

Duty to Co-operate Discussion: Minerals Plans and Local Aggregates Assessment, Herefordshire and Worcestershire

Date and Time: 17th July 2013, 11am

Location: Room 1, Worcestershire County Council Offices

Present: WCC: Nick Dean,

Hfds: Victoria Eaton

The following matters were discussed:

1) Introductions

2) Brief Introduction to the status of Minerals Planning Policy preparation in each county.

(Minerals covered, timetable, next consultation stage, broad principles, other matters of mutual interest not covered below)

Agreed: There are no conflicts or matters of concern between the councils' timetable or approaches.

3) Brief introduction to the status of Local Aggregates Assessment preparation in each county, timetable and principles behind the LAA.

Agreed: that both counties would proceed on the basis of supplying the WMRAWP sub-regional apportionment up to 2016 and a ten year sales average subsequently.

4) Discussion of any complementary/conflicting issues, matters of concern;

Agreed: No matters of concern. WCC intends to plan to be capable of supplying its share of both sand and gravel and crushed rock, if however the industry does not make applications for planning permission the county will not meet the levels in its LAA, in which case the market will not be met. WCC does not seek to rely on other counties' contributions to meet its LAA but if the market were to look to quarries in Herefordshire to meet some of this need Herefordshire Council agrees that its landbanks and productive capacity are capable of supplying some of those needs without difficulty and that it would not object to this.

5) Data availability/sharing?

Agreed: that the WMRAWP AMR represents the best source of data.

For Crushed rock it is not possible to identify the amounts of crushed rock produced in each county but that maintaining the principle in the Hereford and Worcester Minerals Local Plan that 2/3 of the crushed rock production for the combined county came from old Herefordshire and 1/3 from old Worcestershire reflected Officer knowledge of past production trends and was a realistic and sensible way to aim for future supply. That the WM RAWP sub-regional apportionment took the same approach for 2001-2016 supports this approach in the short term. In the long term the 10 years supply average would become meaningful and usable.

For sand and gravel good data exists for both counties at present.

6) Actions and outcomes

Agreed: that there were no conflicts between the 2 counties approach to the LAA.

7) Future meetings

Agreed: that future meetings would be useful to ensure compatibility between approaches and the use of data.

Duty to Co-operate Discussions: Minerals Plans Gloucestershire, Warwickshire, Herefordshire and Worcestershire

Date and Time: 17th June 2013, 10am

Location: Droitwich Room, Worcestershire County Council Offices

Present: WCC: Minerals and Waste Policy: Nick Dean, Marianne Joynes

Glos CC: Kevin Phillips, Lorraine Brooks, Philip Hale

Warks CC: Adam James, Eva Neale

Hfds: Debby Klein

1) Introductions

2) Brief Introduction to the status of Minerals Local Plan preparation in each county.

(Minerals covered, timetable, next consultation stage, broad principles, other matters of mutual interest not covered below)

Worcestershire MLP

WCC are about to undertake a second consultation which will be a combination of Issues and Options and draft Areas of Search. This will be out to consultation between September and December 2013, leading to submission at the end of 2014 and adoption 2015.

WCC will be undertaking a draft publication consultation. KP commented that this was a good idea as GCC encountered issues at examination by doing a post-publication/pre-submission consultation (focused changes). WCC anticipate both formal publication and submission at the end of 2014.

The plan will cover all minerals and will include policies on hydrocarbons (including fracking), but WCC do not consider that there are likely to be economically viable Oil, Gas, Shale Gas or Brine resources within Worcs.

The plan will run for 15 years from adoption (to 2030). It is likely that a 7 year S&G landbank will be maintained throughout the plan i.e. to 2037. GCC have also taken a similar view, but it was discussed that a few other minerals plans are not providing for a landbank beyond 2030 (including Berks and Dorset). KP suggested that there may need to be some differentiation between the provision up to 2030 and the rolling landbank beyond that. PH recently took this up at the AWP secretaries meeting. Mark Plummer from CLG verbally confirmed that the rolling landbank to the end of the plan period should be provided for, but it did not appear in the minutes of the Secretaries' meeting. He is waiting to hear if the minutes will be revised. The West of England have progressed unitary core strategies by only looking for provision to 2026. This is possibly similar with other authorities including Greater Manchester.

