

MINUTES OF ORAL EVIDENCE

taken before

**HIGH SPEED RAIL COMMITTEE**

On the

HIGH SPEED RAIL (LONDON – WEST MIDLANDS) BILL

Monday 20 July 2015 (Evening)

In Committee Room 5

PRESENT:

Mr Robert Syms (Chair)  
Mr Henry Bellingham  
Sir Peter Bottomley  
Geoffrey Clifton-Brown  
Mr David Crausby  
Mr Mark Hendrick

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IN ATTENDANCE

Mr Timothy Mould QC, Lead Counsel, Department for Transport  
Mr Martin Kingston QC, Counsel, Chiltern Ridges HS2 Action Group  
and Conserve the Chilterns and Countryside

Witnesses:

Mr Richard Hindle, Director, SQW  
Mr Simon Morris

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**IN PUBLIC SESSION**

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1. CHAIR: Welcome back everybody. Mr Mould.

**Chiltern Ridges HS2 Action Group and Conserve the Chilterns and Countryside**  
**(Cont'd)**

2. MR MOULD QC (DfT): Thank you. I just have one or two questions for you, please, Mr Hindle. Can we put up A1228(23). Just deal with each of your topics in turn. The first one is just – this is landscaping environment. Now, we see your figure, a saving on the monetised value of the landscape impacts of the HS2 Bill scheme, through the CRAG T3i scheme of £185 million. And we can see that your methodology starts with the DfT central case. I just want to really make sure the Committee is clear what we're sourcing these steps from. If we go to R1312(12), just a page from a document you're familiar with, this is the 2012 DfT value for money statement, which is the document that – part of the suite of documents which explain the Government's decision to proceed with the scheme.

3. SIR PETER BOTTOMLEY: This inspired Michael Flanders and Donald Swann about a lovely song called, 'The Slow Train'.

4. MR MOULD QC (DfT): Yes. I want 2 – 1310. That's the one, thank you. So, starting with the DfT central case, you said, at paragraph 6.12, 'There is the DfT central case. The assessment of landscape impacts was carried out by the Department in line with standard value for money procedures, and is that is based on the methodology outlined by the Department for Community in local Government in its document, "Valuing the external benefits of undeveloped land, DCLG 2001"', that's the document you referred to earlier, isn't it?

5. MR HINDLE: Yes.

6. MR MOULD QC (DfT): 'While the value of adverse landscape impacts is sensitive to the underlying analytical assumptions regarding land type and mitigation measures, the estimated disbenefit of £960 million, 2011 prices, 2011 present value, should be regarded as an upper limit to the impact, as it is based on the route presented at consultation, and does not take into account the route changes prescribed in the review of possible refinements to the proposed HS2 London to West Midlands route'.

And as you know, there was a subsequent value for money statement issued in late 2013 that took account of those factors, although I don't think that the central estimate changed materially as a result of that.

7. MR HINDLE: Apparently not, no.

8. MR MOULD QC (DfT): No, okay. So that's the figure which has been rounded up in debate before the Committee during the course of the last week to about £1 billion, is the monetised cost of landscape impacts on the Department's central estimate, and that's a route-wide figure, isn't it?

9. MR HINDLE: It is, indeed.

10. MR MOULD QC (DfT): And if we then go to A1234(14), this is an extract from your report which sits behind your evidence, and you can see, in the second paragraph down, you say this, 'Even with all the caveats, the current methodological assumptions adopted by the DfT for monetising the landscape – environmental impacts in the Chilterns, are flawed. And the value quantification of £115 million for the AONB is an undervaluation'. That's the figure that you've extracted from that overall route-wide figure of £960 million, isn't it?

