



House of Commons
Transport Committee

High Speed Rail

Tenth Report of Session 2010–12

Volume I

Volume I: Report, together with formal minutes

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The Transport Committee

The Transport Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Transport and its Associate Public Bodies.

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The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in a printed volume. Additional written evidence may be published on the internet only.

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The current staff of the Committee are Mark Egan (Clerk), Jessica Montgomery (Second Clerk), David Davies (Committee Specialist), Tony Catinella (Senior Committee Assistant), Edward Faulkner (Committee Assistant), Stewart McIlvenna (Committee Support Assistant) and Hannah Pearce (Media Officer).

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Contents

Report	<i>Page</i>
Summary	3
1 Introduction	5
High-speed policy development	5
Remit for HS2 Ltd	6
The HS2 proposal	6
Timetable	7
Public opinion	8
The Government's case for HS2	9
The case against	10
Our inquiry	10
2 Government transport policy	12
Strategic policy context	12
Opportunity cost	14
3 Meeting future transport needs	17
Passenger demand	17
Recent trends	17
Forecasts	17
Capacity	19
Alternatives to HS2	20
Disruption during construction	20
Load factors and peak demand	21
Managing demand	22
Planning for the long term	23
4 Economic impacts	24
National impacts	24
Impact on employment	24
Strategic benefits	24
Alternative assessments	25
Regional impacts—rebalancing and regeneration	26
Capacity to exploit opportunities	29
Economic case	29
Assumptions and sensitivity	30
Time savings—how valuable?	31
The need for speed?	32
5 Environmental impacts	33
Carbon	33
Impact on aviation	35
Local environment	36
Landscape costs	38

Consultation, Challenge and NIMBYs	38
Consultation	38
Challenge	39
NIMBYs	40
6 The strategic route	41
Route criteria	41
The “classic” rail network	41
HS2 stations	42
Heathrow and HS1	43
Heathrow	43
HS1	45
Phasing and interim arrangements	46
Technical feasibility of HS2	47
7 Conclusions and the way ahead	49
The case for HSR	49
A single hybrid bill?	49
Government decision on HS2	50
Conclusions and recommendations	51
Annex 1: Review of the Government’s case for a High Speed Rail programme, Report by Oxera Consulting Ltd for the Transport Select Committee, 20 June 2011	57
Annex 2: Capacity calculations	90
Annex 3: Committee visit to Lille, Paris and Frankfurt, 4–6 July 2011	94
Formal Minutes	96
Witnesses	103
List of printed written evidence	104
List of additional written evidence	105
Correspondence	109
List of Reports from the Committee during the current Parliament	110

Summary

The UK is sometimes accused of failing to invest sufficiently in its transport infrastructure and of not planning for the long term. Whether or not this is accurate, the Government is now proposing what is probably the largest single investment in UK transport infrastructure in modern times—HS2.

Unlike policies for major roads and airports, this proposal has all-party support. It is not, however, universally supported by Members of Parliament or the public. We acknowledge the deeply held and often well-informed views on both sides of the debate. Through our inquiry we have sought to examine the strategic issues and to put information into the public domain. We have reached conclusions and recommendations on what we believe are key issues.

We support a high-speed rail network for Britain, developed as part of a comprehensive transport strategy also including the classic rail network, road, aviation and shipping. We believe that the Government's HS2 proposal could form part of this network and provide substantial improvements in capacity and connectivity for inter-urban travel between our major cities. Furthermore, the released capacity on the classic rail network would also enable widespread improvements on local and regional rail services.

Alternative proposals to upgrade the existing West Coast Main Line would provide additional capacity but, given the substantial recent growth in rail passenger numbers, it seems that the alternatives might prove inadequate. They do not offer the step-change or the wider benefits to passenger and freight that HS2 would do. Whether these alternative proposals would be adequate turns on the accuracy of demand forecasts, which are a substantial part of the case for HS2.

Although the impact of high-speed rail on regional economies is harder to predict, we note the substantial support for high-speed rail from businesses and local authorities in the regions. We note too that, once implemented, some major transport schemes have proved to have had greater economic impacts than their pre-implementation appraisals predicted. We believe that high-speed rail could have strategic economic benefits and should be planned on a strategic basis. It should be integrated with economic development planning.

