



Briefing Note: Our Aims

March 2022

A Unifying Vision for the East of England

Introduction

The Eastern Powerhouse is an independent membership body, formed in March 2022.

Our aim is to be the leading voice of business and civic leadership across the East of England, including:

- Norfolk,
- Suffolk,
- Cambridgeshire,
- Greater Peterborough,
- Hertfordshire,
- Bedfordshire,
- South Lincolnshire, and
- North Essex.

The membership is cross sector, but business led.

Members include private sector businesses, local authorities, universities and colleges.

The regional approach

The regional approach is getting results across the UK (the Northern Powerhouse, the Midlands Engine, the Western Gateway).

The East needs a strong regional voice or it will continue to go unheard and miss out on vital investment.

The Eastern Powerhouse will platform a single interconnected region, to showcase the East's untapped potential and unlock the many opportunities for growth.

The Eastern Powerhouse will make the strategic case to government to invest in this burgeoning economic powerhouse.

Our vision is to ...

- Drive economic growth and raise productivity across the East of England
- Create more higher-skilled and better paid jobs
- Raise skills and educational attainment
- Close the income gap in the region and between the East and South of England
- Rebalance investment in R&D and vital infrastructure, including transport and housing
- Improve transport connectivity within the region
- Provide better health outcomes for the population
- Promote the region as a place to work, study and live
- Enable the transition to a green economy
- Grow and attract businesses to capitalise on world class assets and talent.

Our aims

The East of England is the 4th largest economy and the 3rd most productive in the UK, with leading businesses in key sectors.

Yet the region could achieve so much more. Productivity is broadly in line with the UK average but lagging London and the South East.

Closing the productivity gap with the South East would add £31.2bn to the national economy each year.

This would add:

- Estimated tax take for the exchequer: £11.5bn (enough to cover the UK's entire budget for Overseas Development Assistance)
- Estimated annual increase in per capita disposable income for East of England residents: £3,100.

The East of England is one of 9 recognised English regions. But the Eastern Powerhouse project is not constrained by geography. We will focus on how the region functions economically, to understand how industrial and scientific clusters (e.g. Health, Life Sciences, Agri-tech) connect different parts of the region and beyond. We will enable different parts of the East to engage with this agenda where it is most relevant to them.

It is the ambition of the Eastern Powerhouse to commission an Independent Economic Review to give partners, and Government, a better understanding of the potential and to set a strategy for economic development across the East.

Infrastructure

A Spatial Strategy for the whole region is needed. Whilst there is work being carried out by Transport for the East, this does not comprehensively link transport to growth opportunities. The East is badly served by road, rail, and public transport and this negatively impacts on both the productivity of the region and the wellbeing of the people living here. The Spatial Strategy should be intrinsically linked to the Independent Economic Review and infrastructure provision should be part of the growth agenda for the East. Local political boundaries should not be a barrier to improving how the region functions, the Spatial Strategy must be set for the region as a whole.

Headline statistics:

- In 2020 – 2021, public spending per head on transport in the East of England was £68 less than the English average.¹
- In 2020 – 2021 local public transport spending in, which mostly involves expenditure on buses, was the lowest in East of England of all English regions.²
- Someone in Huntingdon will spend 60 hours (2 and a half days) more time commuting per year than someone in Milton Keynes.³
- Someone in Chelmsford will spend 90 hours (almost 4 days) more time commuting per year than someone in Milton Keynes.⁴

Key projects

The EP will advocate for strategic transport and infrastructure projects in the East, including:

- **Widening the A12:** In December 2021, National Highways announced a plan to widen the A12 between junction 19 (Chelmsford) and junction 25 (the A120 interchange). Set to begin on 2023-24, this project will greatly ease congestion by increasing the capacity of the road, making journey times more reliable and improving safety for motorists, walkers, cyclists, and other road users. The A12 is an important economic link for the East, as it is the main south-west/north-east route connecting Ipswich to London through Essex and Suffolk. Improving this key transport link will be a boon to both the Eastern and South Eastern economies by forging greater links between the regions.
- **Fixing the A47:** Despite sitting in second-place on Highways England's 'list of roads most in need of upgrading', there are currently no projects for improving the A47 on the horizon. Stretching from Peterborough to Yarmouth, the A47 links the region's largest two cities whilst acting as a gateway from the Midlands to the East Coast and the Norfolk Broads. Poorly maintained and the regular site of fatal crashes, this road is one area of the East desperately in need of levelling up.
- **Extending the West Anglia Main Line:** In November 2021, West Anglia Task Force released a report recommending that the line between Broxbourne and Tottenham Hail be 'four-tracked' - extended to four running lines - to free-up capacity for trains travelling between Norwich and Cambridge. This follows years of lobbying by the Task Force to improve the West Anglia Main Line, which could potentially create tens of thousands of new jobs and homes, improve travel times, and provide a much-needed

¹ Source: ResPublica analysis of ONS Regional and Country Tables, 2020-2021

² Source: ResPublica analysis of ONS Regional and Country Tables, 2020-2021

³ Source: ResPublica Analysis of ONS commuting times by travel to work area, 2019)

⁴ Source: ResPublica Analysis of ONS commuting times by travel to work area, 2019)

boost to the regional economy. The report has been accepted by Baroness Vere of Norbiton in the Lords, but no funding has yet been announced.

