

Sir Peter Hendy to lead oversight board for HS2 London Euston work

June 25, 2020



The chairman of Network Rail, Sir Peter Hendy, has been revealed as the lead for a new dedicated HS2 Euston oversight board.

The aim will be to scrutinise the work and integration of all the projects at Euston. Sir Peter will be joined on the board by representatives from the Department for Transport, HS2, Network Rail and development partner Lendlease.

There will also be other key stakeholders from the London Borough of Camden, Transport for London and GLA, with the first meeting due to take place in the next month.

It is just one of a series of changes announced by HS2 Minister Andrew Stephenson in a letter to the Transport Select Committee.

There will also be the appointment of new Non-Executive Directors to provide additional leadership, oversight and scrutiny of the project, with the roles expected to be announced shortly.

Mr Stephenson said: “These roles will increase board bandwidth and specialist expertise, enabling more effective scrutiny and leadership. Two of the appointments will be shareholder representatives, whose role, in addition to their director duties, will be to represent the Government at the board, providing an insight into Government’s thinking and approach on issues, but also providing regular feedback to me.

“As dedicated HS2 Minister, I am also taking an active role in shaping the performance regime to drive the company’s behaviours. We have introduced a Ministerial Taskforce to increase oversight and monitor performance, and are finalising a new suite of key performance indicators with the company which will be reported on in the annual report and accounts via the new parliamentary reporting process.”

Full details of the letter from Andrew Stephenson below:

Dear Chair

High Speed Two (HS2) next steps

Thank you for your letter of 20 May.

You raised several additional questions about the progress of HS2 following our correspondence on 4 May and the evidence session about the project on 24 April.

Transparency

You highlighted your expectation for parliamentarians to be kept informed of the project’s progress in order to properly hold the Government to account for its delivery. I would like to use this opportunity to reiterate my full commitment to greater transparency. I can also confirm that the six-monthly reports from the Department of Transport will update Parliament on the programme delivery for all Phases, including on cost, schedule and risks. The data included in the publication will be provided by HS2 Ltd. The reports will be published twice a year, starting this Autumn for the period April to September, with the second in Spring 2021, to mirror the financial year.

I would also like to offer a discussion with you on how those reports could be produced in a way which would be most helpful to your Committee. Alongside this, the Permanent Secretary Bernadette Kelly has offered a discussion with the Chair of the Public Accounts Committee.

Governance

In terms of improving the way that HS2 Ltd is managed, we are now putting in place changes to instil greater discipline oversight of the project. A fundamental part of this is the appointment of new Non-Executive Directors to provide additional leadership, oversight and scrutiny of the project. We hope to be able to announce these roles shortly.

These roles will increase Board bandwidth and specialist expertise, enabling more effective scrutiny and

leadership. Two of the appointments will be shareholder representatives, whose role, in addition to their director duties, will be to represent the Government at the Board, providing an insight into Government's thinking and approach on issues, but also providing regular feedback to me.

As dedicated HS2 Minister, I am also taking an active role in shaping the performance regime to drive the Company's behaviours. We have introduced a Ministerial Taskforce to increase oversight and monitor performance, and are finalising a new suite of key performance indicators with the Company which will be reported on in the Annual Report and Accounts and via the new parliamentary reporting process.

With regards to Euston, significant progress has been made in setting up new interim delivery arrangements pending the establishment of permanent new long term arrangements. These involve closer collaboration and joint working of the HS2 and Network Rail teams working on Euston, supported by new dedicated executive leadership. In addition, a new dedicated Euston oversight Board will scrutinise the work and integration of all the projects at Euston. This is going to be led by Sir Peter Hendy, Chairman of Network Rail. Membership of this Board will include representatives from the Department, together with HS2, Network Rail and Lendlease, our Development Partner, together with other key stakeholders from the London Borough of Camden, TfL and GLA. It is anticipated that the first meeting of this board will take place in the next month or so.

Regarding Phase 2b, details of these are still being developed, but the aim will be to ensure this is given the right degree of focus and oversight to ensure it is delivered successfully. This will help free up capacity in the Company to focus on the delivery Phase One and Phase 2a.

Speed and frequency of HS2 service

The Committee requested clarity on the Government's position on running both high speed and high frequency services. Your letter also raised concerns about the costs involved. It is worth noting that the business case is based on 17 trains running per hour which we believe is feasible and provides the best value for money. However, our work with the West Coast Partnership and on the plans for Euston will continue to inform our modelling and help determine the optimal service specification.

A study carried out by the University of Lisbon in 2009 looking at high speed railways around the world, and quoted in the European Court of Auditors 2018 report on High Speed Railways indicated that reducing the design speed of a new passenger railway from 350km/h to 300km/h only reduces the cost by around 4%. Research carried out on behalf of HS2 has indicated that if the design speed is reduced, the corresponding reduction in benefits caused by the increased journey time is much greater than the cost saving, resulting in the project being worse value for money

Reducing the journey time between our great cities brings businesses, suppliers and customers closer together bringing improved productivity and boosting the economy of the Midlands and the North.

We maintain that high frequency of operation is needed to serve as many destinations as possible and therefore spread the benefits of HS2 across the widest possible area. Reducing the frequency of trains would inevitably mean reducing the number of destinations served, cutting off those places from the great economic opportunities that high speed rail brings. Maximising the frequency of trains increases the

benefits gained from the investment and therefore improves the value for money of the project.

Euston station

The Committee also requested an update on the plan and timescales for Euston Station. In response to the Oakervee Review, the Department has commissioned a study looking into the efficiency of the future station as a whole, with the objective of selecting an optimised design and delivery strategy for the HS2 Euston Station in the Autumn.

Work has also been commissioned to examine how Old Oak Common could operate as a temporary London terminus so as not to delay the start of HS2 services.

Minimising loss of biodiversity

In response to your query about habitat clearances, I can confirm there are 192 sites or areas where some form of vegetation clearance is currently scheduled, and will coincide with the 2020 bird nesting season.

I would also like to add that HS2 Ltd and its contractors are required to follow all relevant legislation for nesting birds. The HS2 Act does not disapply this legislation and all contractors working on HS2 must comply with it. All birds, their nests and eggs are protected under the Wildlife and Countryside Act 1981 (as amended) and all HS2 vegetation clearance (and other works) include measures to prevent any breach of the law.

HS2 Ltd has confirmed to me that all works are informed by comprehensive ecological surveys. Where habitat clearance needs to be carried out during the bird nesting season, it is done following guidance from trained ecologists in accordance with Natural England guidance. An appropriate Working Method Statement is completed in advance of clearance works commencing, and appropriate ecological supervision is provided. I enclose two redacted examples of Working Method Statements with this correspondence. They have also confirmed that work only begins once an ecologist has completed a pre-commencement site survey and approved a Permit to Clear.

Where breeding birds are present during works an appropriate buffer zone is put in place (determined on a case by case basis by an ecologist) so that work can continue in the surrounding area. There is also a requirement for all work to be monitored by the on-site ecologist who has the power to halt works if necessary.

The Department will continue to work closely with you and the Committee and will provide further detail on the areas covered this letter as and when there are developments as this work progresses.

Photo credit: Network Rail