

October 2019



HS2 Residents' Commissioner

Report 12 – October 2019

Summary

Since my last report, the Phase 2a hybrid Bill has been passed through the House of Commons and has moved to the House of Lords; detailed design on Phase One continues; and a design refinement consultation has been completed on Phase 2b.

My focus remains on the property schemes, both discretionary and statutory, and on community engagement communications, with the emphasis on improving these areas wherever possible. In particular, this report will focus on HS2 Ltd's response to my recommendations on the user experiences of the discretionary property schemes, and on identifying some of the key messages arising from recent meetings I have attended with community representatives in Phase One.

My recent actions include:

- Meeting with representatives of various communities affected by HS2 in Phase One;
- Giving evidence on my role and remit to the HS2 Phase 2a: High Speed Rail (West Midlands to Crewe) Bill Select Committee;
- Considering the information to be made available on the forthcoming Prolonged Disruption scheme and the Settlement Deeds scheme.

The property schemes

I have continued to monitor the discretionary schemes and to look for ways in which to improve their accessibility to those who qualify for them.

Phase One, Phase 2a and Phase 2b: Express Purchase zone

The Express Purchase (EP) zone applies to some properties in the surface safeguarded area.

All those affected who may be eligible should already be aware of their entitlement. People who live in this area and satisfy residency requirements can serve a blight notice on the government.

As of 31 August 2019, 701 blight notices have been accepted, and a further 8 are being assessed. There have been some design refinements on Phase 2b, meaning that there have been a number of changes affecting those properties potentially impacted by the line of route. When the current design refinement consultation concludes, further changes will be made. This has meant that some property owners on Phase 2b will have to wait to know if they qualify for the Express Purchase scheme since it would not be right to include them within the safeguarded area until the design has been fixed.

The continuing uncertainty is causing considerable difficulty for those affected. HS2 Ltd must do everything possible to confirm the final design and provide confidence to the parties concerned.

Express Purchase

Express Purchase will continue to operate until the HS2 programme requires properties to be acquired. Property acquisitions on Phase One are taking place in increasing numbers under the Compulsory Purchase Order process.

During 2019, HS2 Ltd will undertake a review of all the guidance documentation and publish the updated documents. In due course, this will include more information on the Compulsory Purchase Order process.



Phase One and Phase 2a: Rural Support Zone

The Rural Support Zone (RSZ) is the area outside the surface safeguarded area and up to 120m from the centreline of the new railway in rural areas.

As of 31 August 2019, 718 applications had been received, of which 597 have been accepted and 44 are being assessed. Of these, the majority (566 to date) continue to come from Phase 2b. On average, applicants will receive a decision on their application within 28 working days and are then able to make their own plans accordingly.

Following the review by the Department of Transport (DfT) in 2018, the scheme has recently been revised to ensure that the boundary for the zoned schemes is extended where the HS2 track footprint widens. Individual letters have been sent out to all affected property owners. Similar changes also apply to the Homeowner Payments (HOP) scheme.

Phase One, Phase 2a and Phase 2b: Need to Sell

The Need to Sell (NTS) scheme is open to owner-occupiers who can demonstrate that they have a compelling reason to sell their property but have not been able to do so – other than at a substantially reduced price – as a direct result of the announcement of the HS2 route.

As of 31 August 2019, 855 applications had been received, of which 306 have been accepted and 58 are waiting for a decision. It is also noted that 144 applications have been withdrawn, often because these properties have been sold on the open market. The percentage of applications accepted currently stands at 47%.

Take-up of the scheme has slowed in recent months, which may be a reflection of the wider housing market and current political uncertainty.

Phase One: Homeowner Payments

The HOP scheme was introduced in March 2017 for owner-occupiers of properties within 300m of the centreline for the Phase One route, following the grant of Royal Assent for Phase One.

Uptake of the scheme has been good and, as of 31 August 2019, 873 applications had been received, of which 746 have been accepted. There has been a consistent take-up along the line of Phase One with applications from along the full length of the HOP zone.

Property schemes – general

Non-statutory property schemes review

DfT published a review of its research into the suitability, risks and benefits that a property price support scheme could have along the HS2 route.

Disappointingly, the review concluded that, while the concept of the property price support scheme has merit, it is not appropriate to introduce it in the case of the HS2 project. The review can be found here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/806253/hs2-property-price-support-scheme-review.pdf

The scheme was generally supported by property professionals but the lack of precedent attaches too much risk for DfT to accept. It is hoped that, as was suggested in the concluding paragraphs, the scheme can be rolled out in specific geographic areas, since it is only by trialling it on a larger scale that the benefits or risks can be properly evaluated.

User experience

In my last report, I outlined the work I had undertaken on the user experience of the property schemes along with my recommendations. HS2 Ltd responded in general terms in their reply to my last report; however, for clarity I will repeat my recommendations here, together with HS2 Ltd's proposed course of action which I will be monitoring.

