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We do not accept service by email

21 February 2020

Dear Sirs

**The South Tees Development Corporation (Land at the former Redcar Steel Works,
Redcar)
Compulsory Purchase Order 2019 (CPO)**

We thank you for your letter of 13th February. We are instructed to write to you in relation to a number of statements in the STDC responses which our client considers to be inaccurate and misleading. We comment on some of these below.

1. You are aware that on 11th April 2019, the chair of STDC wrote to our client and advised "the formal notice will be served on you shortly". Our client acknowledges that a variety of purported notices/requisitions were sent to our client prior to the letter of 11th April 2019 but not after.

The letter of 11th April 2019 clearly stated "STDC do not intend to interfere with your continued occupation or to materially affect your day to day operations".

The assurance from STDC that it did not intend to acquire any of our clients' interests has been one made on behalf of your client throughout the period from 2017 to date and relied upon by our client. In fact it is understood that at the Inquiry various representatives of STDC have provided statements that there is no intention to acquire any interests of PD Teesport Limited.

Our client has repeatedly requested evidence of any notices sent after the aforementioned letter. To date nothing has been provided. The letter of 11th April from the Chair of SDTC was dated and received after any purported notices sent to

our client and or client states it relied on this and the continued assurances since that STDC did not intend to interfere with its occupation or day to day operations.

2. It is noted you have attached a copy of a requisition notice dated 13th September 2018 which was addressed to PD Teesport Limited, Breakwater South Gare, Redcar, TS10 5NX. Breakwater South Gare is an unmanned piece of infrastructure including a lighthouse. The notice was not sent to the office of PD Teesport which would have been noted from any Land Registry searches, Companies House or your client's other communications with our client. Whilst you have also referred to the requisition on title dated 10th May 2018, a copy has not been provided.
3. It is not entirely clear that such notice was valid. Section 5A (6) of the Acquisition of Land Act 1981 provides that any such notice should describe the land, the compulsory purchase power and the enactment which confers the power.

You have stated that "No response was received" to the letter of 10th May 2018 and that "No response was received for the reminder". This is incorrect.

Notwithstanding the validity or otherwise of that letter as a requisition notice we have, by way of example, attached as Appendix (A) a copy of a letter from our client dated 14th June 2018 to Jonathan Bretherton, the Chief Executive of South Tees Development Corporation, the contents of which are self-explanatory.

We have also attached as Appendix B a copy of an e-mail dated 17th May 2018 from Jonathan Bretherton to Frans Calje, the Chief Executive of PD Ports. You will note Mr Bretherton stated "there is no land owned by PDP that we would propose to include in the order".

Mr Bretherton also stated "For the avoidance of doubt, I suggest that we meet once we have concluded the current land referencing exercise to go through the findings". My client advises that on no occasion has anyone on behalf of STDC followed this up and suggested to meet with our client to go through the findings of the land referencing exercise.

It is understood that on 25th July 2018 the STDC resolved to "authorise the Chief Executive to take all necessary steps to make the CPO and thereafter to continue the process for the confirmation and implementation of the CPO". It is noted the copy of the notice attached as Appendix 3 was not signed by the Chief Executive.

4. In the correspondence referred to above you will also note that Mr Bretherton had also confirmed that STDC had "redesigned the South Bank roundabout proposal to avoid your land". This is the South Industrial Zone (SIZ) Roundabout.

Your response to comments appear to imply that STDC and PD Teesport had for a number of years been working towards concluding a Memorandum of Understanding. This is not the case. On Friday 13th December 2019, without any prior warning, your client hand delivered a Memorandum of Understanding (MOU) to Jerry Hopkinson, the Chief Operating Officer of PD Teesport. Our client had not discussed any terms

for a MOU with your client and was surprised to have received something “out of the blue”, especially since your client was aware that ours was extremely concerned by the threat of the proposed CPO. Our client feels that it may be no coincidence that the sudden provision of an MOU providing terms which had not even been discussed happened just prior to the commencement of the Inquiry.

5. In respect of the example of Plot 173, it is noted you have acknowledged your client was aware our client owned a large area of land immediately adjoining this. Any reasonable due diligence exercise should have at least considered that the adjoining landowner may have an interest in this land. Your client did not however keep to its assurance that it would seek to go through the findings of the land referencing exercise with PD Teesport.
6. We refer to the South Bank Roundabout Scheme. Paragraph 5.13 of the Proof of Evidence of John McNicholas on behalf of STDC, stated “STDC completed its first transport infrastructure project in 2019, with the construction of one of the three gateway accesses to the area proposed in the master plan – the South Industrial Zone (SIZ) Roundabout.

As detailed above, STDC had advised that it did not require any of our clients land for the roundabout. The area of land which was the subject of those discussions fell under the same title as Plot 173. With STDC having had discussions with our client on potentially requiring part of its land for the roundabout (which it later advised it no longer required), it is surprising that STDC would not consider that Plot 173 may be owned by our client.

Despite repeated assurances on the part of STDC that it did not require any of our clients land for the roundabout, STDC built part of the roundabout on our clients land without the consent of our client. The correspondence attached as Appendix C and Appendix D will provide some background to this matter. It will be noted that despite this our client has sought to work with STDC where possible.

Our client feels that this act in relation to a minor roundabout scheme indicates that even on such a small project, STDC has not appropriately considered land and property ownership and rights and the implications of its proposals and actions. The subject Order relates to a considerably larger area with multiple interests to be considered.

7. Paragraph 1.8 of the Proof of Evidence of Mr McNicholas stated:
“I am also actively involved in the continuing negotiations with other landowners, as STDC seeks to acquire identified necessary land interests by private treaty agreements”. This has not been the case with our client.

You will note from the e-mail correspondence attached as Appendix C, as far back as 5th March 2019, over a month before the letter of 11th April 2019 advising that STDC did not intend to interfere with our clients’ interests, our client had been requesting large scale plans of what exactly STDC was proposing to acquire. After repeatedly chasing for these plans, they were finally provided to my client 9 months later on 23rd December 2019.

8. Our client has formed the opinion that STDC has not understood or considered the implications of the Order on the Port Estate and your claim that PD Teesport only contacted STDC in January 2020 to discuss its concerns is not borne out by the correspondence our client has sent

Attached as Appendix E is an exchange of correspondence with Avison Young from December 2019 after it had finally been instructed to engage with our client. The January 2020 Proof of Evidence from Michael King of Avison Young did not make any reference to any discussions with PD Teesport. You will also note that in December 2019 Avison Young informed our client as to where it may lodge an objection to the CPO.

9. In relation to plot 173 our client is not aware of any notices being displayed on such site and in relation to other notices these have not all been placed in easily visible locations.
10. It is stated that there are ongoing negotiations between STDC and our client concerning the access issues and rights our client has referred to. At present we have received no response to our comments on a draft deed of easement sent to yourselves on 28th January 2020 or to our comments on a draft compromise agreement returned on 7th February 2020 or to our further request to discuss these sent on 11th February 2020.