11. MR HINDLE: That's correct.

12. MR MOULD QC (DfT): Yes. And that is a figure that runs, I think, from Amersham to the northern boundary of the AONB? Yes. And if we then turn to P7504 please. This is an extract from a document that we put in last week, in response to Mr McCartney for the Chiltern long tunnellers, and you'll recognise this, Mr Hindle, this is the process, the Departmental process, which was gone through in that value for money statement to produce that figure of £960 route-wide and £115 for the Chilterns Amersham to – yes. And we can see that it requires a number of stages, it requires two segmentation of the scheme, in other words, you need to look at the scheme in quite a granular way, don't you, to apply the method, yes?

13. MR HINDLE: I am sure they did, yes.

14. MR MOULD QC (DfT): And you have to determine a land type, based on an evidence based assessment of the land through which you're going and then you have to

consider mitigation and at five, you have to make an assessment of landscape impact, using the landscape values recommended in this advice, yes? And if we turn to the next page please, which is P75044, here are the land types taken from the DCLG 2001 document, yes?

15. MR HINDLE: Yes.

16. MR MOULD QC (DfT): Which are to be applied in order to apply the Departmental method that we looked at on the page before. And this is the approach that the Department have followed, which led them to those numbers from which you've extracted the £115 million for the Chilterns?

17. MR HINDLE: Yes.

18. MR MOULD QC (DfT): Yes. And we can see that there is a range of types but what is not shown there is any particular land type for land designated as part of an AONB.

19. MR HINDLE: That's true.

20. MR MOULD QC (DfT): And you have spotted that. You consider that to be a deficiency, as I understand it, in this typology.

21. MR HINDLE: Well, yes. I think the deficiency is that, to go back to your previous typology, it didn't really take into account step 1, which you rather went over, which was the key, if you like, the strategic landscape features, which allowed the typology to be derived in I think, step 3. So, the fact that so much was simply done as agricultural land was slightly misleading, given the nature of the AONB.

22. MR MOULD QC (DfT): Do you want to go back the previous page? Just go back to three. You're focusing on line 1, are you?

23. MR HINDLE: Well, you didn't touch on line one, and I think...

24. MR MOULD QC (DfT): No, you made a point on it.

25. MR HINDLE: And I think line one is important.

26. MR MOULD QC (DfT): You're saying the Department didn't identify landscape

features when it carried out its assessment.

27. MR HINDLE: Well, I don't know how they did it, but it didn't appear as though that had been taken into account. We are talking about something that changed from the previous version, that was the point of difference really.

28. MR MOULD QC (DfT): Well, this methodology hasn't changed, has it?

29. MR HINDLE: Well, apparently not, but the resulting numbers seemed to change rather, in my opinion.

30. MR MOULD QC (DfT): Well, this is the methodology that was applied by the Department for the published value for money statement in 2012, isn't it?

31. MR HINDLE: Yes.

32. MR MOULD QC (DfT): And the land types that we deployed for that purpose are the ones that I showed you on the next page aren't they?

33. MR HINDLE: Indeed, yes.

34. MR MOULD QC (DfT): If we can just go back to that page, just to complete the point. You don't quarrel with the notion that the value for money statement was based up the application of these typologies?

35. MR HINDLE: No, indeed.

36. MR MOULD QC (DfT): And that led to the figure of £115 million for the Chilterns. What you have done, in order to get to the higher figure, that you have in your slide A1228(23), of £206 million, which is your corresponding figure to £115 million, what you've done is you've effectively assumed that the entirety of the land within the Chiltern AONB is natural and semi-natural land, haven't you?

37. MR HINDLE: No, no. We went back to a previous apportionment based on the 4.3 billion and the implications of that, which is a mix of – but has a much lower proportion down as intensive agricultural land.

38. MR MOULD QC (DfT): So, you haven't carried out your own assessment at all?

39. MR HINDLE: We didn't carry out our own assessment of the land, no. We looked at the evidence that was already available, and the evidence already available in this subject seemed very conflicting.

