

Margam Opencast Coal Site (OCCS) Update Report

Background

Members will recall that the issues surrounding the above site were discussed at the January Development Control Committee. The reasons why full restoration of the site has not been undertaken and the position regarding the enforcement of conditions requiring the restoration of the site were explained in depth at that meeting. Members were advised that the cost of full restoration was somewhere in the region of £58 million whereas the current funds amount to only £5.6 million. In view of the likelihood of planning enforcement being unsuccessful and the serious amenity issues surrounding further coal operations, Committee resolved to pursue (in conjunction with Neath Port Talbot County Borough Council) methods of site restoration that did not involve additional coaling and secondly to investigate use of the existing restoration fund to explore methods of making the site safe. The Committee made it clear that there was no support for further coaling operations. The Committee also supported the proposal put forward by Neath Port Talbot Council to attend a joint public meeting. The meeting was held in March and an update report was presented to Committee on the 30th April 2015.

The previous reports may be accessed here:-

<https://democratic.bridgend.gov.uk/mgChooseDocPack.aspx?ID=2138>

<https://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=164&MIId=2179&Ver=4>

The purpose of this report is to provide members with a further update on the current position regarding the site.

Since the last update report, meetings have been held with Celtic Energy and the land owner both in conjunction with NPT and individually with Bridgend officers. The main issues discussed relate to the safety, security and future restoration proposals for the Margam site.

Welsh Government arranged a Summit on open cast mining, which was held in July and attended by the Minister for Natural Resources, Carl Sargeant and representatives from planning authorities in the South Wales coalfield, Scottish Government, technical and legal experts, site operators and workers, and individuals from community groups that are active in the area. AMs and their representatives were also in attendance.

Discussions with Land Owner and Celtic Energy.

Following the meetings with the land owner and Celtic Energy the following facts are established.

Margam opencast coal site is owned by 'Beech', which is a subsidiary of 'Oak Regeneration'. Celtic Energy's involvement on the site is limited to water monitoring and security. Celtic Energy confirmed that the liability for the site rests with the landowner i.e. Oak and whilst it continues maintaining water levels it cannot do so indefinitely. The pumping process is very expensive and a long term solution is needed to control water levels. This would need to be funded from the current restoration fund.

Currently, the pumping ensures that water levels are being maintained at or around 143m above ordnance datum (AOD) but this process will not significantly reduce the level in the void. Celtic has verbally indicated that it will carry out pumping until the middle of next year after which time there will be no further resources available continue. It is agreed by all parties that there is a need for a long term solution to control water levels. Celtic Energy has given an assurance that there will be a 3 month notice period of cessation of pumping operations. It has been suggested

that some form of channel from the void to existing water courses could be created to control the level in the void.

The price of coal has dropped considerably and both Oak and Celtic Energy agree that there is no future in coaling operations at Margam although they have previously put forward alternative after uses. Furthermore they have indicated that there is no opportunity to cross finance any scheme from other coal sites operated by Celtic Energy as these funds are individually ring fenced. Margam is the only site operated by Celtic Energy with insufficient restoration funds. Both local authorities have made it clear that there would be no support for any housing or commercial development on the site. However, recreation, leisure or alternative energy uses may be in principle acceptable subject to certain constraints. Any such proposals will require separate planning approval.

The landowner and Celtic have indicated that the complete restoration of the site is not financially achievable although a “light” restoration scheme has been discussed and which could be feasible. The scheme would seek to permanently control the void water, and include landscaping and re-profiling of the overburden mounds to provide a visual improvement. An engineered outlet to a water course would provide permanent control over the water levels. A future renewable energy scheme could also provide an income stream for ongoing maintenance.

The original restoration scheme involved the full reinstatement of Crown Road and Bedford Road, which were severed to accommodate the mine. This would clearly have a significant financial impact on the final restoration scheme and consideration should be given as to whether the reinstatement of rights of way may be achievable in the form of a bridleway or cycle path in any future proposal.

