

21. MR STRAKER QC: I suspect it's going to be some of them, Sir, and we're going to make as good a progress as we can, but in part, of course, I'm entirely in the hands of HS2 as to – I don't know how long they're going to be with any particular witness.

22. MR STRAKER QC: So we see the introduction, we go over to the next one please, 1178(2), and Mr Payne, we can see here, there's something of a distinguished history if I may say so, which attaches to you; you give some formal qualifications in the first bullet point. You record your appointment to the Chilterns Conservation Board by the Secretary of State for the Environment – but doesn't tell us when that was?

23. MR PAYNE: That was three years ago.

24. MR STRAKER QC: And you're a technical advisor appointed by the Union of International Architects Paris for international competitions in architecture and planning; and the next slide, 1178(3) tells us that you don't content yourself with Europe but also a peer reviewer for rail systems in New South Wales?

25. MR PAYNE: That's correct.

26. MR STRAKER QC: And that's been for a little while now has it?

27. MR PAYNE: That's been for the last year.

28. MR STRAKER QC: And formerly – I think that's probably misspelled there isn't it?

29. MR PAYNE: Looks like it, yes.

30. MR STRAKER QC: And I am sure you were formerly the Head of Construction Strategy, Olympic Delivery Authority, and for how long did that particular task last?

31. MR PAYNE: That was for five years.

32. MR STRAKER QC: And that was an appointment by whom?

33. MR PAYNE: That was an appointment by the Department of Culture, Media Sport, to the Olympic Delivery Authority.

34. MR STRAKER QC: Thank you. Then can we go to 1178(4) please? Where I

think you make your first request of the Select Committee?

35. MR PAYNE: Yes. The first request is one of three, Chairman, which the four statutory bodies are making, and this is for a continuous tunnel, as you see it here on the slide. The second and third requests build on this in more detail, until the third request, which is towards the end of what I have to say today, brings I hope, the Select Committee to the point of some conclusion.

36. These three requests are very simple ones; they are, I hope, to the point; and the first one which you see in front of you now, brings the case for a long tunnel under the Chilterns into focus. Slide 5 is a particularly interesting slide, because this refers again, as Mr Straker has already indicated, a Chilterns long tunnel. Later on, I shall be describing to you three possibilities which we have. We prefer one; but we would take the view that if pressed, then the four statutory bodies under certain circumstances would be amenable to any of those.

37. The purpose of the piece I'm going to illustrate to you this afternoon, is to introduce the logic of the argument that the four statutory bodies, for a continuous tunnel, have adopted. In doing this, I've stripped away as much of the detail as I can; concentrating on core issues and removed, as far as sensible, detailed drawings. It is going to provide you, I hope, with a clear perspective. In the main, I should say at the outset, that we do not disagree with the findings of HS2 Ltd or the approach, which is adopted, although we diverge considerably, as Mr Straker has illustrated, on the important principle of the nature of the protected landscape, that is the Chilterns AONB. Moving to the next slide –

38. MR STRAKER QC: This I think tells us who you are here for?

39. MR PAYNE: Yes. I represent, in this particular circumstance, the four statutory bodies illustrated before you. It illustrates two core principles, and I've tried to keep the four principles, and new arrangements which we have adopted, for pursuing this enterprise as simple and to the point as possible.

40. The first one is there is more than one continuous edge-to-edge continuous tunnel. There are three, in our view, for the moment. Hence, the use of the word, 'A'. Secondly, we prefer one but would not oppose the others, and I shall be coming to that

in more detail later on.

41. On slide 7, the reason for doing it this way is that it avoids the necessity for all four statutory bodies to appear before you separately to do the same thing. We are conscious of the dictum, Chairman, which you have illustrated and issued, concerning repetition, which we are not going to dwell on at all. On that point, if I may, I am reminded that Mrs Gillan appeared before you on 17 June and she described her appearance here as ‘scene setting’, and there is nothing in what she had to say that we as the four statutory bodies disagree with, and in that sense, we are assuming that her evidence before you is given, and we agree entirely with it. I’m not going to repeat any of that. The same applies to Mr Lidington, when he appeared before you on 30 September. He agreed – all agreeing with everybody else it seems – with what Mrs Gillan had to say and he associated himself with her arguments, and the four statutory bodies associate with her arguments and his in the main as well. I’m not going to repeat any of those at all.

42. I would say, Chairman, that speaking as a Secretary of State appointee, I think it is the first time I think I’m right in saying, that a Secretary of State appointee at a Conservation Board or a National Park has appeared to defend the position of one of these organisations, and had to implement the conditions of their appointment from the Secretary of State, which is to act in the national interest, which is what I’m sitting here today, attempting to do.

43. The next slide which is 8 in your pack, illustrates the scale and scope of the task in hand, at a little larger scale than the one which Mr Straker has already illustrated –

44. MR STRAKER QC: If we just pause here, sorry Mr Payne, for a moment, just so we get our bearings on what we can see on the screen?

45. MR PAYNE: Yes, indeed. The green wash over this part of the transit of HS2 across the Chilterns is illustrated here. It extends from here, if I can reach across to here. The thick red line is the government’s proposed scheme; it’s also the alignment of one of the other options that I’m going to talk about. The dotted line illustrates one of the two options which I’m going to talk about. And, perhaps less importantly, the boundaries of Chiltern District Council are broadly here and this blue line here. You can see that Aylesbury Vale has a sort of tongue of land, which they look after,

penetrating the Chiltern District Council land area, and it is for this reason that Aylesbury Vale is being represented here today. So we have an interesting arrangement of three boundaries – the Conservation Board boundary; that of Chiltern District Council; and that of Aylesbury Vale. And in the main, they are not coincident, one with another.

46. MR STRAKER QC: Then I think we can go on, can we, to 1178(9), the next slide, and there you pose the question, do you, as to why have you proposed an alternative?

47. MR PAYNE: Yes. The important thing from our point of view, is that in dealing with this particular problem, and embarking on this enterprise as I choose to call it, is that it hasn't been undertaken vexatiously by the four statutory bodies – it is being done with due consideration to the public purse, it has been quite an expensive exercise; and it is being done without reducing their collective commitment to their statutory obligations. So this has been fitted in, as I am sure you can imagine, with the daily round of managing these core organisations in a way which has enabled them to produce the evidence that is coming before you this week.

48. MR STRAKER QC: Then I think you give two reasons do you for answering the question, 'Why have you proposed?' and these we see on slide 10?

