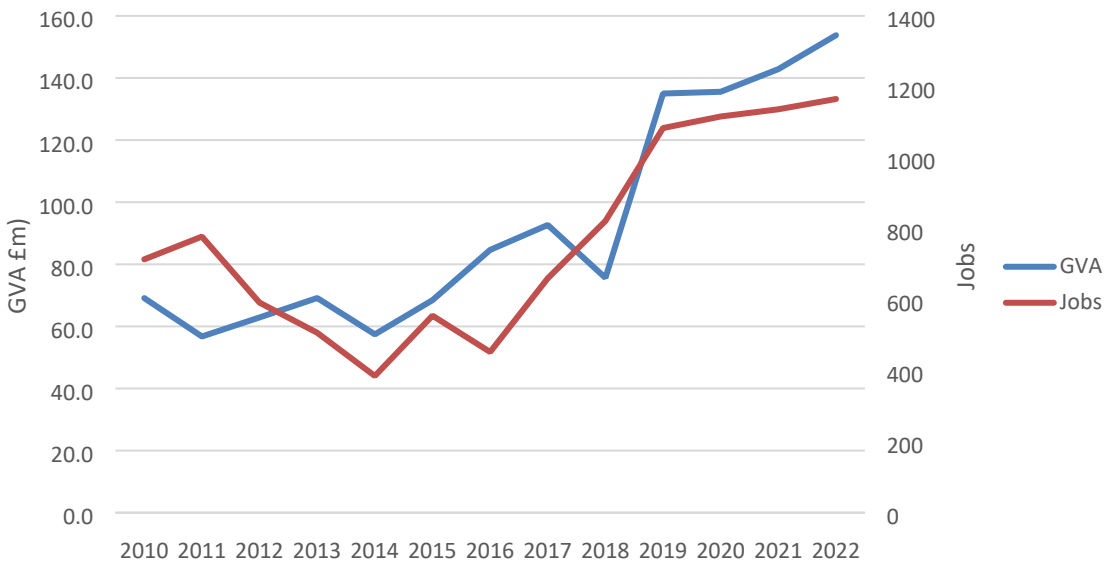
6 Future Aggregate Supply and Landbank

Factors that may impact on future provision

Anticipated growth

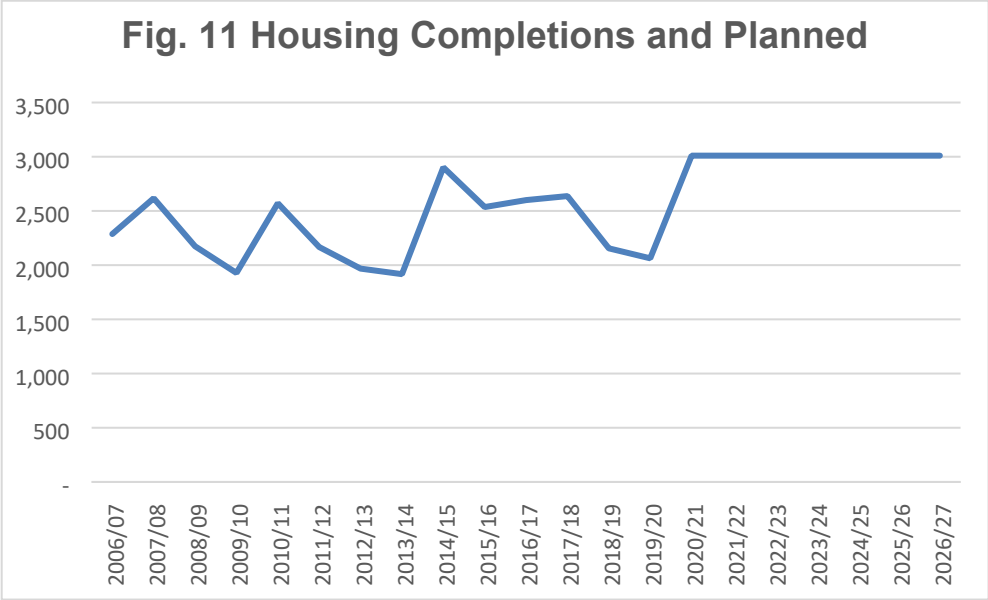
6.1 The most recent modelling[52] of growth in GVA and jobs related to quarrying activity in Somerset is set out in Figure 10 below. This modelling anticipates a significant increase in both GVA and jobs in the coming years.

Fig. 10 - Mining & Quarrying in Somerset GVA and Jobs 2010 - 2022



6.2 Data relating to housing completions and planned growth in Somerset also expects that the number of housing units delivered in future will exceed that achieved in the last 15 years. This is illustrated in Figure 11 below.

[52] Source: Advanced Modelling of Regional Economies (AMORE) Database Tool 2020, provided by Dr Steven Brand, Plymouth University'. N.B. The 2019 value is modelled and so the actual value may vary from that shown.



Source: Collated data from District Councils

6.3 The above local economic and housing data both indicate that in the coming years a local increase in demand for aggregates is more likely than a decrease.

Demand from major infrastructure

6.4 An additional factor to be considered in projecting future demand is the demand for material linked with major infrastructure investment.

6.5 The largest infrastructure project in Europe is the construction of Hinkley Point C nuclear power plant. The Freight Management Strategy in EDF Energy's Transport Assessment estimated that 7.1 million tonnes of material would be transported to/from the Hinkley Point C project sites during the construction phase. This total includes construction materials, waste and materials generated by the removal of some of the associated development facilities at the end of the HPC construction phase. The main civil works require approximately 2.3 million tonnes of materials for on-site concrete production, 80% of which will be supplied by jetty and 20 % by road. Construction will be completed by around the end of 2025.

6.6 Aggregate supply for this project is informed by a large range of factors and is market-driven, governed by EDF Energy's procurement strategy and arrangements agreed when the Development Consent Order was granted. The role of Mendip's crushed rock resource in directly contributing to this supply depends on the contracts agreed and related logistics. Transport of materials is a particularly key issue,

acknowledging the importance of mitigating impacts on the road network.

6.7 The National Infrastructure and Construction Pipeline refers to the following development projects and although specific aggregate type is not mentioned, these projects are likely to require crushed rock from Somerset based on their location and type of project:

South West:

- A303 Amesbury to Berwick Down (The Scheme would be approximately 8 miles long and would comprise the construction of a new two lane dual carriageway between Amesbury and Berwick Down)
- Seven new build schemes under the Free School Programme (Construction of seven new schools)

South East and London:

- National Fusion Technology Platform erection of research facilities and offices
- Lower Thames Crossing
- Four new schemes under the Priority School Building Programme
- Five new build schemes under the Free School Programme

6.8 There are other nationally significant construction projects that are making use (and will in future) of crushed rock products from Somerset quarries, including the Heathrow Rail Link, which will connect the Great Western Mainline to London Heathrow Terminal 5, with plans for a new rail tunnel. Other proposed national infrastructure projects include High Speed Two (HS2), Crossrail 2, the Thames Tideway Tunnel (a super sewer for London) and Sizewell C nuclear power station[53]. Even if some of these projects are not supplied by crushed rock from Somerset they will likely have knock-on effects which will create ongoing demand for crushed rock from Somerset

6.9 The London AWP monitoring report for 2017 notes that London's demand for crushed rock is likely to continue at the same rate as that experienced in previous years.

6.10 Within the South West region, there are several development projects which are likely to require crushed rock. The South West Local Enterprise Partnership highlights the following projects as either underway or upcoming:

[53] Development Consent Order application being considered in 2021, if granted construction is planned to commence in 2022 and will last for around 10 years

- Plymouth Railway Station: transformational development of station site to be a key gateway, including mixed use development of residential and student accommodation
- Forder Valley link road, Plymouth
- 635 acre innovation campus, Huntspill
- A39 strategic junction improvements, Bideford
- Junction 25, M5 improvements
- Taunton Toneway junction and route capacity between M5 and Taunton Town Centre

6.11 Other projects in the south west include the following[54]:

- Bristol Airport Expansion
- Yeovil Western corridor
- Taunton railway station
- A303 dualling (Sparkford and Amesbury)
- A358 improvements
- Northacre Renewables Energy Centre
- Gravity Smart Campus at Puriton

6.12 In May 2021 the MPA made the following observations concerning future demand for crushed rock:

6.13 *"Longer-term, recovery for **asphalt** is supported by renewed momentum in roads construction and maintenance, and market demand has rapidly recovered to pre-pandemic levels. At the start of the year, total sales volumes for asphalt were significantly higher than their previous 5-year average (2014-19). Likewise, sales volumes for crushed rock **aggregate** have also been recovering well, boosted by roadworks and HS2, which are driving demand for asphalt and bulk fill materials."*

Estimating Future Demand

6.14 Historically calculations to estimate the number of years production can continue have been based upon the permitted reserve being worked at the rate of the annual sub-regional apportionment. While reporting against the sub-regional apportionment is still of interest, Planning Practice Guidance advises that forecasts be made on the following basis:

6.15 *"A forecast of the demand for aggregates based on both the rolling average 10-year sales data and other relevant local information;"*

[54] Not all of these projects have received planning consent

6.16 Estimates of future aggregate supply requirements are informed by locally-derived figures for provision, calculated based on a rolling average of sales over a 10 year period and other relevant local information.

6.17 One mechanism to allow MPAs to consider more local factors is the scope to look at the average 3 year sales data, which enables MPAs to consider if an upturn in recent sales could indicate a need to plan for increased supply.

Meeting projected demand: Crushed Rock (Excluding HPSVSA)

6.18 In light of sales exceeding the sub-regional apportionment in recent years and the fact that there is no clear prospect of sales declining in the short to medium term, **it is considered that the former sub-regional apportionment value of 13.4 mt should be used to calculate the landbank crushed rock (excluding HPSVSA).** This value is less than the current 3 year average sale value but greater than the 10 year average.

6.19 Table 9 compares the current average annual production for crushed rock (Excluding HPSVSA) with estimated productive capacity based on permitted output. The difference between these two figures shows the potential for increased production (in one year) should that be needed to meet increased market demand.

Table 9: Comparison of Average Annual Sales and Capacity (crushed rock (Excluding HPSVSA)**)**

	Sales rate	**Potential Capacity (tonnes)**	**Balance (tonnes)**
10 year Average Annual Sales / Production (tonnes)	12.05 million	18.9 million	+ 6.85 million
LAA rate	13.4 million	18.9 million	+ 5 million

6.20 If the active crushed rock (Excluding HPSVSA) sites in Somerset were to extract at their maximum permitted annual output rate, the resulting depletion of resources may result in additional reserves being needed during the second half of the SMP period. However, the productive capacity of quarries is considered to be nearing their limit,

with sales currently exceeding the 10 year and 3 year average as well as the sub-regional apportionment and so additional capacity may be needed earlier to meet increased demands.

6.21 As previously mentioned the landbank is the permitted reserve, divided by the LAA rate giving the number of years production can continue at this rate. Table 10 shows the existing landbank based upon the sub-regional apportionment and the proposed landbank based on the average sales figures.

6.22 The NPPF seeks the maintenance of a landbank for at least 10 years for crushed rock, however, as previously mentioned, the SMP expects a landbank of 15 years to be maintained. As Table 10 shows the landbank for all scenarios is significantly above the 10 and 15 year requirements.

