

Transport Committee

Oral evidence: [Strategic transport objectives](#), HC 84

Wednesday 6 March 2024

Ordered by the House of Commons to be published on 6 March 2024.

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Members present: Iain Stewart (Chair); Jack Brereton; Sara Britcliffe; Paul Howell; Karl McCartney; Grahame Morris; Gavin Newlands; Greg Smith; Mick Whitley.

Questions 142–187

Witnesses

I: Naomi Green, Managing Director, England's Economic Heartland; Dr Andy Williams, Chair, Oxford-Cambridge Supercluster Board; and Tom Wootton, Mayor, Bedford Borough Council.

Examination of witnesses

Witnesses: Naomi Green, Dr Williams and Tom Wootton.

Q142 **Chair:** Welcome to today's session of the Transport Select Committee. This is the next session in our inquiry on strategic transport objectives. Before I invite the first panel to introduce themselves, I will clarify the purpose of today's session to avoid any misunderstandings. It is not about us making an appraisal of East West Rail as a whole, or route options or anything like that. For us to do that would require a much more in-depth inquiry. Today is about using East West Rail as a case study of how strategic decision making is effective—or not—across Government. I want to put that on the record before we start. I now invite each of the panellists to introduce themselves.

Tom Wootton: Good morning, everybody. My name is Tom, and I am the elected Mayor of Bedford. I was elected last May, so I have three and a bit years left to go. Miracles do happen, and I am here.

Dr Williams: I am Andy Williams, chair of the Oxford-Cambridge Supercluster Board. It is supported by about 50 businesses and enterprises across the region, representing the largest companies, global investors, local enterprise partnerships and the universities, all looking for how we can maximise the benefits of East West Rail for the region and the wider UK economy.

Naomi Green: I am Naomi Green, managing director of England's Economic Heartland, the sub-national transport body for the region covering the Oxford to Cambridge area. England's Economic Heartland is also the secretariat for the East West Main Line Partnership, which has been in existence for over 26 years, promoting the principle of a rail connection between Oxford and Cambridge.

Q143 **Chair:** Thank you. We are grateful to you all for giving us your time and evidence this morning. I will start with a fairly high-level question. Can you set out what you understand to be the strategic case for East West Rail, and what needs to happen to ensure that those strategic case objectives are met? Naomi, perhaps we could start with you.

Naomi Green: Thank you very much, Chair. England's Economic Heartland is formed of all the local authorities in the region. It is fair to say that we are fortunate to represent a very special place. The Oxford to Cambridge area offers a significant economic opportunity for communities and businesses not just between Oxford and Cambridge but across the UK. I am sure you will hear more from Andy Williams. Jobs created in our region are not competing with our friends in Birmingham or Yorkshire and the Humber but with places such as Shenzhen, Toronto and Singapore. Two of the top five universities in the world are represented in this region, and they are supported by a wider network of universities, including Cranfield University and the Open University, all leaders in their field.



The case for East West Rail is absolutely central to that narrative of economic opportunity for the region. There are pressures in our region on housing, on our environmental assets, on land for businesses to grow and on our impact on the environment, particularly in the context of transport. Transport emissions in the EEH region are 8% higher than the national average, and productivity is lower than the national average—all signs that there is a need for better connection and better opportunities to make the most of what the region can achieve.

The principle of rail connectivity is a story of the place; it is not a story just of the transport scheme. If you look at the strategic objectives of the Department for Transport, you see that the scheme more than meets them, but the challenge is when you start to look at how the economic appraisal process, which is necessarily two-dimensional in approach, can actually be delivered in the specific context of a place and the place conditions that allow that scheme to flourish. Our expectation and our need from Government is for all the different Government Departments to come together to achieve the opportunities of a region like ours. That's not just Science, Innovation and Technology and Business and Trade, but DEFRA, the Department of Health and the Department for Education, so that all aspects of the place can collectively be achieved together.

Q144 **Chair:** Thank you. I want to come back on a couple of those points in a moment, but, first, let's turn to Andy.

Dr Williams: The supercluster recognises the strengths of Oxford and Cambridge, both top five global universities. It is a bit like a football analogy: everyone is globally competitive. It is extraordinary that two of the top five global universities are in our region, but they are constrained. They generate huge amounts of intellectual property and translate those into huge numbers of ideas, but they are constrained. We see 10% to 12% growth year on year in the life sciences sector in Cambridge, yet it is short of a million square feet of R&D space.

We need to spread the benefits from Oxford and Cambridge into a much wider region. Connecting the wider region through East West Rail, you will go from a travel-to-work area for Oxford and Cambridge of around half a million people to a connected area of 3.5 million to 4 million people. That is really important to give you critical mass. As you spread that out, you bring in the other clusters in the region, around Cranfield, the motor racing industry and so on.

We need to compare this with the global situation. Oxford and Cambridge both compete pretty well globally, despite what we say. We are able to compete with Boston and San Francisco, despite our size. In the newer model, places like Amsterdam, Israel and Canada, as Naomi mentioned, are starting to connect their clusters together to create their own versions of a supercluster because they recognise that the only way to compete globally is to have the critical mass to be able to do so.



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We believe that, at the moment, the science and technology sector in our region is completely constrained by infrastructure and various other factors. Releasing those would provide a huge base for science and technology within the region and, through the connectivity provided through East West Rail, connections up to the north—to Manchester, Strathclyde, Leeds and Newcastle. They are all places with strong science and technology clusters, but at the moment we do not have the access to them that we should have. It is about connectivity and critical mass.

Q145 Chair: Thank you. Tom, as Mayor of an area between the two university cities, do you share those strategic ambitions?