Other minerals in Worcs are:

- aggregates
- silica sand (which is now shown as nationally important in the NPPF). The silica sand in Worcs was originally used as a foundry sand but the industry is no longer important and therefore the sand will not be identified in the plan as strategically important. There is a potential for the silica sand to supplement construction aggregates, but only really as a low-grade aggregate. This is also a big issue elsewhere in the country (including Norfolk). WCC will refer to the mineral, but will not make special provision for it.
- Building stone – WCC want to identify important resources. DK highlighted an example of a study undertaken in Cornwall looking at opportunities to open up old quarries for heritage projects, but this may not have been progressed further. It would not be very relevant for WCC because there are no current building stone quarries now that Fish Hill Quarry, nr Broadway, has closed. This is the only quarry that ND is aware of in Worcs since 1947. ND has never had a single operator show interest in opening a new quarry in Worcs for building stone.
- Bricks – there is a strategic facility at Hartlebury which has the capacity to produce 2million bricks per week, but is now only operating at a very low level. The brickworks are not interested in the MLP making provision for clay.
- There are significant salt (brine) deposits in Worcestershire but these are not at present commercially viable. The halite is mapped but not where it becomes brine.
- There is no engineering clay.

Worcestershire's overall approach was a focus on restoration with quarrying being viewed as a temporary activity from which there would be long term change in the landscape. This tries to tie in with a number of green infrastructure (GI) concepts. WCC will be identifying possibilities and drivers and also Areas of Search rather than site allocations. The GI strategy will be used to identify restoration strategies to achieve other gains. It will move away from the plan being just about producing "stuff". This is linked to the Nature After Minerals (NAM) project. KP highlighted that there would still be a requirement to establish a need for minerals first. ND indicated that WCC would be doing that. DK said it is useful to have a GI policy.

There will not be sites in the plan, whether to do a subsequent sites Plan is still to be decided. Currently going through BGS data to identify Resource Areas of Search based on potential yield and hectarage. The aim is to identify large areas that could be useful for green infrastructure. The two industry reps who have engaged so far are not generally keen on the approach but have not been able to provide an alternative. There will be something akin to a call for sites in the next round and it is possible a couple of companies could come forward with sites.

Herefordshire

Callow Hill Quarry at Buckholt is a unique source of pink stone available for heritage repairs and historically used at sites such as Ross-on-Wye Town Hall, Monmouth parish church and Goodrich Castle.

There are delves in the Black Mountains for roof tiles and flagstones, but the thinly-bedded planes do not produce many large blocks.

Herefordshire soils include significant clay deposits, used extensively for brickmaking in the past. But the quality may not be to a commercially viable standard unless new technology found new ways of processing this material.

The idea of a joint MPA approach to heritage minerals was discussed.

Most of the minerals in Herefordshire are located on the borders with other authorities.

DK discussed the idea of minerals being 'landscapes in the making' and suggested that all authorities should have a joint approach to encourage re-opening of heritage quarries and allow intermittent working. There is a possibility to have policies which look favourably on this. PH queried how this would be adequately controlled if individual operations are only small scale such as the freemining in FoD yet many small quarries cumulatively can be as detrimental as one large operation.

DK is predominantly development management officer but deals with M&W issues. Kevin Singleton is policy manager and provided DK with a statement updating current situation.

The MLP is being replaced through the CS (about 10 pages), there was a draft out in March 2013 for consultation. DK is working on amendments to minerals section. Draft Core Strategy was approved by cabinet & council in July 2013, pre-submission publication due October 2013. Submit Winter 2013 with EiP expected Spring 2014. There are no site allocations. It is anticipated that adoption will be mid-2014.

The CS will be followed by a Natural Resources DPD covering renewable energy and minerals and waste. The timetable will be agreed in an updated LDS. ND highlighted that an Inspector would expect to see an up-to-date timetable. Natural Resources DPD commences 2015 following on heels of CS. It is quite high on the corporate agenda.

There are 2 key CR sites and 1 main S&G site. There is a large landbank for CR. There is a large mothballed CR site near the Powys border. There also further CR sites just over the border near Kington.

Operators are Breedon aggregates, Elliotts and Tarmac.

Herefordshire timeframe is similar to that of Shropshire.

