

BY EMAIL

28 October 2024

Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury, 1 Horse Guards Road
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Dear Chancellor,

Re: Open letter to the UK Chancellor on railway investment, ahead of the 30/10 Budget

I am writing to you ahead of the Budget this week. The Railway Industry Association (RIA) is a trade body which represents UK-based suppliers to the UK and worldwide railways. We seek to promote an affordable and sustainable railway which powers economic prosperity. We have almost 400 companies in membership covering all aspects of rolling stock and rail infrastructure and over 60% of our members are SMEs.

RIA and our rail supplier members recognise the importance of growth to the Government's economic agenda, and in the Budget submission we presented to the Treasury last month we urged you and your Treasury officials to consider bringing forward a steady pipeline of capital railway infrastructure projects and rail investment designed to lower costs, create jobs, boost growth and secure the UK's industrial and manufacturing capacity.

RIA and our members know that you appreciate boosting the capacity of the rail network can be a catalyst and multiplier for the national economy, regional growth, decarbonisation and providing social value to communities across the country. This is particularly pertinent now, with passenger numbers virtually back to pre-pandemic levels and - according to the RIA-commissioned Steer report - set to grow between 37% and 97% in the next 25 years; with, according to the Office of Rail & Road, rail freight seeing a 7% increase compared to the same time last year, and with a number of rail operators reporting revenues returning healthily too.

The rail suppliers RIA represents strongly encourage you to consider how capital projects such as rail schemes can build on this, and help deliver your stated ambition to drive economic growth, the Government's headline priority. In addition, we support the aim to use this Budget to catalyse private funding and potentially financing. Whether long-term infrastructure schemes or short-term decisions on rolling stock manufacturing and refurbishments, investing in rail really can bolster the Government's economic and industrial strategy ambitions.

On a specific note, there is an immediate 'now or never' decision to be made on progressing tunnelling on HS2 between Old Oak Common and Euston, without which there will not be a sufficient basis for future north-south capacity. This jeopardises both the country's transport connectivity but also the Government's sustainability plans.

We and our members look forward to seeing the contents of your first budget, and to working with you and Treasury colleagues, to ensure we can pay our part in developing an even better railway and rail industry, to benefit the UK economy, in the months and years ahead.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Darren Caplan', written in a cursive style.

Darren Caplan
Chief Executive

1. [RIA Budget 2024 submission](#)
2. [Future passenger growth in rail](#)