Application by North Somerset Council for an order granting development consent for the Portishead branch line - MetroWest phase 1

Planning Inspectorate reference TR040011 Interested party reference PORT-S57657

Note on behalf of First Corporate Shipping Limited trading as The Bristol Port Company (BPC) in respect of the easement relating to the at-grade crossing at Court House Farm dated 14 April 2021

1. This note is provided in response to the Examining Authority's request for information dated 29 March 2021, Annex C, questions for BPC.

Question

With regard to the timescales for the removal of the at grade crossing you refer to a deed of a grant of easement dated 4 September 2017 between Network Rail and First Corporate Shipping Limited can you provide a copy of this agreement with the relevant sections highlighted and/or provide a summary of what this document requires with regards to the removal of the at grade crossing and the construction of the vehicular bridge. action point 28 arising from Issue Specific Hearing 5 on 4 March 2021.

 A full copy of the easement dated 4 September 2017 is attached, with the relevant provisions relating to its termination highlighted. The easement is referred to in this note as the Court House Farm easement.

Question

The BPC have advised that the principle point of contention with Network Rail Infrastructure Limited is when the BPC would be required to construct the vehicular bridge across the railway to replace the at grade crossing [Point 11, AS-052]. The BPC [CA.1.10, REP3-046] state that the DCO as drafted currently makes no provision to ensure that they have adequate time to construct the alternative crossing in accordance with the timescale envisaged by the planning permission and as previously envisaged by BPC and the Applicant.

Should this matter not be resolved by the end of the Examination could both the Applicant and the BPC indicate how they consider this matter could be secured through the DCO and provide appropriate wording.

Summary

3. It has not been possible for BPC and Network Rail Infrastructure Limited (NR) to reach agreement on the terms on which BPC will be permitted to construct a bridge across the disused railway in the vicinity of Court House Farm as an alternative to the current at-grade crossing. During the discussions, a key issue in contention has been NR's requirement that, under any agreement, BPC's construction of the bridge could not continue after the expiry of a fixed period from the date the DCO for the MetroWest scheme is made. NR further insists that BPC's right to use the at-grade crossing must cease at the end of that same, fixed period so that by then the crossing must also have been removed, regardless of whether the DCO scheme is to go ahead.

- 4. Despite constructive discussions, a draft of an agreement between BPC and NR relating to the construction of the bridge is not yet in circulation. While BPC anticipates that discussions with NR as to the terms of such an agreement will continue beyond the close of the Examination, in the absence of such an agreement now BPC needs to secure the continuation of its current access over the at-grade crossing for an appropriate period. It therefore requires a protective provision in the following terms:
 - "(1) Despite anything contained in the Court House Farm easement or any other agreement relating to the Court House Farm terminable access, BPC's rights to use the Court House Farm terminable access under and in accordance with the Court House Farm easement or such other agreement must not terminate or cease to be exercisable before the date which is fifteen months after the approval date, and the Court House Farm easement and any such other agreement are modified accordingly.
 - (2) In sub-paragraph (2), the "approval date" is the first date on which each of the Full Council of North Somerset Council, the West of England Joint Committee, the West of England Combined Authority Committee and The Secretary of State for Transport has confirmed in writing its approval under the Department for Transport WebTAG technical process for the appraisal of major transport schemes of the Full Business Case and the Final Approval Business Case in relation to the MetroWest Phase 1 proposals, including the authorised development."

"Court House Farm easement" means a Deed of Grant of Easement dated 4 September 2017 made between Network Rail and First Corporate Shipping Limited t/a The Bristol Port Company."

"Court House Farm terminable access" means the existing crossing at grade over the disused Portishead Branch Line which is described in the Court House Farm easement."

5. BPC provided the form of this protective provision to the Applicant, on a without prejudice basis, on 23 February 2021. The Applicant does not agree to its inclusion in the DCO.

Background

- 6. BPC refers to its previous comments and representations on this topic, including:
 - REP2-064 (written representation) para 2.2.3 and 5.7;
 - AS-052, para 11;
 - REP3-046 (in respect of ExQ1 CA.1.10;
 - REP5-049; and
 - REP6-048 and REP6-051.
- 7. The at-grade crossing over the disused railway connects two vehicle transit storage compounds. The compounds are used for the transit storage of vehicles being imported by a vehicle manufacturer through Royal Portbury Dock. The two compounds are therefore used for the purposes of carrying on BPC's statutory undertaking. Access to the compound south of the disused railway is only available via the rest of the Port estate, first to the northern compound and then over the at-grade crossing. Access is not available to the southern compound direct from the public highway. If access between the two compounds over the at-grade crossing were prevented before BPC had had a reasonable opportunity to construct an alternative access (a bridge) across the railway, the carrying on of BPC's statutory undertaking would accordingly be subjected to serious detriment.

