

# Statement to Parliament: HS2 update: Phase 2a and Phase 2b

I am grateful to you for allowing this statement, Mr Speaker. I am pleased to be here in front of the House tonight. As you know, sometimes these things can happen as a result of cock-up rather than conspiracy.

Today (17 July 2017) marks a major milestone in the government's plans to deliver High Speed 2. High Speed 2 will deliver economic growth across the United Kingdom. It will provide the rail network with the capacity we need for the next century, faster journeys and better connections between cities across the UK.

As [announced to the House this morning](#), we will be awarding stage 1 of the main works civil engineering contracts for the Phase One route from London to Birmingham. This stage primarily covers design and pre-construction activities, although it is worth saying that the initial works have already begun. We expect these contracts to be signed by the end of this month after the completion of the mandatory standstill period. The expected total value of these contracts covering stages 1 and stage 2, which is the full construction phase, is £6.6 billion. They will support around 16,000 jobs across the country and are expected to generate around 7,000 contract opportunities in the supply chain, of which I expect around 60% to go to small and medium-sized enterprises. I have also confirmed the shortlists for the station design contracts and Euston master development partner procurements.

As well as that announcement, today I am introducing the [Phase 2a High Speed Rail \(West Midlands – Crewe\) Bill](#) to the House. This seeks the powers to construct [HS2 from the West Midlands to Crewe](#) so that this important section, which links up to the West Coast Main Line just south of Crewe, can open in 2027.

The design of the route set out in the Bill is largely as announced in 2015. However, there are [3 refinements I have decided to make](#), following [consultation last year](#). I have decided to move the connection to the West Coast Main Line and the start of a tunnel in Crewe further south. I have also decided to move the construction railhead, and subsequently the infrastructure maintenance facility for this part of HS2, from the Basford area near Crewe to a location near Stone. I am very sensitive to the impact that that could have on the local community, which my Hon Friend the Member for Stone (Sir William Cash) has diligently drawn to my attention, but I believe this site is a better location from which to construct and maintain Phase 2a. The new location near Stone is strategically located midway along the Phase 2a route, which means that it can support construction activities heading north and south simultaneously, offering significant programme and construction benefits. Of course, the site at Stone benefits from good transport links, with access to the M6 and the existing rail network right at that location.

In Crewe, moving the railhead from the Basford area avoids planned housing regeneration in that part of Cheshire. It also negates the need for maintenance loops at Pipe Ridware, thereby reducing impacts along the Phase 2a route. It is worth saying that that area of Basford is one of Cheshire's most significant economic development and housing development sites, and I have been very sensitive to that. The construction railhead and infrastructure maintenance facility have been carefully designed so as to minimise impacts locally, particularly on the community of Yarnfield. Having heard local concerns, I have made sure that Yarnfield Lane will remain open.

In preparing the Bill, HS2 Ltd has sought to minimise impacts on the environment and on communities. Following the deposit of the Bill, there will be a [consultation on the scheme's environmental statement](#). That will provide the opportunity to comment on the [environmental effects of the proposed Phase 2a scheme](#) and the [reasonable alternatives](#) considered and reported by HS2 Ltd. The process will result in a report from an independent assessor, which will be provided to all Members of the House before Second Reading.

Turning to Crewe, the HS2 business case has always included 2 trains per hour stopping at Crewe. The Phase 2a Bill includes the interventions needed to support that, but I know that there is a strong ambition to achieve even more. Today, I am therefore launching a [consultation on options to develop a Crewe Hub](#). This work shows how such a service pattern could support an HS2 service to Stoke-on-Trent and bring benefits to places like Chester, north and south Wales, Shrewsbury and Derby. Future decisions will be subject to affordability and value for money. Funding the broader vision for a Crewe Hub will require national and local government to work together, but I believe that there is the potential to deliver even more benefits.

Finally today, I am announcing my [decision on the outstanding sections of the Phase 2b route](#) to Manchester and Leeds, which we [consulted on last year](#). After carefully considering the responses to the consultation, I have decided to confirm the following changes to the route. The western leg rolling stock depot will move from a site near Golborne to a site north of Crewe. That site will be included in the full environmental assessment being undertaken for the whole route and I will look carefully at that assessment.

A 26 km section of the route in the Middlewich and Pickmere area of Cheshire will change and be raised as it passes through the Cheshire salt plains, to avoid brining and gas storage infrastructure. The approach to Manchester Piccadilly station will be adjusted to improve operational efficiency and reduce impacts on residential areas and a primary school. The route near East Midlands airport will now closely follow the eastern side of the A42. This avoids tunnelling under the airport and reduces the impacts on some communities. At Long Eaton, after much consultation with the local community, the route will pass through the town on a high viaduct.

