

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

summarise the position, if you would.

171. MR MORRIS: These are the figures that you are already aware of, 812 petitioners have asked for full tunnel through the Chiltern area. Of those, 575 petitioners asked for the CRAG tunnel. They represent really more than that number in people; there are maybe 700 individuals who have petitioned but there are a number of organisations which have petitioned and – so we are talking about thousands of people who are interested in this area of outstanding national beauty and who are looking for a tunnel. It's not just a local issue.

172. I mean, as Mr Kingston spoke in his opening report, he mentioned that the Prime Minister was trying to get tourists to go out of London, the AONB of course, is the closest AONB to London, and is known widely and visited widely. And so there is a lot of interest in it. CRAG and CCC both come from this area, we were both formed in 2011, and our objects are the same, which are to protect the AONB from the impact of HS2, as far as we can. So if we go on to the next slide. This shows some of the petitions, it's difficult to take in, there's too much information on it, but I'll tell you that it includes 11 councils, three churches, seven schools, 37 businesses, 25 local societies, eight actions groups, two MPs, the Ramblers Association, the Woodland Trust, CPRE. So there is significant support for a tunnel.

173. MR KINGSTON QC: Thank you. Then next, will be familiar, as a view point. Why have you included it?

174. MR MORRIS: I'm coming on to the impacts and I'm going to look at the operating impacts, in other words, the impacts of the proposed route, once it is built. This says very obviously, that for those people who enjoy and love areas of outstanding natural beauty, it is not how they want them populated, they do not want very fine engineering stuck in the middle of beautiful natural environments; they don't mix. We're aiming to protect and conserve the Chiltern AONB, not to decorate it in concrete.

175. MR KINGSTON QC: Next.

176. MR MORRIS: Then go on to talk about a number of the issues; I'm not going to talk about them in great detail, because I know you've heard a lot about them. The top line, of course, the common thing about countryside, ancient woodlands and AONB

views, is that they are all irreplaceable. You stick a viaduct in the middle of it, it'll never be the same again. And of course, that picture was taken from very close to where your bus stopped on your first day there, and you heard enormous passion for the landscape and natural world. She's Dutch and doesn't restrain her feelings, many of us are rather more restrained, but we do support her and agree with her.

177. Going on from there, noise, well, we've heard a lot about that but quite clearly, it's very difficult, if not impossible, to mitigate against noise from broadcast every hundred seconds from the top of the viaduct. Certainly, there will be loss of tranquillity and you know already, that there are associated health issues with noise.

178. The other thing that I've noticed, you can see from HS2, is that large infrastructures like this, going through country, urbanise it. What do I mean by that? Well, you'd have security fencing everywhere. You have sound proof fencing. You have maintenance roads. You have balancing ponds. And you have catenaries and gantries. If you actually go back to the previous slide – can we go back? Very curiously, and I know this has been pointed out before, that there's two trains here meeting, there's no catenaries, no power lines, no gantries. How did they get there? Where do they get their power from? It's obviously an inadvertent mistake that leads to a misrepresentation of a position. If we can go forward two slides.

179. MR KINGSTON QC: Natural England's position, the letter is before the Committee, it's your Exhibit C1, I think, and I'll get the number for it, but you've taken this from what Natural England says, is that right?

180. MR MORRIS: That's correct, yes.

181. MR KINGSTON QC: So, we don't need to go to it, but it's A1236(1).

182. MR MORRIS: I don't want to dwell – I know again this has been mentioned over the past week or so, quite frequently, I just wanted to recognise and note that Natural England who advise the Government on natural environment, believe that HS2 in this area, has a long term adverse effects on what they call this nationally important AONB, and they also note that a bored tunnel is the most effective mitigation.

183. MR KINGSTON QC: Have we been advised of any change in Natural England's

position?

184. MR MORRIS: Not as far as I am aware.

185. MR KINGSTON QC: Thank you. Next please.

186. MR MORRIS: We are now move on – that’s operating impacts; we’re now moving on to construction impacts. This slide, you probably recognise too, it comes from HS1 and it is one of the construction sites where they were building a green tunnel, I believe. But what does it show? It shows that any big infrastructure project, taking through beautiful scenery, basically, makes a hell of a mess of it. I am sure this was – HS1 was designed and built in as sensitive a way as possible, but even so, engineering works just do ruin countryside, ruin ancient woodlands, ruin beautiful country.

187. SIR PETER BOTTOMLEY: Does that refer to construction and operation?

188. MR MORRIS: I’m talking about the construction here. Clearly, I mean, there is some recovery afterwards, but as I say...

189. SIR PETER BOTTOMLEY: I am just checking. Occasionally when someone’s speaking, I am wondering whether I missed a thing saying it was during construction, or it was construction and operation.