40. MR MOULD QC (DfT): I see.

41. MR HINDLE: It seemed to have changed markedly, put it that way.

42. MR MOULD QC (DfT): So, essentially, the limit of your evidence on this topic is to say that – if we put up A12233 – this is a document that was produced – preliminary landscape assessment produced by HS2 Ltd in 2011 and you're saying, if you look at the middle of the page, 'Amersham Chilterns, Northern edge', you say that you see there a valuation per hectare of £1.323 million, you're saying that that valuation is the one that ought to be applied to the Chilterns AONB in place of the approach that the Government set out in its published value for money statement?

43. MR HINDLE: Well, what we're saying is that that appears to have been done on the same basis but with a rather different typology of land.

44. MR MOULD QC (DfT): Well, it pre-dates the value for money statement that I showed you.

45. SIR PETER BOTTOMLEY: Is this because the final calculation changed so dramatically, there must have been something behind it?

46. MR HINDLE: Well, yes, but we understand the methodology behind it was apparently the same, therefore some of the inputs must have changed.

47. SIR PETER BOTTOMLEY: I don't know, Mr Mould this is one of your favourite subjects, but if it's not, I suggest someone prepares advice for you on did change and how that was explained.

48. MR MOULD QC (DfT): Well, I will just point out to you, one thing that changed, just to give an indication, this is not the only thing; if you look on down the comment column, you'll see 1km tunnel is only mitigation assumed. Well, of course that's changed markedly, hasn't it, since that date? We now have a great deal more than 1km in tunnel through the Chilterns.

49. MR HINDLE: which we've taken into account.

50. MR MOULD QC (DfT): So that is one obvious reason why the number has gone down.

51. MR HINDLE: Yes, of course.

52. MR MOULD QC (DfT): And we've also, since 2011, we've assumed a significant increase in the mitigation, haven't we, under the Bill scheme? We've extended the green tunnels at South Heath and Wendover, for example.

53. MR HINDLE: Yes, which is also perhaps the question about how that it has been done. But it's a relatively small element. The major one, as you say, is the tunnel is extended, but we've built that into our figures.

54. MR MOULD QC (DfT): What I'm struggling with is this; you point to an earlier, preliminary landscape assessment, which was mentioned, I think to Professor McNaughton to the Transport Select Committee in 2011, and we know, because I've shown you it, that the Departments published that value for money statement in January 2012, which comes later, carries out an assessment of the value for money of the scheme, including an assessment of landscape impacts, which you've agreed was done in accordance with the methodology that we looked at a moment ago, and I don't understand why you see the need to go over this archaeology, if you like, when we have the Government's published position.

55. MR HINDLE: Because we don't understand why it changed, basically. The figures are very different and it appears that a typology – and I fully accept your typology and how it's been presented, and we haven't tried to adjust for an AONB in this case, particularly, but it would seem, pro rata, that if you go back to the earlier, and allow for the extended tunnel, you still finish up with a significantly higher figure than £115 million.

56. MR MOULD QC (DfT): Well, I don't think I can take it any further. I've shown you the published document, from January 2012, we've agreed that the landscape assessment component of that was conducted in accordance with the DfT's methodology, and it produced the figure that I put to you. There is it. You don't



produce any independent assessment of your own, do you?

57. MR HINDLE: Well, we haven't gone over hectare by hectare and said how the land should be valued, but since there has been a previous classification, which had been done on a different basis, our job is to review the evidence, it was an obvious problem in trying to reconcile these pieces of evidence, and the implication was that, for whatever reason, it had changed, it wasn't explained.

58. MR MOULD QC (DfT): And this is an inherently imprecise area of economic evaluation, as you acknowledged earlier.

59. MR HINDLE: It is, but there was no reason to – it seemed rather convenient to go to the lowest possible value of agricultural intensive use.

60. SIR PETER BOTTOMLEY: To try and boost my own understanding, if the promoters know precisely how the valuation changed, from the first to the second, that could possibly show Mr Hindle, and possibly, even with us.

