

HS2 reveals annual report and accounts document 2019/20

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The Chair of HS2 has described the last financial year as a pivotal one in the evolution of the programme with several significant achievements.

That's what Allan Cook has written in the HS2 annual report and accounts 2019/20 which has just been released.

It's been revealed that over 10,000 people are employed in the supply chain, with over 400 apprentices working across the project.

HS2 Ltd also says 1,200 properties have been purchased, work is underway at over 200 plus sites, 350,000 trees planted and 50 new wildlife habitats created.

Arguably the biggest development in the last year has been the Government's Notice to Proceed for phase one, which was issued to the main works civils contractors.

Allan Cook, Chair of HS2, said: "In the 10-year history of HS2, from concept to design and moving now to

construction, there have been many important milestones. However, this last year has been a pivotal one in the evolution of the programme and this progress marks significant achievements for the company.

“The full business case for phase one was published in April 2020 and we have now ensured the schedule, costs and scope of the programme are realistic and provide value for the UK taxpayer.

“We are now contributing to the National Infrastructure Commission on an assessment of an integrated rail plan that will ensure that the phase 2b extension of HS2 to the North will be fully integrated with other programmes such as High Speed North and Midlands Connect. HS2 is essential to deliver these programmes and provide the full benefits of economic stimulus for the UK.”

At peak construction, HS2 will directly support more than 30,000 jobs, with many thousands more supported in the supply chain.

The financial statements for the year ended 31 March 2020 show the following results:

- capital expenditure of £2,309.6 million (2018/19: £1,826.4 million);
- resource expenditure of £229.9 million (2018/19: £257.3 million); and
- net assets of £5,654.2 million (2018/19: £2,824.9 million).

The increase in capital expenditure reflects ongoing enabling works and the mobilisation of main works civils contractors, to support the delivery of phase one.

Mark Thurston, Chief Executive of HS2, said the focus over his last three years involved have been to:

- Establish a firm grip on the cost and schedule across the programme.
- To ensure the company was match-fit for the next stage of the programme, and address gaps in the workforce skills and capabilities for the transition from development into delivery.
- To work with main works civils supply chain to ensure they and HS2 Ltd were ready for the next stage of detailed design and construction.

He said: “Within HS2 Ltd our capability as an organisation is vastly improved. We now have a greater understanding of the complexity of the programme, its interdependencies, and a robust cost and schedule for phase one. The company both looks and feels very different to the one that delivered the phase one bill to Royal Assent in 2017.

“My reflections on 2019/20 are a year of challenges and changes, but ones we have adapted to and that haven’t detracted from us making significant progress across the programme. Our resilience as an organisation has been tested and strengthened throughout the year, which has positioned us well to respond to the challenges of the years ahead.”

On looking ahead, Mr Thurston writes: “The uncertainty caused by the Covid-19 pandemic has raised a number of challenges for HS2 Ltd and across our supply chain more widely.

“This uncertainty is likely to continue for much of the next six to 12 months. However, across phase one

we are now underway with main works civils construction and are continuing to deliver the new railway, with our sites operating safely.

“For phase 2a, the Bill successfully passed a Revival Motion in Parliament earlier in the year and will continue its final stages of Committee Hearings in the Lords once Covid-19 guidance determines it is safe to do so.

“We will continue to support the DfT in agreeing the right delivery solution for Euston, and contribute to the National Infrastructure Commission’s (NIC) work to review phase 2b as part of the Integrated Rail Plan for the North and the Midlands.

“Phase two remains at a far earlier stage of development and, learning from the experience of phase one, we have moved to ranged estimates for cost and schedule.

“A number of key decisions will need to be made in the year ahead to allow us to refine the programme and cost estimates with the DfT.

“This programme is now entering its most significant stage to date and we will, rightly, be judged on our ability to deliver to time and budget.

“Our success as a project will equally be judged on how we work with our communities as a good neighbour, our respect for the environment, and how we establish the foundations for a national legacy in terms of safety, skills and innovation in the construction sector.

“We look forward to the challenges 2020/21 brings.”

Click [here](#) to read the full report.

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