- 8. BPC must therefore be permitted adequate time to construct the new bridge over the disused railway, during which time it must be permitted to continue to use the at-grade crossing. BPC's current estimate of the time necessary to design and construct the bridge, as outlined in its oral case at ISH5 and later in its note to the ExA in response to action point 28 arising from that hearing [REP6-048 and REP6-051], is 15 months. BPC is not aware of any challenge to that estimate by the Applicant.
- 9. The time period proposed by NR within which BPC would be permitted to build the bridge, and at the end of which BPC's right to use the at-grade crossing must cease and indeed by which BPC must also have removed the at-grade crossing is less than the 15 months required by BPC's programme.
- 10. Further, NR's position is that this shorter period must start as soon as the DCO is made. BPC considers it would be manifestly unreasonable for BPC to be forced to expend considerable cost in first the detailed design and then actual construction of a bridge, and in the removal of the at-grade crossing, until it is clear that the bridge is required and that it is necessary that the crossing be removed.
- 11. The Court House Farm easement permits notice to be given by NR if and when the extent of the railway shown coloured green on the plan attached to it (referred to in the easement as the Property) is required by NR for the performance of its responsibilities as a provider of network services or for the purpose of the network business or for the purpose of railway and/or integrated transport-related development. In BPC's view, the site of the at-grade crossing cannot be required by NR for those purposes simply because a DCO is made granting the Applicant development consent for the proposed scheme, particularly when funding to implement that scheme has not been obtained and when no contractor has been appointed.
- 12. BPC entered into the Court House Farm easement in the knowledge that, if the disused railway were re-opened, BPC would need to give up and remove the at-grade crossing and build a bridge in its place. However BPC did not expect that it would be put in that position when the railway was not being re-opened or when it was not certain that it would be.
- 13. Despite this, to facilitate the DCO scheme's development, BPC would be willing to agree to start its design and construction programme for the bridge, and to incur the resulting cost, when all funding for the implementation of the scheme has been confirmed. However, it must then be allowed the full 15 months required by its programme, both as a period available to it for construction and as a period during which its rights in respect of the at-grade crossing cannot be curtailed.
- 14. Full funding of the DCO scheme will be available to the Applicant only on approval of the Full Business Case by North Somerset Council (Full Council), the West of England Joint Committee, the Committee of the West of England Combined Authority and the Department for Transport: see, for example, the Applicant's response to ExQ1 CA.1 5 [REP2-013] and the various approvals described in paragraphs 4.1 to 4.11 of the Funding Statement (DCO doc 4.2, APP-056). BPC therefore considers that the Court House Farm easement must not be terminated until, at the earliest, 15 months from this date.

Protective provision

15. Section 120(3) Planning Act 2008 provides that an order granting development consent may make provision relating to matters ancillary to the development for which consent is granted. The closure of the at grade crossing in this location is clearly the direct result of, and an impact of, the proposed development and, as with other crossings over the disused railway which it is proposed will similarly be closed, an ancillary matter for which, and for the mitigation of the effects of which, the DCO may make provision.

- 16. Section 120(4) of the 2008 Act specifically includes among provisions that may be made by a development consent order the matters listed in Part 1 of Schedule 5. Included by paragraph 3 of that Part are provisions for the "abrogation or modification of agreements relating to land". The Court House Farm easement is an agreement relating to land, and so may be modified by a provision of the DCO.
- 17. BPC's proposed protective provision above accordingly modifies the Court House Farm easement to ensure that any termination of it could not occur until BPC has been allowed sufficient time (being 15 months) from the time when full funding for the DCO scheme is made available to construct the bridge, without otherwise interfering with the operation of the Court House Farm easement or the construction programme for the authorised development.
- 18. Given the serious detriment that would occur if BPC were to lose its ability to cross between its two vehicle compounds, BPC considers that this provision is both necessary and proportionate.



4 September 2017

Deed of Grant of Easement for a term of years relating to Land adjacent to Royal Portbury Dock, Bristol

Network Rail Infrastructure Limited (1) and First Corporate Shipping Limited t/a The Bristol Port Company (2)

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THIS DEED is made between Network Rail and the Grantee on the date below

BACKGROUND

- (A) Network Rail owns the freehold interest in the Property, which is unregistered.
- (B) Network Rail has agreed to grant the Rights to the Grantee on the terms set out in this Deed so that the Grantee may construct a crossing at grade and have access to and from those parts of the Grantee's Premises that lie on either side of the Property.
- (C) The railway on and in the vicinity of the Property is not in use as at the date of this Deed.
- (D) Network Rail may terminate this Deed (subject to the provisions of this Deed) if the Property is needed by Network Rail for the performance of its responsibilities as a provider of network services in certain circumstances.
- (E) The Grantee may terminate this Deed at any time on 6 month's prior written notice.

1. PARTICULARS

Date 4 Septembe 2017

Network Rail Infrastructure Limited (Company Number

2904587) whose registered office is at 1 Eversholt Street,

London NW1 2DN

The Grantee First Corporate Shipping Limited t/a The Bristol Port

Company, Company Number of 02542406 whose registered office is at Level 8, 71 Queen Victoria Street, London, EC4V

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Annual Payment The annual sum of £12,500 exclusive of VAT (subject to

review as provided in the Second Schedule to this Deed).

Annual Payment Start Date means the date of this Deed.

Crossing means the crossing at grade, the specification of which is

detailed in the Third Schedule and which is shown for

identification purposes edged and hatched blue on the Plan.

Grantee's Premises The freehold premises belonging to the Grantee at Portbury

known as Royal Portbury Dock registered at the Land Registry with Title Numbers AV2366852 and ST331337 being

the dominant land.

Network Rail's Costs Network Rail's reasonable and proper legal costs and

surveyor's fees in connection with the grant of this Deed up to

a maximum of £1,925 exclusive of VAT.

Network Rail's Engineer Such appropriately qualified person as Network Rail may

appoint in this capacity.

Network Rail's Surveyor Such appropriately qualified person as Network Rail may

appoint in this capacity

Plan The plan attached to this Deed and numbered 5781455

Property

means the property belonging to Network Rail shown coloured green on the Plan.

Rights

means the following rights:

- to construct the Crossing in a position of the Grantee's choosing on the Property, including all incidental and ancillary work, and to retain, maintain, repair, test, inspect, renew and remove the Crossing;
- (b) to use and maintain the surface of the Crossing as a roadway;
- (c) for the Grantee and its agents, employees, visitors, contractors and all persons authorised by it to pass and repass with or without vehicles over the Crossing for the purpose of accessing the Grantee's Premises;
- (d) to erect, operate and maintain security gates and/or fencing either side of and, (a) perpendicular to and/or (b) parallel to, the Crossing;
- to access the Property and other neighbouring property of Network Rail so far as is necessary to construct, maintain, repair, test, inspect, renew and remove the Crossing and any fencing and/or gates;
- (f) to temporarily divert any sewers, drains, cables or other services that lie in, under or on the Property or any neighbouring property of Network Rail so far as is necessary to construct, maintain, repair, test, inspect, renew and remove the Crossing and any fencing and/or gates.