61. MR MOULD QC (DfT): Indeed so. The answer is that the change was to value the landscape impacts of the scheme, as set out in that document I showed you at the beginning of this line of questioning, in accordance with the typology that is set out, but if it would help you to have further information on that, I'm sure we can provide it.

62. SIR PETER BOTTOMLEY: I'm not quite sure how much it matters, but – this questions been raised and you've put some questions, Mr Hindle, perhaps it does matter. We can see an element for the extra tunnelling, we can see that better analysis might say that much more of the land was intensive rather than extensive, which drops the valuations pretty dramatically, but if so, wouldn't it be comforting to have a covering note as to what did produce the different, and then Mr Hindle can say whether that makes a difference to his estimates or not.

63. MR MOULD QC (DfT): It's possible...

64. SIR PETER BOTTOMLEY: Except of course, I'm not sure, Mr Mould, you're challenging Mr Hindle's estimates, are you?

65. MR MOULD QC (DfT): Well, my position...

66. SIR PETER BOTTOMLEY: Are you saying his estimates are wrong?
67. MR MOULD QC (DfT): My position is to draw attention to the Government's published estimate, which I have done, which – I don't think it's an issue, was produced in accordance with our established methodology, and to establish that there is...
68. SIR PETER BOTTOMLEY: I don't think it's been challenged by the petitioners.
69. MR MOULD QC (DfT): Well, I am glad to establish that, if that's the case.
70. SIR PETER BOTTOMLEY: But you don't seem to have challenged what they've said.
71. MR MOULD QC (DfT): Well, I was trying to understand what the basis for the petitioner's position is, because I understood that there might...
72. SIR PETER BOTTOMLEY: I thought we heard how you calculated it, all the calculations are in his column, aren't they?
73. MR MOULD QC (DfT): Well, perhaps I'm missing something. I'm simply trying to understand whether there is an independent assessment being put forward by the petitioners, which is producing a higher assessment of landscape impact than that which the Government themselves have put. I don't think there is.
74. SIR PETER BOTTOMLEY: Let me be helpful. Were you using the Department's or the promoter's values?
75. MR HINDLE: We were using their values, certainly, the question is how you classified the land and it was the switch to, obviously, the lowest valued land and considerable switch, that particularly affected this area, we felt was probably misleading, if you looked at some of the other categories, such as urban fringe and rural forestry, they were probably rather underestimated and those were rather high value uses.
76. SIR PETER BOTTOMLEY: Right. I think have continued as much as can to my own understanding.
77. CHAIR: I think we accept there is a difference of view. Alright, carry on.

78. MR HENDRICK: Can I ask, is it just a question of differences of opinion on classification, given the broad definitions of land given?

79. MR HINDLE: Yes and the definitions are, to – there is a subjective element in how they're defined, that's certain true. I suppose, the underlying position for us, the independent position was that this land is rather more in terms of its environmental value than is reflected in the category – agricultural land intensive, which makes it sound a bit like a pure wheat field.

80. MR MOULD QC (DfT): Right. As I say, my instructions are that the figure you have here, the valuation here, is effectively applying the natural and semi-natural land component, which you saw at the bottom of that table of typologies, across the entirety of the Chilterns. That was done as a crude estimate, back in 2011, but for the value for money assessment, there was a much more granular assessment of the land as it passes through which sought to apply the typologies that you saw in that table on a much more scientific basis.

81. SIR PETER BOTTOMLEY: I remember a week or so ago actually asking a petitioner – wasn't much of the land being seen intensively cultivated, in which case the lifetime value was dramatically reduced.

82. MR MOULD QC (DfT): Yes. I mean, if you go back to that page, P7504(4), if you take what I just told you, have that in mind, that in 2011, that the exercise shown on that previous table which produced that much higher figure, you can see that if you take it that that was based on – assuming that all the land in the Chilterns affected by the scheme was natural and semi-natural land, which, as you see, includes uncultivated areas, wetlands and areas within nature conservation designations, you can see that within the methodology itself, leaving aside questions as to its limitations, but within the methodology itself, that is a questionable approach to take, and that was corrected when we came to produce the value for money statement in January 2012, where we had an assessment which was much more granular and looked at urban fringe, agricultural land, extensive and intensive.