Table 10 Crushed Rock (Excluding HPSVSA) Landbank

Landbank and sub-regional apportionment (LAA rate)		**Landbank and 10 year average sales**		**Landbank and 3 year average sales**	
Permitted reserve	363.7 mt	Permitted reserve	363.7 mt	Permitted reserve	363.7 mt
Sub-regional apportionment	13.4mt	10 year average sales	12.05 mt	3 year average sales	15.07 mt
Estimated landbank	27.1 years	Estimated landbank	30.18 years	Estimated landbank	24.1 years

Comparison of Past Sales with the Sub-Regional Apportionments for Crushed Rock

6.23 Prior to publication of the NPPF and guidance on the Managed Aggregate Supply System, government-led apportionments were used to set the quantity (tonnes) of land-won aggregate that a Mineral Planning Authority should plan for. The most recent guideline apportionment figures were published in 2009[55] setting the

[55] MHCLG: National and Regional Guidelines for Aggregates Provision in England 2005- 2020 available at: https://www.gov.uk/government/publications/national-and-regional-guidelines-for-aggregates-provision-in-england-2005-to-2020

expected annual level of aggregate production for each region until 2020. The regional apportionment was then divided into an apportionment for each Mineral Planning Authority, known as the sub-regional apportionment. Regional Aggregate Working Parties (RAWPs) made recommendations to government for sub-regional apportionments for inclusion in Regional Spatial Strategies.

6.24 As noted in paragraph 6.22 of the SMP, the South West Regional Aggregate Working Party recommended that Somerset be given a crushed rock sub-regional apportionment, for 2005 to 2020, of 214.65 million tonnes which equates to a provision of 13.41 million tonnes each year. This was based on averaged historic proportional contributions over the period 2004 to 2008.

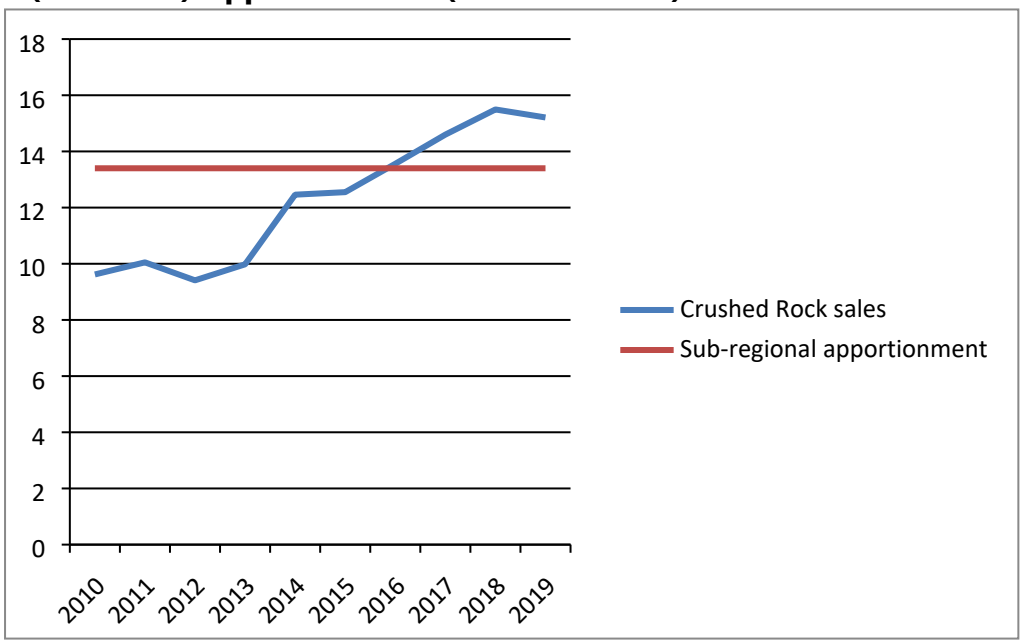
6.25 Following the introduction of the Localism Act in 2011 regional planning was abolished and each RAWP has evolved into an Aggregate Working Party (AWP). Furthermore, the latest national and regional guidelines for aggregates provision expired in 2020 and have not been updated.

6.26 Nevertheless, comparing the level of production against the apportionment values still gives a sense of how well areas are performing and the South West AWP (SWAWP) continues to report on this basis. In light of this, Figure 11 provides a comparison of Somerset's crushed rock sales, as shown in Table 3, against the sub-regional apportionment. It shows that throughout most of the last 10 year period, total crushed rock sales do not meet the level of sub-regional apportionment afforded to the county but in recent years the sub-regional apportionment has been exceeded. In addition, the South West Aggregates Working Party's Annual Report for 2018[56] (which reports on the region's aggregates sales and reserves as a whole) states:

"It is notable that, particularly in the case of crushed rock, actual sales during 2018 were very close to the amount provided for within the National Guidelines – 24.44 million tonnes (mt) (actual figure) compared with 25.75mt (guideline figure)."

[56] https://www.cornwall.gov.uk/media/0mhnhvqe/south-west-aggregates-working-party-annual-report-2018.pdf

Figure 12: Comparison of Total Crushed Rock Sales and Sub-Regional (Somerset) Apportionment (million tonnes)



6.27 Table 11 shows how long Somerset's total crushed rock landbank would last (calculated at the end of 2019) when using sub-regional apportionment figures. It should be noted that the 27.1 year period is significantly greater than the minimum 10 year requirement stated in national policy to ensure a steady and adequate future supply.

Table 11: Somerset existing crushed rock landbank (sub-regional apportionment)

Permitted Reserve	363.7 Mt
Sub-regional Apportionment	13.4 Mt
Estimated landbank	27.1 years

6.28 It is important to note that while the current landbank for crushed rock in Somerset is 27.1 years, the planning permission end dates of the two main rail-linked quarries, Whatley Quarry and Torr Works, which serve London, the South East and the East of England, are due to expire in 2030 and 2040 respectively. This has implications for the ability of crushed rock worked in Somerset to meet future demand for crushed rock in these areas.

Maintaining a 7 year landbank: Sand and gravel

6.29 National policy[57] requires mineral planning authorities to make provision for the maintenance of landbanks for a minimum of 7 years' worth of supply for sand and gravel. Given the circumstances surrounding Somerset's sand and gravel reserve, Somerset is not in a position to provide a separate sand and gravel landbank but will continue to work with Devon County Council and Cornwall Council in accordance with a signed Memorandum of Understanding, to share data on sand and gravel and maintain a joint approach to sand and gravel sales and reserves.

6.30 To help maintain supplies of land won sand and gravel which would contribute to a sub-regional supply, the Somerset Minerals Plan (adopted 2015) includes positive policy on sand and gravel extraction in the form of a Preferred Area/Area of Search at Whiteball,[58] and criteria-based policy for considering proposals elsewhere in Somerset. For more information, refer to the Somerset Minerals Plan adopted in 2015 (available for download from www.somerset.gov.uk/mineralsandwaste).

6.31 A planning application[59] has been submitted for an extension to Whiteball quarry that would result in approximately 400,000 tonnes of additional sand and gravel reserves but this has not yet been determined. This would move extraction from the Devon side of the border and, whilst this is not expected to change Somerset's approach towards sand and gravel policy, it will alter the import / export figures, leading to Somerset exporting to local markets in Devon.

[57] National Planning Policy Framework (paragraph 207)
[58] Somerset Mineral Plan, policy SMP4
[59] Reference: 4/32/17/002

6.32 Marine-dredged sand and gravel contributes to meeting demands for sand and gravel in Somerset. The comparison of actual and licensed dredging rates would suggest there is scope to increase the level of dredging in the Bristol Channel if necessary. However, with the cessation of operations at Dunball Wharf very little marine won aggregate is now landed in Somerset and so such aggregate will largely be supplied from other areas including Avonmouth.

6.33 National planning policy indicates mineral planning authorities preparing local plans 'should so far as practicable, take account of the contribution that substitute secondary and recycled materials and minerals waste would make to the supply of materials, before considering extraction of primary materials, whilst aiming to source minerals supplies indigenously'. Taking this forward, the Somerset Minerals Plan includes policy to support the production of recycled and secondary aggregates, in conjunction with the Somerset Waste Core Strategy (adopted 2013).

6.34 It should also be noted that Somerset's crushed rock sites also generate sand and gravel products which can be marketed alongside the main crushed rock output.

7 Conclusions

7.1 The Somerset Minerals Plan sets out local minerals planning policy and was adopted in early 2015. The LAA helps monitor the performance of the Plan and identifies any potential issues in aggregates supply. The Plan supports the production of recycled and secondary aggregate in conjunction with the adopted Somerset Waste Core Strategy.

7.2 The SMP expects separate 15 year landbanks of Carboniferous Limestone and Silurian Andesite to be maintained. This is because High PSV Silurian Andesite has a distinct market for use in road wearing courses.

7.3 Historic sales data for crushed rock have been amended such that crushed rock sales have been derived from total reported crushed rock sales minus High PSV Silurian Andesite sales.

7.4 Data in this Somerset LAA shows that crushed rock sales decreased by 1.7% to 15.17 million tonnes in 2019, however this was the first decrease in sales since 2012 and the 3 year average is now above the previous sub-regional apportionment value. Sales of crushed rock in 2018 were at their highest level for at least the last 19 years.

7.5 Somerset has sufficient permitted reserves to maintain a steady and adequate supply of crushed rock, based on the following calculations:

- The permitted reserves of crushed rock in Somerset at the end of 2019 are approximately 363.7 million tonnes. Despite increases in sales, overall reserves have held up quite well due to additional permissions being granted.
- The 10 year rolling sales average (covering the period 2010-2019) is 12.05 million tonnes per year and the 3 year average is now 15.07 million tonnes per year. These compare to the previous sub-regional apportionment value of 13.4 million tonnes. In light of the increasing sales trend and fact that there appear to be few signals which would indicate a change to this trend, it is considered that the sub-regional apportionment value is now the most appropriate figure to use when calculating the level of provision (i.e. the LAA rate).

- The landbank derived from this level of provision is approximately 27.1 years. This landbank is well in excess of that needed to comply with national policy and local policy.

7.6 While the permitted output of crushed rock from quarries in Somerset is around 19 million tonnes, operational limitations associated with extraction and transportation is likely to mean that the actual productive capacity is less than this. While the exact productive capacity is uncertain it is possible that quarries in Somerset may be reaching their maximum output capacities, in which case significant increases in output could not be achieved without further reserves coming on stream.

7.7 In any event Somerset continues to be the most important supplier of crushed rock in the south of England and in 2019 produced more crushed rock than any other MPA area in the country.

7.8 In addition to commitments made in the Somerset Minerals Plan on crushed rock generally, the Plan makes a commitment to monitor Silurian Andesite separately and maintain a separate landbank (of at least 15 years) for this type of rock, which has a high polished stone value and a distinct market (used in asphalt).

7.9 Recent information provided by the single producer of Silurian Andesite indicates that reserves of High PSV Silurian Andesite may now be as low as around 2.9 million tonnes and access to these reserves is not certain. A simple calculation that takes the productive capacity of the site as the LAA rate suggests that the landbank of High PSV Silurian Andesite is 7.25 years which is below the 15 year landbank required by the SMP. To address this issue the operator is preparing plans to extend an existing quarry.

