

Your Reference  
BC0410001 and TR0510002



Our Reference  
2774998/TAW1/RJT

FAO Examining Panel  
National Infrastructure Planning  
Temple Quay House  
2 The Square  
Bristol  
BS1 6PN

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Two Snowhill  
Birmingham  
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10 June 2026

Dear Examining Panel (ExP)

**East Midlands Gateway Phase 2 – BC0410001 (the DCO Application)  
Application by SEGRO Properties Limited in respect of a Business and Commercial development comprising a second phase of the SEGRO Logistics Park East Midlands Gateway and highway related development (EMG2)**

**East Midlands Gateway Phase 1 Material Change Order – TR0510002 (the MCO Application)  
Application by SEGRO (EMG) Limited for a material change to the East Midlands Gateway Rail Freight Interchange and Highways Order 2016 (SI 2016/17)**

This letter is the response of SEGRO Properties Limited (DCO Applicant) and SEGRO (EMG) Limited (the MCO Applicant), together "the Applicants", to the Rule 17 letter received from the ExP on 2 June 2026.

The Applicants have carefully considered the matters raised in the Rule 17 letter, which was issued before the Applicants submitted their written submissions following the discussions at the hearings in May. The Applicants do not accept that the additional assessments and disaggregation of effects is necessary nor a correct interpretation of the requirements under the EIA regulations. The Applicants will set out their position and provide a substantive response to the legal issues raised within their Post Hearing Submissions at Deadline 4.

However, notwithstanding that position, the Applicants confirm that they will also provide the ExP with the information requested to ensure the ExP has all information it considers it requires in a timely manner. The Applicants have provided this letter to set out how they intend to address the ExP's request. Given the limited time between Deadlines 4 and 5, we trust that this early indication is of assistance and that if the ExP requires any amendments to the approach the Applicants are adopting, it will notify us accordingly.

Amending the baseline to include the joint application and assess the "delivery scenario" and "non-delivery scenario"

The Applicants propose to update the Environmental Statement as required by updating Chapter 4 – Consideration of Alternatives – of the Environmental Statement to set out the two alternative scenarios as follows:

- Assessment of the impacts of **non-delivery** of the DCO Scheme on a future baseline that the ExP consider might otherwise emerge as a result of development proposed by the Joint Application, should it be

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consented (i.e. assuming the DCO Scheme is authorised but not delivered and its authorisation 'sterilises' and prevents delivery of the Joint Application); and

- Assessment of the impacts of the **delivery** of the DCO Scheme on a future baseline that the ExP consider might otherwise emerge as a result of development proposed by the Joint Application, should it be consented (i.e. comparing the delivery of the DCO to a scenario where the Joint Application was instead approved and delivered).

Each assessment will utilise the assessment of residual likely significant effects identified in the environmental statement supporting the Joint Application to adopt the 'future baseline' the ExP have identified. The Applicants will consider all corresponding relevant disciplines as set out in the Applicants' Environmental Statement in tabular form to identify residual likely significant effects arising from the non-delivery or delivery of the DCO Scheme and the probability of the impact occurring. The structure of the proposed draft tables is enclosed for the ExP's review.

Disaggregate the effects relating to Part 1 of the dDCO (and its associated development) from those relating to Part 2 (and its associated development)

Under s.104 Planning Act 2008 (2008 Act), where a national policy statement (NPS) has effect, the SoS must have regard to that NPS, any Local Impact Report, any prescribed matters and any other matters which the Secretary of State (SoS) considers is important and relevant. The SoS must further decide an application in accordance with the relevant NPS except to the extent provided for in s.104(4) – (8). This means that under s.104, when it comes to the overall planning balance, need is taken to be established by national policy and there is a presumption in favour of granting consent for development that complies with the relevant NPS (see e.g. National Networks NPS (NNNPS) paragraph 4.2) (EFW Group Ltd v Secretary of State for Business, Energy and Industrial Strategy [2021] EWHC 2697 (Admin) at [38]). The highway works described in Part 2 of Schedule 1 to the dDCO and its associated development (namely, Work 16) and the MCO application benefit from that presumption.

