

Document DCO 8.7 / MCO 8.7

Statement of Common Ground between the Applicant and Natural England (relating to Ecology and Biodiversity)

APRIL 2026

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

1.1 This Statement of Common Ground ("SoCG") is a written statement produced during the application process for a Development Consent Order ("DCO") and is prepared jointly by the applicant and another party.

1.2 The Guidance entitled 'Planning Act 2008: Examination stage for Nationally Significant Infrastructure Projects' (April 2024) ("the Guidance") describes a SoCG as follows:

"A Statement of Common Ground (SoCG) is a written statement prepared jointly by the applicant and another party or parties, setting out any matters on which they agree, or indeed disagree. A SoCG helps to ensure that the evidence at the examination focuses on the material differences between the main parties and therefore makes best use of the lines of questioning pursued by the Examining Authority" (paragraph 007)

1.3 This SoCG has been prepared as part of the information accompanying the applications for a DCO and a Material Change Order ("MCO") for the scheme known as East Midlands Gateway Phase 2 ("EMG2" or "the Scheme") comprising:

Main Component	Summary of Component	Works Nos.
DCO Application made by the DCO Applicant for the DCO Scheme		
EMG2 Works	<p>Logistics and advanced manufacturing development located on the EMG2 Main Site south of East Midlands Airport and the A453, and west of the M1 motorway. The development includes HGV parking and a bus interchange.</p> <p>Together with an upgrade to the EMG1 substation and provision of a Community Park.</p>	<p>DCO Works Nos. 1 to 5 including Further Works as described in the draft DCO (Document DCO 3.1).</p> <p>DCO Works Nos. 20 and 21 including relevant Further Works as described in the draft DCO (Document DCO 3.1).</p>
Highway Works	<p>Works to the highway network: the A453 EMG2 access junction works (referred to as the EMG2 Access Works); significant improvements at Junction 24 of the M1 (referred to as the J24 Improvements), works to the wider highway network including the Active Travel Link, Hyam's Lane Works, L57 Footpath Upgrade, A6 Kegworth Bypass/A453 Junction Improvements and Finger Farm Roundabout Improvements.</p>	<p>DCO Works Nos. 6 to 19 including relevant Further Works as described in the draft DCO (Document DCO 3.1).</p>
MCO Application made by the MCO Applicant for the MCO Scheme		
EMG1 Works	<p>Additional warehousing development on Plot 16 together with works to increase the</p>	<p>MCO Works Nos. 3A, 3B, 5A, 5B, 5C, 6A</p>

	permitted height of the cranes at the EMG1 rail-freight terminal, improvements to the public transport interchange, site management building and the EMG1 Pedestrian Crossing.	and 8A in the draft MCO (Document MCO 3.1).
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1.4 This SoCG has been prepared in accordance with the Guidance to assist the Examining Authority in examining the applications for the DCO and MCO by providing an understanding of the status of discussions or negotiations between the Applicant and another party.

1.5 Capitalised terms refer to the Glossary at Appendix A to Chapter 1 of the Environmental Statement (Document 6.1A) unless otherwise stated.

2 Parties to this SoCG

2.1 This SoCG is entered into by (1) SEGRO who has submitted the DCO Application through SEGRO Properties Limited and has submitted the MCO application through SEGRO (EMG) Limited (referred to collectively as "the Applicant") and (2) Natural England.

2.2 Natural England enters into this SoCG in its capacity as statutory consultee.

2.3 A record of the engagement between the Applicant and Natural England in relation to ecology and biodiversity is set out in the Appendix to this SoCG.

3 Structure of this SoCG

3.1 This SoCG has been structured with two clearly defined sections. The first section considers matters relevant to the DCO and the second section considers matters relevant to the MCO. Where a particular matter is common to both the DCO and the MCO this is clearly stated and recorded in both sections.

3.2 The areas covered by this SoCG are as follows:

3.2.1 The approach taken to the assessment of designated sites, including the River Mease SAC and relevant Sites of Special Scientific Interest (SSSIs).

3.2.2 The scope and sufficiency of baseline ecological surveys undertaken to inform the Environmental Statement ("ES") Chapter 9 (Document DCO/MCO 6.9).

