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## **Press Release - HS2 under the axe – a perspective!**

### ***HS2 cost at today's prices £155.52bn Net cost of cancellation and repurposing £8bn***

The estimated cost of the HS2 Project, as described in the Integrated Rail Plan, published in November 2019, is £136.1 bn (at 4<sup>th</sup> Quarter 2019 prices). The estimate covers Phase 1 from London to the West Midlands, West Midlands to Crewe and Manchester and the West Midlands to the East Midlands. There are no connections to Liverpool or to Leeds and Sheffield.

Allowing inflation, using the indices published by the Office for National Statistics, the cost at today's prices is £155.52 bn. The total cost of the IRP was £96.4 bn so HS2 as planned absorbs all the monies allocated to it, leaving nothing for regional schemes and jeopardizes the Levelling Up fund.

HS2 Limited has still to identify solutions to rebuilding London Euston Station and for the tunnel required from Euston to Old Oak Common so, even 6 years after it promised Parliament it would find affordable, safe and deliverable solutions, the company has failed to do so. If OOC is to become the southern terminus from HS2, a connecting station of the Great Western Main Line is required, a station the size of Watford Junction, to be built on a heavily used live railway. Its construction will create 6 years of disruption on the GWML affecting access to Wales and the South West, to and from London Paddington to Bristol, further damaging the economy.

It is claimed that the HS2 Project will create more capacity for freight on the railway, a claim which is not supported by evidence. Freight capacity is required for east to west traffic, connecting the country's major container ports, HS2's north to south access offers no help.

In a letter to the Times on 3<sup>rd</sup> October, the former Chairman of HS2 Limited claims that the cancellation of the project will endanger jobs and infrastructure development. It will do neither. The moneys saved by cancelling the project can be put to far better use in the North of England, improving connectivity between, Liverpool, Manchester, Bradford, Leeds, Sheffield and Hull. Such regional schemes would enhance these major cities encouraging local enterprise and development, neither of which is dependent on a new line to London. They can be built within the budgets set out in the IRP with change to spare!

What will be the cancellation cost of the HS2 Project?

The works already started can be absorbed into the existing railway network or, in the case of the route between Warwickshire and Birmingham, used for new improved road or rail projects; land acquired by compulsory purchase can be returned to its original owners or sold off, thus recovering much earlier expenditure. Based on the progress to date, compared with the budgets give by the Permanent Secretary to the Department for Transport to the Public Accounts Committee, approximately £15 bn has been spent or committed to the project date. Repurposing it and selling acquired land reduces the monies lost to £8 bn, saving the Taxpayer £147 bn overall.

The Government and Opposition must make difficult choices in these financially straightened times; wake up the financial elephant in the room, the HS2 Project, repurpose it and put what moneys are available into regional rail and rail freight schemes to level up the economy.

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