

Clive Lewis MP Dr Dan Poulter MP

Monday 12<sup>th</sup> September

Dear Prime Minister, Chancellor and the Secretary of State for Transport

## THE OVERWHELMING CASE FOR INVESTMENT IN THE ELY AREA CAPACITY ENHANCEMENT AND THE HAUGHLEY JUNCTION UPGRADE

We – MPs and Peers, business and local government leaders - have written to your predecessors over the last 6 months to make the case for Government investment in the overdue improvements at Ely and Haughley Junctions. These schemes have been identified as priorities within the Rail Network Enhancements Pipeline, however, as yet have not received committed funding and have been subject to considerable delay.

We were however buoyed by the comments made at the leadership hustings in Norwich on the 25 August, indicating the Prime Minister's support for the Ely Area Capacity Enhancement (EACE) project and criticism of unnecessary delay. We also welcomed the commitment in the regional manifesto to review the scheme.

In our previous correspondence, Wendy Morton MP, then Minister for Transport, included welcome recognition of the "the benefit of the Ely programme and its strong alignment to the Government's priorities" and that "the programme continues to demonstrate sound decarbonisation and connectivity benefits."

But the same correspondence indicated the Department for Transport were considering cancelling or indefinitely pausing some schemes within RNEP and instead would be exploring "opportunities to realise at least some of the desired outcomes, either through wider operational changes to the network or through smaller, targeted investment enabled by future funding settlements".

**This gave us cause for significant concern**. We would therefore respectfully ask that the following eight points are fully considered by the new Government and that these projects are then both given the green light:

- 1. It is clear from the work undertaken by Network Rail so far on the Ely Area Capacity Enhancement, that the planned improvements at Ely will deliver substantial national economic, levelling up and decarbonisation benefits through the planned doubling of freight capacity, alongside increased passenger services on poor frequency routes. The benefits spread well beyond the East, supporting access and growth in the Midlands and North increasing the productivity of businesses across the UK. It is also clear that scaling back the planned interventions will give a much poorer return on investment and require additional disruptive interventions to be made again in the near future.
- 2. The recently completed outline business case by Network Rail for Ely indicates a return of £4.89 for every £1 invested, which would see an extra 6 freight trains per day to and from Felixstowe and the Midlands/North, alongside doubling passenger frequencies on the Ely-King's Lynn and Ipswich/Peterborough routes. This represents a very high benefit cost ratio for a scheme of this scale.
- 3. No other changes to the network will deliver the strategic outcomes the capacity enhancement improvements at Ely or the upgrade at Haughley Junction are designed to address. As a result, there is a potential and significant risk of non-compliance with Government policy, particularly the legally binding commitment to net zero by 2050.
- 4. Many of the benefits of investment in Ely Junction would be for freight transport, demand for which has a strong growth forecast following the Covid pandemic. The Department's own 'Future of Freight Plan' restated the Government's commitment to unlocking the economic and environmental benefits rail freight and there was a commitment to prioritise strategically important corridors, e.g. those with particular economic, levelling up or decarbonisation benefits. There can be no doubt that EACE and Haughley Junction serve one of those strategically important corridors the Felixstowe to Midlands and North route which is also considered the highest priority corridor for investment by the freight industry.<sup>1</sup>
- 5. EACE would also facilitate increased passenger use, irrespective of the post pandemic change in travel patterns: this is because hourly services have been shown to be a 'tipping point' for modal shift in the region. Investment in the EACE will improve connectivity and service frequencies and reduce journey times, facilitating an estimated 277,000 extra rail passenger journeys every year. For example, improvement to Ely Junction will bring connectivity benefits to North Cambridgeshire, in particularly Wisbech, strengthening the case for a rail link.
- 6. Haughley Junction is a major pinch-point on the Felixstowe to the Midlands and the North freight corridor and on the Great Eastern Main Line. Unblocking this constraint would help maximise the contribution of our ports to post-Brexit UK economic growth and maximise the value and underutilised capacity of previous investment into the Felixstowe branch line.

<sup>1</sup> The Government's Transport Decarbonisation Plan commits to a net zero railway by 2050 with sustained carbon reductions in rail along the way. Freight trains reduce road congestion, connect markets over long distances and are much less carbon intensive than road freight – currently emitting around a quarter of CO2 emissions of HGVs per tonne mile travelled. By removing 98,000 HGVs and 376,000 cars from the roads annually, the EACE Programme will prevent 1.7 million tonnes of CO2 emissions over 60 years.

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Currently the junction is a performance constraint, leading to delays. Improvements would also support the expected increased frequency of Ipswich to Cambridge and Peterborough services as well as improving reliability of services on the Great Eastern Mainline.

- 7. There is clear regional support for both theses scheme. In particular we would draw your attention to the fact that Suffolk Public Sector Leaders remain committed to a £1 million contribution in third party funding to the business case for Haughley Junction. It is an affordable scheme (circa £20 million), shovel ready and deliverable; the business case was submitted to government in 2020. Completing the scheme in advance of completing the Ely improvements, would maximise the value of that investment, ensuring the additional services are not sat stationary further along the line.
- 8. Finally, these two schemes are identified in the strategies and investment priorities for both Sub-national Transport Bodies for the East of England: England's Economic Heartland and Transport East. It is also supported by Midlands Connect and Transport for the North, in recognition of the wider benefits to the logistics 'Golden Triangle' and businesses across the UK.

In conclusion this investment would be good for UK plc as well as for businesses and communities in the East of England. It would also help the Government deliver its ambitions to deliver growth, to level up the country, achieve net zero, and drive global Britain forward whilst simultaneously increasing the East of England's existing net contribution to the Treasury.

Please show fresh thinking and commit to these schemes.

Yours sincerely

Peter Aldous MP

Co-Chair

**East of England APPG** 

**Daniel Zeichner MP** 

Co-Chair

East of England APPG

Cllr Matthew Hicks Chair, EELGA and

**Leader Suffolk County Council** 

Rt Hon Matt Hancock MP

Vice Chair

**East of England APPG** 

Relident

Cllr Richard Wenham Chair

**England's Economic Heartland** 

Join Jarthe

Cllr Kevin Bentley
Chair, Transport East
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Daisy Cooper MP Vice Chair East of England APPG

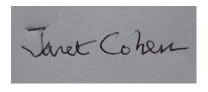
Giles Watling MP Vice Chair East of England APPG

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[No E-signature but approved by email on 8<sup>th</sup> September 2022]

Lord Alan Haselhurst Vice Chair, East of England APPG [No E-signature but approved by email on 10<sup>th</sup> September 2022]

James Wild MP for North West Norfolk

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