49. MR PAYNE: Yes, the two reasons are remarkably simple ones, and I will go through them in turn. Dealing with the red on first, illustrated in red, simply because that's the one I'm going to turn my attention to, Chairman, first. The nature of the protected landscape of the Chilterns area of outstanding natural beauty, and it is something which you will be aware of because the transit of the HS2 route is across one of the widest parts of the Chilterns – a matter which I know you're already aware of –

50. SIR PETER BOTTOMLEY: The bored tunnel goes just over half way does it?

51. MR PAYNE: Approximately, yes; and I will show you some slides in a moment, if I may – in fact, the next one – which illustrates that graphically rather than in detail on the map. A design solution for a continuous edge-to-edge tunnel had to be found otherwise all was lost, as it were; and very much in mind of the last question I've just been asked – and thank you for asking it, Sir – is the matter of whereabouts in very

simple terms the government's proposed scheme lives, which is illustrated on –

52. MR STRAKER QC: Yes, so if we go to the next one, there you have diagrammatically shown the answer to Sir Peter's question, and so one sees, I think on there, on the right-hand side, the south, M25; whereabouts the tunnel as proposed starts, I think? Then it runs into the AONB, so there's some 13km of tunnel, but 9.5 of it within the AONB, and then that which we are particularly talking about being 12km, within the AONB and the balance of the AONB, apart from the 9.5?

53. MR PAYNE: Indeed, that is the case. The purpose of this slide is to strip away some of the detail, the noise as it were, on some of the maps which perhaps the Select Committee have been seeing, and strip the thing down to its bare essentials. I have to make the point here, is that the distances on here are deliberately approximate. For example, there are many in this room who will contest that the green tunnel, so-called, of 1km long each, are probably not – a bit more or a bit less – that the termination points aren't to scale. For the purposes of my presentation to you this afternoon, this is an irrelevance. What it does do, is answer the question: How does it penetrate the AONB and what point does it terminate? What are its principal characteristics along its route? There, Chairman, I hope that has been illustrated to your satisfaction. It should be pointed out at this stage, I think, that tunnelling by and large, stripped back to its essential features, is not a particularly difficult subject to deal with. I won't go into any more detail, other than the fact that, so far as tunnelling is concerned, it is a comparatively easy operation; and one has to acknowledge, however, that some construction logistics issues at the termination points of any tunnel, create transient matters of interest to do with extraction and supply, but that is a matter which others will be dealing with later.

54. MR STRAKER QC: Thank you. Well, then let's go on to the next slide, 12 please? In which I think you ask the question how did you, the statutory bodies – those four bodies we've seen – proceed?

55. MR PAYNE: Yes, this perhaps is – the first one is perhaps of no consequence at all. But 15 months of quite a few people's lives have been spent dealing with this particular problem; and the result is coming before you this week, and perhaps next week. The thing that Members – you will all be familiar with – is the enormous amount

of public consultation with local action groups and others. This has been a substantial process, the like of which I personally have not seen before, and I have been involved in this sort of consultation before but nothing on this scale. Perhaps as importantly, consultation with members and officers of four statutory bodies which I much confess, has not been an easy process, because each authority will have its own agenda and each will have its own conclusions. Suffice to say, on this occasion, the four statutory bodies on the matters that I am going to describe to you, under Mr Straker's direction, and others that follow me, we are one on this point.

56. MR STRAKER QC: Thank you. Then we go on to the next one please – 1178(13) – where you've asked the question, 'What's been the approach?'

57. MR PAYNE: yes, the approach, Chairman, is as follows – and these are foolishly, one could argue, simple questions, for which there are clear and obvious answers. But nonetheless, we took the view that they do need some consideration; that they needed more care than the glib answer of, 'Yes' and 'No', or the reverse as appropriate? Should it be protected and does it adversely impact upon it? If I can deal with the first of these two questions first?

58. MR STRAKER QC: So we go to 14 where you just pose that question, 'Should it be protected?' then we can pass, I suspect, straight onto 15?

59. MR PAYNE: Straight onto 15, yes. The first point – and I won't dwell on any of these, because there's people in the room here who know much more about this subject than I do, certainly in detail. The matter of legislation, Mr Straker has already touched upon, and in front of you are the two primary Acts that govern this.

60. MR STRAKER QC: And then we get to the forms of designation, 1178(16), please?

61. MR PAYNE: Yes, the International Union for Conservation of Nature has recognised AONBs in general, and the two Conservation Boards in particular, as worthy of their designation. It was required by the National Parks and Access to the Countryside Act 1949, which is quite some time ago, and probably quite a reforming Act I imagine at that date; and then more recently, the Countryside and Rights of Way Act 2000, referred to, certainly now and in the following few days, as the CROW Act

2000 – not to be confused with birds, by the way!

62. MR STRAKER QC: Just pause there, before we leave this slide, the International Union for the Conservation of Nature, where is that based?

63. MR PAYNE: That is based in Paris, shortly to be moved to Brussels, and it is an organisation which has gathered together a variety of forms of designation of landscapes either protected or worthy of protection, and has a number of categories, none of which I can remember Chairman, but one, for example, deals with seascapes, which isn't concerning us here. But the point of having this particular slide before you is that it has been recognised internationally as a designated site.

64. MR STRAKER QC: Then we come to the next slide which has already been seen, it's a map of England, where we can pick out the Chilterns and working west, we can see the Cotswolds. The Chilterns and Cotswolds, having that point of interest which I observed?

65. MR PAYNE: Indeed, it's worth mentioning at this point, perhaps Chairman, that there are 31 AONBs in England; and there are 10 national parks, shown in brown; and only two Conservation Boards as Mr Straker has already mentioned. The interesting thing about Conservation Boards of which the Cotswolds is the second, and with which we have an increasingly close working relationship, though we are in many ways different from the AONBs generally. First, that AONBs by and large do not have their own independent governing authorities; the Conservation Boards do, which as I say, the Cotswolds and the Chilterns and two, the only two. And there is limited opportunity for the development for outdoor recreation in AONBs by virtue of the Act of Parliament. Interesting thing about that is the two Conservation Boards increasingly are moving towards dealing with that particular problem. The other big distinguishing feature is that the Conservation Boards have no planning rights at all; the interesting thing about that is that by virtue of the Act, we are required to have a Planning Committee along with an Executive Committee and various officers. So in a sense, it was a nudge towards the National Park model, but stopped short of having any planning powers.

66. MR STRAKER QC: Thank you, well we can leave, I suspect, can we, that plan there of the map of England and go to the designation of the Chilterns, 1178(18) please?

67. MR PAYNE: Yes, this is an introductory slide and nothing more, and I'm not going to dwell upon it. Natural England had six technical criteria for judging whether or not an area was suitable for this kind of designation. The first four on here are largely to do with the landform, the landscape, and the way it looks, feels, to those who visit it. That is a matter which will be dealt with by Mrs Kirkham when she appears before you. The last two are objectives in the landscape, in particular in this case, heritage features and buildings and so forth, and that will be dealt with in more detail by Ms Murray.

68. MR STRAKER QC: Thank you.

69. SIR PETER BOTTOMLEY: Wildness means...?

70. MR PAYNE: Wildness – thank you for asking that, Sir – is a matter which has many definitions and meaning everything to everybody, so far as I can tell.

71. SIR PETER BOTTOMLEY: That will do, right.

72. MR PAYNE: I do know for a fact that Mrs Kirkham when she addresses you, has a number of definitions for wildness, and I do know that the matter of tranquillity, which you didn't –

73. SIR PETER BOTTOMLEY: So I can understand, wildness I think we're going through managed and farmed landscape?

74. MR PAYNE: Indeed. The designation criteria do caveat the word, 'wildness' and I suspect that if Natural England were inventing this list again – I gather it's up for review anyway – I'm not entirely sure that the word 'wildness' would be uniformly used.

