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High speed rail chief dismisses funding delay concerns

By Mark Odell, Transport Correspondent

The head of the High Speed 2 project has dismissed fears that a delay in securing funding for the first stage of the rail link before the next election could scupper the project.

Alison Munro, chief executive of HS2 Ltd, the government agency responsible for delivering the project, said: “We have always accepted it is a challenging timetable to get royal assent [in this parliament].”

But she denied that any such delay would make it easier for an incoming Labour government to kill off the project, despite signs the cross-party consensus is weakening after the cost of the scheme jumped above £50bn over the summer.

She was speaking after Treasury chief secretary Danny Alexander cast doubt on the legislative timetable to secure the initial £16bn in funding, and Ed Balls, shadow chancellor, committed to carrying out a full review of the scheme. Mr Balls warned that there would be “no blank cheque” for the line between London and the north. However, Ms Munro said she was “not worried” because “the case is so strong”.

“Labour has reaffirmed its support for High Speed 2,” she said. “All this stuff about blank cheques . . . I absolutely agree with. It’s not what we are looking for.

“If a new government came in they would obviously want to look at their expenditure plans . . . and I think the case is so compelling they will conclude there isn’t an alternative.”

However, she warned that cross-party consensus was crucial. A number of Labour grandees, including Alistair Darling, the former chancellor, Lord Mandelson and Lord Prescott have declared their opposition to the project. In contrast, David Cameron, George Osborne and Nick Clegg, along with Ed Miliband remain firm supporters.

Ms Munroe said the project was not in the hands of the government, however much it supports the scheme, and that ultimately, parliament would decide.

The government’s determination to push ahead with the project was underlined with the appointment of Sir David Higgins, the outgoing chief executive of Network Rail, as the new chairman of HS2 Ltd.

The Australian won admirers in the rail industry for restructuring the quasi-state-owned company that controls the rail network. Before that he was head of the Olympic Delivery Authority, where he was credited for getting to grips with a poorly run project with an unrealistic budget.

Sir David echoed the need for cross-party support for the project. “You can’t have this as a political football. It is too crucial for the nation,” he told the BBC’s *Today* programme.

He said he would convey that message to Mr Balls when he met him “in a few weeks time”. He also committed to bearing down on costs and raised the prospect of delivering HS2 faster than planned. One of the first things he would do when he took over as chairman of HS2 next January was “challenge them to do it quicker”.

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