190. MR KINGSTON QC: No, the slide’s headed, ‘Construction impact...’.

191. SIR PETER BOTTOMLEY: That’s why I asked the question. I was just checking.

192. MR KINGSTON QC: Absolutely. We are clear it’s construction impact. If we want to see operational impact, we can go back to another slide if you like, for that impact. Stay with the construction impact; is there any further about that slide, Mr Morris, please?

193. MR MORRIS: Well, you can see the massive cuttings, there will be artificial bunds created, basically, it is how a green tunnel is built. You know that there are two green tunnels in this section of the AONB we’re talking about, in South Heath and – to the West of Wendover, so it is interesting that there was an issue made about the construction camp which will happen if there is a tunnel just to the north of Wendover,

that will be one large construction count. You will avoid two large construction camps at the two green tunnels, if the tunnel goes ahead.

194. MR KINGSTON QC: And the two large construction camps, as you call them for the green tunnels, would be within the AONB, would they, or outside?

195. MR MORRIS: Absolutely, within the – absolutely bang in the AONB, by South Heath and Wendover.

196. MR KINGSTON QC: Thank you. Next then please. Now, just give us an overview. First of all, all the arrows and the arrows pointing at different communities. What do you want the Committee to understand from what's shown here, please?

197. MR MORRIS: First of all, we're looking at the same area, of course, and the black line is the proposed route. Also, the proposed route is also the route of T3i. As a proposed route, it splits, or divides our community straight down the middle and what I'm trying to do here is to show – I showed in the earlier slide, where the hamlets and villages and towns were, these slides take some of those towns and show the demands for connectivity for those living within this area and what you begin to realise is there are – I should give you some background here; Great Missenden sits six miles south of Wendover and then Aylesbury, an area which has a population of 71,000. To the west, five miles to the south west, it is actually, you've got High Wycombe, population 120,000. To the east, you've got Chesham, another six miles, rather smaller, and to the south east, you've got Amersham, so the area has through traffic, point one, and through traffic which is going to get awfully snarled up when the building of the proposed route happens.

198. Point two, in the area that we're looking at in particular, we have, on the left, we have Missenden, Prestwood, Kingswood, Kingshill, and Little Missenden. Total population, about 13,000. To the right, we have the hill villages, Lee, Ballinger, South Heath, Hyde Heath, population about 2,500. There are a lot of interconnections across the valley. The people to the east of the valley depend very much on the services which are provided in Missenden, post offices, food stores, banks, holes in walls, GPS, all that sort of thing, they need access. And likewise, there are people who will commute. They will commute straight across, they'll commute to High Wycombe, they'll commute to London, they'll go up and down. Whatever happens, the chances are they will use one

of the three roads, the 413, the 485, which goes to Chesham, and the A4128 which goes to the south west, to Wycombe. Those are the roads that will all get used; it will be absolute chaos. And I'd like to move on from there and deal with the next slide.

199. I will try and put it simply. What the sociologists say is what's happening here is a breakdown of social and economic cohesion, a very clinical way of describing what is going to happen in our valley. To look at it from the personal point of view, to try and put some human edge to it, I'll just pick out some of these. I'm not going to go through them all. First of all, the older community, some of our hill villages tend to have a rather older population than the national average. I don't have – I haven't done an exact review or study of this, but a very off the cuff study shows that Potter Row, where I live, there are about 70 people there. Within that 70 people, there are seven who have medical conditions which are life threatening, they need medical services on a very regular basis. At Potter Row, there is no GP there, there is no hospital. Our GP is the other side of the valley, getting there is not so easy for them. They're getting worried about that sort of thing, there is a big impact. This railway has been spoken about continuously about for the last five years and it's not a topic that people speak about because they enjoy it, they speak about it because they're anxious about it. I'll move on to businesses.

200. When you came down, you came and stopped at Weights and Measures, a gym which is being compulsory purchased by HS2 because the line goes straight through it and it's a specialist gym, it does the normal sort of things, but it also looks after people who are disabled, who are injured and recovering from illness, and that kind of thing. It's a very useful service. It's going to close down and that is just an example of a small business which is caught in the flack of this massive infrastructure project.

201. Unfortunately, just to give you an illustration of how – I appreciate this is difficult for HS2 Ltd, they are a massive organisation and they are trying to get something through, but, unfortunately, last week, they sent out PRD's to a number of people, they were the same PRDs, sent out to a number of people in and around South Heath. Regrettably, it said in there, they said the Weights and Measures gym is closed. It's not closed, I was there on Friday, they've got their facts wrong, and I had the owner of the gym on to me, absolutely furious. She's is trying to keep her business together, although people realised she's going to have to moved and HS2 Ltd go and spread the

word that they're closed when they're not closed. I hope HS2 Ltd have now corrected this, and got this done. But I just tell this story because it illustrates that you've got to be incredibly careful what happens here.

202. There are other obvious businesses, the farmers you know about, the pubs on both sides of the valley, Great Missenden has 56 retail businesses; they are all concerned about demand, demand is going to change, obviously. So, HS2 is not quite the engine of growth it would like to think it is, in our area. It is more an engine of disruption and decline.

