

High Speed Rail: Investing in Britain's Future – Response to Consultation

Aylesbury Vale District Council has formally considered the Government's proposals for High Speed Rail taking into account the comments made at its full Council meeting on 13th July and Cabinet on 19th July 2011.

AVDC is one of the founding members of the 51M Group, who have worked together to highlight the fundamental flaws in the proposals for High Speed 2 and to offer practical suggestions about the way in which the current inter-city rail network can be enhanced to meet the future needs of the UK. We cannot therefore be described as 'Nimbys' and to do so is disingenuous and fails to take account of the real points that we are making.

We therefore support the detailed response made to the consultation by the 51M Group but also have specific points we wish to raise as a local authority.

In summary, we do not believe that the business case for HS2 stacks up and therefore cannot support the route suggested by the Government.

We are opposed to the current High Speed rail proposals as they are presently outlined and do not believe that they are in the best interests of the UK as a whole in terms of the benefits claimed in the business case.

We are not opposed to the need for higher speed rail per se and fully acknowledge the need for strategic improvement to the national rail infrastructure but cannot agree with the current proposals as the economic and environmental benefits are not at all credible.

We do not believe that all the other alternatives to achieve the transport capacity, regeneration and environmental benefits have been fully explored by the Government and with the billions of pounds that are proposed to be invested, we owe it to the nation to ensure these are fully explored. The Members of Aylesbury Vale District Council could not stress strongly enough their total dismay that the Government are proposing to spend such a large amount of public money (noting this was not a scheme that was being privately backed in any way), when the business case is clearly not proven, at a time when the country is facing severe economic constraints and essential public services were being significantly curtailed.

This Council has also expressed its strong concerns about how many aspects of the consultation on this scheme have been carried out, in particular the way in which the consultation on the overall principle of the scheme was carried out even before the full detail of the complete route have been fully scoped. How the overall business case for such a major infrastructure project can therefore be properly evaluated in the absence of this detail is not clear.

The consultation questions are also very biased and have been constructed in such a way as to attempt to lead the respondent to answer in a specific way. This is not what anyone would expect from a Government consultation on a scheme of such national impact and cost to the taxpayer.

Serious concerns were expressed by the Council that the Government have already pre-empted the outcome of the consultation with the various statements that have been made by senior Ministers about HS2.

There are also major doubts about the accuracy and validity of much of the data used by HS2 Ltd and the Department of Transport and also serious questions about the basis of the assumptions made on a number of issues, including passenger demand forecasts, estimates relating to overall benefits and cost estimates, the expected regeneration benefits and the carbon impact.

For these reasons and many more, Aylesbury Vale District Council cannot support the Government's plans to progress with these proposals as currently envisaged and would urge the Secretary of State to seriously reconsider the whole scheme, taking into account the major flaws that the current proposals have and give proper consideration to the more viable alternatives to HS2.

Therefore we do not believe that the consultation that has been carried out is fair and there is simply insufficient detail and information for anyone to be able to make a fully informed response to properly address all the issues that one would expect to see in a consultation on such a scheme of national importance and cost.

In conclusion therefore, we do not believe that the Secretary of State can make a decision to proceed with this proposal with so many fundamental flaws and the fact that so many aspects of the process associated with the project have been inadequate and unfair.

Responses to Specific Consultation Questions

1. Do you agree that there is a strong case for enhancing the capacity and performance of Britain's inter-city rail network to support economic growth over the coming decades?

1.1. Whilst increased capacity and improved performance on the UK's inter-city rail network is likely to be an integral part of a clear, transparent and clearly evidenced national transport strategy to help support continued and increasing economic growth, there is little evidence in the current consultation that would evidence that a strong case has been made.

1.2. The work carried out by HS2 Ltd and the DfT, attempts to demonstrate that there is a strong case for enhancing the capacity and performance of the inter-city network, but the level of passenger demand predicted using the forecasts in the business case cannot be substantiated.

