



Go-HS2 Evidence for All-Party Parliamentary Group for High Speed Rail

March 2012

How do you view the current capacity situation on Britain's railways?

1. Go-HS2 is a coalition of Birmingham City Council, Centro, Birmingham Chamber, NEC Group, Birmingham Airport, Marketing Birmingham and Birmingham Future. We are very concerned about capacity constraints and believe if additional capacity is not added to the national rail network then it will harm the regional and national economy by inhibiting people's ability to access jobs. If rail services become unattractive, or are lost to cater for other rail services this will lead to an increase in road congestion in our urban areas and on inter-urban corridors such as the motorway network.
2. There is no shortage of evidence that our railways are running out of capacity in terms of the ability to run more trains or to run increasingly longer trains. We believe that this critical issue should be assessed at two principal levels: Intercity Rail Travel and Commuter rail. In relation to commuter rail use in the West Midlands, passenger journeys have increased every year for the past decade in the Centro area (urban West Midlands). In 2000/01 22.8 million passenger journeys were made. This had risen to 32.8 million journeys by 2006/07 and reached 42.8 million passenger journeys in 2010/11.
3. Commuter rail journeys are important for the everyday working of our economy. For instance, in Birmingham rail now accounts for 27% of the peak modal share, up from 17% in 2001 allowing more people to access jobs and reducing people's use of the private car therefore reducing congestion.
4. The second principal level is Intercity travel. Network Rail identified in its West Coast Route Utilisation Strategy that the need for capacity was most pressing between the West Midlands and London, a position that was assessed and supported by the Transport Select Committee. We believe that the Government and the rail industry's approach to date is the most appropriate to handle rail growth through longer trains and additional rolling stock whilst maximising capacity of the existing national rail network through incremental upgrades. However, this policy cannot continue indefinitely and Network Rail have demonstrated that by 2024 the West Coast Main Line will be operationally full with no further opportunities to increase rail capacity.

5. Rail operator London Midland has recently (Dec 2011) added another 2,300 seats to its services in the West Midlands. Virgin Trains has seen journeys on the West Coast Mainline almost double from 16m in 1999 to 31m in 2010.
6. Industry figures (Association of Train Operating Companies) demonstrate rail passenger numbers are growing at 5-6% per year. We now have the highest number of rail passengers since the 1920s, but only half the rail network we had then.
7. Interestingly, ATOC reported on February 29 that rail travel is booming among the younger generation. Railcard journeys (16-25) have soared by 60% in five years. There are now 1.2 million 16-25 Railcard holders compared to 950,000 in 2005.
8. It is not just a case of passenger levels growing. The Rail Freight Group reports that north-south rail freight has grown by 56% in the last eight years.
9. We have already seen services and stations lost (for example Wedgwood and Barlaston in Staffordshire) due to capacity constraints and there is pressure on local services all along the West Coast Mainline.
10. If we do not meet demand we risk forcing passengers and freight onto our congested roads. This is a serious issue for families and businesses in the West Midlands. HS2 would not only offer fast, direct links between our major cities it would also relieve congestion on our increasingly crowded existing network. Without addressing capacity constraints we will face some stark choices in the near future.

What capacity do you believe Britain's railways will require in the future?

Current growth:

11. To understand future capacity requirements, there is a need for us to understand current growth drivers. As a consequence of the modern economy, people need access to centres which are often the home of service/professional sector jobs. Rail provides the connectivity and accessibility for people to access jobs and for business to access the right people with the right skills for their business. People need to travel further to access the jobs they want, which are not always locally sourced. Milton Keynes is, for example, a commuter town for London.
12. Huge investment in the rail network has created an attractive, safer, frequent, reliable mode of transport. Today's economy is more affluent than ever and leisure travel makes up the biggest proportion of long distance rail. Business markets have opened up as a consequence of the internet and enhanced transport connections.
13. As the economic engine of the UK, London is to be a principal destination for all of the above, focused on West/East Coast Main Lines. Freight will increase as the global economic market place provides opportunities to trade internationally with huge growth in imports/exports via international shipping and therefore cargo containers. Huge investment in rail has created attractive, reliable and accessible rail freight market.

