

HS2 6-monthly report to Parliament: March 2026

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Review of High Speed Two (HS2) including: update on the programme reset, delivery progress, community impacts, land and property.

Reset update

Today, I am publishing this government's latest report to Parliament on High Speed Two (HS2).

When I was appointed Secretary of State, I was clear that significant change was needed to bring HS2 under control. The history of the programme has been characterised by spiralling costs and ever-shifting timelines, in significant part due to past mismanagement.

As I set out in my statement to Parliament in June last year, I gave the new CEO of HS2 Ltd, Mark Wild, a clear task: to reset HS2, bring an end to constant cost increases and delays, and deliver the remainder of the programme safely and at the lowest reasonable cost.

Since then, the scale of the challenge in resetting this programme has become even clearer. Mark Wild's work on the reset has shown that HS2 Ltd did not have an accurate assessment of how much work had been delivered, or of how much was left to do. It is now clear that previous plans significantly underestimated the work required.

Mark Wild and HS2 Ltd have been working closely with my department and other partners in government over the past year to assess the remaining scope of work, and to estimate thoroughly how long it will take and how much it will cost to complete the project.

I am determined to explore every opportunity to remove the over-specification and complexity from this project to bring down costs and delivery timelines. This will ensure the updated cost and schedule estimates are robust, rather than rush the process and risk publishing figures that we do not trust. As such, today I am publishing an interim report, with a more detailed update on the progress of the HS2 reset to follow shortly.

I have commissioned Mark Wild to assess how much money and time could be saved by adopting a specification for HS2 that is more in line with the high-speed railways successfully delivered by the rest of the world. This could involve relying on proven technology and reducing the top operating speed of the railway in line with HS1 and other European counterparts.

On current specification, HS2 trains will run at 360 kilometres per hour (kph), which would make them the fastest conventional high-speed trains anywhere in the world.

The definition of high-speed covers trains running at least 250 kph. China and Spain have the highest design speeds of 350 kph. The maximum commercial passenger speed on the UK conventional rail network is 200 kph, and HS1 runs at 300 kph.

However, no railway in the UK, or globally, is currently engineered for 360 kph. This means that the project would have to wait for HS2 tracks to be built before testing any trains – an approach which could increase costs and delay the completion of the project. The alternative would have been to

send trains abroad to test on an existing track running at that speed.

Mark Wild's initial and provisional estimate is that a specification at reduced speeds could save in the low billions and bring the railway into service sooner, by reducing risk in the delivery of the programme and its testing. However, in learning the lessons of the past, I am eager not to make this decision prematurely; I have asked Mark Wild to report back to me before the summer recess, and I will be considering his advice carefully.

The government will reflect on the early outcomes of this work, alongside progress on engagement with HS2 Ltd's main suppliers, ahead of publishing the new cost and schedule estimates once they have been fully assured and approved. It is clear that this review of specification and the wider reset are not going to undo the failures that have led to this point, but they will set a realistic and controlled path to completing the remaining work.

At the same time, I am pleased to report early signs of improvement following a productive year of delivery. Civils works are now at maximum effort and collective action is helping to drive up productivity and safety. The excavation of the HS2 tunnel to Euston has now started following the launch of the final two tunnel boring machines on the programme. Following his appointment as new Chair of HS2 Ltd last summer, Mike Brown has made rapid progress in reshaping the organisation's Board, bringing in new skills, expertise and capability.

Looking ahead, our focus remains on finalising the updated cost and schedule estimates and progressing the reset to address the difficult position that we inherited. This includes reshaping HS2 Ltd and continuing to engage with suppliers to review contracts, implement the recommendations of James Stewart's independent review and deliver the railway safely and at the lowest reasonable cost.

Delivery control and expenditure

Whilst the reset progresses, the department will continue to manage HS2 Ltd through strengthened in-year controls and a yearly performance management plan that includes challenging construction targets and performance metrics to deliver within annual budgets. This plan has worked well, with productivity up in almost all sectors of construction.

These strengthened controls will remain as long as needed, determined by the improved performance and capability of HS2 Ltd and the adoption of a new cost and schedule baseline. When HS2 Ltd achieves sufficient capability to consistently deliver to the new baseline, the Department will be able to transition to a more permissive and flexible sponsorship model.

