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Dear Mr Lefroy,

Thank you for your letter dated 9th February 2013 concerning HS2 through the Stafford Constituency. I am sorry for the delay. For ease of reference I have answered each of your comments individually below.

The route does not follow the path of any of the three options indicated by HS2 earlier. What are the full reasons for not selecting any of options 1, 2 or 3?

The reasons for the Government's choice of this section of the initial preferred route are set out in Sections 6.3 to 6.5 inclusive of the Department for Transport January 2013 report "High Speed Rail Investing in Britain's Future Phase Two: The route to Leeds, Manchester and beyond".

The initial preferred option for this route is based on work that considered a wide variety of options through this area. The route choice in this area, as elsewhere, was derived from a balance of passenger demand, cost, engineering and the impacts on the environment and communities.

Since our report to Government in March 2012, route refinement has been carried out to give assurances to the Environment Agency about avoiding impacts on Pasturefields Salt Marsh. The new route that was developed would be to the south of the Pasturefields SAC and hence have less impact on it.

My constituents, including those who will see their properties demolished or severely affected, were advised out of the blue. There is no hardship scheme in place to compensate those have an urgent need to move and whose properties have suffered a severe loss in value overnight or, indeed, become impossible to sell as mortgage companies will not advance money on them. Why was a scheme not in place immediately so that my constituents would at least have some certainty? What can I advise my constituents who need to sell their homes and are now in limbo?

I am sorry that your constituents were not informed of the route before the announcement. We were not able to send letters to those directly affected by the

initial preferred route until the route had been presented to Parliament. As you will be aware, the Ministerial Code (para 9.1) states, "When Parliament is in session, the most important announcements of Government policy should be made, in the first instance, in Parliament". On the day of the announcement of initial preferred line of route for Phase Two, the Minister of State for Transport wrote to those who owned buildings and/or land, which were considered at that time at risk of being acquired as a result of HS2 on the basis of the route announced on 28 January 2013. This included an introduction to the EHS consultation. The Minister of State also wrote to those who own property above proposed sections of tunnel to explain any implications for them.

Regarding there not being compensation scheme in place, although the proposals for an Exceptional Hardship Scheme (EHS) for Phase Two are based on the Phase One scheme, that scheme was not targeted at people living in the same areas. It is right that those now affected by Phase Two have the opportunity to scrutinise and comment on the proposals before they are finalised, and that evidence is carefully considered before the Secretary of State makes a decision on this important policy proposal. The Government has listened to the feedback received on the earlier scheme and the scheme being consulted on at the moment includes a number of the lessons learnt.

The consultation on the EHS ends on 29 April 2013, and the expectation would be that the Scheme would be launched as soon as possible following the close of the consultation.

Construction on the route, if it is approved by Parliament and goes ahead, will not happen until 2026. Why was it necessary to determine a route so far in advance of construction, giving many more years of uncertainty to my constituents even than to those affected by the potential construction of phase one to Birmingham?

As you will be aware the construction of a major infrastructure like HS2 does not just start at the actual point of building it. There is a great deal of work to do before hand, which includes consulting with the public on the route (as in line with Government policy), detailed environment impact assessment and a hybrid bill process. The route announced by Government in January 2013 is an initial preferred route and was announced ahead of a consultation so people had time to review all the accompanying documentation. However, we do expect construction to begin at least two years before 2026.

What was the date on which the proposed route was decided by HS2?

The initial preferred route was not decided by HS2 Ltd; it was chosen by Government.

Several of my constituents who are affected by the route have substantial planning applications – including for much-needed business investment - pending, either on or close to the route. What should they do?



As we are an early stage in the project and, as indicated above, the route announced is only an initial route and may change we cannot offer advice on what individuals should do. However, we will be willing to consider any specifics you would like to send us.

My constituents and I will be responding in detail to the consultation and hardship scheme. However many have expressed the strong view that the fairest form of compensation would be through a bond attached to properties whose value is affected by the scheme. This would ensure that any owner of the property throughout the (at least) 25 year period during which it may be affected by planning and construction would be compensated for the loss in value from the scheme.

At a time of intense pressure on housing in my constituency, the last thing we need is scores of empty blighted properties. We already have several in Stafford from a road scheme which has been in abeyance for more than a decade. They are standing empty and deteriorating despite the needs of people in overcrowded accommodation.

What is essential is an immediate, swiftly executed and fair system of compensation.

At the time of the original compensation consultation in 2011 the Government did consider a property bond. However, it decided at that time a property bond risked undermining a wide property market and would open the tax payer up to unacceptable costs and risks. It concluded that the lack of supporting evidence and the risk of leaving affected property owners unprotected, combined with the significant financial risk that a bond would impose on the tax payer meant that the Government did not consider it appropriate to take the proposal further.

You will be aware that one of the recent Judicial Reviews rulings upheld the challenge that the consultation process conducted in 2011 was unfair in the way it covered compensation issues, because not enough information was provided, and the criteria by which compensation options were considered were not adequately explained. Therefore the Government has announced it will run another public consultation exercise on the subject of additional discretionary measures. The Secretary of State has given an undertaking that the fresh consultation will include a bond based property purchase scheme.

