EXAMINATION HEARING SESSION – ACTION POINT RESPONSE



HEARING SESSION 8 **RENEWABLE ENERGY, MINERALS, MONITORING AND OTHER MATTERS**ACTION POINT 8.1 – COUNCIL RESPONSE

PUBLISHED: 26th July 2019

HEARING 8 - ACTION POINT 1 RESPONSE

Action Point

Council to:

- Amend LDP para 6.8.94 to clarify that safeguarding the primary coal resource is not required by national policy,
- Submit a paper justifying the primary coal safeguarding area designation with reference to local circumstances and likely future non-energy needs/demands for the County Borough's coal resource,
- Add a criterion to policy EcW13 to state that the prior extraction of primary coal resources will not be permitted where the proposed economic use would be for energy generation,
- State the reasons for identifying the primary coal resource in the reasoned justification to policy EcW13, and
- Cross-reference the (separate) national policies set out at Planning Policy Wales paras 5.10.14 and 5.10.15 in the reasoned justification to policy EcW11.

Council's Response

This statement has been prepared by the Council in response to issues that arose at Hearing Session 8 regarding the safeguarding of primary coal resources. National policy regarding coal safeguarding was discussed at the hearing session and the Council provided further justification as to why the safeguarding of primary coal resources within Merthyr Tydfil County Borough would be justified. This statement sets out that justification.

Some policy and reasoned justification changes to the Replacement LDP written statement were considered to be necessary to clarify the reasons for primary coal resource safeguarding, the national policy position and how development proposals in safeguarded areas would be considered. These changes are set out in this statement and will be included in the Council's Matters Arising Changes Schedule.

Justification for the Safeguarding of Primary Coal Resources in Merthyr Tydfil County Borough

Paragraph 5.10.17 of PPW10 states that the safeguarding of primary coal resources in Development Plans is not required. However, it goes on to state that planning authorities, with the exception of National Parks, may wish to safeguard primary coal resources depending on their individual circumstances. Should this be the case, then they would need to include appropriate policies, including those relating to pre-extraction, in their development plans.

The primary coal resources in Merthyr are bituminous coals which are used extensively for power generation and in steel making plants. This type of coal is also used in chemical plants, cement manufacture and paper manufacture.

HEARING 8 - ACTION POINT 1 RESPONSE

Energy generation

The existing land reclamation coal site at Ffosyfran, Merthyr Tydfil provided coal for Aberthaw Power Station up until March 2017, at which point the demand from Aberthaw ceased due to UK and WG Energy Policy seeking to remove coal from energy generation and as a result of seeking to achieve EU emission targets.

Current UK Government plans seek to phase out coal fired generation in unabated plants by 2025 and in Wales demanding targets to limit carbon emissions are enshrined in the Environment (Wales) Act.

Paragraph 5.10.14 of PPW10 states that proposals for opencast, deep-mine development or colliery spoil disposal seeking to extract coal for energy use should not be permitted except in wholly exceptional circumstances. Should, in wholly exceptional circumstances, proposals be put forward they would clearly need to demonstrate why they are needed in the context of climate change emissions reductions targets and for reasons of national energy security. Therefore, coal for energy use is not entirely ruled out in planning policy terms, as wholly exceptional circumstances could apply.

The Council is of the view that it is difficult to predict how energy supply is going to play out over the plan period and the need for coal for energy security, whilst unlikely based on current forecasts, cannot be entirely ruled out. Indeed PPW10 recognises that the continued demand for local coal is uncertain, both in terms of the increased use of imports and challenging abatement requirements.

Gas is currently the main source of fuel for energy generation in the UK (approximately 40%). There is a potential overreliance on gas imports with 47% of the UK's gas already coming from Europe (36% of Europe's gas comes from Russia) and 9% from imported LNG. Only 44% is from UK production and the amount of gas extracted from the North Sea is predicted to decline. We will therefore need to import more gas to ensure a regular and reliable supply from Europe at a time where there is significant political tension between Europe and the UK.

