

Secretary of State for Energy Security and Net Zero
Energy Infrastructure Planning Delivery Team
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By Email and post

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Our Ref: JHAO/RID.0021.0014

14 November 2023

Dear Secretary of State,

Southern Gas Networks PLC (Kingsferry Gas Pipeline Replacement Project) Compulsory Purchase Order 2023

Our client: Ridham Sea Terminals Limited

1. We are instructed by Ridham Sea Terminals Limited (“**RST**”) in respect of its interests in Ridham Dock, Iwade, Sittingbourne, Kent ME9 8SR (the “**Dock**”).
2. On 18 October 2023, Southern Gas Networks PLC (“**SGN**”) notified RST that it had made the Southern Gas Networks PLC (Kingsferry Gas Pipeline Replacement Project) Compulsory Purchase Order 2023 (the “**CPO**”) pursuant to its powers under section 9 of the Gas Act 1986 (together with Schedule 3 thereto) and the Acquisition of Land Act 1981 (the “**Act**”). We enclose with this letter a copy of SGN’s letter, together with its enclosures. The notification states that SGN will shortly thereafter be submitting the CPO to you for confirmation. We assume that this step has now been taken.
3. Paragraph 7 of the notification requires that any objection be made by 15 November 2023. This letter serves as RST’s formal objection to the CPO, made pursuant to section 13(6) of Act.
4. For the reasons given below, RST objects to the CPO unless and until adequate measures are introduced to minimise the impact on its operations (and those of its undertenants and other occupiers) at the Dock.

RST's interest

5. The Dock is an independently run port offering berthing, stevedore services and secure storage facilities, located on a tidal channel of the Thames estuary in Kent called the Swale.
6. Outback UK Propco I A Limited ("**Outback**") recently purchased the Dock from Dooba Investments III Limited ("**Dooba**"). Outback is yet to be registered as proprietor at HM Land Registry. As such, legal title to the freehold (registered under title numbers K538352 and K668508) remains vested in Dooba.
7. RST is the tenant of part of the Dock pursuant to two long leases: one dated 27 November 2003 and made between (1) Nestron Limited and (2) RST (registered under title number TT19187), and another dated 14 January 2011 and made between (1) Dooba and (2) RST (registered under title number K978053). We enclose with this letter copies of each of these leases. The contractual terms of those leases are due to expire on 26 November 2023. However, reversionary leases were granted to RST by Dooba on 7 June 2022, which served to extend those terms to 2048. We further enclose copies of the reversionary leases and a plan showing RST's titles overlaid at the Dock circled in blue. RST has granted various underleases in respect of warehouses at the Dock situated within its demise.
8. There are two access points to the Dock. The first leads from Ridham Dock Road and joins the site at its north-western border ("**Route W**"). It then connects to a road leading east through the middle of the Dock and to another road immediately to the right of the access point following a path around the southern perimeter of the Dock. This joins a second access point to the south of the Dock. This southern access point connects to a road leading north through the middle of the Dock ("**Route S**"). For ease of reference, we refer to the aerial shot of the Dock enclosed at Annex I to this letter.

The CPO and its effect

9. Paragraph 1 of the CPO describes the project which the SGN wish to carry out. It reads: "*...the construction and operation of a new gas pipeline under the river Swale between mainland Kent and the Isles of Sheppey and the decommissioning of the existing intermediate gas pipeline suspended beneath the superstructure of the Kingsferry Bridge over the river Swale, and associated works*" (the "**Project**").
10. Appendix A to the letter from SGN confirms that, by the CPO, SGN intends to acquire "*Access Rights and Pipeline Rights*" over Plot 36 and "*Pipeline Construction Rights, Drilling Rights and Pipeline Rights*" over Plot 46. As with freehold title to the Dock, the land comprising these plots were owned by Dooba prior to their sale to Outback (together with Knauf UK GmbH). Legal title to both plots remains vested in Dooba at the time of this objection.

11. Ridham Dock Road runs through both Plots 36 and 46. It also appears that the CPO will also impact upon other plots, through which the same road runs.
12. RST has been in correspondence with Mileway Real Estate UK Ltd (“**Mileway**”), who, it is understood, act as agent for Outback. Mileway has confirmed to RST that the Project will definitely impact upon Ridham Dock Road. This, by extension, includes Route W.

Objection

13. The Dock is in constant use. Ships make port on a regular basis at all hours of the day and night to load and unload, depending upon the tide. This means that several thousand lorries, trucks and other vehicles use the Dock annually. It is also host to RST’s undertenants and other occupiers, which use the Dock for other businesses. For example, one such undertenant is an environmental company which uses its warehouse to recycle waste, which is then exported to Germany.
14. As explained above, the only means of access to the Dock are by way of Route W or Route S. Both are in regular use. It is therefore imperative to the proper functioning of the Dock and the companies which operate there that those accessways remain open and fully functioning at all times.
15. It is RST’s position that the provisions of the CPO are fundamentally at odds with that necessity.
16. The scale of the Project is enormous. It is such a large endeavour that the works to deliver it have been separated into two sections, namely (a) the construction of the new pipeline and (b) the decommissioning/removal of the existing pipeline. Section (b) is further broken up into no fewer than seven phases. The anticipated date for completion of the Project is March 2026. However, SGN’s Statement of Reasons readily acknowledges that construction periods will be influenced by external factors. There is therefore no guarantee that a significant scheme of works such as this will not be subject to delays, and they often are.
17. Ridham Dock Road provides Route W. It passes beneath Kingsferry Bridge, which is one of the core locations for works under the Project. It is inevitable that, at some point over that significant period, SGN will seek to restrict the use of Ridham Dock Road, or even to prevent its use altogether, or otherwise prejudice the use of that road by others. Even if this does not result directly from the Project’s works, it is not difficult to see how such a blockage may occur indirectly.
18. Given that Ridham Dock Road is an integral part of Route W, any form of restriction (in terms of capacity or temporary closure) may have substantial effects on RST, its undertenants and other operators at the Dock. Moreover, we are concerned about significant usage pursuant to the CPO having a detrimental impact on others seeking to carry on their use of Route W as a means of access to and from the Dock.

19. If, for whatever reason, Route S is subsequently closed, RST (and presumably all other occupiers of the Dock) would need to cease trading altogether. This would result in calamitous losses and hang RST's future in the balance.
20. RST requests that either Route W remains open at all times, or an alternative suitable means of access (i.e. for lorries and trucks) be provided by SGN to the Dock. This would alleviate any congestion or risk of closure, thereby reducing the impact of the Project on RST and all other occupiers.
21. For those reasons, RST formally objects to the CPO.

Enclosures

22. We enclose with this letter the following documents:
 - a. the letter from SGN to RST dated 18 October 2023, together with its enclosures (including the SGN Notification, the CPO and SGN's Statement of Reasons);
 - b. the leases dated 27 November 2003 and 14 January 2011; and
 - c. the reversionary leases dated 7 June 2022; and
 - d. a plan showing RST's titles at the Dock.

Next steps

23. Should you have any questions concerning the contents of this letter, please contact Joanna Osborne on +44 (0) 20 7691 4034 or Joanna.Osborne@edwincoe.com, the partner with carriage of this matter.

Yours faithfully

Edwin Coe LLP

Edwin Coe LLP

Cc: Southern Gas Networks Plc

Annex I