1.3. Page 10 of the consultation document states that the rail network is "seeing a continuing pattern of steeply rising demand" and refers to the level of growth that occurred during 1994/95 and 2009/10 period as the basis for future forecasting to the period 2043. The business case for HS2 assumes

that the factors which led to growth in the last 15 years will continue at the same rate for a further 35 years and this assumption is simply untenable.

- 1.4. This approach to demand forecasting is fundamentally flawed and clearly contrary to the normal model used by the DfT themselves and no justification for varying this so significantly is provided.
- 1.5. The challenges with forecasting passenger demand are well known and it seems that even lessons from recent history have not been reflected in the HS2 business case. For example, the demand for HS1 in 2006 was forecast by the DfT to be 25 million passengers. The actual passenger traffic however using HS1 is only around 9m - less than 40% of the predicted demand.
- 1.6. Whilst there are obvious examples of existing capacity issues on the current network, there are much better, more affordable alternatives to solving these capacity issues, that can be delivered in a much shorter timeframe and which would not have the same adverse environmental impact that HS2 would have. HS2 is not the only way to enhance the inter-city network, since it has an enormously expensive and environmentally damaging project requiring at least £17 billion of public subsidy, that has yet to be shown in the national interest.
- 1.7. The excessive costs associated with planning, enabling and constructing this project will result in there being less investment funds available for the existing network, which will suffer as a direct result of this project. This will be compounded by the much higher on going maintenance costs that will be required for high speed rail than the classic network This is wholly unacceptable and flies in the face of the recently published study by Lord McNulty, commissioned by the Government who said:

“There should be a move away from ‘predict and provide’ to ‘predict, manage and provide’ with much greater focus on making better use of existing system capacity.” (May 2011)
- 1.8. Therefore the business case for HS2 built on the assumptions about future demand based on a continued rate of growth that has occurred in the last 15 years does not stand up to scrutiny.
- 1.9. The full impact and consequences of these proposals on the existing network and services also seems to be conveniently overlooked. The platforms at Euston will have to be lowered by some 3 metres, which will mean severe and major delays at services using Euston for at least 7 years. It is not evident that the costs of these delays have been factored in and again if they are then the costs to overall business case simply gets worse.
- 1.10. The Government's claim that this project could provide a unique opportunity to bridge the north south divide is wholly exaggerated and unsubstantiated. Based on the DfT's own information and evidence 7 out of the 10 jobs that might be created as a result of HS2 would actually be in the South East,

which will only make the north south divide even worse. Also the claims about how many jobs will be supported as a direct result of HS2 are spurious, with no evidence to support that additional jobs will be generated as a direct result of HS2, rather than being relocated from elsewhere. The recently issued report on HS2 by the Institute of Economic Affairs states that the project is "economically flawed" and "the proposed regenerative effects are highly dubious".

1.11. The benefits claimed by HS2 Ltd and the Government of high speed rail include the carbon benefits it will bring, whether from modal shift or efficiency of electrified rail travel are exaggerated. Again there is insufficient evidence to support the claims of the carbon benefits. One of the major flaws is that any domestic flight slots that may be freed up as a result of modal shift to HS2 will be taken by international travel and the carbon effects will be even worse than before HS2. How the Government can therefore justify supporting a project that is more likely to increase carbon than reduce it is inconceivable and the green credentials that are claimed for this project are misleading. The adverse environmental impact that HS2 will have contradicts the Government's aspirations for protecting the natural environment as outlined in a recent White Paper on this subject and the Government's 2010 Lawton report.

2. *Do you agree that a national high speed rail network from London to Birmingham, Leeds and Manchester (the Y network) would provide the best value for money solution (best balance of costs and benefits) for enhancing rail capacity and performance?*

2.1. No. One of the most significant flaws with the HS2 proposals as currently proposed, is that they have failed to use the most appropriate alternative solutions to robustly test the HS2 proposals against. Again this is a fundamental and inexcusable error on the part of DfT and HS2 Ltd and it can only be assumed that the reasons why this has been done is to help present the business case for HS2 in the best possible light.