203. MR CLIFTON-BROWN: The gym you cite is a typical example of a business that ought to take the money from HS2 now and relocate. It knows it's going to be obliterated. Wouldn't the sensible business decision be to relocate as soon as possible?

204. MR MORRIS: The business decision is obviously she would like to relocate as soon as possible, she's spent two years trying to find a site to do it in the same area, so she could retain her local client base, hasn't been able to find it. It looks like she will probably be setting up in Kingshill, which is the other side of the valley, so people like me are going to find it very difficult to get over there and I – frankly, there are no other gyms, I shall just have to buy myself an erg machine or something. That's the story. She's trying to really make something of it; she wants to keep her livelihood going.

205. MR KINGSTON QC: So, the answer to Mr Clifton-Brown's question, nice if I can do it, but she hasn't been able to.

206. MR MORRIS: Not yet, no.

207. MR KINGSTON QC: Alight.

208. MR MORRIS: The final one on this slide which I'd like – I know you want to hear about people, and you want to hear how it's working, and I feel that this is another one that I – it's not the final one actually, it's the second to last one – is the schools. There are a number of schools – there are seven schools that sent in petitions, there are more schools than that in the area and when the construction starts, school runs are going to be an absolute problem. I find it difficult to give you an idea how, but I did a little bit of research, with the help of a governor of one of the local schools and one or

two other people, and I will give you these two small statistics. From South Heath, Ballinger, Lee and Chartridge, the hill villages, the outward journeys of children to schools affect 72 families; 72 families are going to have to do a school run where they may drop one of their children in the school in The Lee, which is close by, and then they will be going across the valley to the Gateway or to Misbourne, or going as far as Wendover to one of the many schools there. It is a big problem for people. The other side of the statistic is the in one. In The Lee, they have two – they have a nursery, a small nursery for very young children and a primary school, which is a state primary school, it's a very good little school.

209. Because of the ages of the children of course, none of them come by buses, and the earlier – the other example I gave, it is a combination of school runs and buses but then you've got to get the children to the buses. In the case of the nursery and the primary school, 70 children were dropped, each day by car, and these are people that are going to have to negotiate Potter Row, which is a construction route, and the mess that's going to occur, and these people don't all come from local areas, they come across the valley. The council have recently assigned children to the nursery because they couldn't find a nursery anywhere down in Missenden that could take them.

210. MR KINGSTON QC: So those are examples of the sorts of difficulties that you see in order to, I think, try and communicate with the Committee that this isn't just about pounds, shillings and pence, but real hardship and how they do things on a day to day basis?

211. MR MORRIS: Exactly, yes.

212. MR KINGSTON QC: Okay, let's go to the next slide.

213. MR MORRIS: Well, not quite.

214. MR KINGSTON QC: Oh, I'm so sorry.

215. MR MORRIS: I'm sorry, there's one more point which I feel obliged to bring up, and that is safety.

216. MR KINGSTON QC: Your last point.

217. MR MORRIS: Yes, the last one. Up on the hill villages there are roads, such as Potter Row and roads through Ballinger and Hyde Heath. These are not just roads, they are also footpaths and they are also bridleways, and I think when you came with your bus, you realised that. And it's not just the construction route; it's the rat runs that get affected as well. Obviously, big trucks and lots of traffic don't mix well with cyclists, pedestrians or horses. On the whole, in the last 21 years, since I've been there, there's only been one fatality. Regrettably it was right outside my house. A driver who was frustrated – he was riding a motorcycle and he wanted to get by a very slow tractor, and he passed in a very silly position. And unfortunately there was this accident. But, I realise that when the construction starts in our area, you've got exactly the same ingredients, exactly the same frustrations, you're going to have the dad driving his two kids, trying to get them to school and get himself onto a train to work. The frustrations are going to cause poor driving decisions. The risk of accidents will increase dramatically. And I think HS2 Ltd must be very well aware of that.

218. MR HENDRICK: Can I ask you a question? The construction phase itself.

219. MR MORRIS: Yes.

220. MR HENDRICK: Are these problems just going to be there for the construction phase?

221. MR MORRIS: Yes. I'm talking about the construction.

222. MR HENDRICK: Yes. And how long is that phase?

223. MR MORRIS: Well, it's five to seven years. I don't have the schedules, but they start the construction, they start building the green tunnel, and then they go away for two years and come back again to fit out.

224. MR HENDRICK: And then, after those five to seven years, would you expect the community to go back to normality?

225. MR MORRIS: Well, seven years, having been split off from your friends and neighbours and all the rest of it, is going to change things rather. Eventually things should recover because the link roads will be reinstated. I don't think any of the link roads are permanently closed. There are one or two of the footpaths that are permanently

closed.

226. MR HENDRICK: What I'm saying is that over that period of time, obviously, you've got a stretch of the rail that is under construction, but only one bit at a time, as it moves along, presumably. Is it not the case that during the construction period, it still will be possible to cross over the other side of the railway to a school or whatever business?