Many issues about the Government's proposal for HS2 and about high-speed rail in general have been raised in the course of our inquiry. We have pointed to a number of areas that we believe need to be addressed in the course of progressing HS2. These include the provision of greater clarity on the policy context, the assessment of alternatives, the financial and economic case, the environmental impacts, connections to Heathrow and the justification for the particular route being proposed. We call on the Government to consider and to clarify these matters before it reaches its decision on HS2.

Our inquiry has dealt with the strategic case for high-speed rail. If the Government decides to proceed with HS2, a hybrid bill will provide the opportunity for detailed matters, including those of environmental impact and mitigation, to be addressed.

1 Introduction

My Government will [...] enable the construction of a high-speed railway network.¹

High-speed policy development

1. UK policy on high-speed rail has come a long way in four years. The Rail White Paper 2007 made no proposals for new high-speed rail lines:

[...] it would not be prudent to commit now to ‘all-or-nothing’ projects, such as network-wide electrification or a high-speed line, for which the longer-term benefits are currently uncertain and which could delay tackling the current strategic priorities such as capacity.²

The view of the then Government was that high-speed rail was a solution looking for a problem.³ Our predecessor Committee expressed its deep disappointment with this policy but noted some subsequent signs of movement in the then Government’s position.⁴

2. Less than two years later, in January 2009, a new Secretary of State for Transport⁵ announced an investigation into a high-speed line between London and the West Midlands and potentially beyond the West Midlands. This formed part of a statement on major transport infrastructure measures, including a third runway at London Heathrow Airport and a £6bn programme of managed motorways. The rail policy shift was justified on the basis that medium-term priorities were being addressed and that long-term planning for expansion needed to begin.⁶ The high-speed rail policy was supported by all three major parties; the only significant policy differences seemed to be over how soon it could be built, the extent of the network and how Heathrow should be served.⁷ In March 2010, shortly before the General Election, the Government published its conclusions, based on the feasibility study by High Speed 2 (HS2) Ltd,⁸ in the White Paper *High Speed Rail*.⁹ This found a good case for high-speed rail and identified its preferred route for a line between London and the West Midlands. The case for direct links to Heathrow and to the

1 HM Queen, 25 May 2010 <http://www.number10.gov.uk/news/queens-speech-high-speed-rail/>

2 DfT, Rail White Paper, *Delivering a Sustainable Railway*, Cm 7176, July 2007, p 9

3 Oral evidence to the Transport Committee: *Delivering a Sustainable Railway: a 30-year strategy for the railway?* Tenth Report of Session 2007-08, HC 219, Qq 810-814

4 Transport Committee, *Delivering a Sustainable Railway: a 30-year strategy for the railway?* Tenth Report of Session 2007-08, HC 219, para 28

5 Rt Hon Geoff Hoon MP

6 DfT, *Britain’s Transport Infrastructure: High Speed Two*, January 2009, p 11

7 For example, speeches by Lord Adonis, Teresa Villiers and Norman Baker at the *Transport Times* “Time for High Speed Rail” conference, London, 25 March 2009. See also HC Deb, 11 March 2010, c450.

8 High Speed 2 (HS2) Ltd is a company set up by the DfT to advise the Government on high-speed rail. It was incorporated on 14 January 2009 and was subsequently classified as an Executive Non-Departmental Body.

9 DfT, Rail White Paper, *High Speed Rail*, Cm 7827, March 2010

existing high-speed line to the Continent (now known as HS1) were not clear cut and further studies were commissioned.¹⁰

3. The Coalition Government of May 2010 has pursued this proposal with equal vigour. Its *Programme for Government* included a commitment to developing a high-speed rail network (though not necessarily HS2), highlighting the low-carbon benefits:

We will establish a high speed rail network as part of our programme of measures to fulfil our joint ambitions for creating a low carbon economy. Our vision is of a truly national high speed rail network for the whole of Britain. Given financial constraints, we will have to achieve this in phases.¹¹

