ISLAND PLAN REVIEW

Further to the meeting on 27 February 2020 we are pleased to provide responses from Granite Products Limited (GPL) to the questions raised in the email from Andrew Marsay dated 10 February 2020. For clarity the questions raised are repeated in **bold** text.

Supply side

The overall context is SoJ's intention to do a full update of the 2011 Island Plan of which Ch10, Mineral Resources, is my particular focus

Noted. GPL are committed to active engagement in this process and have had several informal discussions with the States of Jersey (SoJ).

Your understanding of the policy framework / objectives within which you are currently operating at La Gigoulande

The 2011 Island Plan sets the framework for development in Jersey to 2020. The 2011 Island Plan was reviewed in 2014 (referred to as the Revised 2011 Island Plan) principally to meet the need for affordable homes (with some other revisions related to the Island's coast and countryside, safety around the Airport fuel farm and clarity for some other policies).

Mineral Resources Objective MR 1 in the Revised 2011 Island Plan states inter alia:

- Secure, sufficient and steady supplies of aggregates needed by the community and the economy over the plan period and beyond;

- Encourage the use of secondary and recycled aggregates and other substitute materials;
- Minimise the environmental impact of mineral operations;
- Maintain a landbank of permitted crushed rock (equivalent to ten years at all times over a twenty year period);
- Safeguard existing important aggregate reserves;
- Make adequate provision for the importation of sand and crushed rock aggregate as necessary (to compensate for the closure of Simon Sand) and potential shortfalls in rock quarrying capacity in the longer term;
- Promote high standards of restoration.

In the policy context, MR 1 of the Revised 2011 Island Plan, La Gigoulande Quarry is identified as an existing site contributing to the Island's permitted aggregate reserves. In Policy MR 3 of the Revised 2011 Island Plan a preference to extend existing quarries is stated provided there is a proven need.

Do you perceive divergences between current supply realities and what you understand SoJ policy is aiming at?

The inference that GPL have been given in the discussions with the SoJ over the last 18 months is that new minerals policy will aim to maintain self-sufficiency of mineral supply on the Island.

In addition to the supply of existing products GPL could manufacture concrete sand to contribute towards the shortfall following the closure of Simon Sand. Given the aspiration of Policy MR 3 of the Revised 2011 Island Plan GPL considers there is a continuing proven need

for providing construction aggregates and building materials on the Island. These are supplied from a combination of primary and secondary (recycled) sources. Both sources of aggregates need to be provided for through the life of the plan.

Current place of La Gigoulande in overall island aggregates supply – types and volumes and potential lifespan of works:

The minerals and value added products produced at La Gigoulande Quarry are essential to the Jersey building industry. La Gigoulande is referred to in Policy MR 1 of the Revised 2011 Island Plan (as explained above).

La Gigoulande Quarry and Ronez meet the current demand for crushed rock on Jersey and it is doubtful that either site alone could meet current or future demand. A single site can present issues with respect to competition and market pricing in addition to transportation and environmental impacts. La Gigoulande Quarry has several clear advantages over Ronez:-

- Uniquely for Jersey the aggregates produced at La Gigoulande Quarry are Non Alkali Silica Reactive (ASR) which is the preferred choice for many high profile construction contracts on the Island.
- The availability of secondary aggregates when the recycling operations are established at the quarry. These can be blended at source with primary aggregates for some applications or kept separately where the need dictates. This should help increase recycling on the island.

- Other on site facilities (ready mixed concrete, concrete products, on-site secondary aggregates). Planning permission had been granted to receive inert materials at the quarry which have no economic value for recycling.
- The quarry is centrally located for supplying the island's needs.

within current permissions

La Gigoulande Quarry has the benefit of planning permission(s) for the following operations:-

- Extraction of circa 125,000 tonnes of granite per annum (current extraction rate as at March 2020 is approximately 100,000 tonnes per annum).
- A high percentage (circa 80%) of extracted granite is used on site to manufacture value-added products including ready-mixed concrete and concrete products.
- Between 8 and 10 years of remaining mineral reserves at the quarry (without accounting for secondary aggregate). This falls short of that required for the next plan period.

with any further expected extension to permissions

- Field 966 – approximately 1.3 million tonnes (~10 years @125,000tpa).
- Working Field 966 provides the longer-term opportunity for potential mineral reserves in excess of 4Mt.
- This gives a potential life at La Gigoulande in excess of 40 years @ 125,000tpa.

your judgement of sustainable physical potential

- It is recognised that there are benefits to extending an existing quarry rather than establishing a new quarry in circumstances where infrastructure such as access, services, processing plant, manufacturing plant and reception facilities are established at a well-run site.

