From:
A303 Stonehenge

Subject: Re: A303 Amesbury to Berwick Down (TR010025) Ref 20020712

Date: 14 June 2019 12:37:22 **Attachments:** 80034-R0014-01.pdf

Many thanks for your email

I note the 14th June Deadline mentioned in your email and thought it would be worthwhile expanding, for Deadline 4, on the precedent issues mentioned during the meeting (as attached).

My kind regards

Jon Morris

A303 Valuation Issues

Notes on a public meeting of 13-06-2019

Addendum to 80034-R0012-00 Representation 20020712 on A303 proposals

80034-R0014-00

Reference: 20020712

1.0 Notes on meeting

1.0.1 My apologies for not flagging up that it was myself who travelled from East Sussex for the above meeting: It was very useful to me to have section 8 brought forwards.

1.1 Precedent and The Public Interest

- 1.1.1 I mentioned in the meeting that the Contingent valuation Study (CVS) appears to set a new precedent for assessment of a business case using Treasury methods. I thought it might be worthwhile expanding upon what that precedent is:
- 1.1.2 Based on the CVS documents obtained by Suzanne Keene, the survey appears to have used Information Bias to construct the background to valuation questions asked of the public (refer to my previous note referenced 80034-R0012 sections 1.5 to 1.14 for more information).
- 1.1.3 If information Bias becomes accepted as a method by which an applicant can show that publicly funded projects comply with Green Book principles, some unusual consequences could start to appear. In particular, the public's opinion appears to have been used in this project to justify spending on a perceived benefit which is not actually beneficial (see 80034-R0012 sections 1.7 to 1.9 and 80034-R0013 for more information and explanation).
- 1.1.4 By analogy, if the above precedent is set, a cigarette manufacturer could establish a social media campaign to persuade a minority of the public that cigarettes are a viable alternative for the treatment of cancer. That manufacturer could then use an Information Bias survey to confirm that the public are willing to pay for cigarettes as a treatment for cancer. Having done that, an applicant could show that some of the funding allocation for cancer treatment should be transferred to providing cigarettes to cancer patients. This outcome appears to be in line with Treasury requirements if an Information Bias precedent is set.
- 1.1.5 The example above is very far fetched and the National Institute for Health and Care Excellence (NICE) would not allow this type of evaluation. Nevertheless, the example illustrates some of the unusual impacts that might be expected if this precedent is set.
- 1.1.6 For the above reason, I believe it is in The Public Interest to have the documents supplied to Suzanne Keene, together with subsequent reports on those documents, made available to the Inquiry (more detail can be found in 80034-R0012, section 2.1).
- 1.1.7 Section 4.5 of the NPSNN appears to me to allow those documents to be made available to the Inquiry.

1.2 NAO report

- 1.2.1 The QC for the applicant mentioned that the NAO had approved the CVS (in partial response to the request by Interested Parties for the support documentation on that study). The NAO report referred to is assumed to be "Improving the A303 between Amesbury and Berwick Down" (HC 2104 SESSION 2017–2019 20 MAY 2019 named as "Improving-the-A303-between-Amesbury-and-Berwick-Down.pdf").
- 1.2.2 As noted in my submission 80034-R0012 (for deadline 4 but published in advance), the National Audit Office report does not appear to formally state that the NAO have reviewed the study itself. Given the issues noted above, it would be particularly useful to establish whether or not the NAO has verified the entirety of the A303 Contingent Valuation Study, especially given the apparent reliance of the applicant's counsel on the NAO's approval.

Jonathan Morris