75. SIR PETER BOTTOMLEY: It's more appropriate in some other areas?

76. MR PAYNE: Indeed, yes.

77. CHAIR: Mr Straker, most people who argue for a tunnel have argued because of farms or villages, to protect their communities. Essentially your argument is the natural environment, is important. Are we at some point going to get – by tunnelling the rest of the area – how many farms and villages and individuals would be helped by that?



78. MR STRAKER QC: We do get that information, Sir, because we get information about precisely the effects upon land, land take and matters of that sort, to include the sort of points you've just mentioned.

79. CHAIR: Okay.

80. MR STRAKER QC: So if we leave that slide, 18, there, and go to the next slide? Which deals with the designation and when this occurred, and once again I think this is more background than anything else?

81. MR PAYNE: Indeed, it is. It's not to dwell on now, unless any of the Committee wish to do so. But, it – the Board – was created at precisely the same time, or within a month, of the Cotswolds, in 2004, under the same Statutory Instrument 1778, which governs and regulates a lot of what the Conservation Board does.

82. MR STRAKER QC: And then we can see the role, 1178(20)?

83. MR PAYNE: Yes, this is a matter which we are obliged to observe. There are those three items on here. It is a matter which Ms Daly is going to conclude with, probably on Thursday, and she will illustrate in more detail than I am at the moment, precisely what the Conservation Board is; its conservation and enhancing roles; and most particularly, fostering economic and social wellbeing in this context.

84. MR STRAKER QC: Then we get to the answer to this question we've been asking ourselves, about whether the Chilterns AONB should be protected, 21 please? The answer comes back, 'Yes it should'?

85. MR PAYNE: Yes, our view is it should and taken together with the legislation, the designation, the role of the Conservation Board, and perhaps most importantly, a point that Mr Straker has already mentioned, the overall balance of the government's proposed scheme, in the context of the protected landscape; and also I would like to add the separate pleas by Mrs Gillan and Mr Lidington on behalf of their constituents and others.

86. MR STRAKER QC: Thank you. Well, then we look at the government's proposed scheme, 22 asks the question of whether the proposed scheme adversely impacts upon it?

87. MR PAYNE: Indeed, and this is the second of my two rather simple questions. It's clear, it's unambiguous; and in its simplest form, it has two opposing views. You'll hear those during the course of this week, and perhaps the following one. HS2 and the government conclude that it does not; and the four statutory bodies, represented here today, plus also a body which is 800 or so petitioners, take the view that it does. And in a sense, the argument is becoming as simple as that. In this regard, Mrs Gillan referred to the Chilterns AONB as a national asset; and in your deliberations on the first request, which I mentioned right at the beginning, I would earnestly suggest that this proposition be considered.

88. MR STRAKER QC: Then we go on to 23, where we see – is this is the same as or similar to that which we saw diagrammatically earlier?

89. MR PAYNE: Yes, this, Chairman, is a reminder of the slide you saw previously and its format, and we can see on to –

90. MR STRAKER QC: 24?

91. MR PAYNE: And these are – I'm not proposing to dwell upon whatsoever – other than to illustrate – and you may have seen these already – the circumstances which the protected landscape finds itself in during construction and during operation. It should be said, in fairness, that the grey, if that is stripped away, the remainder looks comparatively modest, in comparison with land area; and you'll hear from colleagues later on today, Wednesday and Thursday, that this is not the case.

92. MR STRAKER QC: The grey being the construction boundary?

93. MR PAYNE: That's right.

94. MR STRAKER QC: And the mitigation earthworks being green?

95. MR PAYNE: Indeed.

96. MR STRAKER QC: Anything else to observe at this stage on that?

97. MR PAYNE: Not at this stage. The Committee, I hope, will be well aware of it.

98. MR STRAKER QC: We can go to 25?

99. MR PAYNE: We can go to 25 and then to 26, where in railway circles –

100. SIR PETER BOTTOMLEY: Just to keep clear in our minds? Were the promoter's scheme to built without mitigation measures, presumably the cost of it would be significantly lower? So one has to assume that a fair proportion of the costs in the promoter's scheme are for mitigation?

101. MR PAYNE: Quite so, Sir.

102. MR STRAKER QC: Then we have 25, we see a different part of the line, and we can pick out similar features again. And 26, I think you've done the same and in the vicinity of Wendover?

103. MR PAYNE: In Wendover, yes. At a part of the railway, Chairman, which is in railway circles, becoming known as the 'Wendover Curve'.

104. MR STRAKER QC: And then we have 27 please, the conclusions?

105. MR PAYNE: Yes, the conclusions are briefly, as follows: yes, it should be protected; yes it does in our view adversely impact on it –

106. MR STRAKER QC: And we go to 28 then?

107. MR PAYNE: 28 and I would suggest, 29 can be taken when the Select Committee have had chance to review them.

108. MR STRAKER QC: Very well, 28, only protected landscape on the entire route, NPPF – the National Planning Policy Framework Higher Status – and 29, with similar designation, you record?

109. MR PAYNE: Indeed, it's a matter of record.

110. MR STRAKER QC: Yes. Then, 30 you record the adverse impact, and then we get to 31 where we're now looking, I think, aren't we, at the design solution?

111. MR PAYNE: Indeed, this is the second of the two reasons, the design solution point, because were there not a design solution to solve this particular predicament, then of course, the other matter would fall. So here, what I am going to suggest to the Select Committee is to look carefully at the following three slides –

112. MR STRAKER QC: 32 first?

113. MR PAYNE: But before that if I could return to 32?

114. MR STRAKER QC: 32, of course.

115. MR PAYNE: There are only three options that we are currently considering, and I apologise to the Select Committee for the nomenclature. It would have been much easier to call them 'A', 'B' and 'C', but these have sort of grown, topsy fashion, over the course of the last year or so. And I'm afraid we are left with them. The Chilterns Long Tunnel Option is the continuous tunnel, end to end, with the notion of having an underground fire fighting point as an emergency arrangement. The Chiltern Long Tunnel 'I' – there we have adopted the nomenclature adopted by HS2 Ltd. 'I' indicates an intervention gap as opposed to an underground chamber. And the CRAG Long Tunnel Option, T3I which – its genesis was in something many years – it feels like many years ago – has an intervention gap also. Our preference is for the CLT option.

116. MR CLIFTON-BROWN: Before you go on to the various options, could you tell me why the Chilterns or areas of outstanding natural beauty in general, are not given the same protection, for example, as National Parks? Why should they be protected in the same way as National Parks?