Start Date

means the date of this Deed

Term

The term of 999 years from and including the Start Date

VAT

tax on the supply of goods or services in the United Kingdom (including anything treated as such a supply) and on the importation of goods into the United Kingdom (as referred to in the Value Added Tax Act 1994) or any tax of a similar nature which is introduced in substitution for or as an addition to such tax from time to time and any related penalties or fines.

2. THE MEANING AND USE OF WORDS IN THIS DEED

- 2.1 The terms defined in the Particulars have the meanings specified there subject to any further explanation set out in this clause.
- 2.2 In this Deed the following words and expressions shall, where the context so admits, have the following meanings.

 9 June 2016

"APA"

means the Asset Protection Agreement dated | between Network Rail (1) and the Grantee (2)





"Basic Interest Rate"

means the base lending rate from time to time of HSBC Bank plc. But if the base lending rate of HSBC Bank plc shall at any time cease to exist or be ascertainable, then Network Rail may substitute for it the base lending rate of such one of the London Clearing Banks as Network Rail shall prescribe in writing, or (if this shall be impracticable) such other rate or rates as Network Rail shall prescribe in writing as reasonably equivalent.

"CDM Regulations"

means the Construction (Design and Management) Regulations 2015.

"Engineering Conditions"

means such conditions as Network Rail's Engineer may properly require for the safety, protection or operation of Network Rail's railway, property or works to its railway or property that have been notified to the Grantee in writing from time to time and adherence to all safety requirements for Network Rail's railway or any works taking place on Network Rail's property including adherence to railways industry safety standards and safety validation or contractors employed.

"Health and Safety File"

means any health and safety file required to be prepared pursuant to the CDM Regulations.

"Rights Conditions"

means the conditions set out in Schedule 1 of this Deed.

"Special Conditions"

means such (if any) provisions as are set out in Schedule 4 of this Deed.

2.3 This Deed is to be interpreted as follows:

- 2.3.1 "Network Rail" includes its successors in title.
- 2.3.2 "the Grantee" includes its successors in title.
- 2.3.3 "Deed" means this present document and all other documents which may now or in future be entered into supplementing or varying it.
- 2.3.4 references to the "end of the Term" are references to the actual ending, whenever and howsoever it comes to an end.
- 2.3.5 words which refer to males also refer to females, and to companies.
- 2.3.6 where the Grantee is more than one person, their obligations can be enforced against all of them jointly and against each individually.
- 2.3.7 where an Act of Parliament, or a section of it, is referred to, this includes any amendment to that Act or section, and the version of an Act which is current at any particular time will apply. This applies also to anything made under an Act of Parliament.
- 2.3.8 references to VAT in this Deed shall include any tax of a similar nature that may be substituted for or added to it.
- 2.3.9 the Grantee's obligations under this Deed shall be treated as including a requirement that the Grantee is also to procure that the Grantee's employees and agents and any other persons under its control do not do anything and do not omit to do anything

which, if done or omitted by the Grantee, would constitute a breach of those obligations.

- 2.3.10 Network Rail's obligations under this Deed shall be treated as including a requirement that Network Rail is also to procure that its employees and agents and any other persons under its control do not do anything and do not omit to do anything which, if done or omitted by Network Rail, would constitute a breach of those obligations.
- 2.3.11 this document gives no rights under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any rights which are available apart from that Act.

GRANT

In consideration of the Annual Payment and the covenants and conditions on the part of the Grantee contained in this Deed, Network Rail grants the Rights to the Grantee for the Term solely for the benefit of the Grantee's Premises. The Annual Payment is payable from the Annual Payment Start Date annually in advance on 1 January each year during the Term without any deduction or set-off, the first payment of the Annual Payment for the period from and including the date of this Deed until and including 31 December 2017 to be made on the date of this Deed.

4. RIGHTS AND OTHER MATTERS

The grant of this Deed is on the following basis:

- 4.1 It is granted subject to any rights, reservations, privileges, covenants, restrictions, stipulations and other matters of whatever nature so far as any of them relate to the Rights and are still subsisting and capable of taking effect.
- 4.2 Nothing in this Deed shall confer on the Grantee any right to the benefit of or to enforce any covenant or agreement contained in any other instrument to which the Grantee is not a party relating to any other property belonging to Network Rail or to affect the right of Network Rail to deal with any such property now or at any time as Network Rail may think fit.
- 4.3 It is granted subject to Network Rail having the right at any time to stop up or otherwise affect any rights of way or other rights or privileges (except for the Rights which may only be affected in accordance with the provisions of this Deed) (whether now in existence or not) which the Grantee may at any time during the Term be using or enjoying, over any neighbouring land of Network Rail. But this does not apply to any use or enjoyment of property by the Grantee or any other person so entitled by virtue of the express provisions of this Deed or of any separate grant or licence in writing from Network Rail.
- 4.4 It excludes any right of support from mines and minerals or from any subsoil or substrata or from Network Rail's railway, property or works to its railway or property.
- 4.5 Nothing in this Deed shall render Network Rail liable for any damage to the Crossing which may happen through any slip or settlement of Network Rail's land or by the carrying on of Network Rail's undertaking.
- 4.6 It is not granted exclusively but is granted in common with Network Rail and others authorised by Network Rail or otherwise entitled to exercise such rights.
- 4.7 All rights over the Property not specifically and expressly included in the Rights are reserved to Network Rail.
- 4.8 This Deed does not constitute a new tenancy within the meaning of Section 1 of the Landlord and Tenant (Covenants) Act 1995, nor is there any intention of any relationship of landlord and tenant hereby being created.

