

Your Reference
BC0410001 and TR0510002



Our Reference
2774998/TAW1

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

Gowling WLG (UK) LLP
Two Snowhill
Birmingham
B4 6WR

DX 312501 Birmingham 86

18 August 2026

DEADLINE 6a

Request for further information

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 ExP's letter of 10 August 2026.

Section 35 Direction

The DCO Applicant's consistent position throughout the examination has been that there is no material divergence between the DCO Scheme and the Section 35 Direction [\[APP-068\]](#). That remains its position, for the reasons explained in the following documents:

- Applicants' Response to Hearing Action Points [\[REP1-053\]](#), pages 18 - 21
- Applicants' Response to Deadline 2 and 3 submissions [\[REP4-033\]](#), pages 81 – 93 and 119 – 123, 125 - 126
- Applicants' Response to Hearing Action Points [\[REP4-035\]](#), pages 5 - 8
- Applicants' Response to Deadline 4 submissions [\[REP5-033\]](#), pages 140, 145 – 158
- Applicants' Response to Deadline 5 submissions [\[REP6-042\]](#), pages 15 – 22

Nonetheless, the DCO Applicant understands that the ExP wishes to understand its position were the ExP or the Secretary of State for Transport (SoS) to conclude that the DCO Scheme does not fall within the scope of the Section 35 Direction. To that end, the ExP has identified and invited comments on three possible options.

Option 1: whether this would mean that the application would have to be refused

In the event that the ExP or SoS form the view that the DCO Scheme does not fall within the scope of the Section 35 Direction, this would not mean that the DCO Application would have to be refused. Should it be

GOWLING WLG (UK) LLP
Registered Office: 4 More London
Riverside, London, SE1 2AU

T: +44 (0)370 903 1000
F: +44 (0)370 904 1099
gowlingwlg.com

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necessary to do so, it would be open to the SoS to vary the direction and/or amend the terms of the draft Development Consent Order (dDCO) to bring it within the terms of the Section 35 Direction.

Option 2: whether it would only be possible to approve the application if the applicant sought a formal variation to the section 35 direction, and if so, whether this could be undertaken within the timescales allowed under the PA2008 for determination of the application by the SoS

In the event that the ExP or SoS form the view that the DCO Scheme does not fall within the scope of the Section 35 Direction, it would be open to the SoS to vary the direction.

Section 233(2) of the PA 2008 confirms that the power in the act to give a direction includes the power to vary or revoke the direction.

If it proves necessary to vary the direction, this could be undertaken within the timescales allowed under the PA2008 for determination of the application by the SoS:

- Any application would be made by email and the materials required of the DCO Applicant in making an application for a Section 35 Direction (or any variation thereof) are limited in extent (specification of the development to which it relates; confirmation that the project is, or forms part of, a project within the specified fields in section 35(2); and confirmation that the project will be wholly in England together with any other information that may assist the SoS);¹
- The statutory mechanism does not provide for consultation; and
- A decision must be made within 28 days (section 35A of the PA 2008).

Option 3: whether it would be possible to approve the application by amending the terms of the dDCO and if so, could the Applicant provide “without prejudice” wording to this effect

The DCO Applicant has already proposed the inclusion of requirement 33 to provide comfort to the ExP in response to concerns raised about any perceived inconsistency between the DCO Scheme and the Section 35 Direction.

The Section 35 Direction describes the Proposed Project as comprising “*a logistics and manufacturing hub, including a substantial carbon neutral campus/headquarters including co-located office functions*”.

Requirement 33 of the dDCO [[REP6-007D](#)] provides that:

Carbon neutral campus / headquarters construction and operation

33.—(1) Not less than ten per cent (10%) of the total gross floorspace provided as part of the authorised development shall comprise a campus.

(2) Prior to commencement of construction of the campus a scheme setting out the measures to be taken to achieve carbon neutral construction of the campus shall be submitted to and approved by the local planning authority. The campus shall thereafter be provided in accordance with the approved scheme.

