



From Lord Berkeley 07710 431542, tony@tonyberkeley.co.uk

Gareth Davies Esq
Chief Executive
National Audit Office

20th June 2023

Dear Gareth,

HS2 – NAO Report and PAC inquiry into Euston Station

I address with this letter a critique prepared by Michael Byng and myself of the NAO Report HC1201 and the transcript of the PAC Evidence session on HS2 dated 24th April 2023.

We set out the many failures of the National Audit Office to properly audit HS2's costs and programme in relation to Euston Station. These have in turn prevented the Public Accounts Committee from effectively scrutinising the performance of the Department for Transport and HS2 Ltd in respect of a very complex part of the project, where costs and timescales have run out of control.

From the NAO report and the PAC evidence session, there can be no confidence that the programme is on time, what the costs are, how these compare with costs authorised by Parliament, the effect of the 2 year pause on construction, and whether and when a final and safe design for the approaches can be achieved. Most importantly of all, with the eastern leg of HS2 now cancelled, there is no consideration about how many HS2 platforms will be required to serve the other routes?

The NAO failure to provide rigorous and independent information, when so much was and is available, is a lamentable failure of its own terms of reference. Even more seriously, whereas this NAO Report only covers Euston, there are many more issues of a similar nature which certainly deserve a rigorous and wide-ranging independent investigation. Many are inextricable linked to the Euston project and need investigating.

My conclusion is that this NAO failure is most likely caused by the continuing refusal of the DfT and HS2 to tell the whole truth about costs. This was very evident during the preparation of the Oakervee Report, when neither HS2 nor the DfT would produce any credible budget, cost report or forecasts, relying on the argument of confidentiality. This could well be why the NAO has been unable or unwilling to delve more deeply into the project until it is deemed too late to cancel.

This results in what might well be called a 'rubber stamp' on Government policies with a veneer of gentle independence rather than the rigorous challenge of government policies that I believe Parliament should expect.

I therefore request that the NAO revisits its report, taking into account the information and questions contained on our attached critique, as well as later information including the six-monthly report by ministers

published yesterday, and resubmits it to the PAC so that the Committee can question ministers and officials again. It should also commit to a similar rigorous exercise in respect of other parts of HS2. I am of course more than happy to assist with the provision for independent information.

I am copying this letter to Meg Hiller, MP, Chair of the PAC.

Yours Tony,

Tony Berkeley