Norfolk Chambers of Commerce

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Hardwick House
2 Agricultural Hall Plain
Norwich NR1 3FS
01603 625977
hello@norfolkchambers.co.uk
norfolkchamber.co.uk

The Rt. Hon. John Healey MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

9 September 2026

Dear Chancellor,

Norfolk Chambers of Commerce 2026 Budget Submission

On behalf of Norfolk Chambers of Commerce, I write to share our strategic priorities for the 2026 Budget. While our region houses a globally significant energy cluster international gateways, life sciences, agri-tech and advanced manufacturing, local businesses continue to bear the steep cost of transport bottlenecks and increasingly heavy employment costs. This submission sets out four critical, growth-enabling priorities where targeted Treasury interventions will unblock trade, create new entry-level jobs, and restore business confidence across our region.

Challenge 1: A47 Dualling – Acle Straight & Tilney-East Winch

Not fit for purpose

The single carriageway sections of the A47 hold the lowest star rating (1) for safety across all roads in the county. Disproportionately high collision risks, particularly on the Straight, contribute to above average delays and congestion: costing businesses c.£25m in excess haulage costs, c.£200m in reduced productivity, and disincentivising investment in the region. 95% of businesses surveyed by the A47 Alliance claim dualling would reduce transport-induced inefficiencies and delays.

A vital link from East to West

The Acle Straight is the main connection between Great Yarmouth and the rest of Norfolk, the Midlands and the North: frequent capacity issues restrict access to leading energy sector hubs at Beacon Park and South Denes. To the west, the Tilney-East Winch sections form a crucial link to King's Lynn Port – forced to compensate for poor rail connectivity. Importing over one million tonnes of goods per year, dualling this section would improve access and journey times to and from the port.

Major potential for growth

Further dualling can be directly attributed to £550m in land value uplift. 90% of businesses say it would attract more customers (unlocking an extra £40m in benefits to regional markets) and 88% of investors say it would allow them to "invest with confidence". Improved capacity and connectivity would also facilitate the development of 125,000 houses and the creation of 75,000 jobs – projected to create over £330m in GVA from new employment.

Challenge 2: Ely-Haughley Junction Upgrades

Massive potential for housing growth

The Ely Area Capacity Enhancement would double the number of passenger services on the Ely-King's Lynn and Ipswich-Peterborough Routes. Completion of these enhancements would allow

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for the construction of c.310,000 homes by 2040, taking advantage of the huge engines of growth within the East of England. Network Rail's own outline business case suggests it could stimulate 277,000 extra rail passenger journeys a year and reduce congestion by c.5.6m hours.

A corridor of international importance

Ely and Haughley junctions sit on the cross-country route of the Felixstowe to the Midlands and the North freight Corridor. Upgrades to these junctions would boost network capacity from 6.5 trains an hour to 10 – an increase of nearly a third. This not only acts as a boost for the East of England, but for industry in the Midlands and North, as the line is a vital connection between them and the UK's largest container port - Felixstowe. Without the upgrades, Ely will not be able to accommodate further growth in rail freight, as it is already operating at full capacity – constraining future business growth.

Excellent value for money

The most recent business case suggested that the proposed scheme would return £4.89 in benefits for every £1 invested.

Challenge 3: Devolution 2027

A devolution deficit

The East currently has just one established mayoral strategic authority (EMSA), the 'tier' with the greatest access to devolved powers and funding. Currently, Norfolk and Suffolk are due to become a foundational strategic authority (FSA) in May 2027, only becoming an EMSA in late 2029. Devolution in the region has already been delayed twice over the last decade: the longer Norfolk and Suffolk must wait for full access to devolved powers, the longer it'll take to see the benefits of them, and the further behind the authority will be relative to its devolved counterparts.

Power in every postcode

MSAs, which Norfolk and Suffolk will become following a mayoral election, gain unique access to funding including a £1.1bn long-term investment fund to spend on local priorities, with more control over where that money gets spent. Increased powers over transport, housing, jobs, and skills place the authority to address a region's most pressing issues in the hands of those who understand them: and best poised to listen and respond to the urgent needs of business.

Boosting skills, jobs, and growth

Mayoralties hold the greatest power over the biggest barriers to growth today; infrastructure and skills. Both the Milburn Report and the Social Mobility Policy Committee find education and overwhelmingly rural infrastructure to be "fundamental" issues, with inadequate housing, transport and digital connectivity compounding an outdated, inaccessible education system. Devolved planning powers like DCOs and enhanced adult/youth careers functions put EMSAs on a solid footing to tackle these issues.

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Challenge 4: ENICs cuts for under-25s

A policy-driven cost burden

Modelling from the British Chambers of Commerce shows the cost of business for a typical SME has risen by over 70% with c.25% of that derived from the 2024 Autumn Budget. In Norfolk, domestic policy-driven costs are keenly felt. The Q2 Quarterly Economic Survey (QES) shows 80% of services and 83% of manufacturing businesses, a core growth sector, were under pressure to raise prices due to labour costs. This is up from 73% and 67% the previous quarter.

ENICs as an employee crisis

The ENICs rise doesn't just affect employers. Unemployment could reach 5.2% by Christmas, with a particularly bleak 17% figure for youth unemployment as businesses struggle with high labour costs. NEETs (16-24-year-olds unable to find employment, education or training) remain in crisis, as the entry-level jobs that used to provide a route into employment (particularly in the beleaguered retail and hospitality sectors) become too costly, and subsequently too risky, to give to inexperienced young workers.

Contributing to a bleak future

Although ENICs doesn't apply to under 21s or apprentices, the Work and Pensions Committee estimates the overall cost of ENICs for 21-24 year-olds "undermines" government schemes to improve employment prospects for the age group. Furthermore, the c.£125bn cost to the economy of youth unemployment, including £38bn in lost economic potential and £63bn in 'economic scarring' (the disadvantage faced by NEETs less likely to find future work) highlight the harm caused by the policy to both immediate and future growth.

Unlocking the East's economic contribution requires an end to deferred investment and fragmented regional powers. Norfolk's business community does not seek special treatment, but rather the foundational infrastructure and fiscal breathing space necessary to compete and grow. By funding the A47 and Ely-Haughley schemes, fast-tracking our transition to an Established Mayoral Strategic Authority, and correcting the hiring penalties imposed by ENICs on under-25s, the Government can turn regional potential into immediate national output. We look forward to engaging constructively with you to realise these vital outcomes.

Yours sincerely,

Nova Fairbank
Chief Executive
Norfolk Chambers of Commerce