



Strategic Transport Leadership Board

15 July 2022

Agenda Item 8: East West Rail strategic narrative

Recommendation:

It is recommended that the Board:

- a) Agrees publication of the East West Rail Strategic Narrative report, included as Annex 2.**
- b) Notes the progress on the strategic modelling and business advocacy work being undertaken**
- c) Notes the additional work agreed by the East West Main Line Partnership in June 2022 to review the strategic case for the Aylesbury link**

1. Purpose of report

- 1.1. To update the Board and receive comment on the work to support the strategic case for East West Rail and help secure government funding to progress the next phases of East West Rail to Cambridge and Aylesbury.

2. Key points to note

- 2.1. The Board previously agreed work to update and reemphasise the strategic narrative for East West Rail.
- 2.2. The draft of the strategic narrative report (attached as Annex 2) subject to East West Railway Company sign off and final comments from transport officers will be published, imminently. It provides a compelling set of themes to inform the narrative around East West Rail.
- 2.3. The work has also reinforced the importance of East West Rail to local economic and housing plans, and the opportunities it unlocks for towns which may not sit on the actual route but are in close proximity to it.
- 2.4. The East West Main Line Partnership's work on a brochure highlighting the 'business imperative' for East West Rail is also nearing completion. The work has secured some very strong quotes from leading businesses as to the importance they place on East West Rail's delivery.
- 2.5. The East West Main Line Partnership's Board has agreed funding to support the case for the East West Rail link to Aylesbury.

3. Context

- 3.1. England's Economic Heartland's transport strategy includes a policy to support 'the delivery of the East West Rail project with the expectation that Oxford to Bletchley/Milton Keynes is open by 2025, with links to Bedford and Aylesbury to follow at the earliest possible opportunity thereafter, and Oxford-Cambridge delivered no later than 2030'.

- 3.2. The section of East West Rail between Oxford and Bletchley is currently under construction and expected to be operational by 2025. The East West Railway Company is in the process of designing and delivering the next stage of East West Rail between Bletchley and Cambridge.
- 3.3. Government announcements around levelling up and investment priorities in the North, as well as the general squeeze on public sector finances, and the changed position of the government on its appetite for a 'top down' approach to the Oxford-Cambridge Arc have collectively reinforced the need for continued emphasis of the benefits of investing in East West Rail. This is particularly pertinent to the next phases of works between Bletchley and Cambridge, including the link to Aylesbury, for which funding is still yet to be confirmed.
- 3.4. In December 2021, the Strategic Transport Leadership Board agreed to fund a package of work to reemphasise the strategic narrative for East West Rail between Oxford and Cambridge, including the Aylesbury link.
- 3.5. The following provides an update on this work, alongside the complementary work being funded by the East West Main Line Partnership.

4. Strategic narrative: Overview

- 4.1. The project to provide a supporting strategic narrative of the East West Rail project has been jointly funded by EEH and the East West Railway Company. It is being carried out by consultants Steer.
- 4.2. The concluding report provides a high-level overview of the strategic rationale for East West Rail, consolidating evidence from several sources, while also including new evidence following discussions with local authority officers and the creation of East West Rail catchment maps.
- 4.3. Comments from transport officers and the East West Railway Company on the draft report have been sought, and they will be included in the final report. Following any additional comments from this Board, the finalised report will be published and submitted to government to support the Company's wider work on its overall business case.
- 4.4. A selection of key graphics and tables from the report are in Annex 1 at the bottom of this report.

5. Strategic Narrative: Themes

- 5.1. The report sets out the strategic themes for EWR, based upon the existing evidence base and feedback received from local stakeholders along the route. These strategic themes are:
 - **Improving connectivity:** To travel between most of the region's most important economic, education, and leisure hubs is extremely difficult by rail, and often involves travelling in and out of London. Connectivity in the region has been identified by both the National Infrastructure Commission and Central Government as a major constraint on delivering housing and economic growth in the region, as well as limiting the progress towards the sustainability and net-zero objectives of the Heartland. The impacts of delivering EWR in full to the region's connectivity would be transformational. It would take just over 90 minutes to travel between Oxford and Cambridge, and less than an hour travel between Bedford and Cambridge, and Oxford and Milton Keynes.
 - **Economic growth and international competitiveness:** In parts of the Heartland region business productivity remains below that of global competitors, partly down to congestion and a lack of resilience in the region's transport network. Delivering EWR will open up new opportunities for businesses to grow and boost productivity in the Heartland. The benefits of EWR are not restricted to the region, as removing the constraints on the Heartland's economy will allow the region to make a significant additional contribution to national economic output.



