



29 September 2009

Dear Colleague,

HIGH SPEED 2 – NEWSLETTER, September 2009

I am pleased to let you have the September edition of the High Speed 2 newsletter. The last two months have been very busy and I will summarise some of the key areas where progress has been made.

What is included in this newsletter

This edition provides information on the following areas:

- An update on the HS2 programme
- Development of the longer term strategy beyond the West Midlands
- Recent stakeholder engagement on London and West Midlands stations and line of route options
- The Appraisal of Sustainability work including the setting up of specialist noise and climate change advisory groups
- External Challenge Group meetings
- The HS2 position on recently published reports on high speed rail by Network Rail and Greengauge 21
- Results from the HS2 stakeholder survey
- Some basic facts about high speed rail

-----RECENT DEVELOPMENTS-----

- **Completion of the second round of sifting for London and West Midlands station options and more detailed assessment to arrive at preferred options**
- **Completion of the consultation on the Appraisal of Sustainability scoping report**
- **New specialist groups established to advise on noise and climate change impacts**



HS2 PROGRAMME UPDATE

During July and August we were able to confirm a shortlist of options for both London and West Midlands station locations and for the line of route options in between. We are currently carrying out our third Gate Review to identify preferred options for more detailed work in the next phase and have initial conclusions on the business case. This is a critical milestone in our delivery programme.

DEVELOPMENT OF THE LONGER TERM STRATEGY

Progress has continued on developing and appraising corridor routes to regions beyond the West Midlands. In particular, we have developed broad cost assumptions to apply to the various configurations of a national network and assessed possible high level environmental impacts. The reports published in recent weeks by Network Rail and Greengauge 21 have added to the evidence base for longer term network options.

STAKEHOLDER ENGAGEMENT

Following on from the Network Rail and Greengauge reports, there has been a noticeable increase in media interest in HS2 in recent weeks and I expect this to continue. I have given a number of interviews recently to national, regional and trade publications including the Guardian, Transport Times, and The Herald in Scotland. We have also held further meetings with opposition spokespersons to update them on progress with the HS2 programme.

In September I and HS2 colleagues attended a High Speed Rail conference in London organised by Steer Davies Gleave. This provided a valuable insight into the experiences and lessons learnt in developing high speed rail from countries across Europe and in Japan. A key conclusion we drew is that it is vital at the outset to agree the basic concept for a high speed railway, what do you want to build and why? This is something we will cover in our report to Ministers at the end of the year. We will also cover the key themes on the development of high speed rail in the UK which Lord Adonis identified in his closing speech to the conference. These were:

- achieving appropriate and timely planning approvals
- making effective use of new and improving technologies
- accepting that there is no single model to follow for high speed rail and developing a system and infrastructure that most suits UK needs
- realising that there is no single compelling argument to justify the case for high speed rail in the UK - it is the combination of many factors that can make the case



- capacity is the key driver above everything else
- the UK needs to learn from but not be constrained by the past
- interoperability between the new line and the classic existing railway will help deliver early benefits to areas beyond the West Midlands
- focus on the 3 – 3.5 hour travel time market where rail competes very effectively with air travel
- high speed rail in the UK will undoubtedly require significant state investment but this should be supported by creative partnership schemes to encourage investment from the private sector
- station location and design and connectivity to supporting transport networks will be crucial to being able to disperse large numbers of passengers.

As foreshadowed in the July newsletter, my team recently completed an extensive round of confidential discussions with county and local planning authorities from London to the West Midlands about specific options. The main purpose of these meetings was to ensure that key regional and local planning and environmental impacts associated with specific station and route options were picked up. In some cases, we will need to continue discussions to inform our analysis. Meantime, we are grateful to all those organisations who have been involved for their input and cooperation up to now.

In addition, we have held further meetings of our London, West Midlands, North of England, ATOC, Rail Freight and Scottish stakeholder groups. These meetings have continued to provide effective forums for discussing general progress issues and our approach to analysing the options in the various regions. Looking ahead, we may not be able to convene further meetings of all these stakeholders groups before the end of the year as we increasingly focus on assessing our preferred options and writing the final report.

There has also been a fair amount of media coverage in the last few weeks about the work we are doing to look at stations in the West Midlands; in particular, how we are considering potential stations in Birmingham city centre and a parkway outside Birmingham. May I take this opportunity to confirm our position on this.

We are proposing locating a station in Birmingham city centre – whether that be at the site of an existing station or a new build - and we are also investigating the case for a parkway interchange station outside the centre, for instance around Birmingham International Airport. In doing this we are



looking at the likely passenger demand for services from both types of locations. If the demand is there, there could be a case for having both.

APPRAISAL OF SUSTAINABILITY

Consultation on the scope of the Appraisal of Sustainability was completed in August and this included valuable contributions from the AoS Reference Group. This will help inform the work to identify preferred options.

Linked to the AoS work, we have set up two specialist groups to advise on noise and climate change impacts. Both groups comprise a wide range of experts in their respective fields and will provide a peer review/technical support function to the work being carried out on these areas by our sustainability consultants, Booz & Company and Temple Group.