83. MR HINDLE: It didn't seem to us that 80% plus being put down to intensive agriculture was particularly granular. It seemed as though it may have been rather blanket approach.

84. MR MOULD QC (DfT): Can we just put up A1232(15)? Just to give you an illustration. You see, Mr Hindle, this is from the internal PowerPoint that you produced, and you can see an example of how granular it is. These polygons that you see on the route, those represent the work that was done to identify the particular areas of land for the purposes of applying those typologies, so you can see, Rodgers Wood, just at the – just here, where I'm pointing there, there's a small area of Rodgers Wood that falls within the area assessment, and that would have been – an appropriate typology would have been applied for that. Other areas here, for example, would have included urban areas of Amersham, that would have had a different typology applied to that. Whereas, with the preliminary assessment, essentially, this area as a whole was treated as being wetland. That's a key explanation for the difference.

85. SIR PETER BOTTOMLEY: That would make a massive difference to the apparent landscape – the monetisation of the landscape value.

86. MR MOULD QC (DfT): Okay. Well, I think I have probably gone as far as I can on this.

87. MR HINDLE: I understand the difference and that it's classified in that way. I think both approaches, not so much in methodology, which as you say, broadly accept the way of doing it, the difference is how it's done and I think there were probably particular – I think in one sense, quite a mechanical approach was taken to classify so much as agricultural land intensive at low value, when actually, from the point of view of environmental value, you could justify a much higher proportion in some of the other categories in that typology.

88. CHAIR: Okay. Mr Mould, any more questions?

89. MR MOULD QC (DfT): Just remind ourselves that for the purpose of this exercise, that is to say, looking to understand the landscape and environmental effects of the scheme, the established legal and policy approach to those matters, is not to seek to apply monetised value at all, is it? It's to carry out an environmental impact assessment, which is underpinned by our landscape and visual impact assessment, and a noise impact assessment, to take two key components.

90. MR HINDLE: Yes, there's been different advice, but you're quite right, that is an

interpretation of the advice and what the advice says, but it is also true that, as we discussed earlier, environmental and landscape value has been appraised in monetary terms as well and that with all the – going back to the previous discussions, with all the questions about how this is done, I think it’s useful to revisit the basis for this, and say, ‘Well, was this done in a reasonable way that reflected the way in which landscape and the environment is valued by the petitioning groups?’

91. MR MOULD QC (DfT): Okay. And then a couple more things, A1228(24) please, just a question on property blight. Your methodology here, again, we see £100 million of value that you say is saved effectively by the tunnel scheme; part of your methodology is estimating difference in asset value, on reflected property stock, for taking different tunnel decisions in 2015. You’re not making any assumption as to when any of that change in asset value is actually going to be spent, are you? You’re simply assuming that there’s a difference in the impact on the asset value of property in the Chiltern from different types of approaches to building the railway.

92. MR HINDLE: We are assuming that, definitely yes.

93. MR MOULD QC (DfT): Yes. And you’re not making assumption as to whether any money is going to be spent in the consequence of that, are you?

94. MR HINDLE: No, I mean, we get onto the – the reason these figures were prepared was to, as you well know, to investigate the property bond idea, which, in essence is paying out money. But we didn’t, we used this purely as a basis, separately, to say, ‘Well, what is the impact of this in terms of economic disbenefit, if you like, from building’ – or, ‘What savings can you make, rather, through a long tunnel, relative to the disbenefit that was identified as a basis for the property fund scheme’.

95. MR MOULD QC (DfT): But on your approach, these savings are entirely notional, aren’t they? There’s no necessary assumption that any loss is going to crystallise here.

