



West Midlands  
Combined Authority

## Transport Delivery Overview & Scrutiny Committee

<b>Date</b>	11 December 2023
<b>Report title</b>	HS2: Cancellation of Phases 2a, 2b and HS2 East
<b>Portfolio Lead</b>	Transport - Councillor Mike Bird
<b>Accountable Chief Executive/TfWM Director</b>	Anne Shaw, Executive Director, Transport for West Midlands email: anne.shaw@tfwm@org.uk
<b>Accountable Employee</b>	Toby Rackliff, Strategic Lead, Rail Policy email: toby.rackliff@wmre.org.uk
<b>Report has been considered by</b>	Executive Board - 22 November 2023

### Recommendation(s) for action or decision:

#### The Transport Delivery Overview & Scrutiny Committee is recommended to:

- (1) Note the report.
- (2) Consider whether to make any further recommendations to WMCA Board

#### 1. Purpose

- 1.1 To update the committee on the announcement by government to cancel HS2 Phases 2a, 2b and East and potential implications for the West Midlands.

#### 2. Background

- 2.1 The Prime Minister announcement the cancellation of HS2 Phases 2a, 2b and subsequently HS2 East in his speech at the Conservative Party Conference on 4 October 2023.

2.2 This was accompanied by an announcement to reprioritise spending on transport across the north, the Midlands and in other parts of England as part of a new “Network North” initiative.

### 3. **Cancellation of HS2 north of the West Midlands: Overview**

3.1 The Government will deliver:

- **HS2 Phase 1 between West Midlands to London Euston.**  
There will be two branches: one to central Birmingham; and one to Handsacre, on the West Coast Main Line (WCML) near Lichfield.  
Passengers from London will be able to travel on through HS2 trains via Handsacre to Manchester, Liverpool and Scotland.

Government **will not proceed** with:

- HS2 Phase 2a - Handsacre to Crewe
- HS2 Phase 2b - Crewe to Manchester Piccadilly
- HS2 West Midlands to East Midlands Parkway

Government **had already previously cancelled the following**:

- HS2 Phase 2b Connection to WCML near Wigan
- HS2 East Midlands to Leeds and East Coast Main Line near York

#### **Euston Station and HS2 Services**

3.2 Completion of **HS2 Euston station** will be dependent on securing private finance from developers and will be reduced in size from 10 platforms to 6, which should be able to accommodate:

- 3 trains per hour (up to 400m long) via old Oak Common to the West Midlands Interchange and Birmingham Curzon stations
- 5 trains per hour to destinations in the North West and Scotland via Handsacre Junction.

These trains will be restricted to 200m (with less capacity than the current Pendolino trains) unless new longer platforms at existing stations can be provided which would not appear to be possible at constrained locations such as Manchester Piccadilly.

- Plans for HS2 services to the North West and Scotland from both Birmingham Curzon Station and the West Midlands Interchange Station were dependent on the infrastructure and on-train capacity provided by the HS2 Phase 2a/b sections to Crewe and Manchester.

3.3 This reduction in platforms also means the station will not be able to cope with any additional HS2 services should the decisions not to proceed with either Phases 2a, 2b and HS2 East be reversed.

3.4 A new development company, separate from HS2 Ltd, will manage the delivery of Euston and aims to deliver 10,000 new homes surrounding the station.

3.5 Until Euston station has been completed it is envisaged that a 6 train per hour service should be able to operate to/from the Old Oak Common Interchange in West London.

3.6 At Old Oak Common connections will be available to Great Western train services and with the new Elizabeth Line services to Heathrow, Paddington Station, Bond St, Tottenham Court Road, Liverpool St Station, Stratford QE Park and Canary Wharf.

**Removal of safeguarding for the previous HS2 alignment**

- Phase 2a land safeguarding will be formally lifted (subject to primary legislation)
- Phase 2b land safeguarding will be amended by summer 2024, to allow for any safeguarding needed for Northern Powerhouse Rail.
- Land acquisition programme on Phase 2a will be halted immediately
- Properties that are no longer required for HS2 will be sold and a programme is being developed to do this.

3.7 These decisions will make it extremely difficult to ever extend HS2 in future should it be required.

**Rail Network Capacity Impact**

3.8 The remaining Phase 1 section of HS2 will have significantly reduced capacity because:

- Handsacre Junction connection to the West Coast Main Line is only designed to cater for a small number of HS2 services from London to the Stafford/Stoke, the North West and Scotland
- Handsacre is also located immediately to the south east of an existing capacity constrained junction at Colwich where the 4 WCML tracks diverge into two track sections toward Stafford and Stoke.

3.9 This is likely to mean a straight like-for-like replacement, with existing services from the North West and Scotland diverting onto HS2 at Handsacre for a faster journey to London. The cancelling of Phase 2a to Crewe also means that the potential released rail network capacity benefits of HS2 on the Black Country/Staffordshire side of the conurbation will not be realised.

**4. Financial Implications**

4.1 Financial comments are included within the attached WMCA Board report.

4.2 However, the principal financial impact comes from the related Network North announcements as follows:

• **Uplift in the WMCA’s CRSTS budget (subject to confirmation):**

Region	CRSTS1 existing allocation (millions)	CRSTS2 baseline allocation (millions)	CRSTS2 uplift (millions)	Total CRSTS2 allocation (millions)
West Midlands	£1,050	£1,566	£1,082	£2,648

- The plan document stated we could receive **£100 million extra**, provided through the CRSTS1 programme to invest in the metro and Arden Cross cost pressures and **£250 million in revenue support over the next 5 years.**

- There will also be more than **£700 million additional** to the WMCA's share of CRSTS2. However, these figures do not align with DfT published data and correspondence received.
- These figures do not include anything related to Birmingham CC's Highway Maintenance PFI contract as far as we are aware
- £100 million will be shared across the North and Midlands to support the development and rollout of London-style contactless and smart ticketing. This is positive news as TfWM has been leading national work through Project Coral to bring forward the cEMV broker schemes.

## 5. Legal Implications

5.1 Legal comments are included within the attached WMCA Board report.

## 6. Impact on Delivery of Strategic Transport Plan

6.1 The lack of released rail network capacity on the Black Country/Staffordshire side of the conurbation has implications for the delivery of our **West Midlands Rail Investment Strategy** proposals to improve local/regional services post HS2.

6.2 It also undermines the delivery of other existing strategies such as Network Rail's **West Midlands Strategic Advice** which was predicated on HS2 being delivered to Crewe and beyond.

## 7. Equalities Implications

7.1 There are no immediate equalities implications, although the new HS2 station platforms were believed to have improved access at the train/platform interface and this facility will be lost at the Phase 2 stations such as Manchester Piccadilly.

## 8. Inclusive Growth Implications

8.1 At this time these implications have not yet been assessed.

## 9. Geographical Area of Report's Implications

9.1 The report's implications affect both the WMCA area and our future connectivity to the East Midlands, North West and Scotland.

## 10. Other Implications

N/A

## 11. Schedule of Background Papers

**Enc.** WMCA Board Paper: Update on HS2 Cancellation