In the draft compromise agreement sent there is no mention of the land used for the roundabout being consideration of emergency access rights and certainly no terms have as far as we are aware been agreed to this effect. Our client is still keen to try and agree terms for such documents.

11. In relation to RBT our clients rights of access were discussed with Tata at the time of SSI acquisition but whilst draft documentation was prepared to document this due to concerns of SSI to complete its transaction without delay, our client agreed not to pursue a deed of grant and to rely on its existing rights of prescription and necessity to ensure the SSI acquisition proceeded at the pace required.
12. The Guidance on Compulsory Purchase process and The Crichel Down Rules provides that "Compulsory purchase is intended as a last resort to secure the assembly of all land needed for the implementation of projects".

Our client has considerable experience of port infrastructure development and attracting inward investment and believes STDC has not demonstrated any immediate need to acquire or extinguish the rights of our client. It is our client's contention that the nature of the ambitious proposals by STDC will take years to come into fruition involving the securing of planning, environmental and Marine Management Organisation Consents, dredging licences as well as firm commitment from private sector funders/partners. As far as our clients are aware there are as yet no contractual agreements in place with any private sector partners capable of delivering even small elements of this Masterplan.

Our client has a successful track record in attracting substantial private sector investment into the area, and welcomes the opportunity to work with STDC to continue to deliver such investment. It is however concerned that STDC hasn't appropriately considered the proportionality of the detrimental land, property, business and inward investment implications resulting from the proposed Order compared to the need to include interests of our client in the Order. Our client feels that the negative implications of the proposed Order would substantially outweigh any perceived benefit.

Our client feels that STDC has failed to understand the detrimental consequences of the Order on one of the largest commercial ports in the UK and has not demonstrated why it is necessary to acquire/extinguish interests relating to PD Teesport which is not in the best interest of STDC, PD Teesport or the wider business community.

Our client also feels there has been considerable ambiguity on the part of STDC in relation to its intentions. Clear statements have been made over the years up to and including the Inquiry, in relation to not affecting interests held by our client, although the actual Order would indicate something different. Our client suspects representatives of STDC may not have fully appreciated the actual implications of the Order, and that their genuine intention remains not to have any detrimental impact on PD Teesport.

Despite all of its concerns our client wants to see regeneration in the area and to work constructively with STDC. This is demonstrated by its approach to the roundabout constructed partly on its land. It is willing to engage in agreeing a compromise agreement and deeds of easement but needs STDC to engage in such process too.

Should you have any questions concerning anything contained in this letter then please do not hesitate to contact us.

Yours faithfully
Jacksons Law Firm



APPENDIX A

Our ref: MM/AR
Your Ref: Red/RFI/022

14th June 2018

Jonathan Bretherton
Chief Executive
South Tees Development Corporation
Teesside Management Offices
Redcar
TS10 5QW

Dear Jonathan

**Regeneration of the South Tees Area
Proposed Compulsory Purchase Order pursuant to S206 and 207 of the Localism Act
2011
Request for Information under S5A of the Compulsory Purchase Act 1965**

In the last 10 years or so PD Teesport as the Statutory Port Authority for the River Tees has driven transformational change to the industrial landscape of the Tees Valley region, stimulating economic growth, creating new jobs and acting as a catalyst to attract over £1 billion of inward investment into the region. Projects of national importance include the £650 million inward investment project by MGT Teesside with construction now underway, as well as attracting major retail distribution centres for Tesco and Asda.

As a Statutory Undertaking which has been delivering major job creation and inward investment we are continuing work on various projects in competition with other localities not only on a national but also on a global platform.

An important part of our ability is to continuously secure new investment for the locality is the reputation we have in terms of delivering, our asset base as well as our track record in partnership working.

You are aware we were extremely concerned to have received what was purported to be a Notice under Section 5A of the Acquisition of Land Act 1981 dated 10th May 2018, and the 'threat' of compulsory purchase.

We have neither been advised of the actual scheme to which this purported Notice related nor have we been advised of your proposed development strategy why you believe it would be viewed in the greater public interest to acquire by compulsion interests held by the Statutory Port Authority.

It is acknowledged that in your subsequent email of 15th May, a copy of which is attached for ease of reference, you stated that so far as you were aware, "there is no land owned by PDP that we would propose to include in the order" and that you are merely confirming what you believed the position to be.

www.pdports.co.uk

Following this we have received further correspondence dated 31st May, a copy of which is attached for ease of reference, which is inconsistent with the contents of your email of 15th May.

Presumably prior to issuing the letter of 10th May, Land Registry searches will have confirmed the four areas of land concerned are within our freehold ownership. Considering the contents of your email of 15th May presumably there is no need for any further information to be provided at this end.

It is appreciated the land referencing exercise is being conducted by a Telford based consultancy which may not consider the local landscape and importance of the Port Authority being able to show to inward investors that its interests were not being subjected to any uncertainty, perceived or otherwise.

It is of course now in the public domain that a Compulsory Purchase Order is being considered in the locality, and whilst we believe the purpose of this is to help the Public Sector acquire the interest held by the Thai banks, there can also be negative connotations in the market place as a result of perceived threats of compulsory purchase.

We are currently trying to retain interest from parties who may choose to invest elsewhere if they feel their, and our, investment decisions could potentially be "blighted" by compulsory purchase.

Government guideline does of course provide that acquiring authorities should make meaningful attempts at negotiation. Whilst the contents of your email gives some comfort, perception from others as to their being a risk of major conflict between the Development Corporation and the Statutory Harbour Authority could have long term damaging implications on attracting new business into Tees Valley.

By way of just one example we have in the last few days heard that we have been shortlisted along with Bristol, Immingham and Sheerness regarding a major opportunity. It is extremely important that the South Tees Development Corporation is not viewed by the market place as a potential obstacle to investing in this area compared to the offer from competing localities.

You will no doubt be aware from previous experience elsewhere that a perception of there being a potential legal wrangle over land ownership can result in more immediate development and investment decisions being moved to alternative sites. PD Teesport therefore views it as being extremely important that the South Tees Development Corporation makes it clear that should there be any need to implement compulsory purchase proceedings, then those will not relate to interests held by PD Teesport. We respectfully request therefore that in light of the most recent correspondence dated 31st May you confirm the position.

It is also noted that the Request for Information Questionnaire attached to your letter of 10th May stated "THE COUNCIL IS NOT PROPOSING TO ACQUIRE ANY PROPERTY OR INTERESTS OUTSIDE THE RED LINE SHOWN ON THE ENCLOSED MAP A".

