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Report Originator	Head of Development Services	Fwd Plan I -	Ref No:
Wards Affected Title	All Wards HIGH SPEED 2 (HS2)	30th Janua	ary 2014

1. <u>PURPOSE OF REPORT</u>

To inform Members of the proposals for the High Speed 2 railway line between London, the West Midlands, Manchester and Leeds; and to agree a response to a consultation on Phase 2 of the proposal.

2. INFORMATION

Background

- 2.1 The number of people travelling by train has increased significantly; demand for long distance rail travel has doubled over the past 15 years. This growth in rail travel is predicted to continue, aided by forecasts that Britain's population will increase by 10 million over the next 25 years. Britain's railways, which are already over-stretched, will continue to be under strain, without significant intervention through investment.
- 2.2 Good transport links make the nation's economy stronger, and lives easier. Congested transport networks breed unreliability, and constrain travel opportunities, acting as a restriction to growth. The Government has indicated it plans to invest £370 billion into transport by 2021. High Speed 2 (HS2) is a part of this, accounting for a significant investment.
- 2.3 HS2 will increase capacity on the railways, and link eight of Britain's ten largest cities, and serve an estimated 1 in 5 of the UK population. In addition, it will treble the number of passengers travelling into London Euston. A major by-product of HS2 is it will free up capacity on existing rail lines for more commuter, rural and freight train services. There are environmental benefits to be gained too, with fewer cars and lorries on the nation's roads, cutting congestion and carbon emissions.
- 2.4 HS2 is planned to be built in two phases, Phase 1 will link London Euston with a new station at Birmingham Curzon Street. Two further stations will be provided on this line, one at Old Oak Common in west London, and another near Birmingham Airport. Phase 2 of the route will divide into two lines, the western leg to Manchester Piccadilly via Crewe and Manchester Airport, the eastern leg to Leeds via the East Midlands and Sheffield Meadowhall. The following plan provides a broad indication of the route, and other High Speed rail lines.

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2.5 The East Midlands Hub Station is proposed to be located at Toton sidings, on the outskirts of Nottingham, between Nottingham and Derby, about a mile from the M1. The plan below provides an indicative image of its location.



- 2.6 HS2 will be integrated with the existing national railway network, HS2 trains will be compatible with existing railway lines so that towns and cities beyond the HS2 network will be afforded some benefit from the HS2 service.
- 2.7 Construction of the HS2 line is due to start with phase 1 in 2017, and then phase 2 in 2023. The route is planned for completion by 2025, and the first train service will run between London and Birmingham from 2026.
- 2.8 The decision to progress HS2 was made in January 2012, following an extensive consultation on issues during 2010 and 2011. Since then other specific consultations have been undertaken covering issues including: the safeguarding of the route, design refinements and Environmental Statement, and new proposals setting out compensation for residents all for Phase 1. Phase 2 consultations have been undertaken on issues including: an exceptional hardship scheme for homeowners, the proposed route and sustainability impacts.

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2.9 The most recent consultations, and relevant in this response, are the updated environmental statement, alongside the HS2 Phase One hybrid Bill. The High Speed Two hybrid Bill will seek the necessary legal powers to enable the construction and operation of the first phase of HS2 railway between London and the West Midlands. On its enactment, it will give the Government deemed planning permission to deliver the scheme, including the powers to acquire the necessary land and undertake the works required.

Costs, Benefits and Journey Times

- 2.10 The estimated costs for the proposed route, station and depot options for Phase Two amount to £21.2 billion, this was set out in the Government's Spending Review 2013. HS2 Ltd anticipates the estimated final cost will come in below the estimated funding level. Managing the cost of the scheme against the benefits, it has been estimated HS2 will return around £2 of benefits to every £1 invested. It is estimated that in the case of several cities, this ratio of benefit will be far greater.
- 2.11 It has been promoted that HS2 will underpin the delivery of 400,000 jobs (source: The Core Cities Group). Phase Two is expected to provide 1,400 permanent jobs in operation and maintenance, and up to 10,000 jobs during construction. In addition, Phase Two is predicted to support a further 48,700 70,300 jobs. It has been estimated it will also support the creation of between 5,200 7,600 homes.
- 2.12 The Western leg is estimated to support 29,700 42,900 jobs at Manchester Piccadilly, together with 3,100 4,100 new homes; and 300 700 jobs at Manchester Airport. The Eastern leg is estimated to support 1,500 1,600 jobs at East Midlands, together with 150 800 new homes; 4,000 5,400 jobs at Sheffield Meadowhall, together with 250 300 new homes; and 13,200 19,700 jobs at Leeds New Lane, together with 1,700 2,400 hew homes.
- 2.13 HS2 will mean some journey times will be significantly reduced. For example, journey times from London to Birmingham will be reduced from 1 hour 13 minutes, to 38 minutes. From London to Derby Midland will be reduced by 20 minutes to 1 hour 11 minutes, and from London to Manchester Airport will see a travel time of 2 hours 24 minutes, reduce to less than 1 hour. The nearest station to Kettering will be the East Midlands Hub, journey times to this station from Birmingham will be 19 minutes, and from London Heathrow will be 1 hour 10 minutes.-
- 2.14 As apart of this project a consultation is underway on the Environmental Statement, this closes on 31st January 2014. The route this covers is phase 2 of the route from Birmingham to Manchester and Leeds. The consultation is supported by numerous documents, including reports on the following:
 - Plans and Profile Maps of the routes to Leeds and Manchester