Information

The information provided under each scheme was generally felt to be helpful, albeit lengthy and complex to follow.

Recommendation I

HS2 Ltd should strive to achieve the Crystal Mark for Plain English, or a similar accreditation, on its property scheme guidance material, as has been recently achieved on the HS2 complaints leaflet.

Action

This work is underway and HS2 Ltd has committed to obtaining the crystal mark on all of its property scheme guidance material by the end of 2019.

Recommendation II

The HS2 website should be restructured for the property schemes to make it easier to navigate and use. As an example, all documentation relating to the EP scheme should be available under that heading.

Action

A workshop was arranged in September to review the Land and Property pages of the HS2 website, to reorder, restructure and collate the information so that material relevant to each scheme would be easily available to users. Where possible, the GOV.UK website would also be restructured.

Recommendation III

HS2 Ltd should make more opportunities available for any directly affected property owners to discuss their individual cases with HS2 Land and Property.

Action

A number of additional property scheme workshops and one-to-one sessions are being planned where a particular need has been identified through discussions with MPs' offices. These can also be arranged in other areas should there prove to be a requirement. Line-of-route MPs may be best placed to recognise where additional assistance is most beneficial, and they should contact HS2 Ltd if they wish for a workshop to be arranged.

Process

The overall length of time for the acquisition process to be completed varied substantially, depending on the scheme. However, almost without exception, the length of time exceeded the applicant's expectations.

Separately, the EP scheme received extensive criticism because of

the length of time it takes for a property to be negotiated and acquired.

Recommendation IV

HS2 Ltd should investigate whether any IT could be introduced to track the progress of applications by users.

Action

An enhanced IT-based case management system is in development and is planned to be introduced during 2020. This will help in the processing of claims and the management of all cases across the statutory and discretionary property schemes. As a result, better information will be provided to case managers and acquisition agents, which in turn will improve the feedback of information to applicants and their agents.

Recommendation V

HS2 Ltd should consider whether a streamlined valuation process could be offered to applicants of the EP scheme.

Action

I am pleased to note that DfT and HS2 Ltd see merit in exploring the option for a more streamlined valuation process, similar to that for the NTS and RSZ schemes, and that work is underway on this matter. I look forward to seeing the outcome of that work in due course.

Support

Despite the many helpful and empathetic case officers within HS2 Ltd, there are a small number of staff who show less compassion, or who feel bound to remain rigidly within the documented process.

In addition, the primary contact for the applicants, usually an HS2 case officer, does not retain active responsibility for the case through to its conclusion.

Recommendation VI

All HS2 Land and Property staff who are primary contacts for applicants should receive appropriate customer-facing training to support all applicants through the acquisition process for the property schemes.

Action

HS2 Land and Property has a training programme for the current financial year that includes customer-facing training, which all staff will have received by the end of March 2020.

Recommendation VII

All primary contacts should retain proactive management of their

cases until completion.

Action

Once an application has been accepted by any of the HS2 property schemes, it is given to a case manager whose name and contact details are passed on to the applicant. At an appropriate point in the proceedings, usually on completion of the valuation process, the day-to-day case management is handed over to an acquisition agent who is a third-party supplier contracted to HS2 Ltd. The HS2 case manager retains overall control of the case until completion and will proactively manage and monitor the ongoing activities of the acquisition agent to ensure a consistently high standard of care towards each applicant.

Third-party agencies

Third-party agencies, such as HS2-appointed valuers and building surveyors, need to display a positive attitude to the scheme users, and to provide timely and accurate reports to enable the process to complete quickly.

Recommendation VIII

HS2 Ltd should seek to standardise expected performance guidelines for all standard elements of its acquisition process, including initial valuation reports and property building surveys, and actively monitor its agents' performance against these indicators.

Action

Overall key performance indicators (KPIs) are in place for specified activities by HS2 Ltd external suppliers.

Conveyancing process

One element shared by all those participating in the discretionary schemes is the conveyancing process, which is not well understood by the majority of scheme users.

Recommendation IX

HS2 Ltd should publish the steps required within the conveyancing process so that those using the schemes are aware of the requirements and can plan their related purchases accordingly.

Action

A booklet on the conveyancing process has been prepared for the discretionary schemes. This is now in use and will be sent out with all valuation offers to the applicants and their solicitors. The booklet should ensure that as much information as possible is made available to help applicants plan their house move. This was

recently added to the website and can be found at:

<https://www.gov.uk/government/publications/hs2-property-schemes-between-london-and-the-west-midlands>

Recommendation X

HS2 Ltd's primary contact with the applicants should communicate regularly with the users to keep them apprised of the process and help them to manage their requirements on completion dates.

