



Railways: high speed rail (HS2)

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This note sets out the policies of the present and previous government regarding the construction of a high speed rail line (HS2) from London to the Midlands, the North of England and, ultimately, Scotland.

In September 2009 local council leaders from across the UK joined together to form an organisation to lobby for the construction of a high speed line. Details are available on the [High Speed Rail UK](#) website. In addition, the Congressional Research Service published a [report on HSR in the United States](#) in December 2009.

Information on HS1 (the Channel Tunnel Rail Link) can be found in HC Library standard note [SN/BT/267](#); and information on other rail-related matters can be found on the [Railways Topical Page](#) of the Parliament website.

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1 Policy of the Coalition Government, 2010-

Both the Conservatives and the Liberal Democrats committed to building a second high speed line in the UK in 2008. The Conservatives made HS2 the centrepiece of their transport policy at the 2008 Party Conference;¹ this was confirmed in the Party's 2009 rail policy document.² In their manifesto for the 2010 election, the Conservatives stated that if elected they would:

... begin work immediately to create a high speed rail line connecting London and Heathrow with Birmingham, Manchester and Leeds. This is the first step towards achieving our vision of creating a national high speed rail network to join up major cities across England, Scotland and Wales. Stage two will deliver two new lines bringing the North East, Scotland and Wales into the high speed rail network.³

In June 2008 the Liberal Democrats published a transport policy document in which it committed to building a high speed rail line from Heathrow, via St Pancras, to Birmingham and Manchester.⁴ In their 2010 manifesto, the Liberal Democrats said that they would "set up a UK Infrastructure Bank to invest in public transport like high speed rail".⁵

The Conservative-Liberal Democrat Coalition Government that took power in May 2010 stated in its Coalition Agreement that it 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.⁶

The Conservatives had criticised Labour's March 2010 White Paper on HS2, particularly for not going to Heathrow, while the Liberal Democrats sought guarantees that money would not be 'raided' from existing rail projects to pay for HSR and asked for a long-term commitment to extend the scheme to Scotland.⁷ On 9 June, in response to a Westminster Hall debate on HSR, the Transport Minister, Theresa Villiers, set out how the Coalition intends to proceed on HS2 as follows:

I can assure hon. Members that high-speed rail plays a core role in the new Government's vision for the future of travel in the United Kingdom [...] Let me take this opportunity to emphasise that the Government's ambitions for high-speed rail do not stop at Birmingham. Although the previous Administration had a change of heart on high-speed rail, their focus was still just on detailed plans for a route to Birmingham. It is manifestly clear that we will not reap the full benefits of high-speed rail unless we go much further than the west midlands, important though a link to the west midlands obviously is. We want to make progress as rapidly as possible towards the creation of a national network that connects to the rest of Europe via the channel tunnel.

¹ [Theresa Villiers MP: speech to the Conservative Party Conference](#), 29 September 2008; see also: "We need faster trains, now a third Heathrow runway", *Financial Times*, 30 October 2008; and "Why we are leading the way on high speed rail", *Transport Times* (no. 57), November 2008

² Conservative Party, [Conservative rail review: getting the best for passengers](#), February 2009

³ Conservative Party, [Invitation to join the Government of Britain: the Conservative manifesto 2010](#), April 2010, p23

⁴ [Fast track Britain: Building a transport system for the 21st century](#) (policy paper 85), June 2008, para 2.1.5; see also: "Liberal Democrat transport spokesman Norman Baker makes the case for investment in new high speed rail", *The House Magazine* (no. 162), 9 September 2008

⁵ Liberal Democrats, [Liberal Democrat Manifesto 2010](#), April 2010, p79

⁶ HMG, [The Coalition: Our Programme for Government](#), May 2010

⁷ [HC Deb 11 March 2010, cc450-54](#)

[...]

The Secretary of State is considering the timetable set out by HS2 Ltd. He is also considering questions relating to the integration of Heathrow into the high-speed rail network, which I will come to in due course. He will report to Parliament in due course on the timetable and on how things will be taken forward. However, the intention is to go forward with the consultation as promptly as possible, after that statement to Parliament.

