

DERBYSHIRE COUNTY COUNCIL

CABINET MEETING

16 July 2013

Report of the Acting Strategic Director – Environmental Services

**HS2 – THE GOVERNMENT’S PROPOSALS FOR HIGH SPEED
RAIL**

(1) **Purpose of the Report** To outline the Government’s proposals for high-speed rail in Derbyshire and to agree the County Council’s initial response.

(2) **Information and Analysis**

Introduction

The Government’s proposal for the development of HS2 is a major national scheme that is seen as an engine for growth that will help to regenerate the economy of the north of England. The proposals are likely to generate a significant range of economic benefits for Derbyshire and its surrounding cities. The proposal to build a station at Toton and an infrastructure maintenance depot at Staveley will provide a significant boost to the local economy. The Council will work to ensure positive outcomes for jobs and communities.

It is recommended that further work should be undertaken to maximise the economic benefits arising from this major investment and secure the best possible deal for Derbyshire. There will inevitably be some residents and businesses who will be adversely affected and the County Council will need to be vigorous in working to ensure that people are not unduly disadvantaged.

Background

In January 2009, the Labour Government established HS2 Ltd to develop proposals for a new high speed line from London to the West Midlands with an indication that the line could be extended further north and eventually to Scotland. A report published in December 2009 made recommendations for the development of a ‘Y’ shaped network with a stem running from London Euston to Birmingham and two arms running northward to Manchester and Leeds. Following a review, the current Government agreed to pursue a similar strategy.

A report on high speed rail was considered by Cabinet on 21 June 2011 (Minute No. 185/11 refers). This outlined the Government's overall strategy for the development of the 'Y' network of high speed rail lines. The proposals envisage a double track electrified railway with trains travelling at up to 225mph. The overall cost of the project is currently estimated to be £32bn and the planned opening date of the Birmingham - Leeds and Birmingham - Manchester sections is 2032/33.

The Government announced its 'initial preferred route' for both sections on 28 January 2013. The broad strategy remains unchanged but the announcement provided, for the first time, plans and profiles of the route, and a substantial quantity of supporting information.

The Birmingham - Manchester section (including a new station at Manchester Airport) will not directly affect Derbyshire, although residential and businesses in the High Peak of the County may benefit from the greatly reduced journey times to Birmingham and London. The Journey time from Manchester to London will be reduced from 2 hours 8 minutes to 1 hour 8 minutes. Whilst the journey time from Manchester Airport to London will be just under 1 hour. A new high speed rail station at Piccadilly will unlock significant potential regeneration and the associated development is expected to support nearly 30,000 jobs, providing potential economic benefits to the north-west of the County.

The plans for the Birmingham - Leeds section make provision for a new station at Toton to serve the East Midlands, and near Meadowhall to serve South Yorkshire. An infrastructure maintenance depot is proposed for the former Staveley Works site. It is proposed to serve this by means of a short spur from the main line.

The announcement also included proposals for an 'exceptional hardship scheme' to help house owners and small businesses who are able to show that they are unable to sell their property due to the blighting effect of the scheme. At a later date, a compensation scheme will be introduced to help all land owners directly affected by the scheme.

At the time of the announcement, the Council welcomed the idea that the East Midlands station would be at Toton.

Brief Description of the Route through Derbyshire

A plan showing the approximate line of the route through Derbyshire is attached as an Appendix to this report.

The Birmingham - Leeds section of the route will leave the main London - Birmingham/Manchester section of the route near Water Orton in the West Midlands and follow the M42/A42 corridor passing through a tunnel under

East Midlands Airport. The route enters Derbyshire south of Long Eaton, and runs north through a largely residential area of the town on the alignment of the current 'low level' railway. The existing tracks will be relocated on to the nearby 'high level' route. The high speed line continues north to the Toton Sidings area where a new station will be provided for high speed services, together with an adjacent station for local rail services.

North of Toton, the new line initially follows the existing rail corridor, then heads in a north-easterly direction broadly following the M1 corridor into Nottinghamshire, before re-entering Derbyshire east of Junction 28.

The route rejoins the motorway corridor near Tibshelf, crossing to the west side of the motorway south of Hardwick Hall, and continues through Junction 29, before crossing back to the east of the motorway. It continues on the east side of the motorway before passing through Markham Vale, where there is a significant impact on development land. The route then leaves the motorway corridor and continues in a northerly direction passing immediately west of Woodthorpe and under the A619 between Staveley and Mastin Moor. From here a short spur from the main line will run north of Lowgates to the site of a proposed infrastructure maintenance depot at the Staveley Works site. The main route then continues north towards South Yorkshire, on the west side of Renishaw and Killamarsh.