Please note that this will not affect the current EHS consultation.

My constituents have raised many questions about both the need for HS2 and the strength of the business case. I would like specific answers to the following questions which they and I have. The main argument for HS2 to Manchester/Liverpool and beyond is that the country will have insufficient rail capacity on the West Coast Mainline. Please provide current figures for utilisation of WCML services and those projected to 2035 and the bases for those projections.

I am sorry but we do not have information on the current figures for utilisation of WCML services. The Department of Transport may do.

HS2 Ltd's passenger traffic projections have been calculated using an approach set out in guidance issued by the Department of Transport. The guidance known as WebTAG applies a rail demand elasticity to changes in population, income, employment and the time and expense of travelling by other modes. The elasticities are based on the standard approach used throughout the rail industry known as the Passenger Demand Forecasting Handbook (PDFH) and the economic, population and employment drivers are the same as used by all transport schemes assessed by the Department come from the TEMPro database. There are a number of documents on our website which explains how future demand has been determined. In particular please see the Demand and Appraisal report at <http://www.hs2.org.uk/sites/default/files/inserts/Demand%20and%20Appraisal%20Report%20London-West%20Midlands.pdf>.

My experience and that of my constituents is that far too much carriage space is assigned to first class, which is often largely empty (4 out of 9 or 4 out of 11 carriages). Has HS2 based its projections on the current poor utilisation of carriage space or a more efficient configuration of 1 or 2 first class carriages per train?

Due to the long-term nature of this project, considerations have been based upon the future usage of rail transport along with current usage. Projections on future rail usage show that HS2 is necessary to cope with demand in the future. Without HS2, the result of growth in demand would be the increased pressure on the WCML. Long distance rail trips on the WCML are forecast to more than double by 2043.

Has HS2 looked at the opportunity to increase the length of WCML trains to up to 18 carriages, as is the case with Eurostar? I appreciate that this may not be technically possible with Pendolinos. However they are due to be replaced within 15 years and the replacement could be longer.

This was considered and rejected in the original work to examine strategic alternatives and is discussed in this report - <http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/pgr/rail/pi/highspeedrail/alternativestudy/pdf/railintervention.pdf>



Operating a fleet of 400m (17 carriage) trains would require platforms at every station served by WCML "fast" services to be lengthened. Lengthening platforms to accommodate 400m trains may be possible at Euston and Manchester Piccadilly with very significant expenditure, engineering and compulsory land purchase. However, at every WCML intercity station (except Oxenholme and possibly Penrith) this would involve relocating track and signalling, which would be hugely disruptive and expensive, and at some locations there is insufficient space to fit 400m platforms due to insurmountable physical constraints.

What assumptions has HS2 made for the increase in teleworking (and hence reduced need to travel) with the roll-out of superfast broadband across the United Kingdom?

The influence of technology is implicitly captured within our forecasts of travel demand. The exponential improvement over recent decades in communications technologies has not led, as some predicted, to declining demand for travel but has happened concurrently with an era of rapid growth in travel. In addition, 70% of journeys on HS2 are expected to be for leisure purposes which advances in communication technology would be very unlikely to impact.

In its passenger traffic projections, what assumptions has HS2 made for the changing demographic profile of the UK? With an ageing population, there is the opportunity to spread travel throughout the day (rather than concentrate it in peak times).

Demand has been calculated using a number of factors, which included population growth in general. As I have mentioned above, there are a number of documents on our website which explain how future demand has been determined. In particular please see the Demand and Appraisal report at <http://www.hs2.org.uk/sites/default/files/inserts/Demand%20and%20Appraisal%20Report%20London-West%20Midlands.pdf>.

HS2 has produced calculations on the number of jobs created. What projections has HS2 produced on the number of jobs lost as a result of businesses (including in my constituency) having to cease trading as a result of the line affecting their premises?

It is too early to undertake a full assessment of the potential job losses that could arise as a result of the proposed route. In many cases jobs may be displaced rather than lost. However, we estimate on the Manchester and Leeds routes there could be up to 10,000 jobs created during construction; 1,400 in operation and maintenance jobs; and almost 50,000 supported around the proposed stations. Overall the Government estimates that the HS2 network would support over 100,000 jobs across Britain.



As stated earlier, the Government has written to land and property owners who are potentially directly affected by the proposed routes north of Birmingham to Leeds and Manchester. It is too early to be precise about how such properties would be affected, as this will be subject to public consultation and subsequent detailed design work.

The Sustainability Summary for the initial preferred route includes a section on Employment and Housing. The summary can be found here:

<https://www.gov.uk/government/publications/hs2-phase-two-initial-preferred-scheme-sustainability-summary>.

I hope these answers are helpful, but please let us know if you need any more information. Alternatively, we would be happy to meet to discuss your concerns if you prefer.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alison Munro', with a decorative flourish at the end.

Alison Munro
Chief Executive
HS2 Limited