

July 6, 2012 12:26 am

MPs urge fresh look at case for HS2

By Mark Odell, Transport correspondent

The case for the controversial £32bn high-speed rail link between London, Birmingham and the north needs reassessing, MPs will say on Friday. .

A report to be published by the Public Accounts Committee, which looked at the lessons learned from the UK's first high speed rail line, which connects London to the Channel tunnel, found the government "does not have sufficient understanding of the economic impact and regeneration benefits of transport infrastructure".

Over optimistic traffic assumptions for the Channel tunnel rail link, also known as High Speed 1, forced the government to step in to bail out the private consortium building the line, leaving taxpayers with £4.8bn in debt.

The report questions whether similar mistakes could be made on the proposed high-speed line known as High Speed 2, highlighting an "unrealistic assumption" on ticket prices. It is also critical of a "simplifying" assumption that time travelling on a train has no economic value, which has helped boost an economic case that by the government's own measures is weak.

"Whilst HS1 provides an efficient service, contributing in an important way to British transport infrastructure, there were costly mistakes in the history of the project. These must not be repeated with HS2," Margaret Hodge, chair of the committee, will warn on Friday.

"HS1 will continue to cost the taxpayer money – £10.2bn over the next 60 years – so before going ahead with HS2 we need a robust cost benefit analysis."

Critics of HS2 have attacked the project's weak economic case and hit out at the government for not considering alternatives to the line, such as expanding the capacity of the existing rail network.

Ms Hodge criticised the failure to look at alternatives and said it was "nonsense" that the government did not have a "full understanding" of how existing infrastructure projects had affected the wider economy.

A Department for Transport spokesman said: “Our passenger forecast modelling has improved significantly since the original work for HS1 over 20 years ago, with better understanding of what drives passenger demand, better computer modelling and more computer power to do it.

“Network Rail predicts the West Coast Main Line will be full by the mid 2020s and HS2 presents the most effective solution to this looming capacity crunch facing our rail network. This is in addition to the jobs, regional regeneration and improved connectivity the project will deliver.” **Mark Odell**

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