Where no NPS has effect, the application must be determined pursuant to s.105 and the SoS must have regard to any Local Impact Report, any prescribed matters and any other matters that the SoS thinks are important and relevant. The business and commercial development and its associated development fall to be determined under s.105. That means that it will be for the ExP to make its recommendation without the benefit of a policy presumption. However, the NNNPS will be an important and relevant consideration under s.105 (R (Gate) v SST [2013] EWHC 2937 (Admin); EFW Group Ltd v Secretary of State for Business, Energy and Industrial Strategy [2021] EWHC 2697 (Admin)).

The different consenting routes for the discrete aspects of the development do not affect the environmental impact assessment process. That requires all likely significant effects of a "project" as a whole to be taken into account.

In practice, this means that the ExP's recommendation report will need to consider all benefits and adverse impacts of the DCO Scheme as a whole. When it comes to the overall balance: for the highways works and Work 16 and the MCO, the ExP's report will acknowledge that need is established by policy and take account of the presumption in favour of development that complies with the NNNPS; for the business and commercial development and its associated development, it will not add in that presumption.

It is the Applicants' view that it is not necessary to separately identify and assess the environmental effects of those parts of the development to be determined under s.104 from those to be determined under s.105 to comply with the EIA regulations or to enable reporting and decision-making under the relevant provisions of the 2008 Act. Provided that all environmental effects of the project as a whole are assessed and the recommendation report makes it clear that only for the works to which the NNNPS applies should it be assumed that need is established and that there is a presumption in their favour if they comply with the NNNPS, the decision will have been appropriately taken under s.104 and s.105.

Further, whether the DCO Application is determined under s.104 or s.105, the outcome in this case will inevitably be the same. Under s.104, the NNNPS has effect for the purposes of the highways NSIP. Under s.105, is an important and relevant consideration for the commercial and business development (R (Gate) v SST [2013] EWHC 2937 (Admin); EFW Group Ltd v Secretary of State for Business, Energy and Industrial Strategy [2021] EWHC 2697 (Admin)). Need for the highways NSIP is established through the NNNPS. Need for the business and commercial development is established through the Industrial and Logistics Need Assessment [APP-223] submitted with the DCO Application. The benefits of the highways NSIP and the commercial and business development substantially outweigh their adverse impacts, and the planning balance falls decisively in favour of granting development consent for the project as a whole.

Notwithstanding the above, the Applicants have considered the various works which comprise the DCO Scheme and have disaggregated them into the highways NSIP to be determined under s.104 and the business and commercial development to be determined under s.105 as identified on the enclosed plan. As suggested by the ExP, this information will be provided in a schedule like the one provided for the MCO Application (i.e. Table 22.2 of Chapter 22 of the Environmental Statement) the proposed format of which is enclosed.

We trust this is acceptable and / or welcome any further comments from the ExP as soon as possible to enable the Applicants to have regard to them.

Yours sincerely

[Redacted signature block]

