

North Yorkshire Minerals & Waste Joint Local Plan

Examination in Public – Hearings Statement by W Clifford Watts

Matter 1 – Minerals (Building Stone)

Issue: Whether the vision, objectives and strategic minerals policies seek to provide a sufficient supply of locally and nationally important minerals in an efficient and sustainable manner and whether the proposed allocations are the most appropriate

Building Stone

47. In order to demonstrate that there is, as far as practicable, a sufficient supply of building stone (NPPF paragraph 142), should the Plan contain more information on the scale and type of main building stone produced in the Plan area and, as far as possible, an indication of reserves and how long it is estimated they might last?

48. Is the allocation of only one site (Land at Brows Quarry – MJP63), together with existing operating sites, enough to demonstrate that there are reasonable prospects of supplying sufficient building stone of the main types required throughout the Plan period?

49. In the event of identifying any shortfall during the Plan period, and in the absence of other suitable sites coming forward for allocation, could preferred areas or areas of search be designated for any of the main building stone types and if so, would this be appropriate?

50. In order to support the various stages of winning, working and processing of building stone, should Policy M15 (Continuity of supply of building stone) cover the stone products/processing industry?

51. In accordance with NPPF paragraph 28, which encourages local plans to support rural enterprises, should there be specific policy support for sustainable stone processing at appropriate locations (e.g. quarries)?

*52. Policy M15, paragraph 2 seems to allow for a greater, more general scope of production if the building stone is for outside the area i.e. for “**important requirements** ... outside the area”; whereas for inside the area it needs to make a more specific contribution to “the quality of the **built and/or historic environment**”. Is this intended? Is this too restrictive? (My emphasis)*

53. Is there sufficient support in the Plan for other stone uses including internal decoration and other stone products? How does the Plan support other potential stone markets that might develop over the Plan period?

W Clifford Watts Statement

1. By way of introduction, the company would like to set its comments in the context of its request for an allocation at Whitewall Quarry which will include an important component of building stone in its reserves. We would also like to make some introductory remarks about the industry in general by reference to additional material on the industry's character (**Appendix WCW5**) and some further explanation.

2. The appendix explains how the nature of the industry is changing. The national data clearly shows a slowly rising demand for building stone especially for limestone and sandstone (**Table 1**). The industry therefore benefits from a resurgence in demand for traditional materials. There are no comparable statistics for the constituent parts of the UK. The overall demand for building stone (not including slate) has remained remarkably stable at about 2.5 to 2.8 million tonnes per year (**Figure 1**). Within that the proportion of UK production has been steadily rising with long term import trends declining, although since the end of the recession internal production has been overtaken by imports especially for unworked granite. Within the general trend of imports the proportion of worked stone has been declining at the expense of unworked stone (**Figure 2**). This is because industry finds it easier to process imported stone than to negotiate the planning system in order to secure indigenous supplies, and because the regulatory environment in Britain tends to be more onerous than in countries exporting to the UK. There is therefore clear evidence that the home industry is suffering from a shortage of supply. However, one of the bright spots is that limestone production is steadily increasing and is not affected by imports as much as other parts of the industry.
3. There are no nationally collected figures available on reserves, which is difficult to assess due to the variability of sources. This makes it currently impossible to know whether adequate and steady supplies are being made except on a site by site basis as operators seek to replenish worked reserves.
4. The 2004 Symonds report (which is the most comprehensive research into the sector and is in great need of updating) noted that in the previous decade the number of quarries and operators had been falling. This is still the case 15 years later. The generally unsympathetic treatment of dimension stone in planning, particularly for the larger operations which are often viewed with suspicion as closet aggregate quarries, is hindering development in the sector. There are also knock-on effects on the ability of operators to meet regulatory and commercial challenges.
5. The MPA's members have complained that they commonly face a number of planning obstacles to their businesses. English policy on dimension stone was based on the Symonds

report which emphasised the small scale nature of the industry and stressed its difference from aggregates operations, and the importance of the heritage repair market. This continues to be the emphasis of English policy, but operators report that typically, only 10% to 30% of their business is in the heritage market and the occurrence of contracts for it are so sporadic that they cannot retain highly skilled labourforces nor provide operating margins to run a modern business.