We assume that this statement reflects the fact that the proposed Compulsory Purchase Order to which your correspondence relates is either proposed to be one utilising the statutory powers of Redcar and Cleveland Council or alternatively this is merely an error with a generic document having been used. If the former is the case, with the Council having compulsory purchase powers, as does PD Teesport, we would wish clarity on the position of Redcar and Cleveland Council on this issue. As such, you will note Sue Jeffrey has been copied in on this correspondence.

On a final note, in your correspondence of 15th May you have also confirmed that the South Bank roundabout proposal will avoid our land. It had previously been understood that the roundabout was a Highways Scheme being undertaken by the Highways Department of Redcar and Cleveland Council (see our previous exchange of correspondence on this dated 9th May 2017).

I should be grateful if you would therefore confirm who would be the contracting party for any requirement for a compound, i.e. the Council or the Development Corporation, and please provide details of the actual Scheme itself on a plan showing the extent of any of our land which the Scheme requires and the proposed commencement date and duration.

We look forward to receiving a positive response which will help prevent potentially damaging publicity and perceptions regarding land use strategy.

Kind regards



Michael McConnell
Group Property Director

Direct: +44 (0) 1642 877071

Fax: +44 (0) 1642 877025

E-mail: michael.mcconnell@pdports.co.uk

✓ Cc Ben Houchen – Tees Valley Mayor.
Tees Valley Combined Authority.
Cavendish House
Teesdale Business Park
Stockton on Tees.
TS17 6QY

✓ Cc Sue Jeffrey – Councillor.
Redcar & Cleveland Brough Council
Redcar & Cleveland House
Kirkleatham Street
Redcar
TS10 1RT.

✓ Cc Frans Calje

APPENDIX B

From: Jonathan Bretherton <Jonathan.Bretherton@southteesdc.com>
Date: 15 May 2018 at 17:00:57 BST
To: "Frans Calje, PDG" <Frans.Calje@pdports.co.uk>
Cc: Jerry Hopkinson <jerry.hopkinson@pdports.co.uk>, John McNicholas <John.McNicholas@southteesdc.com>
Subject: STDC proposed CPO

Frans,

Further to our recent discussion, I am writing to confirm the position regarding our proposed CPO. The Corporation Board has resolved, in principle, to make an order to acquire land necessary for the redevelopment plans that we have been discussing with you for some time.

I expect to be ready to make a recommendation to the Board in July regarding the land to be subject to the order and that we will proceed with a CPO at that stage.

At present, we are verifying all land interests in the widest area that could be of interest. In doing so, we have adopted the precautionary approach of going beyond the boundaries that we expect to include to cover off the possibility of errors in the mapping.

As I mentioned, I have had personal experience of such major errors on large sites such as this and we have already identified several.

I can confirm that, so far as I am aware, there is no land owned by PDP that we would propose to include in the order-we are merely confirming what we believe the position to be.

For the avoidance of doubt, I suggest that we meet once we have concluded the current land referencing exercise to go through the findings. I'd be happy to do that and suggest that we do so in the second half of June by which stage we will have an accurate picture of where we are.

Whilst writing, I would like to add that we have redesigned the South Bank roundabout proposal to avoid your land. I am told, however, that we would wish to erect temporary Herras fencing on a very minor length of your land to secure the construction site whilst the roundabout is built.

I'd be obliged if you could confirm that this is in order.

Kind regards

Jonathan Bretherton, CEO, South Tees Site Company Limited and South Tees Development Corporation
01642 408002

Correspondence address

South Tees Development Corporation/ South Tees Site Company Ltd
Teesside Management Offices,
Redcar
TS10 5QW

South Tees Site Company Limited registered in England, number 10424065
1, Victoria Street, London SW1H 0ET

APPENDIX C

Michael McConnell, PDG

From: Michael McConnell, PDG
Sent: 17 April 2019 14:07
To: John McNicholas
Subject: RE: South Tees Development Corporation and Compulsory Purchase

John,

It has been brought to my attention that contractors have trespassed and fenced off land within the ownership of PD Teesport at Dockside Road and are carrying out works without having approached us for any form of Licence or consent.

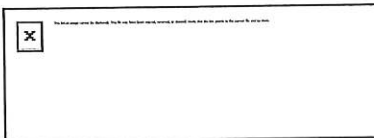
I trust you will agree this is unacceptable, and I am sure you would object if someone took possession of your land without asking for or securing the requisite consent.

Please make sure the work on our land immediately ceases and it is reinstated.

If you do wish access to our land to help facilitate works, please make a formal application indicating the area you require and if appropriate we will pull together the necessary documentation.

Best regards,

Michael



Michael McConnell
Group Property Director

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From: Michael McConnell, PDG
Sent: 11 April 2019 16:12
To: 'John McNicholas'
Subject: RE: South Tees Development Corporation and Compulsory Purchase

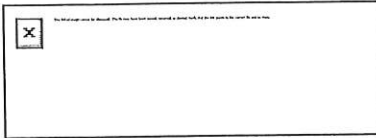
Hello John,

I have just tried ringing but there was no answer.

In relation to the roundabout, I am also mindful the recent discussions with [REDACTED] may have put a different slant on things, although any new development should consider the requirement for access in and out of Bran Sands/Teesport as there is currently only the one route in and out. Would welcome your thoughts.

Best regards,

Michael



Michael McConnell
Group Property Director

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From: Michael McConnell, PDG
Sent: 08 April 2019 14:59
To: 'John McNicholas'
Subject: South Tees Development Corporation and Compulsory Purchase

Hello John,

I was trying to speak with you just now in relation to the matter which you mentioned at our meeting on 5th March, and which I touched upon briefly last week. You will recall that you had mentioned that in relation to a proposed Compulsory Purchase Order which the STDC was working on you felt that the area under consideration may touch some minor interests which we hold.

I have been awaiting asked for details of the scheme area and to be shown what interests these may be. It could for example be that our interests are provisionally included in the area which is currently the subject of your proposals are not actually within the area which is required.

You will appreciate that PD Teesport is the Statutory Harbour Authority as well as the owner of various land interests and any proposals to acquire interests by compulsion could have widespread implications for numerous Port customers as well as ourselves. We had considerable concerns raised by numerous Port users and Tenants when various letters were sent out by the South Tees Development Corporation last year raising the spectre of CPO, this resulting in widespread uncertainty and, if anything, creating uncertainty for investment decisions.

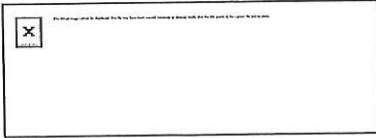
I trust therefore you will agree that any reference to compulsory purchase should be treated sensitively as if not it can be viewed as threat to businesses. You will recall that STDC had previously indicated it had no intention to subject any of our interests to the threat of CPO.

I note that you are trying to meet in the near future with CPO being part of the agenda. In order to make best use of our time, in advance of any meeting, as discussed on 5th March, would you please provide me with a plans showing the what is the STDCs proposal and details of our interests which you think relate to this? I may no doubt need to undertake a considerable amount of work at this end to understand the potential implications.