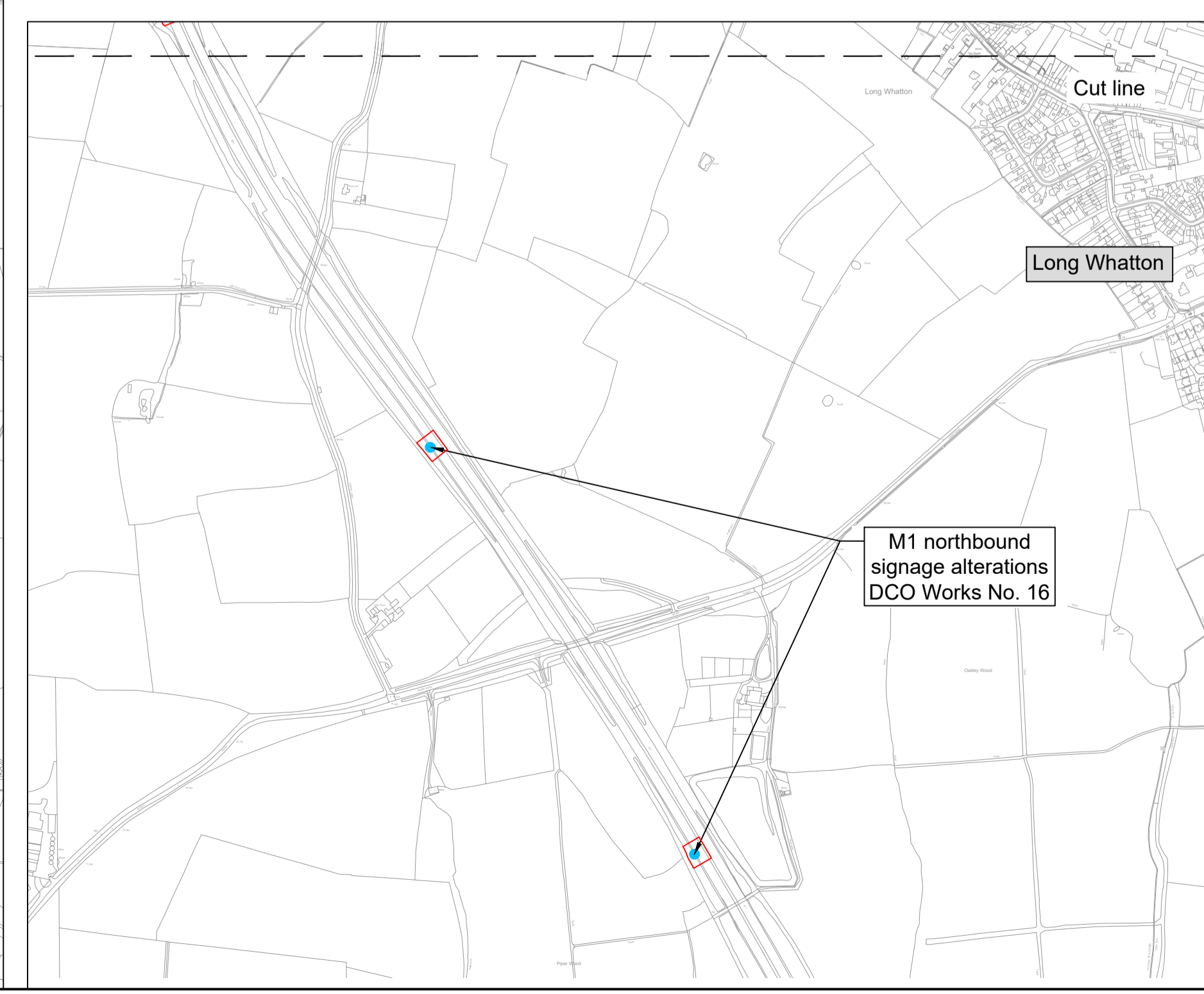
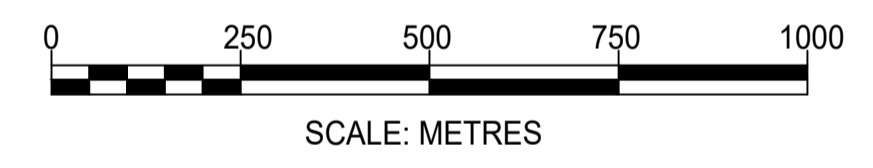
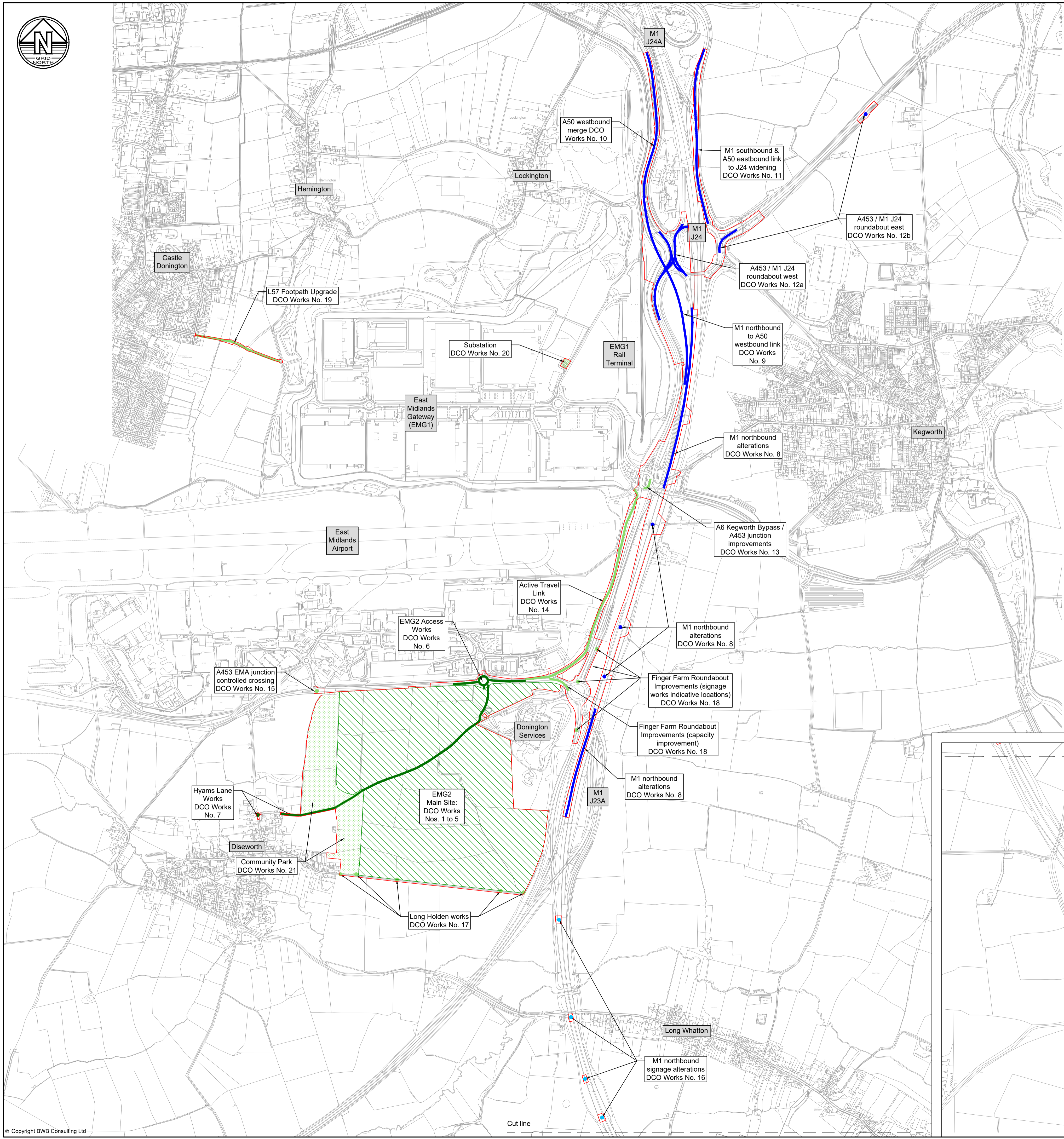
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Enclosures: Plan showing the highways NSIP and the commercial and business development  
Template tables showing the approach to assessment of the effects of:

