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## Rail link lifts property value hopes

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House values near the Channel tunnel rail link stations are predicted to rise by a total of £1.6bn after fast domestic services start to operate later this year.

Homes around Ebbsfleet in Kent are set for the largest rise of up to £30,200, or more than 14 per cent of their average current value, according to a study of the economic impact of the rail line, called High Speed 1.

The benefit of faster commuting times to London is also set to drive up prices in Ashford by as much as £12,800, while those in parts of Canterbury could rise by up to £8,800.

High-speed domestic services are due to start in December, cutting journey times to the capital. For example, Ashford to London will take 37 minutes compared with the current 83 minutes.

The report, produced by transport consultancy Colin Buchanan and economic consultants Volterra, details the property hotspots along the route. It predicts prices will rise across the Kent towns of Gravesend, Chatham, Rochester, Gillingham, Sittingbourne, Faversham and Dover as a result of the new rail services. In addition, the report - which also looks at economic benefits over a 6 year span and so beyond the current recession - says the prospect of higher house prices is more likely to encourage developers to invest in those areas and provide additional housing and employment capacity.

Overall, it predicts the total benefits to the economy of High Speed 1, which cost a total of £7.3bn including the new commuter services, will be more than £17.6bn over 60 years. The report, produced for London & Continental Railways, which operates the line from St Pancras to the Channel tunnel, says the rail line will generate huge time savings, create economic benefits from enabling more people to commute to better paid jobs in London and boost regeneration schemes along the route.

"HS1 will change the geography of Kent. This report gives us a sense of the shift in economic activity that will happen because of the infrastructure," said David Joy, LCR's development and planning director.

The report assumes £3.8bn of transport benefits based on time savings according to Department for Transport guidelines - the traditional way that such infrastructure projects are valued. But it says those are dwarfed by other gains and details a further £3.8bn of wider economic benefits as the line helps to relieve the capacity constraint on central London employment growth.

In addition, it says a "conservative estimate" of the benefits to gross domestic product flowing from large regeneration schemes associated with the rail line would be £10bn over 60 years.

The three large development schemes of King's Cross, Stratford and Ebbsfleet include proposals for a combined total of more than 15,000 homes and 70,000 jobs.

The report says that at least 7,500 more people will be able to commute to London as a result of HS1, pushing up their earning potential.

Bridget Rosewell, of Volterra, said the report showed that HS1 - which is forecast to generate additional rail and car park revenues of £3.4bn over 60 years, offsetting net operating costs and about 31 per cent of the capital investment - was a good public investment.

She said: "When you set £17.6bn against the costs of the project it looks pretty good value for money."

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