

Welsh Government to seek a share of England's HS2 billions

Rocketing cost of HS2 causing increasing concern, as a cross-party group of MPs questions whether it will provide value for money



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The Welsh Government has confirmed it will be seeking extra rail infrastructure money from Westminster if the controversial HS2 project linking London with cities in the north of England goes ahead.

But it denied an allegation made by Plaid Cymru that in doing so it has committed a U-turn.

The rocketing cost of HS2 is causing increasing concern, and today a cross-party group of MPs questioned whether it provided value for money.

The Commons Public Accounts Committee accused the Department of Transport of failing to present a “convincing strategic case”.

Instead, it said the projections were based on “fragile numbers, out-of-date data and assumptions which do not reflect real life” with no evidence it would aid regional economies.

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Under the Barnett Formula, which determines how much Treasury money comes to Wales, Scotland and Northern Ireland, the devolved nations usually receive a proportion of any money spent on England-only projects.

But the UK Government has designated HS2 a ‘UK spend’, meaning that no money is due

to come to Wales.

Until recently, Plaid's argument that there should be such a consequential payment was not backed by the Welsh Government.

Now, however, it says the position has changed because it has become clear that public money would be used in the construction of HS2.

A spokesman for the Welsh Government said: "In the Treasury report Investing in Britain published in June, the UK Government set out an overall funding envelope for HS2 and a budget of £16bn from 2015-16 to 2020-21, clarifying that this will be funded from UK Government capital budgets.

"We are working to ensure that Wales receives the consequential funding resulting from this decision and to ensure we maximise the potential benefits for Wales from this major infrastructure investment.

"In our evidence to the Silk Commission (which is examining the funding arrangements of the National Assembly), we make clear we see scope for change in the devolution settlement as it applies to rail services and rail infrastructure. In fact we are already pursuing these options with the UK Department of Transport as part of the planning for the new Wales and Borders franchise."

But Plaid Cymru's Treasury spokesman Jonathan Edwards accused First Minister Carwyn Jones and his party of being "all over the shop" and said Labour MPs from Wales who failed to vote against the paving bill for HS2 when it was being discussed in Parliament had behaved hypocritically.

Mr Edwards said: "The people of Wales deserve better than mixed messages and U-turns from their Government.

"Plaid Cymru has consistently campaigned for an HS2 equivalent consequential for Wales – a substantial amount of money that could be invested in our own roads and railways to generate jobs and vastly improve services.

"The North Wales line is in desperate need of electrification and the creation of a South Wales Metro would ease congestion and improve commutes throughout the region.

"Meanwhile, the Labour Party in Wales has been suspiciously quiet on this matter, failing to call for a consequential equivalent and failing to vote on the crucial paving bill in Westminster.

"It is highly regrettable that Labour have spent the last three years ganging up with the Tories to undermine the campaign led by Plaid Cymru on this issue of vital importance for Wales."

Mr Edwards added: "It is high time the First Minister decides where his priorities lie – standing up for the Welsh interests and ensuring that Wales doesn't lose out when billions of pounds are spent on England-only projects, or appeasing his London colleagues in the Labour Party.

“This U-turn has only come about because Labour are positioning to ditch support for HS2.

“Wales deserves a Government that puts the Welsh national interest first, not the narrow interests of the Labour Party.”

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