Gloucestershire

GCC's approach will be very much criteria-based for building stone. Almost all building stone located in Cotswolds (AONB) or Forest of Dean. There are several sandstone operations in FoD, one of which has recently made some serious investments in infrastructure and has extended its reserves to 25 years. There are also several operations in the Cotswolds which have invested heavily in infrastructure e.g. Farmington. As well as building stones, they are producing walling stone and roof tiles. There has always been a criteria-based approach. There has also been a historical tendency for poor restoration at some sites so GCC consider it important that the material quality and need is justified prior to granting permission and that there is an appropriate restoration scheme. The minerals situation in Glos is highly politicised at some sites. Historically some sites haven't been worked well and are eyesores and/or have stability problems.

PH highlighted the problems in identifying the actual resource and what could be required for heritage purposes due to the vast extent of the resource in Glos.

Green Infrastructure policies for restoration are not necessarily appropriate for all sites in Gloucestershire where significant proportions of mineral resource areas are influenced by

national requirements such as forestry commission management timescales and the MOD in relation to birdstrike near RAF Fairford where the majority of Gloucestershire's remaining economic S&G resources lie. In this area there needs to be a balance between habitat creation, dry restoration and hydrological issues.

Birdstrike is a cross-boundary issue. Worcs don't have any commercial or military airfields, Hereford have SAS at Hereford, Warks have Birmingham, Coventry, Wellesbourne and Long Marston airfields. There is a huge landfill next to Birmingham airfield. The MoD had almost mothballed RAF Fairford until the Balkans conflict and then huge investment in new runway for military aircraft, up until then the MoD had been slightly more relaxed regarding wetland habitats. Since then a larger percentage of dry restoration is the preferred approach, but the NAM project is keen to identify landscape scale restoration.

Mineral applications have been determined on some of the old MLP (adopted 2003) preferred areas, most of the policies and sites have been saved under the saving direction. NPPF compliance has been undertaken and most of the remaining plan is partly or fully compliant. ND-This is paralleled in Worcestershire but the old plan is not considered very relevant now and there are only a few policies. There is a general assumption 2004 plan is irrelevant.

Glos. were going to do MCS sites and DCDPD. Government office at the time advised to do two separate plans. Issues and Options consultation was 2006 and Preferred Options in 2008 for both minerals and waste. The preferred options covered broad spatial options. The main mineral resources are on the fringes of the county. The minerals plan was paused to focus on the waste plan. Also Government Office wanted strategic site allocations. The WCS was adopted November 2012. Glos are now reactivating MLP in accordance with NPPF. It will contain sites and policies. Currently working on evidence base. The consultation package expected Dec/Jan subject to Cabinet dates. This will contain strategic policies, site options (3rd call for sites exercise has just been undertaken and Glos have been in discussion with the aggregates industry). It is likely that all sites will be consulted upon but stressing that these are options and no decisions have been made on the preferred sites to take forward. However, there may be a little steerage. Consultation will also include Mineral Safeguarding Options and options for other policy issues. It is anticipated that it will take most of 2014 to finalise a draft plan. Publication, Submission and EiP anticipated 2015 leading to adoption 2016.

ND asked about coal

KP said that the MLP had policies dealing with opencast – similar to national policies. The last working for opencast was in the 1980s with the last application being dismissed at appeal in 1995 against officer recommendation. There will be a policy context for coal should something similar ever come forward again.

PH is looking at an evidence paper for hydrocarbons which will include fracking etc so a policy framework will be ready should anything come forward.

The timeframe is just slightly behind Worcestershire and Warwickshire but the three counties are not too far apart.

Warwickshire

AJ-Largely playing catch-up with Worcestershire on minerals. The last stage was Revised Spatial Options in February 2009. The last PPS12 advised sites and Government Office advice was to include all strategic minerals sites. They did a call for sites, received 27 sites which included S&G, coal, building stone, Etruria Marl and also clay for cement.

