



**PLANNING AND ACCESS COMMITTEE**

**MEETING: Monday 24 June 2019**

<b>SUBMITTED BY:</b>	<b>Director of Rural Development &amp; Planning</b>
<b>APPLICATION NUMBER:</b>	<b>2017/0254/MIN</b>
<b>APPLICANT:</b>	<b>SGZ Cononish Limited</b>
<b>LOCATION:</b>	<b>Cononish Gold Mine, Tyndrum</b>

<b>NATIONAL PARK WARD:</b>	<b>Ward 2 (northern (central) area)</b>
<b>COMMUNITY COUNCIL AREA:</b>	<b>Strathfillan Community Council</b>
<b>CASE OFFICER:</b>	Name: Alison Williamson Tel: 01389 722 610 E-mail: <a href="mailto:alison.williamson@lochlomond-trossachs.org">alison.williamson@lochlomond-trossachs.org</a>

**1 SUMMARY AND REASON FOR PRESENTATION**

1.1 This is a report to provide an update to members on the Cononish Gold and Silver Mine near Tyndrum as works have commenced on site and to outline how it is being monitored by the Park Authority.

**2 RECOMMENDATION**

2.1 **That Members CONSIDER and NOTE:**

1.	the updates on the development and
2.	the proposed future annual reporting of progress and activity.

**3 BACKGROUND**

3.1 A planning application for the development of an underground mine to extract gold and silver with associated service and production building, plant, storage areas, Tailings Storage Facility (TSF), settlement pond and gauging station, bridge and car parking (Further revision of 2014/0285/DET) was received in August 2017. On 27 February 2018

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the National Park Authority Board was minded to approve the application subject to conditions and a section 75 legal agreement. Following the conclusion of the section 75 legal agreement planning permission was granted, with the issuing of the decision notice on 19 October 2018.

- 3.2 The planning application report to the National Park Authority Board can be accessed at the following link:

[https://www.lochlomond-trossachs.org/rr-content/uploads/2018/01/Board\\_20180227\\_Agenda3\\_Cononish-Board-Report-1.pdf](https://www.lochlomond-trossachs.org/rr-content/uploads/2018/01/Board_20180227_Agenda3_Cononish-Board-Report-1.pdf)

## 4 PROPOSED REPORTING TO PLANNING AND ACCESS COMMITTEE

- 4.1 Verbal updates were provided to Members at Board meetings in June and September 2018, with an update paper presented to the December 2018 Board meeting. Given the significance of the development within the National Park it is proposed that annual progress update reports will be presented to Planning and Access Committee. This is an introductory report and is intended to inform the Planning and Access Committee of initial progress with the development and activities on site. The next update paper to the Committee would be in June 2020.

- 4.2 The update paper presented to the December 2018 Board meeting can be accessed at the following link:

[https://www.lochlomond-trossachs.org/rr-content/uploads/2018/01/Board\\_20181210\\_Agenda12\\_Cononish-Bond.pdf](https://www.lochlomond-trossachs.org/rr-content/uploads/2018/01/Board_20181210_Agenda12_Cononish-Bond.pdf)

## 5 UPDATE ON PROGRESS

### Section 75 Legal Agreement

- 5.1 The National Park Authority Board recommended approval of the planning application (2017/0254/MIN) subject to conditions and a section 75 legal agreement. The main elements of the concluded section 75 legal agreement are summarised below:

- 5.2 1. Financial Guarantees:

a) Restoration and Aftercare Bond: this is a financial guarantee (bond) sufficient to allow the National Park Authority to enter and restore the site to a satisfactory standard at any stage of the development in the event that the operator has failed to meet defined obligations or has abandoned the site.

b) Greater Cononish Glen Management Plan (GCGMP) Bond: this is a financial guarantee (bond) sufficient to allow the National Park to prepare and implement the Greater Cononish Glen Management Plan (GCGMP) should the developer fail to do so.

2. Greater Cononish Glen Management Plan (GCGMP): The preparation and implementation of a Greater Cononish Glen Management Plan to cover a 30 year period.

3. Financial Contribution: Developer contributions towards projects which enhance conservation and visitor experience in the National Park. The first such payment is due one year after the commencement of production (or 2 years from the commencement of

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development, whichever is earlier).

4. Planning Monitoring Officer: Developer contributions towards the National Park Authority's costs incurred in monitoring the development.

### **Financial Guarantees (bonds)**

- 5.3 In accordance with the section 75 legal agreement two separate financial guarantees (bonds) are in place. The Restoration and Aftercare Bond (£537,918.22) and the GCGMP Bond (£268,692.95). The National Park 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, however to date the applicant has not put forward such a proposal.

