

## **HS2 UPDATE**

**Submitted by:** Scrutiny Officer – Louise Stevenson

**Portfolio:** Regeneration, Planning & Town Centres Development

**Ward(s) affected:** All

### **Purpose of the Report**

To update the Economic Development and Enterprise Overview and Scrutiny Committee of Government progress with their plans for a High Speed Rail link, Newcastle Borough Council's stance with regard to the plans and to update the Committee of the HS2 working group's position.

### **Recommendation**

**That the Economic Development and Enterprise Scrutiny Committee note the developments with regard to HS2 and that the Committee make comment as appropriate.**

### **Reasons**

To ensure the Economic Development and Enterprise Scrutiny Committee is updated of ongoing developments with regard to HS2 and that the Committee have the opportunity to make comment as appropriate.

## **1. Background**

- 1.1 In 2010 the Government published a report to outline their plans to develop a high speed rail link to meet the increasing demands for rail services. Rail journeys continue to increase and in particular the demand for long distance rail travel is forecast to increase significantly. It is recognised that the rail network is increasingly under pressure with services overcrowded. Network Rail's Rail Utilisation Strategy (RUS) recognises that by 2024 the West Coast Mainline will be effectively full and therefore any increasing demand needs to be met by new infrastructure.
- 1.2 The Government plans for HS2 phase 1 to connect London and Birmingham, then for phase 2 to have two separate corridors; one direct to Manchester, and then connecting to the West Coast Mainline (at Warrington), and the other via the East Midlands and South Yorkshire – with interchange stations in both areas- before connecting to the East Coast Mainline north of Leeds.
- 1.3 In July 2011 the Borough Council's Cabinet considered a report on the Government's consultation on High Speed Rail. At this time it was not yet known whether the Borough was directly affected by the proposals but it was considered appropriate for a response to be made as there were potential sub regional transport and regeneration consequences.
- 1.4 It was suggested that the economic model which supported the proposal was flawed as the problems of large urban areas such as North Staffordshire were ignored and in addition the service between Stoke-on-Trent and London could be reduced. It was considered that the views of the County Council should be supported in opposing the HS2 proposals on the grounds that it would potentially harm the county's economy, the environment and did not have a sound business case. When this decision was made it was considered unlikely that an intermediate station (between Birmingham and Manchester) would be incorporated. That

said it was acknowledged that should an intermediate station be provided in the sub-region then this could further enhance the attractiveness of the area for inward investment.

- 1.5 In January 2012 the Government made the decision to proceed with HS2 plans. In Autumn 2012 the Government plans to undertake an engagement programme on the phase 2 preferred route, to discuss local views and concerns. This will be followed, in early 2014, with a consultation on the preferred route for phase 2. It is therefore appropriate that the Council continues to review the progress of the plans and considers the ways in which the proposals might affect our Borough, both environmentally and economically.
- 1.6 The matter was considered by the Task and Finish sub group of the Economic Development and Enterprise Overview and Scrutiny Committee on 4 July 2012. The recommendations of this group were:
  - (a) Highlight to Cabinet that the Government consultation on the route options for phase 2 will take place in the Autumn.
  - (b) That the Task and Finish Sub Group continue to have a brief to review this and in particular reconvene on the launch of the Government's consultation in the Autumn.
  - (c) That the Council continues to object to HS2 but that should it take place then a local station should be provided.
- 1.7 Cabinet considered a report regarding Reviewing the Potential Benefits of HS2 on 18 July 2012. The report contained the Task and Finish sub group's recommendations. Cabinet resolved to:
  - (a) That the Council modify its stance to offer support for the principle of HS2 as long as the potential economic benefits for North Staffordshire can be demonstrated to outweigh the environmental consequences, in particular whether such benefits would be derived from a local station being provided to serve this area.
  - (b) That the Economic Development and Enterprise Scrutiny and Overview Committee be asked to continue to scrutinise the plans for HS2 with the Task and Finish Sub Group reconvening when the Government Consultation commences, with a particular focus upon whether the provision of an intermediate station in the North Staffordshire area would strengthen the case on economic grounds sufficiently to outweigh potentially adverse environmental consequences.
- 1.8 The Task and Finish group await the commencement of the consultation, when they will reconvene at the earliest opportunity.

## 2. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 2.1 The aim of securing economic development in the area clearly contributes to the priority of creating a borough of opportunity. It should be noted however, that the HS2 will result in environmental consequences which will need mitigation if the plans are to align with the corporate objective of Creating a Cleaner, Safer and Sustainable Borough.

## 3. **Legal and Statutory Implications**

- 3.1 There are no specific implications as this report is providing an update to the Economic Development and Enterprise Overview and Scrutiny Committee.

## 4. **Equality Impact Assessment**

- 4.1 An assessment has not been undertaken as the aim is to secure investment and jobs in the area to benefit all identified groups.

5. **Financial and Resource Implications**

- 5.1 There are no direct financial implications to the Council arising from this report.

6. **Major Risks**

- 6.1 There would be a range of consultations to be undertaken by HS2 Ltd to consider viability, suitability and community views as part of the development of plans for HS2 phase 2.

7. **Key Decision Information**

- 7.1 The development of the HS2 line and potential local station could potentially affect several wards on the western side of the Borough.

8. **Earlier Cabinet/Committee Resolutions**

- 8.1 In July 2011 it was suggested that the economic model that supported the proposal was flawed, as the problems of large urban areas such as North Staffordshire were ignored and in addition the service between Stoke-on-Trent and London could be reduced. It was considered that the views of the County Council should be supported in opposing the HS2 proposals on the grounds that it would potentially harm the country's economy, the environment and did not have a sound business case.

- 8.2 Cabinet resolved that the Portfolio Holder for Regeneration and Planning be authorised to approved the submission of the Borough Council's formal response by the close of the consultation period on 29 July 2011.

- 8.3 Economic Development and Enterprise Scrutiny Committee considered the HS2 proposals on 24 August 2011. There was agreement that the working group would reconvene if and when there was further Government consultation on the preferred route.

- 8.4 The Task and Finish Sub Group of the Economic Development and Enterprise Scrutiny Committee met on 4 July 2012. The recommendations of the group were:

- (a) Highlight to Cabinet that the Government consultation on the route options will take place in the Autumn.
- (b) That the Task and Finish Sub Group continue to have a brief to review this and in particular reconvene on the launch of the Government's consultation in the Autumn.
- (c) That the Council continues to object to HS2 but that should it take place then a local station should be provided.

9. **Background Papers**

- 9.1 The Government's decision to proceed with HS2 is published in the Department for Transport High Speed Rail: Investing in Britain's Future – The Government's Decisions.