

**Town and Country Planning Act 1990 – Section 78 Town and County  
Planning (Development Management Procedure) (England) Order  
2015 Town and Country Planning (Inquiries Procedure) (England) Rules 2002**

**Summary Proof of Evidence of Mike Lord BA (Hons) Business  
for Stop The Quarry Campaign – Rule 6 Party  
Economic Impact**

**Land at Lea Castle Farm, Wolverley Road, Broadwaters, Kidderminster,  
Worcestershire**

**Proposed sand and gravel quarry with progressive restoration using site  
derived and imported inert material to agricultural parkland, public access  
and nature enhancement**

**Application reference: 19/000053/CM**

**Appellant's name: NRS Aggregates Ltd**

**Appeal reference: APP/E1855/W/22/331009**

**31 January 2023**

## 1.0 Authors Qualification

- 1.1 I am a local resident of Wolverley living to the North of the site by just over 1 mile for the last 12 years.
- 1.2 I am a business graduate and have been involved in running businesses in Bas I'm not sure there is much diversity there
- 1.3 Board positions for the last 25 years. During this time I have held over 30 company directorships.
- 1.4 I have created, during my career, approaching 800 jobs having grown 2 separate businesses from sub £4M revenue to greater than £50M revenue. I currently act as Chairman and or CEO of 4 businesses with a total combined turnover of £83M and 500 employees.
- 1.5 During this time I have also been involved in running trade associations and used to dealing with both government and economic policy. Beyond my business degree I am well read on economic matters and the general effects of trade and on trade of economic policy. I am not an economist neither am I a planner or expert in planning law and policy. I do consider myself an expert in business.
- 1.6 In addition I have been a business angel investing in very small businesses, turnarounds, scaleups and start-ups. I have seen some of these business fail and am therefore very aware of the small margins of change that affect such businesses determining success and failure.
- 1.7 I know well some of the owners of the small local businesses and the dependence on many jobs in the local area on recreation and tourism.

## 2.0 Policy

- 2.1 NPPF Section 8 sets out the "three overarching objectives" of planning policy. The first listed states "an economic objective – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth...."
- 2.2 3 NPPF section 38 states that government should **secure** "developments that will improve the economic, social and environmental conditions of the area" in it's decision making.
- 2.3 In total the word Economic is referred to over 20 times in the context of positive impact on the local area in the policy document.

- 2.4 It is clear that policy requires the Appellant to ensure a positive economic outcome and specifically for the local area. Since this is one of “three overarching objectives” it is explicit that this must be demonstrated.

### 3.0 Introduction

- 3.1 In general, the application is very one sided. It would be expected that any application should consider not only the positive impacts of a development but also off set these with likely negative impacts. The application/EIA refers to no negative impacts.
- 3.2 In general, the application focuses on the need for aggregates and the positive economic impact of this need. It presumes that there is therefore a positive impact on the local economy to such need. Whilst it is accepted that there is a general positive impact on GDP of construction as a whole the existence of a quarry on this site will not necessarily provide as significant a positive impact on the local economy as suggested.
- 3.3 In addition positive GDP impacts can only be claimed if production is additive not substitution. Since quarrying is pulled by demand from primary product supply, housing for example, then it can be assumed that GDP from this quarry would be substitution supply not additive supply. There is therefore no addition to national GDP. The Appellant therefore must show the impact on the local area only.
- 3.4 I do not believe that this can be demonstrated and the inquiry should therefore refuse the appeal on this aspect alone. Below I set out my reasons.

### 4.0 Local Area Small Business Economic Impacts

- 4.1 NRS and the landowner are not based locally, in fact, it is understood that the landowner is based in a tax haven and will benefit from as much as 20% of the value of the aggregates removed and therefore a significant share of the profit, and therefore the economic impact, will be held off shore. The remainder of the economic benefit in terms of profit will also be outside the local area.
- 4.2 The specific local economic impact relates only in the Appellants’ opinion to the creation of “11 jobs”. The jobs are not detailed and so it is unclear of the skill level of the jobs. There is also no commitment to employ local workers for these jobs. It can be assumed that most reasonable companies would seek experienced staff for these jobs and since there are no quarries in the local area it is unlikely that the local area will have the full impact suggested.
- 4.3 It would seem more likely that the Appellant would move existing employees to this site from worked other worked out quarries. It is likely therefore that the jobs include some

displacement from existing Appellant owned sites and therefore not new jobs, some labour from outside the area as well as possibly a few local jobs.