96. MR HINDLE: Well, I think it’s built into the approach of PwC that losses would crystallise, yes.

97. MR MOULD QC (DfT): Well, PwC are looking at a particular intervention, to

cope with the impact of the construction of the railway. Their time horizon was 2026, wasn't it?

98. MR HINDLE: Yes.

99. MR MOULD QC (DfT): And that takes me to the next column, 'A decision to extend the bored tunnel restores the currently blighted property to their unblighted value'. There's no evidence base, is there, in either your work or in the Action Alliance's report, which tells us anything about whether there will be a continuing differential between the property market under a tunnel scheme, looking forward to 60 years after the scheme's coming into operation, and the bill scheme, there's simply no evidence to tell us either way on that, is there?

100. MR HINDLE: No, what we can say is that construction will have an effect, and that particular effect isn't short term, and that there is, because of the effect in the short term, there is likely to be an ongoing effect continues beyond that. Now, we didn't – we took essentially the figures that HS2 has re-worked from the PwC, for the long term discount, but it assumed there was some effect.

101. MR MOULD QC (DfT): Yes, it assumed it, but there's no evidence for that assumption, is there? Because we know from other evidence that –

102. MR HINDLE: Well, there is actually, sorry.

103. MR MOULD QC (DfT): Which evidence is it?

104. MR HINDLE: Sorry, there is evidence that – from property market studies elsewhere, that there is continued blight from major infrastructure investments.

105. MR MOULD QC (DfT): As between the tunnelled scheme, and the Bill scheme? That there's a continuing differential?

106. MR HINDLE: No, because – apologies, for interruption. This is hypothetical, at the moment, of course. All we can do is draw analogies elsewhere, which suggests that major infrastructure schemes have a long term effect on property values.

107. MR MOULD QC (DfT): Yes. But I mean, my question was about whether there was any evidence to enable you to draw a differential in terms of that effect, assuming

it's right, as between the Bill scheme and a tunnel scheme, because that's the key question. You say there's a saving between those two schemes of £100 million over the lifetime of the project. But there's no evidence to support that is there?

108. MR HINDLE: Well, the evidence is there's less disturbance in terms of visual – some forms of impact, as we've said. Traffic is arguable, perhaps, but there is some traffic effect, there is certainly loss of visual and loss of amenity, with the HS2 proposal relative to the tunnel.

109. MR MOULD QC (DfT): Why should property in the middle of Wendover, after the railway has come into operation, be affected by the railway being in a tunnel to the south of Wendover, either a green tunnel under the Bill scheme, or a bored tunnel under your client's alternative; why should property in the centre of Wendover be subject to any greater long term effect as to its value from the fact that under both schemes, the railway passing to the south of Wendover is in tunnel?

110. MR HINDLE: If it's a tunnel, there's no differentiation. But we're talking the scheme at the moment that has it on the surface.

111. MR MOULD QC (DfT): The scheme through the south of Wendover is in tunnel, under your scheme and our scheme. It just happens to be a different type of tunnel.

112. MR HINDLE: Oh, the green tunnel?

113. MR MOULD QC (DfT): Yes. And the same in South Heath.

114. MR HINDLE: There is some visual impact from green tunnels, which is a factor.

115. MR MOULD QC (DfT): Alright, visual impact. The same point applies in South Heath, doesn't it? Those are the two main areas of settlement and property, along the disputed area of the route, and in each case, both schemes result in the railway being in tunnel.

116. MR HINDLE: I think there's a difference between a tunnel and a green tunnel that you are underestimating.

117. MR MOULD QC (DfT): And then finally, just A1228(26) please.

118. MR HENDRICK: Is it not the case that what you're trying to quantify is the difference in terms of impact between a tunnel where's there's no adulteration of the land, and a green tunnel where there is adulteration of the land, and so far ahead, you're effectively crystal ball gazing, it will be impossible to determine that amount of differentiation?

119. MR HINDLE: I mean, there is a crystal ball gazing element to it, but we can only go on analogies of green tunnels elsewhere and the impact that they appear to have and...