2.2. It is common practice to use the best of any alternative schemes to test the proposed scheme's business case against. In the case of HS2, the best alternative scheme was not explored and instead the Rail Package 2 proposal that was used, did not include one critical aspect (to extend and reconfigure existing trains on the network), but did include unnecessary and costly infrastructure, which therefore led to a wholly distorted picture of the benefits of HS2 in comparison to the best 'alternative' scheme.

2.3. This is simply not acceptable and for the Government to be using such techniques to artificially inflate the benefits of what increasingly looks like a 'vanity project' is improper.

2.4. It is clear from the work that has been commissioned by the Council and the other authorities in the 51m group, that there are major increases in capacity

that can easily be achieved by investing in much simpler and cheaper alternatives to HS2.

- 2.5. There are 5 key components to a credible more affordable alternative to the HS2 proposals, which are an amended and optimised version of rail package 2 including proposals that would:
 - 1.) Factor in the benefits that will be implemented shortly as a result of Evergreen 3 proposals, which will improve the journey speeds to Birmingham, decrease the latent demand claimed in HS2 and help increase the overall capacity at peak times
 - 2.) Convert at least one carriage on all pendelinos from first class to standard class to help ease the overcrowding that occurs in the standard class carriages
 - 3.) Lengthen all pendelinos initially to at least 11 cars and eventually as many as possible to 12 from the present 5
 - 4.) Introduce smart ticketing and demand management, to reduce peak demand
 - 5.) Carry out some minor investments to infrastructure at certain locations to allow for improved separations between fast and slow lines
- 2.6. If these improvements were invested in, they would achieve an increase in capacity over the 2008 baseline of over 200% with a price tag of just £2bn, compared to the estimate for HS2, (which we expect is a conservative one), of £34bn.
- 2.7. Not only does this alternative package of investment have major advantages in terms of total overall cost, it can also be delivered in an incremental basis to match the actual increases in demand and therefore represents a very low risk approach to investing in strategic rail improvements, whilst still supporting the economic growth of the UK.
- 2.8. Also the limited high-speed rail network, as currently proposed does not offer benefits for larger parts of Britain and some cities will ensure worse rail services as a consequence, including Coventry, Wolverhampton, Stoke on Trent, Leicester, Chesterfield, Peterborough, Doncaster and Newcastle.
- 2.9. The valuation of journey time savings assumed (that contribute more than 40% of the assumed benefits of HS2), level of forecast demand and method of assessment all exaggerate the potential benefits of HS2. When a more balanced assessment is carried out, as for 51m, HS2 is far from good value.
- 2.10. Also in light of the fact that nearly 50 % of the long distance rail journeys on HS2 are estimated to be made by the top 20% of income earners, the benefits of this investment are accrued by the highest earners at the expense of the general public purse. This is simply inequitable.

