

Tritax Symmetry (Hinckley) Limited

# **HINCKLEY NATIONAL RAIL FREIGHT INTERCHANGE**

---

## **The Hinckley National Rail Freight Interchange Development Consent Order**

Project reference TR050007

## **Market Needs Assessment Source Document Schedule**

Document reference: 16.1.8

Revision: 01

**9 January 2024**

---

Planning Act 2008

The Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009  
Regulation 5(2)(q)

## RESPONSE TO WRITTEN QUESTION 1.7.26 b) and c)

### **1. Original Documents**

- 1.1. The attached schedule sets out the requested footnote references, the referenced document and the relevant locations within the documents that the reference relates to and the documents have been provided.

### **2. Updated Documents**

- 2.1 Where there are updates, these have been identified in the schedule and have also been provided.
- 2.2 In addition to the above, reference was made in the Rail Needs Case (Doc Ref 16.1 PINS Ref APP-357) at paragraph 3.2 and elsewhere, to the Great British Railways Transition Team's (GBRTT's) Call for Evidence to inform the Secretary of State for Transport's decision on the Rail Freight Growth Target. The conclusion to this was announced on the 20<sup>th</sup> December 2023.
- 2.3 To assist the ExA, the updates to this call have been provided and the commentary below addresses the importance of these to the consideration of the proposed development.
- 2.4 In addition, the importance of the Rail Freight Growth Target announcement has been responded to by external parties to the Application, in follow up submissions to their original letters of support. These have been received from the Chartered Institute of Logistics and Transport, The Rail Freight Group, The Port of Felixstowe and DPWorld and are submitted accordingly.

### **2.5 IBIS Freight Road Reports Updated – November 2023**

- 2.5.1 The update emphasises the changes that are coming to the road haulage industry and the issues it is struggling with. The cut back on 'fuel driven freight journeys' by HGV reflects the IBIS Freight Rail Report's experience of growth in demand and potential for intermodal rail freight.
- 2.5.2 *"Brexit and the pandemic whittle down the UK freight industry. Post-Brexit complexities and pandemic induced demand have impacted Britain's freight services. Burgeoning costs, a labour shortfall and global supply chain disruption have decimated the sector's growth".*  
(2. At a Glance, Key Takeaways - Performance Page 8 para1)

- 2.5.3 *“Green initiatives revamp the traditional road freight sector. The UK’s push towards eco-friendly transportation methods is poised to rewrite the script for the traditional truck industry, given significant funding for low-emission vehicles and targeted efforts to cut back on fuel-driven freight journeys.”*  
(2. At a Glance, Key Takeaways - Performance Page 8 para2)

## **2.6 IBIS Freight Road Reports Updated – November 2023**

- 2.6.1 The update notices the change in attitudes in favour of intermodal rail freight in particular.
- 2.6.2 *There are growing concerns regarding fossil fuel consumption. Rising environmental awareness is driving revenue growth as freight rail companies have made some headway by promoting themselves as a more sustainable option than road freight*  
(2. At a Glance, Key Takeaways - Performance Page 8 para1).
- 2.6.3 *Expansion of intermodal inland rail freight hubs aids the industry. The Freight Rail Transport industry will benefit from the continued expansion of hubs. Seven intermodal ports have been proposed, with some already under construction.*  
(2. At a Glance, Key Takeaways - Performance Page 8 para 2)

## **2.7 Midlands Engine Observatory Factsheet – State of the Region - November 2023**

- 2.7.1 Whilst the reference in footnote 35 was to a map illustrating the area comprising the Midlands Engine, which excludes Northants, the Applicant has provided the latest update issued by Midlands Engine Observatory as it provides a helpful insight into the shortfall in transport infrastructure investment in the region.
- 2.7.2 *“There have been years of underinvestment in the transport infrastructure. The shortfall in transport expenditure amounts to more than £6.5bn in the last five years alone for the Midlands”*
- 2.7.3 This is considered a useful pointer to the importance of new transport investment to the region, particularly like HNRFI, which is private investment towards achieving the Rail Freight Growth Target now set by Government.

