



East of England

All Party Parliamentary Group

Co-Chairs: Jess Asato MP and Andrew Pakes MP

Vice-Chairs: Blake Stephenson MP & Marie Goldman MP

Sent by email on 9th December

Dear the Rt Hon Rachel Reeves, Chancellor of the Exchequer, and the Rt Hon Jonathan Reynolds MP, Secretary of State for Business and Trade

THE EAST OF ENGLAND STANDS READY TO PUT INTO PRACTICE A MODERN INDUSTRIAL STRATEGY AND DELIVER GROWTH

We [wrote to you](#) following the Budget to highlight a number of key issues for the East of England, and now that consultation on the Industrial Strategy has closed we wish to amplify four key points made variously by partners in the region regarding why, and how, the East of England is ready and able to put into practice a modern Industrial Strategy.

We believe investment in the East of England will, with Government backing, deliver growth for UK plc including more jobs, more opportunity, less carbon *and* an increased standard of living for the 6.4 million people living in the region.

First, the Opportunity East [report](#) highlighted the many growth sectors within the East of England that are already making it the innovation region and a clean energy superpower with an economy of the future.

These strengths stretch the breadth and length of the region – from Bedfordshire to Norfolk and Suffolk, from Essex to Peterborough and Hertfordshire, and are not confined to Cambridge. The potential for growth in our region is also astounding. Opportunity East suggests that by 2035 the East of England could be a £220bn economy and could be powering the equivalent of 95% of all UK Homes. Further details are appended regarding various modern industrial locations but in summary the growth sectors are:

- **Life Sciences** - Subsectors: Omics, biology and biotech, pharma, biopharmaceutical, research, and life sciences manufacturing.
- **Clean Energy Generation and Storage** - Subsectors: Wind, Nuclear, solar, renewable thermal, onshore wind, and carbon capture and storage.
- **Digital Technology** - Subsectors: Sensors, wearables, and “quantified self” technology.
- **Advanced Manufacturing** - Subsectors: Prototyping, cutting, and machining.
- **Creative Industry** - Subsectors: Film, game and TV production.
- **Agri-tech** - Subsectors: Precision farming, net-zero farming, food-tech, agri-tech, automation, management platforms, remote sensing, drone technology and vertical farming.

- **Logistics** - Subsectors: Containerised freight and green ports, sea-based trade, passenger flights

The East of England powers, feeds, and supplies the UK. Our offshore wind farms currently power the equivalent of 32% of all UK homes, we supply 15% of England's total farmland, and 50% of the UK's containerised goods move through the region. The East of England's modern economy is, we believe, already exemplifying what a region with a modern industrial strategy looks like.

Second, by removing barriers, the region can maximise its economic growth potential

Skills England has itself identified some core skills barriers to growth in life sciences. Partners across the region have identified a range of other barriers and wrote to the Minister for Skills recently – please see [here](#).

Within agri-tech, a key barrier to growth is the risk of flooding caused by climate change: 60% of England's most productive land is already sitting in the Environment Agency's flood zone three. The region has long advocated that there should be an independent climate risk assessment of the East of England. This would be a quantitative analysis of vulnerable areas with thresholds for adaptation. Given the region is growing and has serious housebuilding plans, this work is all the more important and indeed urgent. It's worth noting London already has thresholds hence the Thames Barrier. It's time to set some for East of England.

Basic utilities are also not keeping up with the needs of the region. There are businesses in our region that are unable to start or expand due to a lack of water and electricity infrastructure – despite the huge amounts of power set to be produced by the region. Without better provision of these essentials, the region will be held back from reaching its full potential.

Meanwhile the logistics sector is threatened by excess costs associated with delays and congestion, with these costs passing through to businesses across the UK. Key infrastructure projects that will benefit the entire of the UK – not just the East of England – include projects such as Ely and Haughley junction, (more information on this vitally important scheme [can be found here](#)), East West Rail, especially its extension to Ipswich and Norwich, and key road upgrades. These projects are necessary to boost the UK's growth potential, help deliver net zero and to meet the Government's 2050 freight targets.