(3) Prior to occupation of the campus a scheme setting out the measures to be taken to achieve carbon neutral operational use of the campus shall be submitted to and approved by the local planning authority. The approved scheme must thereafter be implemented for the duration of the operational use of the campus.

(4) In this requirement—

(a) “campus” means an area or phase of the authorised development which comprises both buildings for storage and distribution and / or advanced manufacturing uses together with co-located office functions; and

(b) “carbon neutral” means balancing the amount of carbon dioxide emitted with an equivalent amount removed or offset.

¹ Planning Act 2008: Guidance on powers to direct a project into or out of the NSIP regime - GOV.UK

The question for the ExP and SoS is whether the DCO Scheme, subject to that requirement, falls within the terms of the Section 35 Direction. The DCO Applicant's case is that it manifestly does.

Nonetheless, should the SoS consider that the reference in the direction to "*substantial carbon neutral campus/headquarters including co-located office functions*" should be secured through Schedule 1 rather than Schedule 2, the DCO Applicant proposes the following "without prejudice" amendments to article 5 and Schedule 1, Work 1(b):

1. Amend article 5 (authorisation of use) as follows:

"Subject to the provisions of this Order and to the requirements, the undertaker and any persons authorised by the undertaker may operate and use that part of the authorised development comprised in Works Nos. 1 to 5 for the purposes of storage and distribution and advanced manufacturing uses together with a carbon-neutral campus including co-located office functions only, any purposes for which such parts of the authorised development are designed and for any purposes ancillary to those purposes."

2. Amend Schedule 1, Work 1(b) as follows:

"buildings for storage and distribution and advanced manufacturing use including warehouses and ancillary buildings and a carbon-neutral campus including co-located office functions, in accordance with the parameters specified on the parameters plan"

Requirement 33 would be retained to control the extent of the campus development and to require submission / approval of the scheme for securing carbon neutrality.

'Mezzanines' / Internal floorspace

The Applicants note the comments and confirm that the draft DCO [REP6-007D] and draft MCO [REP6-013M] will be updated and resubmitted at Deadline 7 to include:

- A definition of 'mezzanine' being "*a storey between two others and, in the case of a warehouse, a floor or floors between the ground floor and the ceiling*". This has regard to the Oxford English Dictionary definition but is tailored to the proposed warehouse buildings.
- A requirement to cap the quantum of mezzanine floorspace i.e. to prevent the installation of additional internal mezzanine floorspace over and above that which has been assessed. The requirement would read as follows: "*No more than 200,000 square metres of total cumulative mezzanine floorspace shall be provided as part of the authorised development*" in the case of the DCO and "*No more than 3,500 square metres of total cumulative mezzanine floorspace shall be provided as part of the authorised development*" in the case of the MCO.

VISSIM Additional Mezzanine Sensitivity Test Modelling Report

The Applicants confirm that the VISSIM Additional Mezzanine Sensitivity Test Modelling Report (DCO 7.24 and [REP6-046D]) has been amended to address the points made by the ExP and the revised version, in both clean and tracked change formats, is enclosed.

Associated development

Associate development (AD) is set out in Part 3 of Schedule 1 of the draft DCO [REP6-007D]. In response to the ExP's request, the Applicants have reviewed the AD against the principles set out in paragraph 5 of the Government's Guidance on associated development: 'Planning Act 2008: Guidance on associated development applications for major infrastructure projects'² (the Guidance).

² Issued by the then Department for Communities and Local Government dated April 2013.

The Guidance records that associated development for the purposes of section 115 of the Planning Act 2008 requires a direct relationship between the associated development and the principal development, should support the construction or operation of the principal development or help address its impacts and should be proportionate to the nature and scale of the development. Each element is explained in the table below. The individual elements are also shown on the drawing appended to [\[REP5-035D\]](#), a copy of which is attached for ease of reference.

The Applicants will further update the Explanatory Memorandum to be submitted at Deadline 7 as requested by the ExP.