The information published as part of the announcement shows the wide range of options that were considered as part of the evaluation process. It is evident that a number of the route options, had they been chosen, would have had a significantly greater impact on Derbyshire.

Toton Station ('East Midlands Hub')

The proposed station, which is being described by HS2 Ltd as the 'East Midlands Hub' will provide two island platforms (four platform faces) and two through lines. Adjoining this, immediately to the east, will be a new four platform station for conventional rail services. It is envisaged that this will be served by new and diverted rail services with potential connections to Dronfield, Chesterfield, Alfreton, Langley Mill, the proposed new station at Ilkeston and, possibly, other Derbyshire stations such as those currently served by Matlock – Derby - Nottingham services.

A new junction with the A52 is proposed to the east of junction 25, as is an extension of the Nottingham NET tram service from its currently proposed terminus at Chilwell.

The pattern of services on the high speed line will be determined nearer to the time of opening but, currently, it is envisaged that the new station would be served by:

- 3 trains per hour to London

- 3 trains per hour to Birmingham
- 5 trains per hour to South Yorkshire and Leeds.

It should be noted that some high speed services will run as through services and will not stop at Toton.

The project would greatly increase capacity and result in much faster journey times, not just to London, but also between regional centres. Estimated journey times from Toton are:

London	51 mins
Birmingham	19 mins
Sheffield	17 mins
Leeds	28 mins

Proposed Infrastructure Maintenance Depot

The proposals include provision for an infrastructure maintenance depot at Staveley which is to be served by a short spur from the main line and a junction providing access to the high speed line to the north and south. The site meets HS2 Ltd's operational requirements in that it is roughly midway between Birmingham and Leeds, provides sufficient space to accommodate long maintenance trains and offers convenient access to the conventional and high speed rail networks. It is the currently preferred location for the depot.

The depot is the base from which track, signalling and the overhead electric supply will be maintained. Much of the work will be undertaken at night when the line is not being used. Only limited details are available about the proposed depot, and the employment potential has been variously estimated at between 200 and 500 jobs. Many of these are likely to be of a technical nature and will require varying levels of skill.

At present, no details are available about the construction of the route, but it seems to be a reasonable assumption that any site identified as a maintenance site could also be used as a construction site as the scheme is being developed. This suggests that there may be further job opportunities and the potential to secure investment in associated infrastructure, including improvements to the local road network.

Part of the site has been identified for major housing development and consideration will need to be given to the scope for revising existing development plans in order to accommodate the depot proposals. To this end, County Council officers are liaising with Chesterfield Borough Council to maximise any benefits arising from the proposal and to ensure compatibility with other development proposals for the area.

In view of the potential economic benefits to the area, it is recommended that officers should work with HS2 Ltd and Borough Council partners to develop an acceptable scheme for the provision of this facility.

Government's Timetable

The timetable for developing the project in the short/medium term is as follows:

28 Jan 2013	Secretary of State announced 'initial preferred route'
Spring 2013	Informal engagement with local authorities
Summer 2013	Announcement of arrangements for public consultation (expected to last for approximately 6 months)
Late 2013/Early 2014	Deadline for responses from individuals, local authorities, and other organisations
Summer 2014	HS2 Ltd considers responses to consultation and refine the route
Late 2014	Secretary of State announces decision

Key Issues

Responding to the Consultation

The Government has developed the current proposals and strategic decisions about the scheme, for example, about its broad alignment and affordability, will be made at a national rather than a local level. As such, fundamental decisions about the scheme are outside the County Council's control. In these circumstances, it is considered that the interests of Derbyshire's residents would be best served through constructive engagement with the scheme's promoters. This approach would seek to take advantage of any opportunities arising from the scheme while pressing hard for changes and refinements that would remove or mitigate the adverse impacts of the scheme.

A deadline for the end of the consultation period has yet to be announced, but it is likely that the County Council will need to formulate its response to the proposals by the end of 2013. A large quantity of information has been published which needs to be assimilated and its implications properly understood. Further understanding will be gained by effective engagement with parties directly affected by the scheme and, where necessary, by undertaking further investigations into the impact of the scheme.