- **Upgrading Ely North Junction:** A bottleneck on the line between Felixstowe and the Midlands, Ely North junction is a major problem for the East of England. Upgrading the junction would have numerous benefits: longer and more frequent freight trains from the UK's largest port, the possibility of reinstating Wisbech railway, later and more regular trains between Peterborough and Stansted Airport, etc. Whilst the government has committed £13 million to a GRIP study on Ely North Junction, it has not made any substantial commitments for delivery.

Education and skills

Education and skills policy in the East must reflect the opportunities offered by business here. There should be more emphasis on intermediary skills and apprenticeships and secondary academies should be linked more closely to business. Post sixteen and adult education should be given more prominence and education policy, whilst linked to a national curriculum, should be customised to the needs of workers and businesses in the Eastern Region. Changes to the system are needed to provide progression towards higher level and technical qualifications to enhance opportunities for those unlikely to leave school for university as well as those already in the workplace. Our businesses cannot rely on inward immigration to fill all vacancies and address all skill gaps. Our education and skills policy must adapt accordingly. This will require a greater sectoral understanding which will reach across existing boundaries.

Headline statistics:

The East of England lags the UK in the proportion of working age people with a higher level qualification (Level 4 and above), 39.3% versus 43.1%. However, there are greater differences in skill levels and educational attainment across the region.

- In the constituency of Great Yarmouth fewer than 20% of the adult population have a qualification at Level 4 or above. This compares with 68.5% in the constituency of West Hertfordshire.⁵
- Educational attainment (Level 3) by the age of 19 is just above the English average, 58.6% versus 57.4%. However, attainment by the most disadvantaged pupils (in receipt of Free School Meals is lagging (32% versus 36%), with Cambridgeshire (27.8%) among the worst performing authorities in England.⁶

⁵ Source: ResPublica analysis of ONS (Annual Population Survey, from NOMIS January 2022)

⁶ Source: ResPublica analysis of DfE 2020 data from the Local Authority Interactive Tool (LAIT).

Key projects

The EP will establish a workstream to advance the Education and Skills agenda in the East. The first task will be to baseline the needs of labour markets across the region and make recommendations for a better match of supply (learners and providers) and demand (employers). Moving forward the EP will recommend, advocate and broker solutions to the problems of participation in training by all age groups, especially in the most disadvantaged areas and where industry offers the greatest opportunity for job entry and progression. Ultimately this workstream will seek to future proof skills in the region, to provide a system that can respond to challenges of the 4IR.

Health

A healthy population is vital to the productive capacity and overall prosperity of the region. There are stark contrasts in health outcomes across the region, exacerbated by the challenges of an ageing population as well as a dispersed urban and rural landscape. A one size fits all health service, that is focused on acute illness, cannot address the localised determinants of poor health. The Eastern Powerhouse aims to get up stream of this problem, to work with regional partners to review and recommend reforms to health services. A regional approach to health, to reassess links between health and social care will help local partners to address the complex causal relationships of social and economic factors to help local partners deliver on the ambitions for whole population health.

Headline statistics:

- A boy born today in Great Yarmouth or Norwich can expect to live 3 and a half years less than a boy born in Babergh and almost 7 years less than a boy born in Westminster or Camden.⁷
- In Suffolk, for every 100 people of working age population, 6 will be economically inactive due to long-term sickness. This compares to 4 per 100 in London, and just 3 per 100 in Cambridgeshire.⁸

Key project

The EP will create a specific workstream. This will provide a comprehensive account of the health of the region, and the benefits of a localised healthcare system to improve health outcomes and boost economic activity. The EP will advocate for institutional and funding reforms across the region to make health more accountable to the local population.

⁷ Source: ResPublica analysis of ONS (Life expectancy by local authority time series)

⁸ Source: ResPublica analysis of ONS Annual Population Survey

Devolution

In addition, the Eastern Powerhouse will take a strong advocacy role in helping local partners agree the most favourable forms of devolved funding and powers for the region. The Government's continued commitment to devolution is welcomed and the 'Framework' is a helpful guide to the types and forms of devolution offered. However, a series of lower-level devolution agreements will not substantially benefit the East and will overtime weaken the region's position relative to the North and the Midlands, where Mayoral Combined Authorities are already placed to strengthen their agreements. The Eastern Powerhouse is therefore committed to improving political accountability to deepen devolution in the region, not least the need for greater fiscal devolution.

Key project

The Eastern Powerhouse will seek to advance the case for greater fiscal devolution and the region's specific 'asks' of Government, other than business rate growth, TIF schemes etc. The EP will establishment a workstream or 'Finance Commission' to progress thinking in this vital area so that radical fiscal devolution, can be linked to a growth agenda and balancing the region's fiscal gap between tax and spend.



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