Best regards,

Michael





Michael McConnell
Group Property Director

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APPENDIX D

Michael McConnell, PDG

From: Michael McConnell, PDG
Sent: 09 July 2019 13:18
To: 'John McNicholas'
Subject: South Bank Roundabout- Access Road to/from Tees Dock

Subject to contract
Without prejudice

Hello John,

Following on from our conversation before I went on holiday, I was wondering whether your solicitors have drafted anything yet regarding the protection of an access route in and out of Tees Dock, this being in consideration for PD Teesport entering into an adoption agreement with presumably Redcar and Cleveland Council on the area of our land which you wish to be incorporated in the South Bank Roundabout scheme.

As you are aware at present if the A66/ Tees Dock Road route in and out of Tees Dock was closed, then if there is no alternative, Bran Sands and the Port are effectively blocked. This would have disastrous consequences for not only the likes of Northumbrian Water, Tesco Asda etc. which have facilities which are accessed by this route, but also the wider economy which relies upon the efficient supply chain in an out of Teesport.

You will recall a few years couple of years ago I had suggested that a means of the STDC opening up the SSI Site and Bran Sands whilst providing a new access to Tees Dock could be to provide a new stretch of road from the A66 via the Steel House Roundabout. I suspect this would be considerably cheaper than the proposal for a new spine road running parallel to the A66, and the provision of this public road infrastructure could act as a catalyst to bring the SSI site into beneficial use.

Was the feasibility of this road link looked into, and has a replacement access route in and out of Bran sands and Teesport been put forward as part of the STDC Business Plan? We are extremely mindful that the Port of Immingham has recently benefitted from circa £90m of public road infrastructure improvements in order to improve access in and out of the Port.

I seem to recall dropping you a note about this suggestion a few years bac. I will try to dig this out.

Best regards,

Michael



Michael McConnell
Group Property Director

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Michael McConnell, PDG

From: Michael McConnell, PDG
Sent: 21 August 2019 14:03
To: 'John McNicholas'
Subject: RE: South Bank Roundabout- Access Road to/from Tees Dock

John,

I still do not appear to have received anything from your solicitors. Can you provide me with an update please as I am mindful that public statements have been made about the roundabout having been completed and opened. You will appreciate we have been incredibly supportive in our stance, but seem to have been forgotten about somewhere in the process.

The route which we use through South Bank amongst other things does not have height restrictions, and is the best means of access in and out of Tees Dock. Other routes have a variety of other issues to consider including height restrictions, flooding, ongoing activities etc. The route which you forwarded for example would not work if for example a petrol tanker went up in flames on Tees Dock Road where that route crosses Tees Dock Road. The law of sod will inevitably come into play with these things.

Should there be an incident on Tees Dock Road then in addition to the entire supply chain relating to port activities being under threat, access to Bran Sands, Northumbrian Water etc. would be blocked. This is why it is extremely important that a solution is in place if access through South Bank is to be prejudiced. I should be grateful; therefore if you would kindly give your solicitors a nudge on this and confirm the current position on this please.

Best regards,

Michael



Michael McConnell

Group Property Director

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Mob: +44 [0] 7772 689816
michael.mcconnell@pdports.co.uk | www.pdports.co.uk
Twitter: [@pdports](https://twitter.com/pdports)

From: John McNicholas [mailto:John.McNicholas@southteesdc.com]
Sent: 26 July 2019 14:39
To: Michael McConnell, PDG
Subject: RE: South Bank Roundabout- Access Road to/from Tees Dock

This Message originated outside of PD Ports. Do not click any links or attachments unless you know the sender.

Hi Michael

Please see appended an email I received from South Tees Site Company's Head of Security regarding the meeting that took place recently with PD Ports and certain emergency services' representatives concerning alternative emergency access/egress for PDP. Notwithstanding the route on the embedded plan, he has confirmed to me that

any and all routes utilising the Lackenby Gate or Redcar Gate are approved for use. I understand these routes are mapped out, but I don't have a copy to hand. Perhaps your colleague, Bill Simpson, has this information.

Regards
John

John McNicholas
Engineering & Programme Director
South Tees Development Corporation
M. +44 (0)7713 656 411
T. +44 (0)1642 408 020



South Tees Development Corporation, Teesside Management Offices, Redcar, TS10 5QW



From: Michael McConnell, PDG <Michael.McConnell@pdports.co.uk>
Sent: 12 July 2019 16:37
To: John McNicholas <John.McNicholas@southteesdc.com>
Subject: RE: South Bank Roundabout- Access Road to/from Tees Dock

Hello John,

Would you be able to send me over a plan indicating the Lackenby Gate and giving a rough indication of the possible routes you are considering?

Many thanks,

Michael



Michael McConnell
Group Property Director

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Mob: +44 [0] 7772 689816
michael.mccconnell@pdports.co.uk | www.pdports.co.uk
Twitter: [@pdports](https://twitter.com/pdports)

From: John McNicholas [<mailto:John.McNicholas@southteesdc.com>]
Sent: 11 July 2019 17:36
To: Michael McConnell, PDG
Subject: RE: South Bank Roundabout- Access Road to/from Tees Dock

This Message originated outside of PD Ports. Do not click any links or attachments unless you know the sender.

Hi Michael

Hope you had a good holiday.

Apologies for the delay in resolving this matter. As events transpired, my WBD contact went on leave shortly after you, but we are now progressing things with regard to the preservation of an alternative/emergency access/egress. As an aside, I've been made aware that STSC has recently been in dialogue with PD Ports regarding a change in the route from the one that runs along the river edge at South Bank to one or more existing alternatives via the Lackenby gate.

Regarding the matter of a more permanent arrangement on a second access/egress, I do recall previous discussions, and I'd be happy to pick these up again with you when we next meet to discuss the matter above.

Regards
John

John McNicholas
Engineering & Programme Director
South Tees Development Corporation
M. +44 (0)7713 656 411
T. +44 (0)1642 408 020



South Tees Development Corporation, Teesside Management Offices, Redcar, TS10 5QW



From: Michael McConnell, PDG <Michael.McConnell@pdports.co.uk>
Sent: 09 July 2019 13:18
To: John McNicholas <John.McNicholas@southteesdc.com>
Subject: South Bank Roundabout- Access Road to/from Tees Dock

Subject to contract
Without prejudice

Hello John,

Following on from our conversation before I went on holiday, I was wondering whether your solicitors have drafted anything yet regarding the protection of an access route in and out of Tees Dock, this being in consideration for PD Teesport entering into an adoption agreement with presumably Redcar and Cleveland Council on the area of our land which you wish to be incorporated in the South Bank Roundabout scheme.

As you are aware at present if the A66/ Tees Dock Road route in and out of Tees Dock was closed, then if there is no alternative, Bran Sands and the Port are effectively blocked. This would have disastrous consequences for not only the likes of Northumbrian Water, Tesco Asda etc. which have facilities which are accessed by this route, but also the wider economy which relies upon the efficient supply chain in an out of Teesport.