- Field 966 is now owned by GPL.

What do (i) you and (ii) SoJ see as the environmental constraints on long term continued extraction at La Gigoulande?

- Policy MR 3 of the Revised 2011 Island Plan specifies a preference to extend existing quarries provided there is a proven need.
- An extension to the La Gigoulande Quarry would use an existing and well-established access.
- The operations at La Gigoulande Quarry have no history of complaints.
- La Gigoulande Quarry benefits from modern infrastructure including a mineral processing plant and ready-mixed concrete plant.
- A range of high-level environmental studies have been completed as part of the development of the Field 966 proposals (noise, cultural heritage, water resources, ecology, landscape and visibility, soil resources and agricultural land quality, amenity).
- With careful design and suitable mitigation there will be no overriding environmental constraints associated with the extraction of mineral in Field 966.
- The results of the environmental studies can be provided if that would be helpful.

Your thoughts on scope / relevance for larger scale <u>imports</u> of aggregates. Could you see this affecting Granite Products' market share? If not, whose.

- As explained earlier the inference we have been given is that policy will aim towards self-sufficiency.
- From our discussions with SoJ we understand that large scale imports of aggregates are not feasible due to cost associated with the harbour upgrades which would be needed, even if such upgrades were possible the proposal would result in impacts given the current intensive land use in the harbour and the area of land which would be needed for the large scale import of aggregates together with the inevitable increased traffic movements to and from the harbour.
- It is logical to assume that large scale imports of aggregates would have an impact on existing aggregate sales on the Island from Ronez and La Gigoulande Quarry.
- On the assumption that the concrete batching plant and concrete products factory were to remain at La Gigoulande Quarry, there would be an increase in traffic movements associated with supplying these facilities with aggregates in addition to the subsequent supply of finished products to the Island. It is considered that this is not a sustainable solution. At the harbour there is no vacant land where large scale imports could occur or where added value production facilities could be sited.
- As explained earlier GPL could manufacture concrete sand to contribute to the shortfall following the closure of Simon Sand.
- The large scale importation of aggregates brings with it questions in respect of sustainability (carbon footprint etc…).

Turning to demand side which we hope to explore in more detail in a second phase in April. Your understanding of current total market demand and shares within that of the three main on island suppliers

- Current and historical market demand has been driven by the requirement for housing construction and associated infrastructure. Volumes of mineral extracted have been consistent for a number of years. The demand for crushed rock and products from crushed rock has been and is supplied by Ronez and La Gigoulande Quarry with a contribution from recycled materials.
- Have regard to the closure of Simon Sand in approximately 3 years and the manufacture of concrete sand by GPL.

Recent trends in demand (say past 5 years up to the present). What are main drivers?

- Agriculture requirements have reduced from around 15% to 5%. Demand for materials for housing construction has been consistent as have demands for civil/infrastructure construction. Office construction has increased due to demand for a technically modern working environment.

What major projects are you aware of in the pipeline which could affect demand in the short to medium term. Implications for La Gigoulande?

- Airport modernisation, new hospital, new town regeneration projects, future harbour requirements. Possible water storage requirements. Aggregate and products from La Gigoulande are specified for water retaining structures due to Low Alkali Silica

Reaction. It is understood that similar Low Alkali Silica Reaction materials are not available from other sources on the Island.

Your judgment about overall market size in the medium/longer term

- Medium/long term market size is likely to remain consistent. Population growth is expected which will maintain demand for housing etc.