Tom Wootton: Those ambitions are absolutely fantastic, but we feel squashed in the middle because we are the whipping boys for everybody else's ambition. These feel like pretty hard times, especially given that some of the stuff around the consultations and everything that has gone on has been particularly badly handled. I think I am unique in that our area is about the only area through which the Government have decided to put 10 miles of dual carriageway, linking Bedford to Cambridge. That is fantastic news, linking the A1 and so on.

One can only compare the Highways Agency attitude to people, and how it deals with parish councils, to that of East West Rail. Today you are looking at how East West Rail has done its consultation. It has been pretty poor, in many stages. You can compare that to the Highways Agency, because it is more or less the same company, and how it has championed parish councils. When it came to the crunch, those parish councils never said a word at any inquiries; they kept quiet, and the long-awaited dual carriageway has now started. Thank God it has. We are going to get our dual carriageway link from Bedford through to Cambridge, which is utterly fantastic.

East West Rail is the complete opposite. They are all having whip-rounds and trying to stump up the cash to fight it all the way. It is hard to understand just how bitter many people feel about how East West Rail has treated the locals. We are in favour of East West Rail; we think it is a great idea, but the route has been the problem. The route it has chosen is not one that many people back.

Q146 Chair: Thank you. We will dig into those issues later in the session. You have set out a rosy picture of the economic and wider ambitions that can be realised with this project. Why, then, is the benefit-cost ratio so low for the line itself? As a supplementary to that, is that calculation properly encapsulating all the wider costs and benefits that are related to it?

Naomi Green: If you look at the way the Department has developed an economic appraisal process for any scheme and the recent update to the Treasury Green Book, which has tried to overcome some of the weaknesses of an economic appraisal process in isolation, they still both come with a level of uniformity, capturing time savings and all the uniform things that you can measure and quantify. What they fail to do is



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capture the likelihood of success, which is highly dependent on the context in which a scheme sits, and therefore the benefits of having it. When you talk about individual examples of people living in the region, you can see how that works, but it is hard to macro up.

To give you an example, I know of a young gentleman who is 16, who wanted to take advantage of the opportunities at Silverstone. He lives in the Corby area and wanted to go to Silverstone UTC, a fabulous opportunity for developing engineers in the region. He could not access that opportunity on a day-to-day basis, because there was no public transport option for him. At 16 years old, he had to move and stay in a B&B in the week to be able to access those facilities. That would be a barrier for a lot of people whose parents could not afford to support that option. Yet we know that 20% of engineers are due to retire in the next two years, so we have a looming shortfall of engineers, which is a huge pressure for Silverstone and Motorsport Valley, but there is no solution for young people to access those opportunities. That is not easy to quantify, because it is an example of an individual. Macroing that up in the case of an economic appraisal is very hard to do.

The Department for Transport did some work last year on transformational benefits of economic schemes, which was published in the summer. The transformational benefits of the Nottingham express tramway, for example, are quite hard to quantify in a traditional appraisal process. Does that mean that we should not have done it? If you look at the impact of not investing in major transformational public transport schemes, you see, in our case, in the Oxford to Cambridge region, huge pressure on transport emissions, because there is no alternative, and pressure on productivity that is already lower than the national average.

Q147 Chair: I understand the difficulty of quantifying the wider potential benefits, but what about quantifying the wider costs as well—for example, water demand, water supplies and other utilities? How can we better encapsulate that so that, when we are looking more widely than the narrow BCR for a case, we can make a more objective appraisal?

Naomi Green: That is a very fair question. Again, that is where bringing the place more closely into alignment with Government Departments, such as DEFRA, that have wider objectives for those things, would allow us to have a much more two-way conversation about how we manage some of those trade-offs. At the moment, that happens in a very piecemeal way in the region, working with Government Departments, and I don't think we have been able to create traction on all the different factors that allow a place to overcome the barriers.

For example, as you all know from your own constituents, often, if people hear about new housing opportunities, local residents will be concerned about access to GP facilities, education, spaces in schools, and so on. But the abilities of our local partners to lever their conversations with the Department of Health and the Department for Education are very limited, and therefore that holistic conversation about the silo mentality of



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Whitehall, which is necessary in making decisions, with a very overarching place-based focus on individual places, needs to be strengthened to allow us to overcome some of those barriers.

Q148 **Chair:** Before I turn to colleagues, do you have anything to add to that, Andy or Tom?

Tom Wootton: Cost will crop up again and again because many of us feel that the costs have not been done properly. We feel that East West Rail is trying to pull the Government into starting something when they do not really know how much it will cost; it is the HS2 problem cropping up again. We feel that there are cheaper, flatter alternative routes. There are about seven or eight of them, and we don't think they have been investigated. How can you talk about cost when you don't know how much the thing is going to cost overall, and there are cheaper options?

One of the protest groups has banged on to me several times. They think there is about £1 billion-worth of difference between a shorter, cheaper, flatter route and the route that East West Rail has chosen. That is quite a lot of money to a council. We could run our council for about seven or eight years in a row without going back to the public, but to the Government that is probably not so much. That is a really large sum of money that is the difference between the shorter, flatter route and the one that goes through the hills to the north of Bedford. Of course, it has to buy up all the houses that it is going to knock down to build two new stations and a great big multi-storey car park. These things are expensive, and they are not needed.

Q149 **Chair:** Thank you. Andy, do you have anything to add?

Dr Williams: Yes, I want to add something slightly different. The fact that the supercluster board exists at all is because businesses are changing the way they think about things. They are thinking much more about their place-based strategies. In my previous role at AstraZeneca, I implemented a place-based strategy for Cambridge. When you start doing that, you come across all sorts of strange and unusual barriers. You need to sort out where people will live and their education, water and power. Suddenly, from a single science focus, you have to go cross-departmental. I have to say that that was extremely challenging. It was reasonably simple at local level because they appointed a single person to look after that, but at national level we were having to cross multiple Departments to get things done.

