

Adran yr Economi a'r Seilwaith
Department for Economy and Infrastructure



Llywodraeth Cymru
Welsh Government

Objection Ref OBJ0313

File Ref WG/REB/OBJ0313 – Saint-Gobain/Jewson (International Timber)

Response to Objector's Objection: Saint-Gobain/Jewson (International Timber)

1. GROUNDS FOR OBJECTION

1.1. Details

1.1.1. A written objection was received from Mr Tony Chase on behalf of Jewson Limited and Saint-Gobain Building Distribution Limited (International Timber) dated 4 May 2016 in relation to the draft statutory Orders associated with the Welsh Government's proposals for the M4 Corridor around Newport. A further written objection was received dated 15 June 2017 in relation to the supplementary (No.3) Compulsory Purchase Order.

1.1.2. The Welsh Government understands the objection to be based on the following:

1. the acquisition of external land which is used by International Timber which is essential to the continued operation of the facility at Newport Docks.
2. the construction of the proposed Scheme would also prevent or significantly impeded access to Newport Docks by ships. Without the ability to continue to import timber by ship the Newport facility of International Timber would be unable to operate, and;
3. the Welsh Government has not entered into any meaningful discussions with International Timber, nor sought to engage with them, with a view to exploring the possibility of the purchase of their interested by agreement.

2. WELSH GOVERNMENT'S VIEW

2.1. Points Raised

2.1.1. The above points are dealt with by topic by the relevant witness in the following sections, in addition to their general proofs of evidence, to which readers should also make reference in their entirety for a full understanding of the Welsh Government's case. For ease of reference the places where the above points are addressed in this Rebuttal are listed in the table below:

Objector's point reference	Rebuttal paragraph reference	Objector's point reference	Rebuttal paragraph reference
1	2.2.1	3	2.2.1
2	2.2.2		

2.2. Matthew Jones (Chief Witness)

2.2.1. In response to **Point 1** (the acquisition of external land which is used by International Timber which is essential to the continued operation of the facility at Newport Docks) and **Point 3** (the Welsh Government has not entered into any meaningful discussions with International Timber, nor sought to engage with them, with a view to exploring the possibility of the purchase of their interested by agreement);

1. Since receiving the original objection the Welsh Government, assisted by the project team, have looked to engage with ABP and International Timber in order to determine suitable mitigation measures which would allow International Timber to continue to exist within Newport Docks during the construction and operation of the proposed M4CaN Scheme.
2. A meeting was held with International Timber and ABP on 15th August 2016. The Welsh Government updated International Timber on the progress of the Scheme and the upcoming Public Inquiry Process. They also stated that they wished to provide assistance to companies to mitigate any potential impact of the proposed Scheme and therefore invited those affected to submit an initial business case for such assistance. International Timber provided an overview of their current operations and potential mitigation measures. It was noted that ABP provide stevedorage services to International Timber. International Timber provided Welsh Government with information on their shipping activity in

response to a letter from the Welsh Government letter dated 23rd July 2016 and an electronic copy of this information was requested.

3. Throughout 2017, extensive discussions took place between ABP and the Welsh Government which led to the development of a package of mitigation works to address the temporary and permanent impacts the proposed Scheme had on the Newport Docks and the withdrawal of objections from ABP following the entering into of a legal agreement between ABP and the Welsh Government. These proposals are outlined in the Scheme Evidence Update of Matthew Jones (WG 1.1.8), supported where necessary by other Welsh Government Witnesses and Environmental Statement Supplements 5 and 6. On 31st January 2018, ABP confirmed it was prepared to withdraw its objection to the Scheme. A summary of the agreement reached with ABP on 2nd February 2018, which confirms these proposals, is contained in Public Inquiry Document 196.
4. As part of the development of these proposals the Welsh Government looked to confirm the mitigation proposals with International Timber to ensure that they allowed for the business to maintain the current extent, albeit in different locations, of areas of external storage in both the temporary construction phase and the permanent operational phase of the proposed Scheme. An email was sent to Clare Pickin in October 2017 which outlined the Welsh Government's and ABP's assessment of the external storage areas affected by the proposed Scheme and proposed temporary and permanent replacement areas (see Appendix A). No response was received from International Timber. The project team has attempted to arrange face to face meetings with International Timber on a number of occasions between October 2017 and the publication of the Scheme Evidence Updates on 20th December 2017, to confirm the appropriateness of the proposals, but to no avail.
5. The proposals outlined in the Scheme Evidence Update, which are now agreed with ABP, provide for International Timber to have temporary access to land adjacent to their current facilities to use as external storage space during the construction phase of the proposed Scheme. Once the construction of the proposed Scheme is complete the proposals allow International Timber access to land beneath the elevated section of the

proposed Scheme. The plots available to International Timber would adjoin their current facility but would be subject to restrictions on cargo type and stacking height. Mr Ben Sibert explains in his Scheme Evidence Update (WG 1.5.7) that his experts' preliminary recommendation is that untreated timber storage could be accommodated up to 5m in height, beneath the elevated section of the proposed Scheme for the identified plots.

