



# Phase 2b Western Leg Information Paper

## C12: Local Authority funding and new burdens

This paper outlines HS2 Ltd and the Department for Transport's position on funding local authorities for activities relating to High Speed Two.

It will be of particular interest to those potentially affected by the Government's proposals for high speed rail.

This paper was prepared in relation to the promotion of the High Speed Rail (Crewe - Manchester) Bill. Content will be maintained and updated as considered appropriate during the passage of the Bill.

If you have any queries about this paper or about how it might apply to you, please contact the HS2 Helpdesk in the first instance.

**The Helpdesk can be contacted:**

**by email:** [HS2enquiries@hs2.org.uk](mailto:HS2enquiries@hs2.org.uk)

**by phone (24hrs):** 08081 434 434  
08081 456 472 (minicom)

**or by post:** High Speed Two (HS2) Limited  
2 Snowhill, Queensway  
Birmingham  
B4 6GA

## 1 Introduction

- 1.1 High Speed Two (HS2) is the Government's scheme for a new, high speed north-south railway, which is being taken forward in a number of phases. Phase One will connect London with Birmingham and the West Midlands. Phase 2a will extend the route from the West Midlands to Crewe. The Phase 2b Western Leg will connect Crewe to Manchester. As set out in the Integrated Rail Plan, published in November 2021, HS2 East is proposed to deliver a new high speed line from the West Midlands to East Midlands Parkway.
- 1.2 HS2 Ltd is the non-departmental public body responsible for developing and promoting these proposals. The company works under the terms of a Development Agreement entered into with the Secretary of State for Transport.
- 1.3 The construction and operation of Phase One of HS2 is authorised by the High Speed Rail (London – West Midlands) Act 2017 and Phase 2a by the High Speed Rail (West Midlands – Crewe) Act 2021.
- 1.4 In January 2022, the Government introduced a hybrid Bill to Parliament (hereafter referred to as 'the Bill'), to seek powers for the construction and operation of the Phase 2b Western Leg (the Proposed Scheme), which is called the High Speed Rail (Crewe – Manchester) Bill. The Proposed Scheme comprises the Phase 2b Western Leg from Crewe to Manchester and several off-route works. It also facilitates the delivery of Northern Powerhouse Rail by providing the Crewe Northern Connection and junctions and other infrastructure to be used in future schemes.
- 1.5 The work to produce the Bill includes an Equalities Impact Assessment and an Environmental Impact Assessment (EIA), the results of which are reported in an Environmental Statement (ES) submitted alongside the Bill. The Secretary of State has also published draft Environmental Minimum Requirements (EMRs), which set out the environmental and sustainability commitments that will be observed in the construction of the Proposed

Scheme. For more information on the EMRs please see Information Paper E1: Control of environmental impacts.

1.6 The Secretary of State for Transport is the Promoter of the Bill through Parliament. The Promoter will also appoint a body responsible for delivering the Proposed Scheme under the powers granted by the Bill. This body is known as the 'nominated undertaker'. There may be more than one nominated undertaker. However, any and all nominated undertakers will be bound by the obligations contained in the Bill, the policies established in the EMRs and any commitments provided in the information papers.

1.7 These information papers have been produced to explain the commitments made in the Bill and the EMRs and how they will be applied to the design and construction of the Proposed Scheme. They also provide information about the Proposed Scheme itself, the powers contained in the Bill and how particular decisions about the Proposed Scheme have been reached.

## **2 Overview**

2.1 This information paper outlines HS2 Ltd and the Department for Transport's (DfT) position on funding for local authorities for carrying out HS2-related activities.

## **3 Local authority involvement**

3.1 At the request of HS2 Ltd, local authorities have provided technical information to support the development of the proposals for the Proposed Scheme. This has enabled HS2 Ltd to identify key local environmental, social and economic issues along the line of route that have been taken into consideration in the design of the Proposed Scheme to date. Following Royal Assent, relevant local authorities will have a role in approving matters of detail relating to the design of the Proposed Scheme.

## **4 New burdens**

- 4.1 HS2 Ltd and DfT acknowledge that some of the activities that local authorities carry out in relation to the Proposed Scheme may place an additional resource burden on them.
- 4.2 In the Department for Levelling Up, Housing and Communities (DLUHC) New Burdens Doctrine (2011), a new burden is defined as any policy or initiative that increases the cost of providing local authority services. The New Burdens Doctrine requires that the net additional costs of all new burdens placed on local authorities by central Government is assessed and fully and properly funded. The department leading on the policy or initiative is responsible for securing the resources needed to fund the net additional cost falling on local authorities, and for making any necessary resource transfer. Not all work associated with the Proposed Scheme will be a new burden, for example, local authorities already have an existing duty to familiarise themselves with major projects proposed in their area, so doing this in relation to the Proposed Scheme would not be a new burden. (The New Burdens Doctrine applies to local authorities in England and Wales only. However, the intention is that the doctrine will be applied to any local authorities in Scotland which will be affected by the Proposed Scheme.)
- 4.3 In line with the new burdens guidance, since January 2017 HS2 Ltd has offered to reimburse local authorities for the time spent by their staff providing technical support and information to HS2 Ltd. The nature and type of new burdens placed on local authorities will change during the construction of the Proposed Scheme.

