

HS2: short-term pain equals long-term gain

From everything everywhere all at once to nothing nowhere by degrees... **JASON CHAMBERLAIN** examines the Government's conflicting statements on HS2, and argues that history shows the line will stand the test of time

On the same February day that the Chancellor told an All-Party Parliamentary Group on Infrastructure at an Institute of Civil Engineers reception that he really wanted to "have HS3, HS4 and HS5", theoretical astrophysicists called for the creation of a solar shield which would require the mining of the moon for its dust and that dust's ballistic ejection to a point in space between the Sun and the Earth.

This, it was said, would partially block sunlight and so reduce global heating. The endeavour would require a permanent presence on the moon to mine it, and the development of some sort of electromagnetic rail gun to project the required material to about a million miles from Earth.

It might also require a new space station to somehow make sure the dust stayed in the right place to lastingly scatter the sunlight.

In something of an understatement, the proponents of this literal moonshot acknowledged that it was a "significant project". But against the backdrop of High Speed 2's ongoing troubles, you'd be forgiven for concluding that a moon dust mining/propulsion project was less fanciful than further high-speed rail projects being built in this country.

LOOKING TO THE HEAVENS

The history books record the mega-project's story of political interference:

- Interventions caused delays while the scope was reviewed.
- The design was reworked multiple times, including to allow for partial, rather than full, opening.
- Time and resources were spent modelling outcomes that wouldn't be built.
- Royal Assent was pulled.
- Part of the build was taken away from the main contractor.
- The government withheld performance-related payments to incentivise stage completion.

Not HS2... but St Paul's Cathedral. Sir Christopher Wren was forced to change the design four times over five years, before construction properly began in 1675.

A year was spent just making the Great Model, which satisfied Charles II (it can still be found in St Paul's Triforium), but not the clergy, whose rejection (on the basis that the cathedral would not be able to be opened in stages) was so strident that Royal Assent was withdrawn.

Wren, fed up with losing time and subjecting his business many times to "incompetent judges", took a liberty with the liberty he had been given to make "variations, rather ornamental, than essential".

The iconic monument we ended up with bore little resemblance to the design that was finally approved. In the final reckoning, the cost was as astronomical as the heavens the monument looked to... and it took over 40 years to finish.

No one talks of these problems anymore. They are left to the history books. Now people simply appreciate the legacy.

In a similar vein, HS2's older sibling - High Speed 1, the first new railway in the country for over 100 years - faced a similar, difficult procurement.

Route and terminus changes. Legislative delays. Re-staging of construction. Financing and restructuring difficulties. Cost creep pushed the price up, the ramifications of which still resonate today in high access charges. But today, it is a national asset that it is hard to imagine living without, even if we still don't use it enough.

Do you hear that?

(Silence).

That's the sound of people complaining about the Elizabeth line... about failing to properly account for systems integration... about the overspend... about blowing through a pre-announced opening date. Now all you can hear about a railway that wasn't there less than a year ago is the sound of the footsteps of more people using it than any other in the country.

The Great Western Railway, hailed as one of the finest engineering achievements of the Victorian age, suffered from early rolling stock and track problems and ended up on the wrong side of history as far as its gauge was concerned, leading to higher initial costs and costly changes later.

The Tyne & Wear Metro: arguments over ownership and operation, and a nationwide freeze on capital projects. Delayed significantly.

The Jubilee Line extension: delayed signalling and a reluctant phased opening because of construction challenges. Late and over budget.

The InterCity Express Programme: held up for procurement gateway review after review. Changing the rolling stock to bi-mode halfway through. Late and costly.

And so on...

The point is that (to no one's surprise) construction is difficult. It always costs more and takes longer than you think. Anyone who's had work on their house will testify to that.

Scale up the project and you scale up the challenge. Scale up the challenge and you scale up the risk and size of overrun and cost increases. Attempt a nationally significant infrastructure project, of which HS2 is the latest and most complex in a long line, and you can add political intrusion to the equation.

"When eventually completed, these projects inevitably become part of the fabric of life upon which people come to depend. The troubles and cost of getting there are long forgotten."



