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Britain needs a new high-speed rail line

By Douglas Oakervee

Lord Mandelson is wrong – a fast north-south link is essential, writes Douglas Oakervee

High Speed 2 will strengthen our country and support our economy – but like all big infrastructure projects it is also controversial, will take time and cost money. As was the case with the construction of our motorway network, the Channel tunnel or the London Olympics, there are people ready to challenge the economic case and to ask whether the demand is really there. It is a familiar story: a choice between meeting ambition or giving in to anxiety. I have no doubt that HS2 is an ambition that will serve our country best.

This is not to dismiss questions being put by people such as Lord Mandelson, who has written in the Financial Times about his new doubts about HS2. They are important questions. He is right to ask them. But we are ready with good answers.

Do we need HS2 to serve the transport needs of the future? Is the economic case really there? To each of these my answer is yes. The reason we need HS2 – indeed the reason the Labour cabinet, of which Lord Mandelson was such a significant part, gave its approval – is straightforward. Not speed. Not vanity. But capacity. The demand for travel in Britain and around the world is soaring. Rail traffic has doubled in recent years and our roads are filling up.

So what do we do about it? One answer is nothing. That won't just mean congestion. It will mean the withering of links between cities in Britain. Critics of HS2 are right to point out the cost but they are reluctant to set out their alternatives. A country sliced between north and south is in no one's interest. Already, the west coast mainline, one of the busiest intercity rail lines in the world and Britain's main rail freight artery, is clogged.

It would be possible, of course, to put more money into the existing line. Parts of it date from the 1830s; all of it was built to the standards of two centuries ago. Rebuilding it is expensive, as the billions poured into the limited upgrade of the 1990s show. Even keeping its ageing structures up to current standards and current operating speeds is a daily battle. Network Rail is right to think that a new line, running to modern standards, is a far better answer. It examined strategic alternatives to HS2 such as upgrading other lines and clearly concluded that none of the alternatives could meet the stated objectives of the new project.

Even people who accept that we need HS2 for capacity may ask about the cost. That is understandable. At a time when budgets are tight, the latest figures for HS2 raised eyebrows. I could point out that some of this was down to contingency, which will affect any transport scheme. But the better argument is that it will be money well spent.

By mid-October we will publish further detailed work that will include fresh analysis of the wider economic benefits to the regions of the UK, as well as a fully revised economic case that will address the latest research on the value of travel time and will include sensitivity analysis on the demand for HS2. Our demand forecasts are prudent. We have been open about cost forecasts, which have been subject to detailed scrutiny by HM Treasury as part of setting a budget for HS2 at a level that risk models predict will provide 95 per cent certainty that the budget will not be exceeded.

We know we can get HS2 right – just as we did HS1, which links London to the Channel tunnel. Few people, even in Kent where opposition was understandably initially strong, now wish that line had never been built. Now engineers are at work on Crossrail, which will serve London so well. That is money well spent on a scheme essential to the capital's economic future. What is right for London is right for Britain with HS2.

The writer is chair of HS2 Ltd

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