



Department for Transport

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Higgins Review 'HS2 Plus'

As you will be aware, the Secretary of State welcomed the publication of Sir David Higgins' report *HS2 Plus* on 17 March. He shares the ambition to build HS2 better and bring the benefits to the North sooner, and has welcomed Sir David's view that HS2 is the right project at the right price. As we have discussed with Network Rail, our three organisations should now work together to take forward the report's recommendations.

The Secretary of State has accepted the Higgins report's recommendation with regard to the HS2-HS1 link, and on 17 March announced to Parliament that he intends to take the necessary steps to remove the link from the hybrid Bill and withdraw the safeguarding of this section of route at the earliest opportunity.

Taking forward the report's other proposals will require more detailed work. I am writing this instruction letter to you and copying it to the Chief Executive of Network Rail to set out the broad objectives for this work. In this letter where I use the phrase "the Company" I mean High Speed Two (HS2) Limited.

The Company should now work with Network Rail to explore the following:

- A more comprehensive solution at Euston, working with the rail industry and the local community, with the aim of reaching a decision that would allow introduction of an additional provision to the hybrid Bill by December 2014;
- Options for improving connections with the Continent, with the aim of providing advice both on improved pedestrian connections at Euston/St Pancras, and on options that will stand the test of time for improving links from HS2 and the existing rail network to the Continent that could be implemented once the initial stages of HS2 are complete;

- Advice to the Secretary of State, as part of his consideration of the consultation responses on Phase Two, on potential refinements to the proposals for Phase Two and options to reduce the cost;
- Initial advice to the Secretary of State on the section of the HS2 route between the West Midlands and Crewe and the feasibility for accelerating its construction to allow completion by 2027. He would also like advice on the feasibility of building a hub station at Crewe, including the benefits that could be delivered to the region and the cost implications to the HS2 Project for the connection into such a hub station. We would like to put proposals on both the route to Crewe and a possible hub station to the Secretary of State in 2014; and
- A process for integrated development of Network Rail's Control Period 6 (2019-2024) Strategic Business Plan with decisions on Phase Two of HS2, with the aim of providing initial advice in 2014 to the Secretary of State about connectivity in the Midlands and North with a final report on options in 2015. These should include proposals on city centre to city centre connectivity, east-west links and local connectivity. We envisage that Network Rail will lead this work and the Department will have a key role in this process particularly in relation to how options affect the regulated rail industry outputs and funding set by the Secretary of State for CP6 and CP7, or affect plans for future rail passenger franchises.

Proposals by July 2014 for engagement with stakeholders on each of these issues, to ensure the evidence used and the options being developed are widely understood and accepted, and to provide consolidated views to Government on priorities for enhanced connectivity in the Midlands and the North.

Finally, as a result of the Government's acceptance of the recommendations in the Growth Taskforce report published on 21 March, the Company should now work with London and Continental Railway to make proposals on the form and function of an HS2 regeneration company. I would like to have recommendations on this to put to the Secretary of State by July 2014.

All the work set out in this letter will report to the Department and we expect it to be delivered within existing budgets. In developing this work, the Company and Network Rail should consider the analysis required to ensure outputs are supported by robust evidence, in line with the Department's analytical assurance framework *Strength in Numbers*. Those requirements should be considered against the wider analytical demands of all three organisations to ensure that opportunity costs and risks are identified and, that delivery is feasible.

I am copying this letter to Sir David Higgins and Mark Carne.



David Prout