EXTERNAL CHALLENGE GROUPS

The three main HS2 external challenge groups had further meetings in September. The Strategic group received a briefing on the development of line of route and station options and discussed passenger issues such as fares and ticketing and the demand modelling. We expect this group to meet once more before the end of the year when the focus will be on the emerging appraisal results of our preferred options.

The Analytical challenge group discussed the initial outputs from the HS2 demand model and the intended approach to assessing city-to-city connectivity benefits. The third of our core external challenge groups – the Technical group – discussed a range of issues including the HS2 rolling stock strategy, project specification, infrastructure costs and sustainable design aims. This reflects the group's remit to look at both the environmental and engineering aspects of HS2's design and operations.

We are continuing work on developing options for the delivery and funding of HS2 and we have now completed an intensive series of workshops with our financial advisers, Ernst & Young. We will be presenting our emerging thinking to a Delivery & Funding external challenge group in October. Sir Adrian Montague (Chairman, Friends Provident plc) has agreed to chair this group which also includes:

- Michael Adams (President, Bechtel Civil, Bechtel Corporation)
- Philippe Camu (Managing Director (Head of Europe), Goldman Sachs Infrastructure Partners, Goldman Sachs International)
- Ed Clark (Director, Infracapital, M&G Investments)
- Cheryl Fisher (Chef de Division, Financements Structurés et Opérations de Partenariat Public-Privé, Banque Européenne d'Investissement)

- Andy Friend (Non-Executive Director, High Speed Two)
- David Gray (Independent Panel Member, 'Reforming the framework for the economic regulation of UK airports', Department for Transport)
- Cressida Hogg (Managing Partner, Infrastructure, 3i Group plc)
- Fred Maroudas (Director of Treasury, BAA plc)
- Renaud de Matharel (Chief Executive Officer, Natixis EIL)
- Stephen Paine (Managing Director & Global Head of Infrastructure Group, UBS Limited)
- Anthony Rabin (Deputy Chief Executive Officer, Balfour Beatty plc)
- Mike Welton (Non-Executive Director, High Speed Two)

REPORTS FROM NETWORK RAIL & GREENGAUGE 21

In August and September Network Rail and Greengauge 21 published their own reports on the future development of high speed rail in the UK. Although the reports arrive at somewhat different conclusions to each other on the future shape and direction of high speed rail in the UK, we welcome the analysis that underpins the work and will ensure it is taken into account in our work.

STAKEHOLDER SURVEY RESULTS

In August, we completed a short survey about our work and communication with stakeholders, including recipients of the newsletters.

In summary, there was general support for our work and the approach we are taking. A few stakeholders would have liked more detailed engagement on the specific options under consideration. Whilst we understand this viewpoint, because of generalised blight concerns, we have not been able to share specific details about our options too widely. I hope this particular point has been addressed at least to some degree in the discussions the team has held with planning authorities potentially directly affected by specific options.

HIGH SPEED RAIL TECHNICAL PARAMETERS

From our meetings with external stakeholders over the last few months, it has been evident that there is some uncertainty about what high speed rail is and how it is different to conventional rail. There are now some slides on our website (www.hs2.org.uk) which describe and illustrate some of the key high speed rail technical specifications to which we are working in HS2. This includes information on:

- rolling stock and platform dimensions;

- seating capacity;
- maximum speeds;
- minimum curvature constraints;
- high speed gradient capability; and
- key tunnel considerations.

FURTHER NEWSLETTERS

I expect this year that we will issue one more newsletter in November. As ever, we would be happy to respond to any enquiries you may have in the interim via our enquiry point hs2enquiries@hs2.gsi.gov.uk, 020 7944 4909).

A handwritten signature in blue ink that reads 'David Rowlands'.

**SIR DAVID ROWLANDS
CHAIRMAN**



SUMMARY OF THE REMIT AND OBJECTIVES OF HIGH SPEED TWO

On 15 January 2009 the Secretary of State for Transport announced in 'Britain's Transport Infrastructure: High Speed Two', the setting up of a new company to look at a possible new railway line between London and the West Midlands.

HS2 was set up shortly after as a private company limited by guarantee. It is chaired by Sir David Rowlands and Alison Munro was seconded from the Department of Transport as Chief Executive. The rest of the HS2 team comprises further secondees from the DfT and from Network Rail

HS2's remit is to develop proposals for a new railway line from London to the West Midlands taking account of environmental, social and economic assessments. It will also provide advice to Ministers on the potential development of a high speed line beyond the West Midlands at the level of 'broad corridors, considering in particular the potential to extend to Greater Manchester, West Yorkshire, the North East, and Scotland.

HS2 will make recommendations on options for a terminus station or stations serving London and possible options for an intermediate parkway station between London and the West Midlands. It will also provide a proposal for an interchange station between HS2, the Great Western Main Line and Crossrail with convenient access to Heathrow airport. HS2 will also provide suggested means of linking to HS1 and the existing rail network. .

HS2 will produce a confidential report to Ministers by the end of 2009 that should be sufficiently developed to form the basis for public consultation in 2010 should Ministers decide to take this project forward. The advice will also include financing and construction proposals as well as a proposition for how best to move through the planning process within an indicative outline timetable