



Department
for Transport

From the Minister of State
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Huw Merriman MP
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Dear Chair

An update on the progress of HS2

I am writing to update you on the progress of HS2. In February the Prime Minister confirmed that HS2 would go ahead, alongside a revolution in local transport. Today, HS2 Ltd has issued Notice-to-Proceed (“NtP”) with Stage 2 of its Main Works Civils contracts. This will ensure that vital work can commence on the Birmingham to London section of HS2, where practical and safe to do so.

This decision comes at an uncertain time for the UK, and the Government and HS2 Ltd have carefully considered the potential impacts of COVID-19 on HS2 in reaching it. For the construction industry, Public Health England Guidance sets out how construction can continue. Whilst the challenges of COVID-19 are well known, it is right that we continue to invest in the country’s future infrastructure and level up our regions. That is why we are getting on with HS2 which already employs 9,000 people and is set to reach nearly 25,000 at the peak of construction. Today’s NtP will provide Main Works Civils contractors and the wider UK construction industry with much-needed financial certainty during uncertain economic times.

Alongside today’s announcement, I have also published the Full Business Case for Phase One, which underpins the decision to authorise NtP. We will be placing a copy of the publication in the libraries of both Houses, you can also read this in full on www.gov.uk/dft. The Full Business Case was prepared before the COVID-19 crisis. As part of our twice yearly reports to Parliament, we will consider the impacts of COVID-19 once the pandemic’s wider effect on the economy and rail usage becomes clearer.

The Prime Minister made clear to Parliament on 11 February that changes need to be made to ensure that HS2 is properly managed and its potential fully realised. As the newly appointed Minister for HS2, I am determined to increase oversight, transparency and accountability for the HS2 project. I look forward to giving evidence to your Committee on the project later this month. Since taking up my position I am looking at new delivery arrangements for Euston and the Northern sections, allowing HS2 Ltd to focus on the West Midlands to London and Crewe to the West Midlands. I will also strengthen the Company's Board with representation from HM Treasury and the Department, to ensure its efforts are fully aligned with the Government's priorities and to challenge its effectiveness. Going forward, HS2 Ltd will continue its work to strengthen its capability and capacity and the Government will report regularly to Parliament on costs and schedule.

I am clear that, with the right reforms in place, HS2's great potential for the whole nation continues to outweigh its costs. It will generate a vast increase in capacity, with thousands of extra seats, making life easier for passengers and better connecting our biggest cities. It has the potential to create highly skilled jobs, spread prosperity across the country and deliver world class transport infrastructure of which we can all be proud. It is now time to get on with delivering it.

I am separately updating safeguarding directions for one, non-residential property on the HS2 Phase 2b route planned for central Manchester to protect land which is likely to be required for the railway. By protecting the site now, the Government guards against potentially conflicting development which could otherwise disrupt the construction of HS2, and/or increase costs of building the new railway. The Directions will be deposited in the libraries of the Houses.

I hope that in providing these updates you are assured that this is the right course of action. I will continue to keep you informed of any future developments.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A. Stephenson', with a stylized flourish at the end.

ANDREW STEPHENSON MP

MINISTER OF STATE FOR TRANSPORT