

Document [MCO3.2]

Explanatory Memorandum to Material Change Order

[JANUARY 2025]

The East Midlands Gateway Phase 2
and Highway Order 202X and The East Midlands Gateway
Rail Freight and Highway (Amendment) Order 202X

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1 Introduction

Background

- 1.1 This memorandum accompanies an application for an order for a material change ("MCO") to The East Midlands Gateway Rail Freight Interchange and Highway Order 2016 (SI 2016/17) ("the EMG1 DCO") ("the MCO Application"). The EMG1 DCO was made on 12 January 2016 and came into force on 2 February 2016.
- 1.2 EMG1 DCO authorised the construction and operation of SEGRO Logistics Park East Midland Gateway which is a Strategic Rail Freight Interchange (SRFI) located to the north of East Midlands Airport ("EMG1").
- 1.3 The MCO Application seeks an MCO for consent for additional warehousing at EMG1 (known as Plot 16) together with works to increase the permitted height of the cranes at the rail-freight terminal, and improvements to the public transport interchange and site management building (together the "EMG1 Works").
- 1.4 The MCO Application is submitted on behalf of SEGRO (EMG2) Limited ("the Applicant"). The Applicant is a subsidiary of SEGRO PLC, a UK Real Estate Investment Trust (REIT) and a FTSE 100 company, and the owner and operator of EMG1.
- 1.5 The MCO Application is made pursuant to paragraph 3(1) of Schedule to the Planning Act 2008 ("PA 2008") and the Infrastructure Planning (Changes to, and Revocation of, Development Consent Orders) Regulations 2011 ("2011 Regulations"). This memorandum is submitted with the MCO Application in accordance with regulation 16(2)(e) of the 2011 Regulations.

EMG2

- 1.6 The MCO Application relates to a second phase of EMG1, known as "EMG2".
- 1.7 EMG2 comprises:
 - EMG2 Main Site – A new multi-unit logistics/industrial development located south of East Midlands Airport and the A453, and west of the M1 motorway. This part of the site falls within the 'East Midlands Airport and Gateway Industrial Cluster' (EMAGIC) site, which forms part of the East Midlands Freeport designated by the Government in 2022.
 - Highways Works – works to the highway network including significant improvements at Junction 24 of the M1 (referred to as J24 Improvements) and the road network interacting with that junction.
 - EMG1 Works – the proposals include changes within EMG1 incorporating additional warehousing on Plot 16 together with works to increase the permitted height of the cranes at the rail-freight terminal, improvements to the public transport interchange and site management building.
- 1.8 The three components above are collectively referred to as the Scheme.
- 1.9 Consent for the EMG1 Works is sought pursuant to the MCO Application.
- 1.10 In January 2024, the Applicant made an application to the Secretary of State under s.35 of the Planning Act 2008 for a direction to recognise the development of the EMG2 Main Site as being of national significance for which development consent is required. The Secretary of State ("SoS") issued a direction on 21 February 2024 confirming that the proposed scheme by itself is nationally significant because the proposal would:
 - *"be likely to have significant economic impact;*
 - *be important in driving growth in the economy;*

- *have an impact on an area wider than a single local authority area;*
 - *be of a substantial physical size and scale;*
 - *contribute to delivering the outcomes of the Freeport; and*
 - *benefit from the application being determined through a single, unified consenting process provided by the Planning Act 2008 which would remove the need to apply and the uncertainty of applying for separate powers and consents.”*
- 1.11 The Highways Works required as part of the Scheme meet the criteria is a nationally significant infrastructure project within Sections 14(1)(h) and 22(1) of the PA 2008. Under s.22, an NSIP must fall within one of the three categories specified, which are expressly stated to be alternatives. Whilst the Scheme includes improvement of existing highway and construction of new highway, it is predominantly alteration of existing highway within the meaning of s.22(1)(b). The Scheme is wholly located in England. National Highways Limited, being a strategic highways company, is the highway authority for the highway affected by the Highways Works. The land required for the Highways Works is [] hectares which is greater than the minimum threshold of 15 hectares stipulated in Section 22(4)(a) in relation to the alteration of a motorway. The alterations to the highway are likely to have a significant effect on the environment and the application is accompanied by an environmental statement (document reference 6). The Highways Works therefore complies with all requirements of s.22(3) of the PA 2008.
- 1.12 Consent for the EMG2 Main Site and the Highway Works is sought pursuant to the s.35 Direction and section 22 of the PA 2008 ("DCO Application").
- 1.13 The Scheme is shown on the plan titled '[]' (Document []) and described in Chapter 2 of the Environmental Statement (Document 6.3). The MCO Application and the DCO Application are more fully described in the Guide to Application (Documents 1.3 and MCO1.3).