7.10 Historically Somerset has shared a joint apportionment and landbank for sand and gravel with Devon and Cornwall. Somerset relies mainly on the working of the Budleigh Salterton Pebble Bed resources that cross the Somerset-Devon border at Whiteball. There has been minimal extraction activity in Somerset during the last 10 years. Sand and gravel have been worked just over the Devon border, with the extracted material processed in Somerset.

7.11 An application for extraction at Whiteball on the Somerset side of the border has been made which is supported by the positive policy, including an area of search, on sand and gravel extraction in the adopted Somerset Minerals Plan.

7.12 In late 2015 Devon County Council, Cornwall Council and Somerset County Council signed a new Memorandum of Understanding that provides a mechanism to share data and maintain a joint sand and gravel landbank. Using 2019 data Devon CC calculated a landbank of 8.3 years for sand and gravel based on the 10 years sales average (0.5mt) and reserves of 4.199mt. However 2020 data shows that the landbank has decreased below 7 years.

7.13 The landing of marine won sand and gravel in Somerset has reduced as aggregate operations at Dunball Wharf have come to a close. Some landing of such aggregate is still occurring at Combwich jetty.

7.14 SCC surveyed operators that generate recycled and / or secondary aggregates for sales in 2019, and while data collection remains an issue some improvement on the level of returns received has been achieved. SCC will continue its work to strengthen the data collected.

7.15 Data on imports and exports will be updated in the next LAA to take account of the MHCLG 2019 Aggregate Monitoring Survey.

Appendix 1 – Memorandum of Understanding between Somerset County Council, Devon County Council and Cornwall Council (2015)

1. Introduction

1.1 Publication of the National Planning Policy Framework [NPPF] in March 2012introduced Local Aggregate Assessments [LAAs] as the main tool in implementing national aggregate minerals policy at the local level. Prior to the NPPF, the national and regional aggregates guidelines were allocated toindividual mineral planning authorities [MPAs], or groups of MPAs, through the mechanism of sub-regional apportionment [SRA].

1.2 For SRA purposes, 'Devon' comprised the areas for which Devon County Council, Plymouth City Council, Torbay Council, Dartmoor National Park Authority and, for that part of its area within Devon, Exmoor National Park Authority are the MPA. 'Cornwall' comprised the areas covered by CornwallCouncil and the Council of the Isles of Scilly, while 'Somerset' included thatpart of Exmoor National Park within the county as well as the area for which Somerset County Council is the MPA.

1.3 As levels of sales and/or reserves of sand and gravel within Cornwall and Somerset have been low in recent years, those counties were grouped withDevon for the purposes of SRA of sand and gravel.

1.4 Evidence from the British Geological Survey[1] indicates that, within these threecounties, there is no history of, or potential for, sand and gravel extraction within Dartmoor National Park, Exmoor National Park, Plymouth, Torbay and the Isles of Scilly. The scope of this Memorandum is therefore limited to the areas for which Devon County Council, Somerset County Council and Cornwall Council are each the MPA.

1.5 The purpose of this Memorandum is to provide a framework for the future supply of sand and gravel in Devon, Somerset and Cornwall to ensure coordinated provision through each MPA's Minerals/LocalPlan and assist incomplying with the statutory Duty to Cooperate. Following an account of recent sales patterns and a review of each MPAs adopted or emerging policyapproach to sand and gravel, the Memorandum proposes arrangements for the planning and monitoring of future supply from the three counties.

[1] The BGS has published mineral resource reports for each of the three counties which areavailable at http://www.bgs.ac.uk/mineralsuk/planning/resource.html#MRM

2. Sand and Gravel Production in Devon, Somerset and Cornwall

2.1 Within the past 1O years, extraction of land-won sand and gravel within the three counties has been limited to Devon with the exception of some small- scale working in Cornwall that ceased in 2006. Extraction within Devon is largely reliant on the Budleigh Salterton Pebble Beds which yield 80-85% ofits annual production, with the following units currently being operational:

- Blackhill Quarry near Exmouth, which processes materials extracted atVenn Ottery Quarry[2]; and
- Town Farm Quarry near Burlescombe, from where extracted materialsare transported to the nearby processing facility at Whiteball in Somerset.

2.2 Substantial reserves are also present at Hillhead Quarry near Uffculme inDevon, but no new extraction has occurred there since 2009.

2.3 Elsewhere in Devon, smaller scale sand and gravel extraction takes place near Newton Abbot (at Zig Zag and Babcombe Copse Quarries), with a further inactive site at Haldon near Exeter. Each of these quarries has verylimited reserves.

2.4 Land-won sand and gravel extraction is supplemented by other sources ofsimilar materials including:

- marine-dredged aggregates from the Bristol Channel that are landed at Dunball Wharf in Somerset, and at Appledore and Yelland in north Devon;
- secondary aggregates , primarily from china clay production in Cornwalland Devon and, to a much smaller extent, from ball clay production in Devon;
- fine aggregate material from limestone quarries[3] in Somerset andDevon.

2.5 Data from aggregate surveys indicate that around 90% of the land-won sandand gravel extracted in Devon is sold to destinations within the county, with most of the remainder being sold into Somerset.

2.6 Relatively small quantities of sand and gravel are imported into Devon, mainly from Dorset which also supplies larger quantities (around 290,000 tonnes in 2009) to Somerset. Limited quantities of sand and gravel are also transported to Somerset from Wiltshire and Gloucestershire.

[2] Extraction at Venn Ottery is likely to cease in Spring 2016, and the operator has submitted planning applications to enable extraction to commence at a new site near Ottery St Mary with processing continuing at Blackhill Quarry

[3] For aggregate survey purposes, these materials are classed as crushed rock rather thansand and gravel

3. Adopted and Emerging Policy Framework

Somerset

3.1 Somerset County Council adopted its Minerals Plan in February 2015, which "plans to maintain provision for future working of sand and gravel from within Somerset to supply the Whiteball operation following the anticipated cessation of the Town Farm site in Devon in the early 2020s". Policy SMP4 therefore identifies a Preferred Area and an Area of Search at Greenham to the north of the Whiteball plant to contribute to sand and gravel supply in conjunction withDevon.

3.2 Policy SMP4 also allows for sand and gravel extraction elsewhere in Somerset outside the Greenham Preferred Area and Area of Search where an applicant can demonstrate net environmental benefits over the PreferredArea and Area of Search.

Devon

3.3 Devon County Council undertook pre-submission consultation on the Devon Minerals Plan from 24th August to 16th November 2015, with the intention of submitting the Plan to the Secretary of State in February 2016. Policy M11 commits the County Council to maintaining a minimum seven year landbank for sand and gravel, based on the rate of supply in the annual LAA, and enables new or extended sites to be permitted where the landbank is close toor below that minimum duration. The Policy also provides criteria for allowingnew or extended sites where the landbank significantly exceeds the minimumduration.

3.4 Policy M12 recognises that Devon's sand and gravel landbank is insufficient for the Plan period, and therefore proposes that supply be maintained through extraction of remaining reserves, development of resources at two new locations in the Budleigh Salterton Pebble Beds, and small-scale working in the Exeter and Newton Abbot areas.

Cornwall

3.5 Cornwall Council submitted the Cornwall Local Plan: Strategic Policies in February 2015, with examination hearings held in May 2015. Following the inspector's preliminary findings, Cornwall Council's request for suspension of the examination to enable further work to be undertaken was accepted by theinspector in July 2015. Consultation on revisions to the Plan is scheduled for January 2016, with the examination expected to resume in April 2016.

3.6 Paragraph 2.70 of the submitted Local Plan notes the absence of major deposits of primary sand and gravel in Cornwall and, given the abundance of secondary sand and gravel aggregates from china clay waste, states that it isnot necessary to allocate land for primary sand and gravel extraction . The agreement with Devon and Somerset that Cornwall is unable to contribute to the shared sub-regional apportionment is also noted.

4. Joint Arrangements for Future Supply and Monitoring

4.1 The NPPF requires MPAs to prepare a LAA, individually or jointly, based onan average of ten years' sales, and to maintain a landbank (calculated usingthe rate of supply in the LAA) of at least seven years for sand and gravel. Given the characteristics of sand and gravel extraction in Somerset and Cornwall outlined in Section 2, it is impractical for those counties to individually meet this requirement as:

- Somerset has seen no extraction during the past 10 years , while Cornwall's limited production to 2006 was derived from a single site andconfidentiality considerationsprevent separate publication of its output;

- the absence of any existing permitted land-won (primary) sand and gravel reserves in Somerset and Cornwall prevents calculation of a landbank for either county; and

- the granting of a new permission for sand and gravel resources in either of those two counties at one or two sites would not enable identification of a separate landbank for confidentiality reasons.

4.2 Cornwall, Devon and Somerset each has significant crushed rock productionand, in the case of the first two counties , secondary aggregate sales that warrant preparation of separate LAAs for each county to reflect its specific characteristics . However, a joint approach for land-wonsand and gravel is required to address the limitations identified in 4.1.

4.3 This memorandum therefore proposes that:

4.3.1 any land-won sand and gravel sales and reserves in Cornwall and Somerset will be combined with those arising in Devon and published inan aggregated form for the three counties in the annual Devon LAA;

4.3.2 Cornwall Council and Somerset County Council will cooperate in preparation of the Devon LAA by collecting and providing data on salesand reserves of land-won sand and gravel as may occur within their counties ;

4.3.3 Devon County Council will continue to publish land-won sand and gravel data for the three counties within the Devon LAA and to providethese data to the South West Aggregate Working Party for regional monitoring purposes;

4.3.4 Somerset County Council will contribute to Devon's land-won sand andgravel landbank through implementation of Policy SMP4 of the Somerset Minerals Plan, recognising that delivery of new resources in Somerset will not be required until such time as supply cannot be maintained from Town Farm in Devon;

4.3.5 there is no requirement for any further contributionto sub-regional supply of land-won sand and gravel from within Cornwall; and

4.3.6 the memorandum will be reviewed annually through each MPAs Monitoring Report and any necessary amendmentsjointly agreed .

5. Signatures

Cornwall Council

Signed by: Date: 10.12.15

Name: Terry Grove-White
Position: Planning Strategy Manager

Devon County Council

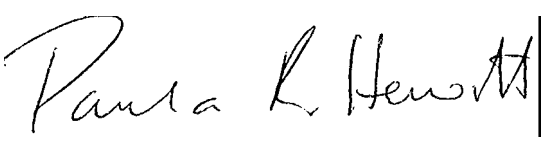
Signed by: Date:

23/11/15

Name: Dave Black
Position: Head of Planning, Transportation & Environment

Somerset County Council

Signed by: Date: 21/12/15



Name: Paula Hewitt
Position: Lead Commissioner for Economic and Community Infrastructure

Appendix 2 Memorandum of Understanding between Somerset County Council, Dorset County Council, Gloucestershire County Council and Wiltshire County Council (2014)

MEMORANDUM OF UNDERSTANDING (MoU)

Version 3.0 | January 2014

Steady and adequate supply of Sand and Gravel

1. Purpose and scope of this MoU

1.1. The purpose of this MoU is to establish a framework (outlining the roles and responsibilities) of Somerset County Council (SCC) and other signatories to this MoU with regard to fulfilling the Duty to Cooperate for the steady and adequate supply of sand and gravel in Somerset over the period to 2030.

