

Document MCO 3.2

Explanatory Memorandum to Material Change Order

OCTOBER 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 (MCO Application) made by SEGRO (EMG) Limited (MCO Applicant) to the Secretary of State for a material change order to The East Midlands Gateway Rail Freight Interchange and Highway Order 2016 (SI 2016/17) (the EMG1 DCO). The MCO Application is made pursuant to section 153 and schedule 6 of the Planning Act 2008 (PA 2008).
- 1.2 The EMG1 DCO was made on 12 January 2016 and came into force on 2 February 2016. It authorised a nationally significant infrastructure development being a strategic rail freight interchange (SRFI) comprising a rail freight terminal and warehousing located to the north of East Midlands Airport (EMG1). EMG1 was substantially completed in October 2024.
- 1.3 The MCO Application relates to a second phase of EMG1, known as 'East Midlands Gateway 2', 'EMG2', the 'EMG2 Project' or 'the Proposed Development'.

EMG2 Project

- 1.4 The EMG2 Project comprises three main components:

Main Component	Summary of Component	Works Nos.
DCO Application made by the DCO Applicant for the DCO Scheme		
EMG2 Works	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. Together with an upgrade to the EMG1 substation and provision of a Community Park.	DCO Works Nos. 1 to 5 including relevant Further Works as described in the draft DCO (Document DCO 3.1). DCO Works Nos. 20 and 21 including relevant Further Works as described in the draft DCO (Document DCO 3.1).
Highway Works	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.	DCO Works Nos. 6 to 19 including relevant Further Works as described in the draft DCO (Document DCO 3.1).

MCO Application made by the MCO Applicant for the MCO Scheme		
EMG1 Works	Additional warehousing development on Plot 16 together with works to increase the 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.	MCO Works Nos. 3A, 3B, 5A, 5B, 5C, 6A and 8A in the draft MCO (Document MCO 3.1).

- 1.5 A more detailed description of the EMG2 Project and its components can be found in Chapter 3 of the Environmental Statement (ES) submitted with the MCO Application (**Document DCO 6.3 / MCO 6.3**). The components are also shown on the Components Plan (**Document DCO 2.7 / MCO 2.7**).
- 1.6 Two concurrent applications are being made for the three component parts of the EMG2 Project:
- 1.6.1 The first application, the applicant for which is SEGRO Properties Limited, is for a Development Consent Order (the DCO Application) for the DCO Scheme comprising the EMG2 Works component and the Highway Works component.
- 1.6.2 The second application, being the MCO Application, is made by the MCO Applicant for the MCO Scheme comprising the EMG1 Works component.
- 1.7 The strategy for securing consent for the EMG2 Project is more fully described in the related Guide to the Application (**Documents DCO 1.3 / MCO 1.3**).

MCO Applicant

- 1.8 The MCO Applicant, SEGRO (EMG) Limited (Company number 07567544) of 1 New Burlington Place London W1S 2HR, is a subsidiary of SEGRO PLC, a UK Real Estate Investment Trust (REIT) and a FTSE 100 company. It is also the owner and operator of EMG1. SEGRO (EMG) Limited is the new name for Roxhill (Kegworth) Limited¹.
- 1.9 The EMG1 DCO identified Roxhill (Kegworth) Limited as an 'undertaker' being the entity granted the benefit of the EMG1 DCO². The MCO Applicant is therefore entitled to make the MCO Application pursuant to paragraph 3(4) of Schedule 6 of the PA 2008 being both an applicant for the EMG1 DCO (paragraph 3(4)(a) of Schedule 6) and a person with an interest in the land with the benefit of the EMG1 DCO (paragraph 3(4)(b) of Schedule 6).

MCO Application

- 1.10 The MCO Application is made pursuant to paragraph 3(1) of Schedule 6 to the PA 2008 and the Infrastructure Planning (Changes to, and Revocation of, Development Consent Orders) Regulations 2011 (2011 Regulations).

¹ Formally changed at Companies House on 25 May 2017.

² See article 2(1) of the EMG1 DCO.

- 1.11 Regard has been had to the guidance entitled 'Planning Act 2008: guidance on changes to Development Consent Orders' (December 2015) in preparing the MCO Application.
- 1.12 The MCO Application seeks an MCO for consent for the MCO Scheme comprising the EMG1 Works including additional warehousing development at EMG1 (known as Plot 16) together with alterations to the permitted height of gantry cranes within the SRFI (by 4 metres to 24 metres overall), an expansion of the management suite, enhancements to the public transport interchange by the installation of EV charging infrastructure and provision of a drop-off layby and provision of a signalised pedestrian crossing over the EMG1 exit road approach to the access junction to EMG1 (EMG1 Pedestrian Crossing).
- 1.13 EMG1 was substantially completed in October 2024, less than 4 years ago, and the Secretary of State therefore has the power to make a change to the EMG1 DCO pursuant to paragraph 5(2) of Schedule 6 of the PA 2008.

2 Purpose of the MCO

- 2.1 This memorandum is submitted with the MCO Application in accordance with regulation 16(2)(e) of the 2011 Regulations and relates to the draft MCO (**Document MCO 3.1**) submitted with the MCO Application.
- 2.2 Since the EMG1 DCO came into force in February 2016, the MCO Applicant has worked hard to ensure that EMG1 is delivered effectively and efficiently, and it is now substantially complete and operational. The MCO Applicant is seeking consent for a material change to the EMG1 DCO for the MCO Scheme.

MCO Scheme

- 2.3 The MCO Scheme comprising the EMG1 Works are defined in the draft MCO (**Document MCO 3.1**) and shown on the Works Plan (**Document MCO 2.3**) accompanying the MCO Application.
- 2.4 In brief, the MCO Scheme comprises:
 - 2.4.1 Construction of a new rail-served warehouse building on land adjacent to the rail-freight terminal referred to as Plot 16 (MCO, Works No. 3A) together with associated access and drainage (MCO, Works No. 5A) and landscaping (MCO, Works No. 6A);
 - 2.4.2 Alterations to the maximum permitted height of gantry cranes at the rail freight interchange by 4 metres, to 24 metres overall;
 - 2.4.3 An expansion of the EMG1 management suite by the EMG1 site entrance to cater for the additional demand on management facilities resulting from EMG1 (MCO, Works No. 3B);
 - 2.4.4 Enhancements to the public transport interchange by way of the installation of EV charging infrastructure for buses and provision of a drop-off layby adjacent to the transport hub (MCO, Works No. 5B and 5C); and
 - 2.4.5 Provision of the EMG1 Pedestrian Crossing (MCO, Works No. 8A).
- 2.5 A more detailed description of the MCO Scheme can be found in Chapter 3 of the ES (**Document MCO 6.3**).

Proposed changes to EMG1 DCO

- 2.6 To secure consent for the MCO Scheme, the MCO Application accordingly seeks to:
 - 2.6.1 Add new works to the scope of the works already consented by the EMG1 DCO; and
 - 2.6.2 Alter the existing consent in the EMG1 DCO in respect of the maximum permitted height of the gantry cranes at the SRFI to provide additional operational efficiency to the rail terminal within the SRFI.
- 2.7 The plans submitted with the MCO Application include:

Uncertified Plans

- 2.7.1 **Location Plan (Order Limits) (Document MCO 2.1)** enabling the identification of the land affected by the MCO Application, the administrative boundaries and the context of the EMG1 DCO;
- 2.7.2 **Illustrative Landscape Masterplan (Document MCO 2.6)**, 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 plan described in paragraph 2.7.6 below). It identifies simply one way in which a development may come forward in conformity with the additional parameters plan; and
- 2.7.3 **Components Plan (Document MCO 2.7)** identifying the various components of the EMG2 Project to show how the EMG1 Works fit within the wider EMG2 Project.

Plans proposed to be submitted for certification

- 2.7.4 **Works Plan (Document MCO 2.3)** identifying the additional works which are referred to in the draft MCO (**Document MCO 3.1**) and, where appropriate, to show limits of deviation. This plan is referred to as the 'additional works plan' in the draft MCO (**Document MCO 3.1**);
 - 2.7.5 **Access and Rights of Way Plan (Document MCO 2.4)** which identifies the diversion of a public footpath. This plan is referred to as the 'additional access and rights of way plan' in the draft MCO (**Document MCO 3.1**);
 - 2.7.6 **Parameters Plan (Document MCO 2.5)** which identifies the parameters with which the MCO Scheme must comply. The parameters plan is the plan upon which the environmental assessment reflected in the ES which has been submitted with the MCO Application (**Document MCO 6.1 – 6.23**). This plan is referred to as the 'additional parameters plan' in the draft MCO (**Document MCO 3.1**);
 - 2.7.7 **Highway Plan (Document MCO 2.8)** illustrating the EMG1 Pedestrian Crossing (MCO, Works No. 8A). This plan is referred to as the 'additional highway plan' in the draft MCO (**Document MCO 3.1**).
- 2.8 The Parameters Plan (**Document MCO 2.5**) identifies the parameters which apply to the MCO Scheme. These include the maximum overall floorspace to be constructed, the building height range and the green infrastructure to be provided. These provide the “Rochdale Envelope” for the purposes of the environmental assessment of the proposed development. This is in line with Advice Note 9 “Rochdale Envelope” (July 2018).
- 2.9 The control of development is consequently secured by reference to:
- 2.9.1 Article 4 (parameters of authorised development) of the EMG1 DCO which will apply to the MCO Scheme;
 - 2.9.2 The description of the works in schedule 1 of the EMG1 DCO as proposed to be amended by the draft MCO (**Document MCO 3.1**);

- 2.9.3 The requirements in schedule 2 of the EMG1 DCO as proposed to be amended by the draft MCO (**Document MCO 3.1**); and
- 2.9.4 The parameters and limits of deviation shown on the plans identified in paragraph 2.7 above.
- 2.10 Details over and above those shown on the Parameters Plan, including, for example, the precise location and height of buildings within Plot 16, the detailed landscaping scheme for the MCO Scheme and ecological mitigation details, are to be approved following the grant of the MCO and following the submission of details to the local planning authority pursuant to the requirements contained in schedule 2 of the EMG1 DCO as proposed to be amended.
- 2.11 In the case of the works to the public highway, the detailed working drawings of the works involved will be governed by schedules 19 (for the protection of National Highways) and 20 (for the protection of Leicestershire County Council as highway authority) of the EMG1 DCO as appropriate.

3 Draft MCO

- 3.1 The purpose and effect of the provisions of the draft MCO (**Document MCO 3.1**) are explained in sequence below.

Article 1 (Citation and commencement)

- 3.2 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)

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

Article 2 (interpretation) of the EMG1 DCO

- 3.4 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 which comprise the MCO Scheme.
- 3.5 Paragraph (3) makes changes to Article 2 (interpretation) of the EMG1 DCO to change the definition of "highway works" to insert reference to Work Nos. 8A, being the proposed new EMG1 Pedestrian Crossing.
- 3.6 Paragraph (4) makes changes to Article 2 (interpretation) of the EMG1 DCO to insert new definitions of:
- 3.6.1 "additional works plan" (**Document MCO 2.2**);
 - 3.6.2 "additional highway plan" (**Document MCO 2.8**);
 - 3.6.3 "additional parameters plan" (**Document MCO 2.5**);
 - 3.6.4 "additional access and rights of way plan" (**Document MCO 2.4**);
 - 3.6.5 "additional environmental statement" (**Document MCO 6.1 – 6.23**);
 - 3.6.6 "design approach document" (**Document MCO 5.3**); and
 - 3.6.7 "plot 16".

Article 4 (parameters of authorised development) of the EMG1 DCO

- 3.7 Paragraph (5) makes changes to Article 4 (parameters of authorised development) of the EMG1 DCO to include reference to the additional parameters plan.

Article 5 (authorisation of use) of the EMG1 DCO

- 3.8 Paragraph (6) makes changes to Article 5 (authorisation of use) of the EMG1 DCO to include reference to the new works which comprise the MCO Scheme.

Article 12 (public rights of way – creation, diversion and stopping up) of the EMG1 DCO

- 3.9 Paragraph (7) 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 (8) 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.

New Article 39A (certification of additional plans etc.) of the EMG1 DCO

- 3.11 Paragraph (9) inserts a new article 39A (certification of additional plans etc.) listing the documents which are to be certified by the Secretary of State following the making of the MCO. This follows the precedent created by article 39 of the EMG1 DCO.

Schedule 1 (authorised development) of the EMG1 DCO

- 3.12 Paragraph (10) makes a change to Schedule 1 (authorised development) of the EMG1 DCO to amend Work No. 2(a)(iii) to permit the gantry cranes and reach stackers to be up to a height of 24 metres as shown on the additional parameters plan.
- 3.13 Paragraph (11) makes a change to Schedule 1 (authorised development) of the EMG1 DCO to insert Works No. 3A and 3B.
- 3.14 Paragraph (12) makes a change to Schedule 1 (authorised development) of the EMG1 DCO to insert Works No. 5A, 5B and 5C.
- 3.15 Paragraph (13) makes a change to Schedule 1 (authorised development) of the EMG1 DCO to insert Works No. 6A.
- 3.16 Paragraph (14) makes a change to Schedule 1 (authorised development) of the EMG1 DCO to insert Works No. 8A.
- 3.17 Paragraphs (15), (16) and (17) make changes to Part 4 (associated development) of Schedule 1 (authorised development) of the EMG1 DCO to insert reference to the new works.

Schedule 2 (requirements) of the EMG1 DCO

- 3.18 Paragraph (18) makes a change to Schedule 2 (requirements) of the EMG1 DCO to insert a new requirement 5A to provide that Works No. 8A, comprising the EMG1 Pedestrian Crossing, are to be undertaken prior to occupation of plot 16 or such alternative trigger as may be agreed by Highways England (now National Highways).
- 3.19 Paragraph (19) makes a change to Schedule 2 (requirements) of the EMG1 DCO to amend requirement 6(1) so that it does not apply to plot 16.
- 3.20 Paragraph (20) makes a change to Schedule 2 (requirements) of the EMG1 DCO to insert a new requirement 6(1A) to provide that plot 16 must be carried out in accordance with the design approach document (**Document MCO 5.3**).
- 3.21 Paragraph (21) amends requirement 8 (provision of landscaping and ecological mitigation) in Schedule 2 (requirements) of the EMG1 DCO to provide that plot 16 must

be carried out in accordance with Chapter 10 and Appendix 10D of the additional environmental statement (**Document MCO 6.10 and MCO 6.10D**).

- 3.22 Paragraph (22) amends requirement 10(1) (ecological management plan) in Schedule 2 (requirements) of the EMG1 DCO to provide that plot 16 must be carried out in accordance with the mitigation and enhancement measures included in the additional environmental statement (**Document MCO 6.1 – 6.23**).
- 3.23 Paragraph (23) amends requirement 14(1) (lighting details) in Schedule 2 (requirements) of the EMG1 DCO to provide that plot 16 must be carried out in accordance with the lighting strategy at Appendix 11A of the additional environmental statement (**Document MCO 6.11A**).
- 3.24 Paragraph (24) provides that requirement 16 (flood risk and surface water drainage) of the EMG1 DCO will be amended so that the original wording of the requirement applies to all the authorised development save for that phase comprising plot 16. A new requirement 16(2) then provides that the phase comprising plot 16 will be undertaken in accordance with the mitigation measures in the Flood Risk Assessment submitted with the additional environmental statement (**Document MCO 6.13I**).
- 3.25 Paragraph (25) amends requirement 17 (flood risk and surface water drainage) in Schedule 2 (requirements) of the EMG1 DCO to provide that plot 16 must be carried out in accordance with the Sustainable Drainage Strategy at Appendix 13L of the additional environmental statement (**Document MCO 6.13L**).
- 3.26 Paragraph (26) makes a change to Schedule 2 (requirements) of the EMG1 DCO to insert a new requirement 27 to require an occupier-specific travel plan to be submitted and approved prior to occupation of plot 16. The approved travel plan must then be complied with for a period of 5 years from first occupation of plot 16 unless use of plot 16 ceases prior to that date.

Schedule 4 (streets to be permanently stopped up) of the EMG1 DCO

- 3.27 Paragraph (27) makes a change to Schedule 4 (streets to be permanently stopped up) of the EMG1 DCO to correct an error in the EMG1 DCO.

Schedule 5 (public rights of way to be stopped up) of the EMG1 DCO

- 3.28 Paragraph (28) 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.

Schedule 19 (for the protection of Highways England) of the EMG1 DCO

- 3.29 Paragraphs (29) and (30) makes changes to the definitions of "highway works" and "phase" in Schedule 19 (for the protection of Highways England) to include reference to the new works to be provided as part of the MCO Scheme.