

12 October 2010

The Rt Hon Philip Hammond MP
Secretary of State for Transport
Great Minister House
76 Marsham Street
London
SW1P 4DR

Dear Secretary of State,

High Speed Rail

I am writing to you on behalf of Scottish Council for Development and Industry (SCDI) members from leading Scottish businesses and civic organisations on your announcement this week that the UK Government will consult early next year on its preferred network option for taking the planned new North-South high speed rail north of Birmingham.

SCDI strongly support the economic and environmental benefits of a UK High Speed rail network between London and Scotland, and we have played a constructive role in enabling dialogue between members, UK and Scottish Governments, and the industry.

SCDI welcomes the UK Government's commitment to High Speed 2 (HS2) and the rate at which it is taking forward the plans for the route and your clear statement that, contrary to what the line's opponents have at times claimed, Birmingham is not the end of the line.

However, we are concerned by the complete lack of reference to Scotland in statements thus far. It appears that HS2 will stop well short of the Scotland-England border and it is not clear how the Government's plans, as stated in the Coalition's Programme, for a truly national network will be delivered. SCDI, therefore, look forward to the forthcoming consultation and offers the following comments as points that should be addressed in it.

Including Glasgow and Edinburgh in HS2 from the outset significantly improves the business case and provides increased value for money to the taxpayer. HS2 to Scotland adds some 10-11 million trips to the network, whereas using the 'classic' network north of Preston reduces the demand by 62% to just 4.1 million. A route including Glasgow and Edinburgh transforms the business case generating revenue and benefits worth almost £55bn. Over 60 years, it pays for itself 1.8 times over. The benefits of the taxpayers' investment can only be maximised over the longer London-Scotland distance.

Overseas evidence indicates that when a journey can be made in under three hours, railways capture 50% of the market. HS2 to Scotland would deliver the journey times required at two and three quarter hours between Glasgow and Edinburgh and London. Running High Speed trains on existing lines north of Manchester and Leeds would not. Indeed, journey times would, at best, be 3 hours 37 minutes and for High Speed trains on classic tracks north of Manchester and Leeds could even be slower than at present.

If rail is to become the mode of choice for most inter-city journeys between the greatest population and economic centres in Scotland and the largest cities in the rest of the UK, building new lines to Scotland is the only option. It would significantly reduce air demand, mostly from domestic flights, and, at a time when there are concerns about access from Scotland, capacity pressures at South East airports, and carbon emissions.

In your announcement you said that a high speed rail network will “change the social and economy geography of the UK”. Creating a more balanced society where opportunities are more evenly shared between regions is a policy priority which SCDI shares with Government. Including Glasgow and Edinburgh in the network will deliver significant economic benefits to Scotland, improving connectivity with London and the South East of England and with Europe. However, the failure to bring HS2 to Scotland will comparatively disadvantage the Scottish economy, particularly in relation to tourism.

SCDI trusts that, in advance of the consultation, the UK and Scottish Governments, and HS2 Ltd, will engage with each other more closely than up to this point and that detailed design work will be commissioned for the Scotland-north of England section(s). It is also essential that the consultation explains how Scottish regions north of the Central Belt will link with and benefit from HS2, especially those on the East Coast Mainline routes.

We hope that you find these comments useful. We look forward to inputting into the consultation on behalf of Scottish industry and stakeholders. We would be very happy to facilitate discussions for you, Ministerial colleagues or HS2 Ltd as part of this process.

With best wishes.

Dr Lesley Sawers
Chief Executive

CC: Mr Michael Moore MP, Secretary of State for Scotland
Mr Stewart Stevenson MSP, Minister for Transport, Infrastructure
and Climate Change, Scottish Government