- 2.11. The full route for the rest of the 'Y' beyond Birmingham has not yet been scoped, so how can anyone know what the costs associated with this part of the proposal are?
- 2.12. The comparisons with other international experiences of high speed rail included in the consultation document are also flawed on many levels. There are many fundamental differences between virtually all the HSR networks and the UK, not least the fact that elsewhere the rail journey times were much slower pre-HSR than in the UK and generally the distances involved are much longer.
- 2.13. There are however some very interesting lessons to be learned from the international experience, which have not been highlighted in the consultation document including the severe financial problems that the Dutch HSR has, experienced, the reduction in speeds introduced by the Chinese due to the higher energy costs and in Taiwan, the HSR network is not attracting the forecast passengers as many are using the cheaper classic services.
3. *Do you agree with the Government's proposals for the phased roll-out of a national high speed rail network, and for links to Heathrow Airport and to the High Speed 1 line to the Channel Tunnel?*
- 3.1. No. There is insufficient evidence provided in any of the documents published that substantiates the business case for the proposed Heathrow Spur or indeed to HS1 (channel tunnel link).
- 3.2. There is no business case that supports a direct link to Heathrow as the demand for this service simply isn't there, as acknowledged in the report prepared by HS2 Ltd in March 2010, even when the previous Government was proposing the third runway at Heathrow. More than 90% of Heathrow's passengers originate or terminate in regions which would not be served by HS2 and for those limited number that would, the cost of building a link to Heathrow 'estimated' at between £2.5bn - £3.9bn cannot be justified.
- 3.3. In order to achieve any level of modal shift away from flying to and from Heathrow on a domestic setting, the minimum service would need to be at least 2 trains hourly for each branch of the "Y", and less than 15% of these seats would be occupied based on the estimates of potential demand. This is not a sustainable business model.
- 3.4. Also the estimated costs of providing the Heathrow Spur have been significantly underestimated as they have not included the 'opportunity cost' that this proposal would create in terms of reduced capacity to central London as a result of each train stopping at Heathrow. Work done for the 51m group confirms that these links have a poor economic case and such services could only be achieved by reducing other services, which only serves to further diminishes the case for HS2.

- 3.5. As far as the link to HS1 is concerned, again it is not clear from any of the documentation issued that a full evaluation of the business case has been carried out, there is a lack of evidence to support the passenger demand for such services or that the full opportunity costs of such a link have been properly costed in, with the delays that this will mean to other services using the existing network.
 - 3.6. If these costs are factored in, together with all the other under-estimates made on the HS2 costings, the benefit cost ratio will fall well below the required level for investment and the scheme cannot be justified.
 - 3.7. There are also serious technical concerns about the deliverability of the proposed services with the 'Y' network. The 18 trains per hour required at peak times are not deliverable within existing technology. 18 trains per hour does not operate anywhere in the world currently and even given technological advances the maximum that is widely held to be achievable is 15-16 tph.
4. *Do you agree with the principles and specification used by HS2 Ltd to underpin its proposals for new high speed rail lines and the route selection process HS2 Ltd undertook?*
- 4.1. No. As the overall business case is so poor and there is a complete lack of evidence that can substantiate the need for HS2, the principles and specification to underpin the proposal and the route chosen are nonsensical and do not stand up to scrutiny.
 - 4.2. The specification is based on a mistaken assumption that journey times savings are considerably more valuable than they actually are. Therefore the proposals strike the wrong balance between the benefits of speed and its adverse impacts. The Government now seem to recognise that speed is less important than overcrowding, which favours lower speed solutions that can actually be implemented more quickly and cheaply.
 - 4.3. The 'principles' that the Government seem to have used to justify this proposal seem to relate more to the need to have a form of transport that some other nations have, even though the transport requirements and geography are completely different.
 - 4.4. There is also a whole debate to be had about the definition of 'high speed' and why the proposals have been designed to go up to 250mph, when anything over 125mph would constitute high speed. There is also a need for greater transparency about how the 'preferred' route was actually chosen and the selection criteria that formally determined the route consulted on.
 - 4.5. The Government needs to prioritise formulating the national transport strategy, of which high speed rail can be considered as a part of, rather than starting with the assumption that the nation needs a high speed rail network.

5. *Do you agree that the Government's proposed route, including the approach proposed for mitigating its impacts, is the best option for a new high speed rail line between London and the West Midlands?*

5.1. No. It is simply not possible to agree that the proposed route is the best option for a new high speed rail line as the case for High Speed rail has not been proven. Debates about the suggested route are therefore academic and until the Government has clearly demonstrated that there is a demand for this type of rail travel, above all other possible alternatives to achieve the same capacity and regeneration benefits, then any references to routes are an irrelevance.

5.2. The Government has incurred significant expense and caused great anxiety for those residents, businesses and communities along the 'proposed' route, when it should have concentrated the discussion about high speed rail as part of the national transport strategy and properly established the need first before ever going anywhere near suggesting possible routes.