The generation of renewable energy from wind, solar and bio-energy is increasing and has reached 28 % of the energy mix, with approximately 50% of that being made up of wind power and 27% from solar. However, if the security of our gas imports is threatened the renewables sector would not be able to respond quickly enough to cover any shortfall in the short to medium term.

Nuclear power makes up the third most important element in electricity production (approximately 22%) although this % has declined recently. This sector was intended to be strengthened by building a new nuclear power station at Wylfa Newydd,

HEARING 8 - ACTION POINT 1 RESPONSE

Anglesey. However, work on this project has been suspended and it is uncertain whether it will go ahead. Reliance on nuclear as a low carbon alternative is therefore premature.

A proposal for a Swansea Bay Tidal Lagoon also appears to have stalled and it is uncertain whether the costs of such a scheme are fundable.

Other Industrial Uses

More likely is the need for coal for non-energy uses. In the summer of 2015 the operators of the Ffosyfran site launched a state of the art coal washing facility on site - built at a cost of £10 million, to meet demand for high quality Welsh coal from the TATA steel works site in Port Talbot. Since 2017 the primary market for Ffosyfran coal has been TATA Steel. Ffosyfran will be worked out well before the end of the plan period.

Paragraph 5.14.32 of PPW10 recognises that whilst the use of coal for energy generation should not be permitted if, exceptionally, planning applications come forward for industrial uses for coal then each case would need to be considered individually and the policies contained in MTAN 2 applied. PPW10 does not therefore rule out the extraction of coal for other industrial uses.

There is a current market at TATA Steel, which is an important regional employer and an important contributor to the South Wales economy, for the type of coal resource available within Merthyr Tydfil. If this coal was not available from local sources then TATA would have to import their coal long distances from Canada, Australia or the US, which adds significantly to their carbon footprint. They would also have to compete for such resources from countries such as China and India. Alternatively, the future of TATA Steel in South Wales would be in question if the raw material needed for steel making could not be provided. A local source of coal for steel making may well have the lowest impact in terms of carbon emissions and climate change when compared to imports.

The Council therefore considers that for reasons of energy security and primarily to ensure coal suitable to sustain a major regional employer is not unnecessarily sterilised, it should safeguard primary coal resources in the Development Plan. This does not imply that the working of such resources is acceptable it merely protects the resources for the future should they be required by current or future generations.

HEARING 8 – ACTION POINT 1 RESPONSE

Matters Arising Changes

Sustainably Supplying Minerals

- 6.8.87 The County Borough's underlying geology supplies minerals to the energy and aggregate markets. The major resources within the County Borough are coal, limestone and sandstone. Superficial sand and gravel resources are known to exist even though there is no recent history of their commercial exploitation.
- 6.8.88 In terms of Minerals the plan's role is:
 - 1. To safeguard mineral resources and protect mineral reserves.
 - 2. To contribute to an adequate and sustainable regional supply of aggregates for the construction industry and to promote their efficient and appropriate usage, including the use of recycled aggregates where possible.
 - 3. To identify areas where future coal extraction will be unacceptable.
 - 4. 3. To ensure the impacts of extraction are carefully managed.
- 6.8.89 We must contribute to the regional supply of land-won primary aggregates. Our regional apportionment is set out in the 'Reginal Technical Statement (RTS)¹' and is combined with that of the Brecon Beacon National Park Local Planning Authority. We must also safeguard mineral resources should they be needed in future generations. This is monitored in the South Wales Regional Aggregate Working Party Annual Report².
- 6.8.90 Our joint annual apportionment for the future provision of land-won aggregates is 0.82 million tonnes of crushed rock. This equates to 20.5 million tonnes of crushed rock over the 25 year period (2011-2036) covered by the RTS.
- 6.8.91 Vaynor and Gelligaer quarries have significant permitted reserves for crushed rock which provides an adequate aggregates landbank of reserves for more than 50 years extraction. As this meets the MTAN1: Aggregates requirement to provide a minimum 10-years supply throughout the plan period no new allocations for crushed rock are required.
- 6.8.92 The progressive restoration of the East Merthyr land reclamation scheme (Ffos y fran), which involves the extraction of approximately 11 million tonnes of coal, has reached its maximum depth and is expected to be completed by 2025.