6. Dimension stone producers face a number of commercial obstacles which other mineral operators do not have. There is a significant competition with imports which are often a third of the price of indigenous natural stone and competition with reconstituted stone products which are typically half the price. Prospecting is risky and very expensive, the health and safety requirements are increasingly onerous especially for siliceous products where operators have a duty to protect their workforce against Respirable Crystalline Silica (RCS) in stone saw sheds, and it is difficult to train and retain skilled workers.
7. Planning and development costs constitute one of the most difficult things for dimension stone operators to deal with because of their open ended nature. The MPA produced evidence for the OFT investigation into the competitiveness of the industry in late 2010 in which planning costs for rock sites ranged from £155,000 to £865,000 per site. Although many if not most dimension stone operations would probably be at the lower end of the range, this is not always the case since what tends to push up costs considerably is the presence of protected landscapes, species, habitats and heritage assets, all of which tend to be common in stone producing areas. If operators experience substantial opposition to their proposals then costs will rise substantially. Such costs are significant for small businesses that unlike the aggregates 'majors' often have to borrow money in order to make applications.
8. Then there are requirements common to other mineral operations such as quarry safety including safety training and demonstration of competence by the workforce, fencing, face engineering, safe blasting practice (if used), geotechnical engineering of tips (Mine Waste Directive), groundwater protection, (Groundwater Directive), discharge licensing (Water Act), environmental protection (including PPC licensing and protected species) and

restoration. The increasing regulatory burden on the industry and its professional nature is not affordable for just a few hundred tonnes of building stone output per year and this is why the 'one man and a boy' type of operation is no longer viable.

9. Planners will often refuse to entertain proposals for long timescales because they are used to shorter operations for aggregates and wish to have the option to update consents in case environmental problems develop, and to manage the growth of the operation. Dimension stone producers are also penalised if there are large landbanks and no new mineral is allowed if there is a substantial aggregates component to the project. Unfortunately, this does not provide the necessary security of supply required by customers. Specifications of dimension stone require consistency of performance over long time scales – approaching the lifetime of buildings – and it takes time for a product to become established and for customers to have confidence in the consistency of colour, durability, hardness, porosity, workability and that volumes required will be guaranteed. Operators report that they lose out to imports because they cannot guarantee volumes either because they have no security of supply or planning restrictions prevent them from doing so.

10. Planners also try to limit operations to 'local markets' especially in protected landscapes which reflects the historic circumstances of the industry and the emphasis on heritage end uses. But a local market means restricted outlets, low volumes and low turnover/operating profit. This scenario does not allow the operator to invest in technology and training and his low sales forecast means that he will be turned away by his bank manager for loans to keep the business going. This is a serious threat to continuity of security of supply. Conversely, serving wider markets makes it easier to guarantee that stone will also be available to serve the local market.

11. **Question 47** - The background paper for non-aggregate minerals describes how difficult it is to gather information on building stone for either sales or reserves. This reflects the size and nature of the industry which has many but a diminishing number of small producers, plus a few large firms selling nationally and internationally. Our view is, the more information the Plan can contain, the better.

12. In reading the background material for the Plan we were surprised to find that Whitewall is not listed as a building stone producer. The company completes returns annually to the mpa on sales of rock but this survey does not ask about details of products. This means that the building stone component of sales gets absorbed into the much larger sales of everything else. If the Council asked for information on building stone production we would be happy to supply it. The site produces up to 4,000 tonnes of building stone a year, much of which is sent to our largest customer – Dring Stone of Hartoft, near Pickering which is within the North York Moors National Park. Dring Stone work the Whitewall stone into products for sale locally and wider afield and its website (**Appendix WCW6**) shows that they sell worked and unworked stone both in sandstone and limestone from new and reclaimed sources. The company tells us that they serve customers for heritage work within the national park and the Howardian Hills AONB as well as the rest of the Vale of Pickering in addition to their new build customers. They also sent in a letter of support for an allocation at Whitewall which was summarised by the mpas as follows, *“The discounting of this site would adversely affect some local businesses in the area. The Quarry provides a vital resource of vernacular Limestone for the region. The stone produced at the quarry has a particular quality, colour, block size that cannot be matched from other sources. If the stone is left unprocessed in a stockpile, natural weathering processes can adversely affect the colour and quality of the stone. It is essential that access to newly excavated rock faces can be made as it is required. The quarry contributes to the local economy and reduces the carbon footprint of Limestone products.”* It would be no exaggeration to say that if the source of limestone dried up, Dring Stone would probably be in some difficulty because as far as we know, there is no other source of limestone available locally.

13. The company has no data on the reserves of building stone at the site. In essence, the location of the stone in the working face is predictable and it is assumed that there will be stone for as long as the quarry is working, which in Whitewall's case is about 10 years. It is possible that geological factors could invalidate this assumption either through changes to the rock's depositional environment (facies change and thinning of beds) or by structural changes like faulting, but prospecting for dimensional stone is extremely expensive and not very accurate, and so is rarely carried out. This is because not only would it involve sinking an array of densely patterned cores, but also that a simple drill core will not tell you whether a particular bed of stone is suitable for dimension work. In a new area the

prospector will also need to dig a sizable hole (or several of them) to judge for him/herself whether the stone breaks in a manner that is useful and whether the stone has the right colour, thickness, bedding, grain, fracture pattern, consistency, durability, etc. This means that stone tends to be worked from existing faces (even if they have been dormant for many years) and the locations tend to be restricted to a few areas with known characteristics. The tendency for building stone to come from known sources of long duration and the conservative nature of specifiers also militates against the development of new sites. We think Whitewall may have been supplying dimension stone for generations in some form and it is well known locally as a dependable source.