[...] it is important that the high-speed rail line should be affordable for ordinary families. The analysis done by the Conservative party in opposition and by HS2 Ltd under the previous Government makes it clear that the line will be affordable and deliverable with a contribution from future fares revenue, even with fares that are reasonable and broadly in line with existing levels on existing services. We can deliver the line without necessarily assuming that the fares will be unreasonable and out of the reach of ordinary families.⁸

On 5 July the Secretary of State, Philip Hammond, confirmed the government's intention to consult on the London-West Midlands portion of the route early in 2011 alongside a further consultation on the overall strategy for HSR.⁹

On 21 July Lord Mawhinney published his report on HSR access to Heathrow. Amongst other things, the report recommended that serious consideration should be given to making [Old Oak Common](#) (west of Paddington) the initial London terminal for the high speed line. The reason for this is that in the early stages of a high speed rail network, the report found no compelling case for a direct high speed rail link to Heathrow, and that a London-Old Oak Common interchange could provide "an appropriate, good quality terminus and connection point to the airport". Therefore, changing the route of the main high speed line to run via Heathrow, at an additional cost of £2 billion to £4 billion, would connect Heathrow to HS2 at a point in time when "this connection is not likely to represent value for money to the taxpayer or the train operator. In any event, such a route is not supported by the evidence of benefits". Lord Mawhinney recommended that such a route should not be pursued. However, he did state that as the high speed network is extended beyond Birmingham, the case for a more direct high speed rail link to Heathrow becomes more persuasive and that in light of that fact, when the high speed line from London-Old Oak Common to Birmingham is built, appropriate junction engineering works should be included to make it possible for a high speed loop through Heathrow to be built at a later date.¹⁰

On 26 July Mr Hammond announced that the exceptional hardship scheme for HS2 would begin on 20 August.¹¹

2 Policy of the Labour Government, 2005-2010

Before late 2008 the Labour Government took a broadly negative view of the potential to build a second high speed line in the UK, despite the fact that the 2005 Labour Party Manifesto contained a commitment that the party would "look at the feasibility and

⁸ [HC Deb 9 June 2010, cc17-19WH](#)

⁹ [HC Deb 5 July 2010, c10W](#)

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, summary of recommendations, pp2-3

¹¹ [HC Deb 26 July 2010](#); see also: [FAQs on the Exceptional Hardship Scheme](#)

affordability of a new North-South high-speed [rail] link".¹² It was intended that this would be conducted in the context of the *Eddington Transport Study*, published in December 2006.¹³

In his report, Sir Rod argued that economic returns from high speed rail in the UK are unlikely to be as large as for investment in some alternative projects. He identified a numbers of factors that contribute to this, including the compact geography of the UK, an extensive national air network, potentially high and unpredictable costs of new high speed technology and significant environmental costs.¹⁴ He concluded that decisions on specific schemes or policies would need to be informed by detailed appraisals of specific high-speed rail proposals, and of appraisals of other policy options for achieving the same objectives.¹⁵ Even before the Report was published, there were concerns expressed in the press, based on what appeared to be leaked information, that the Treasury and the Department for Transport had 'interfered' with the direction of the report and any recommendation Sir Rod may have been thinking of making about high speed rail.¹⁶ Sir Rod rejected the accusation when he gave evidence to the Transport Select Committee in April 2007.¹⁷

In July 2007 the then Secretary of State for Transport, Ruth Kelly, announced the publication of what became Labour's final rail White Paper. On high speed rail, this said:

...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.¹⁸

It went on to make a broader case **against** high speed rail.¹⁹

The government's official response to both the Eddington and Stern reviews, published as a single document in October 2007, proposed that it would look at the potential for a high speed link between London and Birmingham, as one of a range of options.²⁰ However, when the then Railways Minister, Tom Harris, gave evidence to the Transport Committee in March 2008, he reflected the government's earlier, more sceptical attitude:

... in yesterday's speech by the Secretary of State she alluded to the fact that a lot of the debate on high speed lines is basically saying, "Well, here's a solution. Now let's look for a problem to answer it," and actually what I think we should be doing and what the DfT actually will be doing for the rest of this year is that we are going to say, "Let's identify what the challenges actually are in transport within the country, then let's look at the different options." There will be more than one option for meeting that challenge. "Then let's look at a solution." But at the moment people are saying, "Well, we've got high speed rail as a solution, now let's find the problem."

[...]

¹² [Labour Party Manifesto 2005](#), p24; information on the government's views between 2003 and 2006 was given in a [Freedom of Information release in July 2006](#), available on the DfT website

¹³ DfT/HMT, [Eddington Transport Study](#), December 2006

¹⁴ *ibid.*, [Vol. 3](#), para 4.173

¹⁵ *ibid.*, para 4.196

¹⁶ e.g. "Has the dead hand of civil service nobbled Eddington?", *Transport Times*, 20 October 2006

¹⁷ Transport Committee, [Minutes of Evidence: Sir Rod Eddington](#) (session 2006-07), HC 458-ii, 16 April 2007, Qq19-24

¹⁸ DfT, [Delivering a Sustainable Railway](#), Cm 7176, 24 July 2007, p9

¹⁹ *ibid.*, paras 6.11-6.15

²⁰ DfT, [Towards a sustainable transport system](#), Cm 7226, 30 October 2007, p66-67