- the delivery scenario;
- the non-delivery scenario; and
- disaggregation.



**Legend**

- DCO order limits

**The s35 business and commercial development:**

- EMG2 Main Site: Logistics and advanced manufacturing (DCO Works Nos. 1 to 5)
- Highway Works (DCO Works Nos. 6 and 7)

**Associated development:**

- Highway Works (DCO Works Nos. 13, 14, 15, 16, 17, 18 and 19)
- Substation (DCO Works No. 20)
- Community Park (DCO Works No. 21)

**The s22 Highway NSIP (Alteration of existing highways):**

- J24 Improvements (DCO Works No. 8, 9, 10, 11 & 12)

**Associated development:**

- M1 northbound signage (DCO Works No. 16)

|     |          |                             |     |     |
|-----|----------|-----------------------------|-----|-----|
| P01 | 03.06.26 | Issue for information       | SRH | SRH |
| Rev | Date     | Details of issue / revision | Drw | Rev |

**Issues & Revisions**

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Client: **SEGRO**

Project Title: **East Midlands Gateway 2 (EMG2)**

Drawing Title: **s35 & HIGHWAY NSIP & ASSOCIATED DEVELOPMENT PLAN**

|           |            |           |            |
|-----------|------------|-----------|------------|
| Drawn:    | S.Hilditch | Reviewed: | S.Hilditch |
| BWB Ref:  | 220500     | Date:     | 03.06.26   |
| Scale@A1: | 1:10,000   | Scale@A1: | 1:10,000   |