120. MR HENDRICK: Wouldn't most cases be quite unique?

121. MR HINDLE: Yes, in the sense that it's where they are in to that specific landscape and the housing surrounding it.

122. MR HENDRICK: Exactly, I mean, how many are in areas of outstanding natural beauty? The studies you may have seen in the past are from areas that are not from areas like the Chilterns.

123. MR HINDLE: Yes. And there is significant visual intrusion from green tunnels.

124. MR HENDRICK: Yes.

125. MR MOULD QC (DfT): Thank you. And with tourism, we know that the TSE research document didn't seek to identify any particular – to quantify any particular loss resulting to the local tourism market from HS2 did it?

126. MR HINDLE: No, it didn't, we did that.

127. MR MOULD QC (DfT): And the basis for figure of £99 million that you have said is the saving on this slide, is at A1234(29), which is, as we can see, a business survey undertaken by Peter Brett Associates, and then some conversations with local representative groups, who include, as we can see from the bottom of the page, the Chilterns Conservation Board and the parish councils.

128. MR HINDLE: That was certainly a source we used.

129. MR MOULD QC (DfT): Yes? And we can see, for example that, same point



really, take – in the operational phase, given that the schemes are essentially indistinguishable in Chalfont St Giles, Amersham, and Amersham and Chesham, we can see, understandably, there's predicted to be no permanent difference between the impact of a tunnel scheme and the Bill scheme, yes?

130. MR HINDLE: Sorry, I should say, this wasn't the only source we used, but yes, it was a source.

131. MR MOULD QC (DfT): Well, it's a source you produced, yes. And then, if we look at Great Missenden, you've got an operational effect of 7.5% continuing over 60 years under the Bill scheme, as compared to none from the CRAG tunnel scheme, and this, in a world where Great Missenden is on the other side of the valley from the railway, and between Great Missenden and the railway, is the A413, the Chiltern Railway and the railway up the other side of the valley is in deep cutting.

132. MR HINDLE: It was a small effect, on Great Missenden.

133. MR MOULD QC (DfT): Well, you're assuming it continues over 60 years, that there's going to be a seven point –

134. MR HINDLE: There is an impact.

135. MR MOULD QC (DfT): And for Wendover, back to my point earlier, you are assuming 10% impact over 60 years, for Wendover from the Bill scheme, only 1% impact over 60 years for the tunnel scheme, and yet the railway is in tunnel, as it passes to the south of Wendover, on both schemes.

136. MR HINDLE: I think there is still a significant effect on Wendover and the businesses in Wendover, in tourism, through the construction of HS2. The green tunnel is only an element of that part of...

137. MR HENDRICK: Are you saying that people are not going to visit because there's a green tunnel?

138. MR HINDLE: They're saying – no, they're not saying that people won't visit. They're saying that it will have an effect on the overall – on the aggregate tourism.

139. MR MOULD QC (DfT): Both schemes will have a tunnel portal just to the north

of the town, won't they?

140. MR HINDLE: Yes.

141. MR MOULD QC (DfT): Thank you. And Wendover's main tourist attraction is Wendover Woods which is up to the eastern side of the town, away from the railway line, which is beyond the town, beyond the Chiltern railway line, and beyond the A413, in tunnels.

142. MR HINDLE: A lot of people clearly visit Wendover Woods, a lot visit Wendover in itself and the surrounding area and use Wendover as a point of call.

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

144. CHAIR: Thank you. Mr Kingston?

145. MR KINGSTON QC: Yes, thank you. Can we go back to A1228(23) please? This is essentially the landscape type and the difference in value arising from the approach which is now adopted as the approach that was previously adopted, yes? Does what you've shown the Committee there, take account of the fact that, in comparison with the previous assessment, there is now more of the Bill scheme in the tunnel?