¹ South Wales Regional Aggregates Working Party, Regional Technical Statement 1st Review 2014.

² South Wales Regional Aggregates Working Party, Annual Report 2014.

HEARING 8 - ACTION POINT 1 RESPONSE

6.8.93 The impacts arising from extraction must be carefully managed. The Planning Officers Society for Wales good practice guide for minerals planning conditions identifies best practice on the management of minerals sites through the planning system.

Policy EcW10: Sustainably Supplying Minerals

The Plan will contribute to meeting society's need for a continuous and secure supply of minerals by:

- Safeguarding mineral resources from permanent development which would sterilise them or hinder their extraction;
- Maintaining a minimum 10 year land bank of permitted aggregate reserves;
- Favouring proposals which promote the sustainable use of minerals and encourage the use of secondary and recycled resources; and by,
- Safeguarding the mineral freight railway facilities at Cwm Bargoed.

Mineral Resources

- 6.8.94 Since mineral resources are finite, it is necessary to ensure that resources which could be of future economic importance, are safeguarded from other types of permanent development. In accordance with national policy and using evidence from an analysis of British Geological Survey resource maps, the LDP safeguards Primary Coal resources and Limestone and Sandstone resources which lie outside settlement limits. Whilst primary coal resources are not required to be safeguarded³, national policy allows such resources to be safeguarded in LDPs depending on individual local circumstances. The primary coal resource in Merthyr Tydfil County Borough provides high quality bituminous coal that can be used in industrial markets other than energy generation. In order to protect this valuable natural resource, the Plan safeguards primary coal resources against any unnecessary sterilisation. This is considered to be justified given the high quality and specialist applications of the primary coal resource that occurs in the County Borough, which may be needed by future generations, particularly if technology or energy security needs change. In addition, there are other industrial and specialised uses for coal which may necessitate and justify its future unplanned extraction.
- 6.8.95 The act of safeguarding does not indicate an acceptance of future mineral working in these areas. The identified resources lie outside defined settlement limits where significant historic and environmental designations often exist. The impact on the safeguarded resource and appropriateness of prior extraction will need to be considered in accordance with the Plan's policies. In the case of safeguarded primary coal resources, national policy states that the use of

³ PPW Edition 10, paragraph 5.10.17

HEARING 8 - ACTION POINT 1 RESPONSE

coal for energy generation should not be permitted⁴ but recognises there may be wholly exceptional circumstances that justify its extraction. In this respect it is recognised that coal has other specific uses. These include use for industrial purposes, for example, in steel manufacture, the making of concrete and for domestic use. In wholly exceptional circumstances, there may be some public safety benefit in coal extraction, where, for example, historic coal mining has created land instability. Any proposals would need to be fully justified in the context of national policy.

Mineral Reserves

- 6.8.96 The safeguarding of known minerals resources and need to consider preextraction in these areas is set out in national planning policy. The Plan includes a minerals safeguarding policy for the consideration of development proposals in these areas in order to safeguard these resources for future use.
- 6.8.97 The Regional Technical Statement for the South Wales Regional Aggregates Working Parties First Review (2014) indicates that based on the historical sales average for the 10 years between 2001 and 2010 Merthyr Tydfil has a sufficient landbank to last significantly beyond the plan period and more than the minimum 10 years required by MTAN 1. This takes into account the need to make alternative provision for aggregates currently being extracted in the Brecon Beacons National Park and is also supported by landbank figures in the SWRAWP Annual Report for 2016 which indicates that Merthyr Tydfil's landbank would provide for more than 50 years of extraction. Consequently, no new aggregate extraction sites are allocated in the LDP area.