Localised and Strategic Economic Benefits of HS2

Government studies set out arguments that HS2 will generate major direct impacts from both construction and operational phases of the system. The strategic justification of the proposal is based around two concepts: (a) unlocking the potential of the city regions of the Midlands/North for high value

sectors and allowing them to compete with other “well connected” European city economies; and (b) this providing “engine” growth stimulus to wider city region hinterlands for a range of sectors; both conventional and those more closely associated with HS2.

While Government predictions of job creation levels have been questioned, the positive implications of the HS2 project need to be considered on a local basis, specifically in terms of currently disadvantaged communities.

Notwithstanding current uncertainty on the magnitude of impact, a range of evidence from other national economies suggests it is likely that overall economic benefits generated by the construction and operational phases of HS2 will be substantial. Specifically, experience from other high speed rail investments demonstrate that such services add most economic value when they connect core cities. However, the spatial distribution of wider, consequential benefits will be extremely uneven. For Derbyshire, this poses a further challenge to evaluate benefits, as the County will be affected by a complex interplay of influences and impacts from surrounding major urban areas.

The possible range of economic benefits for Derbyshire fall within several broad headings:

Potential **direct** effects from the Toton Station and the Maintenance Depot at Staveley will be relatively easy to model using conventional economic impact assessment techniques. This is because they are major inward investments based upon specific, fixed locations, in essence they are similar to any other major development. On this basis, it is proposed that the County Council should contribute to the studies on these specific matters, such as that being undertaken by Nottingham City, County and Broxtowe Borough Council.

There will be sector-specific industries that will benefit from specific construction, infrastructure and technology procurement supply chains. This could include advanced materials industries in Sheffield, rail engineering in Derby and the nationally important role of Derbyshire minerals suppliers for specialist cements and construction aggregates.

The strategic benefits of the HS2 proposal will fall locally into two main areas:

- The direct spin off from HS2 stimulated growth in specific high value sectors in the cities. Knowledge/service sectors such as finance, professional services, digital/creative and technology are likely to benefit significantly from greater connectivity with London and European cities. However, the direct actual job creation is expected to be relatively tightly constrained to the location of stations or direct feed in points. While this may change over time, in early operational years it is likely that it will be

hard to change the inertia of business location, particularly for the business sectors most influenced by HS2 to be clustered in cities.

- There will be a wider strengthening of the local economies as the directly stimulated growth creates multiplier effects. This will result in a general uplift in economic activity of all types.

Both of these issues will fuel further consequential growth. There also could be an improvement of the image of Derbyshire and its surrounding cities as “quality places”. HS2 connections are likely to enhance the perception of area, improving the attractiveness for development and, in turn, influencing locational decisions for businesses. There will be perception that being connected to a high-speed rail link leads to a positive economic influence, particularly in the location of offices.

These issues will also stimulate the wider economic areas which support employment in Derbyshire businesses. However, there is a need for robust analysis of the range of initiatives needed to deliver growth for communities so they can capitalise on this opportunity. These will need to be a combination of specific initiatives and more conventional regeneration approaches to equip communities with the right attributes to take advantage of more general growth.

The totality of these effects could, as noted before, be extremely substantial, particularly if strong two way linkages are developed with growing cities surrounding the County.

All of these economic issues pose challenges for the County in coming to a considered view on some key issues:

1. Without full understanding of the complex interrelationships of these economic factors, including timescales, the evaluation of the balance of overall environmental acceptability of the HS2 scheme has to be made on a series of assumptions of strategic, local and consequential benefits.
2. There will need to be an urgent investigation to the possible range of actions to properly realise localised regeneration benefits. There will need to be an acceptance that these benefits will accrue to a significant degree by virtue of the greater comparative and competitive strength of local economies. On this basis, there will need to be a particular emphasis on strengthening and aligning regeneration initiatives, including skills.

A national project has recently been announced (June 2013) on delivering such benefits. A task force, led by Lord Deighton, Commercial Secretary to the Treasury, will investigate how best to secure maximum economic gains

from the HS2 project. It is suggested that this work will provide a useful underpinning for joint working with Districts/Boroughs and adjoining local authorities to realise jobs and economic growth for Derbyshire.

