



Briefing Note:

Northern Route

We agree with the Prime Minister that what this country needs is investment and growth in our infrastructure but we need it now, not in 2033. Behind the ‘spin’ the reality is that the Business Case for HS2 has collapsed, the capacity argument has been exposed in the High Court and the economic benefits are not supported by any serious economists. HS2 will cost taxpayers an eye watering £33bn, equivalent to the country’s entire defence budget, and yet has been shown conclusively to be poor value for money.

Martin Tett, Leader of Buckinghamshire County Council and Chairman of the 51m Alliance of 18 local authorities opposed to HS2 said: “There are far better, quicker and cheaper ways of upgrading our existing rail network to provide the capacity needed. These would free up capital to invest in regional road and rail infrastructure projects that people actually need and use around the whole country. This would bring growth and jobs now when they are needed”.

“A major concern that we have is that many towns and cities will be shocked to discover that they will actually receive a poorer train service if HS2 is built. Stations such as Toton Sidings and Meadowhall are far from city centres. West Coast Main Line and Midland Main Line services to many existing stations are certain to be reduced. At the same time HS2 will blight the lives, property and businesses of tens of thousands of people. Houses will be unsaleable and jobs lost across the Midlands and elsewhere. Only those directly on the route will receive compensation. Those nearby will have to wait until 2034 at the earliest to see if they get anything”.

Yesterday, ahead of the government announcing more details on the HS2 project, Dr Richard Wellings, Head of Transport at the Institute of Economic Affairs, also said: "The extension of High Speed 2 to the North of England is very bad news for taxpayers and the wider economy. The project’s £34 billion-plus bill – over £1,000 per household - will destroy jobs and force businesses to close across the UK, including in the North. Many areas along the route may also be affected by planning blight.

"The government is deluded if it thinks HS2 will regenerate the North. The region’s long-term economic problems will not be solved by faster rail links to London . Towns such as Doncaster already enjoy fast links, but remain among the poorest places in the country. Indeed, HS2 will be used as an excuse to waste billions more on flawed regeneration schemes in northern cities, at further expense to taxpayers.

"High Speed 2 is being driven forward by politics, not economics. It is a loss-making scheme with a very weak business case based on a series of flawed assumptions. If the government wishes to boost the economy through infrastructure investment, it should allow private investment in profitable projects such as Heathrow expansion and road schemes with very high rates of return."

Source: "HS2 has a very weak business case" - Institute of Economic Affairs