- **Access to jobs:** For economies of their size and importance, Cambridge, Oxford, and Milton Keynes all have lower than average levels of commuting into city centres. Improvements to connectivity from surrounding communities and between the hubs of the region are required to make the high value employment opportunities available to the region's population. The specialist high-value businesses across the Heartland need a wide catchment area from which employees can commute and travel for business. There are plans for transformational employment growth in towns and cities across the region and a fit-for-purpose sustainable rail network is required to support and deliver these ambitions.
- **Supporting sustainable housing growth:** The National Infrastructure Commission has been clear that currently the supply of housing in the region does not meet demand, and describe the situation as rapidly reaching a 'crisis point'. Related to supply issues, house prices in parts of the region have become unaffordable for most of the population. The ratio of median house prices to earnings is 13:1 in Cambridge and 12:1 in Oxford making them two of the least affordable cities in the UK. Local authorities across the region are clear that failing to deliver EWR will limit the amount of housing they can deliver in the future. Local support for EWR is based on the transformational and sustainable connectivity it will offer.
- **Local environment and place:** Parts of the urban areas in the Heartland are amongst the most deprived parts of the country. Delivering EWR will support regeneration plans, including for Bedford, Bletchley and Aylesbury, making EWR well-aligned to the national 'levelling up' agenda.
- **Net zero:** The EEH region has an ambitious objective to reach net zero carbon emissions as early as 2040. Emissions from transport are 30% higher than the UK average and if the net zero target is going to be met, transformational levels of modal shift are required across the Heartland. East West Rail can be a catalyst for achieving this modal shift.

6. Strategic Narrative: Catchment areas and local plan engagement

- 6.1. A key element of the commission was one-to-one engagement meetings with transport and planning officers from local authorities across the region.
- 6.2. These meetings provided clear insight into the importance local authorities are placing on East West Rail to deliver ambitious housing growth, but in this local plan period and beyond.
- 6.3. Maps showing the catchment areas of East West Rail stations have also been produced (see Annex 1).
- 6.4. The maps clearly show the opportunities unlocked by East West Rail to those places not physically on the line. For example, Northampton, Wellingborough, Luton, Leighton Buzzard, Hemel Hempstead, Banbury and Didcot railway stations are all within 30 minutes train journey of an East West Rail station.
- 6.5. Wellingborough illustrates this opportunity well. There are high levels of housing and employment growth planned, particularly in the Stanton Cross area which is a short walk away from Wellingborough station. The draft report says that currently, a rail journey from Wellingborough to Cambridge would involve approximately one hour and 45 minutes travelling on two separate trains in and out of London, including an interchange between Kings Cross and St Pancras stations. After East West Rail is delivered the journey could be made in less than 45 minutes travel time, via a convenient interchange at a redeveloped and improved Bedford station.
- 6.6. The report also includes information on the current and future planned numbers of housing and jobs around proposed East West Rail stations. For example, more than 15,000 new homes are planned within 5km of Aylesbury station. More than 15,000 new jobs are planned within 5km of Bicester Village station (see table in Annex 1 below).



7. Strategic modelling

- 7.1. The second package of work jointly funded by EEH, and the East West Main Line Partnership is also being carried out by Steer.
- 7.2. It has included a quantitative strategic modelling of the benefits of East West Rail (Oxford-Cambridge and the Aylesbury link) including economic impacts, modal share and carbon savings.
- 7.3. Initial outputs from model are still being drafted, however, they do show that the delivery of EWR, supported by high quality first last mile transport provision can act as the catalyst for the transformation of the region's strategic public transport networks.
- 7.4. The work is yet to be completed, but is progressing, and the final the outputs will be used to further support the case for East West Rail.