117. MR PAYNE: Indeed, and thank you Sir, for asking that question. We are but a short distance from a National Park. I have not read, unfortunately the debate which generated the CROW Act in 2000, and the Statutory Instrument which formed the two Conservation Boards is silent on the subject. There is a big difference, as I hope I have illustrated between a Conservation Board still, and a National Park, the primary one being its planning powers. The current situation is that the two Conservation Boards are to all intents and purposes, as far as the landscape and the manner of its organisation and management, very similar to Conservation Boards [sic]. I can say, at this point – it's no secret amongst the AONB 'family' as it's called, that National Parks seem to get a very large proportion of the available cash compared with, certainly, the two Conservation Boards. That is a matter which the management of the two Boards is actually addressing, simply because we can no longer rely on government funding extensively. The extent to which the two Boards would ever become National Parks I'm afraid is not a matter for me to decide; or perhaps even comment on it. It's perhaps a matter for

Parliament.

118. SIR PETER BOTTOMLEY: It's worth remembering that when the last set of National Parks was created, the South Downs one at least was very controversial, because giving Parish Councils all the way from Eastbourne to Hampshire the right to have views on planning in the middle of West Sussex seemed a bit unjustified. The essential point we've got is that the standard of the landscape, as presently created and managed in an area of outstanding natural beauty is equivalent to that of the National Park area?

119. MR PAYNE: Yes it is, Sir, yes.

120. MR STRAKER QC: Thank you, well can we then move from this slide 32, where you express the preference, having described the various options; to 33, as to what that demonstrates, i.e. that which you've just been talking about and the various options?

121. MR PAYNE: Yes. Just before, if I may, Chairman? Mrs Gillan sketched for you tunnelling options when she appeared before you. She also referred to the need for compromise. The fact that we have now three before us, and we are reasonably comfortable with all of those; we have taken the view that we can't have everything we need. We prefer one rather than the other; and as I proceed toward the end of my piece, I'm going to provide some much options which may be of interest to HS2 Ltd and most particularly to the Select Committee.

122. But what does it demonstrate? Firstly, an enormous effort over several years which may be of no consequence at all. But most importantly, that there are three viable options which I am going to talk about in a little more detail in a moment.

123. MR STRAKER QC: So we come then to 34?

124. SIR PETER BOTTOMLEY: Three viable alternative options?

125. MR PAYNE: Yes.

126. SIR PETER BOTTOMLEY: And there are four options, it seems to me?

127. MR PAYNE: Three viable, long tunnel technical options, yes.

128. MR STRAKER QC: 34?

129. MR PAYNE: Yes, 34 – there are three tunnel proposals before you, tunnelling works. So far as we are concerned now, there is no competition between them. There may be differences of opinion on the manner of their application and the arrangement of the various features, but otherwise we would be content with any one of those.

130. MR STRAKER QC: So we come I think do we now to the second request of your trilogy of requests, which is 35 please?

131. MR PAYNE: Yes. The second request builds on the first: the first you may recall, Chairman, ended with the word, ‘Provided’ in the second line? I have now added to that, and that HS2 Ltd should come back and read the rest, incorporate in one of these options or a variation of them. Because we suspect that, if this is agreeable, then the detailed development of one or the other of these will lead to a slight variation of it, and that’s something which we fully acknowledge.

132. MR STRAKER QC: Then 1178(36) please?

133. MR PAYNE: Before looking at them in more detail, just a note about how this was developed – and one has to say at this point that CRAG, which you’re going to be hearing from, I gather, tomorrow – the genesis of our long tunnels is in the Chilterns Ridge Action Group, and they are to be congratulated for paving the way for much of the work which the four statutory bodies have been doing, and the Chilterns Society, you’ll also be hearing from, because they have suggested a fourth option, which is a three-bore tunnel under the Chilterns which pays homage to the protected nature of the landscape by having within it no visible signs of a tunnel whatsoever. The four statutory bodies and in particular, the Board have taken the view that life is not quite like that, and that reasonable accommodation has to be made in order to host such an infrastructure work with intervention shaft, head houses, and the accommodation of the portal within the AONB and the four statutory bodies are, by and large, comfortable with that compromise. I have the approval, incidentally, of the Chiltern Society to make the statement which I have just made for your information.

134. MR STRAKER QC: Thank you. Then we go please to 37, the basis of the design?

135. MR PAYNE: Yes, I don't propose to dwell on that. There are the six characteristics which we've found most important to accommodate, reducing the impact on the settlements, particularly Wendover, was important to us. And, that echoes the point that Mr Lidington I think made when he was before you, when he described – and I quote – 'The particular circumstances of Wendover'. What we have tried to do in our proposed options is to deal with the particular circumstances of Wendover as he described it.

136. MR STRAKER QC: So I think we can travel, therefore, to 38, where you pose the next question: what and where and the differences between them?

137. MR PAYNE: Yes, and I would suggest, Chairman, that in order to conclude any views you may have about these options, you need to know what are the differences between them; and where are they? Because their location horizontally is not quite where the government's proposed scheme is now in one circumstance. Nonetheless, the position is that finding out what the differences are and where they are is particularly important to the third request, which the four statutory bodies are going to make soon.

138. MR STRAKER QC: So then we come, I think, to 39, where we begin to answer these questions that you've just posed. We can see the first one being the Chilterns Long Tunnel – so this is without the intervention gap?

139. MR PAYNE: Indeed, it is. And, the three slides that follow have at the bottom, the same government proposed scheme slide, with all its dimensional imperfections, which isn't the point of this argument at the moment. Above it, one of the three options to the same graphical arrangement. The Chilterns Long Tunnel is a continuous tunnel from the same point that the government's proposed scheme starts, near the M25, and terminates short of the AONB boundary, which is the point I made about the Board certainly making compromises about accommodating in perpetuity that particular feature, along with its ventilation shaft arrangements. It does presuppose an underground fire fighting point, which I know HS2 Ltd have suggested is not a proposition which they would find acceptable. If that is the case, then that is a matter which we would accept.

140. SIR PETER BOTTOMLEY: The figures may be slightly out, the promoters are proposing 13km in tunnel, of which 9.5km and a bit are in the AONB, and that would

leave 11 or 12 km out of the tunnel, most in the AONB. The Chiltern Long Tunnel accepts that 9.5-10km within the AONB and proposes about the same amount in the Long Tunnel, with a bit out of it?

141. MR PAYNE: Yes.

142. SIR PETER BOTTOMLEY: The promoter's idea is to have 2km – except for their half tunnel – 2km in tunnel re-cutting; and 8km out, I think?

143. MR PAYNE: Thereabouts, yes.

144. SIR PETER BOTTOMLEY: And the petitioners, together, for the Long Tunnel option are suggesting 9, 10 or 11km with 1km out, is that roughly?

145. MR PAYNE: Near enough, yes. In round terms, yes. The other important thing I would draw your attention to, Sir, is that the first, going north, 9km or so – about a third of its length – is on the same horizontal and vertical alignment as the government's proposed scheme. The middle third is on the same horizontal alignment, but a different vertical alignment. It is the last third that deviates vertically and horizontally from it.

146. MR STRAKER QC: Then we go to 40, where we see the contrast between the Chilterns Long Tunnel with the intervention gap, which is of 1km, I think I'm pointing my pencil at it correctly?