Drawing Status: **FOR INFORMATION**

|  |        |     |
|--|--------|-----|
| Project - Originator - Zone - Level - Type - Role - Number | Status | Rev |
| EMG2-BWB-GEN-XX-SK-CH-SK099                                | S2     | P01 |

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## APPENDIX 4B – Non Delivery Scenario

Assessment of the impacts of the **non-delivery** of the DCO scheme on a future baseline that the ExP consider might otherwise emerge as a result of development proposed by the Joint Application, should it be consented (i.e. assuming the DCO scheme is authorised but not delivered and its authorisation ‘sterilises’ and prevents delivery of the Joint Application and on the assumption that the Joint Application is approved).

| Topic               | Residual Likely Significant Effects arising from “future baseline” assuming the Joint Application is approved and delivered (as identified in Joint Application ES Chp 16 Section 16.3.1) | Residual Effect of development pursuant to the Joint Application (as identified in Joint Application ES Chp 16 Section 16.3.1) | Consequence of DCO non delivery/sterilisation effect | Impact of DCO development on residual likely significant environmental effects identified in Joint Application ES – Adverse/Beneficial Impact? | Probability of Impact* | T=temporary<br>P=permanent** |
|---------------------|---|--|--|--|------------------------|------------------------------|
| <b>Construction</b> |   |  |  |  |                        |                              |
| Socio Economic      | Effects on Local Economic Activity  | Moderate Beneficial  |  |  |                        |                              |
|                     | Regional Labour Force – construction employment   | Moderate Beneficial  |  |  |                        |                              |
|                     | Regional Economic Activity - GVA  | Moderate Beneficial  |  |  |                        |                              |

|                              |   |  |  |  |  |  |
|------------------------------|---|--|--|--|--|--|
|                              |   |  |  |  |  |  |
| Transport                    | Pedestrian Delay – Footpath L45 temp closure                              | Major Adverse                              |  |  |  |  |
| Archaeology                  | Effects on local non-designated archaeological deposits                   | Minor (not significant) – Moderate Adverse |  |  |  |  |
| Landscape & Visual           | Range from Negligible to the effects of completed development – see below | Negligible to Major Adverse                |  |  |  |  |
| <b>Completed Development</b> |   |  |  |  |  |  |
| Socio-Economic               | Effect on local labour force from operational employment                  | Moderate Beneficial                        |  |  |  |  |
|                              | Effects on local economic activity - GVA                                  | Major – Moderate Beneficial                |  |  |  |  |
|                              | Effects on regional labour force from                                     | Major – Moderate Beneficial                |  |  |  |  |

|           |   |  |  |  |  |  |
|-----------|---|--|--|--|--|--|
|           | operational employment  |  |  |  |  |  |
|           | Effects on regional economic activity – GVA                           | Major – Moderate Beneficial  |  |  |  |  |
| Landscape | Landscape Effects on the fabric of the site                           | Major Adverse  |  |  |  |  |
|           | Landscape effects on the Langley Lowlands Character Area              | Moderate Adverse on completion reducing to Moderate/Minor (not significant) after 15 years         |  |  |  |  |
|           | Landscape effects on landscape setting of Diseworth Conservation Area | Moderate Adverse on completion reducing to Moderate/Minor Adverse (not significant) after 15 years |  |  |  |  |
| Visual    | Visual effects on receptors from                                      | Major Adverse on completion  |  |  |  |  |

|  |   |   |  |  |  |  |
|--|---|---|--|--|--|--|
|  | Viewpoint 2,20 & 21 (Hyam's Lane PROW L45/1)  | reducing to Moderate/Major Adverse (not significant) after 15 years   |  |  |  |  |
|  | Visual effects on receptors from viewpoint 1 (A453) and Viewpoint 4 and 20 (PROW north of Diseworth)  | Major/Moderate Adverse on completion reducing to Moderate Adverse after 15 years  |  |  |  |  |
|  | Visual Effects on receptors from Viewpoint 3 (Grimes Gate and PROW to the west (L43/1)), Viewpoints 8 & 9 & 18 (Area to the south of Diseworth) Viewpoints 5,7,9,10 and 18 (Cross Britain Way) and Viewpoint 3 (National Cycle Route 15). | Moderate Adverse on completion reducing to Moderate Adverse and after 15 years but not considered significant for Viewpoint 3 and 4,5,7,9,10 & 18 (Cross Britain Way recreational |  |  |  |  |

|  |  |                          |  |  |  |  |
|--|--|--------------------------|--|--|--|--|
|  |  | route) after 15<br>years |  |  |  |  |
|--|--|--------------------------|--|--|--|--|

\* There is a high probability that the DCO scheme will be implemented if approved based on the track record of the Applicant and the investment already made. Accordingly, the probability of the effects occurring is considered to be very low.