6. Joanna Vincent (Programme Officer) enquired about the status of International Timber's objection to the proposed Scheme in an email to Mr Tony Chase (agent acting on behalf of International Timber) on 12th February 2018. Mr Chase replied on 28th February 2018 confirming that International Timber's objection remained and that the grounds of objection and other issues set out in the two objection letters remain unchanged. Mr Chase stated that whilst progress has been made to identify suitable land adjoining or adjacent to its property there is no firm agreement with ABP to secure the replacement land. Furthermore, Mr Chase stated that whilst the Welsh Government has indicated that land not required permanently for the proposed Scheme may be handed back to International Timber, there is as yet no formal agreement.
7. The agreement with ABP legally commits the Welsh Government to use its best endeavours to attempt to reach an agreement over a solution that works for International Timber and it will continue to liaise with International Timber in that regard. The Welsh Government acknowledges that there is an overriding marine reason for International Timber to remain located with Newport Docks; however, the agreement with ABP is such that in the event that agreement with International Timber for some facilities to be temporarily relocated is not reached, then the Welsh Government is entitled (should the proposed Scheme proceed) to compulsorily purchase the International Timber leasehold interests. In those circumstances, International Timber would be entitled to compensation based on the code that governs payment of compulsory purchase compensation.
8. With regard to International Timber's objection to the proposed Scheme, disruption to its business (including the potential for its interest to be acquired by compulsory purchase order to relocate to another port) must

be balanced against the wider social economic and environmental benefits of the proposed Scheme.

9. If a relocation agreement cannot be reached with International Timber and ABP, notwithstanding use of best endeavours, then Welsh Government would compulsorily purchase International Timber's interest and International Timber would be entitled to compensation. If no relocation agreement is reached with ABP and International Timber the compulsory purchase of International Timber's interest is a matter that needs to be weighed against the other social, economic and environmental benefits of the Scheme.
10. A meeting is scheduled for 28th March in order to discuss the Welsh Government's proposals and International Timber's business needs/requirements. Liaison will be ongoing.

2.2.2. In response to **Point 2** (the construction of the proposed Scheme would also prevent or significantly impeded access to Newport Docks by ships. Without the ability to continue to import timber by ship the Newport facility of International Timber would be unable to operate);

1. As outlined in the Scheme Evidence Updates which were issued on 20th December 2017, the Welsh Government (in agreement with ABP) intent to extend and narrow the Junction Cut within the South Dock and revise the entry parameters and protocols for shipping entering the North Dock. These proposals are outlined in my Scheme Evidence Update (WG 1.1.8) the Scheme Evidence Update of Mr Ben Sibert (WG 1.5.7) and Mr Jonathan Vine (WG 1.22.5).
2. At the time of writing the Scheme Evidence Updates the final width of the narrowed Junction Cut was still to be confirmed as either 11m or 13.5m between fendering. ABP have since completed an independent Navigational Risk Assessment which corroborates the conclusions of the Welsh Governments probabilistic risk assessment. As such, the width of the narrowed Junction Cut would be 13.5m (please refer to PID 239).
3. Mr Jonathan Vine provides information on the percentage of vessels which would be impeded by a 13.5m beam restriction at the narrowed Junction Cut in his Scheme Evidence Update (WG 1.22.5) for vessels which have visited the North Dock and for vessels which have visited

Section 23-26 (the sections on the west side of the North Dock adjacent to International Timber's facility) between 2005 and 2015. For a 13.5m Junction Cut width he concludes that 55% of the vessels which visited Sections 23 to 26 between 2005 and 2015 would have been impeded.

