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Melton Borough Council

Planning Policy

Parkside, Station Approach

Burton Street

Melton Mowbray

LE13 1GH

Sent by email only to: planningpolicy@melton.gov.uk

Dear Sir/Madam,

Melton Local Plan Update Issues and Options (Regulation 18) Consultation 2023 – Representations on Behalf of Star Energy Group PLC

Introduction

These comments are submitted on behalf of our client, Star Energy Group PLC ('Star Energy') who have land and mineral interests within Melton Borough. Star Energy is a British onshore energy company listed on the Alternative Investment Market of the London Stock Exchange who deliver a mix of crude oil and natural gas to the UK's energy market and are developing a geothermal business to provide renewable heat using the skill set and experience of.

Star Energy has more than thirty years' experience of successfully and safely extracting and producing hydrocarbons onshore in the UK, working closely with local communities, regulators, and Mineral Planning Authorities (MPAs). The UK is recognised globally as a leading example for oil and gas industry regulation. With considerable experience in onshore drilling and field development, Star Energy is able to exploit hydrocarbon reserves which contribute to Britain's energy security.

Oil and gas are both naturally occurring sources of energy which met 75% of energy demand within the UK in 2022 (UK Energy In Brief, 2022: Department for Business, Energy & Industrial

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Strategy). Notwithstanding important pledges to bolster the sustainability of the economy and society in Leicestershire and Melton, oil and gas resources will continue to play a vital role in the future and beyond the proposed plan period. For example, the Oil and Gas UK Economic Report 2023 projects that through to 2050, half of all UK cumulative energy demand will be met by oil and gas. Moreover, the House of Commons Environmental Audit Committee report *'Accelerating the transition from fossil fuels and securing energy supplies: Fourth Report of Session 2022-2023'* recognised the continued need for oil and gas use over the coming decades, concluding that throughout the transition to net zero "the UK must nevertheless continue to be able to access oil and gas to ensure that the country can continue to heat its homes, fuel its transport and generate a declining proportion of power" (2023: 4). For these reasons, the National Planning Policy Framework (NPPF) is unambiguous in placing great weight on the importance of extracting mineral resources from within the UK (see the National Planning Policy Framework and Guidance section of this letter). It is considered the emerging Melton Local Plan should consider the importance of indigenous hydrocarbon extraction and not prejudice, either directly or indirectly, Star Energy's operations in the Borough.

The purpose of this letter is to represent the interests of the oil and gas industry within Leicestershire and Melton and highlight that despite important commitments to decarbonise the economy there is a need for and continued reliance on fossil fuels for the foreseeable future indeed, every scenario produced by the Climate Change Committee demonstrates a continuing role for oil and gas throughout the transition to and at the outcome of achieving net zero. Therefore, consideration of this ongoing need for and reliance on fossil fuels should be given consideration when drafting policies and allocating land within the emerging Local Plan.

This letter sets out the adopted national and local planning policy and guidance context relating to mineral extraction, specifically for oil and gas. Our comments on behalf of Star Energy regarding the content of the Local Plan Consultation Draft are then set out.

Star Energy Interests in Melton

The Long Clawson Oilfield was first developed during the 1960s and Star Energy have two conventional well sites in Melton extracting oil from it – Long Clawson A and C. These sites are currently the only permitted and operational oil well sites in Leicestershire. The well sites are located east of Melton Road, approximately 1.2km south of Long Clawson village (see Figure 1).



Figure 1. Site Location Map. *Google Maps 2023.*

Leicestershire Minerals and Waste Local Plan (2019)

The Adopted Minerals and Waste Plan includes spatial vision, spatial strategy, strategic objectives, and core policies which set out the key principles to guide the future winning and working of minerals and the form of waste management in the County of Leicestershire over the period to the end of 2031.

Throughout the minerals plan, there is a positive approach to mineral development, as minerals and energy minerals are governed by geology and have to be developed on site. Which leads to a proactive response to need of extraction and working.

The Strategic Objectives of the Mineral and Waste Local Plan are crucial to developments within the county, as it sets out clear aims for of the mineral authority as well as aims for the developments. *Strategic Objectives 1, 4, 6, and 7* are highlighted for Melton Borough Council.