I think a number of assumptions are made about high speed and one of them is that it is environmentally friendly. Another is that it contributes to the economy. Another is that it will result in a certain amount of modal shift from planes to trains. A lot of these assumptions I am not convinced we have the empirical data to support [...] Another argument which is often put to me is that France, Germany and the Continent have these high speed lines, why can we not have them? There may be a case at some point in the future for a high speed line, but it is not going to be justified by saying, "Our neighbours have got it, therefore we should get it."²¹

This general approach changed in late October 2008 when the new Secretary of State for Transport, Geoff Hoon, announced the establishment of a 'National Networks Strategy Group', chaired by the then Minister of State, Lord Andrew Adonis. Lord Adonis was asked to report by early 2009 on two main issues; one roads-focused and the other "longer term solutions for the strategic corridors".²² The *Financial Times* reported this as Mr Hoon 'throwing his weight' behind high speed rail "barely 15 months after his predecessor largely ruled out both options in a white paper on the railway industry".²³

In January 2009 the government published its decision in principle to invite BAA to bring forward a planning application for a third runway and a sixth terminal at Heathrow.²⁴ One of the conditions for approving such a plan was that of better surface access to the airport. The high speed rail document accompanying the announcement indicated the government's intention to establish a new company charged with advising Ministers on the potential for a high speed line connecting London and the West Midlands. This also stated that the purpose of this 'first stage' would be to assist the government with any future consideration of high speed services from London to Scotland.²⁵ The government published details of the objectives, remit and funding for the 'High Speed Two (HS2) Ltd' company in January 2009, setting out HS2's principal aim to advise the Secretary of State for Transport on the development and proposals for a new railway from London to the West Midlands and potentially beyond.²⁶

HS2 presented its report to the then Secretary of State, Lord Adonis, at the end of December 2009. In March 2010 the Labour Government published its conclusions, based on the work of HS2, in a White Paper. While the first part of the paper made a case for a high speed network beyond Birmingham, the second part of the paper began with an explanation of why at that point, the government was only looking in detail at a route between London and Birmingham:

... it is one thing to make a strategic argument for high speed rail, and another to demonstrate that a British high speed line would be a credible and buildable project, especially given the challenges posed in identifying and constructing a London terminus and a route out of the city. For this reason, HS2 Ltd was commissioned to develop a detailed proposal for a high speed line from London to Birmingham including potential route options, train service patterns, and costs for the development,

²¹ Transport Committee, [Delivering a sustainable railway: a 30-year strategy for the railways?](#) (tenth report of session 2007-08), HC 219, 21 July 2008, Qq810-814

²² [HC Deb 29 October 2008, c34WS](#)

²³ "Minister backs electric rail routes", *Financial Times*, 30 October 2008

²⁴ DfT, [Britain's Transport Infrastructure - Adding Capacity at Heathrow: Decisions Following Consultation](#), January 2009; for more details on Heathrow expansion, see HC Library Research Paper [RP 09/11](#)

²⁵ DfT, [Britain's transport infrastructure: High Speed Two](#), January 2009, para 9

²⁶ DfT, [The role and funding of High Speed Two Ltd](#), 14 January 2009

construction and operation of the line. London to Birmingham would be the essential first stage of any British high speed rail network.²⁷

Lord Adonis, outlined the government's proposed route, London and Birmingham stations and interchanges with other rail schemes such as Crossrail in his statement to the House:

Subject to ... consultation, the London terminus for the high speed line would be Euston; the Birmingham City Centre station would be at Curzon Street; and there would be interchange stations with Crossrail west of Paddington and near Birmingham Airport. HS2 Ltd's recommended line of route between London and Birmingham is also published today; the Government endorses this route, subject to further work which I have commissioned on mitigation, and to subsequent public consultation. HS2 Ltd's recommended route would pass in tunnel from Euston to the Crossrail Interchange west of Paddington. It would leave London via the Ruislip area, making use of an existing rail corridor. It would then pass by Amersham in tunnel towards Aylesbury, before following the route of the A413 past Wendover.

North of the Chilterns, the recommended route would follow in part the disused Great Central rail alignment before passing Brackley and entering Warwickshire. It would then skirt to the east of Birmingham, to enter the city via a short link, alongside an existing rail line, beginning in the Water Orton area, with the main line extending north to the West Coast Main Line near Lichfield.²⁸

He also explained the decision not to take HS2 to Heathrow and announced that the Conservative peer and former Secretary of State for Transport, Lord Mawhinney, would take forward further work on this area:

It is important that Heathrow is connected to any high speed line. A prime purpose of the proposed Crossrail Interchange is to provide such a connection, via an 11 minute direct service to Heathrow. However, the overwhelming majority of passengers on a high speed line south of Birmingham would be going to or from London. This is the other reason why the Crossrail Interchange station is so important. Crossrail, a very high capacity line, will provide fast services direct to the West End, the City and Docklands, catering for an estimated one third of all the passengers travelling on the high speed line. Without this Interchange to Crossrail, congestion on the tube from Euston would be exacerbated, and passengers would be severely disadvantaged in getting in and through central London.