The Department for Transport (DfT) subsequently made delivery of this commitment the first priority within its departmental business plan.¹² Following further detailed work, in February 2011 the then Secretary of State for Transport, Rt Hon Philip Hammond MP,¹³ launched a major public consultation exercise on this Government's proposal for HS2.¹⁴

Remit for HS2 Ltd

4. HS2 Ltd was established as a Government company to examine the case and develop proposals for a new high-speed railway line between London and the West Midlands, and potentially beyond. Its remit was to identify a route between London and the West Midlands with the primary aims of increasing passenger capacity on the corridor and optimising journey times. It was a requirement of the remit that the route should include an interchange between HS2, the Great Western Main Line and Crossrail, with convenient access to Heathrow. The nature and scope of the interchange were for HS2 Ltd to advise on. A further requirement was that there should be no intermediate stations between this interchange station and the West Midlands. It was for HS2 Ltd to advise on whether stations should be city centre or parkway or both. The remit also invited HS2 Ltd to consider how transport and land use planning could be properly integrated in respect of the new line, particularly in relation to housing and economic regeneration in the West Midlands. The remit required the company to “pay close attention” to the environmental impacts of the new line.¹⁵

The HS2 proposal

5. The proposal is for a new, dedicated “Y”-shaped high-speed rail network, initially between London and the West Midlands (Phase I) and then with “legs” to Manchester and Leeds (Phase II). The London–West Midlands line would run to the west of the current

10 DfT, *High Speed Rail Access to Heathrow: A Report to the Secretary of State for Transport by Rt Hon the Lord Mawhinney Kt*, July 2010

11 HM Government: *The Coalition: our programme for government*, 20 May 2010, p 31

12 DfT, *Business Plan 2010-11*, November 2010, (updated May 2011) <http://transparency.number10.gov.uk/transparency/srp/view-srp/39>

13 On 17 October 2011 Rt Hon Justine Greening MP replaced Rt Hon Philip Hammond MP as Secretary of State for Transport.

14 DfT and HS2 Ltd, *High Speed Rail: Investing in Britain's Future, Consultation*, February 2011

15 Letter from Sir David Rowlands, Chairman, HS2 Ltd to Lord Adonis, Minister of State for Transport, 13 February 2009

West Coast Main Line (WCML), bisecting the Chiltern Hills, with a connection to the WCML north of Birmingham. New stations serving HS2 Phase I would be constructed at:

- London Euston—requiring a complete rebuild of the existing station;
- Old Oak Common, four miles west of Euston—to provide an interchange with Crossrail, the Heathrow Express and the Great Western Main Line;
- Birmingham International interchange—for the National Exhibition Centre, Birmingham International Airport, the existing rail station and the M42 catchment, and
- Birmingham City Centre—in Birmingham’s Eastside district, on the site of the old Curzon Street station.

At the time of the Government’s consultation and our inquiry, route proposals for and evaluation of the new lines to Manchester and Leeds had not been published.¹⁶ A link to HS1 (from Old Oak Common, via the North London Line) would be constructed in Phase I; a spur or loop to Heathrow is proposed as part of Phase II but no route or station details have been made public.

6. Up to 18 trains per hour, each carrying up to 1,100 passengers¹⁷ and operating at speeds of up to 250 mph, are planned to run between these cities and serve other destinations via links to the existing “classic” rail network. HS2 would reduce journey times between London Euston and central Birmingham from 84 to 49 minutes. Phase II would bring Manchester and Leeds within 80 minutes of London; times to Glasgow and Edinburgh would be reduced by one hour.¹⁸ The Government has estimated the total cost of the scheme at £32bn (2009 prices). £750m was allocated for preparatory work in the Spending Review 2010. The construction cost for Phase I (London–West Midlands) alone is estimated at £16.8bn.¹⁹

Timetable

7. The Government hopes to open the line between London and the West Midlands in 2026, with lines to Manchester and Leeds opening in 2032–2033.²⁰ This requires legislation in the form of a hybrid bill. For reasons of practicality, the Government is proposing to seek approval for only the London–Birmingham phase initially. It has set the following provisional timetable for Phase I, subject to the outcome of the consultation:

16 HS2 Ltd is due to provide these to the Secretary of State before the decision in December 2011. See letter from Philip Hammond to HS2 Ltd 26 July 2011.