St Paul's Cathedral towers above a host of modern buildings, including the heavily remodelled London Blackfriars station. Built between 1675-1710, Wren's masterpiece provides an early example of how large-scale construction projects have been susceptible to political interference. ALAMY.

Never mind that building a significant transport project in a country as densely populated as our own is going to create opposition from the get-go. When built over a generation, the public expenditure needed to build it will have been committed as part of a wider narrative that changes with the political wind. Change the scope as a result, by (dare I say it) incompetent judges, and you can knock even a well-procured project off course.

But when eventually completed, these projects inevitably become part of the fabric of life upon which people come to depend. The troubles and cost of getting there are long forgotten.

HS2 TO HELL IN A POLITICAL HANDBASKET

HS2 used to be everything everywhere all at once. It would only take 20 years to build. It would link London, Birmingham, Leeds, Manchester and Sheffield with Heathrow and the Channel Tunnel at 250mph. A true high-speed network that would transform rail travel in Britain.

Now, with the latest dispiriting March announcement, HS2 is more a case of nothing, nowhere by degrees.

Before the new Secretary of State for Transport Mark Harper stood up last month to tell us what was coming (or rather not coming) any time soon, we had already heard about the Chris Ryan-monikered 'Silverlight' and 'Blue Diamond'.

The latest Whitehall-led initiatives to find yet more cost savings from HS2 by hacking it about, having already lopped off the eastern leg, a platform at Euston, the sub-surface station at Manchester, and the Golborne Link, as well as reducing line speeds.

Do you know what the odds of finding an actual blue diamond are, compared with an ordinary white or yellow one? 1:10,000.

Of course, the odds of finding one on HS2 were much shorter, since the need outweighed the continuing utility of the project. And someone in Harper's department found a flawless one from a political perspective: delay construction north of Birmingham by two years and (as he announced) "take the time to ensure >

► an affordable and deliverable design at Euston”, or “also delay construction south of Old Oak Common by two years”.

Harper said they were committed to Euston. In much the same way, no doubt, as they had been committed to creating a direct link to Heathrow, joining up with HS1, and going to Leeds.

The draft *National Networks National Policy Statement* Harper also published in March makes no mention of HS2 at all. It was front and centre in the previous turn of the statement.

HS2 stopped being everything everywhere all at once some time ago. But at this point, with no certainty that the line will either go beyond Birmingham or to central London, it’s closer to resembling the Black Knight in *Monty Python and the Holy Grail* - armless and legless. HS2 CEO Mark Thurston would do well to come out and declare a draw.

We’re asked to believe that you can save money in search of an affordable and deliverable design for Euston, when tens of acres of central London have already been dug up working to the existing design.

We are told that inflationary pressures have forced the Government to focus its energies on Phase 1, and that we should suspend critical thinking to accept that time (you know, that thing on the X axis of any inflationary chart), and not speed, will make inflation go away and so ‘help balance the nation’s books’.

Well, this blue diamond is not a flawless one from a railway perspective, or a financial one as a leaked DfT report has confirmed. It said that not only will no savings be found because of this decision, but that “additional costs will be created by deferring expenditure on the [HS2] programme”.

The leak has exposed the lie. This is just a nakedly political decision in order to put more difficult ones about HS2 the other side of the General Election.

KEEPING POLITICS OUT OF THE RAILWAYS

Given that the Chancellor must have known (when standing before the APPGI) what Harper was going to say about HS2 a few weeks later, it is baffling as to why he would call for a new high-speed rail programme while simultaneously squeezing the pips on (make that the life out of) the only high-speed rail project we are currently building.

It might be said that the Chancellor was simply telling a room of Parliamentarians focused on infrastructure, at the home of people who build it, what they wanted to hear. But, given the leaked report, it looks just like that post-truth political parlour trick of saying the opposite of what you are doing.