There were no crushed rock sites. They were also consulting upon 3 spatial options. The preferred approach was a focus on a development corridor (north to south of county from Stratford up to Nuneaton and across to Rugby along the A45 corridor). Some sites are contentious and they have received over 1000 objections. They were advised to pause minerals and progress waste plan. The Waste plan was found to be sound and now the focus has returned to minerals. The next stage will be a 'preferred options' style document with a preferred strategy, sites and development plan policies. There are currently not enough sand and gravel sites to meet the existing apportionment so they will need to undertake a further call for sand & gravel sites. Some of the sites submitted were completely unsuitable. There will be a consultation in March 2014. It is unlikely that there will be a need to allocate sites for other minerals. Coal is politically sensitive, they may try to deal with it in terms of safeguarding. Daw Mill, the major deep mine in Warwickshire, has now closed. There is a crushed rock site at Mancetter operated by Tarmac. Some building stone quarries in the south east of the county are in a similar situation to the Cotswolds AONB border with Oxfordshire with some quarries mothballed at the moment.

Key issue is S&G. There are only 3 active S&G sites with limited reserves. There is only one CR site within Warwickshire. The landbank for sand and gravel is estimated to be around 4 years, however the landbank for crushed rock is thought to be over 20 years (N.B. see post meeting note).

Publication is anticipated 6 months later. There will be a letter issued shortly with a call for sites. New members need briefing. There is a sub-regional green infrastructure strategy that has been out for consultation. Some mapping has been undertaken to identify opportunity areas and potential linkages and there will be an annex on biodiversity offsetting.

3) Brief introduction to the status of Local Aggregates Assessment preparation in each county, timetable and principles behind the LAA.

Partially covered above.

Worcestershire's LAA was approved by Cabinet. It is publicly available on Cabinet pages and MLP site. They are planning to meet the AWP sub regional apportionment (SRA) to 2016 and then afterwards rely on 10-year average which is slightly lower than the requirement to 2016. (The AWP never agreed the Phase 3 RSS approach and then the RSS came to an end). There is a long-standing AWP agreement on what is going to be apportioned.

Crushed Rock data for Worcestershire is merged with Herefordshire and is not good so the 2 counties have decided to go on assumptions about the scale of provision, one third of production assumed to be historically from Worcestershire, 2/3 from Herefordshire.

In the East of England there is not actually much difference between the RAWP figure and the 10-year average.

In the SW the 10-year average for crushed rock is generally much lower than the SRA.

Worcs will make a policy provision to allow CR but in practice anticipate zero production so 10-year average will go down. If the industry doesn't provide sites in Worcestershire then Worcestershire would be looking for an acknowledgement that other MPAs could provide their share.

KP If no active industry and no operators come forward with allocations then it is almost a meaningless exercise to try and make provision as there is no evidence to support it. KP also highlighted that WCC could not rely on the crushed rock requirements being met from Gloucestershire. It is likely that the market is running low for such needs in the West Midlands, but the options for future provision are potentially constrained and an additional contribution from Gloucestershire over and above the current supply pattern therefore cannot be relied upon in the long-term.

ND The only rock is in Abberley Hills and is such poor quality that the operating site with 600,000 tonnes reserves was abandoned by the operator, no working has occurred since 1992 and the site was allowed to lapse under ROMP procedures. Geologically the resource exists in Worcestershire but appears to be either economically unviable or undeliverable (e.g. in the Malvern Hills). Worcs are happy to consider applications but in reality none are likely to come forward.

PH asked if S&G and C/R substitutions have been considered.

ND The question has not been asked.

DK Some quarry operators are using new technology to utilise waste such as stone dust to make blocks, beams and slabs etc.

KP has been looking at a lot of other LAAs and raised the question of maintaining a landbank beyond the plan period.

ND start of assumption need to plan for a lot.

KP couldn't find what you need to achieve on gravel provision.

ND- The LAA will change each year and be updated in AMR

A possible range for crushed rock production was discussed in the plan, a range is not supported so the LAA will be based on a more precise figure viz.

163,000 tpa to 2016 then 118,000 tonnes pa (current average of the last 10 years` sales) updated.

Gloucestershire LAA

KP- A draft has been approved for targeted consultation with the minerals industry, AWP's and adjacent MPAs. It has not gone to Cabinet yet but a revised version will be presented as part of the consultation evidence package later in the year.

Dialogue has been had with minerals industry but there has not been a huge response. It has also been sent to the SW AWP and a couple of Mineral Product Association reps have endorsed it. Meetings have also been had and verbal discussions with operators and other MPAs. Have received a response from Somerset and Warwickshire. There is the overarching LAA and an accompanying, more detailed baseline report. The 2011 figures have been published in the AMR, have to wait until AWP report is published before using updated figures due to commercial confidentiality. The detailed baseline won't be updated every year. The baseline is relevant to West Midlands and is using the published collated data.

