



HIGH SPEED TWO PHASE ONE INFORMATION PAPER

C4: LAND ACQUISITION POLICY

This paper outlines how landowners will be compensated for the acquisition of their land required for the construction and operation of HS2 Phase One.

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 Bill for Phase One of the scheme which is now enacted. Although the contents were maintained and updated as considered appropriate during the passage of the Bill (including shortly prior to the enactment of the Bill in February 2017) the contents are now historic and are no longer maintained.

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.

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C4: LAND ACQUISITION POLICY

1. Introduction

- 1.1. High Speed Two (HS2) is the Government's proposal for a new, high speed north-south railway. The proposal is being taken forward in two phases: Phase One will connect London with Birmingham and the West Midlands and Phase Two will extend the route to Manchester, Leeds and beyond.
- 1.2. HS2 Ltd is the non-departmental public body responsible for developing and promoting these proposals. The company works to a Development Agreement made with the Secretary of State for Transport.
- 1.3. In November 2013, HS2 Ltd deposited a hybrid Bill¹ with Parliament to seek powers for the construction and operation of Phase One of HS2 (sometimes referred to as 'the Proposed Scheme'). The Bill is the culmination of nearly six years of work, including an Environmental Impact Assessment (EIA), the results of which were 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.
- 1.4. The Bill is being promoted through Parliament by the Secretary of State for Transport (the 'Promoter'). The Secretary of State will also appoint a body responsible for delivering the Proposed Scheme under the powers granted by the Bill.
- 1.5. This body is known as the 'nominated undertaker'. There may well be more than one nominated undertaker – for example, HS2 Ltd could become the nominated undertaker for the main railway works, while Network Rail could become the nominated undertaker for works to an existing station such as Euston. But whoever they are, all nominated undertakers will be bound by the obligations contained in the Bill and the policies established in the EMRs.
- 1.6. 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 project have been reached.

2. General approach

- 2.1. This policy sets out the basis upon which the Secretary of State will acquire land and property for construction and operation of the Proposed Scheme.

¹The High Speed Rail (London – West Midlands) Bill, hereafter 'the Bill'.

- 2.2. The Bill seeks powers for the compulsory acquisition of land within limits. These are intended to ensure sufficient flexibility in the detailed design of the scheme.
- 2.3. The Bill generally includes full land acquisition powers. However, in any individual case, the exercise of these powers will operate on the basis that the Secretary of State will acquire no greater amount of land than appears to him to be reasonably required following the detailed design of the scheme.
- 2.4. If it is practicable to acquire a smaller area of land without compromising the Secretary of State's ability to secure the construction and implementation of the project in a timely and economic manner, and it becomes clear that not all the land within limits is required, the Secretary of State will not generally seek to acquire this land and will be prepared to give necessary assurances to the landowners in question.
- 2.5. Landowners affected by the exercise of these compulsory powers of acquisition will be compensated according to the compensation code. The 'compensation code' is a collective term for the principles deriving from Acts of Parliament and case law, relating to compensation for compulsory acquisition. Its general purpose is to provide fair compensation for a person whose land has been compulsorily taken. Further details about the compensation code are contained in Information Paper C8: Compensation Code for Compulsory Purchase.
- 2.6. Where applicable, the compensation will be the un-blighted market value of the land acquired (assuming it is sold by a willing seller) plus statutory loss payments, disturbance (including stamp duty in relation to replacement property), diminution in value of any retained land, and other losses arising as a direct and reasonable consequence of the acquisition.
- 2.7. In addition to authorising the acquisition of land within the limits in connection with the railway, the Bill also authorises the making of compulsory purchase orders, in accordance with the normal process that applies to the making of such orders, to acquire land for relocation purposes. Further details about compulsory purchase powers for business relocations are contained in Information Paper C6: Disposal of Surplus Land and Over-site Development, and Information Paper C7: Business Relocation.

3. Safeguarding and Statutory Blight

- 3.1. Safeguarding is a planning tool to help the Government and HS2 Ltd protect the land needed to build and operate the railway from conflicting development.
- 3.2. Following consultation on safeguarding, the Secretary of State for Transport issued safeguarding directions for the majority of the Phase One line of route on 9 July 2013.
- 3.3. On 24 October 2013, the directions were replaced with an updated set of safeguarding directions to include two sections in Northolt and Bromford, which had previously not been published.