1.2. The MoU is intended to enhance and formalise partnership working in:

- plan preparation;
- evidence gathering;
- recording and monitoring minerals issues; and
- plan implementation.

1.3. Further information on SCC's approach to the Duty to Cooperate can be found in the SCC's *Duty to Cooperate Statement.*

2. Background on sand and gravel: summary of evidence

Somerset (including Exmoor National Park), Devon and Cornwall

2.1. Somerset currently has no land-won sand and gravel workings and superficial deposits of sand and gravel in Somerset are generally limited.[1]

2.2. The Lower Triassic Budleigh Salterton Pebble Beds form the bedrock in the south western section of the county, crossing the Somerset / Devon border. This formation is worked for sand and gravel at Hanson's Whiteball operation on the Somerset / Devon border (adjacent to Gipsy Lane, Greenham). The Somerset Minerals Local Plan (adopted 2004) included a policy (M50) that identified land at Whiteball as a Preferred area and an Area of Search for sand and gravel extraction. A map showing these areas is included as Inset Plan 6 in the Somerset Minerals Local Plan (adopted 2004).

2.3. In recent years, virtually all extraction of sand and gravel for the Whiteball operations has taken place in Devon (most recently from the Town Farm site) for processing by facilities on the Somerset side of the border.

2.4. The Town Farm site makes a significant contribution to Devon's sand and gravel production and landbank. It has planning permission until 25 June 2023. The most recent planning application envisaged production at a scale of 200,000 tonnes per year for around 10 years, although recent output has been at a lower level.

[1] Information on the geology of Somerset is included in the Aggregates Topic Paper (available via www.somerset.gov.uk/mineralsandwaste). For more detail refer to a report published by the British Geological Survey entitled 'Mineral Resource Information in support of National, Regional and Local Planning: Somerset (2005)'.

2.5. Devon's 1st Local Aggregate Assessment (February 2013) gives a weighted ten year average sales figure for land-won sand and gravel of 610,000 tonnes.

2.6. Furthermore, Devon's 1st LAA states that the quantity of permitted reserves of land-won sand and gravel at the end of 2011 was 9.16 million tonnes.

2.7. Using Devon's weighted ten year average provides a landbank of approximately 15 years.[2]

2.8. Cornwall's Local Aggregate Assessment (March 2013) states that: "*It is acknowledged that there are limited resources of natural sand and gravel in Cornwall and the county is unlikely to be able to contribute to the shared sub-regional apportionment from primary resources. As part of the Duty to Co-operate Devon County Council and Cornwall Council have agreed that "any shortfall in the sub-regional apportionment would be met by Devon (and potentially some contribution from Somerset), with no further contribution from Cornwall"…"* It is also noted that Cornwall has significant reserves of secondary aggregates which can be substituted for primary material.

2.9. Historically, Somerset has shared a joint sub-regional apportionment for sand and gravel with Devon and Cornwall of 14.91 million tonnes. Covering the period 2005- 2020, this equated to an apportionment of 930,000 tonnes per year.[3] (NB: historically, sub-regional apportionment has also seen Exmoor National Park grouped with Somerset.)

2.10. In its Preferred Options document (2013) Somerset County Council stated that: "*The Council believes that it is appropriate to retain the Areas of Search and Preferred Areas around Whiteball and to include a criteria-based approach in its policy on sand and gravel, based on the following factors:*

- *the spread of opinion during consultation;*
- *historic and current cooperation with Devon County Council;*
- *there are sufficient reserves within the area of search and preferred area to contribute to the required demand for land-won sand and gravel over the plan period, which is to be planned for by Devon and Somerset together; and*
- *no additional areas of interest have been put forward by the minerals industry."*

Dorset

2.11. The Bournemouth, Dorset and Poole Minerals Strategy has been found sound following Examination and the Councils are moving to adopt it as soon as possible. The Minerals Strategy commits to maintaining a landbank of sand and gravel reserves equivalent to at least 7 years supply, based on a rolling average of the previous 10 years of sales. For the period 2003 to 2012, this equates to a figure of 1.57 mtpa.

2.12. According to the 2009 Aggregate Minerals Survey, approximately 65% of sand & gravel imports into Somerset come from Dorset (circa 290,000 tonnes per year). A key resource is the River Terrace deposits which are worked at the Chard Junction site in north west Dorset (4.5km south east of Chard).

[2] The NPPF requires Mineral Planning Authorities to make provision for a landbank of permitted reserves for a minimum of 7 years worth

of supply for sand and gravel.

[3] SW RAWP Annual Report 2009

2.13. The Chard Junction site (which has planning permission until 31 March 2023) makes an important contribution to sand & gravel supply in Somerset; in particular in the Yeovil area – which is a strategically significant town in South Somerset - and other centres of future development such as the primary market towns of Chard and Ilminster.

2.14. The Chard Junction site lies in an Area of Outstanding Natural Beauty (AONB) and the importance of protecting designated areas in Dorset is noted.

2.15. Dorchester, which lies at the western edge of one of the two resource blocks identified by Dorset County Council, is approximately 33km from Yeovil and 74 km from Taunton. The average road delivery distance for aggregates in 2011 was 43km.[4]

2.16. If/when production ceases in the north west of Dorset, and if no further permissions come forward in this north west area, it is likely that there will be constraints (linked with the costs of minerals transportation and potentially capacity of the road network) to exporting sand and gravel from the resource blocks into Somerset. Such constraints will not prevent continued supply but may result in exports into Somerset decreasing over the longer term.

Gloucestershire

2.17. According to the 2009 Aggregate Minerals Survey, Gloucestershire supplies ≤ 40,000 tonnes of sand and gravel into Somerset. This equates to less than 5% of Gloucestershire's output. This is unlikely to increase due to the high costs of transportation.

Wiltshire

2.18. According to the 2009 Aggregate Minerals Survey, Wiltshire supplies ≤ 20,000 tonnes of sand and gravel into Somerset. This is unlikely to increase due to the high costs of transportation.

Other potential sources of sand and gravel

2.19. Limestone sand can be produced from the processing of scalpings at crushed rock quarries. This is an important source of such material in the eastern part of Somerset.

2.20. Marine-dredged sand and gravel landed at Dunball Wharf equates to roughly 5-10% of Somerset's sand and gravel consumption. A comparison of actual and licensed dredging rates suggest there may be scope to increase the level of dredging in the Bristol Channel if necessary; however, there are logistical constraints to consider (in particular linked with use of Dunball Wharf, weather and tides) which affect the potential to increase the county's dependence on marine-dredged aggregates.

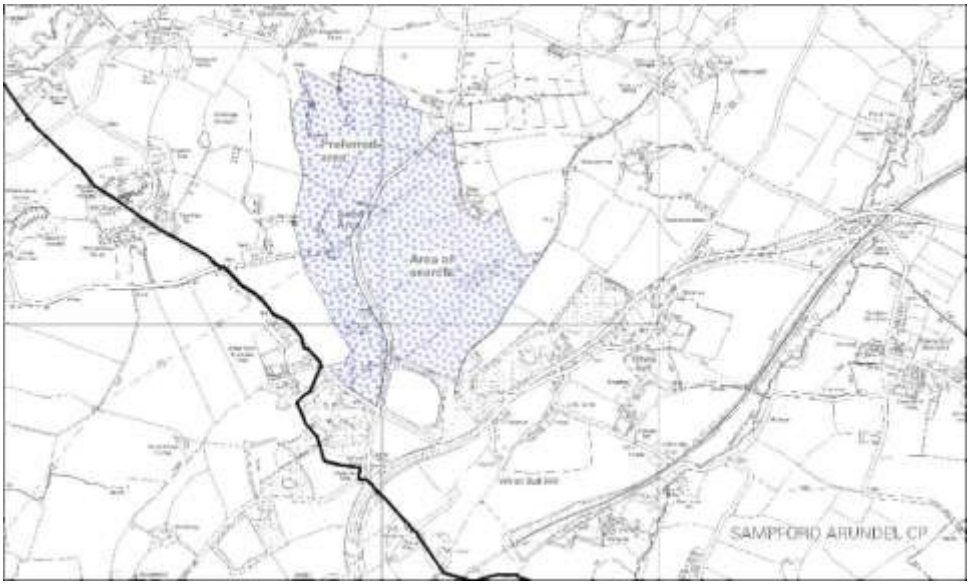
[4] Minerals Products Association: Summary Sustainable Development Report 2011

3. Joint approach

3.1. It is agreed that:

- Due to its historic arrangements and limited sand and gravel resources, Somerset does not currently maintain its own landbank of permitted reserves for sand and gravel and has not extracted sand and gravel during the past 10 years (or at most very minor quantities).
- As a result, Somerset does not have a 10 year average that can inform any potential future provision. However, Somerset County Council intends to maintain provision for future working of sand and gravel from within Somerset to supply the Whiteball operation following the anticipated cessation of the Town Farm site within Devon in the early 2020s.
- To maintain sub-regional supply (contributing to Devon's existing landbank for sand and gravel and maintaining production at Whiteball) Somerset County Council proposes to extend the approach established in the Minerals Plan (adopted 2004) which outlines a Preferred Area and Area of Search adjacent to Gipsy lane, Greenham (see map below), and use a criteria-based approach to consider proposals elsewhere in Somerset. This preferred approach was made clear in the Preferred Options consultation carried out by Somerset County Council in 2012/13.
- The Chard Junction site on the Somerset / Dorset border makes an important contribution to sub-regional supply, which is expected to continue also until the early 2020s.
- Somerset County Council and Dorset County Council will continue to co- operate on cross-boundary mineral interests, including on-going monitoring, whereby the reciprocal supply of minerals is considered fully in emerging plans[5]. The Bournemouth, Dorset and Poole Minerals Strategy has taken account of mineral exportation and importation (including movements between Dorset and Somerset) in identifying mineral needs to 2028 and, once adopted, it will set the strategic context for the emerging Bournemouth, Dorset and Poole Mineral Sites Plan.
- Exports of relatively small quantities of sand and gravel from Gloucestershire and Wiltshire into Somerset are anticipated to continue during the plan period.

[5] Somerset is a major supplier of crushed rock to Dorset, while Dorset exports sand and gravel to Somerset.



3.2. The MoU shall be reviewed by the signatories as/when required to ensure that it remains fit for purpose. It is expected that the MoU will remain in place until at least the adoption of all relevant Local Plan documents covering Somerset, Cornwall, Devon and Exmoor National Park.

4. Somerset County Council's specific responsibilities under this MoU

4.1. As Mineral Planning Authority for Somerset, Somerset County Council has undertaken and will continue to undertake to cooperate with all other signatories of this MoU in the preparation and delivery of the Somerset Minerals Plan by:

- notifying signatories at each consultation stage in the preparation of its local development documents and plans relevant to its statutory functions; and if appropriate, meet and discuss any issues raised by one or more of the other Local Authorities and take into account any views expressed on those issues;
- meeting with signatories as required to monitor the preparation and implementation of minerals policy and strategy across Somerset; and review work undertaken jointly by parties signed up to the MoU;
- co-operating with signatories in the preparation of the annual Somerset Local Aggregate Assessment, including related dialogue with members of the South West Aggregate Working Party (SW AWP);
- liaising with Taunton Deane Borough Council and Mid Devon District Council as required with regard to the availability of land in the Preferred Area and Area of Search covered in the Somerset Minerals Plan; and
- co-operating with relevant professional organisations, in particular the British Geological Survey and the Department for Communities and Local Government (DCLG) and, as required, the relevant Local Economic Partnership(s).