The route in South Yorkshire will be the route we consulted on in 2016, which in part follows the M1 and M18, and serves Sheffield city centre via a spur from the HS2 line. I am also asking HS2 Ltd to take forward the provision of a northern junction back on to HS2, giving a city centre to city centre connection between Leeds and Sheffield in less than 30 minutes. That is very

important for the development of Northern Powerhouse Rail. We will also continue to work on a possible parkway station.

Finally, I have decided not to proceed with the proposed change of route to the east of Measham. Instead, I am confirming a modified version of the 2013 preferred route to the west of Measham. In Measham itself, the route is moved approximately 80 metres and the viaduct extended to mitigate commercial property impacts. I have heard the concerns raised by local communities about the proposed eastern leg rolling stock depot at Crofton. HS2 Ltd believes it has found a [better option](#), on which I am now consulting, which is east of Leeds in the Aire valley, adjacent to the M1 on a brownfield site.

I intend to bring forward a third hybrid Bill for phase 2b in 2019. In preparation for that Bill, HS2 Ltd is today launching a consultation on the technical scope and methodology to be used in the [environmental](#) and [equality](#) impact assessments.

Today's decisions bring certainty for communities who have been unsure of the route for some years. I am updating the [safeguarding directions](#) for the Phase 2b route to protect the land required for the construction and operation of the line. I can also confirm that the same range of property schemes currently operating for phases One and 2a will be available for Phase 2b. This goes over and above what is required by law and gives assistance to those along the line of the route. I have also made amendments to some of the detailed urban/rural boundaries for Phase 2b and to the treatment of properties around tunnel portals.

A [report published today by property specialists Carter Jonas](#) tells us that the particular circumstance of the Shimmer estate development in Mexborough, South Yorkshire means that this package may not allow some homeowners to acquire a similar property in their local area. In the light of the report's findings, I therefore also confirm that the government will ensure that Shimmer homeowners can secure a comparable home, as referred to in my summary document [High Speed Two: from concept to reality](#), which is also being published today. That is really important.

We need HS2. Since privatisation, the number of passenger journeys on our railways has doubled. It has nearly tripled on the key west coast inter-city corridor. We cannot continue to rely on the legacy of our Victorian forebears, far-sighted though they were. By providing new routes for inter-city services, HS2 will free up space on our existing railways. It will reduce overcrowding and allow options for more varied and frequent services, including for places that currently do not have a good connection to London. This released capacity could allow more freight trains. It could also more than double the current number of peak-time seats on busy services from Manchester Piccadilly towards Stoke and Crewe, and from Leeds towards Wakefield. It has the potential to almost double peak seats from London to Peterborough and east coast destinations further north.

Any significant investment needs to offer good value for money, as HS2 does. Today I am publishing the updated [business case for Phase Two](#), which shows that, including the wider economic benefits, the full HS2 network will create

£2.30 of benefit for every £1 spent. We want to make the most of our investment in HS2. When Phase One becomes operational, HS2 trains will run to Manchester, Liverpool, Preston, Warrington, Wigan and Glasgow. Phase Two will further reduce journey times between London and Glasgow and Edinburgh to around 3 hours and 40 minutes. To my Scottish colleagues, let me say that we will continue to work with Transport Scotland and Network Rail to look at the best ways of further reducing times, towards an ultimate ambition of a 3 hour journey time between London and Scotland. □We are also looking at opportunities to use HS2 to support Northern Powerhouse Rail and Midlands Connect.

Finally, I know that today's announcement will not be welcome news for those living along the line of the route. There will be concern about how HS2 will affect their homes, communities and businesses. That, sadly, is inevitable if we are going to do big projects of this kind for our nation, but I am determined that we will engage extensively with everyone affected and that we will show fairness, compassion and respect. All the products mentioned today are in the Libraries of both Houses.

Our plan for Britain is a plan to build a stronger, fairer country, with an economy that works for everyone—one in which wealth and opportunity are spread across the country and we are set up to succeed in the long term. Investment in economic infrastructure is a key part of this. HS2 will be the new backbone of the UK rail network. It will transform a rail network built for the 19th century into one designed for the 21st century. It will increase capacity and connectivity across our rail network, bring our country closer together and support economic growth. The benefits of HS2 will be felt across the whole of the United Kingdom. I commend the statement to the House.