You will recall a few years couple of years ago I had suggested that a means of the STDC opening up the SSI Site and Bran Sands whilst providing a new access to Tees Dock could be to provide a new stretch of road from the A66 via the Steel House Roundabout. I suspect this would be considerably cheaper than the proposal for a new spine road running parallel to the A66, and the provision of this public road infrastructure could act as a catalyst to bring the SSI site into beneficial use.

Was the feasibility of this road link looked into, and has a replacement access route in and out of Bran sands and Teesport been put forward as part of the STDC Business Plan? We are extremely mindful that the Port of Immingham has recently benefitted from circa £90m of public road infrastructure improvements in order to improve access in and out of the Port.

I seem to recall dropping you a note about this suggestion a few years bac. I will try to dig this out.

Best regards,

Michael



Michael McConnell

Group Property Director

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michael.mcconnell@pdports.co.uk | www.pdports.co.uk

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Michael McConnell, PDG

From: Michael McConnell, PDG
Sent: 12 December 2019 22:22
To: John McNicholas
Subject: Re: South Tees Development Corporation Compulsory Purchase Order

Without prejudice save as to costs

John,

Thank you for your reply.

I am in back to back meetings away from my office all day tomorrow until around 5.00. I can be contacted on my mobile after then.

Re the roundabout land, your contractors were on our land and remained there throughout the works. All through this period we were trying to come to some arrangement with you but even after the roundabout was open with part being built on our land we were still chasing STDC. This has continued, and when we eventually received some heads of terms, as you are aware they did not reflect what we had discussed. We have continued to chase for resolution.

I trust you will agree it is totally unacceptable for an organisation to enter onto land without consent, and even more so to carry out works on the land opening the private ownership to anyone, i.e. the general public.

It would however be acceptable for the party which had been subject to the land take to serve a blight notice and claim a substantial compensation sum plus costs. As I had advised previously the requisite ratings test process to release an asset from our securitisation would cost several hundred thousand pounds alone, costs which would be for the STDC to pick up in accordance with the statutory compensation code. The valuation principles for the land take would start with the principles following the case law I have previously mentioned considering 50% of the value of the several hundred acres of land which had been opened up. That would be before other heads of claim including loss payments, injurious affection. The cost to the public purse of taking the land could be a substantial seven figure sum.

I am sure other landowners who had been subjected to such a public sector land grab would not have exercised the same degree of patience and understanding as PD Ports and would be in the formal blight process seeking substantial financial compensation from the STDC or RCBC. That is not however how PD Ports would normally conduct business and we wish to support inward investment and regeneration for the greater good of the region. This whole episode could have been extremely embarrassing and costly for the public purse had it not been PD Ports land which was taken.

From the outset we have tried to assist with the public sector roundabout project going back to my visit from John Leer and Darren Edmunds some time before the Development Corporation was set up, although we do not appear to have received any form of recognition for this and have had to chase matters time and time again.

I do hope we will now see positive engagement on this.

On the CPO, it would appear that you may not fully appreciate the implications of the Order which appears to be promoted. The damage to business and property interests is not limited to land take alone and it is very often the case that the injurious affection claims are considerably in excess of the compensation for land take. The statutory acquisition of even a small parcel of land extinguishes all rights. A small strip of access road could for example mean the entire Port Estate is landlocked. It is also not clear from what we have seen as to whether or not our access rights to South Gare could be taken away as a result of statutory acquisition powers being exercised. The consequences of a compulsory acquisition are not limited to a party having its own land taken, as the acquisition

and extinguishment of rights relating to other land can have implication on entirely different interests. Indeed I have personally dealt with hundreds statutory compensation claims, including Land Tribunal cases, where compensation has been applicable where claimants have no land interest taken or access routes affected.

I have been repeatedly been requesting constructive engagement on the proposed Order as amongst other things I did not think the STDC fully appreciated what may possibly be unintended consequences of the CPO boundary you are proposing. I would therefore welcome discussions on what exactly is being proposed without any further delay. This failure on the part of the STDC to have these discussions could have implications which would I am sure not be what either STDC or PD Ports would want.

I do hope that we may now have the conversations which we have been requesting in order that we may better understand your proposals and you may understand the implications of what is being proposed on our business and the potential financial consequences. To be honest I am surprised that as a potential acquiring you have not been actively trying to have such discussions. I look forward to hearing from you in this respect.

Regards,

Michael

Sent from my iPhone

On 12 Dec 2019, at 18:51, John McNicholas <John.McNicholas@southteesdc.com> wrote:

This Message originated outside of PD Ports. Do not click any links or attachments unless you know the sender.

Michael

I refer to your email, which we obviously take seriously. If you are open to speaking on this, I will give you a call on Friday.

I'm not immediately in step with some of the points you are raising. However, on one issue in particular – the small area of PDP land needed for proper completion of the South Bank Roundabout scheme – I have to say that I am surprised at your comments. Our contractor did indeed enter onto your land inadvertently for the purposes of executing temporary works (fencing). When this was raised by you, I immediately instructed on the temporary works removal, and also the omission from the construction works of the part of the roundabout that would have been on your land. We then negotiated the dedication of the land by PDP for adoption purposes, so enabling full construction of the roundabout. This was conditional on us entering into an agreement to preserve the current rights of emergency access/egress to the west of Teesport that PDP presently benefits from. This particular issue has become slightly complicated with the emergence of the Able proposition, which triggered more focused discussions on a solution once access immediately behind South Bank Wharf would be lost. On this point, I sent you some proposed heads of terms, which I accept, due to particular work pressures, I am late coming back to you on. But all in all, I feel your narrative on this particular point to be somewhat unfair and misrepresentative of how that particular issue was being progressed, which I felt was positive.

Hopefully you will be in a position to speak on Friday and provide any necessary clarification to your points, in order that we can endeavour to address your concerns.

Regards
John

John McNicholas
Engineering & Programme Director

South Tees Development Corporation

M. +44 (0)7713 656 411

T. +44 (0)1642 408 020

<image002.png>

South Tees Development Corporation, Teesside Management Offices, Redcar, TS10 5QW

<image003.png> <image004.png> <image005.png> <image006.png>

From: Michael McConnell, PDG <Michael.McConnell@pdports.co.uk>

Sent: 12 December 2019 14:50

To: John McNicholas <John.McNicholas@southteesdc.com>

Subject: South Tees Development Corporation Compulsory Purchase Order

Without prejudice save as to costs

John,

We are extremely disappointed that we have not heard back from the South Tees Development Corporation in respect of the proposed Compulsory Purchase Order.

From what we can make out the proposals provide a major threat to our business and that of the customers of the Port. Why will the Development Corporation not engage in dialogue on this?