146. MR HINDLE: Yes.

147. MR KINGSTON QC: Is there any evidence, have the promoters produced any evidence, that between the preliminary assessment and the value for money assessment which is now relied on, there, there was some wholesale change in landscaping the Chilterns that turned it into some sort of East Anglian prairie where wheat was produced, have you seen any evidence of significant change in the landscape?

148. MR HINDLE: No.

149. MR KINGSTON QC: Is there any explanation produced as to why it should have been thought appropriate previously, to have regard to the natural beauty of the Chilterns in arriving at a view as to the typology in landscape valuation terms, which reflected that, and the change to what the Committee is being told is the correct typology, which is effectively the intensive agricultural one?

150. MR HINDLE: No. I mean, it is worth perhaps saying that people have struggled with this typology, partially because it was based on a DCLG approach which was a meta evaluation, if you like. It took the results of a lot of other work and then allocated them to categories. Now, arguably, it would have been very useful, for the purposes of this Committee and ourselves, if it had allocated something to land that was protected landscapes, but that wasn't in the 47 studies that they looked at, apparently, so they didn't have that category.

151. MR KINGSTON QC: And as to whether any of this should have taken, either the Department for Transport, or anybody else by surprise, let's just have a look at A1232(9), this is a page from the presentation which was given to ministers on High Speed 2, Value for Money Environment Assessment, you see that the lowest green box in the middle of the slide, 'no definition for', yes? And has that changed, still no definition for? Has anybody produced –?

152. MR HINDLE: No, apparently not.

153. MR KINGSTON QC: No, so what's the position – at the time the original assessment was carried out, was there a judgement to be made which was different to the judgement to be made when the final value for money assessment was carried out, or was it the same judgement?

154. MR HINDLE: You'd expect it to be the same or very similar.

155. MR KINGSTON QC: The green tunnel and its effects, before the railway enters the green tunnel, is it in any sort of tunnel?

156. MR HINDLE: No.

157. MR KINGSTON QC: Is that relevant or irrelevant in your view, to the attractiveness to the area in terms of tourists?

158. MR HINDLE: It is relevant.

159. MR KINGSTON QC: And would you expect it to be beneficial or not beneficial that the railway was not in tunnel?

160. MR HINDLE: I would expect, on the whole, it to be not beneficial because it

would have clear visual and sound impacts.

161. MR KINGSTON QC: Thank you, very much. I've nothing else, sir, thank you very much indeed.

162. CHAIR: Right. We're on to your last witness now, are we?

163. MR KINGSTON QC: We are. Thank you very much.

164. CHAIR: Mr Morris are you – welcome. Last but not least.

165. MR MORRIS: Thank you. I've had to wait a long time.

166. MR KINGSTON QC: And we're starting with A1228(31), please. You better just tell us, Mr Morris, in essence, have you done lots of things to do with different sorts of business in different locations? As the slide tells us?

167. MR MORRIS: Yes, I've worked in corporate finance for most of my career, buying and selling businesses and raising money for businesses. In buying and selling businesses, I did quite a lot of valuation of businesses which is nothing similar to cost benefit analysis except that one does get the approach of taking ranges and trying to get them smaller and smaller, to zero in on the area of value that's right, and I could understand what Richard Hindle was saying before the break. It made a lot of sense.

168. MR KINGSTON QC: Right. Next please. Yes, we've done that one, thank you very much. Right, here is a map, what's this about, from your point of view, Mr Morris, please?

169. MR MORRIS: This is to put the Committee in context; half of the Committee have visited this area, it shows the length of the proposed route which is above ground, running from Mantles Wood in the bottom right hand corner, up to beyond Wendover and the top left, so it is the distance over which the tunnel we are talking about, T3i, is going. It also shows – the green square shows the conurbation – conurbation is the wrong word – the villages and the towns that are going to be particularly affected by the proposed route.

170. MR KINGSTON QC: Thank you. Then the next please. The Committee will be familiar with this but it's simply the issue of support that there is. If you could