## **2.8 Rail Freight Growth Target – December 2023**

- 2.8.1 On the 20<sup>th</sup> December 2023 following GBRTT’s July 2022 Call for Evidence, GBRTT and the Government announced the Long Term Rail Freight Growth Target (‘RFGT’) at 75% of freight moved by rail [net tonne kilometres] by 2050.
- 2.8.2 The Rail Freight Growth Target Call for Evidence Summary Report states:
- 2.8.3 *“By setting the first long-term target of its kind, Government has demonstrated its strong commitment to supporting freight growth over the coming decades.”*

- (Foreword. page 2 para 1)
- 2.8.4 *“There is clearly a view that the growth target will serve as a catalyst for private investment in the rail freight sector by setting a clear ambition for growth and modal shift to rail.”*  
(Foreword. page 3 para 4)
- 2.8.5 *“It is clear that rail freight is already a success story. Whilst we are optimistic about the opportunities for growth in the sector, we must accept that we are working in a constrained public funding environment as we explore options to enable freight growth, especially in the short-term.”*  
(Foreword. page 3 para 5)
- 2.8.6 *“The advice prepared by GBRTT has necessarily considered the broader role of a RFGT: as a critical planning assumption that should become embedded in the industry's long-term strategic planning and future funding settlements; as a long-term incentive that should be supplemented by regulated short-term targets and complementary measures; **and as a tool for informing decision-making across the public and private sectors.**”* [the Applicant’s emphasis].  
(Informing Option Development. page 34 para 6)
- 2.8.7 In Developing options for a Rail Freight Growth Target to 2050 – Evidence Pack dated Oct 2023, GBRTT have set out the review process, the options considered and the reasoning for the conclusion. This is clearly pertinent to the consideration of the Proposed Development.
- 2.8.8 The Evidence Pack provides the detail including of the 3 Options considered.
- 2.8.9 **Option 2 is the selected option, which assumes the highest level of private sector investment in SRFI’s and complimentary Intermodal Rail Freight Interchanges; and public sector funding in tactical capacity and capability schemes to compliment the private sector investment.**
- 2.8.10 **OPTION 1:** Only gradual change using existing rail infrastructure and commitments.
- 2.8.11 However, even this base option assumption states that *“The private sector is assumed to continue investing in the development of new Strategic Rail Freight Interchanges... This is the key driver of rail freight growth as the industry responds by seeking to accommodate new traffic flow.”*  
(Option 1: a 45% increase in net freight tonne kilometres. page 11 para 3)
- 2.8.12 **OPTION 2:** *“The ethos of Option 2 is that Government supports the transport of goods by rail in its decision making and is more focussed in terms of both investment and policy.”*  
(Option 2a/b: a 65-85% increase in net freight tonne kilometres. page 12 para 1)

- 2.8.13 Option 2a is without new legislation and 2b with new legislation.
- 2.8.14 Under Option 2 *“The assumed public sector spend in Option 2a and 2b is higher than Option 1 as tactical capacity and capability schemes are assumed to be delivered to compliment private sector activity.” ... “The assumed private sector spend is higher than Option 1 and most of it relates to the development of new SRFI’s and complementary Intermodal Rail Freight Interchanges. It is assumed that coverage of rail served warehousing expands considerably.”*  
(Option 2a/b: a 65-85% increase in net freight tonne kilometres. page 12 para 2)
- 2.8.15 **Option 3:** Assumes ‘a Government that has substantial capacity for investment... primarily reflected in the availability of public funds for rail network enhancements.’  
(Option 3: a 105% increase in net freight tonne kilometres. page 13 para 1)
- 2.8.16 Under Option 3 the private investment “is in a similar order of magnitude as Option 2, but assuming fewer terminals and more spending on rolling stock.

**2.8.17 CONCLUSIONS:**

*“Option 2 performs the strongest against the strategic objectives of rail. It provides a strong foundation for balancing the trade-offs between objectives.*  
(Conclusions. page 18 point 2)

*“Option 2 delivers the best value for money because it requires less [public] capital investment in rail infrastructure as there is greater focus on using the existing rail network.”*  
(Conclusions. page 18 point 4)

*“The focus of Option 2 on placing commercial onus on the industry does not preclude further investment along the lines of Option 3 [more public capital invested]. However, pursuing Option 3 without the [private sector] industry demonstrating the commercial capability implied by Option 2 would represent a substantial risk which would very likely raise affordability concerns, as well as being poorer value for money.”*  
(Conclusions. page 18 point 4)