Housing affordability presents another major challenge. House prices have risen further and faster than the rest of the country, meaning that average house prices are 10 times average annual earnings, and as high as 14 times in some parts of the region, compared to 8 times as high nationally. We welcome the Government's commitment to this agenda and know that councils and other partners including housing associations and housebuilders look forward to working with the look forward to working with the Government on this issue.

Third, there is a need for the modern industrial strategy to recognise that Government plans require sustained support at the local, sub regional and regional levels.

We hope the Industrial Strategy Council includes strong voices for those advocating a devolved approach. Moreover, given the consolidation of Local Enterprise Partnerships into local authorities,

local government has a key role to play in the stimulation and co-production of local economies. We have already [written to the Minister for Local Government and Devolution](#) to emphasise the importance of councils having sufficient and sustainable funding. We therefore look forward to the publication of the Devolution White Paper.

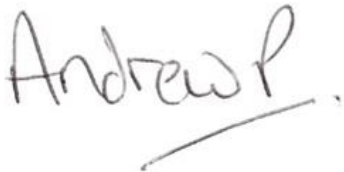
Fourth, the East of England can attract inward investment, the ultimate goal of a modern industrial strategy

We understand the goal of the modern industrial strategy is to set up an economy that is both sustainable and inclusive and attracts further investment and re-investment. We believe that the East of England has already all the makings of that kind of economy and as such is already establishing itself as a prime location for further inward investment. We recently [wrote to the Minister for Inward Investment](#) and look forward to working with her and her officials to deliver on this agenda.

In summary, the East of England is a productive, high-growth, regional economy that is perfectly suited to address the challenges presented by the Government's industrial strategy. With some much-needed investment in some key areas of need - such as connectivity with the rest of the UK, water resilience and energy resilience - we can provide a dividend for the rest of the UK, and continue to power, feed, and supply the country.

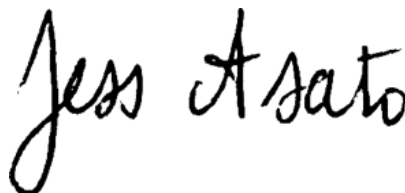
We would very much like the opportunity to discuss these issues in more detail, with you or another member of your Ministerial Team, and/or senior officials from the Treasury/DB&T. Please may we ask your officials to liaise with Steve Barwick of the East of England APPG Secretariat – who has sent this email on our behalf – regarding when might be most convenient for us to do that.

Yours sincerely,



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Co-chair of the East of England All Party Parliamentary Group and Labour MP for Lowestoft



Blake Stephenson MP

Vice-chair of the East of England All Party Parliamentary Group and Conservative MP for Mid Bedfordshire



Marie Goldman MP

Vice-chair of the East of England All Party Parliamentary Group and Liberal Democrat MP for Chelmsford

APPENDIX

According to research within Opportunity East, the East of England enjoys a competitive advantage in the following sectors and locations:

Within life sciences:

- The UK is home to the largest centre of medical research and health sciences in Europe, the Cambridge Biomedical Campus. Cambridge is also home to critical research initiatives such as the Babraham Research Campus, Wellcome Genome Campus, and Cancer Research UK. The global R&D headquarters of AstraZeneca is also based there, along with Amgen and Oxford Nanopore Technologies.
- Stevenage is home to the UK's largest cell and gene therapy cluster with plans for a £900m life science campus. The wider Hertfordshire Cluster also includes the BPL group's headquarters, a firm specialising in plasma-based medicine which is based in Elstree. Meanwhile, their manufacturing, quality, R&D, finance, and commercial operations are based in South Mimms.
- Industries within the University of Essex's Knowledge Gateway have expertise in molecular biology and plant physiology. Other parts of Essex also have a crucial role to play in life sciences, including Harlow as the host of the UK Health Security Agency's National Science Hub, and Braintree's Cell and Gene Therapy Catapult Manufacturing Innovation centre.
- Several world-leading research institutes are based in Norwich, including:
 - The John Innes Centre focussed on plant and microbial science.
 - The Sainsbury Laboratory focussed on food and plant health.
 - The Quadram Institute focussed on food, microbiome, and health research.
 - The Earlham Institute focussed on genomics, bioinformatics, and molecular biology.
 - The Norfolk Clinical Research Facility focussed on experimental medicine and translational research.