147. MR PAYNE: Or thereabouts.

148. MR STRAKER QC: And otherwise, what we see on the top of this slide is the same as we saw on the previous slide?

149. MR PAYNE: Indeed it is. The Chilterns Long Tunnel, in its original form, was designed to accommodate the eventuality that a gap would be required. It has the same horizontal alignment as the previous slide that you've seen; but it now accommodates the 1km or so – 900 metres I believe it is – gap for an open to air intervention gap. This is an arrangement which is a result of removing any notion of having an underground fire fighting point, which HS2 Ltd have decided against; and that is a point of view with which we would agree.

150. SIR PETER BOTTOMLEY: Agree, to mean it is better or agree it could be done?



151. MR PAYNE: They both could be done, but if the view is that it is not something which the promoter would support, then it is as a matter of compromise –

152. SIR PETER BOTTOMLEY: You'd deal with it.

153. MR PAYNE: Indeed.

154. MR STRAKER QC: Then a similar exercise has been done, I think, for the CRAG proposal, 41? CRAG T3I?

155. MR PAYNE: Indeed, this one follows, Chairman, the same horizontal alignment as the government's proposed scheme; and deviates vertically to make it a deeper tunnel and one which the inclination up and down is less onerous than the government's proposed scheme, and that is something which others are going to be talking about. It does have the 1km or so intervention gap, midway between it and the arrangements otherwise are broadly as indicated on that slide.

156. MR STRAKER QC: Then we can go to 42 where we see the options and here, in tabular form, I think you've recorded certain details about open to air gap, proximity to portal to northwest edge of Wendover?

157. MR PAYNE: Indeed, and those dimensions are approximate, obviously – the whole thing is approximate. The main principle here, which I'm trying to illustrate, is that moving it away from Wendover was one of the aims of the work which the four statutory bodies did in recognition of that particular settlement and the impact upon it. You'll be hearing from others about the location of the details of these portals.

158. The reason that there is a big difference between the distance on the CRAG T3I, from its measured point, which is the preferred measuring point by the residents of Wendover, northwest corner, the 450 metres and about 1,000 metres in the case of the other two schemes, is that it cuts across the fields at a diagonal. So it is the wrong side of the triangle as it were.

159. MR STRAKER QC: We can probably see that in the maps we're going to come to?

160. SIR PETER BOTTOMLEY: Okay, I'll wait.

161. MR PAYNE: We could turn to –

162. SIR PETER BOTTOMLEY: I'll wait, if we're going through –

163. MR STRAKER QC: Yes. 42, we've already had. 43 in tabular form sets out starting points and ending points of the tunnel. It sets out the bored tunnel lengths, so one sees the 24.2km for the Chilterns Long Tunnel, and the 13.2km for the bored tunnel length in the government's scheme. Then the route length divergence to convergence, so that in the two middle tunnel schemes, it's slightly shorter distances actually travelled?

164. MR PAYNE: Indeed, yes.

165. MR STRAKER QC: The number of tunnel portals is given, and the number of ventilation shafts being greater, of course, when one's got the longer length of tunnel, with the number of tunnel portals being reduced when one's got a longer tunnel?

166. MR PAYNE: Indeed. And the reason, Chairman, in the bottom line, 7(8), HS2 Ltd have taken the view that probably on the Chilterns Long Tunnel route, underground intervention point, fire fighting point, will require eight ventilation shafts rather than seven. And, if that is the case, then our view is, so be it.

167. MR STRAKER QC: Now, we come then to the maps which may help in connection with the question most recently asked, 44 first please? Here if you can talk us through this, I think, Mr Payne, if you don't mind? Possibly with the use of the pencil?

168. SIR PETER BOTTOMLEY: Is north of this to the top left?

169. MR PAYNE: North is, inconveniently, to the left and south is to the right, rather than the other way round. The thick red line, illustrated here, is the alignment with the Government's proposed scheme

170. MR STRAKER QC: The upper one?

171. MR PAYNE: The upper one, as one goes north or to the left, is the Government's proposed scheme and the CRAG T3i horizontal alignment. The bottom one, which is here, is the divergence in order to accommodate the geometry of the Chilterns Long

Tunnel and the Chilterns Long Tunnel I. It is that top leg or the left-hand leg that you see on this diagram, which illustrates the principal horizontal alignment differences that I referred to in one of my previous slides.

172. MR STRAKER QC: Is that which is saved that distance that one sees from beginning to end?

173. MR PAYNE: Indeed, yes.

174. SIR PETER BOTTOMLEY: And your measurement point is?

175. MR STRAKER QC: If we go to the next plan, please, 45.

176. MR PAYNE: Here is the measurement point.

177. SIR PETER BOTTOMLEY: At the end of the promoter's portal?

178. MR PAYNE: Yes, just about in there. There's a shaded part of the conurbation of Wendover and it is the northwest corner, which the residents of Wendover are quite keen is used as the measurement point. Formerly, they used to use Wendover station, but is the point that they've decided would be preferable and this is the one we've now used.

179. MR STRAKER QC: Here we see that the Chilterns Long Tunnel has moved over and slightly away from Wendover.

180. MR PAYNE: Yes. That was to accommodate our requirement to protect the residents of Wendover and, coincidentally, it also gave us the opportunity to incorporate into the landscape, purely by chance, I have to say, Chairman, rather than design – one would like to say it was preordained, but it wasn't – it was pure chance that we had an alignment that coincided with a remarkably useful piece of landscape that enabled us to accommodate portals within the escarpment, nearly, rather than outside it. That, as I say, was not by design; it was by chance that we happened to have it in that position.

181. MR STRAKER QC: If we move from that happy circumstance to 1178(46), please, we now have a further contrast between the Government's proposed scheme and the Chilterns Long Tunnel scheme. Here we're looking at sections, are we, of the route as proposed and the Long Tunnel route?

182. MR PAYNE: Indeed, and I don't propose, Chairman, to dwell on this. It's something that Mrs Gillan mentioned to you and I believe you asked a question on that subject. It is here for completeness and also to illustrate that the Chilterns Long Tunnel route and its vertical elevation in relation to the Government's proposed scheme are broadly similar, in most respects, to that of the CRAG T3i tunnel. In other words, it is depressed below the Government's proposed scheme arrangements and, from our point of view, it would be a satisfactory route.

183. MR STRAKER QC: Here we see the Government's scheme coming along the red line, and it's rising, rising, rising, rising and then emerges into – does that say 'green tunnel'?

184. MR PAYNE: Yes.

185. MR STRAKER QC: Whereas the Chilterns Long Tunnel stays a more consistent height.

186. MR PAYNE: Indeed. This was something that Mrs Gillan mentioned to you at length and I don't propose to dwell on it again today.

187. MR CLIFTON-BROWN: Can I just ask a question as a new Member? I haven't visited the area, so I haven't had a chance to see it. Going back to the previous slide, if a tunnel solution – and I say if a tunnel solution – is not adopted, the alignment of your route, irrespective of whether there's a tunnel or not, would appear to be better and it would appear to be farther away from Wendover. If a tunnel solution isn't adopted, is there any merit in trying to alter the Government's existing alignment?

