Christopher Prideaux DL—Written evidence

This paper demonstrates that HS2 phase 1 Route 3 is not fully priced/costed and therefore it does not show fully the National benefits and disbenefits. There are omissions in the HS2 budgets of sections or works and their costs and this is a significant issue. How many extra £billions should the Lords and other authorities recommend be added to the £50 Billion declared.

Questions with answers:

1: Is there an Economic case for HS2?

1,1: At the moment there is not a convincing case because the reviews by the House of Commons select committees were only partial overviews of different scopes and aims. There was not a comprehensive peer debate with specialists on the HS2 scope and the reasoning options were curtailed or not included. One of the members of the HS2 challenge group on economics 'retired' to then argue there were issues with the development benefit method being used. There are a range of significant consequential problems which were not included in the select committee deliberations, involving, by way of example, the full costs to local authorities, to the highways agency and to the London municipal waste handling and disposal operations accessing Calvert and other locations.

1,2: The full costs of the HS2 project and its consequential cost impacts are not all included, ranging from increased public travel delays on the M4, M40, A4, A40, A41 and A413 and local county roads. The HS2 planned tunnelling infrastructure is very expensive due to the route through the Chilterns and the further tunnelling that communities and the Aylesbury Golf Club are requesting to be agreed will increase the total budget above the current budget significantly.

1,3: The very extensive land to be taken and lost from farms over the next decade is very wasteful. This loss has to be added to the economic costs as these are not currently all included. There are significant owner and tenant compensation issues to be resolved, which will greatly increase the costs above budget. Some large housing development land schemes are being devalued due to the direct severance impacts of the HS2 land take. HS2 is drawing development investment away from farms.

1,4: UK Rail Networks should be improved for both the long and short journeys but HS2 has not been fully involved in these matters, except from the narrower consideration of WCML. This has led to inadequate consideration of the aims of a rail route for middle England and particularly what the populations of west of London to Banbury require most. HS2 falls short of wider rail services needs.

1,5: The Princes Risborough to Calvert rail route as well as the East West Freight and Passenger route will be adversely affected by HS2 but the costs of this local damage are not in the HS2 budget. A strong example of a cost omission will be the impact on waste rail deliveries to the proposed Calvert incinerator, as well as the cost of the movements of large

volumes of sub soil out of London to land and the land-fill site as far away as Calvert. Some of the rail movements will have to be transferred to road during those periods the freight route to Calvert is suspended for rail works. The HS2 plans for soil disposal have not been fully disclosed, or assessed. It may be that the Aylesbury spur to Calvert and the East West line will be closed for some time. This would cause a very major financial claim by FCC, the company operating the Calvert Greatmoor incinerator.

1,6: The selection of the HS2 route alignment that Secretary of State Hammond decided in 2011 was not under taken by using a full comparison of the detailed construction cost and environmental losses/damages, for all route options. HS2 Route 3 Phase 1 is considered by local communities to be the wrong route on grounds of the total damage, extensive Chiltern and Urban/Sub-urban tunnelling and other infrastructure costs for a one track each way route when there are alternative alignments with shorter tunnels and better user patronage.

1,7: The omission of the large gauge HS2 to HS1 link is the loss of an essential rail connection and is a total budget misrepresentation, a recurring theme. Cross Rail 2 is needed and a percentage should be added to the overall costs in the assessment of HS2 and ranked in the National priorities.

2. Is there the need for better National investment priorities to address backlogs?

2,1: The HS2 investment decision has now been shown to be wrong in terms of National priorities. There was never an overall assessment of the full project and so the House Of Commons select committees have missed and over looked some of the core issues.

2,2: The HS2 Community Forum Meetings were rendered ineffective in assessing economic impacts and this was ignored by the Hybrid Bill debate in Parliament in November 2013. It is not known what influence the petitioning procedure will have in reversing damage, but there is a lack confidence by the public with the narrower remit and HS2 aim to rush the petitions using a group process. The Department for Transport have taken the decision to proceed regardless and are controlling the procedure to justify a poor investment. They have the protection from the UK Judicial processes which the public used to try and raise concerns.

2,3: There is no aggregated log of all the escalating and missed costs. The House Of Lords Committee Economic Affairs inquiry will is most welcomed if it can consider the HS2 project fully and diligently. Hopefully it will not be another incomplete review as with the House Of Commons Select Transport Committee, Environment Committee and the Public Accounts Committee not to mention the Treasury Select Committee were, by being partial in their scopes.