Within clean energy generation:

- It is expected that the equivalent of 90% of all the homes in the UK will be powered by sustainable homes in the East by 2035.
- The East of England is a region with experience in nuclear, hydrogen, solar, wind, and gas, making it a home for nearly all forms of energy generation.
- The North Sea enjoys shallow waters and high wind speeds, making it ideal for wind farms.
- The Government is poised to agree to Sizewell C on the coast of Suffolk, which will help in providing the nuclear-powered baseload energy the UK needs.
- ScottishPower aims to transform East Anglia into a world leader with the development of four offshore wind farms, expected to deliver a combined capacity of more than 3.6GW.

Within digital technology:

- Adastral Park, BT's global R&D headquarters, is located just outside of Ipswich, and is leading research on quantum computing and cybersecurity. It is also the largest patent filer in the UK

for AI research. The park's high-tech cluster is a mix of SMEs, start-ups, and global organisations like Cisco and Nokia.

- Cranfield University leads on "AI-as-a-service" in 6G, green AI, and transportation/satellite systems.
- Hertfordshire hosts the headquarters of market leaders such as EE, Imagination Technologies, and Bank Machines Ltd.

Within advanced manufacturing:

- Peterborough has one of the most dense collections of cutting-edge manufacturers in the UK.
- Cranfield University in Bedfordshire ranks amongst the top UK universities for research impact from engineering.
- Essex is home to one of the largest advanced manufacturing and engineering clusters in the country, with companies such as BAE Systems, Ford Motor Company, CNH, Gardner Aerospace, Raytheon, and Teledyne based here.
- Stevenage is home to Airbus, putting the town at the centre of the UK space industry. It contributes to the building of a quarter of the world's telecommunication satellites. It's also home to MBDA, a global leader in defence and the manufacture of missiles and missile systems.

Within agri-tech:

- Five of the eight national BBSRC research institutions, leading research in food and plant science and microbiology.
- Cranfield University in Bedford is a specialist postgraduate institution and is one of the leading UK universities in research impact in agriculture, food and veterinary science.
- £317m is being invested into Norwich Research Park to fund the development of a plant and microbial science and innovation hub, which also aims to become a net-zero carbon laboratory.
- £7.5m is being invested in the Eastern Agri-Food Innovation Launchpad, in partnership between Cambridgeshire and Peterborough Combined Authority, and what used to be the New Anglia LEP, Greater Lincolnshire LEP and Innovate UK.
- Within precision farming, the region is home to businesses such as Hutchinsons, Agri-tech services, NIAB and Agrii.
- Colworth Park, just outside Bedford, is home to global leaders such as Unilever, Fermentis, Symrise and Kerry Ingredients.

Within the creative sector:

- Cambridgeshire has become a major hub for the gaming industry, with local businesses having worked for Microsoft, Sony and Sega. Ninja Theory, a BAFTA award-winning UK developer studio, is also based in this county.
- The Raspberry Pi Foundation, a UK-based charity with the mission to enable young people to realise their full potential through cheap computing, is based in Cambridgeshire.
- Hertfordshire is home to both Warner Bros Studios and Elstree Studios, with sector looking to expand in the area in various places.

- Suffolk and Norfolk have dedicated regional services promoting the counties as destinations for filming, generating millions for the economy.
- Ipswich is the home to Dance East, a hub for culture in the town, and Brighten the Corners, project celebrating the ability of music and creativity to change lives, that runs a festival in the town each year.
- Universal Studios have plans for a new UK theme park in Bedford.

Within the logistics sector:

- The region plays host to considerable amount of containerised freight, primarily from Felixstowe. 50% of all containerised freight in the UK moves through the East of England, and 70% of containers coming through Felixstowe are delivered to the logistics golden triangle in the Midlands.
- The East of England is the only region in the UK with two freeports: Freeport East and Thames Freeport. Freeport East is working on a Green Hydrogen hub, to use green hydrogen to power future transport and decarbonise shipping, while Thames Freeport is a logistics hub for construction, automotive, and food and drink.
- The East is also home to four national airports – Stanstead, Luton, London Southend and Norwich International. Together, they account for 16% of total UK airport passengers.

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