

Notice of Motion - submitted by Councillor Andrew Parkhurst

Aggregates Levy

Flintshire County Council notes:

1. Under the UK Aggregates Levy, quarry operators and importers of aggregates currently pay £2.03 per tonne (rising to £2.08 per tonne from 1.4.25) to the UK Government. (Source: see Note 1 below)
2. Until 2011 an Aggregates Levy Sustainability Fund was in place which enabled local communities to bid for grants that would benefit their areas.
3. Since 2011 the UK Government has treated the Aggregates Levy as general tax income which means there is no longer any proportional benefit to the communities affected by the extraction of aggregates in their areas.
4. The Scotland Act gave the Scottish Parliament the power to introduce a devolved tax on the commercial exploitation of aggregates in Scotland which is likely to take effect from 1.4.26. It is understood that there are currently no similar plans for Wales.
5. North Wales (comprising the 6 unitary authorities of Anglesey, Gwynedd, Conwy, Denbighshire, Flintshire and Wrexham, plus Eryri) extracts approximately 7 million tonnes of aggregate each year, with Flintshire extracting the largest amount – approximately 3 million tonnes. The majority of this is crushed rock (mainly limestone) at 2.8 million tonnes plus some sand and gravel. (Source: see Note 2 below)
6. Flintshire is a net exporter of aggregate. (Source: see Note 2 below)
7. If Flintshire County Council received the Aggregates Levy directly this would amount to approximately £6m gross annually.

Flintshire County Council believes:

1. It is inequitable that local authorities and their communities which are affected by aggregate extraction do not benefit proportionally from the monies received through the Aggregates Levy.
2. For too long Wales has been exploited for its natural resources with inadequate financial return to Wales.
3. With increasing budget pressures year after year it is imperative that Flintshire County Council seeks to maximise appropriate sources of income, including its fair share from the Aggregates Levy.
4. Local authorities are best placed to determine the needs of their local communities rather than central governments.

Flintshire County Council resolves:

1. To request the Leader and Chief Executive of the Council to write to Mark Drakeford MS as Cabinet Member for Finance and call on Welsh Government to negotiate with the UK Government the devolution of the Aggregates Levy in

such a way as to ensure that local authorities in whose areas minerals are extracted benefit directly and proportionately from the Levy.

2. To elicit support for this approach from other local authorities through its membership of the North Wales Regional Aggregates Working Party and through other appropriate channels.

Notes:

1. <https://www.gov.uk/government/collections/aggregates-levy-detailed-information>
2. North Wales Regional Aggregates Working Party Annual Report 2022