188. MR PAYNE: That, sir, is a matter we've not considered.

189. SIR PETER BOTTOMLEY: Maybe Mr Mould can get one of his witnesses to give a reflection on that.

190. MR MOULD QC (DfT): Yes.

191. MR STRAKER QC: It's certainly the position that that alignment produces a better running alignment, Mr Payne. Is that correct?

192. MR PAYNE: Indeed, it is, although there will be mixed views no doubt on that,

but by and large that would be the case.

193. MR STRAKER QC: Thank you very much, sir. Can we then go to 47, please, 1178(47)? Here we see the surface features of the Government's proposed scheme.

194. MR PAYNE: This is included in the set merely by way of comparison, I would suggest, to the next slide, 48.

195. MR STRAKER QC: 48, we get to the Chilterns and there we've got the dots to indicate the ventilation shafts.

196. MR PAYNE: That's right. The ventilation shaft head houses run along the landscape in that form on the Long Tunnel routes and, broadly speaking, on the T3i route, but shifted over slightly at its northern end.

197. MR STRAKER QC: Thank you, and then 49, please. We get to a table with quite a lot of blanks in it and there's a moment of explanation, I suspect, Mr Payne, here in the sense that you were setting forth the model and then bits and pieces come to be filled in by others.

198. MR PAYNE: Indeed. Mr Blaine will be filling in some of these points, which I shall mention in a moment, and Mr McCartney will be doing something similar. The main point I would like to impress upon the Select Committee is that, in the first line, the 485 million estimated by HS2 Ltd for the Chilterns Long Tunnel and the 350 for T3i are figures that we accept. We have no argument with those at all.

199. The following arrangements on this table, we hoped and endeavoured in producing this to satisfy Mr Bellingham, when he was talking, I think to Mr Hurd, on this subject. He was fearful of going into costings in endless detail. I'm not sure that we can avoid that, but the purpose of this table is to endeavour to do just that and I think our recognition that, certainly for the purposes of this exercise, accepting 485 and 350 is a contribution in that direction.

200. MR STRAKER QC: There may be endless details, sir, but I'm sure that we can avoid endless detail. Now, can we then go to 50, please, where we see where the costs of the continuous tunnel option have been provided? In a sense, you've already remarked upon this, so let us therefore then go to 51, direct economic effects.

201. MR PAYNE: The Select Committee may be interested in having a brief review of what these things will continue. They are here on the slide in front of you. As always with these things, I suspect that the authors of any one of these such studies will have a difference of opinion. You're going to hear from us later about what our opinion is and that will be a subject of debate, no doubt.

202. MR STRAKER QC: Then we go to non-market effects and this is a matter where there can be some, I suspect, variance of approach because of what you've indicated here.

203. MR PAYNE: Indeed. It's a matter that has exercised Government and Parliament has been talking about it, on and off, for quite some time. The definition that's here is a fairly commonly used one. It is one for which there's an equation for which there are too many unknowns, in my estimation. The important thing about it all is that is we would endorse the notion of the overall balance in the context of a protected landscape, as Mr Straker's already illustrated in his opening remarks, is one that we would commend to the Select Committee.

204. MR STRAKER QC: That takes us then to 53, please, where you continue and you refer to here the Government guidance. Some of this goes back some time.

205. MR PAYNE: Indeed, it does. The green book appraisal, which has been evolving for quite some time, and the supplementary guidance on the subject, is one that many Government Departments use. We acknowledge that the Department for Transport uses its own methodology and not this one. That being the case, our view, which Mr Straker has illustrated again in his opening remarks, is that the exceptional circumstances that relate to the imposition of a large infrastructure project in a protected landscape are an arrangement that the Select Committee is encouraged at least to consider in these circumstances.

206. MR STRAKER QC: That takes us then to 54, where you continue with the point about Government guidance.

207. MR PAYNE: Indeed, and these are matters for reflection by the Select Committee, rather than any discussion by me now. There are others who are better able to do that. Defra has produced the Natural Environment White Paper, and one of its

headline commitments, which is on the next slide –

208. MR STRAKER QC: If we go to 55, please.

209. MR PAYNE: – was the formation of the Natural Capital Committee, which Members will know reports to the Economics Committee of the Cabinet Office. That has produced three reports now, all of which have advocated setting up and dealing with this vexatious, almost, problem of valuing the landscape and ecosystems and so on. I'm under no illusion at all, as many others are, that this is an extraordinarily difficult thing to do. It is beyond, I would suggest, Chairman, the timeframe that the Select Committee is operating under. What I would advocate, however, is a consideration of the following.

210. Whilst it is to some extent unknown – and one could argue it is largely unknown – I would argue that there is a number. What it is is a matter for debate, but there is an upper and lower limit to that and you're going to hear something about that later on this afternoon, I think. I would leave you with the thought that non-market effects, whilst they don't account in terms of signing cheques by the Treasury or who else, are a matter that society has to bear, because this protected landscape, as Mrs Gillan pointed out to you, is available to you all.

211. MR STRAKER QC: Thank you, and then we come to 56, please, which is costs.

212. MR PAYNE: The interesting thing about this is that, in our estimation, the costs, bearing in mind what I've said about non-market effects, which you're going to hear more about later on, mean that considering the whole enterprise of the surface transit across the Chilterns as an end in itself, in other words self-financing, is one point of view. Looking at it as a means to an end is the position that we are suggesting the Select Committee may wish to take, so there are at least two opposing views again and there is the matter of overall balance, which I've just mentioned, and also recognising the point that was made earlier by one of your Members, Chairman, about the number of dwellings, farms and so forth; it's remarkably low.

213. The point is, as Mr Hurd said when he appeared before you, value for money in the conventional accounting sense in these particularly unusual circumstances, for a protected landscape of this nature, you may wish to judge that that's not a particularly

sensible approach to adopt in this one circumstance.

214. MR STRAKER QC: Thank you. Then we look to the next slide, please. I think you here switch track slightly to come to the parameters for a Chilterns Long Tunnel.

215. MR PAYNE: Indeed, yes. I'm not entirely switching tracks because it's not built yet but, if it were, this would be the point where one does it. We acknowledge that some accommodation has to be made in these matters and it is part of my job here this afternoon to begin to flesh out what that could look like. In order to ease the burden, as it were, of your Committee, Chairman, in coming to a conclusion about the second request, the parameters for a long tunnel of some sort, using one of the three as guidance or a variant on it, depending on HS2 Ltd's point of view and your direction, are as illustrated on here.

216. The first bullet point here is self-evident. Retaining the location of the current maintenance loop is a strong preference we would have, certainly on behalf of the residents of Stoke Mandeville, which is outside the AONB area. Nonetheless, Mr Lidington, when he addressed you, made that particular point. The preferred location of the north portal, for us, is either the Chilterns Long Tunnel one or the intervention gap one. It sits nicely in the landscape. If that is not possible, then a suitable similar location is something now we would accommodate. The last –

217. MR STRAKER QC: 58, please.

218. MR PAYNE: The last two, we prefer an underground fire-fighting point. We understand the arguments against that, which HS2 have raised. In the event that that is not going to happen or it is a steadfast refusal in that respect, and it is a point of view that we respect, but don't necessarily agree with, then an intervention gap near Durham Farm, rather than Wendover Dean, is a circumstance that the four statutory bodies would be happier to accommodate.