This year, HS2 Ltd has rescheduled some work with the aim of focusing construction efforts on delivering the opening stage of the railway, between Old Oak Common and Birmingham Curzon Street.

To the end of February 2026, £43.6 billion (nominal prices) had been spent on the HS2 programme. This is provided in more detail in the financial annex, based on data provided by HS2 Ltd.

Spend to date information covers the period up to the end of February 2026. Unless stated otherwise, all figures are presented in nominal prices.

Delivery progress

Delivery progress has historically been poor on some key areas of civils construction. Performance has started improving and the past six months have seen good progress in the delivery of HS2's civil engineering works. Notably, the Align joint venture, responsible for delivering civil infrastructure on one of the central sections of the HS2 route, is nearing the completion of their major assets. HS2 Ltd will continue working with the main works civils contractors to improve delivery so that the programme can progress to the next stage.

August 2025 saw the completion of construction on the Chiltern tunnel. Boring of the tunnel was completed in 2024, and since then work had been underway on the porous portals, cross passages, emergency walkways, and finishing works. As well as being complex, at 10 miles, it is the longest tunnel on HS2's route.

All major deep-bore tunnelling between Old Oak Common in London and Birmingham Curzon Street was completed in October 2025, when the breakthrough of tunnel boring machine Elizabeth concluded the excavation of the Bromford Tunnel. This marks a significant milestone in the construction of the railway.

In January and March, the final two tunnel boring machines of the programme, Madeleine and Karen, were launched to excavate the twin-bore tunnel between Old Oak Common and Euston in London. Progress on this section of the route makes good on the government's commitment to bringing HS2 into central London.

Six major milestones on tunnels and roads have been completed ahead of in-year schedule, including the sliding of a road bridge for the A46 over the HS2 route in April 2025, the installation of precast beams and overbridges over Station Road near Calvert in August 2025, and the second breakthrough on the Bromford tunnel in Birmingham in October 2025. The north portal structure at the Chiltern tunnel was completed in 12 months, several months faster than the south portal, thanks to lessons learned and innovative construction methods. The excavation of the 8.4-mile Northolt tunnel, the second longest on HS2, was completed on schedule in June 2025 despite complex ground conditions.

Since July 2025, major progress has been made on earthworks. As at February 2026, over 108 million cubic metres of earthworks has been completed across HS2's civils construction, representing around 70% of the total planned quantities. In August, more than 1.7 million cubic metres of spoil was excavated, filled and processed in our Greatworth to Southam sites alone.

In August 2025, a 112-metre bridge was moved over Lawley Middleway in Birmingham. To minimise disruption to road users, the 1,631-tonne bridge was constructed on land over the span of two years, before being rotated 90 degrees and carefully lifted over the road.

In September 2025, a key construction milestone was achieved as the Colne Valley Viaduct, the longest rail bridge in the UK, became structurally complete following the placement of the final deck segment.

Safety remains our top priority in the construction of HS2. In October 2025, following an incident on site, all works across the London tunnels section of the route were brought to a safe stop to allow for a comprehensive safety review to be conducted. While no one was harmed in the incident, HS2 Ltd remains committed to the health and safety of everyone working on its sites. By mid-November all sites were able to reopen, with enhanced procedures and protocols implemented to ensure that all works resumed safely.

Ground investigation works at Interchange Station are complete, in advance of detailed design commencing early this year. In order to formulate and advance plans for commercial development at Arden Cross, the area around the new station, engagement with local stakeholders and landowners continues.

Initial utility diversions are continuing for the Automated People Mover along the route with the first completed in October 2025. Once complete, the Mover will enable passengers to travel seamlessly from Interchange Station to Birmingham Airport.

At Birmingham Curzon Street Station, the last of the 2,011 concrete piles, which form a key part of the foundation for the station, were completed in March. Work on the infrastructure required for the Midland Metro Alliance to deliver the Birmingham Eastside tram extension is progressing well, ahead of the first phased handover of the site to Transport for West Midlands in September 2026. HS2 Ltd and the Midland Metro Alliance are leading workshops over the future operation of the live tram through the Curzon Street site to maintain a collaborative approach and ensure lessons continue to be learnt as delivery progresses.

Work progresses on the six high-speed platforms at Old Oak Common, alongside work on six of the eight surface-level platforms that will serve the Great Western Main Line, Elizabeth Line, and Heathrow Express. Meanwhile, work continues on a complex sequence of critical utility works to the west of the station site. Key utility diversions are expected to complete this year.