5.3. The consultation provides little clarity about what if any mitigation measures are proposed and for a scheme of this magnitude this is unacceptable.

5.4. There are also serious and inexcusable omissions in the consultation document relating to some major alterations to the existing infrastructure in the Vale, most notably the A418 and how the existing Aylesbury-High Wycombe Chiltern line will be raised over the proposed HS2 route. The HS2 proposal would require the A418, a major route between Aylesbury and Oxford to be closed, whilst the road is somehow raised over the proposed rail route. There are no details provided in the consultation document about how this will be managed and what the temporary solution to this is. Similarly there are no details for the impact on the existing rail route. No further details have been forthcoming when we met with the engineers from HS2 Ltd, who had no solutions to offer and suggested that this should be something that would be useful to raise in the response to the consultation. This is simply not acceptable and once again demonstrates the inadequacies of the consultation.

5.5. The Government has seriously mis-handled this project from the start and needs to fundamentally reconsider the whole concept before any decisions are made about whether this proposal should be proceeded with. The Secretary of State simply cannot make a decision of this magnitude with so many glaring gaps in the economic case for this proposal.

6. *Do you wish to comment on the Appraisal of Sustainability and the Government's proposed route between London and the West Midlands that has been published to inform this consultation?*

6.1. Yes. The Appraisal of Sustainability is wholly inadequate, lacks the necessary detail and has not been properly consulted on with regard to the

other alternatives to high speed rail. The AoS provides no detail at all about the route beyond Birmingham and it is not therefore possible to properly assess the environmental impact and consequences as a result.

- 6.2. Again this is wholly unacceptable and any authority would expect this to be carried out properly for any major scheme, not least a scheme of this magnitude.
- 6.3. The AoS does not include sufficient information about biodiversity and habitat impacts and does not adequately consider protected species and is therefore a serious omission. The AOS has not made any attempt to assess local impacts, which when added to the national and regional impacts, would make the scheme highly unsustainable, including the impact on Sites of Special Scientific Interest and Areas of Attractive Landscape and Character Assessments.
- 6.4. HS2 will affect many important and protected species along the route and many internationally, nationally and locally protected species are already identified. Bechstein's Bats (protected by EU Habitats Directive) are present in an area proposed to be bisected by the route and no account has been taken of this in the AoS. Encroachment onto wildlife habitats will result in their destruction for ever, with no likelihood of a return of plant and animal species. The Government's 2010 Lawton report and the 2011 White Paper underline the importance of biodiversity but HS2 Ltd has failed to properly consider this.
- 6.5. There will also be significant impact on many important green links along the route, for example Bernwood Forest. Originally named and established for hunting by the Anglo-Saxon kings, the designation of 'Barne Woode' as a royal forest was developed by the Norman kings, reaching its peak during the reign of Henry II in the late 12th century. This network of 135 miles of cycling and walking routes across Buckinghamshire and Oxfordshire will be severely impacted by HS2 the proposed HS2 route.
- 6.6. The proposals for high speed rail are contrary to the Government's own environmental objectives as they fail to protect landscapes, (including areas of national designation like the AONB), water and the noise environment. The recent White Paper underlined the economic value of ecosystem services; the AoS provides no assessment of the impact upon these ecosystem services.
- 6.7. There is also little consideration of the archaeological impact that HS2 will have on the areas it affects and the excavation of major infrastructure routes often uncover a variety of previously unknown sites and remains. Standard practice is to undertake a series of trial trenches and considerable archaeological investigation in the areas deemed most likely to contain archaeological material by the county archaeologist. In addition if significant archaeological remains are found during route cutting, rescue archaeology is undertaken to record and remove as much of the material as possible prior to the works continuing. How much allowance for this activity has been

factored into the business case is unknown and the approach to this issue is not adequately addressed.

