

The APPG for High Speed Rail
Box 30
95 Wilton Road
London
SW1V 1BZ

Dear Sirs,

The Birmingham Chamber of Commerce Group welcomes the opportunity to submit evidence to the APPG for High Speed Rail.

The Birmingham Chamber of Commerce Group consists of the Birmingham Chamber of Commerce, the Solihull Chamber of Commerce, the Lichfield and Tamworth Chamber of Commerce, the Burton and District Chamber of Commerce and the Chase Chamber of Commerce. The Birmingham Chamber of Commerce Group is one of the largest Chambers in the UK with around 3,000 members and 20,000 affiliate members. Geographically the Chamber Group covers a large swathe of the West Midlands and closely mirrors the geography of the Greater Birmingham & Solihull LEP.

The Chamber Group is a vocal advocate of businesses issues and lobbies both local and national government on a variety of issues.

The Chamber would be delighted to submit oral evidence to the APPG for High Speed Rail and asks that this submission of evidence be treated as the position of the Birmingham Chamber of Commerce Group rather than that of any particular author.

Sincerely,



Jerry Blakett
CEO
Birmingham Chamber of Commerce Group

All-Party Parliamentary Group for High Speed Rail: Capacity Inquiry – Evidence from the Birmingham Chamber of Commerce Group

1. The Birmingham Chamber of Commerce Group views the capacity situation facing the UK's railways as a disaster waiting to happen. Currently our Victorian West Coast Main line is predicted to hit capacity by the early 2020s. indeed there are many trains already leaving Birmingham and London with standing room only.
2. The Chamber feels that it is unrealistic to expect the UK's twenty-first century railway capacity needs to be provided solely by our Victorian infrastructure. Currently demand for rail journeys is growing at around 6 per cent per annum. In 2000/01 22.8 million passenger journeys were made rising to 32.8 million journeys by 2006/07 and reaching 42.8 million passenger journeys in 2010/11 with rail journeys in Birmingham accounting for 27 per cent of peak modal share – a ten percent increase since 2001.
3. The Chamber believes that this situation is untenable and without HS2 the WCML will be crippled due to the need for it to cater to local services, inter-city services and freight services.
4. HS2 is a good start with regards to delivering additional capacity to the UK's railways. HS2 is vital if we are to deliver the high capacity inter-city services that will drive the UK's economy during the twenty first century. More and more people are coalescing in and around cities and with the UK's population set to reach 70 million in the near future it is clear that a significant proportion of the demand for rail will come from these population centres and economic powerhouses. This will clearly add increased pressure to our railways as demand grows.
5. The demand for fast inter-city services will continue to grow. However the Chamber also feels that it is vital that local services are protected so as to ensure that commuters within the travel to work area can still travel into our cities by local rail services. HS2 does go some way to protecting local commuter services by relieving some of the pressures placed on the WCML by fast inter-city services.
6. Furthermore the UK's railways need significant freight capacity. According to the West Coast Main line Rail Utilisation Strategy demand for rail freight will outstrip supply by 2024.¹ According the WCML RUS HS2 will provide additional capacity on this corridor. The Chamber welcomes this as there is

¹ West Coast Main line Rail Utilisation Strategy



significant potential to make the rail freight industry more responsive to the needs of its users rather than by fitting it around the current passenger timetable.

7. The Chamber is firmly of the opinion that HS2, along with a complimentary scheme of local rail improvements, is the only adequate way to provide the railway capacity that the UK economy is going to need to ensure that we have a twenty-first century railway system that can respond to and cope with the demands of a twenty first century economy.
8. A make do and mend approach, like those of RP2 and 51M, cannot feasibly provide the capacity that HS2 does and thus neither of these proposals has any significant support among the business community. Indeed over 70 per cent of businesses in Birmingham and Solihull support HS2.
9. 51m would actually reduce capacity and services. A recent report by Network Rail confirmed that 51m would threaten the stations at Stone and Atherstone and end Rugeley's services to London due to increased pressure on the WCML. HS2 however actually draws services off of the congested WCML freeing up more space and allowing for more frequent and better local services. This separation of fast inter-city trains and local trains onto separate lines will not only significantly boost the capacity of our railways but will also improve resilience by providing multiple routes between our large cities.
10. Transport links are vital for business. As part of the Cushman and Wakefield European Cities Monitor cities are judged on their 'external transport links' as this is vital to any business considering where to locate/relocate their office. Birmingham, already at the heart of the transport network, is confident that HS2 will add £1.5 billion of extra investment per annum and create 22,000 jobs within the West Midlands.
11. Birmingham will be 45 minutes from Euston Station and with significantly lower office and labour costs the Chamber firmly believes that many businesses will relocate key back office functions from London to Birmingham. Indeed the Chamber is already aware of businesses doing this.
12. HS2 also offers significant regeneration benefits to Birmingham and its surrounding areas. Birmingham's Eastside has the potential to see huge levels of development and investment as a result of Birmingham's HS2 station being located there. This will drastically boost an area of the city that is currently characterised by vast areas of waste land and abandoned buildings.

13. Failing to invest in HS2 will be a disaster for the UK. Significant development opportunities around Birmingham, Euston and in the North of England will be squandered and jobs and investment will go elsewhere. It is essential that the UK economy continues to show confidence in itself by investing in long term infrastructure.
14. Without HS2 the Chamber is confident that the WCML will not be able to keep pace with growing demand. We have identified that many of the proposals in the so called 'alternatives' to HS2, such as extra carriages, have already been agreed to and that the additional capacity provided are based on outdated passenger numbers that have already proved to be too conservative.
15. Failure to invest in HS2 would lead to local rail services being pushed off lines or operating sporadic time tables and missing out stations to make way for faster inter-city services. In an effort to control demand rail companies would be forced to increase prices exponentially at peak times due to overcrowding and the UK would have an economy based around its (antiquated) railway network rather than a railway network based around the needs of its economy.
16. Once the smoke and mirrors of RP2 and 51m have been stripped away we are not left with an alternative to HS2 at all. In fact we are left with massive disruption to the WCML for many years, poorer local services and we will still be faced with the capacity crisis that HS2 is the solution to.

Sources

West Coast Main line Rail Utilisation Strategy, *Network Rail*, July 2011:

<http://www.networkrail.co.uk/browse%20documents/rus%20documents/route%20utilisation%20strategies/west%20coast%20main%20line/westcoastmainlinerus.pdf>

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Review of Strategic Alternatives to High Speed Two, *Network Rail November, 2011*,

<http://assets.dft.gov.uk/publications/hs2-review-of-strategic-alternatives/hs2-review-of-strategic-alternatives.pdf>