5. REVIEW OF ANNUAL PAYMENT

- 5.1 The Annual Payment shall be reviewed in accordance with Schedule 2 of this Deed.
- 5.2 If the Annual Payment shall be increased, the increased Annual Payment will be payable as from the relevant Annual Payment Review Date at the times and in the manner as provided, and the Annual Payment as so increased shall remain payable subject to further increase under Schedule 2 of this Deed.

6. THE GRANTEE'S COVENANTS

The Grantee covenants with Network Rail as follows:

6.1 the Annual Payment

To pay to Network Rail the Annual Payment at the times and in the manner provided in this Deed.

6.2 Interest on late payment

If the Annual Payment or any part of it is not paid when due or if any other sum payable under this Deed or any part of it remains unpaid for 28 days after the date of demand, the Grantee shall (subject as follows) pay to Network Rail interest on the amount outstanding. This is without prejudice to any of Network Rail's rights then subsisting. Such interest is to be calculated on a daily basis at the rate of four per cent above the Basic Interest Rate on the amount outstanding from the date on which it became payable until the actual date of payment to Network Rail (whether or not this is before or after judgement in any proceedings for recovery of outstanding sums) provided that any sums withheld pursuant to a bone fide dispute are excepted from this clause. The interest is to be paid without any deduction or set-off, except as required by statute.

6.3 Interest on the Annual Payment review

Except if the reason for the delay is due to any act or omission of Network Rail or any party acting on its behalf if the amount of any increase in the Annual Payment upon review has not been ascertained before the relevant Annual Payment Review Date (as defined in Schedule 2), then the Grantee is to pay interest at the Basic Interest Rate on the arrears of such increase. Such interest shall run from and include the Annual Payment Review Date while the arrears are unpaid, until 14 days after the arrears are demanded by Network Rail (or earlier payment by the Grantee). But if the Grantee pays afterwards, then interest subsequently runs at four per cent above the Basic Interest Rate until actual payment.

6.4 To pay outgoings

To pay all existing and future rates, duties, charges, assessments and outgoings whatsoever imposed or charged upon the Crossing or upon Network Rail or upon the Grantee in respect of the Crossing or payable by either in respect of the Crossing and if the Crossing is not separately assessed and Network Rail is liable to pay then the Grantee shall pay to Network Rail such proportion of them as may be fixed or agreed with the Grantee from time to time by Network Rail's Surveyor.

6.5 Installation and Maintenance of the Crossing.

- 6.5.1 to the extent that this has not been done at the date of this Deed, the Grantee may (but is not obliged to) construct the Crossing and otherwise exercise the Rights in accordance with (where applicable) the Rights Conditions to the reasonable satisfaction of Network Rail's Engineer.
- 6.5.2 to give to Network Rail's Engineer the period of notice required by the Rights
 Conditions in writing prior to commencement of any substantial works connected with
 the use, maintenance, repair, testing, inspection, renewal or removal of the Crossing

and to carry out such works during such times of the day and night as Network Rail's Engineer may reasonably require and in accordance (where applicable) with the Rights Conditions .

6.5.3 to comply with the Special Conditions, if any.

6.6 Conditions

To exercise the Rights in accordance with the Rights Conditions and in case of any inconsistency or conflict, the Engineering Conditions take priority over the Rights Conditions.

6.7 Permissions

To obtain all necessary consents and approvals under all relevant legislation including (without limitation) the Town and Country Planning Acts and Environmental Protection Acts required for the exercise of the Rights and to comply with all the conditions of such consents and approvals and if requested by Network Rail to provide Network Rail with copies of any consents or approvals but not more than once in any calendar year. The Grantee shall at all times keep Network Rail indemnified in respect of all costs, claims, liability and expenses arising from a breach of this clause by the Grantee.

6.8 Notices

6.9 Promptly after receipt of any notice, order, direction, licence, consent or permission from a local authority, governmental or similar body relating to the Crossing or the use of the Crossing, to give full particulars to Network Rail.

6.10 Alterations

Except as required by the Health and Safety Executive or as required by the provisions of this Deed, or as permitted by the Rights, not to carry out any alterations or additions to the Crossing without the prior written approval of Network Rail, such approval not to be unreasonably withheld or delayed.

6.11 Statutory requirements

- 6.11.1 without expense to Network Rail, to comply with any requirements which may be properly made under any present or future Act of Parliament or the bye-laws and regulations of any local authority, governmental or similar body in relation to the exercise of the Rights by the Grantee (whether required of Network Rail, the Grantee or any other person). The Grantee shall at all times keep Network Rail indemnified in respect of all costs, claims, liability and expenses arising from a breach by the Grantee of this clause.
- 6.11.2 to comply in all respects with the provisions of the CDM Regulations whenever they shall apply to any works carried out by the Grantee in the exercise of the Rights. The Grantee acknowledges and declares that Network Rail will not be acting as the client in respect of any such works for the purpose of the CDM Regulations.
- 6.11.3 If required by the CDM Regulations, to procure that the Health and Safety Executive will be notified of any works carried out by the Grantee in the exercise of the Rights to which the CDM Regulations apply, including (without limitation) notice of the person who is acting as the client in respect of the works and the Grantee shall supply to Network Rail a copy of any such notice.
- 6.11.4 to maintain the Health and Safety File in relation to any works carried out by the Grantee in the exercise of the Rights to which the CDM Regulations apply, and update it as necessary whenever any further applicable works are carried out and in any event as soon as reasonably practicable upon being required to do so by Network Rail from time to time.

