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

# 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

8th October 2024

- 3.5 As per standard practice in ElAs and planning submissions, the assessment should include both the positive and negative economic impacts on the local community, which the appellant has failed to address.
- 3.6 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 Behavioural Economics and the difficulty of forecasting

### 4.1 Difficulty of Economic Forecasting

Economic forecasting is inherently challenging due to the number of variables involved, such as market trends, government policies, and unforeseen events. Local economies are even harder to predict because they depend on microeconomic factors like community sentiment, environmental conditions, and specific industries like tourism and leisure, which are highly sensitive to external changes like a new quarry development. As a result, economic forecasts can often only provide a range of possible outcomes rather than precise figures.

### 4.2 Impact of Perception in Economic Decision Making

Perception plays a significant role in shaping economic decisions. For example, even if data suggests a development might boost employment, negative perceptions—such as fears about environmental harm, noise, or pollution—can deter investment, reduce property values, or drive away tourists. In cases of quarrying, the perception of harm to the landscape or quality of life can have an outsized impact on tourism and local businesses, even if actual impacts are less severe than expected.

4.3

The difficulty in economic forecasting combined with the subjective nature of public perception makes it hard to provide precise predictions for the local economic impact of quarrying. Residents and tourists may avoid areas near quarries due to concerns about environmental damage or health risks, regardless of whether these risks materialize. This uncertainty complicates assessments of long-term economic harm, especially for industries like tourism, which rely heavily on environmental aesthetics and community sentiment.

#### 4.4 Likelihood of Reductions in Tourism and Leisure

Quarries often involve large-scale land disturbance, which can degrade the scenic value of rural areas. Tourists seeking outdoor recreation, eco-tourism, or countryside experiences may be discouraged by the visual impact, noise, and dust from quarry operations. Over time, the presence of a quarry can lead to a reduction in visitors, impacting hospitality businesses, tour operators, and local attractions, all of which rely on maintaining a pristine environment.

4.5 Why Parents May Not Want to Send Children to Schools Near Quarries

Parents may be hesitant to send their children to schools located near quarries due to concerns about pollution, noise, and safety. Dust and air pollution from quarries can aggravate respiratory conditions, and the noise from blasting can be disruptive to the learning environment. Moreover, the perception of environmental degradation around a school can lead to fears about long-term health effects, making schools near quarries less -being.

4.6 Economic Theories & Human Element in Decision Making

Behavioural economics is now widely accepted by economists to play a very important role in the economy. Modern economic theory increasingly emphasizes the human element, focusing on how perceptions, biases, and behavioural factors influence economic decisions. Behavioural economics, popularized by books like "Freakonomics" by Steven D. Levitt and Stephen J. Dubner, argues that people don't always act rationally when making financial or business choices.

4.7 I believe this demonstrates substantive evidence (that the previous inspector was unable to agree with section 172) that the quarry is likely to make people behave in a way that will cause harm to the local economy. It would in my view be brave to argue otherwise. The perception of harm, whether harm exists, is harm in itself when it comes to economic behaviour particularly in a localised environment.

### 5.0 Local Area Small Business Economic Impacts

5.1 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 offshore. The remainder of the economic benefit in terms of profit will also be

- for jobs. The diagram at Appendix 1 shows the concentration of Leisure and Tourism businesses in the immediate vicinity of the quarry.
- 5.6 The local economy is uniquely vulnerable to developments like the proposed quarry, which businesses.
  - invest in the local infrastructure, leading to minimal long-term benefit for the community.
- 5.7 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 long and short term risk to the economics of the local area.
- 5.8 Put simply guarrying and the tourism and recreation industry are simply not compatible.

### 6.0 Heathfield Knoll School

- 6.1 This local private school employs over 40 people. This school is an amalgamation of 2 local schools some 8 years ago. Private, predominantly primary, education is difficult economically.
- 6.2 Private schools are already dealing with a big shock from VAT legislation.
- 6.3 The nursery element of this school is only 15m from the proposed site edge. The rest of the school is approximately 40m away.
- Parent perception is everything in deciding which school to send your children to. The previous inspector agrees with the perception risk both in terms of education and tourism in the area. It seems obvious that perception is always more of a driver than reality when economic decisions are made particularly when it comes to those decisions relating to our children.
- 6.5 I strongly believe that this development puts the school in jeopardy of partial or full closure. This is a difficult subject for the school to discuss but I

- 8.4 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.
- 8.5 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 at this Inquiry given significant time has elapsed sin the approval of the Local Plan.

# 9 Summary

- 9.1 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.
- 9.2 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 lom4akina tacro

- 9.8 I believe that there is a significant risk of an overall reduction in the size of the local economy and on other local developments.
- 9.9 In conclusion, without clear and compelling evidence of a positive impact on the local