

31st August 2005

**Jon Vickers
Minerals and Waste Planning Division,
Office of the Deputy Prime Minister,
Zone 4/C2,
Eland House, Bressenden Place,
London
SW1E 5DU**

Dear Jon

Proposed Mineral Planning Authority Fees for Monitoring Mineral and Landfill Permissions

We are responding to your second round of consultation on the above proposals.

The British Aggregates Association (BAA) represents the interests of some 70 members of which 50 are independent and privately-owned SME quarry companies throughout the UK with some 10% of national output and who operate out of over 100 sites. We are part of the consultation and lobbying process both in the UK and Europe – and are also represented through the CBI (Confederation of British Industry) and CPA (Construction Products Association).

We would comment as follows:

1. We do not consider that these charges are either fair or reasonable for the minerals industry, and they will be disproportionately unfair to the smaller operators, and most particularly to SMEs who represent almost all of our members. It is essentially a stealth tax and highly complicated, bureaucratic and unfair to sand and gravel operators compared to those operating with hard rock.
2. We believe that this proposal should be referred to the “Better Regulation” review for complete rejection as it brings no benefit and a lot of unnecessary burden and bureaucracy.
3. Any charging regime should be proportional to the size of the operation, and value of the mineral extracted - otherwise SMEs will be disadvantaged. A 5,000tpa small sand and gravel operator should not pay the same fee as a 5million tpa industrial limestone operation.
4. The 1998 Spending Review which empowered MPAs to go and collect these fees and the remit of the Arup (2000) and GHK (2004) consultancy reports pre-date the Aggregates Tax which was intended to supersede such proposals and avoid the industry being affected by a double whammy.
5. We have also had additional impositions on the quarry industry including both well above-inflation increases in rates and business taxes, as well as the

aggregates tax from April 2002. Monitoring costs should already be covered under planning consent costs and in the level of business rates and national tax paid.

6. We believe that Scotland have already rejected these proposals for similar reasons – and that imposition in England would be unfair.
7. The views of the potential collecting authorities (MPAs) should be considered very carefully in this consultation as their comments represent a significant conflict of interests.
8. The industry has an excellent record of conformity with local authorities and other stakeholders and our environmental credentials are amongst the highest in the world. We believe that both the operators and the authorities are fully aware of those whose record is not good and the authorities already have the ability to take full punitive actions against these companies when and where necessary.

If either you or members of your department require any further information or would like to discuss in more detail please do not hesitate to contact me.

Yours Sincerely

Peter Huxtable
Secretary
British Aggregates Association