227. MR MORRIS: Well, yes. Frith Hill, south east leg will be closed because that goes straight through the green tunnel. So, when that site starts working, that will be closed. And parts of Kings Lane, the other end of Kings Lane, the road from the Lee down to the 413 will be closed, but, there will still be the lane at Chesham.

228. MR HENDRICK: The point is that it will be inconvenient. And the other point you make about it being threatening or problematic because of the traffic.

229. MR MORRIS: Yes. Sorry, maybe I didn't introduce it correctly. When you've got a rush hour, it takes me seven minutes to get from Potter Row down to Great Missenden, so I can catch a train. I don't have to waste a lot of time. When the 413 has construction traffic on it and temporary lights and what have you, and the same problems on the road to Chesham, your journey down there could take 20 minutes, 25 minutes, 30 minutes. Who knows. And it's the unpredictability of not being able to plan when you have to leave and the net result is that you leave incredibly early.

230. MR HENDRICK: Okay, and when this is complete though, presumably the businesses that have relocated or have had to relocate will have done, and we will know if this is sustainable or not. Once the scheme's complete is the business case for all those businesses that where there beforehand back as it was and shouldn't they just be able to start up again?

231. MR MORRIS: Yes. Part of my career I've spent in dealing with small businesses, it takes a long time to get businesses up to certain levels, to get your trade, to build your brand name and all that sort of thing. If the whole thing is stopped for seven years, in year eight, it doesn't mean you're suddenly going to have your business come back and be full of life.

232. MR HENDRICK: Well, for example, if the village is crying out for a gym, and that gym disappeared because of this, surely, that gym will come back at some later stage, purely through demand?

233. MR MORRIS: Indeed. You're quite right. It should do. But the planning laws around us make it very difficult to find a site for a gym.

234. MR KINGSTON QC: There are planning restrictions. What's the major planning restriction in the area you live in?

235. MR MORRIS: The major planning restriction is you can't build on AONB land.

236. MR KINGSTON QC: Ah.

237. MR MORRIS: And so, I mean, people 200m from the site, who wanted to build an extension, although they're building an enormous great railway, were not allowed to build an extension.

238. MR HENDRICK: But in the more populated areas, for example, villages, presumably you can build as long as they are built in sensitive, inside villages and towns?

239. MR MORRIS: I'm not an expert on planning law, but, I did actually ask one of our counsellors about doing something on my own land and he said absolutely not.

240. MR HENDRICK: Oh. Try to put an extension up, that's one thing. A new building that's in taste and in character with.

241. MR MORRIS: I don't want to make it extreme. Clearly, once the thing's built, things will begin to recover. What I'm talking about now is the construction period and it's going to divide the valley, it's going to ruin the early years' school for many children. Some of the parents, this is a continual topic of conversation. 'Do I move our family somewhere, so we don't have this problem? Do I move the children to different schools so we don't have this problem? What do I do? And if I want to move anyway, I'm blighted.'

242. MR KINGSTON QC: The difference perhaps, you could tell Committee, are we talking about something which might be described, or if I may, one of Mr Hendrick's

words, as ‘an inconvenience’, or is it something more substantial than simply being inconvenient?

243. MR MORRIS: I think it’s a great understatement to call it an inconvenience. People are extremely concerned about this. And I have to say they’re looking forward to coming to tell you about it, when the petitioning starts.

244. MR KINGSTON QC: All right. Well, let’s move on. I’m trying to hurry you on beyond this slide. Have you finished with this one?

245. MR MORRIS: Yes, I’m sorry. I have.

246. MR KINGSTON QC: No, not at all. That’s all right. But, let’s go to the next one.

247. MR MORRIS: Sorry. That was about the safety.

248. MR KINGSTON QC: The safety impacts.

249. MR MORRIS: And I’ve dealt with that.

250. MR KINGSTON QC: You’ve dealt with that. Right. Let’s go to the next one. Areas of agreement with HS2 Ltd. We’ve dealt with some of these already. What do you want to say about this?

251. MR MORRIS: We have dealt with most of these. And Barnaby has very capably dealt with the technical slides. It is pleasing that there is agreement between us and HS2 Ltd on the advantages of a tunnel for saving landscape, farmland, diminishing demolitions, saving heritage sites and that kind of thing. So, that’s good. There’s also been, we’ve had a lot of engagement with HS2. Barnaby mentioned that. I have to say, it was quite difficult to start with. It was quite a fight to get engagement, but once we did get it, and I think they had some confidence in our team, who are really quite skilled in this, we did you make some good progress, and I think we’ve developed a practical solution in T3i.

252. MR KINGSTON QC: Right. We will leave the Committee to judge whether the difference between the T3i tunnel and the scheme is a substantial difference or not. But those are the areas where you’ve reached agreement. Let’s get the next slide. The benefits from the engagement that you eventually achieved?