Transport Impacts

There are potential transport benefits associated with the concept of a new 'hub' station at Toton, the use of released capacity on the Midland Main Line and the potential for investment in new infrastructure at the station and the proposed maintenance depot. The extent of these benefits, however, needs to be properly evaluated and consideration given to potential disadvantages and risks. For example, the additional provision for long distance rail travel will enable some capacity on the Midland Main Line to be released. This should offer opportunities for new passenger and freight services to be provided but it will be important to ensure that this is not at the expense of passengers using conventional rail services who may experience less convenient journeys or the effects of reduced investment.

It should be noted that the current plans make no provision for a connection to the conventional rail network in the East Midlands. It is suggested that this is a matter that should be investigated further, together with the potential to make use of 'classic compatible' train services able to operate on both the high speed and the conventional rail networks.

Similarly, the proposed hub station at Toton has the potential to provide an interchange facility, particularly if there are good local connections, for example, through an extension of the NET tram service. Again, however, it will be important to ensure that a need to serve a new station at Toton does not unduly disadvantage passengers using existing local services.

Other Impacts of the Proposals

It is clear, however, that the scheme will give rise to a number of negative impacts, both generally and at specific locations affecting individuals and communities. The County Council will need to be vigorous in pressing for measures to eliminate or mitigate the adverse impacts of the scheme.

At this relatively early stage and in advance of public consultation, it is difficult to comment in detail on all the implications of the proposals but some of the key concerns, in addition to those outlined above, that have already emerged include:

- Visual intrusion and noise effects on residential and other sensitive locations, particularly where the route passes through or close to communities such as Long Eaton, Killamarsh, Renishaw and Woodthorpe. Residents who can show they have a need to move house and that the proposals are affecting their ability to sell, may be eligible for compensation under the Exceptional Hardship Scheme.

- The proposals will have an impact on existing and proposed employment sites. The most significant impact is at Markham Vale where the land taken by the scheme would reduce the land available for development. Concerns about this have been raised with HS2 Ltd.
- The published plans indicate that the HS2 Ltd proposals and the associated maintenance depot will impact on the route of the Chesterfield Canal, which is currently being restored, at four separate locations. In order to maximise the economic, recreational and ecological value of the Canal, it is essential that it is restored as a continuous navigable waterway. Officers from the County Council, Chesterfield Borough Council and representatives from the Chesterfield Canal Trust have met HS2 Ltd to explain their concerns, not only about the direct impact on the route of the Canal, but also the threat to funding opportunities as a result of the blight and uncertainty. The Cabinet Member for Jobs, Employment and Transport has recently written to Toby Perkins MP in order to secure a meeting with Government officials to discuss the concerns about funding in more detail.
- The proposed scheme will cross highways and rights of way along the length of the route. The published plans show the main structures that would be provided as part of the scheme, including road bridges over and under the new railway. At this stage, these details are likely to be little more than indicative of the proposals and the County Council will need to ensure that its interests as local Highway Authority are fully protected. In Long Eaton, two level crossings will need to be closed and HS2 Ltd is currently investigating alternative access arrangements. Consideration will also need to be given to the impact on footpaths and rights of way, including the suitability of any crossings or diversions that may be proposed.
- The new station can be expected to generate additional traffic and it will be important to ensure that the scheme does not exacerbate existing traffic problems in the area. These concerns have been discussed with HS2 Ltd and it is currently exploring in more detail access arrangements for Toton station. In doing so, it will be important to ensure that good provision is made for people who do not have access to a car or who may prefer to access the station by public transport or by some other means, eg cycling. The potential for extending the tram service and improved local train and bus services needs to be fully investigated.
- More generally, there are issues that will need to be considered about the impact of the proposals on the natural and built environment, on opportunities for informal recreation, and on the County Council's land, property and countryside interests. There will also be considerable disruption during the construction phase of the work. It may be possible to reduce or mitigate some of these impacts through detailed design and appropriate mitigation measures and, again, these will need to be explored in more detail with HS2 Ltd.

Actions to Date

Public consultation on the proposals will start later this summer and this will provide an opportunity for those affected by the scheme to get a better understanding of the proposals and their potential impact. There are, however, a number of issues that officers are currently pursuing with the project's promoters as outlined above. Some initial discussions have also taken place about HS2 Ltd's proposals for public consultation. Officers have stressed the importance of effective consultation and making sure that as many people as possible have the opportunity to attend the planned 'roadshows'. Further reports on these and other issues will be presented for Members' consideration in due course.