### **Mechanism for Review of bond amounts**

- 5.4 In terms of the bond amount, the section 75 legal agreement sets out that the Park Authority may require the Restoration and Aftercare Bond Amount, or the GCGMP Bond Amount, to be reviewed from time to time under certain circumstances. For example if there is a variation to the consent, the GCGMP or the Decommissioning and Restoration Plan, or the Park Authority is not satisfied that the operators obligations are being carried out in accordance with the consent and the section 75 legal agreement meaning that there would be a change in the decommissioning and restoration obligations.
- 5.5 The Park Authority or the operators, in respect of the Restoration and Aftercare Bond only, may require the Restoration and Aftercare Bond amount to be reviewed once all the approvals to the pre-commencement conditions of the consent have been obtained by the operators, on the basis that the contractors' rates referred to in approvals are different to the assumed contractors' rates. All pre-commencement conditions were discharged however to date there has been no request for a review of either the Restoration and Aftercare bond amount or the GCGMP bond amount. This situation will be kept under review should circumstances arise that require a review of the bond amount.

### **Discharge of pre-start conditions**

- 5.6 Following planning permission being granted there were 19 suspensive conditions that required to be discharged prior to works starting on site. Between March and December 2018 all 19 suspensive conditions were discharged following the receipt and approval of the required information in consultation with both internal and external consultees.

### **Site start**

- 5.7 Site works commenced on site on 3 January 2019. Initially works on site have focused on the widening of the mine adit, with the first blasting operations taking place on 4 January 2019.

### **Phases of development**

- 5.8 The development can be divided into three phases: construction, operation and restoration. As part of the construction phase the road junction at Dalrigh onto the A82 has been upgraded, the adit into the underground mine is being widened (both at the entrance and underground) and boundary fencing and signage has been erected.

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- 5.9 Next the additional car parking at Dalrigh car park will be created and a new bridge across the Crom Allt river erected. These works are expected to commence at the end of June 2019 however further discharge of condition work is required first on the detailed Construction Method Statements.
- 5.10 Other key aspects of the construction phase include the creation of a new bund and platform area for the erection of the processing building and the preparation of the footprint of the first tailing stack. Once equipment is fully installed in the processing building then the operational phase can commence and mining of ore will take place.
- 5.11 Some aspects of the restoration works will be ongoing throughout development. To date some trees have been planted near the mine site. Also some works have commenced on the GCGMP. The buildings at Cononish Farm have been painted a more recessive dark colour and track 'batters' have been re-profiled and re-vegetated. Water quality monitoring is ongoing to comply with SEPA and SNH's requirements.

### **Monitoring of Development**

- 5.12 In accordance with the terms of the section 75 agreement the National Park appointed a Planning Monitoring Officer (PMO) to act on its behalf in monitoring the compliance by the Operators with their obligations under the consent, the MEW Regulations (The Management of Extractive Waste (Scotland) Regulations 2010), Waste Management Plan, the GCGMP and the section 75 legal agreement. Following a formal tender process external specialist consultants Ironside Farrar have been appointed to act as PMO for the first 5 years of the development phase at Cononish until 31 March 2024. Ironside Farrar has a team approach to the PMO role, involving three members of their staff (a director and two project managers). All meetings, communication, site inspections and monitoring reports are undertaken by the project managers.
- 5.13 Since the commencement of development site visits have been undertaken monthly by the PMO, usually accompanied by a representative of the Park Authority including the Development Management Planning Manager, Development Monitoring Officer, Planning Case Officer, Ecologist or Landscape Adviser.
- 5.14 The PMO produces regular "Planning Audit Reports" for the planning authority which include review of the compliance monitoring reports submitted by the operators, their contractors, subcontractors and representatives and the Ecological Clerk of Works (ECoW) and Landscape Clerk of Works (LCoW); a summary of site visit(s); a clear audit trail of any issues arising (and what the operator proposes to do to remedy them) and a classification of these issues based on traffic-light reporting. Post decision monitoring or compliance reports by applicants are not typically published, however, these reports are different as they prepared for the Authority and it therefore intended to publish the audit reports on the public access website at the appropriate time. Practice elsewhere is to publish 6 months after received, to allow the operator a reasonable timeline to address any arising issues, and to not prejudice any formal enforcement action should that be required.

### **Managing risk**

- 5.15 The appointment of the PMO means that the National Park Authority has expert advisers

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regularly visiting the site, with a thorough and detailed knowledge of the proposed development who are in direct contact with key personnel working on site such as the mine manager. If any concerns or potential breaches of planning control are identified the PMO will notify the planning case officer and, if necessary, other statutory consultees at the time of the site visit, or shortly thereafter. This ensures that any concerns are identified as early as possible and action is taken to address matters. At the end of each visit the PMO meets with key staff before leaving site to summarise their findings and raise any issues to be addressed.