- 2.8.18 The update to the Call for Evidence with GBRTT’s and the Government’s announcement of the Rail Freight Growth Target, including the detailed analysis and conclusion, emphasises and supports every aspect of the Applicant’s Needs Case for HNRFI.**

A huge investment has already been made by the Applicant in pursuing a scheme identified as needed as far back as 2014, including by Leicestershire County Council. It is fully supported by Network Rail and the Rail Freight Growth Target. The fundamental assumption of the Rail Freight Growth Target is that the private sector will invest in more SRFI’s. It is clearly expressed that this needs to inform decision-making across the public and private sectors.

## APPENDIX 1

Schedule of footnote references and associated document details.

## APPENDIX 1

Updated letters of support following announcement of the Rail Freight Growth Target

Rail Document Being Submitted – ExA WQ 1.7.26 b) – Originals.

Reference	Source Document	Signpost to Reference	Update
18	IBIS World Freight Road Transport UK August 2022 – by establishments	Page 7 – Industry at a Glance Page 21 – Business Locations	IBIS World Freight Road Transport UK November 2023
19	IBIS World Freight Rail Transport UK August 2022 – by revenue	Page 7 – Industry at a Glance Page 8 – Major Players	IBIS World Freight Rail Transport UK November 2023
23	IBIS World Freight Rail Transport UK August 2022	Page 8 – Product Services & Segmentation	Nominal
24	IBIS World Freight Rail Transport UK August 2022	Page 9 – Executive Summary para 3	Nominal
27	IBIS World Freight Rail Transport UK August 2022	Page 10 – Demand from freight road transport Page 14 – the road ahead Page 16 – Industry Life cycle	IBIS World Freight Rail Transport UK November 2023



Rail Document Being Submitted – ExA WQ 1.7.26 b) – Originals.

33	West Midlands Rail Executive – draft for consultation issued 22 October 2022	Page 5 SEVEN: To support the movement of goods by- rail para 2	No
34	Midlands Connect – Our Freight Routemap for the Midlands – August 2022	Page 21, sets out constraints in the Strategic Highway Network. Page 22 explains the opportunity for SRFIs in the Midlands to meet the demands of changing logistics. Page 32 refers to the decarbonisation of freight journeys, modal shift and electrification.	No
35	Midlands Engine Observatory – Factsheet-Autumn 2022	See plan showing Midlands Engine area.	Midlands Engine Factsheet State of the Region 23 November 2023
37	British port-hinterland container rail freight market analysis. Dr Allan Woodburn. October 2021	Appendix C table C.1 Mean TEU capacity per train for port-terminal pairings in each survey period. DIRFT/Daventry has no active port pairings	No
39	West Midlands Rail Executive – draft for consultation issued 22 October 2022	Page 78 – Water Orton Corridor- main infrastructure enhancements.	No

Rail Document Being Submitted – ExA WQ 1.7.26 b) – Originals.

3.2	GBRTT – July 2022 -Rail Freight Growth Target call for evidence	<p>Following the Call for Evidence, the Options selection has been undertaken by GBRTT and reported to the Secretary of State for Transport.</p> <p>On 20<sup>th</sup> December the Rail Freight Growth Target was announced.</p>	<p><b>Rail Freight Growth Target Call for Evidence Summary Report Dec 2023</b></p> <p><b>Developing options for a Rail Freight Growth Target to 2050 – Evidence Pack Oct 2023</b></p>



*The Chartered Institute of Logistics and Transport is a professional institution embracing all transport modes whose members are engaged in the provision of transport services for both passengers and freight, the management of logistics and the supply chain, transport planning, government and administration. Our principal concern is that transport policies and procedures should be effective and efficient, based on objective analysis of the issues and practical experience, and that good practice should be widely disseminated and adopted. The Institute has a number of specialist forums, a nationwide structure of locally based groups and a Public Policies Committee which considers the broad canvass of transport policy.*

## **Introduction**

CILT was pleased to respond to this consultation in April 2022. This supplementary response is made in light of the Secretary of State for Transport's recent announcement of a Rail Freight Growth Target. We consider this reinforces strongly the points made in our initial response and believe it would be helpful to explain why this is the case.