It is also helpful in this 'pre-consultation' period to seek to gain a better understanding of the impact of the proposals and, where appropriate, to obtain the views of partner organisations. Establishing a common understanding and approach to issues arising from the project will also strengthen the position of the Authority and its partners in any discussions over issues of concern. Preliminary discussions have taken place with District Councils on the line of the route and a County Council Officer is acting as a point of contact with HS2 Ltd, with the aim of co-ordinating, as far as may be possible, a response from all Derbyshire local authorities.

The proposals have potential implications for a wide range of the Council's interests and a cross-departmental officer group will help to facilitate consideration of the proposals and, in due course, co-ordinate the County Council's detailed response. It is thought that any response from the County Council would focus on strategic issues of principle, leaving comments of an individual or very specific nature to be channelled direct to the scheme's promoters through the public consultation process.

Conclusions

Strategic decisions about the scheme will be taken at a national rather than at a local level. The County Council's primary focus should be on seeking to maximise local benefits that may arise from the scheme and reducing or mitigating the adverse effects.

It is therefore recommended that at this stage, the County Council should give broad support to the proposals and should welcome, in particular, the proposals to locate a station to serve the East Midlands at Toton and to provide an infrastructure maintenance depot at Staveley. In order to maximise the benefits for Derbyshire, it will nevertheless be important to understand the concerns of individuals, businesses and other organisations, to engage effectively with HS2 Ltd and to promote and encourage a co-ordinated approach from Derbyshire authorities. The Authority will need to be vigorous in working to maximise the opportunities arising from the scheme, in seeking effective integration of the scheme with conventional rail services and

pressing for changes in design and other measures to reduce the adverse effects of the scheme.

(3) **Financial Considerations** The Government will be responsible for meeting the capital costs of the scheme and it has set a funding envelope of £42.6bn for construction costs and £7.5bn for rolling stock (2011 prices). If appropriate, an oral update will be provided at the meeting. In seeking to secure the best deal for Derbyshire, it is likely that revenue costs will be incurred in funding further studies and investigations, in meeting additional staff costs, possibly including a dedicated Project Officer, and associated costs. These matters will be the subject of a separate report to the Cabinet Member for Jobs, Employment and Transport.

(4) **Environmental and Health Considerations** The project would provide more sustainable travel opportunities for some people who might otherwise use a private car. There are, however, some significant adverse impacts, including demolition, visual intrusion and noise impacts. Discussions with HS2 Ltd and the Department for Transport (DfT) will focus on removing or mitigating any adverse impacts and maximising any opportunities for enhancement of existing facilities.

(5) **Transport Considerations** The HS2 Ltd proposals will not only provide faster journey times between regional centres, but will also greatly increase the rail network's capacity to meet the growth in demand. It can be anticipated that a significant proportion of existing rail passengers would transfer to the new faster service and this will release capacity for new passenger and freight services on the Midland Main Line. It will be important to ensure, however, that Derbyshire passengers continue to enjoy a good level of service as a result of any changes that may emerge.

The proposal to serve the HS2 station at Toton with new public transport services is to be welcomed, not least because it will help to reduce pressures on the local road network, but careful planning will be needed to minimise any adverse impact on existing local rail services.

The Authority will also need to keep abreast of developments in 'classic compatible' trains capable of running on both high speed and conventional routes and of the potential to improve links between the high speed and conventional rail networks.

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources and property considerations.

(6) **Key Decision** Yes.

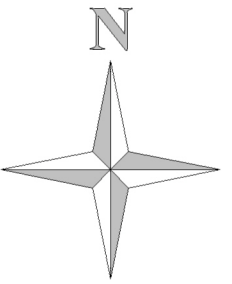
(7) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(8) **Background Papers** Report to Cabinet dated 21 June 2011. Information on high speed rail proposals available on HS2 Ltd and DfT websites. An overview of the Phase 2 proposals is available on HS2 Ltd's website at <http://www.hs2.org.uk/phase-two> and detailed plans can be seen on the Department for Transport's website at <https://www.gov.uk/hs2-phase-two-initial-preferred-route-plan-and-profile-maps>. Officer contact details – Steve Cannon, extension 38148.