I am starting to see reflections of that in the place-based strategy for the wider region. We need some way of reflecting a strategic overview on to these projects. Businesses are getting sucked more into discussions around water because they are beginning to see that, without the quality of life, you will not be able to attract the level of employee. Without housing, you will not be able to attract people. It is becoming a much more holistic picture, which businesses are engaging in, but we do not really have an effective interface with central Government on that.



Chair: Thank you.

Q150 **Greg Smith:** Before I ask my main question about the National Audit Office report, Ms Green, can you clarify how East West Rail would, in any way, shape or form, assist a boy in Corby to get to Silverstone?

Naomi Green: By accessing Bedford and then going across to Bletchley, and then being able to connect further down from there; having better access to Bletchley, Milton Keynes and then down to Winslow. I appreciate that that requires a first and last-mile solution, but an absolutely critical part of the East West Rail story is about getting first and last-mile access so that as many people as possible can access the railway.

Q151 **Greg Smith:** Okay. We will maybe have a more detailed discussion about that afterwards, but Silverstone is a 35-minute drive from Bletchley.

The National Audit Office report was not what you would classically call glowing towards East West Rail. Assuming you have all seen it, what was your reaction to the National Audit Office findings? In your answers, it would be helpful if you could reflect on what was probably the biggest challenge the NAO threw up: the absolute lack of any strategic alignment across Government about this, which goes to the heart of the problem and the whole original concept of the Oxford to Cambridge arc, which my county, Buckinghamshire, fully pulled out of, saying, "We will have nothing more to do with this." In your minds, where are the fault lines as to whether this is cart before horse or horse before cart when it comes to East West Rail and that old arc concept, which has been completely pooh-poohed by some counties within it, including my own?

Dr Williams: I fully recognise the NAO report; there were some great recommendations in it. To step back a little bit, two or three years ago the whole East West Rail project was under threat, and we were hearing negative stories about it. The supercluster board formed to turn that argument around and make it more about the economic benefits than other aspects of it. The decision by the Government to reaffirm their commitment to East West Rail has changed business confidence in that short period of time, even without East West Rail being built, so I am already seeing additional investment opportunities coming forward as a consequence of East West Rail being back on the table, compared with before. I think you will hear announcements quite soon about investments being made in the arc, the Oxford-Cambridge region, as a consequence of East West Rail now progressing.

Q152 **Greg Smith:** Naomi?

Naomi Green: From an EEH perspective—forgive me for starting from our lens before going into broader comments—a concern for us was that the NAO report failed to explore the role of local and regional bodies, in both the public and private sectors, in the opportunity for delivering East West Rail. While that is not in their remit, it reinforces the gap between



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local and regional partners working with central Government to achieve a whole aim if there is a report that stops, without the other half.

The report talked about what Government can do, which is very important. Creating synergies across Government Departments is a really important part of the solution for any region. It is not just about the Oxford-Cambridge region. How Government Departments work together, which, in our case, is about how we can maximise the opportunity of an investment like East West Rail, is important. The whole story of a local area being able to influence and shape the outcomes for a region is really important, rather than it being a top-down approach, which the arc was, at the time.

Tom Wootton: It was disappointing, because we are so positive, and we want the best things to happen to our borough and to Bedford. This is what I am doing: bigging up our town. We have great investment coming—perhaps we will hear a bit more about that—but it was a disappointment that the audit office found them with their pants down. I have the recommendations here. They had not done their homework, or they had not done it well, and the audit office caught them out. The Government and the Treasury ought to lead on this and start doing more of it, because we feel that East West Rail is leading the Government in the wrong direction, literally, by choosing the most expensive route, when there are other, cheaper, flatter routes that would probably be easier to build.

The audit report lays out again and again the failings of East West Rail. It is a really damning report. It says, “HM Treasury should lead on establishing a cross-Government shared vision”. This sort of stuff is pretty horrible for East West Rail to read. You might be asking those questions later this morning.

Q153 **Greg Smith:** You very much put the finger on the Treasury there. Let’s face it: in Government, all roads lead back to the Treasury. Given that East West Rail is a Department for Transport project but part of the bigger, controversial thing that I alluded to within my own constituency and county, which pulled out of the leaders group of the arc, and it is not some universally celebrated concept, who in Government should be leading on this project? Should it revert to being just a DFT project, building a railway that in some way can be useful, or do you want it to be Treasury-led or DLUHC-led? Who in Government do you think should be leading this?

Tom Wootton: The trouble is, I am a local government person; I am not an expert. Looking at this, who will sign off the cheques? Who will be accountable for the taxpayers’ money? Who will say, “This route is better than that route. This route will cost £1 billion more than that route”? Who will make that decision? That is a very tough one. It comes down to Ministers, and it has to be someone quite seriously high in the Ministry to make that sort of decision, because we have a once in a 100 year opportunity to get this right, and if you get it wrong you are more or less



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building a white elephant. Remember that the old Varsity line didn't make money and it closed. It is our job to get it right, and we do not want to build a white elephant that is not a very good route for freight and will probably not encourage passengers. We want something that is actually going to work, and this report is pretty damning.

Q154 Greg Smith: Who from Government is reaching out to you, as a Mayor, on the line of route for the next phase of East West Rail? Anybody? Are you wading through treacle, or are you talking to DLUHC, the Treasury, the DFT?

Tom Wootton: You are being very perceptive. I have had about one or two phone calls since I was elected. I don't think elected Mayors are regularly tapped up by anybody—they are pretty much left to get on by themselves—but I have had a job to get an appointment to see Mr Merriman.

Q155 Greg Smith: Can I bring in Dr Williams and Ms Green on the point of who is in charge of this thing? Where should it sit? Should it just be a DFT project? Should it be led by DLUHC? What is your perception?