219. MR STRAKER QC: That being approximately halfway along the proposed Chilterns Long Tunnel.

220. MR PAYNE: It is. It is up the slope towards the intervention gap that you saw illustrated in the CRAG T3i scheme.



221. MR STRAKER QC: Then you mention the removal of spoil.

222. MR PAYNE: Yes, we are keen that the last bullet point on this is something that is observed. As I said earlier, the only tricky bit about tunnelling is usually what comes out at the end and what goes back in to support it. Doing this with the community in mind is something that we would advocate. It is not an easy thing to do, having done it. It is fraught with all sorts of interesting difficulties but, nonetheless, for us, it is the mile worth going extra and it's something that we would commend to the Select Committee.

223. MR STRAKER QC: That I think leads you to your third request, where you've built upon the preceding two matters and built upon what you've just been saying to the Committee, if we go to 59, please.

224. MR PAYNE: Indeed. This, Chairman, is my concluding slide. Here you will see, up to the end of the word 'provided' in the second line, the first request. The second request goes to the word 'then' in line four. Adding to that, bearing in mind the parameters that we have just illustrated and other matters, designed in such a way as to take those into account before 'a Chilterns Long Tunnel' rather than 'the Chilterns Long Tunnel', in other words a variant of the three or perhaps even one of the three.

225. Mrs Gillan referred to the Chilterns being a national asset, and this is something, as I said, a view that we concur with. The NPPF gives it the highest status of protection together with National Parks, which is an interesting proposition. It goes a little way, perhaps, to asking one of your Members about why aren't we a National Park. I really can't provide an answer to you. I'm sorry, sir. That, Chairman, is my conclusion.

226. MR STRAKER QC: Thank you very much. Thank you, sir.

227. CHAIR: Mr Mould, do you have any questions for Mr Payne?

228. MR MOULD QC (DfT): I have one or two, thank you. I wonder if we can please put up Mr Payne's slide A1178(28). Mr Payne, you said at this point in your evidence that the promoter and the petitioners diverge on the important principle of the protection to be given to the landscape of the area of outstanding natural beauty. You recall that.

229. MR PAYNE: Indeed, sir.

230. MR MOULD QC (DfT): Thank you. In this slide, you draw attention to the National Planning Policy Framework, a planning policy framework that has been considered by this House, both in Committee and in the Chamber. You say that that framework affords the AONB the highest status of protection together with National Parks.

231. I wonder if we could just put up, so we're reminded of it, what the relevant paragraph of the framework says as to the approach to be taken by decision makers, in this case Parliament itself. That's at R1305(3), please. Part of it's (2). We'll stay with (2) just to note that paragraph 115, at the bottom of the page, we are here in a part of the framework that is concerned with areas of outstanding natural beauty, the conservation of the landscape and scenic beauty of which should be given great weight consistent with the policy that they enjoy the highest status of protection, in relation to landscape and scenic beauty. Do you see that?

232. MR PAYNE: Yes.

233. MR MOULD QC (DfT): If we go then on to the next page, page R1305(3), paragraph 116 is the relevant – that's set the approach that I think both you and the promoter pray and aid. I'll read it out. 'Planning permission should be refused for major developments in these designated areas, except in exceptional circumstances and where it can be demonstrated they're in the public interest. Consideration of such an application should include an assessment of: firstly, the need for the development, including in terms of any national considerations and the impact of permitting it or refusing it upon the local economy; secondly, the cost of and scope for developing elsewhere, outside the designated area, or meeting the need for it in some other way; and thirdly, any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.'

234. If I may just ask you one or two questions, the first of those considerations, that is to say the need for the development and those other matters in the first bullet, in the case of the HS2 scheme, that has been established by the decision of the House to give the Bill a second reading.

235. MR PAYNE: Indeed.

236. MR MOULD QC (DfT): The second of those considerations, we are, by virtue of the instruction given to the House, essentially confined in this Committee room to considering the Bill scheme and the relative costs of and scope for meeting the need as it passes the Chiltern in some other way. That is to say by extending the tunnel from Mantle's Wood to the edge of the AONB.

237. MR PAYNE: Indeed.

238. MR MOULD QC (DfT): The third is the consideration of any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which they could be moderated. That requires, does it not, a consideration not only of those effects, but also the extent to which there is proposed mitigation within the Bill scheme to seek to avoid or to moderate.

239. MR PAYNE: Absolutely right.

240. MR MOULD QC (DfT): Can we agree that, where the second bullet refers to cost – that is to say the cost of meeting the need for the railway to pass through the Chilterns in some other way – it is focusing on the costs incurred in, on the one hand, passing at surface from Mantle's Wood northward and, on the other hand, of extending the tunnel, either wholly or partly, through the remainder of the Chilterns?

241. MR PAYNE: Absolutely right.

242. MR MOULD QC (DfT): Can we agree that the third bullet, the approach that the promoter has taken hitherto, is to direct an assessment of those matters – that is to say detrimental effect on the environment and so forth, and the extent to which that could be moderated – to direct attention to that through the process of environmental impact assessment?

243. MR PAYNE: Indeed, yes. All that you say there is absolutely right.

244. MR MOULD QC (DfT): Indeed, in those respects, the promoter has followed the substance and the process of prevailing legislation and policy guidance on the assessment of major infrastructure schemes, has it not?

245. MR PAYNE: It has in this particular circumstance, yes.

246. MR MOULD QC (DfT): The point of divergence, as is reflected in – let me just go to it – A1180(66) – I’ll put the question when we have the slide up. The point of divergence is this, isn’t it? Whereas the promoter has stayed with an environmental assessment of the comparative impacts of, on the one hand, the Bill scheme at surface from Mantle’s Wood northwards and, on the other hand, a variety of tunnelling options that extend the tunnel either wholly or partly through the AONB – and is going to carry that out under the aegis of environmental impact assessment – your petitioners have sought to apply a monetary cost to that assessment.

247. MR PAYNE: They have, yes.

248. MR MOULD QC (DfT): We can see that, if we just look at two figures here, first of all, I’ll take it because it’s the tunnel scheme that you speak to primarily, the CLT, the Chilterns Long Tunnel scheme; if we take that figure, £532 million additional to the costs incurred in tunnelling, if we subtract from that the net costs saved on property acquisition, we arrive at a figure of around £485 million.

249. MR PAYNE: You could well do, but what I should add, Chairman, is that I’m not briefed to deal with this table below the word ‘but’.

250. MR MOULD QC (DfT): Right, I’m not going to tempt you, to any great degree, to deny yourself that self-denial, but what I am going to do is to ask you just to notice that, if you take that figure of – shall we say, broadly – £0.5 million additional cost of tunnelling on the top line.

251. SIR PETER BOTTOMLEY: £0.5 billion.

252. MR MOULD QC (DfT): £0.5 billion. Thank you very much indeed, quite a significant error there.

253. MR PAYNE: I wasn’t going to draw Mr Mould’s attention to it.

254. MR MOULD QC (DfT): And then you look at the material figure below the ‘but’, which plays against that, it is the £510 million, or the monetised value, if you will, ascribed to the Bill scheme of what are described as non-market effects.

