

14 January 2026

Dear Prime Minister, Chancellor and Secretary of State for Transport,

BUSINESS GROUPS WELCOME NORTHERN POWERHOUSE RAIL COMMITMENT

As leading representatives of British business, across all sectors and sizes, we welcome this week's announcement on Northern Powerhouse Rail. This is not just a transport project; it is a much-needed growth project to connect people, communities and businesses.

Whether it's the long-established manufacturer in Leeds or the start-up tech firm in Liverpool, better rail links will benefit thousands of firms across the north. The economic impact of this project will be felt across the UK. We are clear; strategic infrastructure investment is not an expense – it's a downpayment on our collective economic future.

For too long, the great cities and towns of the north have been held back by slow, unreliable rail infrastructure. Better east-west connections will create jobs, boost productivity, improve access to skills, support supply chains and strengthen access to global markets. Northern Powerhouse Rail will enable the big cities to work as one large economy, meaning location of workplace or home is not a barrier to growth.

A phased approach to the project is sensible, with the upgrade of existing lines taking place before brand-new high-speed stretches are built. However, this approach mustn't be allowed to create delays, doubt or further funding gaps. Business needs to be confident that this project will be completed.

If we're serious about boosting UK growth and rebalancing the economy, improving connectivity between our northern towns and cities isn't optional – it's essential. Transport for the North suggests Northern Powerhouse Rail will create a £3.4bn boost to the economy by 2040, rising to £14.4bn by 2060. By learning the lessons of HS2, harnessing innovation and working in tandem with the private sector, this rail project is practical, deliverable, and backed by business. We stand ready to work in partnership with Government and local leaders as it is delivered.

After years of talk and uncertainty, after a welcome announcement today, the government now needs to move forward, at pace, delivering this crucial rail project. Delivering for the north, delivering for business and delivering growth.

Yours sincerely,

Kate Shoesmith
Director of Policy and Insight

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