## **5 New burdens assessment**

- 5.1 In recognition of these new burdens, HS2 Ltd and DfT, in conjunction with DLUHC, have previously undertaken a New Burdens Assessment, in relation to Phase One of HS2. This was undertaken to establish which of the activities carried out by local authorities represent a new financial burden on them and those activities not considered eligible for additional

funding. This assessment will be also be used in relation to the Proposed Scheme.

- 5.2 Table 1 sets out those activities that are expected to place a new burden on local authorities in relation to the Proposed Scheme, based on the assessment undertaken in relation to Phase One of HS2. HS2 Ltd and DfT will make funding available to local authorities to meet their reasonable costs for time spent on these activities, in line with the New Burdens Doctrine.
- 5.3 Activities carried out by local authorities in relation to the Proposed Scheme, which are excluded from Table 1, were not assessed to be creating a new financial burden in relation to Phase One, and are not expected to do so in relation to the Proposed Scheme.
- 5.4 As with all major infrastructure projects however, local authority involvement with the Proposed Scheme will evolve over time. The Secretary of State will therefore require the nominated undertaker and the DfT to maintain a dialogue with local authorities prior to and during construction of the Proposed Scheme to re-assess whether or not there are any other Proposed Scheme related activities not identified in the assessment, for which local authorities should be reimbursed.
- 5.5 Where local authorities themselves consider that new financial burdens are placed on them in the run up to and during construction of the Proposed Scheme, they should provide HS2 Ltd and DfT with detailed evidence to support their claim for additional funding. Where this evidence meets the New Burdens Doctrine's criteria of a new financial burden the local authority's reasonable costs will be reimbursed, even if that activity was previously considered exempt from funding. For example, it is not currently expected that the Proposed Scheme will create a new burden on local authorities to deal with public enquiries relating to its construction, as the nominated undertaker will be required to operate a 24hr helpline to deal with such enquiries from members of the public. However, if it transpires that members of the public do not use this line and instead call their local authority and a new burden can be

evidenced then the local authority's reasonable costs would be reimbursed.

## **6 Local authority funding**

- 6.1 Funding for the activities listed in Table 1 would normally be managed through a prior agreed Service Level Agreement. This agreement would describe the activities for which local authorities would receive funding and details of the financial settlement they would receive. This would enable local authorities to put in place the appropriate resources to deal with the demands placed upon them by the Proposed Scheme.
- 6.2 Decisions on the level of funding that each local authority may receive and the final details of the agreement will follow discussions with individual local authorities.

## **7 More information**

- 7.1 More detail on the Bill and related documents can be found at [www.gov.uk/hs2-phase2b-crewe-manchester](http://www.gov.uk/hs2-phase2b-crewe-manchester).

## Appendix A:

Table 1: Proposed Scheme related activities for which additional funding is expected to be made available to local authorities:

Activity	Proposed Scheme related activity for which funding will be provided to local authorities along the line of route
1	Early discussion on preliminary route design and technical input into the Environmental Statement, or any update to it, for the HS2 Bill, at the request of HS2 Ltd or the DfT.
2	Provision of technical and spatial data (e.g. GIS data) for environmental assessment purposes, at the request of HS2 Ltd or the DfT.
3	Reviewing and providing technical input into the production of technical documents produced by HS2 Ltd pre-construction, at the request of HS2 Ltd or the DfT.
4	Attendance of Phase 2b Planning Forum and associated subgroups (Highways, Heritage, Flooding & Drainage and Environmental Health).
5	Early discussions on design of HS2 works, including buildings, structures, road layouts and design, heritage and archaeology, traffic management activity, flood risk management, noise and vibration monitoring of construction activity at the request of HS2 Ltd or the nominated undertaker.
6	Dealing with requests for approval for conditions of deemed planning permission under the Planning Conditions Schedule of the Bill.
7	Time spent by local highway authorities on consenting activities and processes described in Clause 44 and Schedule 32 (part 1) of the Bill.
8	Technical engagement of local highways authorities in the preparation and development of Traffic Management Plans, at the request of HS2 Ltd or the DfT.
9	Attendance of local highway authority officers at Traffic Liaison Meetings with HS2 contractors, at the request of HS2 Ltd or the DfT.
10	Early discussions with local authority environmental health practitioners on Section 61 consent submissions under Section 61 of the Control of Pollution Act 1974 and establishment of monitoring locations.
11	Time spent by local authority environmental health practitioners on handling and monitoring consents sought by HS2 under Section 61 of the Control of Pollution Act 1974
12	Time spent by local authority environmental health practitioners on agreeing the location of construction site continuous dust monitors, if required in their area.

Activity	Proposed Scheme related activity for which funding will be provided to local authorities along the line of route
13	Early discussions on the design of drainage, flood defence and water resource proposals subject to approval under Schedule 32 (part 4) of the HS2 Bill.
14	Time spent by local authority officers on processing drainage, flood defence and water resource approvals under Schedule 32 (part 4) of the HS2 Bill.
15	Engagement on Archaeological Investigations specified within the HS2 Heritage Memorandum and the Code of Construction Practice.
16	Agreement of scope and methodology of heritage deeds required by Schedule 18 of the HS2 Bill.
17	Responding to other specific requests for information from HS2 Ltd or the DfT where it has been agreed that a fee would be paid for that activity.