2,4: The Chairman of the City Growth Committee is considered to be wrong when he says the UK economy is on a roll with the Governor of the Bank of England saying we are only half way to recovery. The trade gap in June widened to £9.4BN. There is still a problem with the National Deficit despite what we were told 3 years ago, by Secretary of State Hammond. Furthermore the National debt keeps rising and wages are flat lining.

2,5: The Prime Minister will be aware of the problems facing the nation which HS2 exacerbates. The Prime Minister has adopted the poor rail investment project left behind by

Labour Lord Adonis. The Prime Minister has made a decision without examining all options and the consideration of the growing list of National priorities. How can an investment of this magnitude be wise for such narrow contribution to small percentages of the population when:

The waiting list at hospitals is longer than ever.

There is little proper broadband expansion programme.

Our energy development programme is not properly costed or scaled currently.

Growing road accidents and congestion with more wasted consumption of fuel and delays increase due to shortage of road construction.

The Defence budget will need revising because of lack of recruits for the Reserves.

The list goes on.

3: Should the strategic case for HS2 published in 2013 by the Department for Transport (DFT) and the analysis from HS2 have taken into account any other factors in making an Economic case for the project?

3,1: The key matters addressed in question 1 are very relevant. Network Rail, Crossrail, TFL, Heathrow Airport and the main city road authorities were insufficiently involved by DFT/HS2 in establishing a coordinated plan, assessments in competition with the vital road and motorway requirements. Urban road tunnelling for motorway and trunk roads were not included but are needed. Conflicting demands for urban and suburban surface and sub-surface spaces have not been determined, for example from west London across Camden.

3,2: The HS2's expected range of the benefit cost ratio is not acceptable because the benefit reported is too low with too many omissions from the scope. The Massachusetts Big Dig programme had similar omissions from budgets and scopes which resulted in extreme increases in expenditure and resultant debt and a much reduced final BCR.

4: What are the likely Economic benefits of HS2 to the Midlands, to the North of England and to Scotland?

4,1: Development of High Speed Rail without a comprehensive rail route linking plan fails to determine and assess the wider benefits for rail users and localities. The regeneration of the main city stations are likely to cost billions of pounds per site and these developments cannot be justified on speculative guess work and requiring such additional route costs.

4,2: What is meant by including Glasgow, Edinburgh, Aberdeen and Inverness without the track upgrades and costs. What about Wales and the South West England? The cost estimates for a High Speed network for the United Kingdom is projected between £500 Billion and £1 Trillion. A backlog of new roads and lane demands similarly multi billion

pound projects as congestion and accident rates are now rising with extreme delays and losses.

5: Might some parts of the UK suffer Economic disadvantage from HS2?

5,1: HS2 has a total negative impact on the outer west of London Boroughs and Buckinghamshire. The negative impacts cannot be satisfactorily costed on a locality basis according to leading Economists. How can you assess the Economic and Environmental destruction of 100 miles of this geographically small country?

6: Is London likely to be a main Economic beneficiary of HS2?

6,1**:** The HS2 project will attract people to commute more from the North, whereas the outcomes should be the reverse, but businesses will not relocate to the North. The Ex-Mayor of London suggests London is at its maximum population currently. It is not practical or effective to increase the people in and commuting to and from London into the future.

7: How might the expected benefits of HS2 to the National Economy be realised?

7,1: This can only be achieved with a major reappraisal of the sections of HS2 in the North and also those in the London areas. Reappraisal will most probably address medium distant commuting as a priority and realign the route(s) to deliver more local regional user benefits.

7,2: Where there are bio-diversity proposals these should be based on trees and forests with the land owners consent to enable the national and local economies to benefit and not small plants and grasses.

8: How should HS2 be operated? As a franchise in competition with West and East Coast Main Lines?

8,1: As there is only one track each way for the HS2 route and the main cities connected are well served by rail currently, HS2 will not be a significant revenue generator because of increasing cost and rail services competition.

9: Should travellers expect to pay higher fares on HS2 than on other lines?

9,1: HS2 cannot attract the most fare paying passengers unless pricing is competitive. This would require massive government subsidy to compete with the Chiltern Line and WCML. Is this what the nation requires?