17 HS2 trains would be up to 400 metres long, comprising one or two units each of 550 seats. Classic compatible trains would be shorter. By comparison, a 9-car Virgin Trains Pendolino is approximately 225 metres in length.

18 DfT and HS2 Ltd, *High Speed Rail: Investing in Britain’s Future, Consultation*, February 2011, pp 19–20

19 DfT, *Economic Case for HS2*, February 2011, p 37

20 The overall construction timescale would be determined by the Euston station works which would take seven to eight years. The prospective opening dates are given in *HS2 Consultation*, February 2011, pp 16 and 106. Mr Hammond said that the target date for completion of the Y network was 2032 and he confirmed that the legs to Manchester and Leeds would be built simultaneously. See Q 535.

- February–July 2011: Public consultation on the strategic case for high-speed rail and the details of the London–West Midlands route;
- December 2011: Decision by Secretary of State for Transport on the outcome of the consultation;
- December 2011–September 2013: Completion of outline engineering design, Environmental Impact Assessment and Environmental Statement, and
- October 2013–May 2015: Take hybrid bill through Parliament.

The DfT would propose to start formal public consultation on Phase II in January 2014 and engineering design, environmental impact assessment and preparation of the second hybrid bill in January 2015.²¹

Public opinion

8. The Government’s proposal for HS2 has generated strong reactions, both for and against.²² The rail industry has increasingly backed HS2, albeit with some reservations about the possible implications for other rail investment. National business organisations have also generally backed the proposal.²³ Local authorities and business organisations in the West Midlands, the north of England²⁴ and Scotland have, on the whole, enthusiastically backed the scheme, with some of them joining the Yes to HS2 campaign.²⁵

9. Further south, 18 local authorities, including Staffordshire, Coventry, Warwickshire, Leicestershire and Hillingdon, have opposed the scheme under the “51m” coalition led by Buckinghamshire County Council.²⁶ Many local “stop HS2” residents groups have sprung up along the line the route, forming the Action Groups Against High Speed Two (AGAHST) federation.²⁷ Most environmental groups are supportive of high-speed rail in principle but have raised concerns about, if not outright objections to, HS2.

10. The position of local authorities in London is more ambivalent. The Mayor of London supports HS2 “in principle” but believes that, once Phase II is operational, London Underground will be unable to accommodate the additional passengers using Euston station without the construction of a new underground line.²⁸ The London Borough of Camden opposes HS2 due to the impact on the Euston area.²⁹ By contrast, the boroughs of

21 DfT, *Business Plan 2010-11*, November 2010, (updated May 2011)
<http://transparency.number10.gov.uk/transparency/srp/view-srp/39>

22 Qq 102-111. David Begg, Director of *Yes to HS2*, said that he was concerned about the level of opposition and that he did not believe it was inevitable that HS2 would go ahead.

23 David Frost, Director General of British Chambers of Commerce is a strong supporter of HS2. The CBI, however, was unable to provide written evidence or a witness for our inquiry.

24 Mr Hammond said that some of the strongest supporters of HS2 were in Manchester, Q 540.

25 Ev 296

26 Ev 154

27 Ev 165

28 Qq 164 and 172

29 Ev 185

Hammersmith and Fulham and Newham are strong supporters due to the regeneration potential of stations at Old Oak Common and Stratford International.³⁰

11. Professional and academic commentators are divided in their views on HS2 but many have questioned the Government's appraisal techniques and the claims regarding economic rebalancing.³¹ Although there is cross-party support for HS2, it is not universally supported by Members of Parliament. Unusually for a select committee inquiry, we have received correspondence and evidence from members of the Government, including evidence from one Member of the Cabinet drawing our attention to correspondence opposing HS2.³²

The Government's case for HS2

12. In launching the consultation³³ on HS2, Mr Hammond said:

I believe that a national high-speed rail network from London to Birmingham, with onward legs to Leeds and Manchester, could transform Britain's competitiveness as profoundly as the coming of the railways in the 19th century. It would reshape Britain's economic geography, helping bridge the north-south divide through massive improvements in journey times and better connections between cities – slashing almost an hour off the trip from London to Manchester.