14. Therefore, the Whitewall site needs to be logged as a building stone producer and its importance recognised. The quarry is also different from other producers in that building stone is a by-product of aggregate and lime production, and no stone cutting or processing takes place on site. In most other cases, building stone production will be the business model and any aggregates sold will be the by-product. The Plan needs to acknowledge the wide variation within the industry and support all aspects of it.
15. **Questions 48 & 49** – in short, the identification of Brows Hill and existing sites is not sufficient to demonstrate an adequate supply of building stone, because potentially the plan's survey of sites may not be accurate. We would prefer that Whitewall is also included in the allocations. We realise that if it is allocated for aggregates this will also include building stone, but we consider there is no harm in mentioning it twice in separate policies. Indeed, there is merit in emphasising thereby its importance to building stone mineral supply.
16. For the reason we have already explained about the way building stone is worked and identified, we do not think Areas of Search are the way forward if a shortfall develops. One could list the relic sites identified in the Strategic Stone Study, but many of these will not be viable for future supply.
17. **Questions 50 & 51** – we would support the identification, safeguarding and support for stone processing activities in the local plan. This need not be at quarries themselves, but at

such places as Dring Stone's premises for example. We assume that its current location was considered appropriate since its activities were judged compatible with national park objectives but we would encourage such additional support since the two businesses are clearly closely linked and dependent to some extent upon each other.

18. **Question 52** – NPPF para 144 supports small scale extraction of building stone in the context of development management. For reasons mentioned earlier this only describes one aspect of the sector which is poorly understood. These statements come almost word for word from the old MPS1 Annex 3 (dating from 2006) which in turn was derived directly from the 2004 Symonds work. MPS1 contains a much fuller and nuanced account of the industry which NPPF fails to convey because of its brevity. It is important to note that the context of current national policy is for the repair of heritage assets, and the need for a flexible approach to the long duration of such activities in view of their limited environmental impact. However, given that these sites probably only account for 10%-30% of the overall dimension stone market, it means that there is no specific national policy for the bulk of the industry. It also increasingly ignores the fact that the future of the supply of heritage stone lies not with the small scale relic sites but the larger sites like Whitewall which can support viable building stone production by cross subsidising the onerous fixed costs of quarrying with aggregates and other products. In order to do so, the flexible approach encouraged by NPPF needs to be extended to those aggregate sites which also produce building stone.
19. In other words, the terms small scale and local markets should only be applied to the narrow range of relic quarries which might be expected to produce stone for the repair of specific historic assets, which is generally not viable any longer. A consideration of the Dring Stone website shows that stone for new build and for ornamental purposes is just as important for the health of its business as is the heritage repair sector.
20. Turning now to the text of the policy, we support the wording of the first paragraph which gives the industry room to argue for the benefits of building stone. However, we do regret that our proposals for the allocation of Whitewall Quarry have not been accepted, which emphasises that a criteria based approach may be right but can be subject to an under-estimation of the importance of the resource and an over-emphasis on the perceived

environmental disbenefits of mineral working. The policy also has to be tempered by the mpas' duty to give great weight to the benefits of mineral extraction in NPPF para 144 bullet point 1.

21. In terms of the second paragraph the apparent inconsistency of making undue distinctions between the plan area and outside areas, can be easily solved by deleting references to the plan area. This still leaves a justifiable requirement to demonstrate the quality of material but avoids unnecessary distinctions which might be too onerous and lead to unintended inconsistencies.

22. In terms of the third criterion, the nature of the industry and its cost structure coupled with the likely restricted demand for stone within a small area like a national park is likely to make the policy unworkable, depending on how the word 'primarily' is interpreted. If the market is restricted in this way, it is difficult to see how any proposal can be viable in today's regulatory and commercial environment. If the aim is to source stone for the necessary maintenance of the park's fabric, and the only source is located in the designated area, and the operation would only be viable if it sold stone outside of the park, then we would judge it is still justified and compatible with national park objectives. We suggest that the word 'primarily' is dropped from the text.

23. In summary, the following changes are suggested for Policy M15; (deletions in ~~striketrough~~; additions in **bold**)

2) Proposals for the supply of building stone should be supported by evidence to demonstrate the contribution that the stone proposed to be worked would make to the quality of the built and/or historic environment ~~in the Plan area~~ and/or to meeting important requirements for building stone ~~outside the area. The scale of the proposal should be consistent with the identified needs for the stone.~~

3) For proposals for supply of building stone from locations within the National Park or AONBs, it will need to be demonstrated that the stone is required ~~primarily~~ to meet requirements arising from new build or repair work within the National Park and/or AONBs or is for the repair of important designated or undesignated buildings or structures which rely on the proposed source of stone

as the original source of supply, or as providing a directly equivalent product which can no longer be provided from the original source supply.