The question is whether there is a case for an additional station at the site of Heathrow itself. HS2 Ltd, after thorough analysis, advise that the business case for such an additional station appears weak, given the estimated cost of at least £2 billion for the additional tunnelling required to serve the site. Furthermore, Heathrow is not a single place; it is an airport with three widely dispersed terminal centres.

However, I am conscious that, as foreshadowed in the Government's January 2009 decision on adding capacity at Heathrow, there may be a strategic case for a high speed station at Heathrow, particularly in the light of that planned expansion. I have therefore appointed Lord Mawhinney, a former Transport Secretary, to advise on the best way forward, having fully engaged with all interested parties. A complex decision

²⁷ DfT, [High Speed Rail](#), Cm 7827, March 2010, paras 5.1-5.4; the White Paper was accompanied by a consultation paper on a proposed Exceptional Hardship Scheme for householders most affected by the recommendations, see: DfT, [High Speed Two - Exceptional Hardship Scheme Consultation](#), 11 March 2010

²⁸ [HL Deb 11 March 2010, cc448-9](#)

of this nature should not be taken in a knee-jerk fashion, but after a full analysis of the facts and options.²⁹

The White Paper put the cost of designing and building a line from London to Birmingham at between £15.8 billion and £17.4 billion, at 2009 prices; extending the 'core' network to Manchester and Leeds would increase the total cost to £30 billion.³⁰ As to where the money would come from, the Paper indicated that it would be "a largely public sector funding approach".³¹ Had Labour won the election it intended to hold a formal public on the proposed HS2 route between London and Birmingham in autumn 2010 and a further consultation on extending the route beyond Birmingham sometime after early 2012.³²

The Labour Party Manifesto for the 2010 General Election included a "commitment to a new high-speed rail line, linking North and South. Built in stages, the initial line will link London to Birmingham, Manchester, the East Midlands, Sheffield and Leeds, and then to the North and Scotland".³³

3 Policy of the SNP in Scotland, 2007-

Following the 2007 Scottish Parliamentary elections, The Scottish National Party (SNP) secured a single seat majority over Labour, the next largest party. This total fell well short of the 65 seats needed for a "working majority". The SNP subsequently signed a co-operation agreement with the Scottish Greens. The leader of the SNP, Alex Salmond, was elected First Minister on 16 May.³⁴

The SNP's manifesto for the 2007 Scottish Parliament elections indicated support for high speed rail both within Scotland and between Scotland and England:

We must be prepared to match the best on offer elsewhere in Europe with high-speed or bullet trains connecting our major cities. In government we will conduct an early study into options for inter-city high-speed links in Scotland.

There is a strong case for a fast rail link to London to reduce demand for the current domestic shuttle flights to London. We recognise the contribution air travel makes to carbon emissions and in this light will aim to promote and encourage an extension of international connections alongside practical steps to reduce reliance on internal UK flights.³⁵

The SNP reiterated its support for a London-Scotland high speed rail link in January 2009:

Following the announcement of plans by the UK Government to build a third runway at Heathrow, SNP Westminster Environment spokesperson Mike Weir MP has called for clarity over references by the Transport Secretary to the development of new high-speed rail services between London and Scotland.

Mr Weir said:

" ... the vague references by Geoff Hoon to new high-speed rail links between Scotland and London are simply not clear enough. Scotland needs a high-speed rail

²⁹ *ibid.*, c449

³⁰ *op cit.*, [High Speed Rail](#), paras 11.1-11.2

³¹ *ibid.*, paras 11.16-11.18

³² *ibid.*, section 9

³³ Labour Party, [A Future fair for All: the Labour Party Manifesto 2010](#), April 2010, p1.8

³⁴ for more information, see HC Library standard note [SN/PC/4372](#)

³⁵ SNP, [SNP Election Manifesto 2007](#), p26

link to London, and we need to be certain that Geoff Hoon's warm references to public transport and rail improvements are a serious commitment rather than merely a cynical attempt to make the third runway proposals sound more palatable".³⁶

It was previously reported in December 2008 that the SNP supported Maglev technology to construct a high speed line; the same article in *The Sunday Times* looked at how a future Conservative Government and the SNP Government in Scotland might work together on such a project.³⁷

The Scottish Parliament's Transport, Infrastructure and Climate Change Committee published a report on high speed rail in February 2009. It concluded that:

The recent [January 2009] initiative by the UK Government is an important positive commitment to high-speed rail. However Committee believes that these proposals must go further and include Scotland as an integral part of any scheme from the outset. It is vital that Scotland does not miss the chance to shape the debate on high-speed rail in the UK. The Scottish Government must develop a clear policy on high-speed rail as a matter of urgency, and must be willing to lobby hard in discussions with the UK Government to ensure that Scottish interests are fully taken into account if and when a high-speed line is developed. The Committee believes that high-speed rail could lead to significant social and economic advantages for Scotland, and has potential to deliver wider benefits elsewhere in the UK by providing the opportunity to reduce flights from London airports.