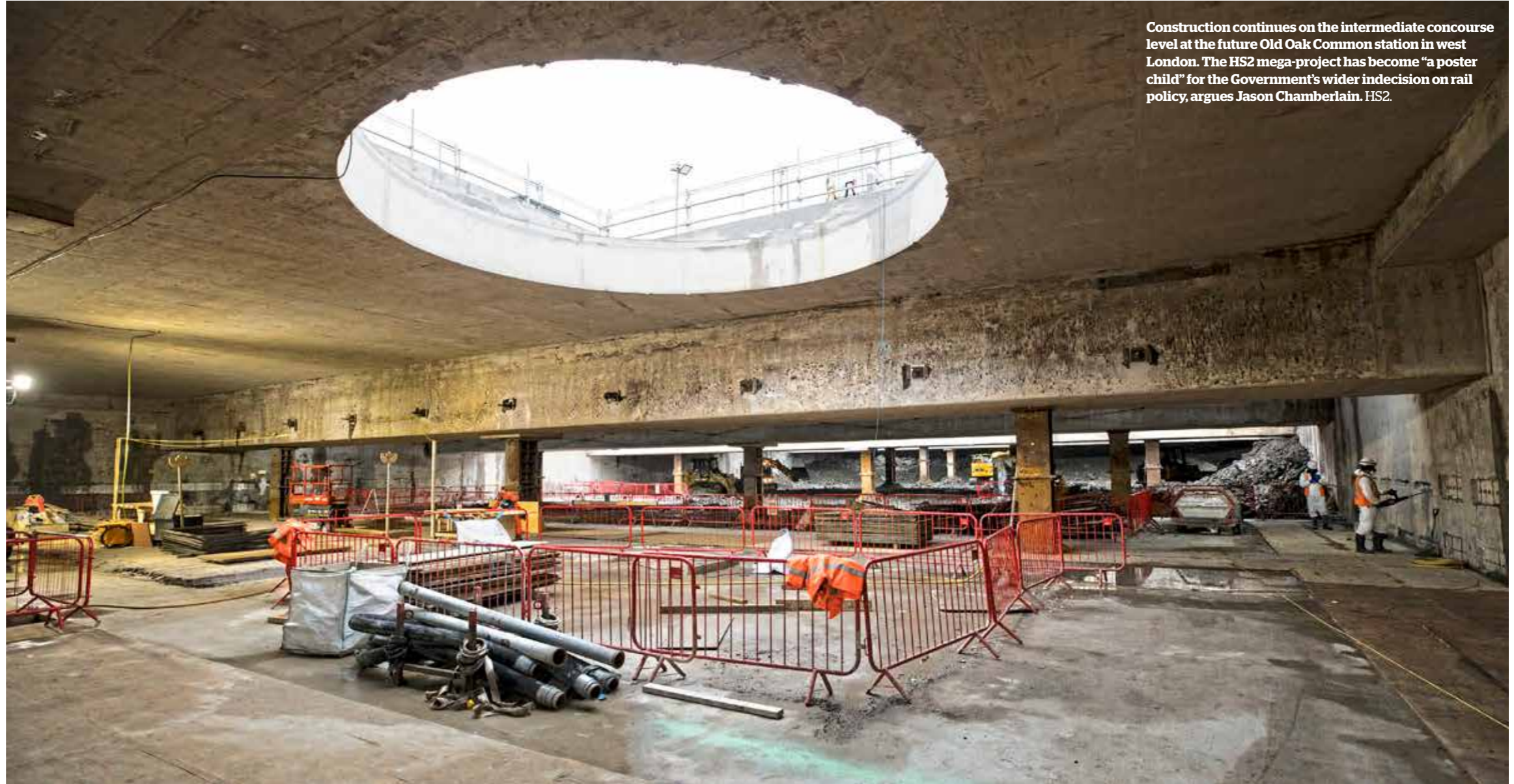
Sandwiched between the Chancellor’s high-speed rail revolution announcement and Harper’s announcement that the revolution had been mercilessly put down, Harper gave this year’s Bradshaw address.

In that turn, he suggested he was going to get politics out of the railways, and that it was the only way to build a truly commercially led industry. This was a priority for him, he said. Non-negotiable.