6.8.98 The two existing sources of aggregates in the LDP area are:

- Vaynor Quarry, which is the only active (though temporarily mothballed) limestone quarry and is located to the north of the main Merthyr Tydfil settlement straddling the boundary with the Brecon Beacons National Park, and
- Gelligaer Quarry, which is the only active sandstone quarry and is situated on the eastern periphery of the County Borough, south of Gelligaer Common.
- 6.8.99 The extent of the safeguarded permitted reserves at both quarries is shown on the Proposals Map. Despite a long history of association with the mining industry, there is only one active coal mining facility in operation within the Plan area. Nevertheless, this is of a significant scale and forms part of the 400 ha land reclamation scheme at Ffos-y-Fran that entails the extraction of approximately 11 million tonnes of coal by 2025. Two small underground

⁴ PPW Edition 10, paragraphs 5.10.14, 5.10.15 and 5.14.32

HEARING 8 - ACTION POINT 1 RESPONSE

mines also exist to the north of Bedlinog and though both have planning permission for the extraction of coal up to 2028, neither is currently operational or licensed. These coal reserves are also identified on the Proposals Map.

- 6.8.100 The Plan's minerals policies also seek to support the use of sustainable materials and development of the Circular Economy by favouring proposals which promote the sustainable use of minerals and encouraging the use of secondary and recycled resources before the extraction of new primary material is considered. This approach to sustainable construction is also supported by the Plan's design policy.
- 6.8.101 In terms of minerals safeguarding, the Plan sets out proposals that safeguard important known mineral resources and facilities for future use. As well as safeguarding mineral resources outside permitted reserves this includes the safeguarding of the Cwmbargoed mineral railway line and rail head.

Policy EcW11: Minerals Development

Proposals for mineral extraction and associated development will be allowed where:

- There is a proven national, regional or local need for the mineral which cannot be met from existing sources or from secondary or recycled material;
- In the case of coal resources, there are wholly exceptional circumstances that clearly justify its extraction;
- The potential for minerals to be transported by means other than road has been adequately assessed;
- They include acceptable proposals for progressive and final restoration, aftercare and beneficial after-use:
- They satisfy the other relevant policies of the Plan; and
- They maximise opportunities to re-use and recycle mineral waste.

The production and use of alternative and recycled materials will be supported as substitutes for naturally occurring aggregates.

- 6.8.102 Mineral extraction can have significant consequences for the environment and the health and amenity of local communities. The need for a particular mineral must therefore be weighed against the impact of its extraction and associated operations. Account will be taken of the extent to which social and environmental impacts can be mitigated and of any positive benefits that can be achieved.
- 6.8.103 Whilst individual characteristics of mineral working may vary, there are many common factors that need to be considered in assessing proposals. The above policy is applicable to new or extended mineral workings and associated development, including aggregate recycling facilities; periodic

HEARING 8 - ACTION POINT 1 RESPONSE

review of existing operations; and onshore oil and gas exploration and development, including coal bed methane extraction.

Coal

- 6.8.104 The demand for coal is difficult to predict and unexpected proposals for coal extraction may come forward over the plan period. Such proposals will need to be carefully considered against environmental and amenity issues, taking into account the cumulative impacts of similar schemes in the area, be they existing or consented. **Proposals for the extraction of coal would need to be**
 - justified in accordance with national policy including, for example, in the context of climate change emissions reductions targets⁵.
- 6.8.105 Mineral resources commonly abut the settlement boundary and any proposals to work such resources would be expected to maintain an appropriate separation distance from sensitive land uses. In respect of coal, the principle of coal working not generally being acceptable within 500 metres of settlements as set out in paragraph 29 of Mineral Technical Advice Note 2: Coal (2009) will be adhered to. Where exceptional circumstances are considered to exist, regard will also be had to paragraphs 49-51 of Mineral Technical Advice Note 2.
- 6.8.106 This policy should be read in conjunction with national minerals policy, particularly with regard to the need for Environmental Impact Assessments and Health Impact Assessments. The requirements of paragraph 14.8.5 5.10.16 of Planning Policy Wales (2016 Edition 10) will be considered alongside the policy, and where coal working is not environmentally acceptable, a Social Impact Assessment should be prepared to enable an assessment of the benefits and disbenefits to the local community. Community benefits will be considered in line with the examples identified in paragraph 46 of Minerals Technical Advice Note 2.