Importantly, also, the Committee believes that if the Scottish and UK Governments are serious about meeting the challenging targets for reducing greenhouse gas emissions, radical and bold new policy ideas need to be developed in the field of transport. The Committee believes that high-speed rail could play an important role in reducing domestic aviation which will help meet these climate change targets.³⁸

4 Independent work on high speed rail

4.1 Reports published, 2004-05

In February 2004 the Centre for Integrated Transport (CfIT) put the case to government for high speed rail, following that publication of its report on how such systems work in other countries. In his forward to the report Prof. David Begg said:

I believe that a persuasive case exists for a fresh look now at the future role for high-speed rail. This study demonstrates clearly that high speed lines are not only desirable in shrinking journey times between main cities but are essential if we are to deal with capacity constraints that are building up on our intercity network. 2015 is a key juncture for us in terms of our capacity limit. But, given the long lead times, the planning needs to start now (...)

Our research suggests that HSR [high speed rail] is very much an idea whose time has come in the UK. Market differences help explain why some countries have constructed more high speed rail lines than Britain and also why France has constructed more routes than Germany and Italy. Unlike the continent or in Japan, the UK already has direct, frequent inter-city links with good journey times. Such a network, if it has spare

³⁶ SNP press notice, "[Heathrow debate proves need for high speed rail](#)", 15 January 2009

³⁷ "[SNP on board for high-speed bullet train to London](#)", *The Sunday Times*, 21 December 2008

³⁸ Scottish Transport Infrastructure and Climate Change Committee, [Report on the Inquiry into the potential benefits of high-speed rail services](#) (first report of 2009), SP Paper 219, 27 February 2009, paras 155-156

capacity, reduces the incremental economic case for HSR, particularly over shorter distances.

The case for construction of HSR in the UK was, therefore, much weaker in the 1970s and 1980s, when other European countries were planning their first high speed lines and building high speed lines in the UK then did not stack up. At that time there was ample spare capacity on the British national rail network, but that has now disappeared which has had an adverse effect on performance. The upgrade of the WCML has demonstrated that resolving capacity constraints on the live network can be very disruptive, time consuming and expensive.³⁹

Prof. Begg went on to prophesise what would happen in the UK rail sector if high speed rail were not taken forward; three and a half years later it seems somewhat prescient:

If HSR were not seen as the way forward, how else could excess demand on our railways be addressed? One way, and a very unpopular one, would be by imposing ever higher fares, pricing people off the network. However, that would not offer a long-term solution as it would force people into their cars onto an already congested road network.⁴⁰

Also in 2004 the Strategic Rail Authority (SRA)⁴¹ commissioned a report from Atkins into the possibility of high speed rail. The report concluded that high speed rail was an attractive and viable project but that in order to go forward it would need strong support from Government:

Is there a Transport Case for HSL?

Our forecasts of north-south travel movements in the UK show that the strategic rail network is likely to experience considerable overcrowding in the long-term unless action is taken. This holds true under a range of scenarios and suggests that the West Coast Main Line will be overcrowded by 2016 and the East Coast and Midland Main Lines by 2031.

This is taking place against a forecast increase in congestion on the highway network, leading to a reduction in average travel speeds for car journeys.

Depending on route option, an HSL is capable of relieving much of the crowding on competing rail routes. Similar improvements could also be secured by upgrading the existing strategic rail network, but HSL has the advantage of also being able to free capacity on the existing rail network that can be used to open up new local, regional or freight markets.

We therefore conclude that there is a good transport case for HSL.

Is there a Business Case for HSL?

In economic terms, HSL has a positive case, generating a benefit: cost ratio of at least 1.4 to 11 – and it is possible to improve this significantly by optimising the use of freed classic rail capacity and by fine-tuning the fare strategy.

Other alternative investments do not deliver the journey time or capacity benefits of HSL and so do not perform as well economically as HSL. HSL also has the potential to

³⁹ CfIT, [High Speed Rail](#), February 2004, forward

⁴⁰ *ibid.*

⁴¹ the SRA was wound-up in 2005 following the *Railways Act* of that year; for more information see HC Library standard note [SN/BT/1344](#)

provide substantial safety and accessibility benefits which other schemes cannot match.

