

High Speed 2 & the Civil Service

Nobody Said Stop!

The HS2 project formally began in 2009 with the creation of the HS2 Board. The Government announced in January 2012 that the railway would run from London to Birmingham, with separate lines to Leeds and Manchester. An opening date for the southern section was set for 2026 and the cost of this section (Phase 1) was estimated to be c.£33m (2026 prices).

As of May 2026, the lines north of Birmingham have been abandoned, the southern section is likely to cost between £88bn and £103bn, and trains won't run from Old Oak Common until 2036 at the earliest - and 2040, at the earliest, from Euston.

Trains and passengers will spend nearly half their journeys in tunnels.

And for every three pounds spent we are getting one pound of public value.

What went wrong?

I take the following lessons for the civil service from [the Stewart Review](#) of the whole programme and [the Lovegrove Review](#) which addresses the implications of this disaster for the civil service, helped by Michael Dnes' comments [in this blog](#).

First, and most obviously, officials failed or did not try very hard to persuade ministers to plan the project properly before starting building. This is very depressing and expensive evidence that the Haldane partnership between ministers and officials is no longer working as it should.

The decision-making environment in particular suffered from a confusion between the political mission ("build the world's best railway", "level up Britain", "usher in a new age of high speed rail") and the real task which was to deliver required capacity within time and budget.

"The programme suffered from evolving political aims, which pushed forward on the schedule before there was sufficient design maturity and caused progressive removals of scope.

Schedule was prioritised over cost. [There were] a range of reasons for this but pressure from politicians to maintain momentum, fear of HS2 being cancelled, and the belief that costs will increase as a result of delay featured strongly.

There is a golden rule in major project delivery :- "Think Slow, Act Fast"; i.e. time taken in the planning, development and design phase will have a big pay-off in the delivery phase. There is another saying that "projects don't go wrong, they start wrong". HS2 failed to follow either of these mantras, both of which are viewed as essential best practice by the most experienced deliverers of major projects across the world.

Second, no-one said Stop!

Michael Dnes:

The question remains – given HS2 has gone so very wrong, who do we blame and what should we do about it?

If you really want to chase this back to its source, the real problem is that HS2 was presented to the world as a simple, clear and very coherent vision: a very good train like the kind you get in France or Japan, to link our biggest cities together. Departing from this was a huge risk for everyone - politician or official.

[Somebody should have said or done something but] officials felt there were things they couldn't do. The trouble is that, if you talk to the politicians, they felt exactly the same way. I remember talking to someone who was very influential in the Department during a crucial design period, when it was becoming clear that achieving the proposed speed was going to require huge amounts of unexpected ground stabilisation. They said that it felt like they had no choice either. You couldn't be responsible for 'not-so-high-speed-2'.

The real question for why HS2 went wrong is why the word 'stop' was never said. We now know this is a project where costs were unknown, schedule uncontrolled, the delivery board had lost control and the BCR was 0.3-0.4. [In layman's terms, for every three pounds we spent, we got one pound of public value.]

DfT deployed many tools that are supposed to pick these things up.

But they didn't. Even when it was their explicit responsibility.

One of the quiet evidence drops around this week's announcement was [a set of four Accounting Officer statements around the decision to proceed with HS2 construction](#). The Permanent Secretary of the Department produces these when they need to confirm that an idea meets the standards expected of public spending, and is an opportunity to challenge ministers where there are doubts about this. Ministers are then entitled to overrule them should the reason to proceed be a political one. Each time the Permanent Secretary's assessment is the same – we are still within the bounds of acceptable action.

I think Dame Bernadette Kelly, the Permanent Secretary during this crucial period, was lucky to retire last year. Were she still around, I think her position would have been about as tenable as the lady who ran the Post Office during the horizon scandal.

This is a conspiracy of powerlessness: civil servants of different departments agreeing that their job is not to deliver success or warn of imminent failure, but to ensure the highest professional standards of aimless drift.

Third, the Permanent Secretary made the same mistake as many of her colleagues when appointing the Senior Responsible Officer. I wrote about this problem long enough ago for it to feature in the final chapter of my book *Civil Servants, Ministers and Parliament*:

SROs are personally accountable, including to Parliament, for the delivery of major projects such as the National Cyber Security Programme. MPs can now question civil servants about their delivery of major projects. The new rules now provided that "Senior Responsible Owners (SROs) for Major Projects" are "expected to account for and

explain the decisions and actions they have taken to deliver the projects for which they have personal responsibility”.

It was hoped that newly appointed SROs might be concerned to ensure – before accepting their appointment – that they were not suffering from appraisal optimism, and that their project was properly resourced and had sensible timescales and objectives. This would reduce the chances of their having to account to their Permanent Secretary and Parliament when things went wrong. And it would ensure that a senior official – the SRO – was forced to challenge Ministers if a major project were being established without proper resources etc. But it could work very badly if SROs were to do what officials had done in the past, which was to accept that Ministers are entitled to demand rapid action with limited resources, and so sign up to achieving what they privately believe to be unachievable.

In practice, little at first appeared to have changed. SRO appointment letters were little more than that. They specified neither the programme’s objectives nor its resources or timescales. And most departments at first decided to appoint very senior staff as part-time SROs, rather than nominate those officials who were truly responsible for key projects. The SRO for the National Cyber Security Programme was for instance told that he would need to devote only two days a month to the role:-

“I am writing ... to confirm your appointment as Senior Responsible Owner (SRO) of the National Cyber Security Programme ... This will be a part time role which requires two days per month. As SRO you have personal responsibility for delivery of National Cyber Security Programme and will be held accountable for the delivery of its objectives and policy intent; ...”

So what did the HS2 SRO do? Well, there’s no sign that ministers were seriously challenged. And here’s what Lovegrove said about the SRO (emphasis added):

What is not arguable, in my opinion, is that the SRO for HS2 Ltd should have been SRO for that project alone. Though configurations varied over time – and moved towards a greater level of focus – **the SRO was also engaged on other major rail projects throughout this period.** It is a common failing across the whole of government that SROs for very significant projects have more than one programme for which they are responsible. **This is a serious shortcoming and causes a lack of focus.**

The fourth HS2 problem was capability, linked to poor pay.

Notwithstanding the presence of many talented team members, everyone I spoke to agreed that with hindsight the Civil Service did not have the required capabilities, in sufficient depth, to consistently discharge its responsibilities with regards to HS2.

There was an over tactical reliance on consultants as opposed to embedding strategic and private sector expertise within the client team with a view to providing a mix of public and private sector experience [as was done]in other government entities such as Partnerships UK, UK Financial Investments and UK Government Investments (UKGI).

The disparity between the senior Civil Service, in particular, and the private sector continues to grow, to the extent that pay for Directors General and Permanent

Secretaries has been falling in real terms since 2013 and is now estimated to be approximately 50% of that commanded by private sector equivalents. In this particular case the gap between pay of the Senior Responsible Officer (with Dept for Transport) and CEO of HS2 Ltd would have been much greater.

Finally, many senior civil servants find it very difficult to listen to mavericks. They like consensus and don't like conflict. Here's Lovegrove again:

Lord Berkeley published a dissenting report on HS2 which cast doubt on the costings and schedule of the project and the capability of HS2 Ltd. There is no escaping the fact that the thrust of his judgements, in particular about the capability of the Company to manage the project, have proved to be correct, and his estimates much closer to today's outturn than those upon which ministers ultimately gave the go-ahead.

Martin Stanley