9,2: Power up grades can increase the maximum train path capacities on the WCML and on the ECML which would further the competition for HS2 and its train operator more effectively.

9,3: People complain about the ticket price increases currently. The HS2 services will be much more expensive with Government wanting to increase debt recovery from

passengers, leading to more increases and complaints and migration to the lower priced routes.

10: Does the prospect of HS3 affect the Economic case for HS2?

10,1: Yes it demonstrates that a single track each way long distance passenger route is unattractive compared to a multipurpose rail corridor with two tracks each way providing more reliability and better operating resilience.

10,2: Surely George Osborne should develop fully the larger gauge Northern Hub to address large gauge freight from Liverpool to Hull and better cross Pennine passenger connections. This would achieve much more rapid development in the North and at realistic costs.

11: Concluding opinions

11,1: The current HS2 proposals will not come close to meeting the Governments aspirations as judged by local communities along the route.

11,2: The HS2 proposals are fundamentally inefficient offering limited connectivity, unable to deliver either the necessary economic or environmental benefits in terms of emissions reductions and being needlessly intrusive by following unsuitable expensive rural alignments.

11,3: HS2 must be fundamentally reconfigured to maximise connectivity and passenger demands. Emission reductions and other benefits must be achieved through comprehensive, interregional integration with the existing rail network. Environmental intrusions are not minimised as far as practicable by following existing transport corridors and avoiding the ' Greenfield ' alignments especially those requiring large scale land excavations.

Annex of issues for consideration impacting the Economic evaluations.

A1. Smaller Engine for Economic Growth.

HS2's fundamental London-centricity and lack on integration prevents it from delivering either the promised affordable railway services, or the environmental or economic benefits, especially to the UK Regions. HS2 concentrates the connectivity into London and this will draw economic development away from the Regions.

A2. Segregation or Integration into Network Rail's routes and stations.

The apparent presumption without supporting rationale that the new High Speed Railway must be effectively segregated from the existing railway is very questionable. This limits the communities that will benefit from HS2 and it also limits the reduction of possible environmental problems. The Government should compare and explain the integrated and segregated approaches.

A3. Limited regional and commuter connectivity.

There are no connections with the existing rail network for a length of over 160km. This lack of integration and resilience will massively compromise its environmental performance. The route does not provide the Javelin rail service potential of HS1.

Far more connections and therefore superior integration, resilience and environmental performance are possible for a London, West Midlands High Speed Line routed along and close to the existing corridors. Connections to the existing network could be located much more frequently serving wide catchment areas and commuter populations

A4. Alternative design speeds.

Undue value has been placed on saving a few minutes on journey times. This has been given as one of the primary reasons behind selecting the route that passes through the Chilterns AONB and rejecting routes following less intrusive environmentally significant corridors. Such small time savings cannot possibly justify the level of environmental damage and costs that is certain to result, even with the best efforts to mitigate, which is currently not being proposed to people losing land and amenities.

A5. High Speed Alternatives to the Y network.

The alternative configurations do not represent an adequate consideration of options for development of a National High Speed Rail Network. It is controversial that the London – Old Oak Common – Birmingham Interchange plan is fixed. No account is taken of the potential of other corridors as the primary route to the North and to Scotland running East of the Pennines with the West Midlands placed on a spur, any East sided approach to Scotland would be more efficient both economically and environmentally with a lower requirement for tunnelling than the currently favoured west sided approach through the ability to place Newcastle and Edinburgh on a single route.

A6. Alternative rail services and route requirements.

HS2 Route 3 Phase 1 precludes routes and stops for Javelin services which would benefit the East West Route connectivity. The East West line will be excellent; but its value would be badly damaged without stations for local commuters. The East West cost benefit ratio is 4 or 5 times better that proposed for HS2. HS2 fails massively short of the Treasury's cost benefit requirements. With no intermediate stops on HS2 for the Buckinghamshire County and no East West Route connectivity and with Calvert being in the wrong location for commuting the site of the East West and HS2 Route 3 intersection does appear to be an error of rail and road transport planning, with the IMD being sited also in the wrong location due to the severe local impacts.

This Government plans to force through the HS2 project with unsound financial and transport assessments and divert resources from more immediately necessary operations and projects.