### **Meeting with stakeholders**

- 5.16 A meeting with key stakeholders was held at the National Park HQ on 7 February 2019. This included representatives from The National Park (Planning and Ecology), Scottish Water, SEPA (Scottish Environmental Protection Agency), The Crown Estate, SNH (Scottish Natural Heritage), Scotgold/SGZ, Dalglish Associates (Planning Agent) and Ironside Farrar as PMO.
- 5.17 The purpose of the meeting was to introduce key consultees and stakeholders who will be involved throughout the development of the site and who will require to work together on key aspects of the development. This meeting allowed lines of communication and working arrangements to be established and provided attendees with an update on works on site.

### **Monitoring reports from the operator (including LCoW and ECoW)**

- 5.18 The operator (SGZ Cononish Limited) is required to submit (as a minimum) quarterly construction and operation monitoring reports to the Planning Authority setting out how the requirements of the Construction Environment Management Plan (CEMP) and all other conditions of the permission are being adhered to on site. Each report shall contain an update on construction or restoration progress, up-to-date photographs and an update from the ECoW and LCoW including evidence of, and from, their site visits and including their photographic record. It shall contain a list of issues identified and the subsequent report should explain how the issue has been addressed and evidence the remedial works undertaken. The first of these reports from the operator was submitted to the planning case officer on 5 April 2019.

### **Amendments to approved plans**

- 5.19 As with many large and complex developments a number of changes have been proposed to the detailed plans. This is standard practice expected for such developments as proposals are refined in the final design stages. The process for these minor changes is to apply to the planning authority for a 'Non Material Variation' (NMV). Three of these have been approved at the time of preparing this report, including the addition of a welfare block to the existing buildings (Nissen huts) at the mine, clarification on the positioning of the car park extension and the relocation of an explosives store. It is anticipated that further non-material variations will be requested by the applicant as more detailed designs are prepared for different aspects of the development.
- 5.20 Although over the years the farm buildings at Cononish Farm have been used on an *ad-hoc* basis for the storage of mine related equipment the approval of planning permission and the commencement of works on site led to a more formalised arrangement for storage.

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Retrospective planning permission has been approved for the change of use of two agricultural barns at Cononish Farm and the formation of an external storage area and temporary explosives store (reference 2019/0026/DET). The two barns are being used for storage associated with Cononish Gold Mine including storage of general mining machinery and exploration core samples.

### **GCGMP (Greater Cononish Glen Management Plan)**

- 5.21 The section 75 legal agreement requires the operators to establish a GCGMP Glen Advisory Group to provide recommendations to the operators and the Park Authority on all aspects of the Greater Cononish Glen Management Plan, and on the implementation thereof. It is required to meet at least once a year in the first 10 years from the date of commencement of development, and more frequently during intensive operations.
- 5.22 The GCGMP Advisory Group held its inaugural meeting on 10 October 2018 and a subsequent meeting on 8 February 2019. As per the requirements of the section 75 legal agreement, a report was submitted to the Park Authority prior to the meeting. This detailed the works that have been undertaken in compliance with the Greater Cononish Glen Management Plan since the last meeting; and the works, which are proposed to be undertaken in compliance with the Greater Cononish Glen Management Plan in the following 12 months.
- 5.23 The final proposed GCGMP has been submitted to the Park Authority for approval and is currently being assessed by the case officer in consultation with internal specialist advisers.

### **Habitat and Land Management Advisory Group**

- 5.24 The section 75 legal agreement also requires the operators to establish a Habitat and Land Management Advisory Group to provide recommendations to the Operators and the Park Authority on all aspects of the Decommissioning and Restoration Plan, and on the implementation thereof. The first meeting of the Habitat and Land Management Advisory Group is overdue and has been raised with the operator. It is noted that this is not a high level concern as the construction phase is taking longer than anticipated and therefore the preparation of the footprint of the first tailings stack has not yet commenced.

## **6 CONCLUSION**

- 6.1 It is recommended that Members CONSIDER and NOTE (1) the contents of this report and the update that has been provided on the development and (2) the proposed reporting frequency for annual update reports to be provided to Planning and Access Committee.

## **7 BACKGROUND DOCUMENTS**

- 7.1 For background information, Members should go to the website – <https://eplanning.lochlomond-trossachs.org/OnlinePlanning/?agree=0> then enter the search criteria as 2017/0254/MIN.