Naomi Green: First, it is certainly fair to say—I know that this is the case for Dr Williams as well—that local partners have not, to date, had any engagement with the Treasury growth board that the NAO report said had been formed. My concern is that, since its creation in September 2023, as set out in the report, the growth board has operated in isolation of local perspectives and views. That is a concern because, again, they are missing the opportunity to have the conversation about what is happening. Even in authorities that are not part of any partnership that has been formed, the opportunity for East West Rail is still being enabled in all sorts of areas through better connectivity and so on. That is a real concern.

Regarding where it sits, it is a classic case that no one Government Department can leverage the benefits of a scheme like this, because it is about science, innovation, trade and business, and all of those Government Departments have a role to play in enabling this region to achieve the economic opportunities that Dr Williams talked about earlier. It is certainly not DLUHC, because I don't think this is about housing. It is about economic growth and ensuring that local communities across the region, not just on the route, have access to those economic opportunities.

Q156 Greg Smith: For clarity, you don't believe this to be anything to do with housing.

Naomi Green: No, I did not say that. I said that it is not just about housing; it is about achieving economic growth, including ensuring that people accessing jobs have good-quality places to live, be that nearby or further away. Part of that story is somewhere in north Northamptonshire like Wellingborough, for example, that is not on the route of East West Rail but 12 minutes from Bedford, where 4,500 houses are currently



being built right next to the station. That is not a housing story; it is an economic growth story.

- Q157 **Greg Smith:** There is a big perception problem though, isn't there? I can assure you, from my constituency, that a massive reason why Buckinghamshire pulled out of the old arc leaders group was that it is perceived to be about housing. There was even that "ambition", which, now, thankfully, seems to have been dropped, for a million homes. That is about as toxic as it gets; it is not what people wish to see their countryside between Oxford and Cambridge turned into. It is essentially building a city between the cities. That is deeply unpopular. My question, off the back of this NAO report, is, who should be in charge of this thing—to build a useful railway rather than do anything else?

Naomi Green: In my opinion, in order to capture all of the opportunities across the region, it has to sit in the Treasury, because it is an economic growth opportunity. But of course, the DFT, from an accountable body perspective, has a role to play as well.

- Q158 **Greg Smith:** Dr Williams?

Dr Williams: I will start with your geopolitical boundaries. To be clear, the supercluster does not have political geographical boundaries. For example, Stevenage is happily within our supercluster. Buckinghamshire New University is part of the supercluster, so we are friends with everybody, and we try to work collectively.

We talked about place-based strategy. It is a trick question. If you need a place-based strategy, you need cross-governmental work and a single person in charge of it. But you will probably be amused to find that, within the supercluster, we think DSIT would be a good place to lead it because of the economic value that will be driven from the increase in science and technology, which is one of the fastest-growing and most highly R&D-intensive sectors. If we are trying to become a UK science superpower, DSIT is a reasonable place to sit it, from a supercluster perspective. Maybe they would co-ordinate it through the local level, because it is going to work for local industry. We believe that they have a strong role to play if it is part of their global ambitions.

Tom Wootton: I am going to be a little bit different. I feel very strongly that the recommendations that come through should be looked at in detail. They say that East West Rail should ensure a full business case for East West Rail, and list all the stuff. Somebody has to check that. At the minute, we are being told that the consultation is going to go through, and we won't know how much it costs. They are going to get so far down the rabbit hole before we find out how much things cost. That is the trouble. They are leading the Government on. We need to know how much this thing is going to cost.

At the minute it has all been desktop studies. There has been very little stuff done on the ground. They could easily look at the alternative routes.



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This is something that the Treasury should be looking at and asking, "How is it that we have got to this place and we're not going to find out, until we've more or less got planning permission, how much things cost?" That is lunacy. You cannot then go back and say, "Actually, there's a cheaper route here or a cheaper route there." This should be done now. It is vital that the Treasury gets hold of the business case and the recommendations in this report and says, "We need to have a handle on this. We need to understand what's happening," before we get too far down the line. This June they are going out to consultation. The whole thing is building a momentum of its own before anybody has done the sums of working out how much it costs. That is exactly what happened with HS2.

I am really frightened. When you are keen on something, you want it to happen, and we are going to have an HS2 situation. The country is not flush with money, and this will be something that's up for it. I feel strongly that the Treasury ought to be looking at the details of the costs of what is going on and the alternatives to the routes. Why choose the most expensive route when there are other places to go that are shorter, cheaper and easier to build? There is a year less building with the shorter routes. We have done council studies more or less looking at this and proving it. A load of protest groups have also done a lot of work on the other routes. This is something where I feel very strongly that the Treasury ought to lead and say, "Value for money." I have to do a business case before spending a few thousand pounds of council money. There ought to be a very good business case for the amount of money that they are going to spend on this.

Q159 Chair: You said that the Treasury should be the body that takes that overall view. There are some who would criticise that and say that the Treasury is not the right body, because it takes a too short-term and narrow definition and appraisal of costs and benefits.

I don't want to get into a big economic theory debate, but would there not be a better location somewhere else in the centre of Government, whether that is a Cabinet Committee, the Cabinet Office or No. 10 itself, that can take a more strategic overview and commission the Treasury, DEFRA and all the other Departments to put forward their different options?

Tom Wootton: You chaps have great experience of central Government. I have experience of local government and how we do stuff. I just know that there needs to be a committee of people who are very expert in these things looking at the business cases, and understanding exactly what you are commissioning. This is how we got into the HS2 mess; we commissioned stuff but we did not really know how much it was going to cost. You should know how much things cost before you commission them. That is something that any businessman would know. You must know how much that railway is costing. To get the cost about halfway through, when you have planning permission already and you have done years of work, is all too late. There are cheaper routes. We are not



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investigating them. There should be a committee somewhere in Government that chases up value for money.

Q160 **Chair:** Naomi and Andy, as people who have observed the machinery of government, is the Treasury the right place?

