

The Department for Transport's Response to the James Stewart Review

The Department for Transport announced in October 2024 that James Stewart would lead a review of the Department's governance and assurance of major infrastructure project delivery drawing primarily on evidence from HS2. In the face of significant challenges in the delivery of HS2 since its inception, the review report, which DfT is publishing today, provides an important contribution to the ongoing efforts to ensure successful delivery as HS2 is undergoing a critical programme reset.

It offers valuable insights into the Department's approach to delivering complex infrastructure projects and programmes, drawing lessons not only from HS2 but also from comparable major transport initiatives. The review highlights the failings which have contributed to the current serious challenges facing the HS2 programme. The long-running failure to manage the programme effectively, along with repeated de-scoping under previous governments, means that the programme will not achieve its original mission and has undermined the remaining delivery.

While the review acknowledges the challenges posed by inflation, it also emphasises that these management failures and supply chain issues have significantly contributed to rising costs. The Department recognises the scale of these challenges and is committed to applying the lessons learned to improve its approach to infrastructure delivery overall, with a specific focus on HS2.

We accept all the recommendations of the review and are already taking steps to implement these. In December 2024, the Department tasked new CEO Mark Wild with comprehensively resetting the programme in order to deliver it safely and at the lowest reasonable cost. This will include gripping costs and schedule to set a realistic plan for delivering the remaining work; resetting the commercial strategy for the programme to get better value from the supply chain; and ensuring HS2 Ltd has the right capabilities and culture to deliver.

The Department is working collaboratively with HS2 Ltd to implement James Stewart's review recommendations effectively. The Department has already enhanced scrutiny of the programme to hold it more firmly to account during this period of reset, as recommended by the review. This includes the re-establishment of a regular Ministerial Task Force and the creation of a shareholder board to recognise the government's role as financial shareholder of the HS2 programme. As part of the reset, the Department and HS2 Ltd are making progress on implementing the remaining recommendations.

The Department will provide further updates on how the HS2 recommendations are being implemented alongside the wider reset in future HS2 parliamentary reports.

DfT is working closely with His Majesty's Treasury (HMT) to incorporate these recommendations into future priorities for the National Infrastructure Service Transformation Authority (NISTA). The Office for Value for Money also drew on these recommendations for their study on the governance and budgeting arrangements for mega projects, and the outcomes will be set out in the upcoming 10 Year Infrastructure Strategy. HMG are also encouraged by the Review's recommendations regarding the broader government system for delivering and overseeing major projects.

We extend our gratitude to James Stewart and his team for their thorough and independent assessment of the governance and assurance processes surrounding the Department's major infrastructure projects.

A diverse set of experts were consulted from the public and private sectors as part of the Review, to ensure an objective assessment was completed that reflects a range of perspectives. We appreciate their contribution to helping improve the delivery of major infrastructure projects.

Contact the Review Team or make enquiries about this review.

The independent review is now closed.

Journalists with enquiries should contact the Department for Transport Press Office.