Worcestershire refer to ONS releasing figures in future, but is bound by the same confidentiality restrictions. There are issues with BGS data as Hereford & Worcestershire is still presented as a joint authority. There is a sub-regional apportionment for CR.

DK raised question over what would happen if the government changed, in the context of long-term policy and planning.

KP the Glos 10yr average works out at 1.68mt CR and 0.85mt S&G, the sub-regional apportionment is 2.25mt for CR and 1mt for S&G for 2005-2020. The SRAs were advised to DCLG by SWAWP because the SWRA was abolished.

The LAA CR figure for Glos is well below the SRA and is likely to reduce each year for some time due to the economy and Drybrook remaining closed. Most likely by the time publication stage is reached it will be lower. S&G will also be lower as there are a number of pits coming to the end of their life. There is likely to be a big drop-off in S&G production both in Gloucestershire and Wiltshire. 95-98% of Gloucestershire's S&G production is in the UTV. Wiltshire is about 80% UTV. Wiltshire recently adopted their site allocations document but some of the sites don't have any immediate operator interest.

Source of the exports/imports data is from AM2009; a lot of S&G is exported from Gloucestershire, some of which goes to the West Midlands. There is not a huge strategic movement of S&G across borders but there is more CR. In Forest of Dean now down to 2 operational quarries – Clearwell (Breedon) and Stowfield (Tarmac) these export to South Wales and the West Midlands. Drybrook (Hanson) is close to Herefordshire but has been mothballed since 2008. Hanson have mothballed many other sites in the West of England, Wiltshire, Monmouthshire and Oxfordshire as well as Gloucestershire. This makes plan making very difficult due to the strategic nature of these operations.

Forest of Dean to Cotswolds crushed rock has a nominal 70/30 split. The Cotswolds is not producing a huge amount of aggregates and it is relatively low-grade serving only a local market. The main quarries are Huntsmans and Daglingworth (Hanson). The material from Huntsmans is a slightly better grade and they produce a diverse range of products including block stone and concrete products.

There is a long-term problem with allocating land for CR within the Forest of Dean. There are no real prospects for Stowfield as it is constrained by the AONB, SSSI, SAMs and landscape issues. Drybrook questionable as permission will be expiring soon and site is mothballed. Breedon have only recently taken over Clearwell so need to decide what the long-term strategy for the site will be. They have a capacity of up to 600,000tpa so that would be lost if they could not expand. Consequently West Midlands cannot rely on a continuation of CR supply from Gloucestershire.

Huntsmans have a preferred area in the MLP which has some reserves. The AONB board are against major expansion within the AONB. There is a S&G shortfall in Glos and the scope for extensions needs to be looked at. There have been 1 or 2 sites put forward which are close to the Worcestershire border.

Herefordshire

DK- There has not yet been a LAA produced for Herefordshire. This is in progress and will be done as part of the DPD work, they are working along the lines of the AWP apportionment, but there is more than enough reserves within existing sites.

There was a question about whether one would be required for DC purposes but the NPPF expects one. It was recommended that DK suggests to Kevin Singleton the Herefordshire Policy Manager that something ought to be produced in relation to LAA,

possibly even a statement in the AMR reflecting what is in the draft plan. Current permissions run to 2027. There is no scope to extend the existing quarries without a specific planning permission being granted.

Warwickshire

Currently reviewing options. Intention is to produce LAA before next consultation. The Worcestershire methodology for calculating aggregates provision is considered sensible.

4) Discussion of any complementary/conflicting issues, matters of concern; are there other cross boundary initiatives we should be aware of? (e.g. AONBs, nature conservation/landscape matters?)

The issue of waste was discussed. Gloucestershire's proposed site for dealing with the county's residual municipal waste was refused unanimously by planning committee against officer recommendation. The applicant (Urbaser/Balfour Beatty) have a close relationship with the permitted Hartlebury facility and it stated in application that waste may go to Hartlebury in the event of a plant breakdown. KP made policy comments dealing with cross-boundary flows for the Committee report. The applicant did not want a condition limiting to Gloucestershire waste.

It was raised as to whether a separate waste meeting would be required. KP considered whether it was necessary in a detailed format given that all the WPAs at this meeting have recent prepared plans. This brief discussion would suffice given the difficulty due to cuts in resources. Updates will be in AMR will be sought via email communication etc.