Naomi Green: It is a very fair observation. As you were talking, I was thinking about the IPA and whether that would be the model. They look much more at project delivery and more immediate things. The NIC did some work in this region, but at the time it led us down a path that did not reflect the science and innovation focus of this. For me, wherever it sits, the key thing is getting it right with local and regional partners. That is where the long-term interests are retained and held, because of the nature of local government and the relationships they have locally.

Dr Williams: You are quite right to highlight local and regional partners, so I will come from the other direction. I don't know where it should sit. I like DSIT because we are all science and technology businesses. What we would plead for is that we are more engaged in the process of government. We do not want things done to us. Wherever the line goes, we would like to be involved so that we know how the decisions are made.

We often hear about global investors as some sort of mysterious body, and we never know who they are. We have global investors with over \$1 trillion of assets under management on the supercluster board. We already know what you need to do. We just need to be involved in helping you sort it out. We have the largest businesses in the UK on the supercluster board. We are very happy to provide advice. We should not be decision makers. You are right that it is public money, but I think a closer relationship between the business community and central Government would be helpful.

Q161 **Grahame Morris:** Naomi, I think you have all answered my question about the need for improved communication. I will explore some of the earlier answers, if you don't mind.

As the Chair explained at the outset, the purpose of the Transport Committee's inquiry is to look at strategic planning between Governments for major infrastructure projects. Incidentally, I served for nine months on the hybrid Bill Committee for HS2, so I am very familiar with the representations that are made by individuals, lobby groups, environmental groups, parish councils and larger councils in respect of route variations and mitigations. I understand all of that.

I would like to understand why these things are possible in other countries. For example, Japan planned their first high-speed rail line between Tokyo and Osaka in 1959 and delivered it in 1964. They have 2,800 miles of high-speed rail, but we seem incapable of doing that. Is it a lack of strategic vision? Is it because we keep lobbying to change the route? It seems to me that it is quite important to have a strategic vision, to know what benefits are coming and to deliver them. I am not saying



that you should not take account of local views. I just think it is very damaging to business confidence to change your mind regularly about route and viability.

Dr Williams: I agree with everything you have said. If you go back to the Boston example—build it and they will come—they had a vision. They were going to build a life sciences sector. Boston was not a life sciences sector 20 or 30 years ago, but it is now. One of the things you find in the UK is that you cannot build something unless you have absolutely everything nailed down and you know exactly how people are going to use it. A vision and a strategy are something that you get behind in business, and you deliver. I couldn't agree more with what you said.

Q162 **Grahame Morris:** Naomi Green, do you have any particular thoughts on that?

Naomi Green: I think the appraisal process in itself fails to let us follow some of that "build it and they will come" mentality. One of the things that we have to do more of is ask, "What would happen if we didn't get behind this scheme? What would happen to our region?" In terms of carbon emissions, productivity and choice, it is hard to tell.

Q163 **Grahame Morris:** You mentioned in your opening remarks the environmental challenges and the issue of addressing transport emissions. Is part of the argument the shared vision that it would help to address those challenges?

Naomi Green: Absolutely. I am sure that in the next session you can talk to Beth West about the evidence behind that. Certainly, from a sub-national transport body perspective, the principle of giving people a true, realistic public transport connection across the region is front and centre of our approach.

Q164 **Grahame Morris:** I was going to ask you about the Treasury's economic growth board, but you answered that in response to earlier questions.

Mayor Wootton, might I ask you about some of the issues that you raised about alternative routes and whether you accept—a view shared, I think, by Dr Williams—that introducing uncertainty is really bad for business confidence and potential investment? It is also bad for householders whose houses may be blighted; it will have some kind of financial impact on them and their personal circumstances.

Tom Wootton: First off, we are in favour of East West Rail. We think it is a great idea. Changing the route would not actually mean changing stations because we are going south of Bedford instead of north. We end up in the same place. When you look at a map, you start in the same place, and you end up in the same place. You have exactly the same stations. You are using the same stuff. What you are doing is following, more or less, towards the south and looking at other cheaper and flatter routes. That is the first thing.



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The second thing is that it is really blighting on houses and the people who are going to lose those houses in the Poets area of Bedford. They have lived under this threat for years and it is grinding on them. It started off with about 90 houses. It has slowly come down to less and less because they have looked at the route more carefully, but there is a large number of people I really feel for who are under the threat of demolition. It is something that weighs on me quite heavily.

Q165 Grahame Morris: Can I ask about the consultation? My understanding is that East West Rail initially looked at a number of alternatives, including the more direct and flatter route rather than the northern arc. Were you involved in those consultations, or was that after you were elected?

Tom Wootton: I was a councillor, but I wasn't elected Mayor. It was some time ago. It is an example of a botched consultation. When I talked about the Highways Agency and how they did stuff, and how they are linking us with the dual carriageway, they did things so differently compared with East West Rail. There were whole villages on the line actually missed out of the consultation. There is a large number of very angry parish councils who are saying, "You had a consultation, but you didn't include us." They spent a lot of time in the consultation working in and around Bedford, but seemed to forget many of the rural bits that should have been included.

Q166 Grahame Morris: I am just trying to get at the purpose of our inquiry. We are looking at East West Rail as an example, but we are looking at cross-departmental working, particularly between the Department for Transport and DLUHC in relation to housing benefits and the broader economic benefits.

When the case has been made strategically, based on shared objectives and a shared vision, isn't there a strong argument for saying that we should stick to it? I am just thinking of my experience on HS2 with the variations around the Goldthorpe Link and the additional cost that that generated, the additional uncertainty and the impact it had on business confidence in Manchester. We clearly have to mitigate and take account of it, but I am not convinced in my own mind that individual parish councils should have a veto on a major strategic scheme costing £6 billion.