8. Business imperative for East West Rail

- 8.1. The third package of work will provide a convincing, powerful, and visual narrative around the business imperative for East West Rail. This can be used by key regional figures, including leaders and MPs, as they advocate for East West Rail.
- 8.2. It is being funded by the East West Main Line Partnership. Leading communications agency Seven Hills has been commissioned to undertake the work.
- 8.3. The work, which is due to complete in the next month, includes sourcing quotations from businesses regarding the importance of East West Rail's delivery.
- 8.4. Engagement has been undertaken with senior representation from LEPs, the Oxford-Cambridge Arc Leaders Group, EEH and the East West Main Line Partnership. A workshop has helped identify key messages to take forward into discussion with businesses.
- 8.5. Interviews with business leaders from across the region have demonstrated the crucial importance they place on East West Rail's delivery. Quotes, which will be fully attributed in the final document, include:
 - "There's a wealth of opportunity in the science and technology sector, from life sciences, energy and sustainability to space and emerging technologies. But the UK needs critical assets like East West Rail to enhance connectivity between areas where innovation is and create a globally leading zone that can compete with international centres of excellence for science. This should be an absolute top priority for government." *Astra Zeneca, Cambridge*
 - "I regularly talk to private equity and corporate finance companies about potential investment in Aiimi. We want to grow and scale so more UK organisations can benefit from our AI technology and data expertise – but being able to tell the story of how we can sustainably acquire new talent and expand our customer base is important to investors. Better connectivity would go a long way in helping us to deliver on our ambitious growth plans." *Aimii, Milton Keynes*

9. Updating the business case for the Aylesbury link

- 9.1. In June 2022, the East West Main Line Partnership Strategic Board, agreement to update the business case for the Aylesbury link was supported.
- 9.2. The delivery of an East West Rail link to Aylesbury has been an integral part of the East West Rail scheme for over a decade. Its delivery has been a longstanding priority for the East West Main Line Partnership, England's Economic Heartland and Buckinghamshire Council. The link would unlock economic opportunities and support sustainable growth in the town, while also providing strategic benefits for the wider region, including improved north-south rail connectivity.



- 9.3. Aylesbury Station and Aylesbury Vale Parkway Station were included within what was previously named the 'western section' of the route, proposals which also included Bicester to Bedford. 'The Case for East West Rail Western Section Phase Two' published by Department for Transport in December 2018, stated that one passenger service per hour was expected to run direct between Aylesbury and Milton Keynes. The Transport and Works Act Order for the western section was approved by the Secretary of State in February 2020, including in it the Aylesbury link.
- 9.4. However, East West Rail capital funding announced in January 2021 only covered parts of the original Western Section Phase Two – the section between Bicester and Bletchley. Therefore, it was agreed that work to revisit the existing EWR business case, updating it with the specific benefits that the link to Aylesbury would bring, be undertaken.
- 9.5. The agreed works will explore how the Aylesbury link can:
- Contribute to the business case for the overall scheme
 - Improve the local and regional transport system
 - Facilitate economic growth and jobs creation
 - Act as a catalyst for the further regeneration of Aylesbury town centre
 - Support current and future housing growth
 - Reduce reliance on the car
 - Contribute to a net zero transport system
 - Identify any wider opportunities to improve rail connectivity such as Northampton to Old Oak Common
 - Could, with the right interventions, also improve connectivity westwards to Oxford.
- 9.6. EEH (as secretariat of the Partnership) has agreed to take forward delivery of the study on behalf of key partners and are establish a steering group to ensure it incorporates their requirements.

10. Next steps

- 10.1. The East West Rail strategic narrative will be published and shared with stakeholders including government.
- 10.2. The business advocacy document will be shared with stakeholders including government and MPs and go to the East West Main Line Partnership Board in September.
- 10.3. Work will progress on commissioning the business case for the Aylesbury link.
- 10.4. The EEH business unit will continue to work with colleagues across DfT, wider government (including Treasury, BEIS and DLUHC) and the East West Railway Company to make the strongest case for delivery of the scheme in full at the earliest opportunity.

Adam King / Trevor Brennan
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