Aggregates

6.8.107 The Council is satisfied that with the continued working at current production levels, the existing quarries in the County Borough will continue to meet Merthyr Tydfil's proportional level of contribution to the estimated regional need for aggregate minerals. As the aggregates landbank provides for more than 50 years of extraction, further extensions to existing sites or new extraction sites are only likely to be justified in rare and exceptional circumstances.

• • • •

⁵ See PPW Edition 10, paragraphs 5.10.14, 5.10.15 and 5.14.32

HEARING 8 - ACTION POINT 1 RESPONSE

Policy EcW13: Minerals Safeguarding

Known mineral resource of coal, sandstone, sand and gravel, and limestone are safeguarded as shown on the proposals map.

New development will only be permitted in an area of known mineral resource where it has first been demonstrated that:

- 1. Any reserves of minerals can be economically extracted prior to the commencement of development; or, and in the case primary coal resources, there are wholly exceptional circumstances to justify its prior extraction; or
- 2. Prior extraction would have an unacceptable impact on environmental or amenity considerations; or
- 3. The resource in question is of poor quality / quantity; or
- 4. The development would have no significant impact on the possible future working of the resource by reason of its nature, location or size.
- 6.8.111 In view of the landbank of reserves with planning permission at existing mineral working sites, there is no requirement for the Plan to allocate additional areas for mineral extraction. Significant areas have, however, been identified as containing minerals resources that may be of value for mineral working in future in accordance with the BGS Aggregates Safeguarding Map for South East Wales and the Mineral Resource Map for South East Wales (with regards to Primary Shallow Coal resources). Those areas are identified on the Proposals Map and are protected from permanent development that could sterilise or hinder their future extraction.
- In considering whether prior extraction of the resource is feasible, the reason for the safeguarded area (i.e. the potential long term benefit of the resource in question) should be considered relative to the need for development and any short term economic arguments. The environmental and amenity impact of extraction should also be considered. With regards to aggregates resources within 200 metres of settlement limits (in the case of hard rock) and 100 metres (in the case of sand and gravel) extraction of the resource will not generally be acceptable.

 Typically, extraction of coal resources within 500 metres of identified settlement limits will not generally be acceptable.

 Proposals for the prior extraction of primary coal resources will need to clearly demonstrate the exceptional circumstances that justify the prior extraction of the resource as required by policies EcW11, EcW13 and national policy7.

⁶ See Minerals Technical Advice Note 1:Aggregates, paragraph 71

⁷ See PPW Edition 10, paragraphs 5.10.14, 5.10.15 and 5.14.32

HEARING 8 – ACTION POINT 1 RESPONSE

Notwithstanding this, the extraction of coal resources within 500m of a settlement would not generally be acceptable on environmental and amenity impact grounds⁸.

- 6.8.113 Small-scale development proposals, for example limited infill, minor householder development or agricultural development, will often be permissible within safeguarded areas, although they will first need to demonstrate that they would not prejudice future exploitation of the safeguarded resource.
- 6.8.114 The existing Cwmbargoed mineral railway and rail head are also safeguarded in the Plan under Policy SW12: Improving our transport network given these facilities could be used to transport sandstone material from Gelligaer quarry in the future as well as material or freight from the Ffos-y-fran or Dowlais areas.

⁸ See Minerals Technical Advice Note 2:Coal, paragraph 29