



From Lord Berkeley
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Rt Hon Rishi Sunak MP
Prime Minister
10 Downing St, SW1
1 November 2021

Dear Rishi,

Put HS2 into Administration and set regions to work on their own East West rail schemes!

When you were Chancellor, just over a year ago we had a short meeting when you expressed concern about the spiralling costs of HS2. Since then, the problem has got even worse. It is haemorrhaging money at the rate of nearly £200m per week.

Whilst some preliminary works at the London-Birmingham end have started:

- There is no safe solution to the HS2 tunnels to Euston, thus making it the southern terminus for the line very unlikely in the near future.
- there is no budget for the Old Oak Common station on the Great Western main line, which would be the interchange station for HS2 passengers wishing to reach London or Heathrow via the Elizabeth Line.
- there are serious engineering problems with limestone cavities beneath the route of Phase 2A in Staffordshire and with the salt mines under Phase 2B West, between Crewe and Manchester.
- completion date for the section to Manchester is now estimated to be around 2042,
- the Department for Transport's latest HS2 Overview (27 October 2022) still uses 2019 prices to hide the subsequent increases in costs
- strong criticism from HS2's own Deputy Chairman Sir Jon Thomson in his paper to the HS2 Board dated 22 June 2022 (quoted in the media last week), that its final cost is likely to be 'many billions more than the reported estimate', little different from...
- my latest estimated cost of the HS2 (truncated) project using the "All Construction Cost" index published by the Office for National Statistics (ONS), excluding the latest problems reported by designers and contractors at London Euston Station, is **£155.52 bn**.

Most important of all, there is still no up-to-date forecast of passenger demand for this line, with a likely BCR of perhaps 0.5 to 1 and, according to many of the City Region mayors across the North, HS2 does not deliver what they most of all need – reliable faster East West routes.

Clearly Government cannot sit back and watch HS2 bleed the country's finances dry.

I urge you to act! Put HS2 into Administration and stop all further work, and task the city regions in the North and Midlands to devise a cost-effective and affordable set of solutions to improving their rail connectivity East West, that will bring much greater benefit to peoples' daily lives and their regions' economy – more job, school and college opportunities, visiting friends and relatives, shopping etc rather than taking a faster and more expensive train to London in twenty years' time.

Yours Tony

Lord Berkeley

I am copying this to Michael Gove MP, Jeremy Hunt MP and Mark Harper MP.