

Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
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24 June 2022

Dear Chancellor,

We understand that a decision to progress the Bedford-Cambridge section of East-West Rail might be imminent. As leaders from local authorities and academia, we are writing to express our full support for East-West Rail (EWR) and to seek a commitment from the Treasury to deliver it in full, building on the positive commitments made by previous Chancellors and Transport Ministers.

The government has acknowledged that EWR is of national significance. We would like to highlight three main economic benefits that the Bedford to Cambridge section would deliver.

Access to workforce is essential to sustain growth and jobs

Without greater transport connectivity, there is a real risk that one of the world's more significant innovation clusters could stagnate, which would put at risk jobs and threaten its national and international contribution to UK PLC.

Cambridge is one of the most successful University innovation ecosystem in the world and Europe's most successful tech cluster. In the Cambridge Cluster, 67,000 people are employed by over 5,300 knowledge-intensive firms, representing approximately 30% of the workforce¹. These firms generate a total annual (pre-Covid) turnover of £18bn. Over the last six years, the average annual growth in employment has been 5.3% in the city region, demonstrating a robust underlying rate of job creation.

However, Cambridge's growth is at serious risk due to the lack of adequate transport connectivity. The ability of firms on key sites such as the Cambridge Biomedical Campus or West Cambridge to grow is contingent on being able to attract skilled labour and have rapid connections to other key innovation sites within the UK. The hospitals and other sectors are experiencing difficulty in recruiting the high-skilled and support workforce that they need to support the vital work of the campus. Access to staff is stymied by poor transport connectivity and long commuting times.

The Greater Cambridge Partnership is delivering vital improvements to infrastructure at the local level through delivery of the City Deal programme. However, 38% of workers travel from beyond this catchment². There is an urgent need for regional-scale schemes to provide transport and unlock sustainable development locations and connect existing communities to more job opportunities. EWR is the most significant example of this by far, as it will open up links to St Neots, Cambourne and Bedford and unlock new labour markets to key sites of national significance in and around Cambridge.

EWR would improve the availability of affordable housing and the links between jobs and housing

One of the key drivers for staff shortages is the lack of affordable housing in Cambridge, and the lack of connectivity between jobs and affordable housing elsewhere. On average, Cambridge house prices are 12.4 times the annual salary of residents and average monthly rent for a 2-bedroom flat is the highest in the UK outside London.

¹ Cambridge Cluster Insights, April 2020

² [Greater Cambridge Housing Strategy](#), pg.10

For example, very few employees at AstraZeneca and other key Cambridge Biomedical Campus employers, including the NHS, travel from west of Cambourne. Cheaper housing in Cambourne, Bedford and beyond could open up significant new employment opportunities for skilled, essential and key workers.

The planned and recent growth of Cambourne already means that it is forecast to become one of the largest towns in Cambridgeshire, expected to be home to over 35,000 people by 2040. The emerging Joint Local Plan has highlighted the opportunity for further sustainable growth beyond this figure on the back of a new rail connection. Certainty is needed now in order to be able to continue to explore this opportunity in the Local Plan, so that a highly-connected, affordable and low-carbon housing response can be developed for the expected economic growth of the Cambridge city region.

EWR would be a powerful engine for levelling up

Growth in Cambridge unlocks growth in the East of England, the North East of England, and all points across the rest of the UK. AstraZeneca, whose global headquarters are in Cambridge, employ around 4500 directly in the Cambridge area. Fired by their research in Cambridge, AstraZeneca employ a further 4000 employees elsewhere in the UK (primarily in the North West) - where seed companies and jobs are created and new clusters emerge – and provide for the indirect employment of another 40,000 across the UK. This also covers AZ's 450 collaborations and supply chains.

The benefits of Cambridge's sustained economic growth are also felt across the East of England. Due to the Cambridge Biomedical Campus alone, it is estimated that an additional £158 million worth of operating income is generated along the supply-chains within the East of England due to the Biomedical Campus. Economic growth means better jobs, more opportunities, and more employees able to reinvest into the local economy. The development of the Cambridge-Norwich Tech corridor demonstrate the vitality of growth to the East as well as to the West of Cambridge, building on the existing Innovation Corridor between London and Cambridge.

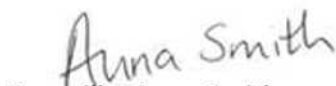
Many other examples speak of how value created in Cambridge is successfully captured elsewhere, and how seed companies and jobs emerge from Cambridge-based research and innovation. They demonstrate how the success of the Cambridge Cluster is a powerful engine of levelling up, both in Cambridge's direct hinterland and across the whole of the UK. EWR will further facilitate the connectivity between these complementary places and create more opportunity for value created in Cambridge to be captured elsewhere. It would enable to connect Cambridge to York through St Neots, and to Stoke, Stockport or Manchester through Milton Keynes.

We hope that these points illustrate the national significance of the Bedford-Cambridge section of EWR for our residents, our academics and the businesses and communities we support. We would be very happy to meet with you or your officials to go through each of these points in more detail, and discuss the importance of a positive decision to develop a full business case for this section of EWR.

Yours sincerely,



Laurel Powers-Freeling
Chair of Cambridge University
Health Partners



Councillor Anna Smith
Leader of Cambridge City Council



Councillor Sarah Conboy
Executive Leader of
Huntingdonshire District Council



Daniel Zeichner
MP for Cambridge



Bridget Smith
Leader of the South Cambridgeshire
District Council



Lucy Nethsingha
Leader of the Cambridgeshire
County Council



Councillor Elisa Meschini
Chair of Greater Cambridge
Partnership



Professor Stephen Toope
Vice Chancellor of the University of
Cambridge