3.2.3 The approach to assessing Biodiversity Net Gain (BNG), including use of the Statutory Biodiversity Metric.

3.2.4 The assessment and proposed mitigation for impacts on protected and notable species.

3.2.5 The methodology and findings of the agricultural land classification and soil handling proposals.

3.3 This SoCG records those matters which are agreed and, if appropriate, any matters that are not agreed and still under discussion between the Applicant and Natural England in relation to ecology and biodiversity.

- 3.4 Where this SoCG is identified as a draft, some matters may still be under discussion. If appropriate, a final version that confirms the final positions of the parties on relevant matters will be submitted before the close of the Examination.
- 3.5 Within the following tables a Red Amber Green (RAG) status has been applied as follows: **green**: agreed, **amber** - a matter that is under discussion and/or further work is being completed and **red** - not agreed.

4 DCO

Matters agreed		
Ref	Matter	RAG status and any additional comments
4.1	The scope, timing and methods of ecological surveys undertaken to inform the Environmental Statement are appropriate and align with relevant guidance.	Green
4.2	The project does not lie within the SAC catchment. Natural England agrees with the findings of the Shadow HRA that there are no pathways for likely significant effects and that further Appropriate Assessment is not required.	Green
4.3	Natural England is satisfied with the approach taken to avoid impacts to protected species. Specific licensing matters are agreed as set out in 4.4-4.6 below	Green
4.4	<p>A draft bat licence application has been reviewed and a Letter of No Impediment (LoNI), (DCO 6.9L Appendix L Protected Species Licences and LONIs), has been issued by Natural England, confirming that a licence could be granted post-consent, subject to standard conditions being met.</p> <p>Natural England has confirmed that, for a wildlife licence to be granted following DCO consent, the caveats set out within the Letter of No Impediment (LoNI) for bats must be satisfied. Once granted, the conditions of any licence must be complied with in full. The Applicant notes both requirements and confirms these will be addressed through the consenting and implementation process.</p>	Green
4.5	A draft badger mitigation licence has also been reviewed and a LoNI, (DCO 6.9L	Green

	<p>Appendix L Protected Species Licences and LONIs), has been issued by Natural England, subject to standard conditions being met.</p> <p>Natural England has confirmed that, for a wildlife licence to be granted following DCO consent, the caveats set out within the Letter of No Impediment (LoNI) for badger must be satisfied. Once granted, the conditions of any licence must be complied with in full. The Applicant notes both requirements and confirms these will be addressed through the consenting and implementation process.</p>	
4.6	<p>The project will be delivered in accordance with Natural England's District Level Licensing (DLL) scheme. An Impact Assessment and Conservation Payment Certificate (IACPC) has been issued and signed by both parties.</p>	Green
4.7	<p>The use of the Statutory Biodiversity Metric is appropriate. While Biodiversity Net Gain is not a mandatory requirement for Nationally Significant Infrastructure Projects, the aspiration to deliver gains for habitat, hedgerow, and watercourse units is welcomed by Natural England.</p> <p>Gains can be secured through planning obligations, conservation covenants or requirements within the DCO. Natural England would welcome a commitment in excess of 10%.</p>	N/A
4.8	<p>A CEMP has been provided with the DCO Application, DCO 6.3A Appendix A CEMP. Natural England recognises that the majority of ecological mitigation is embedded in the scheme design. While a yellow risk remains around the presentation of some measures as "additional" rather than "embedded" mitigation. Natural England accepted that this is an EIA methodology issue and does not materially affect the conclusions of residual ecological effects.</p>	Green

4.9	The proposed Scheme is not located within, or within the setting of, any nationally designated landscapes (National Parks or National Landscapes). As a result, Natural England has no specific comments to make on the further landscape implications of this proposal.	Green
4.10	It is noted that there will be no direct loss to Ancient Woodland. NE have no specific comment to make in this regard and refer to our Standing Advice for Ancient Woodland, Ancient Trees and Veteran trees.	Green
4.11	<p>Further clarification has been added to the Future Baseline section of the ES chapter, providing an explanation as to the existing pressures on designated sites and clarifying that the future baseline assumes habitats would be managed to maintain their condition (the exception being the ash trees which are declining due to ash dieback). The additional information is welcomed.</p> <p>NE have requested that future baselines includes consideration of Local Nature Recovery Strategy (LNRS) goals by landowners/managers. LNRS measures have extremely limited coverage on the application. Restricted areas of highways verges are not thought likely to be subject to substantial changes in management as a result of the LNRS. The area which does merit some consideration is that of the existing rail track, which is subject to 5 measures (MN2,9,11,12 and 13). These measures promote management to benefit wildlife and control invasive species. The area includes the operational rail track footprint, and embankments which are subject to existing management objectives secured through the EMG1 scheme. As such no these areas are not expected to be subject significant changes in ecological value. The future baseline would not be significantly affected by the LNRS objectives.</p>	Green
4.12	NE have moved to standard guidance for air quality impacts to sites and so have no bespoke comments and cannot give a RAG rating.	N/A

	The screening criteria used are in line with the standard guidance, i.e. sites within 200m from the affected road network with increases of more than 1000 AADT and/or 200 HDV, is acceptable for assessment of impacts to sites from air pollution	
4.13	Since the PEIR was reviewed during the Section 42 consultation, further detail has been added to the draft ES chapter regarding the specific SSSI Impact Risk Zones (IRZs) that are triggered by the development. This includes the specific characteristics of the scheme that are considered relevant for each SSSI IRZ. The update is welcomed by Natural England.	Green
4.14	Active travel and public transport improvements proposed as part of the scheme are welcomed by Natural England. These include a range of measures such as new public footpaths, cycle tracks, crossings, and enhancements to Public Rights of way. The relevant details have now been updated and separated into the DCO and MCO applications. These measures are considered to contribute positively to sustainable transport objectives and provide opportunities to connect people with nature. Natural England also supports the inclusion of the emerging Isley Woodhouse settlement in the transport assessment.	Green
	NE welcome the green infrastructure embedded into the designs to provide for people and nature and the intention for early establishment. Leicestershire, Leicester and Rutland LNRS should be referenced in the designs to maximise benefits for landscape scale nature recovery. The NE Green Infrastructure Framework can also be referenced to ensure high quality and landscape scale impact.	Green, see RR NE12
	NE welcome the additional access opportunities to connect the PRow to the new green infrastructure proposed. There may be additional opportunities to join up with the Isley Woodhouse	Green, see RR NE13

	development for greater strategic impact for local communities.	
4.15	The study area used for the Habitats Regulations Assessment has been updated in accordance with Natural England's advice. This includes extending the original 15km buffer to 20km for international sites supporting wintering waterfowl with extended foraging ranges, and to 30km for international sites where bats are a qualifying feature. Natural England welcomes this update.	Green
4.16	Natural England concur with the approach taken to assessing cumulative impacts on soils, recognising that, while there is currently no formally prescribed methodology, the consideration of cumulative effects remains essential to understanding long-term soil degradation and land use pressures.	Green
4.17	From discussions at Pre-Application stage, NE were satisfied that the Agricultural Land Classification (ALC) survey report was robust in its methodology and review. It was conducted in line with current guidance (MAFF 1988).	Green
4.18	Natural England have reviewed the SuDS design and SuDS Statements within the ES. We are satisfied they are suitable for the mitigation of water quality impacts to designated sites. Their monitoring and maintenance should be secured by requirement 17 within the DCO for the full operational period of the project.	Green
4.19	Natural England recommend mitigation designs have regard for the LLR-LNRS on the embedded and additional mitigation measures, in line with national policy (NN-NPS). This includes the Leicester City Technical Guidance (2021) for urban SuDS design (see UB008 within the LLR-LNRS). While some of the LNRS objectives may be applied as general good practices in relation to design and management, there are no mapped objectives relevant to the	Green

	scheme, and so the LNRS does not form a significant consideration	
Matters not agreed		
4.19	There are no matters of disagreement between the Applicant and Natural England	Green
Matters still under discussion		
4.19	Natural England are satisfied the ES adequately assesses impacts to water sensitive designated sites. The embedded and additional mitigation measures should be secured within the DCO for the full operational period.	Remains amber until this is reviewed and agreed. See RR NE3.
	Natural England welcomes the inclusion of the CEMP, including the Silt Management Plan for mitigating construction phase water quality impacts to sensitive designated sites. This should be secured by DCO Requirement 11.	Remains under discussion until the Silt Management Plan is included in the DCO. See RR NE3.
4.21	Natural England acknowledges that the methodology within the Agriculture and Soils Chapter has been updated in line with relevant guidance, and that the permanent loss of BMV land has now been assessed as a major adverse effect. However, NE maintains concerns regarding (i) the lack of clear evidence of BMV land avoidance in the ES, and (ii) the interpretation of TIN049 and classification of Grade 3a land sensitivity. NE advises that further clarification is needed on how avoidance of BMV land has been demonstrated, and that Grade 3a land should be consistently attributed high sensitivity. These issues remain under discussion.	These comments have been considered, and the ES chapter 15, Agriculture and Soils, has been updated to reflect the discussions between NE and LRA.
4.22	NE requested that the Soil Management Plan (SMP) is submitted with and accompanies the DCO Application.	A SMP has been submitted as part of the application as Appendix 6.15C Soils Management Plan. Comments on this document are awaited from NE.

5 MCO

Matters agreed		
Ref	Matter	RAG status and any additional comments
5.1	The scope, timing and methods of ecological surveys undertaken to inform the Environmental Statement are appropriate and align with relevant guidance.	<i>Green</i>
5.2	The project does not lie within the SAC catchment. Natural England agrees with the findings of the Shadow HRA that there are no pathways for likely significant effects and that further Appropriate Assessment is not required.	<i>Green</i>
5.3	Natural England is satisfied with the approach taken to avoid impacts to protected species.	<i>Green</i>
5.4	The project will be delivered in accordance with Natural England's District Level Licensing (DLL) scheme. An Impact Assessment and Conservation Payment Certificate (IACPC) has been issued and signed by both parties.	<i>Green</i>
5.5	<p>The use of the Statutory Biodiversity Metric is appropriate. While Biodiversity Net Gain is not a mandatory requirement for Nationally Significant Infrastructure Projects, the aspiration to deliver gains for habitat, hedgerow, and watercourse units is welcomed by Natural England.</p> <p>Gains can be secured through planning obligations, conservation covenants or requirements within the DCO. Natural England would welcome a commitment in excess of 10%.</p>	N/A
5.6	The proposed Scheme is not located within, or within the setting of, any nationally designated landscapes (National Parks or National Landscapes). As a result, Natural England has no specific comments to make on the further landscape implications of this proposal.	<i>Green</i>

5.7	<p>Active travel and public transport improvements proposed as part of the scheme are welcomed by Natural England. These include a range of measures such as new public footpaths, cycle tracks, crossings, and enhancements to Public Rights of way. The relevant details have now been updated and separated into the DCO and MCO applications.</p> <p>These measures are considered to contribute positively to sustainable transport objectives and provide opportunities to connect people with nature. Natural England also supports the inclusion of the emerging Isley Woodhouse settlement in the transport assessment.</p>	<i>Green</i>
	<p>We welcome the green infrastructure embedded into the designs to provide for people and nature and the intention for early establishment.</p> <p>LLR-LNRS should be referenced in the designs to maximise benefits for landscape scale nature recovery. The NE Green Infrastructure Framework can also be referenced to ensure high quality and landscape scale impact.</p>	Green, see RR NE12
5.8	<p>The study area used for the Habitats Regulations Assessment has been updated in accordance with Natural England's advice. This includes extending the original 15km buffer to 20km for international sites supporting wintering waterfowl with extended foraging ranges, and to 30km for international sites where bats are a qualifying feature. Natural England welcomes this update.</p>	<i>Green</i>
5.9	<p>NE have moved to standard guidance for air quality impacts to sites and so have no bespoke comments and cannot give a RAG rating.</p> <p>The screening criteria used are in line with the standard guidance, i.e. sites within 200m from the affected road network with increases of more than</p>	N/A

	1000 AADT and/or 200 HDV, is acceptable for assessment of impacts to sites from air pollution	
5.10	Since the PEIR was reviewed during the Section 42 consultation, further detail has been added to the draft ES chapter regarding the specific SSSI Impact Risk Zones (IRZs) that are triggered by the development. This includes the specific characteristics of the scheme that are considered relevant for each SSSI IRZ. The update is welcomed by Natural England.	<i>Green</i>
5.11	A CEMP is already a requirement of the EMG1 DCO to which the MCO relates. Natural England recognises that the majority of ecological mitigation is embedded in the scheme design. While a yellow risk remains around the presentation of some measures as “additional” rather than “embedded” mitigation. Natural England accepted that this is an EIA methodology issue and does not materially affect the conclusions of residual ecological effects.	<i>Green</i>
5.12	Natural England have reviewed the SuDS design and SuDS Statements within the ES. We are satisfied they are suitable for the mitigation of water quality impacts to designated sites. Their monitoring and maintenance should be secured by requirement within the DCO for the full operational period of the project.	<i>Remains under discussion until agreed. See RR NE4.</i>
5.16	NE have requested that future baselines includes consideration of LNRS goals by landowners/managers. LNRS measures have extremely limited coverage on the application. Restricted areas of highways verges are not thought likely to be subject to substantial changes in management as a result of the LNRS. The area which does merit some consideration is that of the existing rail track, which is subject to 5 measures (MN2,9,11,12 and 13). These measures promote management to benefit wildlife and control invasive species. These measures promote management to benefit wildlife and control invasive	<i>Yellow, see RR NE1</i>

	species. The area includes the operational rail track footprint, and embankments which are subject to existing management objectives secured through the EMG1 scheme. As such no significant changes in ecological value of the baseline habitats are expected in relation to the LNRS.	
5.17	<p>Natural England recommend mitigation designs have regard for the LLR-LNRS in regard to the embedded and additional mitigation measures, in line with national policy (NN-NPS).</p> <p>This includes the Leicester City Technical Guidance (2021) for urban SuDS design (see UB008 within the LLR-LNRS).</p> <p>While some of the LNRS objectives may be applied as general good practices in relation to design and management, there are limited mapped objectives relevant to the scheme. The only areas within the MCO covered are the embankments on the rail connection, which will not be affected by the proposals. As such the LNRS does not form a significant consideration</p>	<i>Green .</i>
Matters not agreed		
5.18	There are no matters of disagreement between the Applicant and Natural England	<i>Green</i>
Matters still under discussion		
5.19	There are no matters under discussion between the Applicant and Natural England	

6 Conclusions

- 6.1 The Applicant and Natural England confirm that all ecology and biodiversity matters under discussion in relation to the Scheme have been agreed as recorded in the tables in sections 4 and 5 above.
- 6.2 The Applicant and Natural England will continue to engage with each other with a view to narrowing and resolving any issues that remain outstanding.

SIGNATURES:

On behalf of the Applicant:

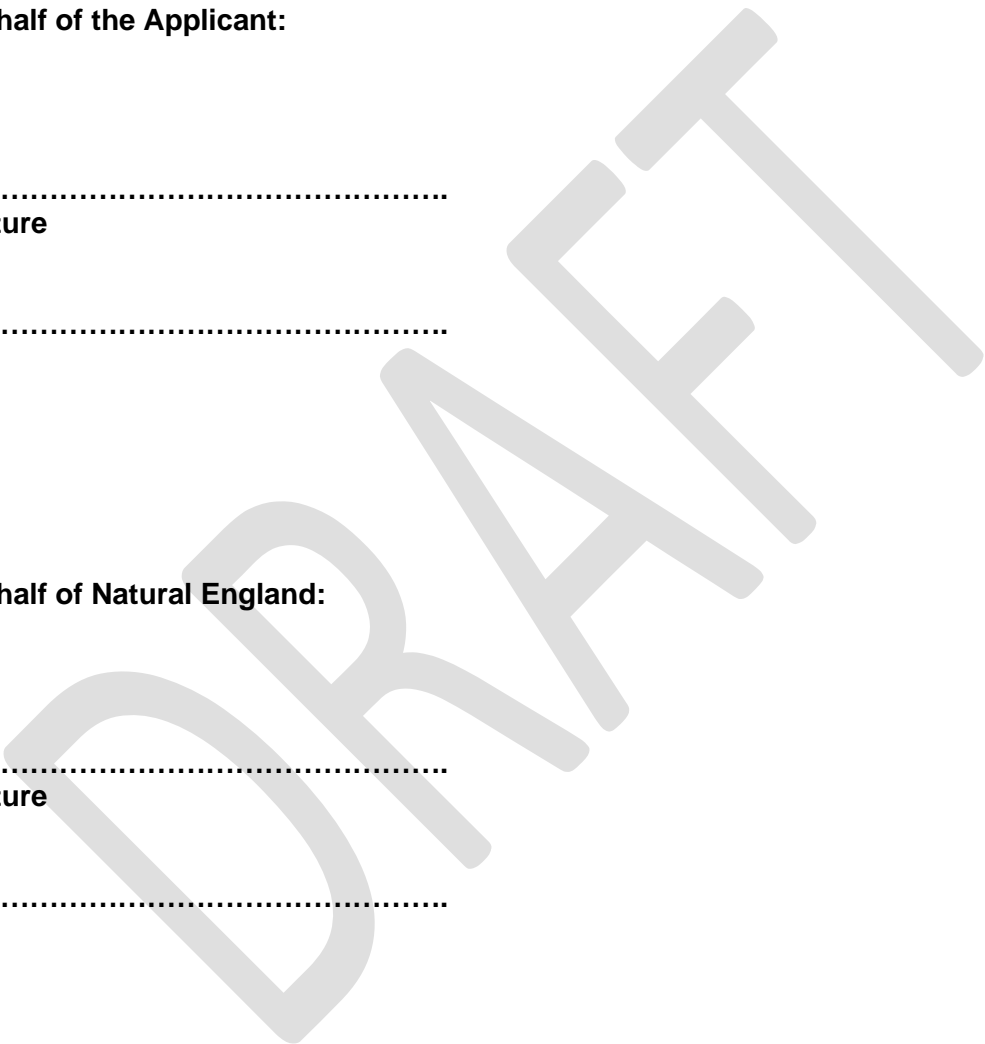
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Signature

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On behalf of Natural England:

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Signature

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Name



APPENDIX

RECORD OF ENGAGEMENT

Date	Form of engagement	Summary of matters dealt with
Apr – May 2025	Email correspondence	Natural England followed up on the s42 consultation, requesting clarity on DCO submission timescales and the scope of further DAS advice. FPCR provided updated ES chapters and appendices. NE confirmed receipt and provided early comments, noting CEMP measures should be embedded, and requested further detail on operational polluting activities, SuDS design, and air quality data.
Jun – Jul 2025	Ongoing email dialogue	FPCR issued updated documents for the second consultation. NE confirmed the need for a Teams call to discuss key issues (soils, sHRA, and biodiversity) and highlighted that the July 29 deadline for comments might be unfeasible. NE maintained broad support for the sHRA conclusions but emphasised the need for air quality updates.
Jul 2025	Teams call and follow-up emails	Discussion held on Great Crested Newt DLL, soils reporting, and next steps. FPCR requested a further meeting with NE's soils specialist. NE confirmed that soils comments would follow and that a Risk & Issues Log would be provided.
Late Jul 2025	Issue of Risk & Issues Log	Natural England issued a consolidated Risk & Issues Log covering advice from s42 through to the non-statutory consultation. This identified: (i) resolved matters ('green'), (ii) a yellow issue regarding the framing of CEMP mitigation, (iii) amber issues relating to air quality, operational

		activities, and SuDS details, and (iv) red issues concerning soils methodology, including magnitude thresholds and treatment of Grade 3a land.
27-Aug-2025	Feedback on air quality section and chapter	NE provided feedback on the screening criteria, in combination effects and specific comments on each of the following SSSI's - Oakley Wood, Breedon Cloud Wood and Quarry and Lount Meadows
11 Sep-2025	Issue of Risk & Issues Log	Natural England issued an updated risk and issue log.
25 Nov - 2025	Email correspondence - Change of approach to air quality assessments from Natural England	<p>Natural England confirmed that they will review the formal documents submitted.</p> <p>They also confirmed that Natural England has recently updated their approach to air quality assessment, where they now have standard advice for NSIPs.</p> <p>Follow up emails were exchanged with FPCR, which requested less formal advice through the DAS agreement, as had been previously given by Natural England. This request was declined.</p>
		[To be updated]