Tom Wootton: Personally, I think it is very important to bring people with you. How the Highways Agency brought people with them when they made this decision is absolutely critical. When you look at it, you go, "I am arguing for something that will be cheaper but might actually save the scheme." HS2 was cancelled because it was too much money. If you can save £1 billion by going south and not north, or by looking at other routes, this is something that they should be looking at. In the long run it will save the whole project, which is something we are really keen on.

Q167 Grahame Morris: Earlier, Naomi Green mentioned that the Treasury had set up an economic growth board. Are those arguments that should be



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made to the Treasury's economic growth board? What is the local manifestation of it in your region that you can feed into? Do you have a method? You obviously have political connections. You are the same political persuasion as the current Government.

Tom Wootton: I have to be very careful what I say, because I will get myself into an awful lot of trouble and get told off from a high level. It is very difficult. On the one hand, I have been ignored and we have not been spoken to. On the other hand, I have investors coming from America who are going to invest in our borough, and the Government have bent over backwards to be welcoming to them.

Q168 **Grahame Morris:** Mayor Wootton, help us out. We are trying to do a report. We want to come up with some recommendations and identify some areas that need to be addressed. If it is a failure, then please say so and we will flag that up.

Tom Wootton: In some areas they could do better. In other areas, where I have these Americans coming in wanting to invest in our area, the Government really have stepped up to the mark. We did months of work with them and then handed it over to the Government. I thought that was it, but within a few days they had put a special taskforce together to encourage them. That is something exciting. That is central Government saying, "Come on, we want this." They can do it when they want to.

Q169 **Grahame Morris:** I wish central Government would spend £6 billion in my region on the Leamside line and improve the rail infrastructure. Naomi?

Naomi Green: Can I respond to the point you made about where the growth board should be focusing? Locally, we are strengthening a collaboration between the science supercluster board, England's Economic Heartland and the Arc Universities Group, for example, to ensure that the local level of working is much more visible, so that central Government can see where to touch into, rather than on specific themes. That is an important part of it.

When you talk about which parts of the growth board, I come back to what is a really important recommendation, if I may, as a witness. It is what Dr Williams said about DSIT and the Department for Business and Trade. They are really important Departments for our region. At the moment, it is more of a historical perception, I would argue. There is a need for supporting communities, but not in isolation of that really important part.

Q170 **Jack Brereton:** I particularly want to ask a little bit more, starting with Naomi, about the development and economic opportunities as a result of East West Rail, particularly around some of the stations. The Government identified £15 million of funding for local authorities to look into some of this and to develop those opportunities. Could you detail a bit of the progress that has been made on that?



Naomi Green: It is a conversation that is, rightly, between the East West Rail company and the individual local authorities. There is a need for a conversation across the board about what it looks like as a region, but the democratic planning process is at local authority level. That is where those conversations are happening. I am sure that in the second session you will hear more, or you can probe more with Beth West, about those conversations. From a co-ordination perspective, we believe firmly that they should be delivered at local authority level through the planning processes that each individual local authority has in place, wherever they are in their local plan process.

Q171 **Jack Brereton:** Are you seeing development and private investment coming on the back of the infrastructure that is being put in and proposed in some of those communities?

Naomi Green: EEH isn't monitoring that, but I am sure Mayor Wootton will have examples. An example that I have heard from Milton Keynes council is the relocation of KPMG to Bletchley, which has happened as a result of the regeneration of Bletchley and the opportunity of the East West Rail station in Bletchley. A number of businesses have relocated to Bletchley already, in advance of the East West Rail station being open. That is an example of where businesses are already responsive to those station opportunities. When it comes to the specifics of the location, we rightly leave that to the conversation with individual local authorities.

Q172 **Jack Brereton:** Mayor Wootton, do you want to comment on that and the potential economic development as a result of this infrastructure investment?

Tom Wootton: They have talked about £15 million, but we haven't received any formal proposals yet. There is a lot of talk, but we have not nailed down any actual money yet. That is the trouble. It has been "Hurry up and wait" on the whole scheme. One of the problems is that it has been dragged out. "Hurry up and wait"—"Hurry up. You've got to get on with it," and then long periods when nothing seems to happen. That is another problem with the whole scheme.

Houses have been blighted. People have been worried. It has been a long time coming. On the economic benefit, we have done several studies in and around Bedford. We know that if the train comes close, backs in and drives out, or drives in and backs out and doesn't come through the middle of town and destroy the houses, the economic benefit to the town is just as good. It is virtually identical or very close to the train coming right the way through the middle, going out the top, destroying the houses and doing all the damage. It is so close that it is very difficult to tell them apart.

It is something that we have done quite a lot of work on. It is a real political thing. Do you back a train that is going to do a lot of damage, or do you back something that is to the south? It is a real political hot potato about whether you back something that is going to do a lot of



damage but might bring a lot of benefit. We have tried to nail down the economic benefit as much as we can.

It will make quite a lot of difference to Bedford. Whether it comes through the middle or comes very close and has a spur, it is virtually identical in the cash for the town and the benefit to the town, but it saves all those houses and saves the northern villages. It is swings and roundabouts. What you have is a large project, but it has not nailed down the details. It has been going a very long time and hasn't done the detailed work. What have they been doing all this time?

Q173 **Jack Brereton:** Obviously, you have done a report on this. Were those the main findings that came out of the report that you commissioned?

Tom Wootton: We weighed up all the different routes. We tried to be as neutral as we could. We have had our consultants look at it, and we have had people look at the economic benefits. There are a number of reports that I can share with the Committee to say, "Look, this is what we have done."

Q174 **Jack Brereton:** We obviously have different Government Departments working on this. We have DFT, and DLUHC has a significant role in terms of the housing development, economic growth and levelling-up side of it. Is there a bit of a disconnect between those Departments and what the priorities are?