Rail systems contracts for track, signalling, communications and power supplies commenced in February 2025. We have amended the schedule of work to support the wider reset which has slowed initial mobilisation; however, this will then be followed by a period of design, and development of an integrated schedule for the deployment of railway systems. Work will not start on site until civil works have been completed. This is learning from the premature start of main civil works on HS2 as well as from previous projects such as Crossrail, where systems installation started before civils had finished.

Procurement of the Washwood Heath Depot continues.

As HS2 Ltd has further developed the operational design of the railway, it has become clear that platform-edge doors, which are screens along platform edges to safely separate passengers and trains, are no longer technically viable. Therefore, the procurement was abandoned via a contract notice in July 2025. The tender for the train dispatch system, which is the system to ensure the safe departure of trains from stations, has also been amended to remove the interface with the platform-edge doors.

Fraud investigation

In my previous report, I referred to allegations of fraud made in relation to a HS2 labour supplier. Upon completion of an investigation by the main contractor Balfour Beatty Vinci (BBV), the contract of this labour supplier was terminated in July 2025. HS2 Ltd formally referred the matter to HMRC and has since concluded its own wider investigation of all labour-only subcontractors. I have been clear that such allegations need to be investigated rapidly and rigorously and I am glad to see that swift action was taken.

Community impacts, land and property

HS2 Ltd continues to inform and involve communities who are impacted by construction. Between

April and December 2025, over 15,000 residents were engaged at over 1,700 meetings and events. A further 22,000 enquiries were received via the HS2 Ltd Helpdesk, which operates 24 hours a day.

During the same period, HS2 Ltd received 1,067 complaints, the vast majority of which continue to relate to the impacts of construction, including concerns about traffic and transport disruption and noise and vibration impacts. HS2 Ltd is committed to resolving complaints promptly. Of the 1,067 complaints received, HS2 Ltd resolved 100% of urgent complaints within 2 working days and resolved 98% of all other complaints within 20 working days or less.

Successful deployment of the £40 million Community and Environment Fund and the Business and Local Economy Fund has now passed the halfway point. This is a significant milestone and means as at February 2026, over £21.1 million has been invested in communities and businesses that have been demonstrably disrupted by the construction of HS2, delivering over 379 projects that will leave an enduring legacy.

We understand the continuing impact that HS2 is having on those who live or have businesses on or near the route. In previous reports we have recognised the need for HS2 Ltd to make faster progress in settling claims and resolving other issues affecting people whose land has been acquired or possessed for the project. While HS2 Ltd has increased the rate at which claims on Phase 1 are being settled, we have made clear to the company that further improvement is needed. On the former Phase 2a route, we recognise the concerns that have been expressed regarding the quality of communication from HS2 Ltd and a lack of progress in resolving land issues. We have made it clear to HS2 Ltd's leadership that performance in this respect needs to improve, and we will be scrutinising the measures taken by the company to address these concerns.

Financial annex

Historic and forecast expenditure

The information on HS2's overall spend to date and budget is now being provided in nominal (cash) terms following a commitment made by the department to the Public Accounts Committee to express the costs of the programme in a more up-to-date price base and better capture the inflation incurred since 2019. The government provided further details of the 2025 to 2026 position in cash terms as part of the standard Supplementary Estimates report to Parliament.

This is expressed in nominal prices, including land and property.

	Overall spend to date (£ billion)	2025 to 2026 budget (£ billion)	2025 to 2026 forecast (£ billion)	2025 to 2026 variance (£ billion)
HS2 Programme Total	43.6	7.1	7.0	0.2
Civils	30.7	5.5	5.4	0.0
Stations	2.9	0.6	0.6	0.0
Systems	2.1	0.3	0.2	0.1
Indirects	4.1	0.4	0.3	0.0
Land and Property	3.7	0.2	0.2	0.0
Former Phase 2	2.6	0.1	0.1	0.1
Overall Total	46.2	7.3	7.1	0.2

Notes for the table

[1] The figures set out in the table have been rounded to the nearest £100 million to aid legibility. Due to this, they do not always tally.

[2] Spend to date includes a £0.5 billion liability (provision) representing the department's obligation to purchase land and property.

<https://www.gov.uk/government/speeches/hs2-6-monthly-report-to-parliament-march-2026>