Celtic Energy has indicated that it would be prepared to submit a planning application for the scheme early next year. Whilst the void area is located within the NPT administrative district, a considerable part of the unrestored site is within Bridgend and this will necessitate the submission of applications to both authorities. A consensus between this Council and the neighbouring Neath Port Talbot will be critical to the success of any future restoration proposals.

Welsh Government Opencast Coal Summit – 9th July 2015

The focus of the summit was to discuss and consider with all stakeholders, actions to overcome the challenges of ensuring full and sustainable restoration of sites when opencast coal operations come to an end. It was clear from the summit that the situation is complex with a combination of strategic and locally driven issues. It is also clear that there is a shortage of staff with relevant skills within LPAs and fundamental resource issues and that the planning enforcement process as it stands is inadequate in practical terms for delivering timely full site restoration. In addition, Margam is considered to be a “legacy” site i.e. one that has been operated since privatisation of the Coal Industry but remains unrestored.

The situation is further compounded by the global market and other fiscal issues which present challenges for the industry. Consequently, particular communities are suffering both as a result of specific opencast sites but also due to the absence of restoration and remediation more generally.

The Minister has set out his intentions or moving forward by way of a written statement, which identified the following areas for further work:-

- Improving the resilience of the minerals planning service in Wales by pooling skills and expertise;

- Engaging local authorities, industry and communities in the joint Welsh Government/ Coal Authority work to prepare best practice guidance on the calculation, accumulation and management of bonds which would seek to establish a consistent basis for negotiations across Wales;
- a focused review of MTAN2, the scope of which would include consideration of the exceptions to the buffer zone policy;
- starting a dialogue with UK Government, particularly their stake on legacy sites (especially the portfolio sites on which there was immunity from bonding) and to feed back to a follow up event at a later date.

A representative from the Department of Environment and Climate Change is due to visit the site and speak to local representatives including the LPAs towards the end of October. Notwithstanding this the use of future central government funding to secure full restoration cannot be relied upon. Also, any subsequent changes to planning guidance or discussion on 'good practice' unfortunately will not help improve the legacy issues at Margam.

Next Steps

As highlighted previously, the success of any further enforcement action on this site is extremely unlikely. Notwithstanding the issues with the validity of the Bridgend conditions, any enforcement notice is challengeable and even if it is ultimately upheld, this will not result in the full restoration of the site as originally envisaged as any enforcement action is to a certain extent dependent on the cooperation of the landowner. If the landowner company were to fold then it would be left to the local authorities to oversee the restoration with the limited funds available.

At present, the site operator Celtic Energy has indicated a willingness to engage with both LPAs in order to carry out the light restoration proposals described above and that it will continue with the pumping operations in order to maintain water levels in the void. However, the continued cooperation of this company will not be possible if in the future it ceases to operate. In any event Celtic Energy has made it clear that it will not continue pumping indefinitely. Once pumping stops, the water levels in the void will increase.

The Council as LPA has a duty to consider any planning application for an alternative restoration scheme which must be determined on its own merits in line with the LDP and national guidance taking into account any material considerations. In this case the long term safety of the site would be such a consideration and this will need to be balanced against the wider landscape, visual and social impacts. As the site is trans-boundary, applications will be submitted to both local planning authorities and consultation will be carried out within the communities affected.

If the light restoration scheme were to be submitted, agreed and approved, the water filled void will remain although the water levels will be controlled and there will be no reliance on mechanical pumping. The scheme must also be capable of securing the long term safety and security of the site as well as providing some tangible benefits in terms of visual and landscape amenity. This may be achieved by re-profiling works to the overburden mound and significant planting.

At a recent meeting, NPT Planning Committee resolved to pursue a light restoration scheme with the land owner and Celtic Energy utilising the current restoration fund. Negotiations are currently underway and a planning application is expected early next year. Under timescales discussed with Celtic Energy the restoration works may commence sometime during the middle of 2016 with an expectation that it is completed the following year. It may therefore be prudent to seriously consider any future proposal for the light restoration of the open cast site.

Members will be advised of any future developments.

For Information

Recommendation:

That the report of the Corporate Director Communities be noted.

**MARK SHEPHARD
CORPORATE DIRECTOR COMMUNITIES**

Background Papers

None.