There was a general discussion on waste.

Gloucestershire's main hazardous waste site at Grundons been through JR process, but is still permitted and time limited to 2029.

Nature Conservation

Any specific proposals?

Warwickshire sub-regional green infrastructure out to draft plan. Gloucestershire were doing SIDP but the team was hugely reduced through cuts in services 2 years ago. Only 2 planners from the strategic team have been retained so the focus on this is very low key. There is still material on the website and the county ecologist feeds into a lot of process such as Wye Valley AONB and Cotswolds AONB. Malcolm Watt (Cotswolds AONB) has produced a position statement on mineral working for the Cotswolds AONB board.

ND Worcestershire intend to develop their plan in accordance with the (Cotswold and Malverns) with AONB plans.

KP Different for Glos as minerals in the Cotswolds are virtually all in AONB. A managed decline can actually be unsustainable as it may increase road movements. However, Gloucestershire is still an overall net exporter of CR.

DK pointed out that this cannot be controlled in a market environment. KP agreed but needs to be monitored.

Worcestershire and Herefordshire are not big exporters. Warwickshire export quite a bit of S&G, but import CR. Warwickshire are the main supplier for the West Midlands. One Worcestershire S&G quarry has exported by river/canal to a ready-mix plant in Gloucester but KP thinks that this not happened for some time.

Ryall Quarry in Worcs is well located for these type of movements. Herefordshire is safeguarding railheads.

ND Need to review this, Northamptonshire are rigid on waste catchements. ND is happy to consider an alternative.

Warwickshire have Marsh Farm nr Salford Priors. 4 potential extensions were submitted as part of a 'satellite working' concept. The operator has since said that the future of the site is uncertain. This will have implications for the emerging Warks minerals plan and may also have implications for Worcs given the site's proximity to the county boundary.

5) Data availability/sharing?

It was agreed that notes of the meeting are circulated to attendees for correction when any omissions can also be added in. Also to keep a network of people on email.

Extras to note include river basin management plans, a short bullet-pointed list. Broader resources are available on Minerals UK website. Published data is difficult to use.

Information is collected for forward planning – can use it but not publish it until RAWP. MPA is relatively sympathetic towards data use provided that the information published is collated. Worcestershire has recently been fined £80,000 for sloppy release of data (not minerals related)

6) AOB

Sites

KP- MC Cullimore have requested a meeting with Gloucestershire. Call for sites data currently not in the public domain, but some significant sites have been suggested in the north of Gloucestershire next to the Worcestershire border.

ND doesn't think that there has ever been an application at Bow Farm in Worcestershire adjacent to the Gloucestershire county border. There is not long left at the barge site at Ripple. What is the point of safeguarding a road link?

If an area appears to contain minerals it can be identified as an Area of Search. This might link to the Area of Search within Worcestershire.

7) How can we work together effectively?/ 8) Actions and outcomes and 9) Future meetings

This was discussed and it was agreed that the draft notes would be circulated and any further issues could be raised via email. Gloucestershire have devolved approval to follow the Duty to Co-operate approach via a paper agreed at Director level. Notes from the meetings will go into the Appendices of the MLP evidence.

All authorities agreed to maintain a close working relationship.

Post meeting note provided by Tony Lyons of Warwickshire County Council

"I have now collated sand and gravel and crushed rock data for the WMAWP report 2011. There appear to be some inconsistencies in permitted reserve information year on year that will require further investigation. Analysis of the Warwickshire returns and subsequent discussions with the industry has highlighted fluctuations in Warwickshire's crushed rock (and sand and gravel) permitted reserves as some operators have advised that some reserves are no longer economically viable to extract. Such instances will impact significantly on the

County's landbank and further discussions will need to be held with the industry to assess what the implications will be for aggregates provision in Warwickshire and beyond. Currently there is only one quarry producing crushed rock with limited permitted reserves. Much of the county's main landbank is tied up in other sites which may or may not be deliverable. This is what we need to ascertain. Therefore the County is not currently in a position to be able to assess any oversupply to other counties until this work has been carried out through our own LAA. If any supply over and above our own apportionment was requested by another Minerals Planning Authority, the onus would be on that MPA to provide robust evidence to justify that it could not supply its own needs first."