\*\* The land concerned is part of a proposed local plan allocation and any sterilisation effect would cease after the expiry of CA powers.

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## APPENDIX 4C – Delivery Scenario

Assessment of the impacts of the **delivery** of the DCO scheme on a future baseline that the ExP consider might otherwise emerge as a result of the development proposed by the Joint Application, should it be consented (i.e. comparing the delivery of the DCO scheme to a scenario where the Joint Application was instead approved and delivered).

| Topic               | Residual Likely Significant Effects arising from “future baseline” assuming the Joint Application is approved and delivered (as identified in Joint Application ES Chp 16 Section 16.3.1) | Residual Effects of development pursuant to the Joint Application (as identified in Joint Application ES Chp 16 Section 16.3.1) | Relevant assessments identified in the DCO ES broadly equivalent to the likely significant effects identified in Joint Application ES Chp 16 Section 16.3.1 | Impact of DCO development on residual likely significant environmental effects identified in Joint Application ES –<br>Adverse/Beneficial Impact? | Probability of Impact* | P=permanent<br>T=temporary |
|---------------------|---|---|---|---|------------------------|----------------------------|
| <b>Construction</b> |   |   |   |   |                        |                            |
| Socio Economic      | Effects on Local Economic Activity  | Moderate Beneficial   |   |   |                        |                            |
|                     | Regional Labour Force – construction employment   | Moderate Beneficial   |   |   |                        |                            |
|                     | Regional Economic Activity - GVA  | Moderate Beneficial   |   |   |                        |                            |

|                              |   |  |  |  |  |  |
|------------------------------|---|--|--|--|--|--|
| Transport                    | Pedestrian Delay – Footpath L45 temp closure                              | Major Adverse                              |  |  |  |  |
| Archaeology                  | Effects on local non-designated archaeological deposits                   | Minor (not significant) – Moderate Adverse |  |  |  |  |
| Landscape & Visual           | Range from Negligible to the effects of completed development – see below |  |  |  |  |  |
| <b>Completed Development</b> |   |  |  |  |  |  |
| Socio-Economic               | Effect on local labour force from operational employment                  | Moderate Beneficial                        |  |  |  |  |
|                              | Effects on local economic activity - GVA                                  | Major – Moderate Beneficial                |  |  |  |  |
|                              | Effects on regional labour force from operational employment              | Major – Moderate Beneficial                |  |  |  |  |

|           |   |  |  |  |  |  |
|-----------|---|--|--|--|--|--|
|           | Effects on regional economic activity – GVA                                   | Major – Moderate Beneficial  |  |  |  |  |
| Landscape | Landscape Effects on the fabric of the site                                   | Major Adverse  |  |  |  |  |
|           | Landscape effects on the Langley Lowlands Character Area                      | Moderate Adverse on completion reducing to Moderate/Minor (not significant) after 15 years         |  |  |  |  |
|           | Landscape effects on landscape setting of Diseworth Conservation Area         | Moderate Adverse on completion reducing to Moderate/Minor Adverse (not significant) after 15 years |  |  |  |  |
| Visual    | Visual effects on receptors from Viewpoint 2,20 & 21 (Hyam’s Lane PROW L45/1) | Major Adverse on completion reducing to Moderate/Major Adverse (not                                |  |  |  |  |

|  |   |   |  |  |  |  |
|--|---|---|--|--|--|--|
|  |   | significant) after 15 years   |  |  |  |  |
|  | Visual effects on receptors from viewpoint 1 (A453) and Viewpoint 4 and 20 (PROW north of Diseworth)  | Major/Moderate Adverse on completion reducing to Moderate Adverse after 15 years  |  |  |  |  |
|  | Visual Effects on receptors from Viewpoint 3 (Grimes Gate and PROW to the west (L43/1)), Viewpoints 8 & 9 & 18 (Area to the south of Diseworth) Viewpoints 5,7,9,10 and 18 (Cross Britain Way) and Viewpoint 3 (National Cycle Route 15). | Moderate Adverse on completion reducing to Moderate Adverse and after 15 years but not considered significant for Viewpoint 3 and 4,5,7,9,10 & 18 (Cross Britain Way recreational route) after 15 years |  |  |  |  |

\* The probability of the DCO scheme being delivered is considered to be very high regardless of whether the Joint Application is approved and delivered (which is not considered to be probable).

