

Stephenson: HS2 must “maintain its focus on delivery to the target cost”

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MP Andrew Stephenson has flagged his concern about the cost pressures on HS2.

In his twice-yearly update to Parliament, he said that so far the project had needed £1.3 billion of a contingency fund of £5.6 billion.

However since the last report, he said the increase in contingency actually being drawn – or expected to be – was a cause for concern.

“Since my last report, the aggregate increase in actual and potential additional costs is therefore £0.9 billion,” he said.

This is made up of £0.5 billion from an increase in contingency drawdown plus £0.4 billion from potential further cost pressures.

He added: “Whilst these pressures are manageable within the target cost given the remaining contingency, I am nonetheless concerned at the rate of their increase. I expect HS2 Ltd to maintain its

focus on delivery to the target cost.”

The impact of COVID, he said, still remained at between £0.4 billion and £0.7 billion.