- 6.8. In Aylesbury Vale there are a number of particular known archaeological sites which will be affected by the proposed route, including:

Ridge and furrow and remains of deserted medieval village in Twyford
Doddershall Park and areas of ridge and furrow in Quainton
Akeman Street, Waddesdon
Roman Town, Fleet Marston
Iron Age and Roman finds, Hartwell
Prehistoric and Roman finds, Hartwell
Shrunken village and moat, Stoke Mandeville
Manor Site Church Lane Wendover; Roman finds at Wellwick Farm
(west of Wendover);
Medieval settlement rear of Hale Road; Roman finds at World's End.

- 6.9. In addition, there are many architecturally and historically important buildings that would be seriously affected in the Vale, including St Mary's House and Church in the village of Twyford and many thatched cottages in Sedrup likely to be impacted by the closure of the A418. No account of the consequence of this type of impact have been included in the overall assessment of this scheme, which has so far been carried out simply as a desk top exercise.
- 6.10. Reports were commissioned by the 51M group, which set out the possible costs of ecological surveys and mitigation measures for Buckinghamshire and Warwickshire, which HS2 Ltd failed to take into account. It is estimated that the minimum costs of ecological assessment would be £42 million. A biodiversity off-setting assessment has also been carried out, which estimates that the costs would be a minimum £40 million for these two counties alone but could be hundred of millions. However it should be noted that species specific mitigation, such as the construction of green bridges and tunnels would be on top of such costs and these could add millions to the overall costs. It should also be noted that this is an estimate based on current knowledge and without any detailed ecological surveys having been carried out. As the AoS is incomplete, this means that such costs have not been fully taken into account in the development of the HS2 proposal, nor has consideration been given to whether mitigation is feasible or deliverable.
- 6.11. There are also serious concerns about the infrastructure depot that has been identified close to Calvert/Steeple Claydon. This is not a suitable location and a land take of over 40 acres for this is a totally inappropriate use for this rural location. The impact of this facility operating 24 hours a day has not been properly assessed.
- 6.12. The Government and HS2 Ltd have also failed to demonstrate and account for the extremely high cost and challenges associated with securing sufficient power to operate the rolling stock and ancillary equipment

associated with HS2. It is not clear that the scale of the challenge has been properly scoped and there is insufficient detail about the impact that the power enabling works will have and whether these have been included in the business case.

- 6.13. HS2 will create major environmental damage that cannot be mitigated. There are major impacts on historic buildings and valuable landscapes that cannot be mitigated. Arguing that the project is in the national interests cannot justify the non-quantification of that damage. As presented, HS2 is an unsustainable and indefensible infrastructure project that admits huge environmental risks, but fails to show how these can be mitigated, even at a strategic level, with no costs included in the business case.
- 6.14. With regards to noise, we are still working on finalising the exact position based on specialist advice, but the Council's current thinking regarding noise is that HS2 Ltd do not have robust data on which to base noise assessments. Trains measured under test conditions on perfect tracks do not necessarily represent a true reflection of what will happen in real life. Data regarding noise impacts at 360 - 400 kph can only be estimated as they have not been measured. Source noise levels used in calculations of impacts may be underestimating those impacts. Some form of sensitivity analysis needed to be applied to understand potential 'worst case scenario'.
- 6.15. The data used to estimate the effect of mitigation proposals is not robust. There are questions whether the assumed 3dBA reduction in source noise can be achieved and whether line side barrier performance has been overestimated. Sensitivity analysis is needed to be carried out.
- 6.16. The adoption of the noise criteria adopted by HS2 Ltd appears to deliberately try to quell public anxiety about potential effects. The three levels suggest to the public that it will be bad if it is in the High HS2 noise category, not so bad if in the Noise Insulation category (and at least some help will be provided in insulating their homes), not really a problem if in the Noticeable Noise Increase category and not audible if not included in these categories.
- 6.17. The Noticeable Noise Increase category covers a wide range effects from a relatively mild 3dBA increase to a very significant potential 19dBA increase and therefore masks the true effects for some. The cut off for falling onto this category at 50 dBA ignores the fact that many properties in more rural locations and even in smaller towns currently experience noise levels below 45 dB LAeq18hr and so could suffer a significant 5-6dB increase in noise and have not have been included in this assessment. The use of 18hr LAeq noise levels masks the fact that 'Pass By' noise will exceed the 18hr 'average' by some 14dBA hiding the potential impact in quiet rural locations where the 432 noisy events will be clearly audible.
- 6.18. Night noise has not been considered separately by HS2 other than in relation to noise insulation regulations where the belief is that only properties qualifying under the regulations for daytime noise will be seriously affected

at night. This omission seriously underestimates the number of properties that will experience noise levels exceeding WHO guidelines for night time noise.