253. MR MORRIS: I'm sorry. I was there. Yes.

254. MR KINGSTON QC: That's all right.

255. MR MORRIS: Well, the practical solution. The engagement has led to improved features, particularly at the north end of the tunnel, and that also led to reduced costs. HS2 Ltd came up with a slightly different engineering design, which reduced the costs significantly by 50 million. As a result, now, there is far less consultation that needs to be done. And so it's all good.

256. MR KINGSTON QC: Your last point, T3i, 'the SIFT now shows clear benefits for the solution'. If we go to the next slide, which is HS2 Ltd's SIFT analysis, some of these things we're talking about, as I explained to the Committee, HS2 have looked at. They've looked at them on the basis, we are told in the report, using their parameters, their consultants, and the outcome of the SIFT analysis we've got in a document which is before the Committee as A1237(1). We don't need to go through it. At least, not at the moment. So, these points here, with this assessment in place, what's your view now about the common ground of the benefits of T3i?

257. MR MORRIS: Well, this supports them. The SIFT analysis says that in spite of the adverse impacts, which they mention, they still recommend this as the best tunnel option.

258. MR KINGSTON QC: So, that the Committee knows that we are proceeding on a common basis, could we just have A1237(29), please? And, if you could, the assumptions at the bottom, in the slightly larger print to allow at least some of us to read them. Assumption 4 is: 'Advice has been obtained from topic specialists in agriculture, community, cultural heritage, landscape design, ecology and water', so those specialists are they HS2 specialists, as you understand it?

259. MR MORRIS: Yes, they are. Certainly not ours.

260. MR KINGSTON QC: Right. And 9, the assessments have been scored based on HS2 Ltd guidance, i.e., the proposed scheme has scored as neutral. All other options are scored either better than or worse than the post-consultation route alignment. Yes?

261. MR MORRIS: Yes.

262. MR KINGSTON QC: And the recommended option that we referred to earlier, there, above, on this. So, is there anything further, going back to your previous slide, anything further on that SIFT analysis slide?

263. MR MORRIS: No.

264. MR KINGSTON QC: Then, if we could go, please, to, well, we've had the SIFT recommendation. Outstanding issues? Sorry. Let's just let the slides catch up. Which is, A122... Yes. Thank you. No, we can go to the next one, please. Because we've seen the SIFT analysis. Outstanding issues? What would you like to say about this?

265. MR MORRIS: Well, the outstanding issues. I think we agreed on the benefits of having a tunnel. Obviously the issue, and we've already had discussions about this today, is the cost. And Richard has described the cost benefit analysis that SQW has undertaken. We had this cost benefits analysis done, we, CCC and ourselves, plus a number of other people, and one or two of the Councils that joined with us back at the start, because I understood that the Select Committee was unwilling to agree to tunnels unless there was some cost-benefit analysis undertaken. That's what we have undertaken and you've heard all about it today.

266. MR KINGSTON QC: We can see one of your outstanding issues is the cost of T3i alternative mitigation costs, the second bullet point under the cost issue. Yes?

267. MR MORRIS: Yes. Now that was not included. SQW didn't include that in their work because they had no idea what mitigation costs might be brought in. We've noted that up the line, where you have refused tunnels, you normally have provided alternative mitigation. So, we have looked at the alternative mitigations that we would undoubtedly be asking for and made a guesstimate as to what amount you might spend on mitigation. If we could go to next slide?

268. MR KINGSTON QC: This is what happens if there's no extended tunnel. Yes?

269. MR MORRIS: There's an awful lot here that we, we've been very economical with our purchases, as it were. If you take the reaper tunnel and extension of Wendover green tunnel, that would probably add up the 100 million that we've slotted in to Richard Hindle's statement summary of his cost benefit analysis, which you'll find on

the next page, I think.

270. MR KINGSTON QC: So, that's leaving out any costs associated with any of the other measures.

271. MR MORRIS: Exactly. Because you're aware of all of the sorts of things that could and will be asked for. I don't think the Committee really wants me to go through them now.

272. MR KINGSTON QC: No. We don't need to go through them. We can have them read them. But, your point is they all come at a cost.

273. MR MILLER: Absolutely.

274. MR KINGSTON QC: Which needs to be borne in mind. So, going to the next slide. This is the cost benefit summary. Yes?

275. MR MILLER: What we've done here is simply add in an additional 100. We've said that if we didn't get a tunnel, 100 million would be spent on other mitigation. So, if the tunnel comes along, that's a saving. The other 10 million there is because I understand that the zone compensation, which has been agreed, so the likes of myself gets the princely sum of £7,500, because I'm 267 metres from the track, hasn't been included. And that's what that is. So, it changes the figure at the bottom. Very simply, it's not something you have to net present value, because it would be a current cost, and so the benefits go up, if you accept that, the benefits go up for the range 212 to 309 million.

276. MR KINGSTON QC: And the other figures Mr Hindle has spoken about, let's go to the next slide, please? And by way of summary?

