



The countryside charity
Leicestershire

Charity Number: 1164985

HINCKLEY RAIL FREIGHT TERMINAL

Comments: Need (Summary)

CPRE Leicestershire

Unique Reference: 20038675

(With Sapcote (UR 20039514))

Oct 2023

1. Introduction

1.1 CPRE Leicestershire is concerned that the need for the Rail Freight Terminal has not been established.

1.2 Given the nature of the current proposals, we believe a comprehensive assessment of need and supply across both the West and East Midlands is required to avoid double-counting.

2. Relevant Representation

The need is not properly established.

3. Need

3.1 The Midlands, and in particular the East Midlands, is already well served by new logistics sites.

3.2 Most logistics sites are located some distance from places where people live and in locations that are difficult or near impossible to reach or serve other than by private car.

3.3 What seems clear is that development to support the logistics industry is in the process of destroying thousands of hectares of greenfield land and significantly increasing commuting and congestion. We do not consider this to be compatible with tackling climate change.

3.4 The choice of this site appears to be to take advantage of the proximity of the M69 to the Felixstowe to Nuneaton (F2N) railway line near Hinckley. However, we are not yet convinced there is a coherent strategy for roads or rail or the location of development.

3.5 The National Policy Statement for National Networks (NPSNN) said that SRFIs were:

'supposed to be located near the business markets they will serve - major urban centres, or groups of centres - and are linked to key supply chain routes. Given the locational requirements and the need for effective connections for both rail and road, the number of locations suitable for SRFIs will be limited, which will restrict the scope for developers to identify viable alternative sites' (Para 2.56)

3.6 NPSNN was published in 2014. It has no specific requirements for showing that proposals will positively contribute to the mitigation of climate change in accordance with the Government's legal commitments. Notably also, it does not define what 'near' may mean in this context.

3.7 At first glance a Rail Freight Interchange sounds an attractive proposition because it can move some freight from road to rail but the opportunity to carry freight depends on demand and routing and may not anyway replace existing HGV traffic.

3.8 There is no requirement for an SRFI to use rail freight. The extent to which an SRFI could shift goods from road to rail appears very limited compared to the amount of traffic generated.

3.9 The Need for this site is justified based on a perceived shortfall in Rail-Served sites in the East Midlands and particularly in the local 'Property Market Area', albeit much of this site may not use rail.

3.10 The evidence does not include an examination of the overall capacity across the West and East Midlands, which includes major developments, such as the West Midlands Interchange. Even East Midlands Gateway is excluded from the Property Market Area.

3.11 It is unclear to us why a rigid limit as a 20-mile truck drive from the site is imposed on the PMA, especially when the market may be as much determined by

delivery time as distance and the PMA accounts, according to Savilles, for approximately 30% of the East and West Midlands market.

3.12 Leicestershire itself is home to two rail connected sites near Castle Donington. The East Midlands Gateway and the nearby East Midlands Distribution site are both under 35km from HNRFI. The largest site at Magna Park, on the A5 near Lutterworth, is only 11km from HNRFI and is now expanding rapidly. A huge logistics area at Bardon near Coalville is also expanding and Mercia Park at Appleby Magna has just opened. Both are under 25km from HNRFI.

3.13 Just outside Leicestershire, and within 26km of HNRFI, are three rail connected sites. The significant and rapidly expanding development at DIRFT and the one at Birch Coppice near Tamworth lie adjacent to the very constrained A5. The third rail connected site is at Hams Hall near Coleshill. More logistics sites lie within 30km at Rugby and Coventry. Two more rail freight terminals are under construction near Northampton (50km) and west of Cannock (65km).

3.14 Some of these are in competition with one another, with potential for over-capacity or sites not being built out. The cumulative impact of all these sites will be very considerable if all go ahead.

3.15 Nevertheless, according to the Logistics Supply and Need Report, the need in the PMA is still 1,772 has (B8) with a supply of 772 has leaving a shortfall of 1063 has.

3.16 However, to achieve that figure, the analysis is reliant on an assumed suppressed demand (Table 7.4) is based on estimates of the impact of stock limitations on companies, even though those companies may well find premises, albeit at sub-optimal locations.

3.17 A further 30% relies on a projected uplift in e-commerce, which assumes continued bullish e-commerce growth.

3.18 If one uses their figure of 2061 hectares (has) for total I&I needs, this would imply 886 has of land was associated with these two uplifts and only 1175 with their net-absorption projections. In terms of B8, assuming it were similarly divided, only 1010 has would be required and only 238 has would be shortfall, much closer to the Leicestershire Logistics Study figures (albeit for a smaller area).

3.19 We, therefore, do not accept Savilles' contention that the need is much greater than the existing (and still industry-led) Leicester and Leicestershire Logistics Study (2021) which, itself, was predicated on projections of future demand that calculated independently for both rail and road freight with a clear risk of double counting.

3.20 The Leicestershire Study identified a shortfall in rail-served provision from 2020 across the whole of Leicestershire, of 307 has, slightly less than the total size of the HNRFI itself.

3.21 However, an updated needs figure (given in North West Leicestershire Plan) was for only 228 has or 718,875 sq.m), considerably less than the 850,000 sqm proposed at the Hinckley site. The remaining 131,125 sq.m (15% of the site) is not required to meet the need assessed by the Study.

3.22 Moreover, the HRNFI is not assumed to contribute to any road-based need. North West Leicestershire in their draft Local Plan, for example, assume a need to supply all the road-based provision across the county.

3.23 But even in the Leicestershire Study we think there is a considerable risk of double-counting, and this is likely to play out in over-provision in individual local plans.

3.24 Not only that but the Leicestershire Study (and indeed the National Policy Statement) is also not clear about how much of a site needs to be directly connected to a rail-terminal for it to qualify as rail-served. The majority of the HRNFI site is not and none of the facilities are obliged to use the terminal.

3.25 Table 6-4 of the HRNFI Transport Assessment (DR 6.2.8.1) shows a daily two-way HGV generation from the terminal of 1949 HGVs and 112 LGVs. There are, however, 7637 HGV movements from the B8 facilities and 16,326 LGVs.

3.26 In other words, these proposals would generate significant road-based traffic in addition to the assessed need in the Leicestershire Logistics Study.

4. Conclusion

4.1 With such uncertainty, and a reliance on very optimistic future logistics needs, it is our view that the need for the proposal is not yet proven, nor the size of the supporting warehousing required to support the rail freight terminal.

4.2 As a result, the current proposals risk being used primarily for road-based distribution and undermining climate change goals as we discuss in our comments on amenity and environment.