



21 November 2024

Open Letter: Rt. Hon. Lou Haigh, Secretary of State for Transport. Department for Transport, Great Minster House 33 Horseferry Road, London, SW1P 4DR United Kingdom
By email: dft.ministers@dft.gov.uk

Re: Next Steps for East West Rail Press Release 14 November

Dear Lou,

1. I have been following the estimates of 'transformational' growth claimed by East West Rail and its supporters for some time. They are summarised in the table below, with sources given in the end notes.

2. Summary of Dept. for Transport Claims on Economic Benefits related to EWR.

Date	Claimed GVA increase by 2050 (£billion)	Source of Analysis	Causal link to EWR
31 March 2021 ¹	163 for OxCam Arc, 1 million jobs, 1 million houses	2016 report by Cambridge Econometrics (CE) Transformational scenario	None claimed in CE report, EWR benefit not analysed and is included in the baseline
13 June 2023 ²	103 for OxCam Arc	2016 report by Cambridge Econometrics (CE) Baseline scenario plus inflation	None claimed in CE report. This is a baseline "do nothing" scenario.
26 May 2023 ³	4-5 for Cambridge from 80,000 new jobs of which 28,000 due to EWR	EWRCo. Economic and Technical Report (ETR): Cambridge Trip End Commuter Model	See below
14 Nov 2024 ⁴	£6.7 billion	Unknown	No evidence supplied to support the claim

Only the ETR based claims of 26 May 2023 have evidence to support a link between economic growth and EWR. I hope that you can help me with some questions on the validity of that ETR analysis (see below).

- 3. I assume that your £6.7 billion figure is an extension of the £4-5 billion for Cambridge to include other towns and cities along the line. The £4-5 billion is a figure for the total growth of Cambridge not just EWR and it is therefore misleading to associate it with EWR. **Question 1: Please can you explain this calculation?**
- 4. I have the following questions about the analysis presented in the ETR.
 - 4.1. The number of EWR Cambridge rail commuters according to the evidenced model (based on the 2011 census) was only 2,090/day. However, the estimate included in the 28,200 jobs figure was based on unevidenced model parameters merely described as "very aspirational". The number of EWR Cambridge rail commuters was thereby boosted by a factor of four to 7,980/day. The non rail commuters are also boosted for the same reason. Question 2: Why this is a sensible or safe assumption?
 - 4.2. The evidenced model also predicts a very small proportion of the working age population of the expanded Cambourne and Tempsford towns as being Cambridge rail commuters 3% and 2% respectively. But these settlements are included in the EWR dependent housing. This is important

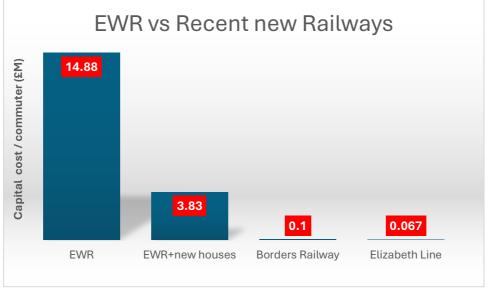
because the 20,000 projected non-rail (i.e. road) commuters from these settlements are then counted in the 28,200 jobs figure. Question 3: How can that be justified? These settlements could be developed, or not, and EWR would only make a marginal difference to their transport system. This is not EWR dependent housing.

Summary of Analysis in the ETR

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Trip End Model	Incl. non-rail	~100K	New jobs/	GVA	Capital cost /		
parameters	Commuters	EWR	commuters in	Increase	Cambridge		
		dependent.	Cambridge	(£Bn)*	commuter		
		houses			(£M)**		
All of Cambridge	Yes	N/A	80,000	4.50	N/A		
Unevidenced ⁵	Yes	Yes	28,200	1.59	0.28		
Unevidenced	No	Yes	7980	0.45	1.00		
Evidenced ⁶	No	Yes	2090	0.12	3.83		
Evidenced	No	No	537	0.03++	14.88		

Assumptions: *2050 GVA / job £56.25K; **EWR Capital Cost assumed £8 billion. ++These are existing residents so should not be considered an increase in GVA.

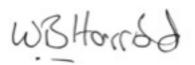
- 4.3. The ETR analysis predicts that 20,000 of the 28,200 Cambridge commuters would <u>not</u> use EWR. This is of interest because one of the ways that EWR is supposed to stimulate growth in Cambridge is by unblocking our congested roads. In fact, the ETR analysis predicts that the roads would get much busier. We have confirmed with the Cambridge and Peterborough Combined Authority that they currently have no plans to handle this excess road traffic with additional public transport schemes, but that is what EWR say they assume would happen. Question 4: If other public transport schemes are able remove this congestion, why not do those instead of EWR? Consider for example a *local* light rail scheme.
- 4.4. The ETR analysis assumes that houses for 53,400 more people would be built at Cambourne increasing its size by a factor of 6.8. We asked South Cambridgeshire District Council whether they had any plans to build those houses in their local plan out to 2041. They responded. "The Council proposals for Cambourne and the CBC were set out in the local plan first proposals. Those proposals are to meet our independently assessed needs for Greater Cambridge. There is no change to that as of now and the next local plan making [for beyond 2041] starts in 2025."8 The situation in Tempsford is similar. Question 5: Who is going to sign-off these houses, when and why?
- 4.5. By the time EWR would be in operation, the local transport network will have changed. There will be a dualled A428/A421 and an off-road guided busway from Cambourne to Cambridge.



Furthermore, some of the traffic congestion south of Cambridge will have been alleviated by the completion of the Cambridge South Station. These changes would affect the passenger numbers on EWR. Question 6: Why have they not been included in The ETR Analysis?

- 5. This chart above compares EWR with other recently opened railways. The cost per Cambridge commuter even with all the assumed new housing is astronomical compared with other railways
- 6. Finally, I would really appreciate specific answers to these questions since previous from your department typically refers to generalities like things will grow up along the line, that other people think EWR is a good idea, or that you are still working on the business case.

Yours faithfully



Dr. William Harrold, Cambridge Approaches

¹ EWR Co. 2021 Non Statutory Consultation cites an article from The Economist which in turn cites this figure. It has also appeared in an EWRCo. authored article in the Cambridge Independent in 2020 and elsewhere.

² Huw Merriman, Hansard, "East West Rail: Bedford to Cambridge" Volume 734: debated on Tuesday 13 June 2023 and Bernadette Kelly, Transport Select Committee 6 March 2024.

³ EWRCo. Economic and Technical Report (ETR), 26 May 2023, Appendix 4

⁴ Department for Transport Press Release 14 November 2024

⁵ Referred to in ETR Appendix 4 as "Very Aspirational", but no evidence provided to support their validity. It is referred to as the transformational model, which is confusing because in this context that term normally refers to changes in land use around a transport scheme ⁶ These model parameters are based on actual reported behaviour in the 2011 census scaled for the new scheme and is referred to as the conventional model in the ETR.

⁷ EWRCo. email 29 November 2023 and meeting with Transport Officers at CPCA October 2024.

⁸ South Cambridgeshire District Council Cabinet Meeting 25 June 2024, Public Questions, answer in video recording at 25:00. https://www.youtube.com/watch?v=0tQDHiuhZVQ