- 6.11.5 at the Grantee's own cost and when reasonably and properly required by Network Rail to do so, to make available the Health and Safety File in relation to any works carried out by the Grantee in the exercise of the Rights to which the CDM Regulations apply for inspection by Network Rail and those authorised by Network Rail, and to supply to Network Rail on request a copy of the Health and Safety File provided that any such inspection or copies are not requested more than once in any 12 month period.
- 6.11.6 at the end of the Term to deliver to Network Rail all Health and Safety Files relating to the Crossing which are held or which ought to be held by the Grantee.

6.12 Repair and Support

- 6.12.1 to keep the Crossing and every part of it in good and substantial repair and condition to the satisfaction of Network Rail's Engineer PROVIDED THAT if First Corporate Shipping Limited (registered with company number 02542406) or any successor in title that is a statutory undertaker for the Port of Bristol is the registered proprietor of the Grantee's Premises, the Grantee covenants only to maintain and repair the Crossing and every part of it to the extent necessary to ensure the safety of those using it in accordance with the exercise of the Rights.
- 6.12.2 if reasonably required by Network Rail so to do, but in any event not more than once in every three years, at the Grantee's own cost, to carry out an inspection of the Crossing and to produce a copy of such inspection to Network Rail. The Grantee shall carry out any repair or maintenance then found to be required in order to comply with clause 6.12.1, but not otherwise promptly after receiving written notice of it. Any such repair or maintenance is to be undertaken in accordance with the provisions of this Deed.
- 6.12.3 to exercise the Rights in such a way that would not, in Network Rail's opinion (whose decision shall be final and conclusive), adversely affect the support from the Crossing to Network Rail's railway, property or works to its railway or property.
- 6.12.4 to not cause any damage to the Property and to make good any damage caused by the exercise of the Rights promptly after becoming aware of it to Network Rail's satisfaction.

6.13 Network Rail's works

For the purposes of enabling Network Rail to carry out works referred to in clause 7.3.2 below, the Grantee further covenants with Network Rail as follows:

- 6.13.1 at the Grantee's own cost, to remove or to divert (either temporarily or permanently) or to strengthen or to alter or to make safe the Crossing ("the Proposed Works") at the request of Network Rail or (as applicable) to pay the sums due if Network Rail agrees to carry out the Proposed Works;
- 6.13.2 to carry out the Proposed Works in accordance with the provisions of this Deed; and
- 6.13.3 to reimburse Network Rail in respect of any expense, loss or damage howsoever arising from the Grantee's failure to carry out the Proposed Works within a reasonable time after written notice served on it by Network Rail, including in respect of any additional works resulting from such delay after the expiry of such notice

PROVIDED THAT if First Corporate Shipping Limited (registered with company number 02542406) or any successor in title that is a statutory undertaker for the Port of Bristol is the registered proprietor of the Grantee's Premises, prior to carrying out (or requesting that the Grantee carry out) any works in accordance with this clause 6.13 Network Rail must serve on the Grantee (save in the case of emergency): (a) not less than 3 months' written notice of its intention to carry out (or to request that the Grantee carry out) any alteration, strengthening or making safe works that do not require removing or diverting the Crossing, and/or (b) not less

than 12 months' written notice of its intention to carry out (or to request that the Grantee carry out) any works that may involve removing or diverting the Crossing.

6.14 Yielding up

At the end of the Term, to quietly and peaceably relinquish the Rights having first and in accordance with the provisions of this Deed removed the Crossing and having reinstated to the reasonable satisfaction of Network Rail that part of the Property upon which the Crossing is located and making good any damage occasioned to Network Rail's railway or property or works to its railway or property by such removal and in default of the Grantee so doing within such reasonable time period as may be specified by Network Rail, it shall be lawful for Network Rail to perform the work and recover the cost to be paid within 14 days of demand.

6.15 Public Liability

- 6.15.1 to insure and keep insured at the Grantee's own cost with reputable insurers all public liability risks arising in the exercise of the Rights or use of the Crossing or from any failure or defect in the Crossing in a sufficient sum not less than such as Network Rail may require.
- 6.15.2 to apply the proceeds of this insurance to any relevant claim or liability (including any relevant indemnity given to Network Rail under this Deed) and to pay any shortfall in the amount required to satisfy the claim or liability and to indemnify Network Rail in respect of any deficiency in this insurance or failure to obtain it.
- 6.15.3 on written request from Network Rail to provide details of public liability insurance and evidence of payment of the current premium provided that such evidence need not be provided more than once in any calendar year.
- 6.15.4 if the Grantee shall at any time during the Term fail to insure in accordance with these requirements, Network Rail may insure instead and any related costs incurred shall be repaid by the Grantee to Network Rail within 14 days of demand.
- 6.15.5 to observe and perform the conditions of the insurance policy.

6.16 Assignment

Not to assign, underlet or part with or share possession of the Rights or any part of them except for as permitted by this Deed in accordance with clause 10.

6.17 Excavations, danger and nuisance

- 6.17.1 Except for when exercising the Rights or carrying out any of its obligations under this Deed:
 - (a) not to excavate any earth, clay or other substance, and not to do or permit to be done anything which would endanger the safety or stability of Network Rail's railway, the Property or works to its railway or Property or the safety or stability of any neighbouring property belonging to Network Rail.
 - (b) not to leave or do or permit to be left or done anything on the Property which may be or become or grow to be a public or private nuisance or a danger or disturbance to Network Rail or its tenants, licensees, contractors, access beneficiaries, traders or railway users.
 - (c) not to obstruct or permit to be obstructed any roads or footpaths in the vicinity of the Property.

