

Lords debate -11 July 2011 at 7.30pm

Question: To ask Her Majesty's Government what progress they have made in reviewing the economic viability, value for money and benefit-cost ratio of the High Speed 2 London to Birmingham, and London to Leeds and Manchester, lines.

HS2AA issued a press release yesterday before the debate at

<http://www.hs2aa.org/index.php/news/press-releases-new/193-debate-in-house-of-lords-on-hs2-business-case>

and the **press association** picked it up at

http://www.google.com/hostednews/ukpress/article/ALeqM5gfshl51KYd13bSJDbaUzdxH_a_hA?docId=N0138731342037567578A

The question triggering the debate was wholly on the business case, and Viscount Astor covered all the key points. But at the end of the debate **Lord Atlee** for the Government **did not answer the central question raised by Viscount Astor, other than to say that's but one part of the decision. They did however say there will shortly be a new BCR and business case.** The responses to the Lords that raised issues were somewhat lack lustre (despite assistance from the DfT who supported Lord Atlee).

Points worth noting

- 11 speakers – 4 'pro'; 5 'anti'; 1 mixed; and 1 (Lord Atlee) answering for Government
- Much made of **daft value of time assumptions** - one pro even said he travelled 3hrs on ECML and was highly productive so journey time reductions would make him less productive
- The issue of the 2 'hidden reports' on **Value of Time** was raised, but not answered
- One 'anti' pointed to 2 eminent individuals who commanded much respect - **Archie Norman** (against HS2) and **Andrew Tyrie** (questioning HS2 cost and benefits)
- One pro HS2 Lord said the **cost benefit analysis** methodology produced 'imaginary money' answers and needed overhauling
- The point on importance of **valuing natural capital** was well made and ignored in the Government response
- **The OBR** was pushed as a tool for evaluating a project like HS2
- **Compensation** and the unacceptable EHS was pushed by those on the line (Atlee said next consultation 'shortly')
- Adonis did not speak about the business case (but focused on last WCML upgrade, the disruption caused and no alternative - he uses the 'open heart surgery' phrase (that was originally quoted for the 7yr upheaval for Euston) to describe upgrading WCML. He sat implacable throughout rest of the debate
- One 'anti' focused on Kenilworth **Community Forums engagement** (Atlee would write)
- The 'pros' all focused on **familiar arguments** (step change in capacity, no alternative, help the north, help freight, but the green argument was noticeably absent!)

So all in all there were no new arguments, but equally the Government had no answer to the key question and doubts expressed about the business case.

Two light hearted Government responses were: Their answer on Skype and the internet changing communications was, the telegraph, telephones and 'tweeting' had not caused rail travel to decline! And they noted that demand forecasting had improved since HS1 with better computer modelling and more computer power.