

National Park Authority Board Meeting

Agenda Item 12

Cononish Gold Mine



Paper for information

1. Introduction

Board members will recall the planning application for Cononish Gold Mine and associated infrastructure which was unanimously minded to be approved by the National Park Authority (NPA) in February 2018, subject to conditions and the conclusion of a section 75 agreement/planning obligation. Members also authorised the Director of Rural Development and Planning to continue negotiations for the legal agreement and verbal updates were provided on this at the Board meetings in June and September this year. The legal agreement has now been concluded and a decision notice for the approval, subject to conditions, was issued on 19th October 2018. The developer intends to commence development as soon as possible.

2. Recommendation

Board members are invited to **note** the update on activity in respect of this major planning application; and to note the progress on the Greater Cononish Glen Management Plan and the mechanisms in place for monitoring the development.

3. Contribution to National Park Partnership Plan

NPPP Outcomes were a material in the determination of the application. The following are relevant:

- Conservation Outcome 1 – *Park's natural resources are enhanced for future generations: important habitats are protected, restored and better connected on a landscape scale.*
- Conservation Outcome 2 – *The Park's special landscape qualities and sense of place are conserved and enhanced with more opportunities to enjoy and experience them.*
- Rural Development Outcome 2 – *The rural economy has been strengthened through sustainable business growth and diversification.*

The final Greater Cononish Glen Management Plan (GCGMP) will be developed with these overarching Outcomes in mind.

4. Background

4.1 Planning permission was previously granted by the National Park Authority for a gold and silver mine in Cononish Glen in 2012 and in 2015. A revised scheme was submitted in August 2017 for a significantly different scheme.

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4.2 The main difference is that a Tailings Management Facility (TMF) or dam of tailings in a slurry form is no longer required and the burn across the site does not require to be diverted. Instead a Tailings Storage Facility consisting of ten, progressively restored, stacks of dry tailings is proposed.

4.3 The application was approved at a special meeting of the National Park Board in February 2018, following a site visit and public hearing, subject to completion of a legal agreement. Since February the Director of Rural Development and Planning has been continuing negotiations in tandem with legal and technical advice and below is a summary of the matters secured within this agreement:

1) Greater Cononish Glen Management Plan (GCGMP)

4.4 The draft GCGMP (which is appended to the section 75 agreement) has been amended to include an introduction referring to National Park Partnership Plan Outcomes. The document also now includes peat restoration both within the text and on a plan, and mentions the drainage improvements and maintenance works on the 'Oak Path' within the Strathfillan Development Trust Community Woodland.

4.5 The bond quantum amount for the GCGMP bond was stated at £282,000 in the Board report to February meeting – reflecting the value proposed by the applicant at that time, although not confirmed. This has been updated to be in line with RPI to reflect February 2018 values and to address double counting in the amount attributed for maintenance/aftercare which reduced the final figure. Therefore **the GCGMP bond amount is £268,692.95**

2) Restoration and aftercare bond

4.6 The restoration bond amount has been uplifted in accordance with RPI to reflect February 2018 values. It has also been increased due to the following changes required:

(a) Additional tree planting has been negotiated within the red line site boundary. This has been doubled from 1000 to 2000 trees to ensure additional mitigation sought by officers is achieved in relation to biodiversity (relevant reference in the February Board report is at paragraph 8.69).

(b) Additional monitoring costs for an Ecological Clerk of Works and Landscape Clerk of Works for a period of 20 years following mine closure have been added to the bond as planning condition 32 (f) requires monitoring in the aftercare phase. This ensures consistency between the condition and the bond.

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- (c) Inclusion of a figure for the National Park Authority's legal fees and administration of the bond, should it be required to implement. This is to ensure costs incurred by the Authority in implementing and overseeing the Bond are included.
- 4.7 The bond quantum amount for restoration bond was stated as £503,521 in the February Board report. **The total restoration bond is now £537,918.22.**
- 4.8 Agreement was reached on the following matters:
- a) Sufficient financial security for the restoration and aftercare of the application site – the restoration bond is £537,918.22
 - b) Financial security for the GCGMP being implemented; - the GCGMP bond is £268692.95
 - c) The funding for a Planning Monitoring Officer – to be an external specialist consultancy service - to monitor the development on behalf of the National Park. The total amount agreed is £167,310, over a 17 year period and 20 year aftercare period.
 - d) The terms of the applicant's financial contribution to Visitor Experience and Conservation projects in the National Park remain as was reported to the Board in February. This will be a maximum of £425,000, with an initial payment of £25,000 and further payments of £25K per annum, if production is at 3000 tonnes per month or increasing proportionally up to £50K per annum if the production rate increases.
 - e) Confirmation of the type of bond arrangement; the Authority is holding the full amount of the two bonds in a specially set up bank account. This may change if the applicant proposes suitable alternative financial products.

Greater Cononish Glen Management Plan

- 4.9 In order to accord with the provisions of the section 75 legal agreement a Glen Advisory Group must be set up and a date agreed for the first meeting. The first meeting took place on 10th October 2018 and the next meeting is scheduled for 13th December 2018. A finalised GCGMP must be approved by the Park Authority within six months of the commencement of development on site.

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Monitoring of development on site

- 5.1 At the time of writing this report a Notification of Initiation of Development form was received, giving the date of 19th November 2018 for commencement of development on site – however at the time of writing the applicant's work to discharge all pre-start planning conditions has not concluded. Development can not start until these have been met. The applicant is actively working through these.
- 5.2 As stated above funding for a Planning Monitoring Officer (PMO) role has been secured through the legal agreement. External specialist consultants have been appointed for an initial three month period to carry out this role. A tender process will be conducted for the appointment of a PMO for a longer period. In addition to the PMO undertaking regular site visits, they will check that all conditions of the Consent and obligations due in terms of the legal agreement are being complied with in full and assess the level of compliance.

Appendix 1 – [Cononish Board Report February 2018](#)

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