Tom Wootton: We have been dealing with the rail people about the railway. The housing stuff that is coming is not connected to East West Rail in any way I can see. I know there are great ambitions around East West Rail, but that is for the next-door council when they get down the road. We only get one station, and our town is all around it. You can talk to the executive of East West Rail later about how it is going to bring houses and growth. That is up to a local council to put in their local plan. It is not for the East West Rail company to tell somebody that thousands of houses are going to come there.

Q175 **Jack Brereton:** Do any of our other witnesses want to comment?

Dr Williams: If you accept anecdotes, people often come to me based in Cambridge and having a lot of experience in life sciences. It is usually developers saying, "How about this as a development opportunity; would you support it?" The answer is obviously always no.

What we are seeing post East West Rail progression, as I said earlier, is increased business investment in Oxford and Cambridge, which you would expect anyway. For the first time ever, I have been asked about life sciences opportunities around the Bedfordshire area. There is a fairly major development that they are toying with, based on that. There was a particular sort of life sciences development that they were talking about. The question they asked me was whether that would fit in with the life sciences strategy. The one thing we are really missing in the region is



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economic strategy. I would like to see the £15 million go some way to saying what our economic strategy should be across the wider region.

Naomi will correct me and say that it needs to be owned by the local councils and the regional bodies, but I am thinking wider than just the region. I am thinking about the national strategy as well. How do we ensure that the vast opportunities created by Oxford and Cambridge first benefit places like Bedfordshire, and then the wider region? Then how do they feed into the mainline connections up to Manchester, which is where the life sciences manufacturing strategy is, up to Strathclyde, across to Leeds and Newcastle? I would like the £15 million, or at least some of it, used to start to think about whether we can have an economic strategy that ensures that opportunities are genuinely spread out rather than being just another opportunity for Oxford and Cambridge.

Q176 Jack Brereton: Do you think that we are perhaps missing out on private investment as a result of not getting that strategy right?

Dr Williams: I think what you are getting is a misalignment. The Government may well have their own vision and their strategy, but they are not particularly working with business on it. The trade bodies—ABPI and BIA for the life sciences sector—are looking at it as well, but the alignment is not as good as it could be. I give an answer to a developer based on my experience of what sort of thing would go in Bedfordshire, quite close to Stevenage. It might give them a feel for the sort of activity it is going to be. There is a new triangle forming between Bedford, Stevenage and Cambridge. But that is my view. The BIA will have a view, and the ABPI will have a view. Government will not have that view. A better alignment on that view would help.

Naomi Green: I agree with Dr Williams. The key thing is having local partners and national Government aligned on an economic strategy so that we can enable that. I don't think the opportunity for enabling science and innovation in the region is disputed. There is appetite for it. Our policy is that the nuances of individual places and how they want to respond from a housing perspective are very much for the local area, through the democratically elected local authority, in the planning process, as Mayor Wootton said.

Q177 Gavin Newlands: I have a quick question with regard to identifying opportunities for economic growth. What, if anything, has been done to look at other projects? The Borders Railway in Scotland was the biggest new railway in the UK in 100 years. There were teething problems initially because it was so successful. It probably should have been future-proofed for double tracking, but it was not at the time. The naysayers, including the IEA at the outset, said that the decision to build a Borders Railway was "insane", yet it has been extraordinarily popular, and we are looking to extend it. Obviously, there has been lots of economic development along the line, with a new town being built. Tourism has massively increased. What is the key learning from Borders Railway that you would apply to East West? There was a lack of ambition, if I can put



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it that way, displayed at the start of Borders Railway.

Naomi Green: I can respond on that. The Borders Railway project was presented to the East West Main Line Partnership six weeks or so ago, so that they could hear the end result of delivering a railway and how that feels for local communities. The Department for Transport did some research last year on transformational opportunities. If you look at the literature review of the Borders Railway and how that has delivered transformational economic opportunities, the report doesn't feel like the presentation that the East West Main Line partnership received. It is almost two different projects. One is numeric; it is hard to attribute the successes to the railway—that is what the report says. Then, when you hear local members talking about it, they talk about the transformational experience that you have just reported. I think that comes back to the economic appraisal being quite numeric when you look at strategic transport objectives, versus how it lands in a place.

Gavin Newlands: I would suggest that the evidence is fairly hard and fast when you look at the surveys done, with people moving into the area and tourists who have come to the area. It is fairly clear. I would be interested to see that DFT report.

Chair: For our final set of questions for this panel, we go back to Greg.

Q178 **Greg Smith:** Some of the points have been teased out in earlier questions, but I want to turn to East West Rail's overall management of the project, particularly through the lens of resident engagement being listened to. In some ways, this is deeply personal, having all of Buckinghamshire's stretch of East West Rail in my own constituency and, indeed, 19 miles of the other one being built north-south. Mayor Wootton, do you feel that your residents and, if I can stretch your boundary a little bit, the residents of Bedfordshire as a whole, have been listened to at all in the process?

Tom Wootton: I spoke earlier about the dual carriageway linking us to Cambridge, and how they did their consultation and put parish councils and people first. It is not just about us. It is not just about the town. It is about putting people at the centre and bringing them along. I feel that the consultation has been bodged and not done well, and there has been a level of distrust ever since.

If you contrast it with the Highways Agency, who are not the prettiest people or the best people at this sort of thing, they pulled out the stops and really learned their lessons. There is a level of distrust of East West Rail. It is almost palpable when parish councils meet them, with members and councillors. There is a real problem of trust between what East West Rail is saying and what councils say. You are dead right that there is a problem with the consultation. We are now going into more consultation and it is building on consultation that is already flawed.

Q179 **Greg Smith:** What needs to change?



Tom Wootton: Personally, I think that somebody in Government ought to look very seriously at this and say, "What are the options? We're not going to change the stations but perhaps we could make the route a little bit different." There are other routes that are cheaper and flatter. There are other routes that are more freight-friendly. I am really worried that we are going to build something that is not freight-friendly. In the longer term, you are building something that is going to be a possible white elephant. That is another problem we have to look at.