6.18 Indemnities

To be responsible for and to keep Network Rail indemnified against all actions, damage, losses, costs, expenses, claims, fines and liability suffered by Network Rail arising directly or indirectly out of any failure by the Grantee to comply with any of the provisions of this Deed or any of the matters to which this Deed is subject or any act, omission or negligence on the part of the Grantee in relation to this Deed or in the exercise of the Rights by the Grantee or any persons expressly or impliedly with the Grantee's authority or under the Grantee's control provided that this indemnity does not extend to any actions, damage, losses, costs, expenses, claims, fines arising from any negligence on the part of Network Rail or any of its employees, contractors, agents or any person under its control, or to any matter covered by any insurance including (without limitation) those arising from:

- 6.18.1 carrying out any works Network Rail may deem necessary for the protection of its railway and property and any additional maintenance and renewal consequent upon the existence of the Crossing; or
- 6.18.2 any special traffic working or speed restrictions or substitution or diversion of railway services and any costs or losses arising including (without limitation) those incurred in consequence of Network Rail being unable to deliver in timely manner any train paths for which it may then have contracted; or
- 6.18.3 any electrical isolation of equipment or in supporting Network Rail's railway and other property; or
- 6.18.4 any claim or demand arising by virtue of any failure, defect or need of repair or renewal of the Crossing; or
- 6.18.5 any subsidence due to the construction, erection, existence, maintenance or use of the Crossing and in accommodating the effects of any subsidence; or
- 6.18.6 employing any inspectors, watchmen, operating supervisors, flagmen or otherwise whom Network Rail's Engineer may think it necessary to employ for the protection of the railway or the traffic on the railway during the carrying out of any works in relation to the Crossing or exercise of the Rights.

6.19 Costs

- 6.19.1 to pay to Network Rail all reasonable and proper costs, charges and expenses (including legal costs and surveyors' fees) which may be incurred by Network Rail of and incidental to:
 - (a) preparing and serving any notices and schedules properly relating to lack of repair to the Crossing and agreeing such schedules with the Grantee and supervising the works needed to remedy such lack of repair and any other works which may be carried out to the Crossing;
 - (b) any application under this Deed by the Grantee for consent or approval, whether
 or not it is given (except when it is unreasonably withheld or delayed by Network
 Rail or any party acting on its behalf); and
 - (c) the recovery of any sums due under this Deed that are unpaid.
- 6.19.2 on or before the date of this Deed, to pay to Network Rail or its solicitors Network Rail's Costs.

7. CONDITIONS OF THIS DEED

This Deed is granted on the following conditions:

7.1 Value Added Tax

- 7.1.1 where under this Deed the Grantee is to pay any specific sum to Network Rail, such sum shall be regarded as being exclusive of VAT (without prejudice as follows).
- 7.1.2 To the extent that any party to this Deed is regarded as making any supply of goods or services for VAT purposes to any other party to this Deed, the party which has received the goods or services shall be liable to pay VAT at the rate for the time being and from time to time properly chargeable in respect of that supply on receipt of a VAT invoice.
- 7.1.3 where the Grantee has agreed to reimburse Network Rail in respect of any payment made by Network Rail under the provisions of or in connection with this Deed and the subject matter of the payment does not constitute a taxable supply to which the preceding clause applies, then the Grantee shall also reimburse any VAT paid by Network Rail on such payment to the extent that it is not recovered by Network Rail.

7.2 Arbitration

All disputes relating to this Deed, where in the opinion of Network Rail's Engineer the safety of Network Rail's railway may be affected, shall be decided by Network Rail's Engineer acting reasonably, but any other disputes arising under this Deed may, if both parties agree, be settled by a single arbitrator under the Arbitration Act 1996. Network Rail and the Grantee may agree the appointment of an arbitrator, or either or both of them may apply to the President for the time being or other appropriate officer of the Royal Institution of Chartered Surveyors.

7.3 Declaration and Agreement

The following is agreed between Network Rail and the Grantee:

- 7.3.1 nothing in this Deed shall render Network Rail liable to maintain its railway or property or works to its railway or property
- 7.3.2 nothing in this Deed shall prevent Network Rail (and all persons claiming under or permitted by it or any other person for the time being entitled) from, where it is permitted to do so:
 - (a) removing or filling in any bridge, viaduct or culvert belonging to Network Rail, or
 - (b) installing any necessary services, pipes, drains, wires or cables or carrying on normal railway operations including fencing, hedging and ditching or the management of line side vegetation by burning and flailing, or
 - (c) carrying out any works alongside, over or under the site of the Crossing which may in the reasonable opinion of Network Rail be necessary either for the proper operation of Network Rail's undertaking including widening or altering the railway, or for carrying out works of demolition, reconstruction or redevelopment or otherwise or for doing anything which may be necessary to preserve or protect life or property, or
 - (d) placing on, fixing or attaching to the Crossing any works or service media which may be necessary and to use and maintain them provided always that such works or service media do not interfere with the exercise of any of the Rights by any person entitled to do so and the Crossing is the only possible place to put such fixing or attachment.

Provided that any person exercising any of the rights in this clause 7.3.2 shall cause as little disturbance and/or interference to the exercise of the Rights and to the Grantee's business as possible and shall promptly make good any physical damage caused to the

Crossing or the Grantee's Premises or any other property belonging to the Grantee to the reasonable satisfaction of the Grantee.

- 7.3.3 Network Rail may at any time construct or erect any works on its railway or property that it may deem necessary over, under or adjoining the Crossing and raise, widen or alter its railway or property or works to its railway or property, without payment of any compensation to the Grantee and without being liable for any damage so caused to the Crossing and, if for any of these purposes, Network Rail shall require the alteration, strengthening or relocation of the whole or part of the Crossing it may, at the expense of the Grantee, effect such alteration, strengthening or relocation itself or require the Grantee to carry out such works without payment of any compensation to the Grantee, but:
 - (a) in the case of any such relocation, the relocated crossing shall be subject to the provisions, covenants and conditions of this Deed; and
 - (b) the cost of any such alteration, strengthening, relocation or substitution (as certified by Network Rail's Engineer) shall be repaid by the Grantee to Network Rail on demand.