277. MR MORRIS: Before I get to that, what I want to say is, as I see it, we are recommending T3i. It's, as we've heard today, it's technically feasible. It's been well planned. It's basically, there's general agreement on all sorts of aspects to do with the tunnel itself and how it's built because we've been talking about it for four to five years. There's also agreements on the benefits of it. In addition, you have a cost benefit analysis of it. Clearly, there's some disagreement between HS2 Ltd and ourselves as to that. But, you do have some guidance on what the values of the mitigation is. So, you've

got the costs, the costs are easy and the costs are compared with the cost of our proposed route. Where, we find things difficult is we don't get from HS2 Ltd any valuation of the benefits, so the cost benefit analysis, of course, did that. And admittedly, it had to make lots of assumptions. But, from the cost benefit analysis, you see that, if you accept it, the country would be better off having a tunnel. Admittedly engineering costs would be higher, but the benefits to the country as a whole would counterbalance that. So, you can look at that, and you can have some feeling as to whether you feel this is really worthwhile. We believe it is. We believe there are benefits there and they should be recognised. There are benefits in getting rid of blight, quite frankly. If you decided tomorrow, there was going to be a tunnel, there would be a lot of houses around us which would go up in value dramatically. I would be able to borrow more and spend more. The GNP would go up. So, that's the instant effect that this blight, it is a reverse way to looking at it, to understand what blight is. And it can be valued. And it should be in this cost benefit analysis. There's no question about it.

278. So, what is the problem you're facing? You're looking at this option, which I believe is a very good option, and, as I say, it covers virtually all the bases. What's the alternative? The proposed route, you know what it costs you don't know, there's some mitigation, which we don't quite know what it costs or what its benefits are. We hear there's a massive plan to do all sorts of additional mitigation, which will, I'm just trying to find ... Hang on. Yes. This mitigation plan goes into an enormous amount of detail. I ploughed through it last night. There's an enormous amount on planting new woodlands and that kind of stuff. It's called: 'The HS2 Landscape Design Approach'. And it describes itself. It's 'early stage, subject to change, number of iterations to go before adoption by any undertaker, until then not binding on the nominated undertaker'.

279. MR KINGSTON QC: Can I just say that's P7407 and 8? And I shall say something about it in closing.

280. MR MORRIS: So, you've got this massive bit of mitigation. You have no idea how to value it. How are you going to assess it? How are you going to assess whether not having a tunnel and going on with the proposed route, with all of the problems that I've been describing to you, that's worth while, when you don't really know what value of this mitigation is? We don't actually know, at the end of the day, we don't know whether any of that mitigation would be given.

281. MR KINGSTON QC: So, we've got two issues from your point of view. A tunnel, increased engineering costs. HS2 want the Committee to have regard to the increased engineering cost. We're clear about that. You say, if you're going to have regard to the increased engineering costs, why don't you have regard to the benefits that the tunnel will produce in the area of the Chilterns? That's the SQW evidence.

282. MR MORRIS: Absolutely.

283. MR KINGSTON, QC: Have you seen anything from HS2 which has valued those benefits in anyway?

284. MR MORRIS: I haven't. No.

285. MR KINGSTON QC: And, then, you say, on top of that, so, no valuing of the benefits of the tunnel to offset the engineering costs, in addition mitigation costs which will have to be borne, if there's no tunnel, and great uncertainty about those, in your referencing the most recent document produced on 15 July by HS2, and in the information which is before the Committee. Yes?

286. MR MORRIS: Yes. Absolutely.

287. MR KINGSTON QC: Right. What else, please?

288. MR MORRIS: So, I come to my final slide. I believe that what we've come up with is a real balanced solution. The nation gets its high-speed rail, at a lower cost for the country, taking into account our cost benefit analysis. The Chiltern AONB is conserved for current and future generations and the government meets its manifesto pledges to build HS2 and protect the environment. And the final slide is.

289. MR KINGSTON QC: We're on the final one, just go back to the previous one, would you, please? The points you've just made are those points. Is that right? Right? Okay.

290. MR MORRIS: Yes. Thank you. I'm sorry.

291. MR KINGSTON QC: No, no. It's alright. And then the final one? And there she

is, flying out in the middle of the page. Now, what would you like to say about that please, Mr Morris?

292. MR MORRIS: This is Lydia surrounded by some hard-nosed members of the Select Committee.

293. SIR PETER BOTTOMLEY: Or she is keeping an eye on us.

294. MR MORRIS: I'd just like to think that when she grows up, she will look around her, at the environment, and say, 'Thank goodness the Select Committee gave us a tunnel because otherwise we would be looking at a devastated environment and my youth would have been very, very different to what it could be'. Thank you.

295. MR KINGSTON QC: Thank you very much, Mr Morris.

296. CHAIR: Thank you. Mr Mould?

297. MR MOULD QC (DfT): I don't have any questions. I've just got one of two points to make, if I may?

298. CHAIR: Okay.

299. MR MOULD QC (DfT) I don't propose, unless you'd find it helpful, to call any witnesses because, sir, you've heard the environmental case from Mr Miller last week.

