



AGENDA ITEM 2b

EXTRAORDINARY FULL COUNCIL - 2 JUNE 2015

This document sets out details of questions notified by members of the public, and written replies from the Mayor.

Questions from members of the public received for this meeting:

Re: agenda item 4 – Call-in referral - Mayor’s decision on Avonmouth & Portbury docks freehold

- PQ 4.1 Question from Alderman Royston Griffey
- PQ 4.2 Question from Alderwoman Rosalie Walker
- PQ 4.3 Question from Christina Biggs

Question re: agenda item 4 – Call-in referral – Avonmouth & Portbury docks freehold

Question submitted by: Alderman Royston Griffey

- (1) The full extent of the land owned by Bristol City Council involved in the proposed sale of the freehold interest is in excess of 2,000 acres or 850 hectares. This comprises a vast tract of land on both sides of the River Avon, much of which was bought over 40 to 50 years ago for construction of the new dock at Portbury (then referred to as Bristol West Dock), to supplement the existing Avonmouth and Royal Edward Docks. Although the land comprising the Royal Portbury Dock and environs are owned by the City Council it should be noted that this part of the Docks Estate is in North Somerset, and abuts very valuable housing land at Portishead. Many believe that even small amounts of this land, if subsequently developed for housing, would be vastly profitable. Does the Mayor believe that the Councillors and Citizens of Bristol are fully aware of the extent of the land both within the City of Bristol and outside the City, and its potential development value?

- (2) Can the Mayor confirm that should the present port operators acquire the freehold interest, that they would be in a position to sell it straight away (without any restriction) either in part or in whole to another port operator, or to any other third party for that matter, such as a volume house-builder? Were that to happen, would the Mayor consider that he had secured the best value achievable from the freehold land for the present Citizens of Bristol and their descendants?

Reply from the Mayor:

1. At the Cabinet meeting on 3 March 2015, plans were on display showing the extent of the relevant land, so that members and citizens were fully aware of the land involved. The valuation report considered the potential development value of the land, including all the points that you have made, and this is fully reflected in the resulting opinion of the purchase price.

2. The valuation report concluded that the sum offered is a highly favourable price for Bristol City Council, so I do consider this is the best value achievable and that it would be a missed opportunity to let this opportunity pass.

Question re: agenda item 4 – Call-in referral – Avonmouth & Portbury docks freehold

Question submitted by: Alderwoman Rosalie Walker

- (1) Does the Mayor think that it is unfair to the citizens of Bristol to sell off a valuable asset without the necessary consultation with various interested parties?
- (2) Does he think that accountability is important when making such decisions?

Reply from the Mayor:

1. I would if it was so but I refute absolutely the premise of the question. There has been necessary and considered consultation throughout the entire process leading up to this point.

2. Accountability is of course important and is the premise behind the mayoral governance system in which I operate. Accountability is an integral part of all decisions made by myself and the council.

I would add however that the presence of accountability does not always necessitate the presence of universal support for any given policy as you will know from your own distinguished career in politics.

Question re: agenda item 4 – Call-in referral – Avonmouth & Portbury docks freehold

Question submitted by: Christina Biggs

Preamble:

According to an internet source:

George Ferguson is due to make a decision on the next step for the potential disposal at a cabinet meeting on Tuesday, 1 April 2014.

First Corporate Shipping, which trades as the Bristol Port Company, bought the port business from the Bristol Port Company in 1991. It also took the land used by the business on a 150-year lease, which is due to expire in 2141.

The city currently receives no income through its retention of the freehold to the land.

Consequently, the council reported that a provisional agreement has now been reached to sell the freehold to the Bristol Port Company for £10m. This money could then be used to support regeneration projects across the city, such as the upgrade of the High Street in the heart of the Old City.

Ferguson said: "We have driven a hard bargain with The Bristol Port Company, one which recognises the hugely beneficial impact which selling the freehold could have.

"Most UK ports are not leased because investors can be put off by what they see as a lack of long term security of the business. By selling the freehold we would remove this barrier and open up opportunities for hundreds of millions of pounds of future investment in Bristol's port."

Even if the sale of the freehold were to proceed, Bristol City Council would continue to receive its 12.5 per cent share in the port's profits, which is currently worth approximately £1m per year.

Questions:

1. What is the proposed wording of the leasehold sale agreement particularly as regards the legal situation as regards road bridges when the lease runs out (and date of expiry of lease); and can we take advantage of the keenness of the Port to sell by adding a clause in the sale contract:

a) the obligation to permit the building of any road bridges over the railway lines (or other realistic solution) to give 24-hour road access to the Port and

b) also to allow the current Severn Beach Line to be redoubled through Avonmouth Station to as to connect north to the Loco Release Line and the bulk terminal and

c) permit a weave of railway lines at the bulk terminal to connect through to both the Severn Beach Station and also the Henbury Loop (Henbury Station and North Filton Station)?

2. Please comment on where the funding for such a road bridge could be found given that current government legislation is seeking to eliminate double crossings for safety reasons; and if none of the above is possible please can you halt the sale of the freehold until a more satisfactory agreement can be drafted?

Reply from the Mayor:

1. The price negotiated for the freehold transfer is considered to represent the absolute limit achievable for the transaction. If a further unrelated obligation is imposed on the transaction, it would almost certainly prevent the matter proceeding.

2. The landlord – tenant relationship between the City Council and the Port Company has no bearing at all on the rail transport proposals and their management. There is no reason to seek to connect the freehold transfer to it. However I do have an assurance from the owners of the Port that they will not stand in the way of any proposed rail development so long as it does not involve a level crossing which would cause unacceptable disruption to their operation.

The Port Company is engaging with Network Rail. The eventual technical needs, and source of funding will develop through this process. There is no benefit to the citizens of Bristol to be derived from attempting to lock in arrangements which effectively oblige BCC to meet cost at this stage.