

Factual note on the designation of the East Midlands Freeport boundary and associated considerations

This note has been prepared in response to the Planning Inspectorate's request under Rule 17 for information relating to:

- how the geographic extent of the East Midlands Freeport was arrived at,
- whether alternative extents were considered and rejected, and why,
- what assessment of environmental and equalities considerations was undertaken.

This note is intended to provide a factual explanation of the designation process and should be read alongside the correspondence provided at Annex A.

Overview of the Freeport designation process

The designation of the East Midlands Freeport followed the national Freeports bidding and approval process established by HM Government. This process required the submission and assessment of an Outline Business Case, followed by a Full Business Case, supported by evidence relating to strategic fit, additionality, deliverability and value for money.

As part of this process, proposed Freeport tax sites and associated geography were assessed by HM Government departments, including HM Treasury, against the criteria set out in the Freeports Bidding Prospectus and subsequent guidance.

The geographic extent of the East Midlands Freeport was therefore determined by reference to the suitability and justification of specific proposed sites, rather than through the designation of a boundary in isolation.

Consideration of alternative geographic configurations

During the Outline Business Case stage, HM Government considered the proposed Freeport tax sites and associated geography and concluded that elements of the initial proposal could not be approved in their submitted form.

Concerns were raised regarding the additionality of parts of the originally proposed EMAGIC tax site, including land associated with the Strategic Rail Freight Terminal and parts of the SEGRO landholding. HM Government concluded that some elements of the proposed extent were likely to proceed irrespective of Freeport designation and therefore did not sufficiently demonstrate additionality.

As a result, HM Government did not approve the Outline Business Case in respect of the EMAGIC tax site in its original configuration and required the Freeport partnership to revise the proposed extent or consider alternative approaches. This position is evidenced in the correspondence provided at Annex A.

Following further work by the Freeport partnership, revised proposals were submitted which addressed the issues identified, including by refining the extent of the proposed tax sites. On this basis, HM Government subsequently approved the Outline Business Case and invited submission of the Full Business Case, subject to the separate tax site designation process.

The correspondence at Annex A therefore evidences that alternative configurations were considered, elements of the original proposal were rejected, and the final configuration followed revision in response to HM Government assessment.

Environmental considerations

We do not hold a standalone environmental assessment undertaken specifically for the purpose of designating the East Midlands Freeport boundary.

Environmental considerations were addressed through the following mechanisms:

- at a strategic level within the Outline Business Case and Full Business Case, which set out how environmental impacts, climate change resilience and Net Zero objectives would be addressed through Freeport delivery, and
- through the planning and consenting regimes applicable to individual developments, including local planning processes and Nationally Significant Infrastructure Project procedures, where Environmental Impact Assessment or equivalent assessment is required.

The Freeport designation process did not involve the preparation of a single designation-stage Environmental Impact Assessment comparing alternative boundary options. Detailed environmental assessment is undertaken at the level of individual projects and developments, where statutory requirements apply.

We understand that other government departments involved in the Freeport approval process, including HM Treasury, may have undertaken their own internal consideration of environmental matters insofar as relevant to their respective decision-making roles.

Public Sector Equality Duty considerations

We do not hold a standalone Public Sector Equality Duty assessment prepared solely for the purpose of Freeport boundary designation.

Consideration of equalities impacts was undertaken as part of the broader business case process, including high-level assessment of the expected socio-economic effects of Freeport activity. These considerations informed the overall assessment of the Freeport proposition but were not undertaken as a comparative assessment of alternative geographic boundaries.

Any consideration of equalities impacts undertaken by other government departments as part of their own approval or assurance processes is not held by us.

Summary

In summary:

- the geographic extent of the East Midlands Freeport was determined through assessment of proposed sites against national Freeports criteria,
- alternative configurations were considered and elements of the original proposal were rejected before revised boundaries were accepted,
- we do not hold a standalone environmental or Public Sector Equality Duty assessment undertaken specifically for boundary designation,
- environmental and equalities considerations were embedded within the business case process and are addressed in detail through planning and consenting regimes.

This note is intended to provide factual clarification of the designation process and should be read in conjunction with the correspondence provided at Annex A.