300. So, shall I just make my couple of points? Thank you. If we can put up A1228(49), please? Mr Kingston opened his client's case by inviting the Committee not to lose sight of the risk of trying to cost everything and losing sight of the overall value of the thing, the things that one is seeking to cost. Broadly speaking, I think we agree on that point. What is important is to understand that there are some things that are better assessed, and more effectively assessed, through a qualitative approach, rather than simply seeking to simply apply a monetary value, which is, even if it is superficially attractive, very quickly it's exposed as being spurious, as a reliable basis for costing or valuation. If you look at this slide, you can see that borne out. The line one is an attempt to attribute a cost to something that will, if the assumption is correct, be a genuine cost incurred by the project. That is to say the cost of additional mitigation. Money will have to be spent in order to achieve that.

301. MR HENDRICK: It's a cash cost.

302. MR MOULD QC (DfT) It's a cash cost. I should say that the budget for the bill scheme assumes the cost of the mitigated railway that is before the Committee, and that of course includes the mitigation that will be generated within the bill limits through the detailed design process. So, we don't accept that that figure is anything like a reliable figure of the on cost. But, effectively, if you stay with line one, what you have is an assumption of additional costs incurred of 100 million pounds. And the assumption is, if you stay with that line, that you save that money by spending an extra 150 to 250 million, the order to produce a long tunnel. Now, that plainly would be a crazy way of proceeding.

303. The additional engineering costs of the T3i tunnel are in a range, we're told, between 350 and 250 million. We say that actually, the prudent approach is to cost it at an additional 350 million, speaking at today. But, if you take that range, the suggestion is that you should save 100 million pounds by avoiding these additional mitigation costs in the bill scheme by spending 200-350 million pounds on producing the long tunnel. Now, that can't possibly be a sensible thing to do. So, you have to ask the question, so, staying with that line, and that applies also to the second line, which is an attempt to cost the savings in home owner payments, you then come on to that area where the approach under the law, under parliamentary procedures and under the conventional approach to assessing the environmental effects and the benefits, the disbenefits, if you like, of major projects is through environmental impact assessment, which seeks to tease out the residual effects of the scheme in terms of landscape, visual effect, noise, all those other matters and seeks to provide a basis for looking to optimise the mitigation that is brought to bear in order to limit the residual effects of the railway. That is the approach that this project has taken.

304. What this slide, and what the evidence you've heard today is doing is essentially advocating an alternative approach, which seeks to ascribe a monetary value to the residual effects of the railway. We suggest that that actually doesn't assist. And it doesn't assist for two reasons. Firstly, because, in so far as an attempt to monetise the value of the residual impacts on landscape and the environment, as everybody has acknowledged, so far as there are methodologies to do that, they produce wildly different results. Last week you had a figure of over 500 million pounds, suggested to

you by Mr McCartney. Today, you heard that the Department valued the scheme as a whole, at around, applying its own methodology, at just under a billion pounds. You've heard that, through a literature review, Mr Hindle has produced a figure for the Chilterns alone of, I think, 200 odd million pounds.

305. SIR PETER BOTTOMLEY: I think, I must have drifted off, I thought he was saying he was using a Department of Community and Local Government method of doing, monetising non-cash costs?

306. MR MOULD QC (DfT): He said that the approach that was –

307. SIR PETER BOTTOMLEY: Had been based on 47 studies. But, he didn't say he had done that work. I think he said the government had.

308. MR MOULD QC (DfT): Yes. But, he was advocating a figure that was based on, I think, as I understood it, was based on an initial approach that was put forward by HS2 Ltd.

309. SIR PETER BOTTOMLEY: Oh, I'm almost sorry I woke up. I think what he was saying is first of all that the meta study had been done for government or by government. The second thing I think he said, is they didn't take into account AONB status.

310. MR MOULD QC (DfT): That's right.

311. SIR PETER BOTTOMLEY: In that secondary research.

312. MR MOULD QC (DfT): Didn't seek to value that designation.

313. SIR PETER BOTTOMLEY: And I think he did the best he could in really a satisfactory way of saying that this is what that seems to come up with.

314. MR MOULD QC (DfT): I'm not looking to criticise what Mr Hindle has done. He's given his evidence. He's told you what he's discovered from the research that he's done. The point I'm making is --

315. SIR PETER BOTTOMLEY: He's applying the research that was done for government.

316. MR MOULD QC (DfT): Fine. I'm happy with that.

317. SIR PETER BOTTOMLEY: Okay.

318. MR MOULD QC (DfT): But, I've also told you that the government's considered position, in its published document, in the 2012 value for money statement, that that had a figure of a billion pounds for the route as a whole. And from that you get a figure of 115 million pounds for the Chilterns. And I've explained that. I've explained the position in relation that. There was an earlier job, which I've explained to you, had a number of limitations to it, and those limitations were overcome through the figure that was produced in the published document that the government published as the basis for its decision to proceed with the railway. But, there it is.