The proposed HS2 interchange with Crossrail services along the GWML to Old Oak Common effectively predetermined the very intrusive HS2 route alignments from London to the West Midland . The HS2 preferred Route 3 Phase 1 alignment has prevented fair consideration of other transport routes such as near the M40, and M1 and the M6. Lower environmental impacts could be achieved and would serve the Home Counties and East Midlands with shorter city centre to city centre journey times at less cost and damage more economically and effectively than HS2.

HS2's excessive focus on the extreme speeds along the straightest high speed line that they chose to develop has determined the limitation of their consideration of better value for money options. It would surely be better to increase the capacity and connectivity of the rail network as a whole. A high speed network should be the conduit for all express intercity passenger traffic along particular corridors, so that the existing main line can be dedicated to slower speed freight and local passenger traffic. This demands close alignment and interconnection between High Speed lines and Classic lines but cannot be achieved with the current Chiltern aligned HS2. The population centres to be bypassed by HS2 including Stoke, Coventry and Milton Keynes will continue to consume capacity on the West Coast Main Line rendering the HS2 route irrelevant to thousands of commuters.

The Government has over estimated the value of each minute saved on a HS2 journey by failing to accept in 2011 that laptop computers and mobile phones do enable people to use time spent on a rail journey more productively. Economic benefit can accrue from configuring a High Speed Rail network to reduce the time for the inter-regional journeys, which HS2 has neglected which would help to integrate the existing network.

The Government has greatly underestimated engineering costs for the extreme speed rail operations as Japan found in practice. The required near straight alignments make it difficult if not impossible to follow existing transport corridors or the folds and flat sections of land, where environmental damage would be is minimised. The failure to use curves dictated rural alignments with much greater impacts outside existing corridors and population centres. The result is there are more sensitive areas such as the SSSI's and ancient woodland now requiring expensive tunnelling for mitigation but not likely to obtain this mitigation.

A7. Greenhouse Gas.

Energy use and therefore CO2 omissions also rises with the square of speed, this results in the 400kph rail operations with almost twice the CO2 profile of 300kph. This is probably understated. HS2's overall environmental performance was predicted in the 2010 command paper to be broadly carbon neutral, this appears to be in fundamental breach of the requirement of the 2008 climate change act for an 80% cut in CO2 emissions by 2050. This deficiency is attributable not only to High Speed Rail but to HS2's basic lack of connectivity and integration. This renders the HS2 proposals unacceptable in a modern carbon-critical world. A fully integrated High Speed Railway with National coverage indicates that there is huge potential to reduce CO2 emissions across the transport sector.

To offset some of the greenhouse gas increases from HS2, or similar any carefully planned bio-diversity is better based on planting forests and trees and not small plants and grasses. The trees are more effective for water management and for carbon extraction from the atmosphere. This should be in agreement with land owners not by imposition to enable their economic affairs to be beneficial.

A8. Mitigations.

All necessary environmental mitigations that must be employed to make the route acceptable to the communities which HS2 passes and generous compensation packages that must be made available to alleviate losses suffered may not be affordable. Costs and transfer housing in Camden are rising. It must be acknowledged that effective mitigation in sensitive areas with tunnelling will greatly increase costs. The payment for land losses is being resisted by HS2, as is proper compensation for estates, farms and businesses.

The best mitigation against the environmental impact of High Speed lines is to follow existing transport corridors. Insufficient attention was given to making use of existing transport corridors as the primary environmental mitigation due to the singular objective or highest speed across undulating land.

The regulatory requirements have been handled badly with the lack of professional planners and checking processes omitted. The route option selected should have been the one that best balances the benefits of a new High Speed line against its costs and environmental impacts. The Government has been presented with alternatives that both achieve greater benefits and have lesser environmental impacts but there was not the process to weigh the economic costs fully. As such the Government selection of the current HS2 proposals seems illogical to local authorities, communities and people, perverse and in apparent contravention of its own planning legislation.

The question of strategic alternatives has not been addressed fully as there was no national transport road and rail growth and usage policies. Upgrades of existing rail routes may be a viable strategy in certain regions such as the Cross Rail North. Construction of more High Speed classic lines must be within the primary strategy to address National Transport needs. But without the necessary integration with the existing classical network HS2 may bring some direct benefit to around only 12 cities. This is a small fraction of the total scope the UK intercity network requires. This restricts the benefits that HS2 will provide.

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