

27th September 2019

Connetable M K Jackson Chairman Environment, Housing and Infrastructure Scrutiny Panel

BY EMAIL n.hall3@gov.je

Dear Connetable

Government Plan Review - CSP5

Thank you for the opportunity to review the Government Plan and for the invitation to comment on CSP 5 relating to "Protect our Environment" with specific attention to resources, accountability and sustainability of projects.

Contributions to climate fund from additional fuel duty

I am supportive in principle of the need to resource initiatives to reduce emissions and influence climate change. Establishing a climate fund is a reasonable objective. However, the level of additional duty will not in itself influence vehicle use. It is generally accepted that to do so would require fuel costs to increase by a very substantial factor and anything less will purely be borne by the user, driving inflation and hence wage demands, in an unhelpful circle.

As a moderately intensive user of fuel, the additional cost to Ronez, all else being equal, would be £30-40,000 per year by 2022, which would inevitably be passed on in the cost of goods and services.

The Government Plan appears to present no firm ideas as to how the fund will be utilised, but for it to be an accumulating fund for purposes yet to be determined. Should this fund not be used initially in a more targeted way to support real, demonstrable actions that would give the concept greater credibility amongst those (i.e. the public and businesses) contributing?

Sustainable transport Plan

Similarly as for fuel duty, I am not convinced that pricing will influence use of public transport. Use of public Transport, or other modes of transport, is driven by convenience, so the focus has to be on the infrastructure for alternative transport, specifically cycling. The extension of cycle paths is welcomed, and better cycle parking and security is needed. Ronez have experience in constructing good quality cycle paths and the extension of the construction of such a network will bring economies in construction costs.

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Embrace environmental innovation and ambition

As a producer of construction products, Ronez is able to develop and produce locally, certain products with a lower environmental impact, but such products have not been encouraged by clients (including GHE) in the way that similar products have been adopted in the UK. The small Jersey market will, inevitably, mean that development costs are higher. Risks may also arise through moving away from established products and such risk would need to be accepted, and worked through, with clients.

Example 1. Lower temperature asphalt.

Conventional asphalt requires the stone in the product to be heated to greater than 180°C. Specialist bitumen binders are available for products produced close to 100°C, offering a significant energy saving.

Example 2. Recycled asphalt planings in asphalt.

The potential for introducing recycled asphalt into new road surfacing is small, but we do still need to embrace individual changes that cause a small impact if we are to achieve ambitious, global targets.

These two examples are presented to demonstrate that there are opportunities where Ronez can support this policy element.

Protect the natural environment and longevity of natural resources.

Ronez embrace this objective. Ronez and our predecessors have been engaged extracting natural aggregates at the St John Quarry for 150 years and there are substantial resources still to be won.

This mineral resource makes a substantial contribution to the economy and I believe that it is in the interest of both the Island and the Company to maximize the extraction of this resource over the longest possible time frame, but to do so whilst ensuring the minimum environmental impact from the operations at the quarry.

The draft Island Plan consultation document states the vision of.. "balancing future economic, social, environmental and cultural needs..." At Ronez we see this is part of our "licence to operate" and environmental protection is at the centre of our processes.

The alternative to local quarrying would have a severe economic and environmental cost. Whilst construction methods may change, and the reducing dependence on primary natural aggregates will probably continue to decline, I believe that there will still be considerable demand for our products for decades to come. Recycling of aggregates cannot grow much more, as most of what is recyclable is already recycled, therefore importation is the only alternative.

Whether the aggregates are produced locally or in the UK (or elsewhere in Europe) the carbon emissions from production will be similar. However, the additional emissions associated with transport to Jersey would be significant, as would be the cost of creating infrastructure to handle such imports. We have calculated that the amount of fuel used importing the island's minerals from the UK would be in excess of 1,000,000 litres per year. To promote such imports would be irresponsible in the context of reacting to a global climate challenge.

The increased financial cost of importation would be an unnecessary burden on the local construction economy, whilst the contribution to the economy made by our employees, many of whom would no longer be required, would be a further significant cost to Jersey.

Finally, the draft Island Plan, Strategic Issues and Options consultation paper contains a fundamental error concerning imported aggregates. At page 43, Provision of Minerals, it states that 60-70,000 tonnes of aggregates/sand are imported annually through St Helier Harbour. In fact there are no bulk aggregates imported to Jersey and there is currently no facility to offload such cargos. All the island's requirements are met from the quarries and from recycling.

The Shoreline Management Plan

Ronez are supportive of the need for the Plan and look forward to working with the Government in the construction of the infrastructure that will be required in future years.

Invest in Infrastructure

We welcome the commitment to the island's infrastructure. The medium term investment plan appears to be a suitable and sustainable level. Our main concern is that the road network has been deteriorating at a faster rate than improvements have been made in recent years.

Budgets for road improvement fell in the latter part of the previous decade, and most improvement schemes have predominantly been to replace only the upper 50mm of the road surface. In many cases this did not adequately strengthen the lower layers of road construction and many of these re-surfaced roads are now failing.

We have been encouraged during 2019 by the fact that GHE have been specifying full reconstruction in some resurfacing projects. We have also been able to complete these works more efficiently because the roads have been closed for longer periods each day, thereby allowing longer working hours and shorter contract programmes.

These full reconstruction projects will be more expensive per square metre of road surface, but the longevity of the new roads, and the efficiency improvement during laying will, I believe, give an improved whole life cost and I urge the Government to ensure funding is available to continue this trend.

General comments on sustainability

Notwithstanding our commitment to embrace new technology and to develop products that contribute to the broad sustainability agenda, there is no doubt that conventional construction methods will endure for many years to come, with large volumes of concrete still being required.

Concrete is a building product that is maligned in some circles because the manufacturing of cement requires large amounts of energy. However, there are three significant facts to consider that mitigate this perception;

Firstly, there has been significant growth in the use of alternative fuels in cement manufacture, such as biomass and other waste, to replace fossil fuels. In many European countries this substitution exceeds 50% of energy requirement.

Secondly, less cement is used in production of concrete. In Jersey 45% of the cement in concrete is now substituted by ground granulated blast furnace slag, which is a waste product from the steel industry.

Thirdly, the long life of concrete, together with its inherent suitability for being recycled, dilutes the whole life "carbon cost" of a building or structure.

Objectives for 21-23 and accountability for their delivery

The 20-23 objectives and the proposed measures of impact lack substance. Phrases such as "providing policy, "measurable progress", "explore indicators" and "carry out research" are prevalent.

With a firm proposal to establish an accumulating fund for the "Climate Emergency" from public money, the Government must ensure that there is clear accountability for the effective use of that money.

In conclusion we welcome the Government Plan's commitment to improve infrastructure with a balanced view on sustainability. We look forward to supporting the delivery of the Plan's objectives and projects.

Yours sincerely

Mike Osborne Managing Director

Ronez Limited