HSL's key weakness is in its environmental impact – the construction of a new railway will inevitably lead to significant impacts upon the environment. However, our appraisal has shown that it is possible to develop a scheme that avoids the most critical environmental designations and mitigates the worst impacts.

On balance, therefore, there is a good business case for HSL, and it is capable of delivering greater net benefits than other rail or highway schemes.

How can HSL be Delivered?

If the SRA wishes to progress the HSL project and wishes to achieve an opening date of 2016, project development would need to commence without delay. Securing the legal powers through a Hybrid Bill is the recommended route, as it has considerable advantages in terms of practicality and timing. However, this route is only likely to be practicable for the first and most important phase of HSL, so it will be important to secure a strong statement of government support for the HSL concept as a whole.⁴²

The Institution of Civil Engineers published a further report in 2005 putting the case for high speed rail,⁴³ as did the Campaign for Better Transport (formerly Transport 2000).⁴⁴

4.2 Reports published, 2006-08

Greengauge 21, a not-for-profit organisation dedicated to campaigning for a high speed line, has been operating since 2006. Their manifesto states:

There is general agreement that a joined-up strategy is needed, one that recognises the important linkage between decisions on the location of development on the one hand, and the provision of transport infrastructure/services, on the other. But there seems to be little chance of success on the back of our current efforts. The consensus on the need for road user charging is important and no doubt welcome, but it's not enough to solve the problems associated with a growing economy.

High Speed Rail is the missing ingredient. With it, we can extend the range of the London effect, so that a much larger part of the country can exploit the opportunities of the world city economy. This means that businesses in the midlands and the north can participate in the economic advantages enjoyed by the south. At the same time, the pressure for development in the southern regions will be eased. We would create for ourselves an alternative to continuing near-total dependence on the least sustainable forms of long distance transport.⁴⁵

In August 2007 the Northern Way, a group of regional development agencies in the North of England,⁴⁶ published a report on the potential for high speed rail. It concluded, generally that:

- North-south links, particularly to London will become more, not less, important over time in economic terms;

⁴² SRA, [High speed line study: summary report](#), 2004, paras 9.1-9.9

⁴³ ICE, [The missing link – a report on high speed rail links in the UK](#), 2005

⁴⁴ Transport 2000, *Fog on the runway - how calls for a third runway at Heathrow have overlooked the potential of High Speed Rail to meet travel demand*, 2005

⁴⁵ Greengauge 21, [Manifesto: the high speed rail initiative](#), 2006

⁴⁶ David Begg gave evidence to the Transport Committee on their behalf in March 2008

- The future state of the transport links from the North to Heathrow is a fundamental concern, including the potential loss of domestic air services from the North;
- The Government should be urged to note the importance of additional capacity for north-south links and the additional productivity benefits that quicker journeys will bring to the North. We have important new evidence that supports this point. There is significant wider economic benefit, additional to that identified by Atkins for the Eddington Transport Study, in the form of agglomeration benefit. It adds up to a lot in terms of NPV (as much as £10bn over 60 years) and has a significant contribution to the economic growth of the North (a 0.05% annual difference in output). This includes similar levels of impact on London's economy, so the case for highspeed rail is not just about connecting the North to London – it is about integrating the North's and South's economies. High-speed rail may, therefore, have a stronger overall economic case than other candidate major rail investments; and
- Northern Way should argue not for one corridor rather than the other but the development of a strategy for north-south high-speed rail serving both east and west sides of the Pennines and London. To this should be added a trans-Pennine high-speed connector in the light of the substantial uplift in agglomeration benefits that it would deliver. A trans-Pennine high-speed connector as an integral part of a national network of conventional high-speed rail lines will facilitate not only a new economic geography of faster city to city links across the North but also nationally through faster linkages between the North East and Yorkshire and the West Midlands, and between the North West and East of England growth areas.⁴⁷

In March 2008 Atkins produced a further report on high speed rail. The press notice accompanying the report stated:

A new high speed rail network could deliver over £60 billion worth of benefit to the UK, according to multinational design and engineering consultancy Atkins.

The effects would be felt across the UK, from London to the Midlands, the North and Scotland through connecting the major business centres and increasing productivity.

The addition of new high speed lines would not only provide capacity themselves, but also help free up space on existing lines, and encourage more local investment in transport improvements to reduce road congestion in urban areas.

Andy Southern, managing director of Atkins' transport planning division, said, "It is clear that a high speed rail network should not only be viewed in terms of its benefit to relieving congestion on the rail network. The economic gain could also be extremely significant.

"Our modelling shows the impact would be felt by local communities as well as the business traveller choosing to go by rail rather than air. There is also potential to reduce overall carbon emissions from transport in the UK."