Objective 1 defines that the Authority will make sufficient provisions of minerals in the County to meet national and local requirements.

Objective 4 states that the Authority will ‘co-ordinate and work with all relevant organisations, in particular Leicester City Council and Leicestershire Local Authorities, to ensure that the Local Plan addresses planning issues that cross administrative boundaries.’

Objective 6 refers to the safeguarding of mineral resources and mineral sites from inappropriate development.

Objective 7 states that mineral development should seek to reduce the impacts on climate change by mineral development.

The Policies of the Mineral and Waste Local Plan are to provide sufficient clarity and understanding of the County’s position on mineral development and to provide guidance and direction for future developments. Policies M10 and M12 are relevant to the interests of Star Energy and to this consultation.

Policy DM1 states that proposals for minerals and waste development should contribute to the economic, environmental and social aspects of sustainable development as well as providing clear evidence of how a proposal would make a positive contribution to reducing its effects on climate change.

Policy DM12 seeks to deliver high quality restoration of minerals and waste sites and provide net gains in biodiversity.

Policy M10 supports the exploration, appraisal and production of conventional hydrocarbons in Leicestershire, and is consistent with Paragraph 215a of the NPPF.

Policy M12 safeguards existing mineral sites and associated minerals infrastructure, including hydrocarbon developments, against development that would adversely affect operations.

National Planning Policy Framework and Guidance

National Planning Policy Framework 2023

There is a degree of established responsibility for planning policies at local, regional and national levels to safeguard mineral resources and mineral operations from sterilisation by non-mineral developments and policy making. The NPPF proposes a positive approach towards mineral development across the UK.

Paragraph 7 of the NPPF defines the objective of sustainable development, which can be summarised as meeting the needs of the present without comprising the ability of future generations to meet their own needs.

Paragraph 8 of the NPPF states that the planning system has three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways. These are:

- ***'An economic objective*** – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
- ***A social objective*** – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
- ***An environmental objective*** – to protect and enhance our natural, built and historic environment; including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy'.

Paragraph 35 states that local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound' if they are:

- a) **Positively prepared**
- b) **Justified**
- c) **Effective; and**
- d) **Consistent with national policy**

Section 17 of the NPPF relates specifically to '*facilitating the sustainable use of minerals*'. Paragraph 215 states it is essential that there is a sufficient supply of minerals to provide the infrastructure, buildings, energy and goods that the country needs. Paragraph 217 confirms that great weight should be given to the benefits of mineral extraction, including to the economy.

Paragraph 221a states that Minerals Planning Authorities should 'when planning for on-shore oil and gas development, clearly distinguish between, and plan positively for, the three phases of development (exploration, appraisal and production), whilst ensuring appropriate monitoring and site restoration is provided for.

Planning Practice Guidance 2014

The responsibility for safeguarding mineral resource is not limited to Mineral Planning Authorities. Paragraph: 005 (Reference ID: 27-005-20140306) of the Planning Practice Guidance (Minerals) identifies that, 'whilst district councils are not mineral planning authorities, they have an important role in safeguarding minerals in three ways:

- having regard to the local minerals plan when identifying suitable areas for non-mineral development in their local plans. District councils should show Mineral Safeguarding Areas on their policy maps;
- in those areas where a mineral planning authority has defined a Minerals Consultation Area, consulting the mineral planning authority and taking account of the local minerals plan before determining a planning application on any proposal for non-minerals development within it; and
- when determining planning applications, doing so in accordance with development policy on minerals safeguarding, and taking account of the views of the mineral planning authority on the risk of preventing minerals extraction.'

Local Plan Partial Update Issues and Options Consultation Document (November 2023)

The Draft Local Plan published for this consultation provides respondents with the opportunity to respond to existing adopted policies and strategies and whether and how these should be changed for the emerging Local Plan.

There are several Strategic Objectives within the adopted Local Plan relevant to Star Energy's interests in particular *Environment Objectives 21, 22, 23, and 24*.

