Due to the limited time remaining at the end of the Second Reading of the High Speed Rail (London to West Midlands) Bill, I was unable to respond to many of the points raised during the debate. I therefore write to outline my response to your comments where I was unable to do so during the debate itself.

You spoke about future service patterns, in particular about HS2 trains not stopping between Preston and Glasgow. As you rightly said, service patterns at present are only based on planning assumptions. No decisions have been taken about actual future timetables, which will be determined closer to the line’s opening through existing industry processes, including consultation. However, we have been clear about our key aim that all towns or cities which currently have a direct service to London will retain broadly comparable or better services once HS2 is completed. HS2 will provide a step change in capacity on the West Coast Main Line, and is a huge opportunity to improve passenger services. Network Rail has estimated that over 100 cities and towns could benefit from new or improved services as a result of capacity released on the existing rail network. This could be used for more commuter and inter-regional services.

On transport in the North, we want to correct historic under-investment and create a Northern powerhouse. Connecting the North’s towns and cities into a single economy is essential to creating a transformed northern economy greater than the sum of its parts. That is why, as well
as devolving power to the North, we are investing £13 billion in northern transport, including investment schemes to improve road access to our ports in Liverpool and the Humber.

The Chancellor has given the green light to the first phase of the Northern Powerhouse ambition – the connection between Leeds and Manchester - with £60m to develop detailed plans to reduce journey times towards 30 minutes by 2017, as well as plans for improving links between the North’s other major cities.

The Government recognises that Liverpool is a major city and a significant market. From 2026 when HS2 first opens, Liverpool will benefit from HS2 Services and a 28 minute reduction in journey times to London. In 2027, this saving increases to over 30 minutes. We understand Liverpool's aspiration for a direct connection to HS2, which could also provide a fast link to Manchester. This will be considered as part of the National Infrastructure Commission and Transport for the North’s work. Increased capacity on the existing network could also be used for freight where demand is growing - including from the Port of Liverpool.

In addition, we have committed over £1bn for the TransPennine Upgrade and Northern Hub programmes. The new Northern and TransPennine Express franchises will see a £1.2bn boost to rail services and deliver 220 new carriages, equivalent to 44 trains. The new Northern Franchise will see the complete removal of the outdated 'Pacers' by the end of 2019, and investment of £400million.

Through the Northern Powerhouse, and HS2 which will be a core building block of the northern network, we are committed to rebalancing our economy.

Finally, I think it is important for me to stress that the Government is fully committed to building and funding the HS2 network. The Spending Review settlement announced on 25 November 2015 provided £14.8bn of capital funding over the next five years to take HS2 forward. This
settlement provides the necessary funding for HS2 Phase One construction to start in two years. The settlement also provides the funding to keep our plans for Phase Two on track.

I hope this is helpful and answers your concerns sufficiently.

A copy of this letter has been placed in the libraries of both Houses.

Yours sincerely,

[Signature]

LORD AHMAD OF WIMBLEDON