I am sure it will not be lost in the Development Corporation that The Statement of Reasons it is referencing committed developments in the locality such as MGT (which was down to PD Ports and MGT without the need for public sector land assembly), yet at the same time the Order seeks to threaten those very same interests.

Having personally been involved in a number of publicly funded acquisition and a regeneration projects with the support of statutory power of acquisition, I find it quite incredible that the Development Corporation is taken such an aggressive approach to land assembly, threatening the property and business of a party which it refers to on its website as being an important Stakeholder. Whilst this approach may be as a result of inexperience in largescale site assembly, you will appreciate that what can only be viewed as an attack on our property and business interests must be robustly defended by way of a formal objection to your proposed Order, which of course could be viewed as being Wednesbury unreasonable in any event.

PD Ports has been responsible for attracting considerable inward investment and job creation in recent years, despite competition from regions in the UK and abroad. Amongst other things we have secured this investment through our own operational capabilities and willingness to engage, whilst at the same time promoting Teesside as an attractive place to do business in. This is in spite of some of the negative perceptions which certain parties seem intent on presenting for their own ends. It goes without saying that site assembly, especially with the perceived threat of statutory acquisition powers, can be an extremely emotive issue, especially for those which are at risk of having their interests taken away by compulsion.

You are aware that when blanket correspondence has been sent out in the past by the Development Corporation in relation to the potential statutory acquisition of property interests, it created widespread concern from many of our Tenants and customers. This has resulted in what was at best a distraction from our own efforts to attract inward investment and provide a secure business environment, as well as meaning that we have had to allocate time and resource to addressing such concerns. This time and resource could be much better spent attracting new businesses and assisting with the growth of existing ones.

We had previously received assurances from the Development Corporation that there was no intention to acquire or extinguish any interests relating to PD Ports, but by way of the proposed Order it would seem that the Development Corporation is reneging on this assurance. At present we are unsure as to whether this has just been down to inexperience of property matters relating to actual process of implementing a Compulsory Purchase Order, or whether this is in complete disregard of the implications of your actions on wider commercial relationships and the ability to attract and maintain business for Teesside.

We have of course already seen the Development Corporation, in complete disregard of land ownership and without any form of request or consultation, not only permit contractors enter onto our land without consent to carry out works for the South Bank roundabout scheme, but the Corporation then went on to construct the road infrastructure on our land without any form of permission or consent. I trust you will agree that choosing to completely ignore property rights cannot in any way be viewed as reasonable behaviour, but it seems that this heavy handed approach to land assembly is being repeated.

Despite the actions of the Development Corporation in blighting an area of our land, we have in good faith tried to work with it without the need to litigate. It seems, however, that the Development Corporation having already taken and blighted some of our land does have a different agenda. Please, therefore, advise by return as to whether the public body which is responsible for the South Bank Roundabout Scheme is either South Tees Development Corporation, Redcar and Cleveland Council or another other public sector organisation. In addition, if you are not the person responsible for land assembly on behalf of the relevant organisation, please provide contact details of the person who is and ask him/her to make contact with a view to addressing this matter.

Similarly, in relation to the proposed CPO, please provide the information previously requested and clarify once and for all whether the South Tees Development Corporation is seeking to acquire or extinguish any rights held by ourselves through the utilisation of statutory powers or any other means. If it is now intent on such a course of action please clarify by return the specific interests which are required and the reasoning why this is viewed necessary in terms of the both greater public interest and your Scheme.

I apologise for the tone of this correspondence as we remain keen to work with and not against the Development Corporation in building upon the largescale economic regeneration and job creation which we have created in recent years. Unfortunately the approach which the Development Corporation has been taking to land ownership matters appears to be totally at odds with this. We do not feel it will be in the best interests of promoting Teesside for our organisation, which has been instrumental in creating major new employment opportunities and substantial private sector investment, being forced to defend our legal, property and business interests against the actions of the South Tees Development Corporation. Time does however appear to be running out before we may be left with no choice.

I do hope it will not be lost on the South Tees Development Corporation the implications of a situation which is entirely down to how you have chosen to deal with matters, and we respectfully request that these issues now be given the attention they deserve.

I look forward to hearing from you by return.

Yours sincerely,

Michael

<image007.png>

Michael McConnell

Group Property Director

17-27 Queen's Square, Middlesbrough, Cleveland, TS2 1AH
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Twitter: [@pdports](https://twitter.com/pdports)

From: Michael McConnell, PDG
Sent: 04 December 2019 09:53
To: 'John McNicholas'
Subject: RE: 50-150 hectare energy project
Importance: High

Hello John,

I was wondering when I will be receiving a response from you end.

Kind regards,

Michael

<image008.png>

Michael McConnell

Group Property Director

17-27 Queen's Square, Middlesbrough, Cleveland, TS2 1AH
Tel: +44 [0] 1642 87 7071 | Fax: +44 [0] 1642 87 7025
Mob: +44 [0] 7772 689816
michael.mcconnell@pdports.co.uk | www.pdports.co.uk
Twitter: [@pdports](https://twitter.com/pdports)

From: Michael McConnell, PDG
Sent: 28 November 2019 11:45
To: John McNicholas
Subject: RE: 50-150 hectare energy project

Hello John,

I was wondering who was dealing with this enquiry on your behalf.

In addition, we still do not appear to have received detailed plans showing the extent of what you understood to be interests of our which may be the subject of the Compulsory Purchase Order.

Some time ago you had mentioned you thought some "minor interests" may be subject to the Order. We would therefore request detail of these as you are clearly aware of where exactly those particular interests in order that we may consider the implications to our business.

I look forward to a reply.

Kind regards,

Michael

<image009.png>

Michael McConnell

Group Property Director

17-27 Queen's Square, Middlesbrough, Cleveland, TS2 1AH

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michael.mcconnell@pdports.co.uk | www.pdports.co.uk

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From: Michael McConnell, PDG

Sent: 19 November 2019 14:02

To: John McNicholas

Cc: richard.scott@cushwake.com

Subject: 50-150 hectare energy project

Hello John,

Are you aware of this requirement which has come in via Richard Scott of Cushman Wakefield (contact details below)?

Best regards,

Michael

Michael McConnell

Group Property Director

17-27 Queen's Square, Middlesbrough, Cleveland, TS2 1AH

Tel: +44 [0] 1642 87 7071 | Fax: +44 [0] 1642 87 7025

Mob: +44 [0] 7772 689816

michael.mcconnell@pdports.co.uk <image010.png> | www.pdports.co.uk

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"All

We have been asked to do a search for a site in the areas shown on the plan below which is essentially Teesside (circa 10km radius of Redcar or 10km radius of Hartlepool)

They are looking for the following:

- Minimum of 50 hectares up to 150 hectares
- Brownfield land or greenfield capable of development for a large scale energy project
- Preferably at least half a mile away from any residential development
- Preferably land in single ownership
- Preferably coastal or riverside setting

A hard one I know but any opportunities on or off market appreciated.