PROVIDED THAT if First Corporate Shipping Limited (registered with company number 02542406) or any successor in title that is a statutory undertaker for the Port of Bristol is the registered proprietor of the Grantee's Premises, prior to carrying out (or requiring that the Grantee carry out) any works in accordance with this clause 7.3.3 Network Rail must first serve on the Grantee (save in the case of emergency): (a) not less than 3 months' written notice of its intention to carry out (or to require that the Grantee carry out) any alteration and/or strengthening works that do not require relocation of the Crossing, and/or (b) not less than 12 months' written notice of its intention to carry out (or to require that the Grantee carry out) any works that may involve relocation of the Crossing.

- 7.3.4 If the Grantee has not carried out any remedial works it should have carried out in accordance with this Deed then Network Rail may carry out or complete (to such extent as Network Rail's Engineer may deem necessary) any such works or may take whatever action Network Rail's Engineer considers necessary to safeguard Network Rail's interests, where Network Rail's Engineer considers the safety of the railway to be at risks (as to the existence of which situation the decision of Network Rail's Engineer shall be final) and the proper cost incurred by Network Rail in carrying out such works (as certified by Network Rail's Engineer) shall be repaid by the Grantee to Network Rail on demand provided that except in case of emergency, when no notice need be given or where Network Rail's Engineer so considers the safety of the railway to be at risk, Network Rail shall before so acting give notice to the Grantee to remedy its default and afford the Grantee such appropriate and reasonable period of time as shall be specified in Network Rail's notice to complete the remedial works.
- 7.3.5 Where it is not possible for Network Rail or the Grantee (as the case may be) to undertake any works to, on or near the Crossing under the provisions of clauses 6.13. 7.3.2, 7.3.3 and/or 7.3.4 above and Network Rail requires the site of the Crossing or any part of it for the performance of its responsibilities as a provider of network services or for the purpose of the network business or for the purposes of railway and/or integrated transport-related development then Network Rail may determine this Deed in accordance with the provisions of clause 7.4 below.

7.4 Determination

7.4.1 If the Property is required by Network Rail for the performance of its responsibilities as a provider of network services or for the purpose of the network business or for the purposes of railway and/or integrated transport-related development then Network Rail may terminate this Deed by giving to the Grantee not less than 12 months' prior written notice, such notice to specify the date of termination ("the Break Date") and on the

Break Date the Term shall terminate and everything in this Deed shall cease and be of no further effect, but without prejudice to the rights of any party to this Deed which have accrued on or before the Break Date

- 7.4.2 Network Rail shall repay to the Grantee as soon as reasonably practicable following termination of this Deed under clause 7.4.1 any sums paid in advance (including any VAT paid on them) that relate to a period after the Break Date.
- 7.4.3 If a valid notice is served in accordance with clause 7.4.1 then Network Rail and the Grantee shall both promptly deal with any consents, approvals, agreements, grant of rights or other matters required by the Grantee for the Grantee to remove the Crossing in accordance with clause 6.14 of this Deed.
- 7.5 no person shall enter Network Rail's property by virtue of the Rights otherwise than at his own risk and otherwise than subject to the Engineering Conditions and the Rights Conditions and where appropriate, the Special Conditions.

7.6 Surrender of Rights

- 7.6.1 if the Grantee desires permanently to give up the Rights and to bring this Deed to an end then:
 - (a) the Grantee will give not less than 6 months' written notice to Network Rail specifying the date that this Deed is to terminate; and
 - (b) before the expiration of the Grantee's notice the Grantee shall remove the Crossing in accordance with the provisions of this Deed; and
 - (c) the Grantee is to make good any damage caused to Network Rail's railway or property or works to its railway or property by the removal of the Crossing to the satisfaction of Network Rail's Engineer.
- 7.6.2 it is agreed that upon the expiration of the Grantee's notice the Grantee shall cease to be entitled to exercise the Rights and the Rights shall be extinguished and this Deed shall come to an end (but without prejudice to any rights or remedies of either party to this Deed which have accrued on or before the date of termination).
- 7.6.3 Network Rail shall repay to the Grantee as soon as reasonably practicable following termination of this Deed under this clause 7.5 the Annual Payment paid in advance (including any VAT paid on it) that relates to a period after the date of termination.

8. NETWORK RAIL'S COVENANTS

Network Rail covenants with the Grantee so as to bind the Property into whoever's hands it may come, for the benefit of the Grantee's Premises, that the Grantor and its successors in title shall at all times observe and perform a covenant to not do anything or allow anything to be done on the Property that interferes with or obstructs the exercise of the Rights by the Grantee or any other person entitled to exercise the Rights. But neither the carrying on by Network Rail of its undertaking on its railway or property in exercise of and subject to its statutory and common law obligations, nor the grant by Network Rail of any permission properly given to use railway facilities, nor the exercise of any rights reserved by Network Rail under this deed shall be treated as a breach of this covenant or in derogation from Network Rail's grant or the Rights.

9. SPECIAL CONDITIONS

- 9.1 This Deed incorporates and is subject to:
 - 9.1.1 the Particulars; and
 - 9.1.2 the Special Conditions.

9.2 In the case of conflict between the Special Conditions and the other provisions of this Deed the Special Conditions take priority over the other provisions of this Deed.