We would reiterate that CILT has a policy of strict neutrality between commercial operators and developments. Accordingly, our input relates to the strategic aspects of the proposal and should not be viewed as endorsement of Tritax Symmetry as a commercial entity.

## **Rail Freight Growth Target**

The Secretary of State for Transport announced a Rail Freight Growth Target (RFGT) of a 75% increase in net tonne kilometres by 2050 in December 2023. This represents a major strengthening of Government policy and commitment to rail freight and rail-based logistics.

Whilst there is growth potential across a number of sectors, it is clear that the two leading major rail freight commodities - Construction materials and Intermodal - will deliver much the greatest part of the target. Together they account for over 70% of rail freight and both have grown at 4% p.a. CAGR over the last 20 years. CILT's analysis suggests that both are likely to double by 2050, given suitable infrastructure and services.

## **Relevance to Hinckley NRFI**

So far as Intermodal growth is concerned, the key aspect of achieving the RFGT is provision of intermodal transfer facilities, which work most efficiently and sustainably when warehousing is located at the point of modal transfer. It is crystal clear that modal switch to deliver the RFGT, and decarbonisation of UK long distance freight transport, is critically dependent on the creation of Strategic Rail Freight Interchanges (SRFIs) such as Hinckley NRFI.

The largest intermodal growth opportunity lies in the movement of Deep Sea containers from ports to inland distribution centres. The onward movement of goods from distribution centres offers further significant opportunities but, unless very long distances (500+ kms) are involved, only where those distribution centres are at a rail connected location.

As we noted in our initial response, most major UK supply chains are structured around National Distribution Centres (NDCs) in the Midlands – generally in the ‘Golden Triangle of Logistics’ - and Regional Distribution Centres (RDCs) in four or five key locations around the country. Hinckley is at the heart of the Golden Triangle and is thus very well located to cater for market demand, both inbound from the ports and outbound to RDCs around the UK.

The Secretary of State chose to adopt Option 2 of those suggested by GBR’s Strategic Freight Unit, which assumes no major public sector investment in the rail network beyond those schemes already approved. It is thus significantly to Hinckley’s advantage that Government recently approved substantial capacity enhancement of the Felixstowe to the Midlands and North (F2MN) trunk route, by removing bottlenecks at Ely and Haughley Jn near Stowmarket. This further reinforces Hinckley’s very highly advantageous location in relation to the rail network, with good connectivity to all parts of the UK.

## **Conclusion**

We consider that Hinckley NRFI is a critical aspect of achieving the Rail Freight Growth Target, due to its prime location on the key F2MN route. Its ability to receive goods direct by rail from ports, notably Felixstowe, and despatch consignments by rail to RDCs around the country is a powerful strategic advantage. The fact that capacity enhancement of this route has now been authorised further strengthens the strategic case for an SRFI at Hinckley.

Daniel Parker-Klein

Director of Policy & Communications

CILT

6<sup>th</sup> January 2024

4 January 2024



7 Bury Place  
London WC1A 2LA

T +44 (0)203 116 0007

F +44 (0)203 116 0008

W [www.rfg.org.uk](http://www.rfg.org.uk)

To Whom It May Concern

**HINCKLEY NATIONAL RAIL FREIGHT INTERCHANGE (HNRFI)  
Additional Letter of Support from the Rail Freight Group**

The Rail Freight Group is the representative body for rail freight in the UK. Our members include rail freight operators, logistics companies, ports, equipment suppliers, property developers and support services, as well as retailers, construction companies.

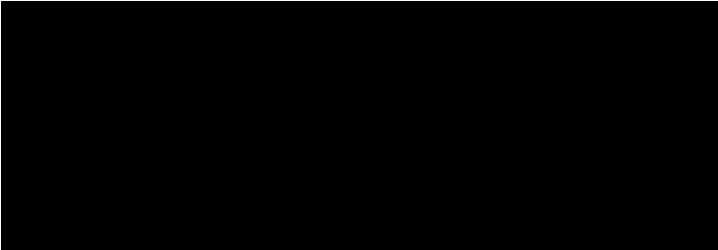
RFG works to influence a policy environment in the UK which supports sustainable growth in rail freight. Our campaigning aims to ensure that politicians and key decision-makers are well informed and make the right decisions for rail freight and for UK logistics. Our aim is to increase the volume of goods moved by rail, delivering economic growth and helping to decarbonise supply chains.