He confirmed that we would be getting the arm’s length Great British Railways guiding mind after all, and that he wanted to move away from a situation where he (the Transport Secretary) was spending part of his day, as he had been that morning, deciding between including a passenger or freight train in the timetable.

Even if GBR beats the legislative clock before the next General Election (no later than December 2024), just how long is that arm’s length going to be?

“We have ended up in this situation because politicians of all stripes cannot decide what to do with the railways. HS2 is just the poster child for that problem.”



Construction continues on the intermediate concourse level at the future Old Oak Common station in west London. The HS2 mega-project has become “a poster child” for the Government’s wider indecision on rail policy, argues Jason Chamberlain. HS2.

Last year’s consultation on the future legislative framework suggested that the answer would be, ‘not very’, as much was still reserved for the Secretary of State (and not GBR) to decide about the future railway, through unanchored policy edicts and secondary legislation.

And not only might the Government’s arm length to GBR remain short, the DfT’s pockets look like they will remain long, too. The HS2 announcement points to that. As does the fact that it no longer specifically budgets for future railway enhancements - it continues to under-fund Network Rail for its existing enhancements programme (the reason apparently why NR only managed to electrify 2.2km of the network between April 2021 and March 2022 - less than 1% of its annual target), while NR’s broader budget will be cut by £5 billion over the next few years.

Harper’s promise to take politics out of the railways lasted one further paragraph in his speech, before he bashed the other lot’s plans for nationalisation as being as unfit for consumption in the 21st century as a BR sandwich.

The redactors agreed that something was not fit for consumption, removing that observation from the published version of the speech. However, they did not move fast enough to redact the words from his mouth. If only they could have redacted his HS2 announcement before he made it.

Little good comes for the railways when political intervention is high. Successive governments have intervened to an increasing degree, since privatisation attempted to wash government hands of

the problem as much as reasonably possible.

Let it not be forgotten that those interventions:

- Broke the passenger model long before the pandemic, by driving operating margins into the ground and progressively turning train operating companies into automatons.
- Contributed significantly to the 2018 timetable debacle.
- Have buried the railway investment programme in a pipeline from which nothing has emerged for 1,200 days.
- Have now put HS2 into suspended animation.

I fear that with the unquestionable harm that will do to the project, if today’s government is tomorrow’s opposition, that harm will then be used to try to kill the thing off.

For now, today’s government is so immersed in decisions about the railways, both big (HS2) and small (timetabling single trains), that it gives the lie to Harper saying during his Bradshaw address that the “Department for Transport isn’t the Department for the Railways”.

We have ended up in this situation because politicians of all stripes cannot decide what to do with the railways. HS2 is just the poster child for that problem.

The expenditure of public money on the railways necessitates political oversight. But it does not require political meddling in every facet of its operation.

Ironically, the only way we will see an end to excessive political intervention is through political intervention, and that will not happen until at least after the General Election. But in truth, this

situation will persist for as long as two things prevail.

The first... as long as the Treasury’s secret and moveable ‘affordability’ equation continues to drive the following outcomes:

- The focus only on the financials and not the wider socio-economic and environmental benefits the railways and railway investment bring as well (HS2 Ltd just announced that the West Midlands supply chain has already benefited from a £1.7 billion economic boost from HS2).
- Not giving the railways proper credit for the money they do bring in.

■ Cautious fares reform, continuing to limit it to a rollover of a single route trial, over worries about the bottom line, while the bottom line for passengers is that those fares keep going up while fuel duty doesn’t.

The second... as long as politicians continue to distrust whether railway people can take sensible decisions. That trust will rightly have to be earned, but first railway people have to actually be put in a position where they can take any decisions, sensible or otherwise. And we are not at that base camp yet.

In the meantime, the silverlight remains on and people will continue to hunt for blue diamonds. I hope that HS2 can survive this, and that the commitments beyond Birmingham and Old Oak Common are affirmed. And I hope one day we might even have a HS3, 4 and 5.

If we ever can meaningfully get to that great British railway, I think many of us would be over the moon. ■