319. The other figures, property blight, transport, and tourism, I suggest, from what you've heard and it's borne out by the documents that are before you, if you choose to look at them. Those figures, certainly the property and tourism, they're looking to ascribe a value to impacts which inure, it is said, for the lifetime of the operation of the railway. That is to say to a 60 year operational time horizon. And they are based essentially on a series of assumptions, which are very, very lightly supported by any evidence. And so they are effectively, I think Mr Angus used the phrase, 'crystal ball gazing'. One needs to be very careful in the submission in relation to this kind of thing.

320. And check that against the approach that has been, that is vouchsafed, as I say, by law, by policy, by the procedures of the house, that when one is looking to understand the environmental effects of a major project, one assesses that through the process of environmental impact assessment. That is what has been done here and that is the key to seeking to improve upon the performance of the railway in environmental terms as it goes through its gestation, both through initial design, detailed design and the development of the environmental minimal requirements and so forth, that you've heard me and others to talk about in our responses to the Committee.

321. I would suggest that this slide, as an alternative to that approach, with respect, does not tell the Committee anything which is, certainly nothing which is of greater reliability. And I would suggest is presenting a series of figures which are not actually anything like as reliable as the qualitative approach based on, amongst other things, your own site views of the area in question, and the evidence that you've heard on the

environmental matters, amongst others, from Peter Miller, which tell you how the residual effects of the scheme have been analysed, understood and measures taken to resolve them. That is, on balance, a far more reliable basis for making a judgment about the choice between the bill scheme or these positive long tunnel alternatives than this economic approach that you see on the screen. That's our position.

322. MR CLIFTON-BROWN: Mr Mould, you're a hard man. Is it the promoter's case that there should be no mitigation by any additional tunnelling? And, if you're criticising Mr Morris's 100 million figure for mitigation, that there should be no further mitigation other than that that's already been published by HS2?

323. MR MOULD QC (DfT): It's our case that the case for extending the tunnel beyond that which is shown in the bill scheme, including extending the bore tunnel, we say that is not made out on the material that we've seen thus far, including our own assessment, of the comparison environmental performance which you've seen on the SIFT reports in front of you.

324. We say that the railway passing from Mantle's Wood northwards, through the area of Outstanding Natural Beauty, the right balance has been struck, through the proposals for deep cuttings, green tunnels to protect those communities that lie within that stretch, that is to say, South Heath and Wendover, and through the mitigation that is both provided for and anticipated under the bill proposals that are before you.

325. There is certainly a debate to be had, as we move into the autumn, a debate to be had, as we look into the detail of the mitigation that is proposed along that route, as to whether that mitigation could be improved upon. There is a debate to be had out whether it should be changed. And there is debate to be had, and then there is more for us to do, in developing our explanation of how the detailed treatment of the railway along that stretch through Mantle's Wood northward needs to be addressed.

326. But, certainly, the position of the project, and of the promoter before you today, is that neither on an environmental assessed basis, that conventional approach, nor on these less reliable attempts to monetise, which are essentially qualitative environmental impacts, on neither basis is the case for a tunnel extending to the northern end of the AONB made out.

327. And foreshadowing tomorrow, it's no secret, our case in relation to proposals for shorter extensions, up to Leather Lane, which I think is the basis for the Reaper proposal, our position is that that is not made out on a value for money basis, either.

328. MR CLIFTON-BROWN: So, you are conceding there will be need for further mitigation measures.

329. MR MOULD QC (DfT): Certainly.

330. MR CLIFTON-BROWN: But, what you are arguing, or contending, is the 100 million figure is too high?

331. MR MOULD QC (DfT): Yes. I'm certainly saying that. But the notion that we have done all that we can and should do to mitigate this railway, I would certainly wish to disabuse anybody of the thought that that is our position.

332. SIR PETER BOTTOMLEY: Without wanting to delay things too much, can I just clear my mind? The 100 million on mitigation, whether or not that's presently planned, were there to be a long tunnel, it wouldn't be needed?

333. MR MOULD QC (DfT): Yes.

334. SIR PETER BOTTOMLEY: So, we might look on 100 million as being reasonably there. The zone compensation doesn't matter terribly. The costs at the bottom, which we're told is 240, 226, up there to 300 million; and if we knocked off half of the wider economic savings on the social and environmental valuations, the methodology we don't need to understand, we're going to save 300 million on either side. And then the question comes, which it isn't for today, maybe for tomorrow, if that were the balance, would a rational promoter or Secretary of State say, go for it? I just need that.

335. CHAIR: Okay.

336. MR MOULD QC (DfT): Well, yes.

337. CHAIR: Mr Kingston, brief, final remarks, please.

338. MR KINGSTON QC: I will be reasonably brief. Will you be patient with me?