'Secondary aggregates'

Your knowledge of, or involvement with, recycling of construction (or other mineral) wastes as aggregates. Nature and scale of such activities

- Recycled material on the Island contributes towards the substitution of some primary aggregates. Whilst recycled aggregates are not currently used in the production of concrete on the Island, specifications will allow usage within certain applications.
- Allowed recycled aggregate usage in structural concrete is now up to 20%, although only in DC-1 ground conditions and should not be used in salt environments. This can restrict recycled aggregate usage in certain specifications on a small Island such as Jersey. Primary aggregates will continue to be required.
- It is anticipated that once production of recycled aggregates commences at La Gigoulande, the opportunity will be there for blending with primary aggregates in the production of concrete and concrete products at the on-site facilities. Policy WM 6 of the Revised 2011 Island Plan states that *'…proposals for new or extended inert waste recycling facilities shall only be permitted in the most suitable locations, such as…the proposed landfill at La Gigoulande Quarry…'*

- Policy WM 8 of the Revised 2011 Island Plan states that *'La Gigoulande Quarry is designated for use as landfill, subject to the outcome of an up to date Environmental Impact Assessment.'*
- When planning permission was granted in March 2007 for the deeper quarry working in the western part of the La Gigoulande Quarry it was specified by planning condition that a later application would be submitted for the restoration of the western quarry area.
- Planning permission was granted on 27 September 2016 for *'The installation and operation of an inert waste recycling facility for the production of secondary aggregate and soils and the restoration of the Western part of the quarry to agriculture and woodland using inert fill. EIA submitted.'*
- It is intended that the consented recycling and infilling operations at La Gigoulande Quarry will commence when the infilling operations at La Collette are complete.
- The void available for infilling at La Gigoulande Quarry is approximately 1Mm^3 (or 1.5 Mt based on a density of 1.5t/m^3) and the anticipated amount of material suitable for construction use arising from incoming material is 60%.
- Based on a waste input rate of 200,000 tonnes per annum approximately 120,000 tonnes per annum of secondary aggregate will be produced with 80,000 tonnes of residue being directed to the landfill for use in quarry restoration over a lifetime of approximately 20 years. This gives the Island a long-term inert infill solution with potentially additional void being created in the quarry in the future for infill to continue well beyond that.
- GPL worked closely with SoJ to deliver appropriate mitigation such that La Gigoulande Quarry would be available as the follow-on facility to La Collette when the operations at La Collette are complete.

- The mitigation comprised of a significant contribution towards *'Highway Improvement Works'* including the resurfacing of the St Peters Valley highway corridor and the provision of an off-road footpath and cycleway and associated works.
- The *'Highway Improvement Works'* were secured by way of a Planning Obligation Agreement with GPL entered into with the SoJ.
- GPL has access to Brett Group expertise in recycling and waste acceptance. Brett Group handle/produce on average 600kt/annum of secondary and recycled aggregates and landfill 670kt/annum of inert materials.

Your views on the scope for a greater contribution from this source

- Recycled aggregate will be used more in the manufacture of ready mixed concrete, concrete blocks and precast elements and also used as a sub-base material.
- La Gigoulande Quarry comprises a facility where both primary and secondary aggregates can be used to their optimum benefit at a single site.

AOB – In which you should feel free to raise any issues you think may be of relevance to this exercise.

Anything different, whether general or specific, that you think needs to be in the changed / revised from the 2011 Minerals Policy section of the Island plan for the emerging 2021-2030 Plan?

- GPL consider that the promotion of La Gigoulande Quarry in the longer term is important for sustainable supplies on the Island to be achieved, rather than just Ronez. There is a need for a balanced supply network on the Island.

- It is important to recognise that GPL could manufacture concrete sand to contribute to the shortfall following the closure of Simon Sand.

Any thoughts on use of mineral extraction voids for other purposes – waste containment, water storage [Although less relevant to you than to the rock quarries, your comments could be valuable*].

- The question is unclear (particularly as La Gigoulande Quarry is a rock quarry). La Gigoulande Quarry is consented to be the follow-on site from La Collette. When the application for planning permission for the infilling/recycling permission was submitted GPL were informed by the SoJ that La Collette would be completed in 2018.
- There is no reason why recycling and infilling operations could not be continued after the western quarry area is restored such that La Gigoulande Quarry can provide a longer term facility for the management of inert waste on Jersey with the added benefit of providing a means for the restoration of the site.
- The press reports referring to La Gigoulande Quarry as having potential for water storage have been greatly overstated in terms of capacity and technical feasibility.

*** Other colleagues are addressing the inert waste management and water storage aspects of this exercise so it is possible**

- Minerals and inert waste are not mutually exclusive and should not be looked at in isolation. Infilling with inert waste residues provides for the restoration of La Gigoulande Quarry as well as the generation of secondary aggregates at a site where they can be used to manufacture value added construction products.