Works No. and summary	Direct Relationship	Support construction, operation or address impacts	Proportionate in nature and scale
13 – improvements to access junction of EMG1	These improvements are only required to accommodate the increase in traffic generated by EMG2	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the scale of EMG2 and mitigate its impacts
14 – active travel link	This link is required to facilitate access to the EMG2 Main Site by sustainable means	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the nature of EMG2 and mitigate its impacts
15 – controlled crossing on A453	This crossing will allow persons travelling by sustainable means to cross the A453 and access the EMG2 Main Site	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the nature of EMG2 and mitigate its impacts
16 – verge and gantry mounted signs	The updates to verge and gantry signs are required to direct users for the A50 to the new J24A exit being constructed as part of the s22 Highway NSIP	Supports operation of the s22 Highway NSIP	Improvements are proportionate to the scale of the s22 Highway NSIP
17 – works to Long Holden PRoW	Long Holden is a PRoW on the perimeter of the EMG2 Main Site and works are required to accommodate the development	Supports construction, operation of EMG2 and address impacts	Improvements are proportionate to the scale and nature of EMG2 and mitigate its impacts
18 – works to A42/A453 Finger Farm roundabout	The A42/A453 Finger Farm roundabout leads road users on to the A453 to access the EMG2 Main Site	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the scale of EMG2 and mitigate its impacts
19 – upgrade footpath L57 to a cycle track	Converting footpath L57 enables access to the EMG2 Main Site from Castle Donington by sustainable means	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the nature of EMG2 and mitigate its impacts

20 – upgrade to existing substation	The existing substation within EMG1 requires upgrading to provide power to the EMG2 Main Site	Supports operation of EMG2	Improvements are proportionate to the scale and nature of EMG2
21 – provision of community park	The Community Park is adjacent to and serves the EMG2 Main Site	Supports operation of EMG2 and addresses impacts	Improvements are proportionate to the scale and nature of EMG2 and mitigate its impacts

The Guidance also clarifies that AD should not be an aim in itself and should not be justified solely as a source of additional revenue. None of the works within Part 3 of Schedule 1 of the draft DCO as summarised in the table above are an aim in themselves nor do they provide an additional source of revenue to the Applicants.

PRTM 2023 and VISSIM traffic modelling updates and implications for other topic areas

The Applicants enclose, as requested, a new technical note (**DCO 7.26 / MCO 7.26**) consolidating the earlier technical notes and confirming the position as regards the conclusions contained in the Environmental Statement.

Detailed design and ecological mitigation including the habitat creation identified in the Biodiversity Net Gain Report

The Applicants confirm that requirements 9 and 10 of the draft DCO [[REP6-007D](#)] will be updated to include reference to the Biodiversity Net Gain Report [[REP3-041](#)]. A new definition of Biodiversity Net Gain Report will also be included in requirement 1. The Landscape and Ecological Management Plan [[REP6-031](#)] will also be updated.

The Applications will further update requirements 9 and 10 of the draft DCO [[REP6-007D](#)] to include reference to chapters 9 and 10 of the Environmental Statement ([[REP3-014](#)] and [[APP-120](#)]).

Requirement 7(2) of the draft DCO [[REP6-007D](#)] will be updated to include reference to the substation.

Parts 1 and 2 of Schedule 13 (protective provisions in favour of National Highways and Leicestershire County Council) will be updated to include ecological mitigation as part of the detailed design information. The definitions of "detailed design information" will further be updated to include reference to the Environmental Statement.

The updated draft DCO and Landscape and Ecological Management Plan will be submitted at Deadline 7.

The Applicants confirm that the draft MCO [[REP6-013M](#)] will also be updated and submitted at Deadline 7 to include amend article 2(22) to reference chapters 9 and 10 of the Environmental Statement as well as the Landscape and Ecological Management Plan and the Biodiversity Net Gain Report (i.e. to mirror the draft DCO wording).

Drainage adopted by third party drainage bodies

The Applicants would clarify that the drainage serving the EMG2 Main Site will remain under the ownership and control of the Applicants. Such drainage will be controlled and regulated by the operation of Requirement 17 as detailed in the Applicants' response at [[REP6-043](#)].