Apologies but we have to report by Friday so please send any opportunities over ASAP.

Regards

Richard

<image011.jpg>

Richard Scott MRICS

Partner - Newcastle

National Industrial & Logistics

Direct: +44 (0)191 2235711

Mobile: +44 (0)7787 697 757

richard.scott@cushwake.com

<image012.png>

Central Square, Forth Street, Newcastle upon Tyne, NE1 3PJ

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APPENDIX E

Michael McConnell, PDG

From: Fewell, Rachael (Avison Young - UK) <Rachael.Fewell@avisonyoung.com>
Sent: 20 December 2019 10:23
To: Michael McConnell, PDG; King, Michael (Avison Young - UK)
Cc: Darren Edmonds; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Kirkham, Helen (Avison Young - UK); David Allison (David.Allison@teesvalley-ca.gov.uk)
Subject: RE: South Tees Development Corporation : P D Ports

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Michael

Mike did just email Helen and I this morning asking us to respond on the remaining two points within your email:

- 1) The date of the commencement of the Inquiry and suggested duration. I am assuming that you and your colleagues at Avison Young are acting on behalf of STDC on the property side of matters. Is that correct.

The Inquiry is due to commence on Tuesday 11 February and sit on the following days:

11 – 14 February
18 – 21 February
25 – 28 February

It may close early depending on progress.

As Mike has explained, Avison Young are appointed by STDC as CPO consultants, to advise generally on the Order process. Within this context, we form part of the team engaged with affected parties to negotiate acquisitions and other agreements in advance of the Order where parties are so inclined, and to generally endeavour to address any related concerns flowing from the proposed Order and related proposals.

- 2) If an objection is to be lodged, should this be addressed to you, STDC or another entity.

If an objection is to be lodged this should be made direct to 'The Secretary of State for Housing, Communities and Local Government, Planning Casework Unit, 5 St Philips Place, Colmore Row, Birmingham, B3 2PW' and copied to STDC for ease.

I hope this answers your queries. As Mike suggested it would be helpful to meet to discuss your concerns however with the imminent Xmas break it seems unlikely to be able to be arranged before then with most parties from our side on leave from today. We would be grateful if you could kindly suggest some dates convenient to you when we might meet first thing in the New Year, at a venue to suit you.

Although we will be away from the office over the next week or so, we will be available to respond to any e mails.

Regards
Rachael

Rachael Fewell
Associate
rachael.fewell@avisonyoung.com

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From: Michael McConnell, PDG [mailto:Michael.McConnell@pdports.co.uk]

Sent: 20 December 2019 09:54

To: King, Michael (Avison Young - UK)

Cc: Darren Edmends; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Fewell, Rachael (Avison Young - UK); Kirkham, Helen (Avison Young - UK); David Allison (David.Allison@teesvalley-ca.gov.uk)

Subject: RE: South Tees Development Corporation : P D Ports

External Sender

External Sender

Mike,

Thank you for your e-mail.

I had already spoken to our solicitor, Jane Armitage at Jacksons, and she was suggesting we budget £10k for the legal work, but this obviously depends upon how reasonable your solicitors are in documenting matters. I would say however that one of the reasons we use Jacksons is that as well as having a detailed understanding of our business we find they usually come within budgetary estimates.

Obviously a difficulty that we have is still not fully understanding what exactly it is that the STDC is proposing and why. This is why I have been repeatedly seeking a face to face meeting with someone with large scale plans in front of us so we can collectively consider the implications and how we deal with them. You will note I have recently reached out to Darren in this respect (see attached correspondence). Hopefully he is available to meet with me as soon as possible. I need to have this meeting in order that I may thereafter issue clear instructions to our solicitor, and in good time so we may hopefully conclude matters before having to spend further time in lodging a formal objection.

You do of course understand that we must prepare formal objections in order to protect our position in the event that these issues are not resolved, so time is very much of the essence.

I am also mindful that I have not heard back in relation to points 2 and 3 in my below e-mail. Would you kindly come back to me on these as we naturally need to forward plan our own workload in line with the programme which the STDC is working to? Dealing with these matters is obviously a major distraction to our own resource allocation and workload, and we hope that we collectively draw these matters to an early conclusion if engagement on these matters is now viewed as a priority.

Best regards,

Michael



Michael McConnell

Group Property Director

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From: King, Michael (Avison Young - UK) [<mailto:Michael.King@avisonyoung.com>]

Sent: 20 December 2019 09:28

To: Michael McConnell, PDG

Cc: Darren Edmonds; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Fewell, Rachael (Avison Young - UK); Kirkham, Helen (Avison Young - UK); David Allison (David.Allison@teesvalley-ca.gov.uk)

Subject: RE: South Tees Development Corporation : P D Ports

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Michael

Thank you for your time for our conversation on Wednesday. My sincere apologies for being elusive. I have escaped for a couple of pre Xmas days with my wife in Palma before my "kids" descend to trash the house (I wouldn't have it any other way of course). I intended fully to remain engaged work wise, and indeed next week, but Wifi issues at my hotel, and similarly with my Iphone meant I was largely out of communication yesterday. I note colleagues have stepped in and you have my client's agreement to instruct your solicitors to draft an agreement up to our agreed ceiling as discussed. I think we both hoped the £10,000 ceiling for this work would be more than adequate. Might I respectfully suggest that your solicitors provide you with an estimate without knowledge of the ceiling in the first instance. I may be a little too long in the tooth and hence overly cynical to all our solicitor friends, but we might try and avoid human nature dictating that with knowledge of an upper fee amount, they may just "fill the time" if you know what I mean, and it may be counter-productive in expediting. Fees will need to be reasonable/proportionate and supported by timesheets. If indeed transpires that we have both underestimated the ceiling level, please advise as soon as you can in order that STDC can consider further.

I very much enjoyed our frank but cordial conversation. I learnt much about P D Ports and some of the Redcar history, but you might appreciate the detail of much you referenced in terms of your concerns were not matters that I had particular knowledge of, and necessarily will need to be considered by appropriate parties within STDC, and within the context of possible related impact on STDC's Order and Scheme proposals. It has been a very sharp learning curve learning about all things Redcar, Teeside since I personally became involved back in 2017 I think. It is natural that you would wish to seek to protect your business operations from any potential perceived disturbance. I can assure you that this is STDC's absolute intention and desire also, for obvious reasons, and they are confident that there are no such adverse potentials. And if they can provide any such assurances that our within their gift and are reasonable all things considered, they will of course seek to allay your concerns formally.

