IN THE MATTER OF:

THE SOUTH TEES DEVELOPMENT CORPORATION (LAND AT THE FORMER REDCAR STEELWORKS, REDCAR) COMPULSORY PURCHASE ORDER 2019 OBJECTIONS OF TARMAC TRADING LIMITED AND EAST COAST SLAG PRODUCTS LIMITED

WITNESS STATEMENT OF ROSS HALLEY

I Ross Halley of Tarmac Ltd make this statement in support of the objections of Tarmac Trading Limited and East Coast Slag Products Limited ("the Objectors").

1. I am Tarmac's Head of Asset Management.

2. The Objectors are Tarmac Trading Limited ("Tarmac") and East Coast Slag Products Limited ("ECSP"). East Coast Slag Products Limited is the owner of a lease dated the 11th May 1999 for a term of years expiring on the 31st May 2029 of 7.42 acres (28.9 ha), which land is identified as being required to be compulsorily acquired in the CPO. ECSP is a subsidiary of Tarmac Trading Limited.

3. The following plot numbers identified in the CPO and the Schedule thereto are those sought to be acquired from ECSP, namely plot Nos. 2, 3, 67, 68, 142, 148, 149, 150, 151, 154, 155, 158 and 159.

4. I can confirm that the Objectors use the land to be acquired for the principal purposes of an asphalt and two concrete plants, each processing minerals. The use includes slag pelletisation, granualisation, cooling, dewatering, stocking slag for rail loading, processing and ancillary operations, the production of cement bag products, office workshops, garage car parking and ancillary operations and use of the wharf, and car park/lorry area.

5. I can confirm that the Objectors land also operates adjacent to a significant third party Cement manufacturing facility (see Appendix 1) and provides a substantial amount of the raw feed materials to this operation. The third party operation we understand is not included in the CPO process, however the Objectors connected feed operation is included.

6. These activities are illustrated at Appendix 2 to this statement by way of aerial photographs and plans.

7. I can confirm that 8 operatives are employed on the site, and that there are 15 hauliers operating transport facilities, and 4 contractors providing services to the Objectors' use of the site. All of this employment is being seriously put at risk by the CPO.

8. I understand that one of the purposes of the CPO is to enable the area to be developed for industrial purposes. However, the Objectors are using the site for industrial purposes and these uses can continue, and continue to provide the employment they do. Accordingly, the use of compulsory purchase powers appears to be unnecessary and I am advised that there would then be no compelling case to acquire the land (shown on the extracts from Compulsory Purchase Plans at Appendix 3) compulsorily from the Objectors.

9. I have read the Statement of Reasons. It appears to fail to consider that the compulsory acquisition of ECSP's land will mean that a viable business will cease and 8 operatives and 15 hauliers, plus contractors, will be dismissed or have their contracts terminated contrary to NPPF guidance at para. 80 that conditions should be created to enable businesses to invest, expand and adapt, and that significant weight should be placed to support economic growth.

10. Section 17 of the NPPF goes on to acknowledge the importance of minerals in supporting economic growth to provide infrastructure, buildings, energy and goods and in respect of established facilities such as those that exist at the site, safeguarding is an important aspect of this. This is reiterated within Planning Practice Guidance for minerals which states that Planning authorities should safeguard existing, planned and potential storage, handling and transport sites.

11. I should also point out that the acquiring authority has failed to address the relocation of the business of the Objectors, which relocation is likely to top costs in excess of £10 million. I am told that there is advice in *Compulsory Purchase Process and the Crichel Down Rules: Guidance* (MHCLG July 2019), in relation to addressing the relocation of existing businesses in the face of a CPO. Recent experience has shown that concrete plants are not capable of being dismantled, relocated and rebuilt and it is highly likely that the same issues would apply to the asphalt plant. The cost of replacing a concrete plant is in the order of £2.5 million (two point five million pounds) and an asphalt plant £5 million (five million pounds).

12. I am also advised that, contrary to the advice in the NPPF to promote sustainable transport, the effect of the acquisition and any relocation of the Objectors' business, if such relocation is possible, will be to extend journey

distances and times to sustain the business requirements of existing customers and extend journey distances and times to import material from other sources for processing.

13. To transport what is a high quality mineral a longer distance when the infrastructure for processing is already available close by is considered to be unsustainable and goes against the principles of sustainable development. Paragraph 30 of the NPPF specifically states that encouragement should be give to solutions which support reductions in greenhouse gas emissions, whilst the government aims to reduce greenhouse gas emissions by 20% by 2020 and 80% by 2050 (based on 1990 levels).

14. Transportation of the mineral further afield would have significant implications for climate change and would be counter to what the government aims to achieve in reducing greenhouse gas emissions. With every extra mile travelled, the environmental impacts of the transporting products and materials would increase significantly over the course of the operations, particularly in terms of CO_2 emissions.

15. The promotion of sustainable transport is additionally addressed within section 9 of the NPPF, with para 103. stating that development should be focused on locations which are or can be made sustainable through limiting the need to travel and offering a choice of transport modes. The existing uses at the site are fully consistent with this policy with road, rail and wharf linkages available to support the operations and provide a choice of transport modes.