- 6.19. No account has been taken of the impacts of having to re-align existing transport corridors including the need to raise the A41 and the Aylesbury - High Wycombe railway line to cross the HS2 line. These changes, which are a direct consequence of the construction of HS2, may significantly affect adjacent properties, particularly during the construction phase, and no account has been taken of these effects in the AoS.
- 6.20. In our view the assessment of source noise, mitigation and impacts has inadequately described the true impact of this proposal on the affected residents and therefore may have significantly underestimated the true monetary cost of these impacts.
- 6.21. Again the consequence of all of these issues is that not all the environmental impacts have been properly assessed and therefore the estimated costs of mitigating such impacts cannot be properly known, which again affects the overall costs of the project and the benefit cost ratio.

7. Do you agree with the options set out to assist those whose properties lose a significant amount of value as a result of any new high speed line?

7.1. There needs to be appropriate schemes in place to protect the interests of all of those that may be affected by the proposed HS2 scheme, both residents and businesses, including the agricultural sector, and these measures need to be fair, accessible and easy to understand. These compensation schemes need to be guided by a set of principles, which should be:

- a) that any scheme is based on fairness to all those who are affected including residents, business owners and owners of agricultural land
- b) those affected should not have to wait for compensation/purchase for a prolonged period,
- c) the scheme should address the real effects of blight and not be constrained or limited by an artificial distance or noise criteria
- d) any scheme should aim to ensure that the property market continues to operate normally in the affected areas. This applies not only those who wish to move but also those who may wish to re-mortgage
- e) the scheme needs to have the support of the relevant financial institutions, who should commit to honouring the scheme's principles and
- f) full and proper account is paid to the wider blight effect on communities

7.2. We do not believe that Question 7 is at all clear and there is much confusion about the whole issue of the compensation arrangements that are in place and those that might be proposed, and the consultation proposals have compounded this situation.

- 7.3. The current Exceptional Hardship Scheme is too onerous and needs to be made more flexible to enable the property market to continue to operate effectively, without insisting on criteria that exclude too many affected people from qualifying. If this scheme is to be continued with then it needs to follow the principles set out in 7.1 above.
- 7.4. Annex A of the consultation refers to the blight and compensation proposals and the approach to the generalised blight and discretionary support arrangements refer to this assistance being provided to those that experience a 'significant' loss in the value of their property. This therefore rests on the determination of what is considered to be 'significant' and property owners are likely to have a different perspective on the significance than a valuer assessing the impact.
- 7.5. Again it is not clear what assumptions have been made about the level of compensation that will be required to properly discharge this commitment to ensure that those affected are properly compensated and how this has been taken into account in assessing the overall business case for HS2.
- 7.6. In the absence of sufficient clarity and detail about the proposed options included in the consultation document relating to compensation and blight, it is not possible to comment in detail on the three options proposed. The Council notes that it is the Government's intention to hold a further consultation on the preferred approach to compensation, but is concerned that this will be targeted just at those that are likely to have an interest in the proposal. We presume that this will involve all Local Authorities and all of those people that responded to this question in this consultation, as well as those close to the route. More fundamentally whatever arrangements are proposed for compensation, then need to have the backing of the financial institutions.
- 7.7. In terms of the 3 options included in the consultation document, the bond based scheme is probably the best of the options as it meets more of the principles than the others. However much more detail about exactly how this would operate in practice is required.