I think what is also clear from our conversation is the mutual benefit to STDC and P D Ports in terms of STDC's Order and Scheme proposals over the coming decades, if it achieves regeneration on the scale intended, and which is desperately needed for Teesside. Indeed, the inherent synergies of STDC's proposals and P D Port's operations form an inherent part of the supporting case for the Order. It is not surprising that P D Ports are not fundamentally opposed to STDC's proposals, and would prefer not to object to the Order and this is comforting and appreciated. So we need to work together to ensure this is unnecessary, as it should be. We

thus also appreciate the opportunity to see if we can formalise allying your current concerns. We look forward to hearing from you in this regard.

Regards

Mike

Michael King FRICS

Principal

RICS Registered Valuer, Expert Witness & Accredited Mediator

Legal Experience Training Advanced Professional Award in Expert Witness Evidence

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From: Michael McConnell, PDG [<mailto:Michael.McConnell@pdports.co.uk>]

Sent: 19 December 2019 14:38

To: King, Michael (Avison Young - UK)

Cc: Darren Edmonds; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Fewell, Rachael (Avison Young - UK); Kirkham, Helen (Avison Young - UK)

Subject: RE: South Tees Development Corporation : P D Ports

External Sender

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Dear All,

I have received an out of office reply from Mike King indicating he is on holiday until 3rd January.

If Mike is not picking this matter up in the meantime, would someone else please do this as a matter of urgency. Mike and I were discussing expediting matters in order to avoid the need for a formal objection to be lodged in order to protect our position.

Many thanks,

Michael



Michael McConnell

Group Property Director

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Twitter: [@pdports](https://twitter.com/pdports)

From: Michael McConnell, PDG

Sent: 19 December 2019 13:41

To: King, Michael (Avison Young - UK)

Cc: Darren Edmonds; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Fewell, Rachael (Avison Young - UK); Kirkham, Helen (Avison Young - UK)

Subject: RE: South Tees Development Corporation : P D Ports

Hello Mike,

I refer to our telephone conversation yesterday which I found to be constructive in your approach to understanding the issues which the proposed CPO creates for our business and users of the Port and the River Tees, noting that amongst other things access to and from important assets such as the breakwater, Tees Dock and Redcar Bulk Terminal would be lost by way of a statutory acquisition which would extinguish such rights.

Formally documenting matters to protect our position in advance should hopefully address those issues. Whilst we would like to think the STDC would not be wanting, amongst other things, to remove access to and from South Gare thereby preventing maintenance of the breakwater protecting the river and land currently within the ownership of the STDC, if these matters are not appropriately addressed and documented then such would be the unintended consequences. We welcome your engagement and understanding and look forward to hearing from you on the issue of our legal costs in drawing up the requisite documentation.

From our conversation you obviously understand that under the current position PD Teesport must lodge a formal objection to the CPO. Hopefully we can now make expedient progress to addressing matters in order that the lodging of an objection may not be necessary. Obviously we are up against the clock on this. We have been pressing for an understanding of the STDC reasoning for the acquisition and extinguishment of some of our interests, which will subsequently inform what would need to be documented. In order to save further time and costs at our end in lodging a detailed objection to the proposed Order as we discussed we will need to immediately instruct solicitors. Whilst this is a bit "back to front", unfortunately this is the position we find ourselves in due to the lack of progress to date.

We are also extremely mindful that the date for the Inquiry is looming, but we have not been advised of the actual dates. Obviously any time that PD Teesport needs to spend in relation to an Inquiry, as well as dealing with this matters in advance of any Inquiry, are a distraction to our core business activities including attracting major inward investment into the area. We would much rather not have to divert time, effort and costs in reaction to the CPO situation. Whilst I enjoyed our conversation, I hope that that you and your client will be wanting to work towards an early resolution in order that we can move on to other matters.

For clarification would you kindly confirm:-

- 1) That STDC will undertake to pay our costs in relation to documenting matters.
- 2) The date of the commencement of the Inquiry and suggested duration. I am assuming that you and your colleagues at Avison Young are acting on behalf of STDC on the property side of matters. Is that correct.

3) If an objection is to be lodged, should this be addressed to you, STDC or another entity.

I look forward to an early reply.

Best regards,

Michael



Michael McConnell

Group Property Director

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From: King, Michael (Avison Young - UK) [<mailto:Michael.King@avisonyoung.com>]

Sent: 18 December 2019 11:47

To: Michael McConnell, PDG

Cc: Darren Edmonds; John McNicholas (John.McNicholas@southteesdc.com); Smith, Jacqueline (Avison Young - UK); Fewell, Rachael (Avison Young - UK); Kirkham, Helen (Avison Young - UK)

Subject: South Tees Development Corporation : P D Ports

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Dear Michael

I refer to your Company's previous liaison with STDC on all matters relating to the CPO and STDC's remit within this context. My firm is appointed by STDC as CPO consultants, to advise generally on the Order process. Within this context, we form part of the team engaged with affected parties to negotiate acquisitions and other agreements in advance of the Order where parties are so inclined, and to generally endeavour to address any related concerns flowing from the proposed Order and related proposals. For your background information, our Avison Young dedicated CPO team working on this matter boast a collective 60 years CPO expertise and experience, although regrettably much of that 60 years is mine.

I am aware that there has been a dialogue between STDC and P D Ports for some little time. But I reference in particular the most recent e mail exchange between yourself and John McNicholas at STDC, and following your e mail of the 12th December, and those matters relating specifically to the CPO and STDC's Scheme proposals within this context. You will likely be aware that STDC are confident that their proposals will significantly benefit P D Ports interests at Redcar, and indeed these inherent benefits in terms of the broader redevelopment dynamic form part of their broader case for Order and Scheme benefits. But naturally, you will have queries and points of clarification on specific issues to ensure your business interests are not adversely impacted. STDC are naturally happy to work with you to provide these assurances as they relate to the CPO and their Scheme. As advised by John recently in responses to your e mail of the 12th December, STDC remain convinced that there are no issues for PD Ports to be concerned over, albeit it is accepted you might need certain assurances in this regard. I am available to engage to formalise these discussions.

I suggest it would be helpful to meet to discuss your concerns as they relate to the Order. I would intend including Darren Edmonds from STDC who has much knowledge that will assist such a discussion, in the hope, and we consider likelihood, that we can allay your concerns and record formally if this is required. A

meeting is unlikely capable of being arranged before the imminent Xmas break, but perhaps you could kindly suggest some dates convenient to you when we might meet first thing in the New Year, at a venue to suit you. I am personally away for a short break from tomorrow, but I will be available to respond to any e mail or telephone queries if you have need for immediate engagement. And I am happy to make myself available in this regard over the Xmas period.

I have copied my secretary who can liaise with Darren to co-ordinate diaries for a meeting to discuss all matters of concern. I look forward to hearing from you in this regard. If I can be of any immediate assistance please do not hesitate to contact me.

Yours sincerely

Mike

Michael King FRICS

Principal

RICS Registered Valuer, Expert Witness & Accredited Mediator

Legal Experience Training Advanced Professional Award in Expert Witness Evidence

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