Building on previous work carried out between 2001 and 2003 for the now-defunct Strategic Rail Authority, the new Atkins report shows high speed routes on the east and west coasts could cost £31 billion to build, but deliver more than twice that in economic benefit in the first 60 years.

⁴⁷ Steer Davies Gleave for the Northern Way, [North South Connections](#), August 2007, pp29-30

The gain would be from staff productivity with significant journey time savings – an hour to Birmingham, three hours to Glasgow. A new High Speed network would also mean companies further converging around major cities served by the new lines. This would lead to greater business to business activity, and a deeper pool of potential employees.

The report has also looked at future capacity needs, assessing the impact of the expected upgrades to the network set out in the government's High Level Output Specification and recent passenger growth trends. It appears if recent trends continue, with higher numbers of travellers switching to an improving rail network, then capacity could be exhausted quicker than expected – perhaps within a decade.

Atkins thinks a new network could be operational before 2026, but for that to happen the planning process would have to start in the very near future.⁴⁸

4.3 Reports published, 2009-

In April 2009 the Department for Transport published a series of reports about its HSR strategy under FOI. The reports were commissioned from Booz Allen Hamilton and were used when the Government was drawing up the 2007 rail White Paper. They are collected on the DfT archive website and are described there as follows:

This suite of documents consists of seven reports produced in the development of the Government's policy on new lines for the 2007 rail white paper. To enable cost comparisons of rail infrastructure options (conventional, high speed and maglev), an indicative 'hybrid' line was developed in preparation for the white paper. This line, providing conventional-speed services but high-speed-capable, was not included in the final white paper. However, drawing on this work, the white paper noted that "the balance of advantage would appear to favour services running at conventional speeds on re-opened alignments between London and Birmingham".

Many of the seven reports contain details of this indicative new rail alignment for the hybrid line and associated land take that would be required. This information has been redacted from the reports under section 35 of the Freedom of Information Act. The release of this information has the potential for disproportionate and unwarranted adverse impact on property values which may result from publication (generalised blight).⁴⁹

In June 2008 Network Rail (NR) announced its intention to commission a feasibility study as to new rail lines, including a high speed line, from an independent consultant – Steer Davies Gleave.⁵⁰ This was billed as a 'strategic review', looking at the feasibility of creating high speed routes on five existing sections of the railway. NR published the report in August 2009, which concluded that the case for a route via the North West, rather than the North East, stacked up best. The report concluded:

The best value for money option was a new high-speed route from the centre of London to Scotland with new high-speed lines delivering passengers to the centre of Birmingham, Manchester, Liverpool, Glasgow and Edinburgh with calling points at Warrington and Preston ... The new high-speed line could offer up to 16 trains per hour from and to London, the Midlands, North West and Scotland and four trains per

⁴⁸ Atkins press notice, "A high speed route to regeneration?", 10 March 2008; the report, *Because transport matters: high speed rail*, is available on the website

⁴⁹ DfT, [New Line Capacity Study](#), April 2009

⁵⁰ NR press notice, "[Meeting the capacity challenge: Network Rail looks at the case for new rail lines](#)", 23 June 2008

hour between regional cities. The new city centre terminal stations in London, Birmingham, Manchester, Glasgow and Edinburgh would be located close to the principal existing city centre stations allowing good access to where people want to be. At this stage of the study no lines have been drawn on a map, it is just too early in the development of the scheme.⁵¹

A press notice accompanying the report set out the anticipated costs and benefits:

Network Rail today revealed the results of a detailed investigation into the need for new capacity on Britain's railway network. It concluded that a new 200mph high-speed line to the Midlands, the North West and Scotland, halving travel time to Scotland to just over two hours, was the best option generating almost £55bn of value with a capital construction cost of £34bn.

(...)

Network Rail's study, running to over 1,500 pages of research, modelling and analysis, concluded that in order to meet demand a new high-speed line from central London to central Manchester (in just 1hr 06mins) with a diverging high speed line to the centre of Birmingham (just 46mins) offered the best benefits.

Continuing the high-speed line to Preston (1hr 13mins), with a diverging high-speed line to Warrington (1hr 06mins) and Liverpool (1hr 23mins), and then northwards splitting to go directly to Glasgow (2hrs 16mins) and Edinburgh (2hrs 9mins) offered the best value for money, generating revenue and benefits worth almost £55bn, paying for itself 1.8 times over.⁵²

In September 2009 Greengauge 21 (see section 4.2, above) published its high speed rail strategy for Britain. The press notice accompanying the report stated:

Greengauge 21 recommends a comprehensive network of routes linking all Britain's major cities, which it believes to be vital for a competitive and sustainable Britain (...) This is the first time a national network has been identified. Greengauge 21 says that it should provide a helpful context for the work of the Government's company HS2, which is looking in the first instance at high-speed rail for the London – West Midlands corridor, and which is due to report to Ministers at the end of the year.

