

# North York Moors National Park Authority

26 June 2017

## Polyhalite Projects Update

### 1. Purpose of the Report

- 1.1 To update Members on progress with the delivery of the s106 agreement for Woodsmith Mine and the ongoing work to develop a compensation and mitigation action plan for ensuring that the expenditure is defrayed in accordance with the s106 agreement

### 2. Background

Following on from the granting of planning permission NYM/2014/0676/MEIA, work has been ongoing to ensure that all of the arrangements for the implementation of the s106 are in place. The initial work focussed on securing the staff resource to deliver the section 106 and ensuring that the security provisions in the agreement were put in place. This includes the provision of an Escrow account which holds 10 years' worth of both North York Moors National Park Authority's and North Yorkshire County Council's contributions. This can only be drawn down if Sirius is unable to pay any contribution during the lifetime of the Escrow. A bond has also been secured to enable reinstatement of the land on both sites in the National Park. The value of the bond is annually reviewed to ensure that the funds are always sufficient to fully reinstate the areas back to their original states. Finalising these security arrangements, together with the discharge of the pre-development planning conditions effected Commencement of Development on 4 May 2017.

### 3. Progress

- 3.1 Since the Commencement of Development, the first payment from Sirius Minerals of £624,019.00 has been received. Much of this contribution is related to payments which will be passed on to third parties. Agreements and terms of payment are being drawn up with the relevant third party organisations so that the money can be passed over with the security that it will be used for the purposes agreed.
- 3.2 The first element of the Tourism contribution is to jointly commission (with Sirius) a Tourism Impact Review to look at any potential impacts of the development of the mine on the Tourism Economy. This work has now been specified and is out for tender using a new online tendering facility purchased by the Authority (Mytender). The tender will close on 23 June with commencement of the research starting in mid-July. This is a substantial piece of work which will cover the construction and post construction phases of the development and will span at least 10 years.
- 3.3 Rob Smith has now taken up his post as Senior Minerals Planner and will be responsible for ensuring adherence to the planning conditions as well as acting on requests for amendments to the planning permission.

3.4 At the time of writing the report Sirius has indicated its intention to submit a s73 planning application for a material minor amendment to the existing scheme which will seek to amend a number of aspects of the original development including changes to the attenuation ponds, the internal access road, the mine head layout and the construction methods for the shafts and mine access and associated buildings. If permission were granted this would need to be accompanied by a deed of variation for the s106 but would not alter the terms of the agreement itself.

#### **4. Implementation of s106**

4.1 The main priority now is to identify opportunities for delivering the commitments of the s106 that we are responsible for delivering directly, within the parameters of the agreement.

4.2 This area of work includes the Landscape and Ecology Contribution, Core Policy D (Woodland Creation for Carbon Offsetting), some elements of the Tourism Work and the Archaeology / Geology contributions.

4.3 It is proposed that a 3 year compensation and mitigation action plan, which runs concurrently with the Authority's approved business plan, will detail the project spend in each of the areas of contribution over the next 3 years and will outline our strategic ambitions beyond that for a further 5 years. A draft will be completed by September 2017.

4.4 Within the Landscape and Ecology Contribution, projects in the first 2 to 3 years are likely to be discrete but impactful projects which mitigate and compensate the development. Discussions have commenced to identify larger and more strategic priorities for the landscape and ecology elements. Work will include developing schemes which will be delivered by 3<sup>rd</sup> parties in the National Park.

4.5 Core Policy D has defined targets within the s106 and the action plan will focus on mechanisms for delivery both directly and with inputs from our partners. Our newly appointed Woodland Creation Officer will lead on this work.

4.6 Within the Tourism Contributions, there are two elements of direct delivery designed to mitigate the impact of the development which will be led by our newly appointed Marketing and Product Development Executive. Firstly, there is a Tourism and Business Contribution Grant Fund and secondly, a fund of approximately £80,000 a year for tourism promotion programmes. The compensation and mitigation action plan will detail the priorities for this spend and identify criteria for the distribution of the grant programme.

4.7 From year 3 onwards, the plan will focus on delivering landscape scale strategic compensation and mitigation projects with multiple outputs and outcomes delivered collaboratively with our partners.

4.8 A financial report detailing the allocation of the monitoring contribution and how this is allocated to account for all of the input from staff across the Authority will be included.

4.9 A communications strategy and community engagement strategy will also form an integral part of the document.

## 5. **Financial and Staffing Implications**

- 5.1 There will be staffing and financial implications resulting from the delivery of the s106 agreement. The level of spend on Conservation and Recreation projects will not decrease but there may be capacity issues in terms of how we can deliver some projects due to external resource available, for example, the availability of skilled craftspeople and these will be detailed in the forthcoming compensation and mitigation action plan. There will be no immediate need for additional staff recruitment but longer term, this situation may change. Immediate financial implications will most likely be in the form of deferment of core budget spend in the short term and the compensation and mitigation action plan will address how this deferred spend could be utilised.

## 6 **Contribution to National Park Management Plan**

- 6.1 The delivery plan will deliver against the objectives of the management plan specified in Schedule 4 of the s106 agreement.

## 7. **Legal Implications**

- 7.1 None arising directly from this report but the forthcoming compensation and mitigation action plan will ensure that any potential legal implications are considered.

## 8. **Recommendation**

- 8.1 That the approach to delivery of the s106 agreement outlined above is approved

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### **Background papers to this Report**

### **File ref**

1. Section 106 Agreement
2. Planning Permission NYM/2014/0676/MEIA