5. General responsibilities of other signatories under this MoU

5.1. As signatory to this MoU, all partners will undertake to cooperate with other signatories of this MoU in the preparation and delivery of the Somerset Minerals Plan. In particular, this will entail:

- responding to each consultation stage in the preparation of Somerset's local development documents and plans (also including the Somerset Local Aggregate Assessment) relevant to Somerset County Council's statutory functions; and if appropriate, meet and discuss any issues raised by one or more of the other signatories;
- meeting with other signatories as required to monitor the preparation and implementation of minerals policy and strategy across Somerset; and review work undertaken jointly by parties signed up to the MoU; and informing Somerset County Council should there be any substantive change in respective positions summarised in the background evidence on sand and gravel (section 2 of this MoU).

Appendix 3 – Consultees

The following were consulted on the drafts of this Local Aggregates Assessment:

- Primary Aggregate Operators in Somerset (Via South West Aggregate Working Party/non-members direct)
- All Mineral Planning Authorities in the south west (via the South West Aggregate Working Party)
- District Councils in Somerset
- South East Aggregate Working Party
- London Aggregate Working Party
- East of England Aggregate Working Party
- Minerals Products Association (via the South West Aggregate Working Party)
- British Aggregates Association (via the South West Aggregate Working Party)

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Somerset County Council
Scrutiny Committee – Policies & Environment
– 28 September 2022

Somerset Economic Futures – economic scenario planning for Somerset
Lead Officer: Paul Hickson
Author: Julie Wooler
Contact Details: jwooler@somerset.gov.uk
Cabinet Member: Cllr Val Keitch
Division and Local Member:

1. Summary

1.1. The Somerset Economic Futures work was commissioned by SCC in partnership with the District Councils.

The aim of the work is to develop a range of future economic scenarios for Somerset over 5, 10 and 25 years to support the planning of economic priorities by identifying potential future opportunities, issues and trends which in turn will improve Somerset's resilience.

This work was commissioned by the Somerset local authorities in response to local government reorganisation and to support the new Somerset Council to support development of any future economic strategy, aid planning of investment and guide policy decision-making.

1.2. The Somerset Economic Futures work will contribute and support the strategic vision laid out by the County Plan, by identifying opportunities for investment, supporting recovery post-covid and post exit from the EU, building economic resilience, increasing business and individual productivity and supporting better life chances for Somerset residents.

2. Issues for consideration

2.1. The Scrutiny Committee are asked to consider and comment on the Somerset Economic Futures Summary Update Report and work undertaken to date with specific reference to:

- Issues identified by the SWOT analysis
- The proposed four economic scenarios

2.2. That the Scrutiny Committee notes that the Council is undertaking the Somerset Economic Futures project and its relevance to future economic policy decision-making.

3. Background

3.1. Somerset County Council, working in partnership with the District local authorities

have commissioned a 'Future Scenarios' analysis to consider what the economic future of Somerset might look like over the next 5, 10 and 25 years.

3.2. With the five local authorities coming together as one Somerset Council in 2023 it provides the opportunity for a joined-up approach to understanding the trends and issues that may affect all of Somerset's residents and businesses.

3.3. The scenarios will be developed in the context of national priorities (e.g. post-EU exit, post Covid, Build Back Better, Levelling Up & Shared Prosperity Fund) and local priorities including ensuring that Somerset keeps to its commitment to be carbon neutral by 2030

3.4. The aim is to develop a series of evidence-based scenarios taking into account current and future trends over a 5 year, 10 year and 25 year timeframe. This will help Somerset to position itself to respond to and be more resilient when issues arise whilst also being more able to respond to opportunities.

3.5. The purpose of this work is to support and guide the new Somerset Council, both members and officers, to shape the future direction of Somerset for the benefit of its residents and businesses.

3.6. A Somerset Futures Steering Group has been set up to oversee the development of this work. Members of the Steering Group comprise Economic Development leads from all Somerset local authorities and the LEP.

3.7. ThirdLife Economics Ltd have been brought in to support this work, bringing objectivity, independence, previous experience and expertise in developing future economic scenarios in other areas. This work has been funded by jointly from the Business Rates Retention Pilot (BRR)

3.8. The first phase of the analysis has now been undertaken and comprised a comprehensive evidence review, followed by an issue identification exercise to stimulate the initial scenarios propositions this will form the basis for discussion, stakeholder engagement, questionnaire and further development and refinement in early Autumn 2022. (See attached Somerset Economic Futures Summary Report)

3.9. Further broad stakeholder engagement is planned for September 2022. A series of stakeholder and questionnaire 'discovery' sessions are planned for this period. The intention is to test and develop the scenarios based on the feedback in these sessions.

3.10. The final report is due for completion November 2022 and is intended to be a live document to support decision-making that can be re-visited rather than narrow and prescriptive.

3.11. The purpose of this Scrutiny Report is to provide the background and rationale to the Somerset Economic Futures work and to raise awareness amongst Members and ask for their consideration and comments in relation to the SWOT analysis and economic scenario development provided in the supporting Summary

Update Report.

4. Consultations undertaken

4.1. Consultation between all five Somerset authorities was undertaken prior to the commissioning of this piece of work. It was agreed that this was an appropriate time for Somerset to consider afresh its future, in light of global and national contexts, potential sub-national changes, new unitary Somerset Council and specific local drivers and trends.

4.2. Consultations have and will be undertaken with a wide range of Somerset wide stakeholders during the development of the future scenarios. The process of scenario development is as important as the final report, the consultation, feedback and codesign will ensure that the scenario work represents the opinions, experience and knowledge of Somerset consultees.

5. Implications

5.1. This Somerset Future Scenarios work will support officers and members in developing Somerset's economic priorities by providing insight into the implications of taking a particular route.

5.2. The work, whilst not being able to cover every unforeseen event, will enable those working on delivering the best outcomes for Somerset to understand the implications of decision-making over both the short and longer term. This should ensure that Somerset would be more resilient and can respond effectively when required.

6. Background papers

6.1. Attached 'Somerset Economic Futures Update Report – September 2022'

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Somerset Economic Futures – Update Report

September 2022

1. **Overview:**

Somerset County Council (SCC) working with the District Councils has commissioned an analysis to explore future economic scenarios for the County. As part of this work there has been ongoing consultations with civic organisations, community groups, businesses and residents on the kind of place they want the area to become by 2050. This is a broad-ranging exercise that takes in perspectives on the economy, it is intended as a foundational piece of work to support the new unitary Somerset Council as it comes into being in April 2023.

Research has been completed to support this exercise: It covers questions such as what roles does Somerset play within the economy of the wider region and how might these change over time? How might Somerset's vulnerability to climate change affect its future economic development? How might its rural character affect how we promote social mobility? How might Somerset be impacted by social changes such as trends in homeworking?

2. **Background & Purpose:**

Now is an important time for Somerset to consider its medium and long-term futures alongside managing current issues and crises. Infants born since the COVID-19 pandemic and will be approaching their early 30's in 2050. Choices made now will impact directly on their life experiences. More broadly, what sort of Somerset should the County's 650,000 residents be living in and calling 'home' in the 2050's. The Somerset Economic Futures work seeks to explore and answer these questions.

'Futures' analyses investigate and discuss long-term alternative futures of a place. Typically utilising a range of tools and techniques, including forecasting and analysing trends, horizon scanning, scenario and contingency planning, and mapping.

The use of this technique has a long history, Government previously published a 'Futures' Toolkit' and this has been used to understand the futures of both cities and rural areas. Local authority-led exercises include Newcastle City Futures which, among a wider range of activities, explored three different scenarios for Newcastle and its city region to 2065 (fifty years from 2015). MK2050 outlines a vision, scenarios and consequential thematic priorities for Milton Keynes to 2050.

The work being undertaken by Somerset Economic Futures will develop scenarios

of alternative futures to illuminate thematic and policy priorities and choices in the short and medium term. It is not intended to be a strategy or a blueprint plan where there is a single solution or 'right' answer. Whilst content and analysis need to be robust, the process of developing and achieving common understandings and buy-in are equally important.

The purpose of the Somerset Economic Futures work and development of alternative economic scenarios is to support future economic strategy development, inform investment planning and assist in policy decision-making.

4. **Evidence Summary to date:**

To date, an extensive review of evidence and analysis on Somerset has been completed including over 30 reports and 50 national and local datasets. This information has been synthetised into a SWOT analysis (strengths, weaknesses, opportunities-threats) and discussed with the Somerset Futures Steering Group comprised of the Somerset local authorities and LEP (results outlined below). A preliminary session has also been held with both SCC Executive Members and a business stakeholder group.

Somerset SWOT Analysis Results:

STRENGTHS
Economic geography – Somerset's place in the wider regional economy • Bridge between the metro (Cardiff and Bristol) and Peninsula knowledge and technology-based economies • Rural and dispersed population - as a cultural / quality-of-life asset • Strong in Advanced Manufacturing with a leading aerospace cluster centred on Yeovil; Environmental Industries; Agriculture, Food & Drink; Tourism • Hinkley Point C on Somerset's north coast - as anchor for clean growth cluster and supply chains • Higher value knowledge businesses - centred on Taunton and the UK Hydrographic Office **Economic resilience** • Slight over-representation in health and social care - less vulnerable to economic shocks than other sectors • Scores relatively well on multiple deprivation scores - In 7th decile for IMD (10 being the least deprived) • Higher than average personal wellbeing (self-reported) • Home to leading examples of town-centre management (e.g. Frome) **Environmental quality** • Abundant natural capital • Better-than-average access to high-quality green space

CONCERNS
Economic geography • No major city anchor - reliance on small-town economies among most vulnerable to future

pandemics
- Fragmented economic geography - pulling in up to four directions when you look at TTWAs and FEMAs
- Rural and dispersed population: challenges of physical and digital connectivity; long travel times for FE and work

Economic resilience
- Over-represented in sectors with low home working potential (Accommodation, Food & Drink), under-represented in those with high potential (e.g. Professional Services)

Economic structure / productivity
- Low wages and productivity - workplace and resident earnings below England average
- Low supply / low skills demand equilibrium - higher-level skills attainment below national average
- Relatively few senior occupational jobs
- Lack of a university anchor or major R&D assets in the administrative county and fragmentation in skills delivery

Social inclusion / mobility
- Ranks low on social inclusion - barriers to housing and among worst outcomes for disadvantaged young people in England (SW as a whole)

Climate change
- Vulnerability to climate change pressures - share of geography at high risk of flooding much higher than England average

Demographics
- High population growth driven by those above working age; low share of residents in 20s and 30s (former West Somerset has oldest age profile in England)

