BUSINESS LDN

Public Accounts Committee inquiry: Delivering HS2 and Euston

Consultation Response

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Introduction

1. BusinessLDN is a business membership organisation with the mission to make London the best city in the world to do business, working with and for the whole UK. We work with the support of the capital's major businesses in key sectors such as housing, commercial property, finance, transport, infrastructure, professional services, ICT and education.

2. We welcome the opportunity to provide written evidence to the House of Commons Public Accounts Committee inquiry on delivering HS2 and Euston.

Our position

3. We continue to support the delivery of HS2 to Euston because it will help to boost national productivity, improving connectivity between the UK's major cities, unlocking housing and regeneration opportunities, and accelerate decarbonisation through modal shift from road to rail.

4. We welcome the Government's latest statement on HS2 (19 May 2026), including greater transparency on revised costs, timelines and strengthened oversight arrangements. It is right for the Government to reset aspects of the programme to establish a more realistic delivery plan and restore confidence in the project.

Restoring confidence through clarity and delivery

5. We support the Government's intention to reset HS2 governance and delivery arrangements to improve oversight, affordability and accountability.

6. The scale and complexity of the project mean that stronger programme discipline and clearer decision-making are necessary. However, continued uncertainty around costs, timelines and scope is damaging confidence among businesses and investors. Recent updates on programme timelines, revised costs and operational assumptions are welcome and

represent important progress in resetting the programme on a more credible footing. Nevertheless, we are concerned that uncertainty persists.

7. While we support the Government taking its time to establish a credible reset, it had been anticipated that this process would conclude during 2026. Indications that revised arrangements may extend into April 2027 risk prolonging uncertainty for investors, developers and local communities. It will also further undermine the UK's credibility to deliver major infrastructure projects, and crucially, deter global capital from investing in these projects.

Euston as a nationally significant regeneration opportunity

8. Euston should not be viewed solely as a transport scheme. It is one of the UK's largest regeneration opportunities and a nationally significant growth project. A successful Euston development has the potential to unlock substantial economic benefits for London and the wider country. Research commissioned by Camden Council found that regeneration around Euston could add £41 billion to the national economy and support around 34,000 jobs.[1] The arrival of HS2 at Euston will improve connectivity between London, the Midlands and the North, support commercial development and inward investment, unlock new homes and public realm improvements, create long-term employment opportunities, and reinforce Central London's role as a globally competitive business district.

9. Realising these benefits requires a credible long-term strategy to attract private investment and a planning framework that maximises the development opportunities above and around the station.

10. This transformation could make Euston a world-leading hub for life sciences and innovation, building on its strategic position in London at the heart of the existing Knowledge Quarter and within easy access to the Oxford-Cambridge Arc.

11. The Government should use the reset process for HS2 to also establish a clear framework for attracting private investment into the wider Euston regeneration programme. Greater certainty over governance, land use, phasing and delivery must underpin efforts to unlocking private capital and reduce the long-term burden on the public purse.

Governance reform and the role of the Euston Delivery Company

12. BusinessLDN welcomes the move towards revised governance arrangements at Euston, alongside the establishment of new delivery structures intended to improve coordination and accountability.

[1] https://www.camden.gov.uk/en/euston-area-regeneration

13. The new Euston Delivery Company has a vital role in coordinating the multiple public and private stakeholders involved in the programme, including the Department for Transport, HS2 Ltd, Network Rail, Transport for London, Camden Council, the Greater London Authority and private investors.

14. Given the number of organisations involved, the revised governance model should:
    - establish clear lines of accountability;
    - enable integrated decision-making;
    - align transport and regeneration objectives; and
    - support effective engagement with local stakeholders and businesses.

Financing and funding Euston

15. Alongside governance reforms, the Government should continue to develop a clear funding and financing strategy for Euston that attracts private investment while ensuring value for money for taxpayers. Providing greater clarity on the overall funding model, including the anticipated balance between public funding, private capital and any potential public-private partnership arrangements, will be important to give investors confidence, support early market engagement and enable investment decisions to be made at the pace required for delivery.

16. Tax Increment Financing (TIF) could play a role in helping to fund and finance Euston station. BusinessLDN's 2025 report on land value capture, in partnership with WSP, highlights the role TIF could play in part-funding new transport infrastructure in the capital, particularly if the tax base is extended from business rates (as used in the Northern Line Extension) to encompass residential property taxes.

Maintaining momentum across the wider HS2 programme

17. Progress at Old Oak Common, for example, the start of tunnelling between Euston and Old Oak Common, and the installation of the Curzon 2 viaduct in Birmingham, demonstrates the benefits of maintaining continuity in delivery. Further pauses or redesigns elsewhere in the programme would risk repeating the costly disruptions seen in earlier phases.

18. The Government must avoid further delays or changes in scope that risk increasing costs and undermining confidence. Ongoing pauses, redesigns and shifts in scope have led to a substantial rise in costs. Future governance arrangements should be designed to minimise political and programme uncertainty once key delivery decisions have been taken.

Conclusion

19. HS2 is a nationally significant infrastructure project with the potential to transform connectivity, support economic growth and unlock regeneration benefits across the country. Delivering a new Euston station and the wider regeneration of the surrounding area is an

integral part of the HS2 project and the Government must redouble its efforts to ensure progress is made on Euston as soon as possible.

20. A clear, credible and deliverable plan for Euston – supported by effective governance, realistic costs and a robust investment proposition – is now required to restore confidence in the project and ensure the UK can successfully deliver major infrastructure projects in the future.