- 3.4. The directions were again replaced with an updated set of safeguarding directions on 26 June 2014, and 16 August 2016.
- 3.5. When safeguarding directions are issued, Statutory Blight is also triggered.
- 3.6. As a result of Statutory Blight, eligible property owners within the designated safeguarded areas can request the Government to buy their property, subject to the terms described in section 2.6 of this paper.

4. Worksites and other temporary land requirements

- 4.1. The Bill contains permanent acquisition powers to acquire the freehold interests in worksites due to the length of time they will be occupied.
- 4.2. Worksites and other temporary land requirements are often formed from a number of different land parcels in different ownership and fall into two categories:
 - where the nature of the site or part of the site will not materially change and no new railway works will be constructed on the site. Often these sites can be returned to their original use. In these cases, if the landowner wishes, and it is economic for the Secretary of State to do so, he will normally be willing to agree to take the land temporarily rather than acquiring the freehold interest. When considering whether it is economic to do so, the Secretary of State may require the compensation for the temporary occupation of land to be agreed prior to exercising powers of acquisition under the Bill as enacted; and
 - where the nature of the site will materially change (e.g. through demolition of existing buildings or construction of railway works on the site) or where land or property is planned to be developed, the freehold interest will be acquired.
- 4.3. In considering the question of material change, the Secretary of State will apply the approach set out in the Crichel Down Rules (see 7.1 link to Department for Communities and Local Government Guidance on Compulsory Purchase Process and The Crichel Down Rules).
- 4.4. Once it is no longer required for construction, worksite or other use, the land may be offered back to the original owner in line with the Land Disposal Policy. Further details about this are contained in Information Paper C6: Disposal of Surplus Land and Over-site Development.

5. Discretionary purchase schemes and Rent Back option

- 5.1. Please note the Exceptional Hardship Scheme (EHS) has now closed, having been replaced by the long-term suite of schemes set out below.
- 5.2. In April 2014, the Government announced a package of property help and compensation measures for residential owner-occupiers affected by the Proposed Scheme, further to the statutory compensation that is available.

- 5.3. These measures are designed to assist residential owner-occupiers who have a property that might be affected by the development of Phase One.

Express Purchase Scheme

- 5.4. This is based on an express purchase offer for those in the surface safeguarded zone, under which the Government agrees to buy properties at their full un-blighted market value, plus the ability to claim 10% of the un-blighted market value (up to a maximum of £58,000) and reasonable moving costs. Express purchase is an offer under which the Government relaxes some of the rules that normally apply to Statutory Blight, making it easier for owner-occupiers to sell their property to the government.

Rural Support Zone

- 5.5. The rural support zone (RSZ) is the area outside the safeguarded area and up to 120m from the centre line of the HS2 railway in rural areas. A choice of two discretionary schemes is available in the RSZ. The application process is the same for both. You do not need to choose an option until your property has been valued.

Voluntary Purchase Scheme

- 5.6. Under the Voluntary Purchase Scheme, the Government will offer to buy properties at their full un-blighted market value for those who meet three basic criteria.

Cash Offer

- 5.7. The Cash Offer is designed to help people who do not want to sell their home and would prefer to stay within their community. The Cash Offer constitutes 10% of the un-blighted market value of their property, with a cap of £100,000 and a minimum payment of £30,000, for those who meet the same criteria as for the Voluntary Purchase Scheme.

Need to Sell Scheme

- 5.8. The Need to Sell Scheme operates with no defined boundary. The scheme exists such that, subject to five discretionary criteria being met, the Government will buy properties at their full un-blighted market value from those who have a compelling need to sell, such as job relocation or ill health, but who are unable to do so - other than at a substantially reduced price - as a direct result of the announcement of the HS2 proposals.

Rent Back

- 5.9. Owner-occupiers who have sold their properties to the Government through any of the mechanisms detailed here, and want to continue living there, may be able to rent it back.

6. Home Owner Payment

- 6.1. A Homeowner Payment Scheme, to provide cash payments to eligible owner-occupiers between 120m and 300m from the centre line, is due to be launched following Royal Assent of the Bill, enabling residents to share early in the future economic benefits of the railway.

7. More information

- 7.1. More detail on the Bill and related documents can be found at: www.gov.uk/HS2 and <https://www.gov.uk/government/policies/developing-a-new-high-speed-rail-network/supporting-pages/hs2-route-and-reducing-the-impact-on-local-environment-and-communities>

For more information on the property schemes see: www.gov.uk/claim-compensation-if-affected-by-hs2

Further information about compulsory purchase and compensation is also available on the Department for Communities and Local Government's guides. These can be viewed at: www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance