

PINS Reference TR050006 Northampton Gateway RFI

IP REF. SP074 - South Northamptonshire Council

(submitted by email to NorthamptonGateway@pins.gsi.gov.uk)

Date – 20 November 2018

South Northamptonshire Council - Comments on Applicant’s Responses to ExQ1 – Applicant document - 8.2

ExA Q1	Question	Applicant Response	SNC comment
1.0.9	<p>ES Chapter 4 (Landscape and Visual Impact) Figure 4.1 [APP-085] shows a substantial portion of the main site of the Proposed Development falling within an ‘Area of Important Local Gap’ to which saved Policy EV8 of the South Northamptonshire Local Plan applies. This policy seeks to prevent development that would significantly intrude into this gap. Please comment on the significance of the apparent conflict with this policy.</p>	<p>The 1997 South Northamptonshire Local Plan included a policy (EV8) which identified a local important ‘gap’ adjacent to the M1 where development was actively discouraged. This was on the basis that the land represents ‘<i>attractive countryside</i>’ but primarily to prevent coalescence with nearby villages. The 1997 Local Plan was prepared in the context of the former Regional Planning Guidance, and County Structure Plan - it clearly pre-dates the NPPF, and (by in excess of 15 years), the adopted Core Strategy of 2014 which was prepared in the context of the NPPF, and with regard to an updated evidence base regarding landscape value. While ‘saved’ (in 2007), policy EV8 is clearly out of date, and the policy approach of seeking to identify the area of landscape south/west of the M1 for preservation has not been carried forward or updated through subsequent Local Planning policies since 1997. Parts of ‘local gaps’ are now included for development as part of SUEs in the Northampton Related Development Area which extends into South Northamptonshire. EV8 is therefore considered contrary to strategic policies of</p>	<p>Annex1 to the NPPF 2018, makes clear existing policies should not be considered to be “out of date” simply because they pre-date the current version of the NPPF. Paragraph 213 states “However, existing policies should not be considered out of date simply because they were adopted or made prior to the publication of this Framework. Due weight should be given to them, according to their degree of consistency with this Framework (the closer the policies in the plan to the policies in the Framework, the greater the weight that may be given)”.</p> <p>The reference within the applicant’s response to saved Policy EV8 being out of date because it predates the NNPF is erroneous.</p> <p>The emerging SNC Local Plan Part 2 does not include a specific policy to identify important local gaps, however the principles enshrined within saved policy EV8 are carried forward. Policy SS2, a generic policy, seeks to ensure that planning permission is granted for sustainable well designed development that will respect the context in which it will be set. This policy continues to recognise the importance of maintaining</p>

ExA Q1		Question	Applicant Response	SNC comment
			<p>the now adopted Joint Core Strategy which identifies development '<i>in and adjoining</i>' the principal urban area of Northampton as the key location for major growth, and which provides criteria for the assessment of landscape and other effects, without reference to Policy EV8 or any "local important gap".</p>	<p>the individual identity of towns and villages and the significance of the open countryside between settlements to this.</p> <p>Policy SS2 states, inter alia, 1. " Planning permission will be granted where proposed development : a. Maintains the individual identity of towns and villages and does not contribute to any significant reduction of open countryside between settlements or their distinct parts;"</p> <p>Neither saved Policy EV8 or emerging Policy SS2 is inherently inconsistent with, or is 'contrary to', the objective within the WNJCS to promote development in and adjoining the urban area of Northampton. These policies identify the importance assigned to the relationship between new development and existing settlements and provide principles to guide the consideration of this to ensure these will relate well to each other and to maintain the identity and character of existing settlement. The latter are intrinsic characteristics of the pattern of dispersed settlements of South Northamptonshire.</p>
1.0.11		<p>How is the figure of up to 155,000m2 of mezzanine floorspace within the proposed warehousing derived?</p>	<p>This figure was essentially derived from the Applicant and wider team's market experience and knowledge gained from other large-scale distribution sites, including that gained from the East Midlands Gateway SRFI. It reflects a realistic expectation of the desire of many occupiers to incorporate mezzanine space into their warehouses from the outset (i.e. as part of the base-build or fit-out).</p>	<p>The amount of mezzanine floorspace being sought amounts to circa 35% of the 'Total Maximum Floorspace for Zone A' identified on the Parameters Plan.</p> <p>Within the ES effects assigned to additional mezzanine floorspace vary from those assigned to the 'Total Maximum Floorspace' that will form the extent of</p>

ExA Q1		Question	Applicant Response	SNC comment
				<p>the buildings, e.g. the number for new jobs assumed to be created per unit of mezzanine floorspace than is lower than that per unit of 'Total Maximum Floorspace'. The use to which mezzanine floorspace is put will however be significant to this effect, e.g. use as offices could result in more, rather than fewer, new jobs. The uses to which mezzanine floorspace may be put should therefore be clearly defined within the proposal and within the DCO, to ensure the use of mezzanine floorspace is consistent with the impacts evaluated within the ES and TA.</p>
1.0.19		<p>Several relevant representations and oral submissions at the Open Floor Hearing on 10 October questioned the need for this SRFI given the proximity to DIRFT (in all its phases) and other rail freight interchanges.</p> <p>(i) Please can the Applicant comment and respond on those?</p> <p>(ii) Please will the Applicant and the district planning authorities also comment on the role of demand and need in (a) the consideration of the Application and (b) the NNNPS?</p>	<p>(i) The Market Analysis Report (Document 6.8, APP-378) outlines the economics and operation of rail freight in the logistics market and analyses the market requirement for the Northampton Gateway SRFI. A fundamental part of the report is an explanation of the current operation of both the logistics market generally and existing SRFI's (including DIRFT) and how the Northampton Gateway site will respond to these market conditions.</p> <p>Section 7 of the Market Analysis Report is particularly relevant. It defines the markets served by rail terminals and plots the extent to which the market for existing and proposed terminals will overlap (Figure 13). It concludes that the existing concentration of SRFI's in the Midlands is not surprising and is wholly consistent with the concentration of logistics within this area generally and, importantly, the concentration of National Distribution Centres. It also reflects the economics of rail freight, which are explained</p>	<p>The emergence of the significance of the "Golden Triangle" as a strategic location is primarily the result of the 'economics' of road based freight distribution. The 'economics' of rail freight distribution will differ from those of road thus the 'ideal' strategic locations are likely to differ.</p> <p>With respect to local demand for rail served warehousing DIRFT Phase 3 may be a helpful barometer. Although ground works for Phase 3 were undertaken last year, work to construct the new rail terminal is yet to commence.</p> <p>In determining areas served by SRFI'S catchment areas of 15km and 50km are referred to the Market Appraisal Report (para. 7.16). These are presented as assertions, "The 'core catchment' area around an SRFI terminal might be no more than 15 km". "However rail will be a viable option for other operators beyond this 'core' area, a secondary catchment of around 50 km is likely to incorporate the majority of logistics operators who would utilise a terminal". (<i>bold italics for</i></p>

ExA Q1		Question	Applicant Response	SNC comment
			<p>elsewhere in the Market Analysis Report, particularly Sections 5 and 7.</p> <p>Section 8 of the Report identifies a strong logistics market in the immediate catchment area around Northampton Gateway, which is not currently well served by DIRFT or other SRFI's. Northampton Gateway has the potential to expand the network of existing SRFI's in the Midlands to address markets which are currently not served by existing terminals as well as to help meet the anticipated growth in rail freight.</p> <p>(ii) The NPSNN paragraphs 2.42 – 2.58 set out the Government's position on the need for the development of strategic rail freight interchanges. This includes an explanation of the importance of SRFI's and the drivers of need for SRFI's. At paragraph 2.56 the NPSNN states that; <i>the Government has concluded that there is a compelling need for an expanded network of SRFI's</i> Paragraph 2.56 goes on to explain that given the locational requirements of SRFI's the locations that will be suitable will be limited.</p> <p>Paragraph 4.83 – 4.89 sets out the locational and other requirements with which SRFI's must accord. As explained in the Planning Statement (Document 6.6) particularly paragraph 4.42 – 4.52, the Northampton Gateway Scheme will fully comply with each of these requirements.</p> <p>Paragraph 4.84 of the NPSNN states that <i>'it is important'</i> that SRFI's are <i>'appropriately located</i></p>	<p><i>emphasis</i>).</p> <p>Significantly the 50 km catchment around DIRFT includes the major urban areas in Northamptonshire - Corby, Kettering, Wellingborough, Northampton, as well as parts of Milton Keynes.</p> <p>A single study of destinations for freight leaving DIRFT by road is used to highlight the 'core catchment' of 15 km (paragraph 7.18 and figure 8). The single destination identified as generating the greatest number vehicle trips, outside of DIRFT, is Magna Park - 16%. Unsurprisingly this is some 15km distant from DIRFT. The significance of this destination for the 'core catchment' of 15km identified should not be under estimated.</p> <p>Figure 8 however identifies the second largest category of destinations for 'lorries' leaving DIRFT to be 'Other' - 18%. The geographical location of these destinations is unclear, it would however appear to infer that significant use is made of the terminal to serve more distant destinations.</p> <p>DIRFT may thus be appropriately located, relative to the markets it serves, to serve the major urban centres, or groups of centres, and key supply chain routes within Northamptonshire.</p>

ExA Q1		Question	Applicant Response	SNC comment
			<p><i>relative to the markets they will serve, which will focus largely on major urban centres, or groups of centres, and key supply chain routes</i>. The application, particularly having regard to the Market Analysis Report, seeks to explain the markets (i.e. demand/need) including urban centres and supply chain routes that will be served by Northampton Gateway.</p>	
1.0.22		<p>Paragraph 3.8; will the Applicant please indicate what network capacity enhancements are:</p> <p>(i) necessary;</p> <p>(ii) in hand to accommodate new SRFIs;</p> <p>(iii) what will be their effect on passengers;</p> <p>and</p> <p>(iv) will they be adequate to accommodate the Proposed Development and other likely foreseeable developments?</p> <p>In relation to question (iv) the ExA recognises that the Applicant may wish to refer the ExA to the relevant parts of other application documentation and examination documents.</p>	<p>Paragraphs 3.5 to 3.9 of the Market Analysis Report (Document 6.8, APP-378) summarise relevant aspects of Network Rail's '<i>Freight and National Passenger Operators Route Strategic Plan</i>', published in 2018. This document is included at Appendix 7.</p> <p>Paragraph 3.8 includes a direct quote from the Document.</p> <p>The Route Strategic Plan sets out a range of objectives that support Network Rail's customers, i.e. both freight and national passenger businesses. This includes a vision to facilitate significant rail freight growth over the next fifteen years (see Document forward – page 3). At Appendix B (page 121, third column, fourth bullet point), the Plan also states that Network Rail will facilitate new terminal developments at Daventry, Northampton, West Midlands and Parkside.</p> <p>It is the Applicants' position (see Rail Reports (Document 6.7, APP-377)) that no capacity enhancements are required to accommodate Northampton Gateway.</p> <p>The Freight and National Passenger Operator Route Strategic Plan, sets out Network Rail's overall aspirational plans for capacity enhancement on the national rail network to accommodate freight growth up until 2034.</p>	<p>The applicant's comments do not appear to fully reflect Network Rail's '<i>Freight and National Passenger Operators Route (FNPO) Strategic Plan - February 2018</i>'.</p> <p>This acknowledges in Section 5 that capacity constraints exist on the rail network and that the effect of these is to reduce forecasts for growth in rail freight (para. 5.7.1). Table 6.1 (page 30) identifies key capacity and/or capability gaps for identified rail freight corridors, based on the consensus achieved through the 2017 Freight Network Study.</p> <p>For the WCML this highlights gaps under the headings of :- Capacity Constraints, Diversionary Route Capability, Operational and Timetable Constraints, Line Speed Constraints Insufficient Gauge Clearance . It is presumed these gaps include the identified Northampton Loop enhancements (line speed and headway improvements).</p> <p>Appendix B summarises the challenges and opportunities with respect to the FNPO Route and the LNW (Geographic) Route. Point 2 identifies the following opportunities (O) and risks (R) with respect to Domestic & Deep Sea Intermodal Growth O: <i>Volume growth from Ports / Terminals (Daventry,</i></p>

ExA Q1		Question	Applicant Response	SNC comment
			<p>Annex C of that document (Page 156) confirms that the only infrastructure work that Network Rail considers necessary on the West Coast Main Line south of Stafford is line speed and headway improvements on the Northampton Loop. Network Rail's evaluation is that this work is not required to be delivered until Control Period 8 (2029 to 2034). None of the work identified above is required to support new SRFIs, and indeed the key focus of this work is at Northampton station, which is north of Northampton Gateway. Only a small proportion of the total rail traffic is expected to pass in this direction. The majority of trains to and from the SRFI are expected to run between London and Northampton Gateway via Milton Keynes.</p> <p>Any capacity enhancement implemented by Network Rail could be used equally by freight and passenger services and is not restricted to one or the other. The Applicant has demonstrated (see Rail Reports) that the existing WCML freight paths provide sufficient spare route capacity to serve Northampton Gateway.</p>	<p><i>Hams Hall, Liverpool, Trafford Park</i> <i>R: Train paths and SRT discrepancies with longer, heavier trains</i> <i>R: Capacity and capability, including gauge clearance and diversionary capability.</i></p> <p>Appendix C provides a summary of the investments options which are required to deliver benefits set out. These options are presented as choices for funders and none are committed schemes. It would thus appear Appendix C is not a comprehensive list of work that Network Rail considers to be necessary</p> <p>For the WCML Appendix C includes Northampton Loop enhancements (line speed and headway improvements - estimated cost of between £250m - £550m) which would be developed in CP6 (2019-2024) and delivered in CP7 (2024-2029).</p> <p>Appendix C however prioritises enhancements to the Felixstowe to West Midlands, and the Southampton to West Midlands, rail corridors which are shown to be delivered in CP6. These will link the major container ports of Southampton and Felixstowe directly to the Midlands through routes via Oxford and Peterborough respectively which would link to the WCML at Nuneaton and deliver key elements of the enhanced strategic rail freight network for the UK envisaged in paragraph 5.11.</p> <p>Proposed SRFI's, such as the Hinckley National Rail Freight Interchange, for which a DCO is expected to be submitted to in Q2 2019, would be strategically better located to take advantage of this enhanced</p>

ExA Q1		Question	Applicant Response	SNC comment
				<p>strategic rail freight network.</p> <p>If the majority of trains accessing the Northampton Gateway RFI will travel via London this would not appear to align with the immediate priorities for investment in the strategic rail freight network.</p>
1.0.25		<p>Paragraph 4.15; please will the Applicant say whether these locations will be served by the Proposed Development. If not, please can the Applicant explain why not? How would serving them by road be consistent with the policy support for SRFIs?</p>		<p>Is the paragraph reference in the question correct ? Paragraph 4.15 refers to locational drivers rather than specific locations.</p> <p>Paragraph 4.19 does identify major urban centres across the Midlands that are said to be within a 90 minute drive time. It would be helpful to understand whether the NG RFI is anticipated to serve these areas, as these are much closer to other existing or proposed SRFI's the use of which would be a more sustainable alternative.</p>
1.0.28		<p>Figure 5 forecasts rail freight growth. Paragraph 6.4 sets out the assumptions behind this growth ("<i>The Freight Network Study sets out the assumptions on which this growth forecast is based</i>") and says this is dependent on the provision of more SRFIs. And paragraph 6.15 says "<i>if rail freight growth is to occur as forecasted, there will need to be a significant expansion in the number of SRFI's (sic)</i>". Paragraphs 8.2 and the conclusions in paragraph 10.8 may also be relevant to this issue. There</p>	<p>The NPSNN recognises that SRFI's are both chicken and egg. Paragraph 2.50 sums up the need for SRFI's both to meet existing demand and to provide the necessary infrastructure for new demand to be met. It states that forecasts '<i>confirm the need for an expanded network of large SRFI's across the regions to accommodate the long-term growth in rail freight</i>' and that they also '<i>indicate that new rail freight interchanges, especially in areas poorly served by such facilities at present, are likely to attract substantial business, generally new to rail</i>' (Our emphasis).</p> <p>Paragraphs 2.46 – 2.52 outline the Government's position on the drivers of the need for SRFI's. The Market Analysis Report (Document 6.8, APP-378) sets out the drivers of the growth of rail freight (and thus SRFI's) at Paragraphs 7.1 – 7.6. These drivers all influence the potential demand for rail freight services</p>	<p>The Network Rail FNPO Route Strategy offers some insight into the chicken – egg conundrum.</p> <p>A RFI will facilitate the inter-modal movement of freight by rail and road, however unless the 'capacity' exists on the transport networks, both rail and road, this 'capability' is unlikely to be realised. It is essential that 'capability' and 'capacity' are developed coherently to realise the sustainable benefits envisaged in Government policy guidance. Investment in the rail infrastructure and the development of SRFI's must therefore be aligned otherwise the benefits for sustainability will not accrue.</p> <p>Network Rail, in the FNPO Route Strategy, prioritises immediate opportunities to develop capability for strategic intermodal facilities. These must however complement the prioritised investment in the rail</p>

ExA Q1	Question	Applicant Response	SNC comment
	<p>appears at first sight to be some uncertainty as to whether the rise in rail freight occurs because SRFIs are provided, or whether the demand for SRFIs occurs because of the rise in rail freight. Given that this is a report on market demand, clarity on which is the chicken and which is the egg would be helpful.</p>	<p>and therefore need for SRFI's. The extent to which each driver influences a particular businesses decision to utilise rail (via an SRFI) will depend upon the specific circumstances of that business and their corporate objectives.</p> <p>The NPSNN is quite clear however that there is a compelling need for additional SRFI's if the growth in rail freight is to be facilitated / met. The applicant shares this view. Existing SRFI's neither provide the combined capacity nor an appropriate network to either accommodate anticipated growth in intermodal rail freight nor to facilitate the growth in rail freight. The view is also shared by Network Rail, see in particular paragraph 3.5 – 3.9 of the Market Analysis Report which summarises the relevant parts of Network Rail's Freight and National Passenger Operators Route Strategic Plan 2018 (Appendix 7). Section 7.0 and 8.0 of the Market Analysis Report seeks to explain the markets that will be served by the Northampton Gateway Rail Freight terminal. This explains that some of the Northampton Gateway core and secondary market areas are not currently well served by an existing SRFI and therefore without Northampton Gateway the use of rail freight in this market area will be constrained.</p>	<p>infrastructure to improve the capacity for rail freight movements. In this context the current proposal is likely to provide an element of duplication in strategic intermodal capability given the proximity to DIRFT.</p> <p>Section 2.1 Route Overview 5th para. page 4) This identifies that forecasting rail freight traffic is a process fraught with “inherent uncertainties”</p> <p>“For planning purposes, assuming existing funded capacity and capability, we are estimating growth of 15.6% over the seven year time horizon” (to 2024). The derivation of this forecast is explained in Section 5.7 - bottom of page 25.</p> <p>The FNPO RS is predicated on these constrained forecasts of growth in rail freight.</p> <p>The Summary chapter includes the following statements on the investment required to meet this constrained growth.</p> <p>Section 2.3 Route Objectives - Achieving rail freight growth - page 6).</p> <p>“Our planning and scoping work to date indicates that around £2bn will be needed over a 15 year horizon to fund the infrastructure necessary to underpin step changes in rail freight growth”.</p> <p>In terms of developing capacity and capability FNPO is clear “A proportion will be through the continued drive to optimise use of the existing network. However,</p>

ExA Q1		Question	Applicant Response	SNC comment
				<p>on certain routes in order to deliver a step change in growth, enhancements to network infrastructure will be required”.</p> <p>“In the longer term, the freight capacity and capability requirements necessary to achieve continued freight growth will form a key element of the 15-year Freight Plan with the anticipated focus being on five key strategic corridors:</p> <ul style="list-style-type: none"> – Felixstowe to the Midlands/North/Scotland – Solent to the Midlands/North/Scotland – Cross London – Northern Ports and Trans Pennine capacity – Development of additional Nodal Yards (to support train regulation and capacity management)”. <p>The opportunities are identified in section 5.8 Rail freight - a framework for growth (FNPO page 26) “The rail freight strategies of the UK and Scottish Governments, supported by both our traffic forecast for CP6 and wider sector opinion, suggests that there are:</p> <ul style="list-style-type: none"> – <i>Immediate</i> opportunities for rail freight volume growth, particularly across the intermodal, construction and automotive sectors – <i>Longer term</i> opportunities in emerging new markets such as retail logistics, express freight and urban logistics. <p>“The FNPO considers that rail freight growth levels as envisaged by MDS Transmodal forecasts and desired by the Governments’ rail freight strategies, can be achieved – but only if an appropriate framework is put in place to develop infrastructure capability and</p>

ExA Q1		Question	Applicant Response	SNC comment
				capacity, and to fairly charge for access to it”
1.0.32		<p>Paragraph 8.1 refers to a "significant" pool of potential users of the Proposed Development and to a "significant proportion" of floor space which would otherwise be roadbased.</p> <p>Will the Applicant please give the proportions and actual estimates of floorspace, with margins for error? How much of that is new floorspace? Will the new floorspace come on stream in the absence of the Proposed Development? Please will the Applicant explain the reasoning behind its answers to these questions?</p>		<p>The significance of the data collected “on the use of rail freight by occupiers in the area” (Appendix A2, paragraph 55) is dubious. Despite the somewhat confusing first sentence, it is clear that the data collected does not actually relate to the specific operation undertaken at the premises within the catchment area, but rather to the whole business operation of businesses who occupy these premises i.e. operations undertaken at other locations. This does not support the assertion that this is a reliable indicator of the potential use of the proposed RFI.</p>