- 4.4 The application makes no mention of any negative impact on the local economy. This seems unrealistic given that the local area relies on tourism and leisure as well as education very strongly. It is inevitable that there will be some negative impacts on local jobs which in my expert view may very well exceed those created for the specific reasons outlined below.
- 4.5 The application and subsequent responses make no reference at all to any study of potential impact of the development on other local businesses. It does not recognise tourism and leisure as being significant. Local businesses have not been studied by any reports and there is no reference to any adverse impacts by the development in the local area. In fact at no time has the Appellant acknowledged that the area is heavily reliant on leisure and tourism for jobs. The diagram at Appendix 1 shows the concentration of Leisure and Tourism businesses in the immediate vicinity of the quarry.
- 4.6 In my opinion, and that of local businesses in general, the presence of an open quarry in the area will potentially significantly impact these businesses as a quarry will inevitably make the area less attractive to visit. The employment impact of this could be more significant than the estimated jobs created and the impact on the local area in excess as most employ local people. This impact would also be more long term than the 10 year quarry development. This in my view has a significant risk to the economics of the local area.
- 4.7 Put simply quarrying and the tourism and recreation industry are simply not compatible.

## 5.0 Heathfield Knoll School

- 5.1 This local private school employs over 40 people. This school is an amalgamation of 2 local schools some 6 years ago. Private, predominantly primary, education is difficult economically.
- 5.2 The nursery element of this school is only 15m from the proposed site edge. The rest of the school is approximately 40m away.
- 5.3 I strongly believe that this development puts the school in jeopardy of partial or full closure or at least reduced operational base. This is a difficult subject for the school to discuss but I believe the headmaster will make separate representation about his school to the Inquiry.
- 5.4 If this impact is realised as expected then the economic impact to the local economy is serious as the school is one of the bigger employers in the local area and employs local people. This could cause an overall loss of jobs despite the site creating an estimated 11. When added to the risk to local businesses the cumulative impact to the local economy could be far reaching.
- 5.5 At no time has the Appellant considered any of the potentially negative impacts on jobs.

## 6.0 Cumulative Estimated Net Gain

- 6.1 The Appellant claims a gain of £750,000 to £1,000,000 for the local economy “based on other sites”. The Appellant has at no time set out the evidence for this claim. Essentially the Appellant has not made and evidenced based case for any negative impact to the local area economy.
- 6.2 The Appellant has used macro-economic arguments about Gross Value Add per job which have no bearing what so ever on the local micro economy. In addition the Appellant references multiplier effects. These are generic macro-economic terms which could be applied to local economies if the prevailing infrastructure was already supportive of the industry in question, which it is not. Again the effects will be felt on a macro scale not on the local economy.
- 6.3 The best approximation of any bases to any claim of improved local area economic impact is as follows in my view;
- 11 jobs at national average wage of approx. £32,000, would lead to a maximum local impact of £352,000. This assumes that the taxable element of this pay also has a local impact which it would not. This would reduce this amount by roughly 25%. I can see no other local area impacts of any significance. Given that there are likely less local people employed than 11 this would reduce this still further.
- 6.4 The Appellant is based away from the local economic area and the site owner lives off shore. Most gains from this site do not exist in the local area but elsewhere. No funding is proposed by the Appellant to develop the area or to further stimulate the local economy.

## 7.0 Impact on other Approved Developments

- 7.1 In addition to the impacts on current businesses and schools I can envisage further impacts on other approved and ongoing developments as well as the recently adopted Wyre Forrest Local Plan.
- 7.2 The adjacent development to the proposed quarry site is housing, schooling and light industrial buildings. It is likely that the approval of the quarry will have an impact on the attractiveness of this development since it is directly in the line of site and only 150m distance from the proposed site.
- 7.3 It is difficult to estimate this impact in local area terms but this could range from making certain aspects of the development uncommercial due to housing value impacts to reduced profitability. There is also some offset to this as the close proximity of a quarry could reduce sand and gravel costs to developers.
- 7.4 As this development was only partially approved until after planning it is understandable that any possible impact was not previously calculated. It will be interesting to see if the Appellants proofs take account of this.

## 8.0 Summary

- 8.1 A fundamental pillar of the Application as disclosed by the Appellant is that it must provide a positive economic impact. As discussed above this is a requirement of any planning application in line with National Policy.
- 8.2 The Appellant has skimmed the surface of the economic arguments. It has used macro economic arguments and data in an attempt to relate it to a local economic micro impact. Further it has extrapolated findings from other sites without justification. It has not looked at any displacement of current industries and indeed dismissed the existence of alternative employment to quarrying. There is no recognition of any negative economic impacts and no engagement with local businesses to mitigate such a risk if such mitigation is possible which seems unlikely.
- 8.3 The Appellant has failed to make and fully evidence any argument that satisfies a positive impact on the local area economy.
- 8.4 The Appellant has failed to take account of any negative impacts to the local area economy which have been clearly stated and justified above.
- 8.5 I believe that there is a significant risk of an overall reduction in the size of the local economy and on other local developments.