10. TRANSFER OF GRANTEE'S PREMISES

- 10.1 If at the date of this Deed, the Grantee's Premises are registered at the Land Registry, then the following clauses shall apply:
 - 10.1.1 upon a transfer of all or any part of the Grantee's Premises pursuant to which it is intended that the transferee will use the Crossing instead of the Grantee, the Grantee shall procure that the transferee shall by deed covenant with Network Rail to perform the Grantee's covenants and all other obligations of the Grantee contained in this Deed including this clause 10.1.1;
 - the Grantee consents to the entry of the following restriction against the relevant title number of the Grantee's Premises as detailed in the Particulars:

"No transfer of the registered estate by the proprietor of the registered estate, is to be registered without a certificate signed on behalf of Network Rail Infrastructure Limited (2904587) whose registered office is at 1 Eversholt Street, London NW1 2DN or a conveyancer that the provisions of clause 10.1.1 of the Deed of Grant dated behave been complied with or that they do not apply to the transfer."

10.1.3 Network Rail or its conveyancer shall as soon as reasonably practicable provide the certificate referred to in clause 10.1.2 when a relevant deed of covenant has been entered into

11. LAND REGISTRY

The Grantee shall make an application to the Land Registry to note this Deed on the Register of the title numbers of the Grantee's Premises and shall provide Network Rail or its conveyancers with an official copy of that updated title within one month of such application being completed.

12. NOTICES

- 12.1 Any notice in writing that under the provisions of this Deed to be given to Network Rail shall be treated as effectively served if and only if addressed to Network Rail and served by recorded delivery or registered post upon Network Rail at its registered office or if such notice is service by email, addressed to the email address "notices@networkrail.co.uk".
- 12.2 Any notice in writing that is to be given by Network Rail to the Grantee shall be treated as effectively served if sent through the post by the recorded delivery service or in a registered letter addressed to Wedlake Bell LLP of 71 Queen Victoria Street, London EC4V 4AY (marked for the attention of Christopher Tite) or such other person or address as may be notified for this purpose from time to time.

THIS DEED has been executed by the parties as a deed as first dated above

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Rights Conditions

- Exercise by the Grantee of any of the Rights entailing access or entry onto Network Rail's property or the carrying out of any works which may affect Network Rail's property or works shall:
- 1.1 Be subject to:
 - 1.1.1 the APA and in the case of any inconsistency or conflict the APA takes priority over any terms of this Deed;
 - 1.1.2 the prior written approval of Network Rail's Engineer such approval not to be unreasonably withheld or delayed (and it is agreed that, for the avoidance of doubt, no prior approval is required for the day-to-day use of the Crossing after it has been constructed);
 - 1.1.3 the Grantee submitting for approval any relevant detailed plans, drawings, sections and specifications, programme of work and method statement to Network Rail's Engineer; and
 - 1.1.4 any works approved being carried out to Network Rail's Engineer's satisfaction and, if required and communicated in writing to the Grantee in advance, under his supervision; and
 - 1.1.5 compliance with such reasonable stipulations, directions and requirements (including as to times of the day methods and modes of access and carrying out of works) as Network Rail's Engineer shall prescribe in advance to the Grantee.
- 1.2 Be exercised so as to cause as little damage, disturbance or injury as practicable and so as to cause as little inconvenience and disturbance as possible to Network Rail its tenants, licensees, contractors, access beneficiaries, traders and railway users and the Grantee shall make good at its own expense as soon as is practicable to the satisfaction of Network Rail any damage, disturbance or injury caused to Network Rail's property or works;
- 1.3 Be over such route(s) as prescribed in this Deed; and
- 1.4 (where appropriate and given to the Grantee in writing) Be subject to the Engineering Conditions.

Annual Payment Review

- In this Schedule:
- 1.1 "Index" means the All Items Index Of Retail Prices published by the Office for National Statistics or its successors.
- 1.2 "Annual Payment Review Date" means the first and each subsequent anniversary of the Start Date.
- 1.3 "Start Date Index Month" means April 2017
- 1.4 "Index Month" means the month which is two months before the relevant Annual Payment Review Date.
- 1.5 From each Annual Payment Review Date the Annual Payment shall be the higher of (a) the Annual Payment payable in the year ending on the relevant Annual Payment Review Date and (b) the sum calculated as follows:

(A/B) x Y

- 1.6 On the first Annual Payment Review Date, "A" is the Index figure for the Index Month; "B" is the Index figure for the Start Date Index Month; and "Y" is the Annual Payment payable immediately before the first Annual Payment Review Date (disregarding any payment free period or payment concessions).
- 1.7 On each subsequent review, "A" is the Index figure for the Index Month; "B" is the Index figure for the Index Month relating to the previous Annual Payment Review Date; and "Y" is the Annual Payment payable immediately before the relevant Annual Payment Review Date (disregarding any payment free period or payment concessions).
- 1.8 Network Rail shall promptly give written notice to the Grantee of the sum so calculated for each review.
- 1.9 If the Index is rebased, the calculation shall be adjusted accordingly. If the calculation cannot be made because the Index ceases to be published or the method of compilation changes or for any other reason, Network Rail and the Grantee will do their utmost without delay to agree a reasonable alternative means of ascertaining the increase in the Annual Payment. But if Network Rail and the Grantee fail to agree this, then the decision of what increase (if any) ought to be made in the Annual Payment as from the Annual Payment Review Date is to be referred to arbitration in accordance with clause 7.2 of this Deed.



Specification of Crossing Works

Works to construct a crossing at grade, including fencing, security gates, and all incidental and ancillary work. The crossing may be up to 12 metres wide and positioned at a location within the Property (as defined in this Deed).

The surface of the crossing may be stone or asphalt.

Drawings are attached.

The Special Conditions

NONE

EXECUTED as a deed by First Corporate Shipping Limited acting by two Directors



Director

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SEAL NO. 39695

ORIGINAL

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EXECUTED as a deed by affixing the common seal of Network Rail Infrastructure Limited in the presence of:

ASSISTANT COMPANY SECRETARY

Authorised Signatory as approved by a resolution of the board of Network Rail Infrastructure Limited on 19 October 2015





