



The KPMG Report

'A Desperate Attempt to Justify a Seriously Flawed Project'

"A report commissioned by HS2 Ltd, to justify HS2 Ltd" said Martin Tett, Chairman of the 51m Alliance of local authorities opposed to HS2. "This is hardly the impartial, independent review of the economic value of HS2 that is desperately needed". The publication today of a report prepared by consultants KPMG for HS2Ltd makes claims of £15 billion benefit to the economy by 2037. However, it is clear that the report's methodology relies heavily on 'heroic assumptions' and is filled with caveats. For example, its conclusion assumes that 'transport connectivity is the only supply side constraint to business location' when it is clear that many other factors are involved. The report itself is clear that its findings are 'provisional'. The conclusions of the report lack credibility. In reality Britain's Business leaders such as the Institute of Directors have rightfully reacted sceptically to the claimed benefits of HS2.

"This has the feeling of a desperate attempt to shore up a failing project that has been independently reviewed by experts groups such as the Public Accounts Committee, the National Audit Office and the Institute for Economic Affairs. All have found HS2 a seriously flawed project and a poor use of public money. The real test is how does the use of over £50 billion of hard pressed taxpayer's money on HS2 compare to the alternatives available of upgrading our existing rail, road and international airport infrastructure. We could also be investing billions in really high value business projects in our core cities and around the entire country generating jobs and growth now? On every count HS2 is found wanting".