255. MR PAYNE: That may well be the case.

256. MR MOULD QC (DfT): You can see that as a matter of simple –

257. MR PAYNE: As I say, I'm not briefed to go below the word 'but'.

258. MR MOULD QC (DfT): As I understand it, I've looked through not only your slides but also the slides of others who come after you, the figure of some £500 million additional costs of constructing the tunnel and attendant costs thereon – the top line – that is a figure that is essentially agreed between ourselves and yourselves, isn't it?

259. MR PAYNE: Indeed, yes. As I said in some of my remarks, those two numbers are a matter with which we have no disagreement.

260. MR MOULD QC (DfT): So the Committee can rely quite confidently on that figure.

261. MR PAYNE: Indeed, yes.

262. SIR PETER BOTTOMLEY: They're not disputed. They aren't necessarily reliable.

263. MR MOULD QC (DfT): Well, I take your point philosophically speaking but, on the other hand, Sir Peter, surely the Committee is looking to understand the difference between two opposing cases. For that purpose, with that caveat, I make the point. Whereas the £510 million that is ascribed to the non-market effects, that is to say, if you like, the disbenefits that would otherwise be avoided by the extended tunnel option, that is a figure that is not agreed and it is a figure as to the computation of which your presentation and that of those who come after you is entirely silent.

264. MR PAYNE: Indeed. Mine, deliberately so, and others will be explaining the origins of that 510.

265. MR MOULD QC (DfT): We shall look forward to it but, at the moment, there is nothing in the papers, which are before the Committee, which give any explanation as to how that figure has been arrived at, is there?

266. MR PAYNE: Not to my knowledge.

267. MR MOULD QC (DfT): Finally, if we can go please to page 1178(29), another of

your slides, you say that this AONB is the only protected landscape with a major infrastructure project of this nature imposed upon it. We ought to bear in mind, shouldn't we, by way of example, that the same area of outstanding natural beauty accommodated the construction of the M40.

268. MR PAYNE: Indeed it did, many years ago.

269. MR MOULD QC (DfT): For example, the North Downs area of outstanding natural beauty accommodated the construction of the Channel Tunnel railway.

270. MR PAYNE: Indeed it did.

271. MR MOULD QC (DfT): There is no reason, on the evidence before the Committee, to doubt that, in each case, the policy that is presently to be found set out in paragraph 116 of the National Planning Policy Framework, that policy no doubt expressed in a different document at the dates when those two schemes were constructed was the policy that was applied in order to reach the conclusion that, in each case, the construction of those schemes, albeit that it had some adverse effect on the area of outstanding natural beauty concerned, was nevertheless one that was, on balance, justified as being a national interest and as being a proper balance between costs and impact.

272. MR PAYNE: Quite correct.

273. MR MOULD QC (DfT): Thank you very much.

274. CHAIR: Mr Straker.

275. MR STRAKER QC: Thank you very much. If I may, just a couple of matters. First, if we can go to A1180(66), the piece of paper to which I referred in opening, where we see the figure of 532 million as a difference in construction costs, so that is looking at the extra cost involved in constructing a tunnel over the cost of putting it at surface, you'll remember that reference was made in my opening to a difference that has occurred between a figure now put forward for the cost of construction at surface and a figure previously put forward, that difference being something in the order of—

276. MR PAYNE: I am told between 100 and 150 million.

277. MR STRAKER QC: And the later figure being a lower figure than the earlier figure.

278. MR PAYNE: That's my understanding, yes.

279. MR STRAKER QC: The 532 has proceeded on the basis of the later figure.

280. MR PAYNE: Indeed.

281. MR STRAKER QC: If we can also look, please, in connection with how it comes to pass that one has a figure for non-market effects, could you put up, please, A1178(53)? Now, I appreciate that this is, so to speak, below your line, Mr Payne, in terms of the number on the page we were looking at, but 1178(53), we've got there 'non-market effects, Government guidance' and Her Majesty's Treasury certain documents and 'accounting for environmental impacts'. I just want your help as to the Committee, please, on whether that guidance on non-market effects is telling us as to how to go about a valuation of land that is being used for projects such as this.

282. MR PAYNE: I must confess, Chairman, this isn't necessarily my subject, but I can offer some guidance. Firstly, Mr Mould's summary of the events is absolutely right and it's something that the statutory bodies concur with. What the Treasury arrangements describe is a methodology that has not been defined accurately for evaluating these rather ephemeral matters to do with landscape and ecosystems and so forth. In that sense, there is enormous debate going on in that part of the economics industry, desperately trying to get PhDs, I suspect, in order to do this.

283. Nonetheless, the position that is generally taken and I suspect is being taken in this case, but Mr Blaine no doubt will be talking about that in more detail, is for example, and one that Mr Straker illustrated rather well in his opening remarks, and that is that, as the protected nature of the fragility of the landscape goes up, so its value commercially diminishes. We've taken the view here that that is interesting, but not necessarily the case. The extenuating circumstances in this particular case, notwithstanding that we agree wholeheartedly with Mr Gould's assessment, merits some other consideration, which is going to be before you later on this afternoon or on Wednesday.

284. Secondly, the matter of the value of land has been mentioned by a number of

authors on this subject, and it varies on a continuum from almost nothing, which I suspect most protected landscapes probably are, because they have no value, to a large number for productive land and so forth. Taking a number between those is a hazardous business; it's been done and you will hear more evidence on that later on. The position that has been taken, as I say as I understand it, is on the round somewhere on this continuum between nothing and whatever number it is value at. It is an arrangement that reflects to society at large what this value is.

285. Just to repeat my observations about Mr Gould's comments, what he has described is precisely what happens for many schemes, road schemes, certainly many railway schemes and so forth. Our argument here is that, in these particular and unusual circumstances, a different set of rules should be commended to the Select Committee.

286. MR STRAKER QC: Thank you very much. Thank you, Mr Payne. Thank you, sir. Sir, what I would like to do now, as forecast, is call Mr Blaine, who the Committee has heard from before and who the Committee will remember is an engineer with a variety of qualifications.

287. CHAIR: I note there are nearly 80 slides or 79 slides. Can we go through them relatively quickly, because I'm beginning to feel we're a bit over-slided and there are some which are otiose. We don't need to go through them.

288. MR STRAKER QC: Sir, we were very conscious of that in drawing this matter up. Obviously there's a stepped approach, which I'm conscious of, and we'll try to take those steps, sometimes leaps, at a time. I'm also very conscious of that when we come later on to some of the landscape slides. There's quite a considerable picture story to be told, which once again, in my mind's eye, I'm envisaging taking those steps quite quickly. That they are steps and they lead to a definite conclusion I'm sure the Committee will have in mind.

289. Mr Blaine, we've got your slides, which begin at A1179(2), where you introduce yourself and set out in short form your qualifications.

290. MR BLAINE: That's correct, yes.

291. MR STRAKER QC: On the following slide, you set out who it is you represent,