4. The Welsh Government has acknowledged that narrowing the Junction Cut would impede vessels from entering the North Dock and as such have offered to provide the phased creation of approximately 303m of new quay on the north side of South Dock and the refurbishment of 250m of quay on the south side of South Dock in order to increase the common user berthing facilities available within the South Dock to accommodate vessels which have been displaced from the North Dock due to the narrowing of the Junction Cut. They are also funding a swing bridge over junction cut to ensure connectivity, including to International Timbers facility.
5. The Welsh Government understands that ABP is responsible for transporting cargo to International Timber's premises from wherever it is discharged and that the unloading of those vessels that would have accessed North Dock but would, if the Scheme proceeds, instead discharge cargo in in South Dock does not create a financial burden on International Timber. ABP's increased costs of delivering cargo from South Dock to International Timber's premises is a matter that is dealt with in the Welsh Government's agreement with ABP.

2.2.3. I confirm that the statement of truth and professional obligations to the inquiry from my main proof still applies.

Appendix A – Correspondence with Clare Pickin

From: Martin.Bates@gov.wales
Sent: 26 October 2017 13:40
To: clare.pickin@pasquill.co.uk
Cc: MStacey@abports.co.uk; Lyndon.Thomas@gov.wales; Matthew.Jones@gov.wales
Subject: M4 Corridor around Newport - International Timber / Jewson Limited / Saint Gobain
Attachments: M4CaN-DJV-GEN-Z3_GEN-SK-CX-0014.pdf
Importance: High

Clare
(Mike & Lyndon to be aware)

I am the Welsh Government's Project Director for the M4 Corridor around Newport. We met at the meeting held at Lysaght Institute on 11 May 2011

Following our meeting I had drawings prepared seeking to mitigate the impact of the M4 Motorway proposals on your company's ongoing timber operations within Newport Docks.

Drawings of proposals for the storage of timber during the construction period of the motorway and when it is in operation were forwarded to Mike Stacey of ABP some time ago which I understand are being considered

Funding in the sum of £6,460 inc VAT was also finally released on 11 August 2017 after some delay to enable survey work to be carried out to assist with the potential reorganisation. To date I am not sure whether this survey work has been carried out.

As you would have anticipated there have been arrange of meetings between Welsh Government representatives and ABP about relocation / reorganisation of facilities and tenants within the docks due to the motorway proposals.

Following discussions with Mike Stacey of ABP he has agreed for me to send the attached drawing No M4CAN-DJV-GEN-Z3-GEN-SK-CX-0014 version P01.1 to you which shows the latest proposals to ensure that International Timber are able to maintain the current area of storage both during the temporary and permanent situation should the motorway proposals go forward to construction.

The drawing has the various sub plots numbered and hopefully with the table below it will assist your understanding of the proposals.

I am advised that the existing area of your company's plot affected by the proposed motorway works is **22,131 sqm**. This has been used as the "target" for temporary and new permanent land

Temporary Storage Areas

Notes;

- a) Sub Plot ITa - is the area advised by ABP as usable on a temporary basis
- b) Sub Plot ITb - Mike Stacey has advised that there is no need for an access road through but see section A - A
- c) Sub Plot ITc - is an area advised to WG as a potential location for temporary previously

Sub Plots	Area sqm	Comment
ITa	10,960	
ITb	11,000	ITb and ITc would be provided first as part of M4 Enabling Works to allow IT to vacate area IT7 (6,246sqm) for contractor to set up a site compound
ITc	1,018	
Total	22,978	

Permanent Storage Areas.

Notes:

- d) As a starting point I have assumed that the temporary storage areas would not be retained
- e) The areas are split as under the proposed motorway viaduct and adjacent to it
- f) All of these areas would not be made available until the works on the proposed motorway have been completed

Sub Plots	Area sqm	Comment	Location
Under Viaduct			
IT1	3,344	The areas do not include the access corridors required for viaduct maintenance	West of railway
IT2	2,541		East of railway
IT3	2,944		East of railway
Sub Total	8,829		
Adjacent to Viaduct			
IT4	2,268	The areas are contiguous with the sub plots under the viaduct	West of railway
IT5	2,998		East of railway
IT6	1,847		West of railway
IT7	6,246		East of railway
Sub Total	13,359		
Total	22,188		

If you require any more information or wish to meet me to discuss please not hesitate to contact me. I would however appreciate your comments on the enclosed proposals

I have not copied this information to Mr Tony Chase of Gerald Eve but will do so if you require

For the purposes of your organisations outstanding objection I am presuming it is very much linked to that of ABP for which negotiations regarding the potential impact of the motorway proposals should the decision be taken to proceed to construction are still ongoing.

Regards

Martin W Bates
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Trafnidiaeth ~ Transport
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