2 Purpose of the MCO

- 2.1 Since the EMG1 DCO came into force in February 2016, the Applicant has worked hard to ensure that EMG1 is delivered effectively and efficiently, and it is now substantially complete and operational. The Applicant is now seeking consent from the SoS for a material change to the EMG1 Order for the EMG1 Works. This includes:
- Additional warehousing on Plot 16 to meet occupier demand;
 - Works to increase the permitted height of the cranes at the rail-freight terminal to improve its capability and efficiency;
 - Improvements to the public transport interchange to align it with the wider proposals for EMG2 as a whole; and
 - Improvements to the site management building.
- 2.2 The MCO Application accordingly seeks to:
- Add new works to the scope of the works already consented by the EMG1 DCO to enable delivery of the works outlined in paragraph 2.1 above; and
 - Provide for a new public right of way to be created and make consequential changes to existing public rights of way within EMG1 (public footpath L112) m
- 2.3 The plans submitted with the MCO Application include:
- **Location Plan** (Document MCO2.1) enabling the identification of the site and the administrative boundaries.

- **Additional Works Plan** (Documents MCO2.3) identifying the additional works which are referred to in the draft MCO (Document MCO3.1) and, where appropriate, show limits of deviation.
- **Additional Access and Rights of Way Plan** (Documents MCO2.4) which identifies a new public footpath and an existing public right of way to be stopped up.
- **Additional Parameters Plans** (Document MCO2.5) which identifies the parameters with which the works must comply. The parameters plan is the plan upon which the environmental assessment reflected in the additional Environmental Statement which has been submitted with the MCO Application (Document MCO6.2).
- **Illustrative Masterplan** (Document MCO2.6), is also provided to assist in demonstrating a form of development which would comply with the parameters which have been assessed (as shown on the Additional Parameters Plans). It identifies simply one way in which a development may come forward in conformity with the Additional Parameters Plans.

3 Draft MCO

3.1 The purpose and effect of the provisions of the draft MCO are explained in sequence below.

3.2 Reference is made to the model provisions, however, there are substantive departures from those provisions in view of the revocation of Section 38(3) of the Act 2008 and repeal of the Infrastructure Planning (Model Provisions) (England and Wales) Order 2009. The model provisions are therefore taken only as a starting point along with articles used in other approved development consent orders.

Article 1 (Citation and commencement)

3.3 This article provides for citation and commencement of the MCO.

Article 2 (Amendment of the East Midlands Gateway Rail Freight Interchange and Highway Order 2016)

3.4 Article 2 sets out the amendment which the MCO makes to the EMG1 DCO.

3.5 Paragraph (1) states that the amendments set out in the following paragraphs will be made to the EMG1 DCO.

3.6 Paragraph (2) makes changes to Article 2 (Interpretation) of the EMG1 DCO to change the definition of "main site" to insert reference to the new works.

3.7 Paragraph (3) makes changes to Article 2 (Interpretation) of the EMG1 DCO to insert new definitions of "additional works plan", "additional parameters plans", "additional access and rights of way plan" and "additional environmental statement".

3.8 Paragraph (4) makes changes to Article 5 (Authorisation of use) of the EMG1 DCO to include reference to the new works.

3.9 Paragraph (5) makes changes to Article 12 (Public rights of way – creation, diversion and stopping up) of the EMG1 DCO to provide for the diversion of public rights of way as described in Part 4 of Schedule 5 (public rights of way to be created).

3.10 Paragraph (6) makes a further change to Article 12 (Public rights of way – creation, diversion and stopping up) of the EMG1 DCO to insert a new paragraph (6) to require the undertaker to provide the new diverted public right of way specified in Part 4 of Schedule 5 (public rights of way to be created) by completion of Works No. 3A.

- 3.11 Paragraph (7) inserts a new article 39A (certification of additional plans etc.) listing the documents which are to be certified by the SoS following the making of the MCO. This follows the precedent of article 39 of the EMG1 DCO.
- 3.12 Paragraph (8) makes a change to Schedule 1 (Authorised development) of the EMG1 DCO to insert Works No. 3A, 3B and 3C.
- 3.13 Paragraph (9) makes a change to Schedule 1 (Authorised development) of the EMG1 DCO to insert Works No. 5A, 5B and 5C.
- 3.14 Paragraph (10) makes a change to Schedule 1 (Authorised development) of the EMG1 DCO to insert Works No. 6A.
- 3.15 Paragraphs (11) and (12) make changes to Part 4 (Associated development) of Schedule 1 (Authorised development) of the EMG1 DCO to insert reference to the new works.
- 3.16 Paragraph (13) makes a change to Schedule 4 (Streets to be permanently stopped up) of the EMG1 DCO to correct an error in the EMG1 DCO.
- 3.17 Paragraph (14) makes a change to insert a new Part 4 into Schedule 5 (public rights of way to be stopped up) of the EMG1 DCO. This provides for the part diversion of public footpath L112.

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