OPPORTUNITIES
- **Leveraging geographic location** - as the link between the Great SW and Western Powerhouse regions
- **Fulfilling potential as the clean growth and energy link on M5 Innovation Highway** - stretching from cyber-security centres of excellence in the north (e.g. GCHQ / NCSC in Cheltenham) to Gravity Smart Campus near Bridgwater
- **Potential for Somerset's sub-regional centres** (Taunton-Wellington, Yeovil and Bridgwater) to **play nationally-significant roles and functions** (e.g. Taunton and Wellington as largest and leading 21st Century Garden Town; Yeovil as important node in the Bristol-South Coast aerospace corridor; Bridgwater as gateway to and service centre for HPC)
- **Growing the value of clean growth assets** (building on HPC, Gravity Smart Campus etc), space for expansion
- **Maximising the economic value of innovation assets** - through joint initiatives and networks, including: SEIC, iAero Centre, SDIC, Gravity Smart Campus
- **Strengthening key and emerging sectors for innovation**, including: Aerospace / Advanced Engineering and Manufacturing; Digital (e.g Digital Health); Agritech; Creative
- **Diversification in farming incomes / business models** forced by policy - shift to higher productivity land use
- **Soon-to-be single point of strategic leadership for economic development** in Somerset Council

THREATS
- **Immediate challenges to economic welfare, public health and business viability from**

rising energy prices

- **Climate change** - risks of flooding, sea-level rises and coastal erosion which threaten major settlements
- **Phosphates in the Somerset Levels and Moors** – water quality issues as threat to ecology and habitats, impediment to new housing
- **Ageing population and workforce** - faster demographic ageing than UK from net out migration of young people
- **Changes to scale and nature of public funding frameworks** (e.g. ELMS, UKSPF) - especially for over-represented industries such as Agriculture and Food & Drink
- **Low priority within UK hierarchy of infrastructure investment** (HS2, NPR, electrification from London to Bristol etc)
- Decreasing preference for county's craft / artisan retailers to take up shops as online platforms grow - **threat to town centre renewal**

5. Scenario Development:

The SWOT analysis results were then used to initiate four future scenarios which will form the basis of further wider consultation:

Four scenarios:

- A *base case* scenario – 'Making the most of business as usual' – assumes existing trends tend to continue and that Somerset responds to them pragmatically as opportunities and challenges arise to try to achieve the best outcomes for the county and its communities
- A *health and wellbeing* scenario focuses on leveraging the rapid aging of the local population and the propensity for commuting and other linkages to opportunities in neighbouring geographies to make Somerset an exemplar in quality of life in general and healthy aging in particular
- A *vitality and dynamism* scenario focuses on attracting, retaining and developing talent, supporting networks and community dynamism, building social capital and a dynamic, enterprising economy
- A *clean and green* scenario focuses on accelerating decarbonisation, nature recovery and building natural capital to make Somerset a sustainable development exemplar

The scenarios are alternative ways of thinking about the future and the policy choices made today. They are not mutually exclusive, in reality changes in Somerset will likely include elements of each scenario. However, decision-makers can choose the balance of emphasis dependent on levels of ambition, vision and values and external influences.

To aid understanding. ten factors have been identified, which applied to each scenario, can assist decision-makers in understanding the impact and describe the long-term outcome:

- Demographic change – the size and profile of the resident population
- Economy – consequences for areas of economic activity, structure, growth and contraction
- Wellbeing – the health, wellbeing and quality of life of different communities

- Net zero and nature recovery – consequences for decarbonisation and 'green' agendas
- Social mobility and cohesion – impact and implications for equalities and cohesion issues
- Place-making – issues for different towns, villages and rural areas from each scenario
- Rural vitality and resilience – critical implications for rural areas and issues like flooding, coastal erosion and land use
- Digital and technological – contributions and impacts of digital and technological change
- Local leadership – requirements of each scenario in terms of leadership and management
- National relevance – how each scenario will impact on Somerset's profile and reputation

Scenario Dashboard

A proposed dashboard has been developed that can be used to describe each scenario at high and incremental levels of ambition, and could be used to support decision-making:

High ambition, transformational	Where on the continuum?	Making the most of incremental progress	Issues and comments
Leading USPs in SW & Peninsula development		Steady progress against national priorities and metrics	What are the USPs and where is the capacity to lead and manage them?
Radically shifting selected economic bottom line dials		Some convergence of GVA, productivity and employment with regional norms	Which specific metrics and through which major policy shifts?
Shifting demographic dials toward attraction, retention, development of young talent		Managing aging and commuterism well but broadly accepting BAU trends	What is or could be the Somerset USPs for talent attraction and retention?
Green, natural capital, net zero pacesetter of national quality		MTM of Hinkley and playing a strong supportive role in Peninsula green/blue ambitions	Is it clear what the difference is between existing plans and pacesetting?
A distinctive Somerset approach to defining and addressing LU (essentially the social dial)		Following Government lead and funding opportunities	Defining and mainstreaming exclusion and social mobility in public policy
Outward looking, embracing and leveraging connectivity and out-commuting		Focus on indigenous development and local productive capabilities	Should Somerset major on quality of life and embrace out-commuting as a key part of their offer?
Finding deliverable solutions to human, intangible and institutional capital deficits		Increased access, participation and attainment in Education & Skills – esp in priority and future jobs/sectors	Is the long-standing University ambition relevant and deliverable? Certainly not sufficient…
Exemplifying successful future non-metropolitan placemaking		Rebooting and recovering town, district & n'hood centres	Expicit 'priority' places or universal approach?
Rural vitality and stewardship		Managing agricultural transition, coastal erosion and flooding well	The stewardship issue stresses the link between rural and urban areas, residents and businesses
A leading non-metropolitan smart futures region		Delivering national digital agendas well	What are the leadership and delivery assets and capabilities for a 'Smart Somerset' agenda?

Each scenario implies a different position on the dial for each factor, dependent on levels of ambition and contextual issues.

At the same time, major strategies and policies can be analysed in terms of how they shift the dials to the left or right in terms of Somerset's position as a healthy aging, dynamic and talented, and clean and green county.

5.1 Proposed Somerset Future Scenarios

Scenario 1 - Making the most of business as usual: 'Making the most of business as usual' is presented as a base case comparator for other scenarios. It envisages Somerset making the most of the unitary council dividend – perhaps taking the large rural unitary council model beyond the successes achieved by Cornwall and

Wiltshire, giving valued support to enabling local community networks to achieve progress for their respective local communities. It will navigate through the crises and uncertainties of the 2020s effectively, continuing to be a good place to live and visit – founded on its natural capital and environment. It will deliver major progress at Hinkley, Gravity, the manufacturing and engineering cluster around Yeovil, and the Garden Town developments around Taunton.

However, its ambitions for progressing comparative economic performance in areas like productivity, skills, household income, even inequalities will largely recognise Somerset's 'stuck in the lower middle tier' of outcomes compared to national averages – and local policy will largely follow national policies and programmes opportunistically.

It is a balanced approach to supporting businesses, communities, local geographies, and themes/areas of economic activity (AEAs) like skills, infrastructure, enterprise etc. For this reason, the default position of the dashboard will be as in the example above - starting in the middle of each factor. Dials will tend to shift short term in response to specific government initiatives or other external opportunities.

Scenario 2 - Quality of life-driven health and wellbeing**:** In Scenario #2, Somerset explicitly seeks to be known for and a national pacesetter in healthy aging and providing a high quality of life for residents, even if they are commuting for employment opportunities. Somerset will be a leader in health and care integration and reform, and in quality of local places for living and leisure. It will prioritise health and liveability economic activities, digitalisation of services, support for hybrid working, and access for local residents to vibrant towns and the countryside.

It will not necessarily expect convergence with national performance in core economic metrics like GVA, productivity, skills and incomes – although it will continue to support high growth, high value industries, and decarbonisation of energy, homes, transport and infrastructure. Rather, it will be a non-metropolitan exemplar for quality of life – embracing demographic trends and out commuting where it can provide local dividends.

The default starting position for the dashboard may be quite different from the base case and needs considerable development work to evolve over time. Similarly, the explanatory column – Issues and Comments – for each factor will have particular nuances and emphases around the Scenario #2 vision and mission.
(See page 10 – Appendix 1 – Scenario 2 Dashboard)

Scenario 3 - Vitality and Dynamism: Scenario #3 is radical and explicitly about shifting demographic and economic dials over the next thirty years. Somerset will

set out to be known for attracting, retaining and developing talent in enterprising dynamic communities. It will be a national exemplar for energy and economic transformation, with some nationally leading sectors, especially around energy, engineering, land-based, digital and creative industries.

Both towns and countryside will be attractive for families and businesses focused on talent, creativity, aspiration and delivering change – requiring housing, education and other dimensions of liveability that appeal to both older and younger residents. It will become a major player for both the West of England, Peninsula and regional economies, connecting the Peninsula with national and global economic success. It will command much higher national and global profiles and attention than hitherto.

The default starting position of this dashboard and the explanatory column will be radically different to other scenarios – and particularly changeable over time and factor as Somerset responds creatively and with agility to the challenges and opportunities of the 2020s and 2030s, and to the changing character and expectations of its local population.
(See page 11 – Appendix 2 - Scenario 3 Dashboard)

Scenario 4 - Clean and green nature recovery: Somerset has already declared climate emergencies and is facing major requirements and commitments to progress towards net zero. However, scenario #4 goes well beyond this. It seeks to position Somerset not only as a net zero pacesetter, a major regional energy role player through (amongst others) Hinkley, but also as a leader in finding flooding and coastal solutions, and in placing biodiversity, nature recovery and net gain at the heart of its economic, social and placemaking vision and values.

Major economic drivers will include energy, but also focus on green infrastructure, biodiversity, renewables, low carbon homes and transport, land-based transition, green economy industries, services and skills. Social capital and community cohesion will be important and include stewardship of the county's approach to nature and behaviour change. Place making will emphasise 15-minute towns and villages across the whole county.

Somerset will be a significant player nationally and a leader regionally for energy and the green component of the blue-oriented Peninsula profile and reputation. This is reflected in the default position of the dashboard which again will be quite distinctive from the other three scenarios.
(See page 12 – Appendix 3 - Scenario Dashboard 4)

6 **Stakeholder engagement & wider consultation process:**

Phase 1 – Evidence Review & Initial Scenario Development – this stage has already been undertaken and consultation taken place with Somerset Futures Steering Group, SCC Executive Lead Members and business stakeholder groups

Phase 2 – Wider Consultation & Testing of Scenarios – roundtable and 'discovery sessions' to be held with a wider set of stakeholders and public. (details to be finalised and agreed with Somerset Futures Steering Group)

The Somerset Futures Consultation Report will be hosted online on a dedicated webpage on the SCC website providing opportunity for wider comment.

The following questions and discussions will be covered in the consultation process:

How far does the summary of the evidence and issues review represent an accurate and recognisable picture of Somerset and the challenges it faces in the longer term?

Are there major omissions in the analysis or nuances you would like SF to consider in finalising the evidence review and issues identification section of the exercise?

What changes of substance or emphasis would you expect to see included in the 'Making the most of business as usual' scenario?

What changes of substance or emphasis would you expect to see included in the 'Quality of life-driven health and wellbeing' scenario?

What changes of substance or emphasis would you expect to see included in the 'Vitality and dynamism' scenario?

What changes of substance or emphasis would you expect to see included in the 'Clean and green nature recovery' scenario?