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- Technical Engineering Reports
- Sustainability Statement including an equality analysis
- Network Rail Release Capacity Report

These and other documents can be viewed in full at <u>http://www.hs2.org.uk/phase-two/route-consultation/document-library</u>

Issues for Comment

- 2.15 Kettering Borough Council recognises that both direct and indirect benefits will accrue from the proposed High Speed 2. It is considered that primarily, direct benefit will be experienced by those locations along its route provided with a station. These stations have the potential for significant economic growth, as indicated by the new job numbers predicted at Manchester Piccadilly, Manchester Airport, East Midlands, Sheffield Meadowhall, and Leeds. These growth figures are provided at para.2.11 and 2.12 of this report.
- 2.16 The Council also acknowledges however, that significant harm to the landscape will occur, particularly in those locations along its route where the harm is not to be countered by economic benefit. In this respect, Kettering Borough is considered not to be affected by HS2, the route passing some distance from the Borough's boundary.
- 2.17 It is recognised that an indirect benefit of HS2 is the capacity it creates on other rail lines, including the Midland Mainline on which Kettering sits. The Council welcomes the freeing up of capacity, and requests that the spare capacity is fully utilised to meet the growth demands developing in the Borough. The Council's concern is that HS2 could be seen as the prime route for further investment in the future, and that could result in reductions in the quality and frequency of services on the Midland Mainline, particularly at Kettering.
- 2.18 Kettering's rail service was reduced in 2008, with the removal of a second train north. Even with the reduced service, Kettering's passenger numbers have risen by nearly 30%, to 1,070,807 passengers in 20011/12. Kettering Borough is continuing to experience significant growth in development pressures, new schemes delivering in excess of 8,000 new homes are have commenced, or are due to commence within the next 12 months. In addition, Kettering has a number of major employment developers with planning applications in the Borough. Continued investment in the Midland Mainline will be essential if the continued speed of growth is to be maintained once HS2 is operational.
- 2.19 Furthermore, the Council is delighted that significant investment is currently being placed in the installation of electrification of the Midland Mainline, north beyond Bedford. It would appear nonsensical if the benefits that electrification brings, and then not fully utilised to the benefit of the towns and cities on the Midland Mainline.

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2.20 These concerns are endorsed by a BBC Two Newsnight programme Freedom of Information request, which reported the estimated change in output as a result of HS2. The findings were that Kettering would apparently suffer a £17-£50 million output change deficit, at 2013 prices for a forecast year of 2037. This equates to -0.8 to -2.3% reduction in Gross Domestic Product (GDP). The benefits that HS2 brings to the economy of those areas directly on its path, should not be at the expense of those areas not directly affected. That strategy would bring with it no overall benefit to the national economy, crucial bearing in mind the sums of financial investment proposed.

3. CONSULTATION AND CUSTOMER IMPACT

3.1 Kettering Borough Council is a consultee on this proposal.

4. POLICY IMPLICATIONS

4.1 The strength of the rail network, and the benefits it brings to the local economy is significant. Many of the area's growth strategies are based around the attractiveness of the area to residents and business alike. A reduced service could affect the confidence of investors in the area, this could affect policies contained within the Core Spatial Strategy, Kettering Town Centre Area Action Plan, and emerging Site Specific Local Development Document.

5. <u>USE OF RESOURCES</u>

- 5.1 No resources beyond officer time have been used in the preparation of this report to Committee.
- 5.2 Research and Development Committee established a Task & Finish Group to look more closely at the economic aspects of HS2 and its impact on the Borough.

6. <u>RECOMMENDATION</u>

That Members note the contents of this report, and agree to the comments made at paragraph 2.15 to 2.20 being submitted to HS2 Ltd as those of Kettering Borough Council in response to the HS2 Phase 2 consultation.

Background Papers:

Title of Document:HS2 Phase Two Route ConsultationDate:17 July 2013

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