Objective 21 aims to reduce pollution within Melton. *Objective 22* aims at protecting and managing the use of natural resources and mitigate activities that cause their loss or degrading

Objective 23 states that for developments they should '*Prepare for, limit, and adapt to climate change and promote low carbon Development*'. This objective allows for proactive measures in anticipation of climate change, implement strategies to minimise its impact, and encourage sustainable development with a focus on reducing carbon emissions.

Objective 24 seeks that developments will minimise the use of energy and promote forms of renewable energy generation in appropriate locations.

Comments - These Environmental Objectives seek to take a proactive response to climate change and the use of renewable energy to minimise the consumption of natural resources. Whilst this is not objected to in principle, these proposed objectives must take consideration of the overarching aims of the Leicestershire Minerals and Waste Plan and NPPF not conflict with objectives and policies of the Minerals and Waste Plan which support the ongoing supply of minerals as well as the exploration and production of new oil and gas resources.

Draft Policy EN2 'Biodiversity and Geodiversity'

Policy EN2 currently states that the Borough Council will seek to achieve net gains for nature and proactively seek habitat creation as part of new development proposals. It will also protect and enhance biodiversity, ecology networks and geological conservation.

Comments – The supporting text for policy EN2 suggests that a 'crossover with climate change mitigation and adaptation' could be considered as an option for the re-draft of the policy. Firstly, we do not disagree that biodiversity and geodiversity can be directly related to climate change, including through mineral and waste development. Mineral and waste development provides locally sourced resources and mitigates the need to import them. Furthermore, the restoration of minerals and waste sites provides the opportunity to create new habitats and enhance biodiversity on-site. In this regard, we must iterate that Leicestershire's Mineral and Waste Local Plan provides suitable direction and scope for Mineral Development needing to reduce and mitigate the effects of climate change (Policy DM1) and enhance biodiversity in restoration (Policy DM12). Any 'crossover' in this context could cause conflicting views with the MWLP. Should Policy EN2 be amended, it must be ensured that existing and proposed mineral operations are not prejudiced.

Draft Policy EN8 'Climate Change'

Policy EN8 states that all new development proposals will be required to demonstrate how the need to mitigate and adapt to climate change has been considered, subject to consideration of viability. The policy also suggest provisions in which proposals can demonstrate the need and adaptation. The Council's preferred option to amend this policy is to make climate change "a core thread that runs throughout the entire plan".

Comments – The concern over this policy and its preferred amendment is not towards the ambition and the response to climate change, but because of the potential conflict this could bring with the Leicestershire Minerals and Waste Local Plan. It is acknowledged that achieving net-zero is a momentous target set by the UK Government, which they aim to achieve by 2050, and Melton by 2030. However, it must also be acknowledged that certain sectors of the economy are much harder to decarbonise than others. By its very nature, the extraction of indigenous hydrocarbons is an economically important but relatively carbon intensive process (although much less carbon intensive than importing oil and gas from abroad). Moreover, the emerging Local Plan must demonstrate it is consistent with national policy at public examination to be found 'sound'. As a result, it is submitted that any revisions to Policy EN8 should acknowledge that mineral developments must be evaluated through the objectives and policies of the Mineral Authority, which are consistent with the relevant sections of the NPPF. Also, the importance of mineral resources to provide the infrastructure, buildings, energy and goods that the country needs cannot be ignored or underestimated, including at the District planning level.

Final Comments

There is no question the UK will continue to need oil in the foreseeable future, and we are not currently in a position to rely solely on renewable energy sources. Furthermore, UK produced oil offers significant emissions savings compared to imported oil as well as associated economic and geopolitical energy security benefits. In summary, domestic oil production is demonstrably preferable to imported oil and gas whilst there is a need for such energy.

Star Energy are keen to engage with the preparation of the Melton Local Plan and ensure that it is prepared in a manner consistent with national policy, and appropriately reflects the balance to be drawn between net zero carbon commitments and market demand.

We would welcome opportunity to discuss the contents of this letter with you. Should you have any queries please do not hesitate to contact us.

Yours faithfully,
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