Are there any other suggestions you would make about additional scenarios, changes in factors used to define each scenario, or the transformational and incremental levels of ambition used to describe each of them?

Are there any other comments you wish to contribute to the SF process in general or about the future of the county in general?

Phase 3 – Refinement of Scenarios – following the information and views gathered

during discovery sessions and consultation period the scenarios will be refined and further developed.

Proposed Somerset Futures Launch – end of November 2022

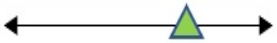
7. **Next Steps:**

Launch of Somerset Futures Consultation period – open now Somerset Futures – 4 Discovery Sessions available & Consultation Report available on SCC webpage for comment

Refinement and further development – October
Publish Somerset Futures – end of November 2022

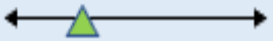
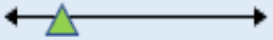
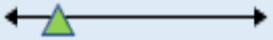
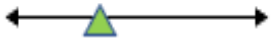
Appendix 1. Somerset Economic Futures – Scenario 2 Dashboard'Quality of Life Driven' health & wellbeing

Scenario #2

High ambition, transformational	Where on the continuum?	Making the most of incremental progress	Issues and comments
Leading USPs in SW & Peninsula development		Steady progress against national priorities and metrics	National exemplar for healthy aging and high quality of life
Radically shifting selected economic bottom line dials		Some convergence of GVA, productivity and employment with regional norms	Focus on health and leisure economies rather than convergence with national averages per se
Shifting demographic dials toward attraction, retention, development of young talent		Managing aging and commuterism well but broadly accepting BAU trends	Embraces existing demographic trends rather than seeking to shift them
Green, natural capital, net zero pacesetter of national quality		MTM of Hinkley and playing a strong supportive role in Peninsula green/blue ambitions	Focus on access to natural capital whilst delivering Hinkley and peninsula green/ blue ambitions well
A distinctive Somerset approach to defining and addressing LU (essentially the social dial)		Following Government lead and funding opportunities	Majors on health and care reforms, and social capital especially for disadvantaged groups
Outward looking, embracing and leveraging connectivity and out-commuting		Focus on indigenous development and local productive capabilities	Welcomes out-commuting but seeks to benefit from hybridisation
Finding deliverable solutions to human, intangible and institutional capital deficits		Increased access, participation & attainment in Education & Skills – esp in future jobs/sectors	Opportunistic responses as they arise
Exemplifying successful future non-metropolitan placemaking		Rebooting and recovering town, district & n'hood centres	Universal approach to town centre rebooting and quality of place
Rural vitality and stewardship		Managing agricultural transition, coastal erosion and flooding well	Whilst quality of place and access to rural is important, focus on getting the basics right
A leading non-metropolitan smart futures region		Delivering national digital agendas well	Focus especially on digital health, connectivity for hybrid working

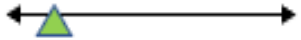
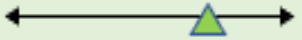
Appendix 2 – Somerset Economic Futures – Scenario 3 Dashboard – 'Vitality & Dynamism'

Scenario #3

High ambition, transformational	Where on the continuum?	Making the most of incremental progress	Issues and comments
Leading USPs in SW & Peninsula development		Steady progress against national priorities and metrics	Important energy, engineering, & other high value emerging industries
Radically shifting selected economic bottom line dials		Some convergence of GVA, productivity and employment with regional norms	Increasing high value, productivity and skills economy surpassing SW/UK averages
Shifting demographic dials toward attraction, retention, development of young talent		Managing aging and commuterism well but broadly accepting BAU trends	An economy and society attractive to retaining and developing talent
Green, natural capital, net zero pacesetter of national quality		MTM of Hinkley and playing a strong supportive role in Peninsula green/blue ambitions	An important part of the offer where it supports business growth & inward investment
A distinctive Somerset approach to defining and addressing LU (essentially the social dial)		Following Government lead and funding opportunities	Will need to make the most of national policies that redress pressures to increasing inequality from knowledge-based growth
Outward looking, embracing and leveraging connectivity and out-commuting		Focus on indigenous development and local productive capabilities	Quality of life & support for hybrid working – but major focus on local business growth
Finding deliverable solutions to human, intangible and institutional capital deficits		Increased access, participation and attainment in Education & Skills – esp in priority and future jobs/sectors	Build strong innovation infrastructure and institution architecture for growth – resolve university/RD&I deficits
Exemplifying successful future non-metropolitan placemaking		Rebooting and recovering town, district & n'hood centres	Make the most of Taunton, Yeovil & Bridgwater national capabilities, wider town connectivity & agglomeration impacts
Rural vitality and stewardship		Managing agricultural transition, coastal erosion and flooding well	Ensure resilience and make the most of rural enterprise opportunities
A leading non-metropolitan smart futures region		Delivering national digital agendas well	Somerset as a Smart, Futures county-region of global quality & competitiveness

Appendix 3 – Somerset Future Economic Scenario Dashboard – 'Clean and Green Nature Recovery'

Scenario #4

High ambition, transformational	Where on the continuum?	Making the most of incremental progress	Issues and comments
Leading USPs in SW & Peninsula development		Steady progress against national priorities and metrics	Somerset as an exemplary rural net zero, biodiversity and nature recovery exemplar
Radically shifting selected economic bottom line dials		Some convergence of GVA, productivity and employment with regional norms	Major shift in green industries and skills metrics rather than across-the-board
Shifting demographic dials toward attraction, retention, development of young talent		Managing aging and commuterism well but broadly accepting BAU trends	Major attraction of talent in priority sectors but overall, not radically shifting demographic dials
Green, natural capital, net zero pacesetter of national quality		MTM of Hinkley and playing a strong supportive role in Peninsula green/blue ambitions	A geniine pacesetter in sustainable living and going beyond national requirements
A distinctive Somerset approach to defining and addressing LU (essentially the social dial)		Following Government lead and funding opportunities	Embedding inclusive growth and innovation in Green Industrial Revolution
Outward looking, embracing and leveraging connectivity and out-commuting		Focus on indigenous development and local productive capabilities	Major focus on indigenous development and offering alternatives to commuterism including hybrid/home working
Finding deliverable solutions to human, intangible and institutional capital deficits		Increased access, participation and attainment in Education & Skills – esp in priority and future jobs/sectors	Some specialist provision of global quality but strong focus on access, participation & tech ed improvements in priority sectors
Exemplifying successful future non-metropolitan placemaking		Rebooting and recovering town, district & n'hood centres	Expicit '15 minute' towns and villages across the county
Rural vitality and stewardship		Managing agricultural transition, coastal erosion and flooding well	Strong focus on resilience, low carbon rural living, and accessible countryside
A leading non-metropolitan smart futures region		Delivering national digital agendas well	Smart Futures digitalisation as integral to the net zero, net gain agendas

Somerset County Council
Scrutiny for Policies and Environment Committee
September 2022

Paper [Letter]
Item No. [Item No.]

Connecting Devon and Somerset (CDS) Broadband Delivery Programme

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Executive Lead: Cllr Mike Rigby
Division and Local Member: All

1. Summary

1.1. Connecting Devon and Somerset (CDS) is a local government-led partnership which is working to extend Superfast (SF) broadband infrastructure in areas where commercial providers do not plan to deliver a Next Generation Access (NGA) broadband service. Next Generation Access (NGA) broadband service is a service capable of delivering download speeds of at least 30Mbps. The CDS programme is funded by the Government, local authority partners, Heart of the South West LEP and contractor contributions.

1.2. Somerset County Council is the Accountable Body for the CDS partnership.

1.3. Over recent years the CDS programme has worked with several providers to extend broadband infrastructure across the region. Access to SF broadband is available to more than 315,000 homes and business across Devon and Somerset including Bath and North East Somerset and North Somerset through infrastructure provided through contracts awarded by CDS. The programme has delivered more superfast premises than any other broadband programme in England (BDUK). Costs per premise are in the lowest quartile nationally and take up is over 78% which is above the national average. Government expectations for the Superfast programme were that commercial providers would deliver two thirds of premises and public subsidised contracts would help to cover the remaining third.

In Somerset SF premises have been delivered as follows

Commercial providers	CDS programme
128,063	119.993
52%	48%

When the Superfast programme commenced 967,343 premises were identified in the CDS region. More recent assessments have identified 1,100,495 premises. As new properties are built, or properties divided into more than one dwelling there is an increase in numbers of premises identified.

987,889 premises have been served with SF broadband by commercial and public subsidised intervention.

The CDS programme continues to extend Superfast (now Gigabit capable) coverage in some of the most rural and hard to reach areas. In Somerset there remain circa 10,920 premises remain which have not been identified in

commercial plans or an existing contract

2. Issues for consideration / Recommendations

2.1. To note that

This report provides for information a progress update to Somerset County Council which is the Accountable body for the CDS Programme.

Future periodic updates will be provided to the Scrutiny (Place) committee.

3. Update

3.1. Following a procurement process in 2020 to secure further broadband delivery suppliers for the CDS region the CDS programme now holds 6 live broadband infrastructure delivery contracts with 3 suppliers:

- Openreach: Gainshare
- Airband community Internet: Lots C, E and F (2020 procurement). Lot 4 North Moor (2016 procurement), and
- Wessex Internet: Lot D (2020 procurement)

3.2. Two further contracts were awarded to Truespeed Ltd for Lots A and B 2020 procurement. However, both contracts were terminated in July 2022 because Truespeed was unable to meet its contractual commitments.

4. Delivery in Somerset

4.1. **Gainshare.** This extension of the Phase 1 contract with BT Openreach uses claw back funding from the Phase 1 contract. The contract was based on a gap funded model which included assumptions about levels of investment and profit which BT Openreach could make. The claw back provisions in the contract provide that if BT Openreach made more profit than expected the commensurate amount of public subsidy would be returned. Thanks to increasing public take-up of broadband services funded by the CDS Phase 1 contract with BT Openreach, the Government's "Gainshare" agreement with the company is enabling CDS to reinvest £6 million in additional full-fibre coverage. Openreach is also contributing funding to the roll-out. In Somerset this contract is due to deliver full fibre to premises around Dulverton including surrounding areas such as Bridgetown, Exton, Winsford, Exebridge, Brushford and Bury. All designs are now complete and have moved into the build phase.

4.2. This extension was signed in February 2020 and was due to complete delivery of around 2,000 premises by December 2021. Due to Openreach's delays in its delivery, summarised below, the contract is now expected to conclude approx. 15 months later than contracted in Q4 2022/23**.**

4.3. Delay has occurred for several reasons.

During the detailed design and survey stage of the build process Openreach identified the possibility of costs overruns in its designs and paused its activity. Following a deep dive review Openreach established that the forecast cost overruns stemmed from it mistakenly including additional premises in its analysis.

Openreach (OR) acknowledged its error and apologised for the impact this has caused to the project resulting in a minimum 6-month delay to the contract being delivered.

Further delay has arisen due to the complexity of delivering in some very rural areas. In some places securing access to roads takes time. Where multiple utility companies are trying to work on the road network sometimes it is not possible to co-ordinate delivery in the time frames which had been expected. In Somerset OR has worked closely with SCC Highways and local communities to find ways to facilitate and progress build, but this still takes time.