All those things are in the mix. There doesn't seem to be anybody bossing the situation and saying, "How are you going to make decisions? Look at it." We are going to get so far down the planning permission and the consultation that you cannot go back. This time is about the last time we can look at all those other routes and say that there are cheaper, flatter ones, there are different ones, there are freight-friendly ones or there are ones that are going to save us a lot of money. They need looking at because every route has problems—nothing is perfect—but they should be looked at as a whole.

Q180 **Greg Smith:** I appreciate that your geography is fairly tight compared to the Milton Keynes to Cambridge stretch of East West Rail. That section is very different from that which is now pretty much already built. Bicester through to Bletchley is bringing an old cutting back to life. It came with a lot of disruption and pain, but it was an existing cutting. The other side of Milton Keynes through to Cambridge is HS2 all over again—brand-new cutting territory. Do you think residents of that section even want it? Is there broad support for the project?

Tom Wootton: There are several routes that do not go near houses and do not require demolition of houses. Those routes should be investigated. I really feel that they are not being seriously investigated. We, as a council, have done some work, but we are a council, and we are not railway people. We have commissioned people who are experts to look at it. They are looking at the routes saying, "These other routes have a lot of merit." There needs to be somebody to boss the situation and go, "These other routes are going to save you a lot of money and be freight-friendly" and all the rest of it. There isn't a boss of the situation.

When you are talking about Government and how things are done, why is it that the Highways Agency are getting it more or less right, even though they have upset individuals locally, whereas East West Rail have got themselves in a huge mess? Everybody along the line is having whip-rounds, and precepts are going up to fight this tooth and nail.

Q181 **Greg Smith:** Can I bring in Mr Williams or Ms Green on the point about East West Rail's overall management of the project? How much have real people been listened to—the people who have to live with the construction of this thing and then its operation, literally, in some cases, in their back garden?



Naomi Green: I am happy to respond first. There is no doubt, when I speak to local leaders of other local authorities along the route, that there is a desperate requirement for a transparent and consistent approach to engagement with East West Rail. The NAO report said as well that that is an area that we need to keep working on. I work really hard to try to strengthen that. We have asked for a standing agenda item on our board about engagement, so that the East West Rail company can report back to local authority members on a regular basis about the engagement that is being done and the approach.

There is a lot more to do. As to how local communities feel, again there has been some work done by East West Rail company. I can only represent the local authority perspective. When I work with the leaders and the portfolio holders, there is a genuine ambition for a rail connection between Oxford and Cambridge, and all of the route along it. I think the specifics of it affect their own local communities, and that is for those individual authorities. There is a very varying experience.

Q182 **Greg Smith:** Can I gently ask you something on that? It was quite a statement. You just said that there is support for the ambition of that element of the link. I am not so sure where the evidence is for that. I get the Stop the Arc newsletters. I am sometimes mentioned in them—in a positive way. All I see coming from my own constituency, as well as further afield, is opposition. Where is the evidence for that groundswell of support?

Naomi Green: Forgive me, I meant from the local authority representatives that I work with. From my East West Main Line Partnership board—the EEH board—there is genuine support for a rail connection across the region.

Q183 **Greg Smith:** Do you think that is a replicated level of support outside the lofty towers of town halls, in real neighbourhoods?

Naomi Green: If I may make a personal reflection, I think the history of the project has hugely skewed the understanding of what it is trying to achieve. The story of the arc that was is very different from the conversation that we are having now around access to jobs, access to skills and access to opportunities. Yes, that requires people working in these places to have housing, but I don't think it is a housing story alone. I think that is where local communities have not moved on from the history. That is my perception.

Q184 **Greg Smith:** I appreciate your perception. Dr Williams?

Dr Williams: I would say that the project has reasonably widespread business support, although businesses are busy being businesses, so they do not often engage in this sort of thing. That is the reality. In my previous business, when we came out quite strongly in support of East West Rail, I said I would go and talk to local parishes, explain our position and why we were supportive of it. Part of that support was that we support it but we expect it to be done as sustainably and as



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sympathetically to the environment as possible. The challenge we have is that, having been through that process, whether it was done that way or not, we are now left in a position where we have a single line. As I said earlier, are we now going to go and revisit that? That is what creates a challenge for business.

I think businesses are supportive. I have tried to engage communities as part of the place-based strategy. We appreciate that quality of life is important to them. Now we have this single route, I don't know what has changed tangibly since that consultation that would require us to consult again.

Q185 **Greg Smith:** My last question, because we are tight on time, is on the point about business support. Would any business actually put their own money into building this? That should be the litmus test as to whether it is wanted or not. If someone else is paying—

Dr Williams: I think that is still being investigated. What I would say is that my previous company—which I will not keep naming—put money into the Cambridge South train station project, so there is precedent for business contributing to significant projects, yes.

Chair: Sara has a brief supplementary.

Q186 **Sara Britcliffe:** Ms Green, you just mentioned bringing local communities with you and needing to be transparent. Surely, to be transparent you would need to know the cost of the project and you would also need to analyse whether other projects would be better in place of this project, and the costings of those projects.

Naomi Green: I think that transparency and giving as much information as you can is very important.

Tom Wootton: Perhaps I could point you towards the National Audit Office and recommendations (b) and (c): "DfT and DLUHC should build on the new Board to establish effective cross-department governance". That was one recommendation. Then, "DfT and DLUHC should work together on bringing forward a shared vision for growth in the Cambridge region." This is the National Audit Office report. They are saying those sorts of things. This is damning towards East West Rail and its own governance. Very respected people are doing these sorts of reports.

Chair: Thank you very much. I appreciate that the conversation could continue, but we have a second panel to hear from. I thank all three of you very much indeed for giving us your time and evidence this morning. Thank you.