But the proposed high-speed rail network would do more. It would address Britain's future transport capacity challenge-providing a huge uplift in long-distance capacity and relieving pressure on overstretched conventional lines. It would bring around £44 billion of net monetised benefits and support the creation of thousands of new jobs, as well as delivering unquantifiable strategic benefits. And it would help us to build a sustainable economy-by encouraging millions of people out of cars and off planes onto trains. Our competitors already recognise the huge benefits of high-speed rail and are pressing ahead with ambitious plans. Britain cannot afford to be left behind.³⁴

In essence, the Government believes that substantial additional rail capacity is required, that a new high-speed rail network is the best way to provide it and that this will bring substantial economic and environmental benefits. Of all the justifications for HS2 advanced by the Government (transport, economic and environmental), Mr Hammond said that he “start[s] with capacity.”³⁵ The Government's case is set out at length in the consultation documents³⁶ and its written evidence.³⁷ We have examined key aspects of it in the course of our inquiry.

30 Ev 119 and Ev w448

31 See, for example, Professor Nash (Ev 115) and Professor Tomaney (Ev 106). Ian Davidson, an expert on transport modelling, concluded that the DfT's modelling was unsuitable for decision-making on HS2. See *Local Transport Today*, 12 August 2011, p 1.

32 Ev w260, Rt Hon Cheryl Gillan MP, Secretary of State for Wales

33 The consultation was undertaken jointly by the DfT and HS2 Ltd.

34 HC Deb, 28 February 2011, c15WS

35 Q 511-512

36 <http://highspeedrail.dft.gov.uk/library/documents>

The case against

13. The major critics of the HS2 proposal claim that:

- the lack of context and the absence of cohesive plans for transport strategy generally (and the rail network more specifically), mean that there can be no certainty that high-speed rail is the most pressing transport need facing the country;
- the opportunity cost is high: other schemes offering better value for money will be passed over;
- a new line is not needed: sufficient passenger capacity can be provided by lengthening trains and improving existing lines;
- the economic case is flawed and the benefits are overstated;
- the claims for economic regeneration and rebalancing are unfounded;
- the new line will damage local environments and has little or no carbon reduction benefit;
- the proposal to operate 18 trains per hour is technically unproven, and
- the proposal is rushed and alternative routes should be considered.

The arguments are explored in more detail later in this report.

Our inquiry

14. The decision on whether and how to proceed with the HS2 proposal is of major economic, social and environmental long-term import to Britain. We recognise that there are valid, strongly held views and technical expertise on both sides of the debate. We have received over 200 submissions, most of which we have published, as well as petitions, letters and emails, expressing views or questioning HS2. In addition, we have taken oral evidence from many experts and representatives of interest groups. In order to observe the impacts of established high-speed rail systems, we visited Lille, Paris and Frankfurt, travelling by high-speed rail, and met with business people, politicians, rail industry professionals and economic development practitioners. We were assisted throughout the inquiry by our specialist rail advisers Bob Linnard, a former Director of Rail Strategy at DfT, and Richard Goldson, a former non-executive board member at the Office of Rail Regulation.³⁸ Because of the technical nature of some of the material, we commissioned consultants Oxera to assess the business case for HS2 and to advise us.³⁹ We published this assessment before the first oral evidence session, in order to assist the public debate, and include their report as Annex 1 to our Report. We are grateful to all those who assisted us in this inquiry.

37 Ev 249

38 Bob Linnard and Richard Goldson made declarations of interests which can be found in the formal minutes of the Transport Committee, Session 2010-2012, Appendix B.

39 Annex 1: Oxera, *Review of the Government's case for a High Speed rail programme*, Report prepared for the Transport Select Committee, 20 June 2011. See also letter from HS2 Action Alliance to Oxera, Ev 220.

15. Our inquiry has dealt with the strategic case for high-speed rail. If the Government decides to proceed with HS2, it would seek the necessary powers through the hybrid bill process, as happened with HS1 and Crossrail. A hybrid bill would allow those affected by the proposals to petition Parliament directly to seek amendments or assurances and undertaking. It would provide the opportunity for detailed matters, including those of environmental impact and mitigation, to be addressed.