Other factors which have added to delay have been experienced industry wide across the country. Commercial providers have found it challenging to secure sufficient sub-contractor resources in the Southwest. As network build has fallen behind OR has taken steps to secure an additional sub-contractor as well as using its own internal build teams to help to mitigate the challenges arising due to lack of industry capacity. Notwithstanding OR efforts, there has still been a significant delay of an additional 15 months to a contract which was expected to be of 24 months duration.

This experience of the dominant market provider serves to underline the challenges to delivery of this infrastructure in a rural region such as Somerset.

4.4. All designs have now been completed and assured. Build is progressing in Gainshare Phases 1-4. A total of 425 premises are due to be built in Somerset. Of these to date 116 premises have been built in Somerset which were completed in the Q 2 22/23.

2020 contracts

4.5. The 2020 procurement resulted in a winning bidder for each of the 6 Lots A – F identified in the OJEU Invitation to Tender. Each bid was assured by Building Digital UK before it would provide State Aid clearance to permit the award of contract and before the Department for Digital Media Culture and Sport provided its allocated grant funding. The assurance process for all Lots concluded in December 2020 and contracts with all suppliers were awarded on 23 December 2020. The contracts awarded in Somerset were:

Lot B (Mendip and part of Sedgemoor) Truespeed Ltd.
Lot C (Part of Sedgemoor and Somerset West and Taunton)
Airband Community Internet Ltd
Lot D (South Somerset) Wessex Internet Ltd

4.6. Following the award of contracts suppliers need to assemble the additional resources – staff, materials and equipment that a company needs to do the job. This is known as the mobilisation period. During this period the contractors create their organisation structure, defining the roles and responsibilities, and begin the process of gathering the necessary resources to deliver the new networks. Some suppliers expand their workforce whilst others secure sub-contractors, establish the governance processes, communication plans, quality plans, business systems and reporting structure to enable the programme to work to the agreed delivery plan.

4.7. The first stage of the build process is the detailed survey and design. This is a

key element and one of the most crucial parts of the pre construction process. The build route must be identified and work undertaken to design the best and most cost effective route for the new netwrok. This is not just a desk top exercise but requires checking the route and securing wayleaves over land to allow construction. Not all landowners agree to build taking place and so alternative routes or build methods may need to be considered. Sometimes when access is refused build must move from fields to working in the highways. That process adds cost and delay to the buld process. Roadworking is also less convenient to the wider public but is sometimes a necessity. Further, highways routes are sometimes booked by other utility providers for work or as diversion routes which also adds to timescales and complexity. Once the design is finalised it is submitted for assurance.

4.8. Over the past 18 months suppliers have faced several challenges.

The industry has experienced high demand for personnel with the market for experienced staff becoming very competitive with many operators active across the region and the country. For some this has resulted in high staff turnover.

Some suppliers have struggled to secure sufficient sub-contractor resources to complete designs in a timely way with consequent impacts on build schedules. Some have found it challenging to secure civils sub-contractors due to demand for civil contractors across the country.

Additional challenges are being faced in the industry supply chain with lengthy forward ordering times. Over the past couple of years some suppliers have noted the impact of long supply chains due to the pandemic and more recently the war in Ukraine. Whilst these can be mitigated there are commitment, and cost, consequences for suppliers.

4.9. Airband

Despite the challenges outlined progress continues to be made and in July CDS and Airband announced that a further 2,500 homes and businesses in Devon and Somerset were now able to access full fibre broadband thanks to the ongoing roll-out

4.10. Lot C Somerset West and Taunton and part of Sedgemoor Airband Community Internet

Airband has commenced the detailed survey and design process for the first clusters in each Lot.

In Lot C the first Cluster areas which have completed the detailed desing process and have moved into build are in the following areas:

Staplegrove and Monkton, detailed design of 645 fibre premises has been completed. Build is expected to complete during Q Q3 22/23 and
Stogumber to West Bagborough, detailed design of 593 fibre premises has been completed. Build is expected to complete during Q4 22/23

Other areas which are currently in design is expected to complete during the next quarter are part of Taunton and Cotford St Luke.

Cluster Areas can be of varying sizes and geographical spread and accordingly some will take longer to design and build than others.

It is currently anticipated that first build completion milestones should be achieved during Q 3 22/23.

Further areas are moving through the detailed design and survey process in all lots.

4.11. Airband is also delivering in Lots E and F which are in Devon. In Devon build has commenced in

Lot E Tiverton to Nomansland. Detailed design of 559 has been completed. Build is due to complete during Q 2 22/23

Halberton to Bradninch detailed design of 1434 premises has been completed. Build is expected to complete during Q3 22/23.

Other areas in design include Budleigh Salterton to Ottery St Mary.

Lot F Powderham . Detailed design of 479 has been completed. Build is expected to complete during Q 2 22/23

Bishopsteignton & Luscombe Detailed design of 1033 has been completed. Build is expected to complete during Q 3 23/24

Other areas which are currently in design include Dawlish and Rattery

4.12. **Lot D Wessex Internet** Wessex Internet has commenced the detailed survey and design phase. To date the following have been checked and assured:

1381 premises have been designed

505 premises have backbone built

308 premises can take a connection if they subscribe

First customers were being connected in December 2021. See case study at Woolston North Cadbury

First resident in rural South Somerset gets connected to full fibre broadband in latest rollout - Connecting Devon and Somerset

Build continues in North and South Barrow, Babcary and Woolston, Sutton Montis Sigwells and Corton Denham, QWueen Camel, Marston Magna and East Coker and Closworth. Build is scheduled to continue until March 2025.

The company is based in the South West with its offices based in Blandford in Dorset. This has enabled the company to expand its operations into the South Somerset district. The company has expanded its workforce creating local jobs which provide new career opportunities for people from a variety of backgrounds, including from agriculture. The company is making steady progress with its

build.

in July CDS and Wessex Internet announced that a further 1,110 homes and businesses in South Somerset will be provided with ultrafast broadband access. The extended coverage is thanks to extra funding secured by Connecting Devon and Somerset (CDS) as part of a planned rollout being delivered by Wessex Internet to bring connectivity to hard to reach areas.

The additional properties will be added to around 3,600 homes and businesses that Wessex Internet is already covering as part of its three-year contract awarded by CDS in 2020.

Other CDS activity

4.13. in Devon. Lot 4 North Moor Airband Community Internet. This contract was awarded in 2017 to deliver point to point fixed wireless superfast NGA (Fixed Wireless Access) delivery. In 2020 BDUK assured a contract change, which approved the delivery technology solution from Fixed Wireless to Full Fibre Gigabit capable technology. The contract is now expected to deliver superfast broadband infrastructure to circa 18,000 premises, 6,200 of which are to receive a Full Fibre solution. The Full Fibre technology has proved more complex and time consuming to deliver than had been anticipated. This reflects experience across the country where delivery of Full Fibre infrastructure in non-urban areas has proved more challenging than the industry had anticipated.

Build continues at pace and is expected to complete by March-23. The Connecting Devon and Somerset Technical Assurance team have confirmed 1,751 premises now have access to a Full Fibre solution as a result of public subsidy. Detailed designs have been assured for a further 2,500 premises which are now in build.

Design activities are underway for the final circa 2,000 premises with build activities due to commence in Q3 22/23.

4.14. Mobile Boost programme

The Connecting Devon and Somerset Mobile Boost Scheme has been designed to help small businesses and households who currently have good outdoor but poor indoor mobile coverage. The programme is funded through the Heart of the South West Local Enterprise Partnership's (HotSWLEP) Growth Deal. It aims to upgrade indoor 4G coverage within businesses and homes to improve connectivity and the ability to make voice calls. The programme focuses on small business connections and targets those premises which have no adequate 4G indoor coverage from any operator or only one operator. The programme allows businesses and households to apply for a voucher of up to £1,200 towards the cost of a mobile signal booster from a registered scheme supplier. There are 3 options avaialble and the supplier helps the premises owner to identify the solution best suited to their need.

To date over 1,000 properties across Devon and Somerset have benefitted from a connection.

Details of the programme can be found at this link

Mobile Boost Voucher Scheme - a guide - Connecting Devon and Somerset

The programme remains open until December 2022

4.15. Lots A and B Truespeed Communications Ltd

Following a competitive tendering process, contracts for Lot A (Bath and North East Somerset and North Somerset) and Lot B (Mendip and part of Sedgemoor) were awarded to Truespeed Communications Ltd (Truespeed) in December 2020. The contracts were terminated in July 2022 based on Truespeed's failure to meet key contractual commitments made at the time contracts were awarded.

The contracts were due for completion by December 2024. However, commencement of construction work on the CDS contracts was severely delayed by Truespeed throughout 2021 while it sought to secure further investment in its commercial roll-out which it planned to deliver in sequence with its CDS commitments.

Regrettably, securing further investment took considerably longer than Truespeed anticipated. Although Truespeed advised CDS that further funding is now in place, CDS was informed by the company that it is subject to new investment criteria and limitations. This means Truespeed cannot meet its existing commitments in terms of deployment to CDS' contracted communities. Truespeed also advised that it was unable to meet the contracted build completion deadline.

It was not possible to find a compromise solution that would comply with public procurement and State Aid requirements and Government funding deadlines.

The decision to terminate was supported by the Government's Building Digital UK (BDUK) agency which is represented on the CDS Board

Truespeed did not submit any premises to CDS for State Aid assurance and no public money has been paid to the company under the contracts.

CDS is working with BDUK to redeploy funding allocated to the Truespeed contracts in order to deliver full fibre connections to as many eligible homes and businesses as possible in the contract areas via Gigabit voucher top-ups and the Government's national Project Gigabit programme.

5. Ongoing Broadband Delivery

5.1. In March 2021 BDUK announced the launch of the Government's £5bn Project Gigabit programme to expand gigabit capable broadband across the UK by 2025 and named areas that would be in the first two tranches of centrally procured contracts managed by Building Digital UK (BDUK).

5.2. In June 2021 CDS submitted a response to the Government's consultation on improving connectivity for very hard to reach premises

5.3. CDS continues to work closely with BDUK to try to secure improved connectivity

for those premises remaining in the CDS region which are currently not within planned future CDS or commercially funded coverage. Increasingly, CDS is seeing evidence of the commercial sector over-building full fibre in the same predominantly urban areas. Whilst this provides residents in urban areas with a choice of providers unfortunately the same pace and choice is not available in more rural locations

5.4. BDUK's Project Gigabit continues and BDUK is currently working through its Open Market Review process whereby it identifies the premises which it needs to target. Devon and Somerset is scheduled to go out for procurement in April 2023 and contract award is expected in Jan -March 2024. BDUK currently estimates that the number of uncommercial premises in the Devon and Somerset procurement area (which is subject to change) would be 159,600 premises.

5.5. CDS continues to work with BDUK on advancing further investment into Devon and Somerset under the national Project Gigabit programme, setting out the scope and case for targeting the more rural parts of our area. The pandemic has brought into sharp focus the reliance on fast and reliable connectivity to support learning, working from home and delivering health, social care and other public services. Supporting our more rural communities and economy is a key priority in our joint economic recovery plans. CDS also recognises that investing once and providing whole community solutions through the effective targeting of public resources alongside commercial investment presents a strong value for money argument

6. Background papers

6.1. None

Note For sight of individual background papers please contact the report author