The reference to adoption by third party drainage bodies was directed towards highways drainage infrastructure which will be designed in accordance with the requirements in the protective provisions in Schedule 13 of the draft DCO [[REP6-007D](#)] for the relevant highway authority. The protective provisions control the handover of information as part of the adoption process, including all calculations and design data

to enable maintenance to take place. Upon adoption of any highway drainage infrastructure, the relevant highway authority will become responsible for monitoring, maintaining and remediating such infrastructure as provided for in the Highways Act 1980.

Once a highway and the infrastructure that serves it have been adopted, section 41 of the Highways Act 1980 imposes a duty on the highway authority maintain the highway at public expense. Section 56 of the Highways Act 1980 provides enforcement provisions for maintenance and enables proceedings to be brought against a highway authority. Highways authorities also have powers under section 100 of the Highways Act 1980 to construct such drains as they consider necessary, to divert surface water and scour, cleanse and keep open all drains situated within highway land.

Updates to Design Approach Document

The Applicants confirm that the Design Approach Document [\[REP2-022\]](#) and its appendix the 'Highways Design Approach Document' [\[REP2-024\]](#) are being updated and will be resubmitted at Deadline 7.

Draft DCO

The Applicants note that, whilst section 112 of the Planning and Infrastructure Act 2025 provides that section 18 of the Neighbourhood Planning Act 2017 will not prevent temporary possession powers being exercised under an order made under the Planning Act 2008 in accordance with that order, that section has not yet come into force. The wording in article 41(2) of the draft DCO [\[REP6-007D\]](#) is therefore proposed to be retained for the avoidance of any doubt.

The Applicants confirm that requirement 27 (signage) of the draft DCO [\[REP6-007D\]](#) will be amended to require the signage works to be completed before occupation of any warehouse. The wording is proposed to mirror that in requirement 6 relating to completion of the other highway works, namely "*prior to occupation of any authorised buildings or such alternative later stage or event as agreed by the relevant highway authority provided that completion of the highway works by such alternative later stage or event is not likely to give rise to any materially new or materially different significant effects on the environment that have not been assessed in the environmental statement or in any updated environmental information supplied under the 2017 EIA Regulations*".

The Applicants further confirm that the typo in requirement 32 will be corrected.

The updated draft DCO [\[REP6-007D\]](#) will be resubmitted at Deadline 7.

Explanatory memorandum for draft DCO

The Applicants confirm that the explanatory memorandum for the draft DCO [\[REP6-009D\]](#) will be updated to remove reference to the safeguarded land and will be resubmitted at Deadline 7.

Draft MCO

The Applicants confirm that the draft MCO [\[REP6-013M\]](#) will be updated to include details of the rating of the electric vehicle chargers and will be resubmitted at Deadline 7.

Deadline 7

The Applicants note that the documents listed for submission at Deadline 7 includes a 'final NPS Tracker' but, at present, there is no such tracker within the Examination library.

The Applicants have considered the request and propose to update the Planning Statement and, specifically, the policy compliance tracker at Appendix 1 of that statement [\[REP4-016\]](#) to address this point. That update will include updates arising from the new National Planning Policy Framework (NPPF) which was published yesterday, 17 August 2026. The updated document will be submitted at Deadline 7.

The Applicants trust that the above is acceptable.

If you have any queries or require anything further, please do not hesitate to contact us.