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## EAST MIDLANDS GATEWAY PHASE 2

Disaggregate the effects relating to Part 1 of the dDCO (and its associated development) from those relating to Part 2 (and its associated development)

| <b>ES Chapter</b>                              | <b>Part 1 of the dDCO and its associated development<br/>Commercial and business development comprising<br/>Works Nos. 1 – 7 and 13 - 21</b>  | <b>Part 2 of the dDCO and its associated development<br/>Highways NSIP comprising Works Nos. 8 – 12 and 16</b> |
|--|---|--|
| Chapter 1:<br>Introduction<br>and Scope        | An introduction to the EMG2 ES is set out including the approach and methodology / format of the assessment.  |  |
| Chapter 2:<br>Site and<br>Surroundings         | The DCO Application Site is described by reference to the various components of the DCO Scheme.   |  |
| Chapter 3:<br>Project<br>Description           | The DCO Scheme is described by reference to its various components. A Parameters Plan [XX] has been prepared and submitted with the DCO Application which establishes the key principles for the proposed DCO Scheme. The DCO Application is also accompanied by an Illustrative Landscape Masterplan [XX]. |  |
| Chapter 4:<br>Consideration<br>of Alternatives | This chapter considers the no development option, consideration of alternative sites and consideration of an alternative development scheme.  |  |
| Chapter 5:<br>Socio-<br>economic               |   |  |

| <b>ES Chapter</b>                           | <b>Part 1 of the dDCO and its associated development<br/>Commercial and business development comprising<br/>Works Nos. 1 – 7 and 13 - 21</b> | <b>Part 2 of the dDCO and its associated development<br/>Highways NSIP comprising Works Nos. 8 – 12 and 16</b> |
|---|--|--|
| Chapter 6:<br>Traffic and<br>Transportation |  |  |
| Chapter 7:<br>Noise and<br>Vibration        |  |  |
| Chapter 8: Air<br>Quality                   |  |  |
| Chapter 9:<br>Ecology and<br>Biodiversity   |  |  |
| Chapter 10:<br>Landscape<br>and Visual      |  |  |
| Chapter 11:<br>Lighting                     |  |  |
| Chapter 12:<br>Cultural<br>Heritage         |  |  |
| Chapter 13:<br>Flood Risk<br>and Drainage   |  |  |

| <b>ES Chapter</b>                                  | <b>Part 1 of the dDCO and its associated development<br/>Commercial and business development comprising<br/>Works Nos. 1 – 7 and 13 - 21</b> | <b>Part 2 of the dDCO and its associated development<br/>Highways NSIP comprising Works Nos. 8 – 12 and 16</b> |
|--|--|--|
| Chapter 14:<br>Ground<br>Conditions                |  |  |
| Chapter 15:<br>Agriculture<br>and Soils            |  |  |
| Chapter 16:<br>Utilities                           |  |  |
| Chapter 17:<br>Population<br>and Human<br>Health   |  |  |
| Chapter 18:<br>Materials and<br>Waste              |  |  |
| Chapter 19:<br>Climate<br>Change                   |  |  |
| Chapter 20:<br>Major<br>Accidents and<br>Disasters |  |  |

| <b>ES Chapter</b>                         | <b>Part 1 of the dDCO and its associated development<br/>Commercial and business development comprising<br/>Works Nos. 1 – 7 and 13 - 21</b> | <b>Part 2 of the dDCO and its associated development<br/>Highways NSIP comprising Works Nos. 8 – 12 and 16</b> |
|---|--|--|
| Chapter 21:<br>Cumulative<br>Impacts      |  |  |
| Chapter 22:<br>Summary and<br>Conclusions |  |  |

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