Jim Steer, Director of Greengauge 21, explains that other countries such as Japan, France and Spain, having seen the success of their first high-speed line, each developed a long term national strategy to capitalise on the benefits available. Britain, which has its HS1 (the link from London to the Channel Tunnel), he says, must do the same. The cost of ⁵³the full network is estimated to be £69bn and will be developed through a phased construction programme. Jim Steer summarises the business case simply: "for every £1 spent on the high-speed rail network in Britain, our economy gets £3.50 back".

Also in September 2009 SERA, the Labour Environment Campaign, published 'Labour's case for high speed rail', including an introduction to the pamphlet by the Prime Minister, Gordon Brown.⁵⁴

⁵¹ Steer Davies Gleave for NR, [Meeting the capacity challenge: The case for new lines – summary report](#), August 2009, p4; the [full report and supporting documents](#) are available on the NR website

⁵² NR press notice, "[London to Scotland by train in just two hours](#)", 26 August 2009

⁵³ Greengauge 21, "[A high speed rail strategy for Britain](#)", 16 September 2009; [the full report](#) is available on the organisation's website

⁵⁴ SERA, [Fast Forwards: Labour's case for High Speed Rail](#), September 2009

In November 2009 the British Chambers of Commerce (BCC) published a report setting out the business case for high speed rail. The report, which was supported by Network Rail and Greengauge 21, argued that the business and environmental case for an HSR network has clearly been made – offering revenues and benefits to the economy worth almost £55 billion. It also called for funding solutions to be found “as soon as possible, so that construction can begin during the life of the next Parliament” and for all political parties to sign a binding agreement that would commit the next Government – from whatever party – to go ahead the work already conducted by HS2.⁵⁵

In June 2010 the media reported on a study by a group of experts including the former head of the Audit Commission, Sir Andrew Foster and David Ross, former chairman of National Express that envisaged cutting the costs of HS2 down to around £6 billion – by avoiding city centres. The *Financial Times* had the most extensive coverage:

A new high-speed railway network that would begin to transform travel in the UK within a decade could be delivered at a cost to the public purse of just £6bn, according to an authoritative study being considered by ministers.

The report puts the cost of the 225mph London to Birmingham service – the first stage of a national high-speed network – at less than half the £15.8bn-£17.4bn price tag placed on the same route by High Speed Two, the company established by the government to bring forward proposals for new rail lines.

While the new coalition government has said a domestic high-speed rail network is a priority, progress could be hampered by the dismal public finances and opposition from homeowners along the new routes.

But the study – co-authored by a group that includes the former head of the Audit Commission, Sir Andrew Foster and David Ross, former chairman of National Express – suggests the first stage could be built for a much smaller sum by avoiding city centres, limiting the number of stations and creating a special purpose vehicle to fund the project.

More than half the cost of the £5.8bn Channel Tunnel rail link – the world’s most expensive high-speed project – came from the final approach to central London because of the extensive tunnelling and other engineering works involved.

The new report proposes bypassing Heathrow and linking Birmingham and Manchester airports with Old Oak Common in west London, without venturing into the cities themselves.

Old Oak Common will connect with Heathrow through Crossrail – the £16bn route due to open in 2017 – and will be only two stops from the West End and seven from the City. Connecting Birmingham International to a high-speed rail line fits with the Conservative party’s commitment to allowing regional airports such as Birmingham to soak up any airport growth.

The government has recently blocked the development of a third runway at Heathrow, as well as expansion at Stansted and Gatwick.

Funding for the basic infrastructure would be financed largely by government-guaranteed debt, sourced from infrastructure funds, bond investors, banks and multilaterals, the report suggests.

⁵⁵ BCC press notice, “[BCC warns parties: Action not talk is needed on high-speed rail](#)”, 16 November 2009; the full report is available on the [BCC website](#)

This would cost around £6bn according to projections from major construction companies. Train operators would be privately financed.⁵⁶

Also in June 2010 the HS2 Action Alliance, a non-profit organisation working with local community groups to challenge the case for HS2, published a report questioning some of the key assumptions of the HS2 business case. The key conclusions are:

- Projected increases in rail demand are not realistic, based on the recent historical record;
- HS2 will not deliver the environmental or wider economic benefits that many claim;
- Additional capacity could be gained more cost-effectively from other schemes such as new rolling stock; and
- High speed rail is possible without the 'super fast' speeds proposed in HS2 and the attendant requirement to build a new line.⁵⁷

⁵⁶ "Report says high-speed rail could cost just £6bn", *Financial Times*, 2 June 2010

⁵⁷ HS2 Action Alliance, [A case for alternatives to HS2](#), June 2010 [revised July 2010]