In our letter of support dated November 2022 we described the increased demand for rail freight from business, driven by the need to diversify and decarbonise their supply chains. We outlined how strategic rail freight interchanges were a vital component of this growth, enabling customers to cost effectively access rail, and supporting the development of rail services for multiple customers located at a single location. In the intervening period that demand has continued to develop strongly, driving the demand for new locations for SRFIs as well as in rail equipment and rolling stock.

During 2023, Government has also formally confirmed its support for increasing rail freight. In December 2023 the Department for Transport published a long term growth target of 75% increase in rail freight by 2050. This target assumes some future public sector investment in the rail network for freight, including schemes such as the upgrade of Ely Junction, and also continued private sector investment such as that proposed at HNRFI. In addition, shorter term targets for the next five years have also been confirmed and will be formally regulated by the Office of Rail and Road. Those targets are 7.5% growth in England and Wales, and 8.7% in Scotland. Together the short and long term targets show Government's commitment to rail freight growth, and its desire to support investment in support of that growth.

The site at Hinckley meets the requirements for an SRFI as set out in the National Policy Statement for National Networks, and the criteria for success. Sites such as this will be a necessary and vital part of meeting Government's targets for rail freight growth. Accordingly, the Rail Freight Group is very supportive of schemes such as that proposed at Hinckley.

Yours sincerely,



Maggie Simpson OBE  
Director General

Baker Rose Consulting LLP  
53 Davies Street  
London W1K 5JH

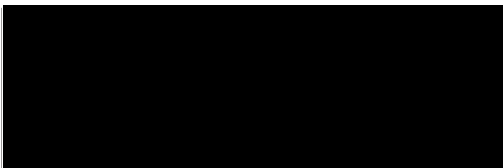
FAO David Baker

08.01.24

## **2<sup>nd</sup> Letter from Hutchison Ports, Port of Felixstowe – Hinckley National Rail Freight Interchange**

The importance of growing rail freight to the UK economy has recently been reinforced with the announcement by the DfT in December of a rail freight growth target of 75% growth in net freight tonne kilometres by 2050. At the same time the position of the Port of Felixstowe as the largest generator of intermodal freight traffic on the network has been recognised with the diversion of funding from the cancelled northern leg of the HS2 project to, amongst other smaller infrastructure improvements, those required at Ely on the strategically important Felixstowe to Nuneaton route (F2N). The improvements at Ely will of course improve the connectivity between Felixstowe and the proposed NRFI at Hinckley and may well provide an opportunity for the freight operators to operate two round trips per 24 hours between the two sites with a single unit.

As mentioned in our previous letter dated 07.11.22 the proposed rail terminal development at Hinckley is an example of the type of investment required if rail freight is to continue to grow and the rail freight growth target achieved.



Martin Woor  
Senior Manager – Strategic Rail Network Development  
Hutchison Ports, Port of Felixstowe



**DP WORLD**

dpworld.com/southampton

Monday 8<sup>th</sup> January 2024

**Hinckley National Rail Freight Interchange (HNRFI)**

**Letter of Support from DP World UK**

To whom it may concern,

It is vitally important that the private investment sentiment and operational benefits that HNRFI will have in achieving and aiding rail freight growth from a DP World perspective.

As DP world has made recent major acquisitions of Syncreon and Imperial Logistics our demographic has expanded and with a major hub being near Hinckley this will allow us to utilise rail closer to our own hub as well as other major DC's in and around the Hinckley area.

To be available to utilise potential rail services from Southampton and London Gateway to HNRFI would not only create rail freight growth but enable current customers greater options that are not available today.

Our address for this specific hub is as per below:-

DP World Contract Logisitcs, Hinckley  
Unit 5 Logix Park  
Watling Street,  
Hinckley  
LE10

Regards

**MARK HOOPER**

Director - Business Development Port & Terminals



**DP WORLD**

DP World Southampton  
Western Docks, Southampton,  
Hampshire, SO16 1DA, United Kingdom  
T: +44(0) 23 8070 1701  
dpworld.com/southampton