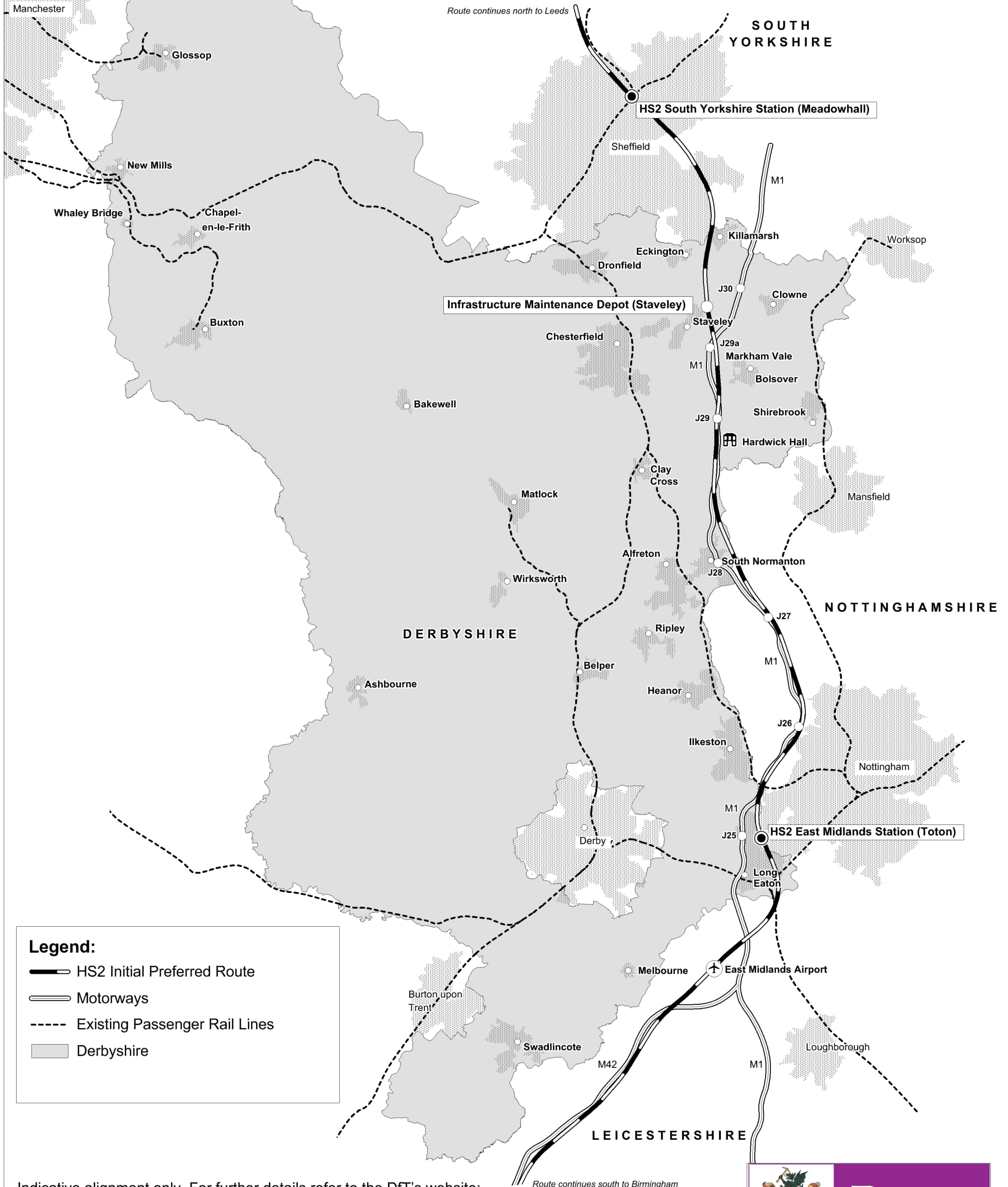
(9) **OFFICER'S RECOMMENDATIONS** That Cabinet:

- 9.1 Notes the announcement of the alignment for HS2 in Derbyshire
- 9.2 Supports in principle proposals for a new station at Toton and an infrastructure maintenance depot at Staveley.
- 9.3 Requests officers, in consultation with District Councils and other organisations, to seek to reduce the negative impact of the scheme and to maximise the economic benefits for Derbyshire residents.
- 9.4 Endorses the actions being taken as outlined in the report.
- 9.5 Authorises the Cabinet Member for Jobs, Employment and Transport to consider further reports as appropriate, including consideration of the financial implications of responding to the Government's proposals.

Mike Ashworth
Acting Strategic Director – Environmental Services



HS2 Initial Preferred Route



Indicative alignment only. For further details refer to the DfT's website:
<https://www.gov.uk/hs2-phase-two-initial-preferred-route-plan-and-profile-maps>