Future Growth Drivers:

14. The UK's population is increasing by 490,000 per annum and will reach 73.2m by 2035. Additional people will generate additional travel demands including rail, while increased levels of personal affluence will underpin leisure trips, especially if the long term price of oil continues upwards which would impact on people's use of aviation and private car.
15. The modern economy will continue to require a highly skilled, flexible adaptive workforce which means that people will need to travel further to access the jobs they require. People on average will have more jobs during their working career than previous generations. People are less likely to move house as often as previously.
16. Greater policy focus on manufacturing will drive rail freight growth. As oil prices are projected to rise in the medium/long term, there will be further modal shift away from road travel (car/ HGV).
17. Electronic media will open up new business markets and opportunities by removing spatial barriers between businesses and people. The digital age economy will generate more trips as opposed to reducing them. London will have an increasingly greater role in the UK economy as a world city.
18. Between now and 2025 we must focus on making best use of existing assets by maximising train lengths and maximising network capability. However, there is evidence that in a growing demand/fixed capacity scenario rail costs are increasing and some service types are being diluted in favour of higher revenue services. There is also evidence that rail connectivity gaps are appearing on the network.
19. Post-2025 incremental enhancements cannot continue indefinitely. Huge capacity release is required and HS2 will provide that. We need to undertake some key elements of Rail Package Two to keep up with demand before 2025. Therefore RP2 is not a replacement for the need for HS2.

What is the best way of providing capacity and future-proofing Britain's rail network?

20. Whilst in the short-term these will be a continuing need to increase capacity through provision of longer trains and incremental improvements to the existing rail network infrastructure, Go-HS2 believes the best way to provide long-term capacity is to build HS2. It is our belief that transport infrastructure should contribute to as many policies as possible to maximise the benefit of the scheme, therefore building a High Speed Rail line not only provides the additional capacity required on our national rail network but also generates significant economic benefits and, through the phase two network, generates carbon benefits.
21. From the outset HS2 provides the capacity for an extra three trains per hour between Birmingham and London which could be up to 400m long and carry up to 1100 passengers. This potentially provides more than 3,000 additional seats per hour, just on the London - Birmingham HS2 services and delivers the huge step change in capacity required by our region.

22. As an additional benefit, transferring the faster services to HS2 will allow the existing capacity on the West Coast Main Line to be used more effectively which would provide more path for freight and allow us to enhance local and regional rail services.
23. The benefits of HS2 would not be felt by the areas immediately served by HS2 stations but rather across the existing rail network. For example, HS2 would enable improved services, frequencies and better connections for towns on the Trent Valley line, such as Lichfield, Nuneaton and Tamworth and allow new cross-regional services to be introduced across the West Midlands. For example, stations in the Black Country could benefit from new direct services to Birmingham International (for the Airport, NEC and new HS2 Interchange station), whilst Coventry would have Intercity connectivity to London with additional onboard seating available whilst also benefiting from new or additional rail services to economically important cities and regions such as Milton Keynes, the north east and the north west.
24. Centro has undertaken research to understand how this released capacity could be best used. In a recent survey Network Rail and Passenger Focus also asked commuters how they would like to benefit.
25. Go-HS2 supports HS2 as it provides fast, direct links between our major cities and Europe and brings jobs and investment to the West Midlands. Much is often made of the benefits of bringing Birmingham just 45 minutes away from London. But it is also important to remember the West Midlands benefits from halving journey times to Leeds and Manchester. Leeds journey time from Birmingham is cut from two hours to 57 minutes, while Manchester is halved from 90 minutes to 41 minutes.

What will the effects of providing extra capacity be, beyond addressing journey supply? What would be risked by failing to provide that capacity?

26. As a principal member of Go-HS2 the West Midlands transport authority Centro commissioned a 2010 study into bringing high speed rail to the West Midlands. This report, written by KPMG, concluded that HS2 would have tremendous economic benefits to the West Midlands. The significantly reduced journey times combined with new national and international connectivity delivered by HS2 along with an enhanced local/ regional rail network would bring 11,000 jobs and £600m per year to the West Midlands economy.
27. However, Centro has drawn up plans to increase local and regional services (from the Black Country to Birmingham Airport, for example) using capacity released by HS2 on existing lines. KPMG reports that bringing HS2 to the West Midlands, along with these rail enhancements, will deliver 22,000 jobs and generate £1.5 billion per year for the regional economy.
28. If we fail to provide the rail capacity we need we are likely to face financially driven choices as to which services are prioritised for the fixed levels of rail capacity available. Without question this would lead to station service reduction or even services being cut. Network Rail's report into the 51M Group alternative to HS2

concluded that stations in Staffordshire and Warwickshire would risk losing London services (effectively closing Stone and Atherstone) and there would be no allowance for growth in services between Coventry and Birmingham.

29. As we represent the interests of the West Midlands we would be strongly opposed to suggested alternative schemes such as 51M as it would freeze rail services at current levels between Birmingham and Coventry and threaten local services elsewhere in our region. This would be bad news for businesses and communities in the West Midlands and force rail travellers to use other modes of transport which are likely to be less environmentally friendly.
30. Centro chief executive Geoff Inskip is concerned that our local and regional services may suffer as pathways are given to more lucrative long distance services. Birmingham Chamber chief executive Jerry Blackett believes our ability to do business and for our businesses to trade effectively and attract talent to the region will be hampered.