Yours sincerely

Toni Weston

Toni Weston

+44 (0)7921 025369

toni.weston@uk.gowlingwlg.com

Attachment: Drawing appended to [\[REP5-035D\]](#)

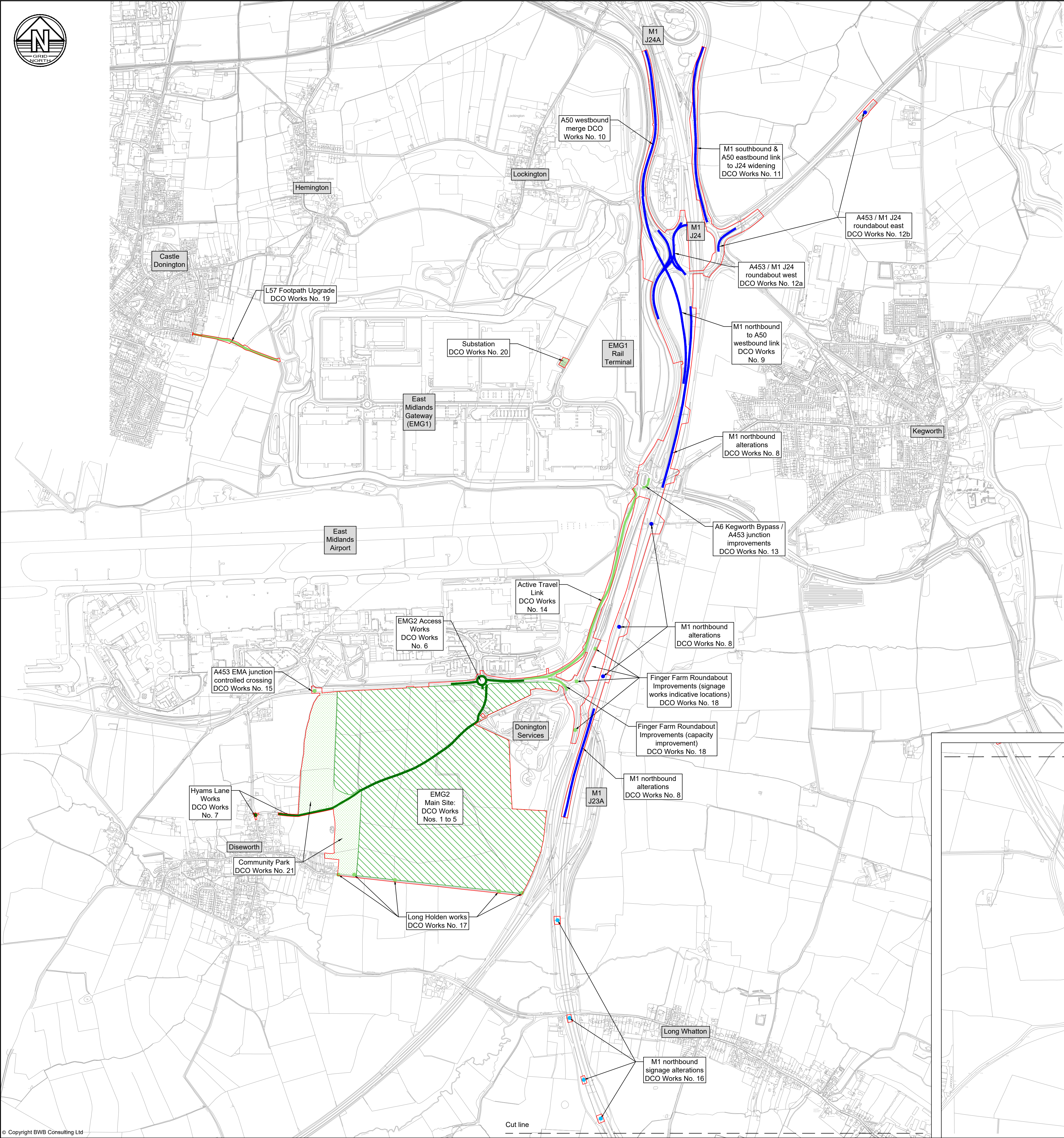
Enclosures:

Documents relating to DCO and MCO:

1. Consolidated Note on PRTM 2023 Sensitivity Test (**DCO 7.26 / MCO 7.26**)

Documents relating to DCO only:

2. Revised VISSIM Additional Mezzanine Sensitivity Test Modelling Report (**DCO 7.24** and [\[REP6-046D\]](#))
(clean and tracked)



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