16. The provision of a range of transport modes would need to be factored into any potential relocation in order that the objector can maintain its customer base and transport options that allows for the efficient delivery of goods in accordance with para 110(d) of the NPPF.

17. Further, I am also advised that contrary to the advice in the NPPF at section 17 (para. 204(e)), to safeguard existing sites for the processing of minerals, the manufacture of concrete and concrete products and the processing and recycling of secondary aggregate material, the acquisition of the Objectors' land will cause such activities to cease.

18. The safeguarding provisions set out within Paragraph 204(e) also apply to existing sites for the bulk transport and processing of minerals. Given the operations at the site also depend on the use of rail and wharf facilities, the acquisition of the Objectors' land could also prevent the use of these sustainable transport options, thereby threatening the sustainability and viability of the operations unless a suitable alternative site can be provided with appropriate rail and wharf linkages.

19. The Statement of Reasons also fail to have regard to the Planning Practice Guidance (Minerals) of the Department of Housing, Communities and Local Government, para. 006, ref: ID:27-006-20140306, the planning authorities should safeguard existing storage, handling and transport sites, and accordingly the acquiring authorities failing to ensure that the land used by the Objectors will remain available for the current mineral processing purposes, and is failing to prevent sensitive or inappropriate development that would conflict with the Objectors' mineral processing business.

20. Contrary to the broad statements of the Statement of Reasons, the land sought to be acquired by the CPO cannot be characterised to have the problems and difficulties identified in the Statement of Reasons and said to justify the use of compulsory purchase powers under the CPO, as the Objectors' land is used for a viable business of mineral processing safeguarded by the NPPF and Planning Practice Guidance as set out above.

Safeguarding is also an important aspect of the Redcar and Cleveland Local Plan (adopted May 2018) with the purpose of 'Outcome 1' at para 1.60 of the Local Plan (LP) being to foster economic growth, a priority of which is to safeguard existing businesses and support them to grow. Policy ED6 of the LP goes on to state that land and buildings within existing industrial estates and business parks will continue to be safeguarded.

21. On behalf of the Objectors, I am advised that the use of compulsory purchase powers is unnecessary and no compelling case has been made to acquire the land sought to be acquired from the Objectors as the objectives set out in the Statement of Reasons can be achieved without the acquisition of the Objectors' interests.

22. I am also advised that the use of compulsory purchase powers is unnecessary, and no compelling case has been made to acquire any land from the Objectors as the acquiring authority has failed to minimise the acquisition of land contrary to the advice in *Compulsory Purchase Process* and the Crichel Down Rules: Guidance (MHCLG July 2019). The acquiring authority has gone beyond what is necessary or essential.

23. I am also advised that the use of compulsory purchase powers is unnecessary and no compelling case has been made to acquire any land from the Objectors as a regeneration of the area included within the CPO can be achieved without the compulsory acquisition of such land.

24. The acquiring authority has failed to consider adequately whether the regeneration of the land proposed to be acquired by the CPO can be achieved without necessarily being dependent on grants or expenditure from the public purse and thereby has failed to show a compelling case for the use of compulsory purchase powers. The total cost of relocating Tarmac's

business has not been fully quantified but is likely to be in excess of £10 million.

25. I should also confirm that the acquiring authority has failed to engage in any substantive way for the acquisition of the interests of the Objectors, and accordingly the acquiring authority has failed to show a compelling case.

Signed: Ross Halley

Dated: 14 January 2020

IN THE MATTER OF:

THE SOUTH TEES DEVELOPMENT CORPORATION (LAND AT THE FORMER REDCAR STEELWORKS, REDCAR) COMPULSORY PURCHASE ORDER 2019

WITNESS STATEMENT OF ROSS HALLEY

David L. Walker Limited Albion House 89 Station Road Eckington Sheffield S21 4FW

REF: DW

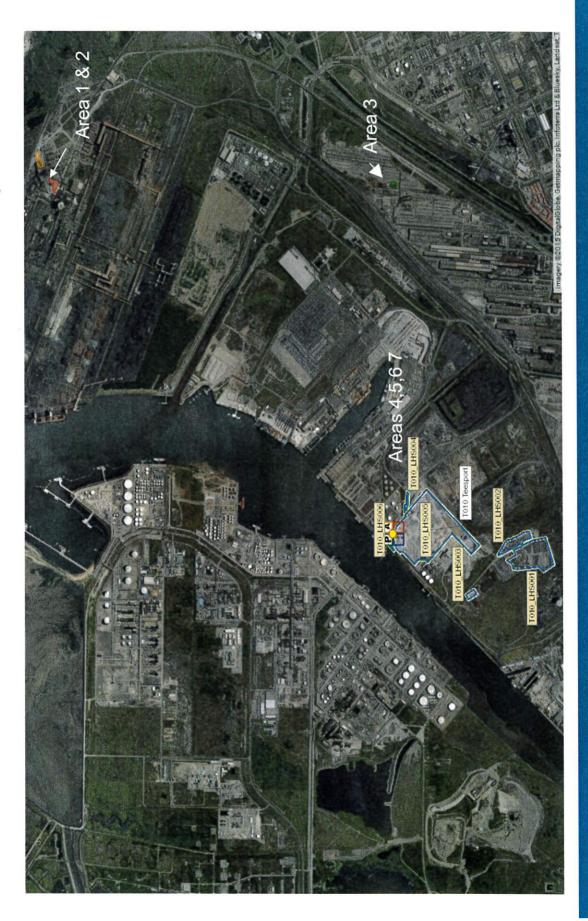
OUR REF: 138285



Appendix 1 - Third Party Cement Manufacturing Facility



Lease dated 11 May 1999 between British Steel and East Coast Slag





Land Use

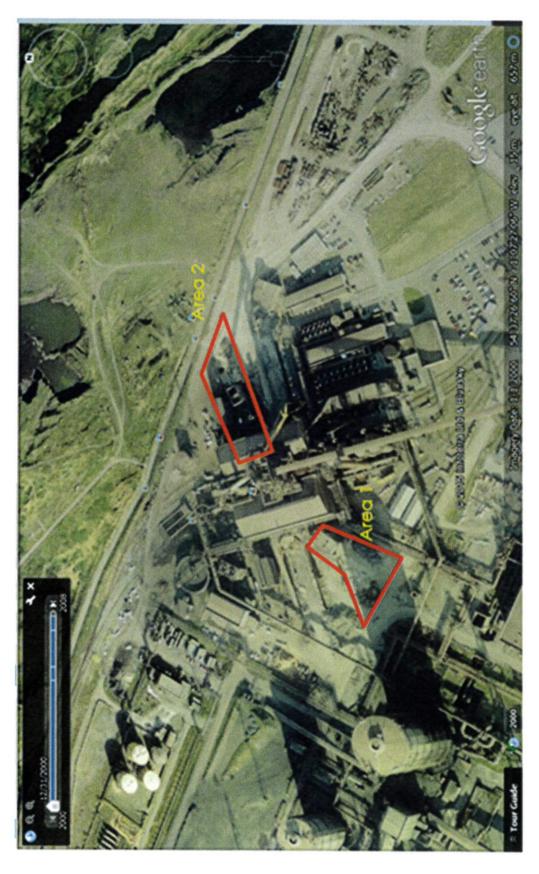
- Area 1 0.78 acres located by the steelworks No. 1 Blast Furnace permitted to be used for slag pelletisation, granulation cooling and stocking
- Area 2 0.80 acres also located by the steelworks No. 1 Blast Furnace permitted to be used for slag granulation, de-watering and stocking
- Areas 3a & 3b 0.57 acres located by the steelworks Iron Granulation Plant permitted to be used for stocking of slag for rail loading
- Area 4 47.20 acres Asphalt plant and Readymix Plant area permitted to be used for slag stocking and processing and ancillary operations and production of cement bagged products
- Area 5 1.10 acres permitted to be used for office workshops and garage car parking and ancillary operations and use of the wharf

Area 6b - 15.55 acres permitted to be used for slag stocking and processing Area 6a - 4.67 acres permitted to be used for slag stocking and processing

Area 7 - 0.75 acres permitted to be used for car park / lorry sheeting

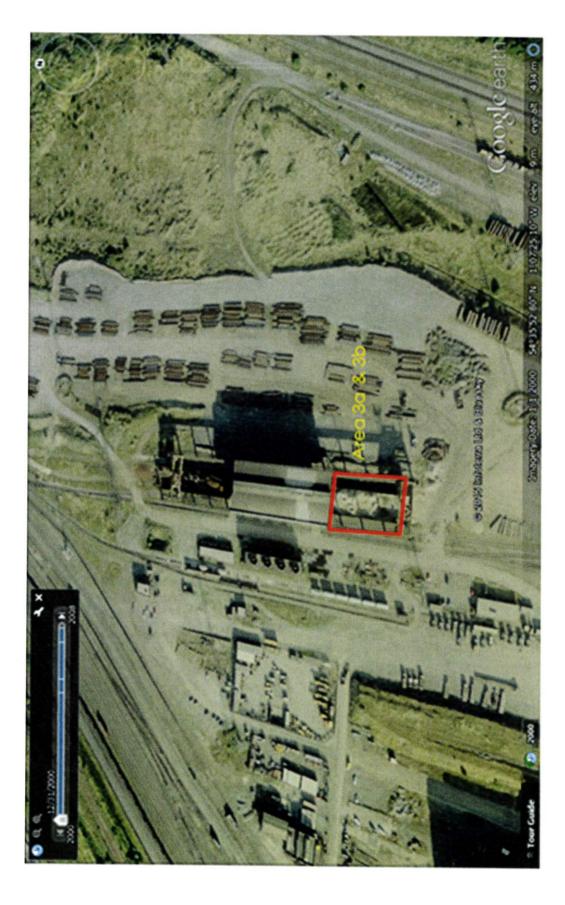


Area 1 & 2





Area 3a & 3b





Area 4, 5, 6a, 6b & 7