Action

The new case management system will provide HS2 case managers and the acquisition agents with enhanced information about the process and the applicant's journey within it, enabling them to proactively monitor each case and minimise delays as far as possible. It will also ensure a high level oversight of each case by HS2 Land and Property senior management so that any issues can be identified and acted upon.

I am continuing to survey those who have recently completed the sale of their properties to HS2 Ltd to monitor ongoing performance.

Urban Compensation/Prolonged Disruption scheme

During the passage of the Phase One Bill through Parliament, the House of Lords Select Committee recommended the provision of improved compensation to households in close proximity to prolonged HS2 construction activity.

HS2 Ltd has been developing a scheme for some time in order to deliver on this recommendation, and I am pleased that this policy was finally agreed and launched at the end of August.

Further information can be found here:

<https://www.gov.uk/government/publications/hs2-prolonged-disruption-compensation-scheme>

My focus remains on ensuring that the final scheme is comprehensive, clear, available to all, and easy to both understand and apply for, especially given the diversity of the affected communities. The policy that has been launched lacks clear detail; however, it contains a commitment to contact all those affected on an individual basis to discuss their options at the appropriate time.

Recommendation

I will continue to monitor this scheme and will be looking in detail at the further guidance information which is due to be released in late autumn 2019.

Settlement Deeds

In Information Paper E23, and the more user-friendly High Speed Two (HS2) Guide to Settlement, HS2 Ltd refers to the impact that tunnelling will have on property from the construction of the tunnels and the operation of the trains. The paper sets out the company's approach to monitoring and measuring any settlement which may occur, the mitigation measures it will take to minimise any impacts, and the legal deed which it is offering to homeowners.

The policy is continuing to be developed. Letters were sent out in the spring to all those who applied for the scheme and further details will be made available in the autumn.

There has been no further progress on this scheme and it remains outstanding.

Community Engagement Strategy

In addition to attending engagement events across the line of route, the independent Construction Commissioner and I have been meeting with representatives of different communities on Phase One, at their request, to discuss the impact of HS2, their views of the company HS2 Ltd, and its community engagement approach.

Lack of openness

One of the values which HS2 Ltd expresses in its Community Engagement Strategy is that of integrity which it defines in the following statement:

"We will be open and honest when sharing information. If we are not able to make a requested change we will explain why. We will deliver on our promises and do so collaboratively ..."

The biggest concern expressed by the communities that I have met on Phase One is a lack of openness by HS2 Ltd, which in turn generates a lack of trust from the community. Explanations are felt to be in short supply, with information provided on a "what and when" basis but which lack a "how and why" explanation.

One example of this was the closure of Breakspear Road South in

the Hillingdon and Ruislip area. The announcement was made that this road closure would take place during the school public examination period. The community had alerted HS2 Ltd in advance through the community engagement team to the difficulties this would cause on a number of occasions. It took considerable pressure from both the community and senior management in the HS2 community engagement team, and intervention by the CEO, to postpone the closure.

The issue for the community was not that the road needed to be closed, but why it had to be at such a critical time, and why the communications surrounding it were poorly handled, with conflicting information available on the HS2 enquiries line, the contractors' notices, and on HS2 in Hillingdon.

The communities that I have spoken to understand that there will be unavoidable contractual or programming reasons, in some instances, for decisions that are made or delayed. The request by communities is that these decisions are communicated quickly, clearly and as soon as they are available, to enable trust to be regained.

Recommendation

HS2 Ltd needs to adopt a more open and honest approach to communities, to provide a proactive explanation both for decisions made and where works have been delayed for no apparent reason.

The community engagement team within HS2 Ltd represent the voice of the community, and that voice should be clearly heard within the decision-making process of the organisation.

Keeping the community informed

The criticism from communities of HS2 Ltd is that its actions are not always agreed, allocated and delivered in a timely fashion, even though HS2 Ltd has respect as one of its core values:

"We will respond to communities and stakeholders in a timely and accessible manner."

HS2 Ltd needs to demonstrate this value and deliver on commitments made.

Recommendation

Regular meetings should be held with community representatives across Phase One to ensure that their particular concerns are addressed. HS2 Ltd needs to be more proactive in providing responses to agreed actions, both by the company itself and by its delivery partners.

Given that construction is scheduled to start in earnest in 2020, it is crucial that the company looks at its approach and changes its ways to be the good neighbour it strives to be.

Next steps

I will be attending a number of engagement events in the next quarter across all three phases of the route.

My email address is: residentscommissioner@hs2.org.uk or please write to me at: c/o High Speed Two (HS2 Ltd), 2 Snowhill, Snow Hill Queensway, Birmingham, B4 6GA.



High Speed Two (HS2) Limited

Two Snowhill

Snow Hill Queensway

Birmingham B4 6GA

Freephone 08081 434 434

Minicom 08081 456 472

Email HS2enquiries@hs2.org.uk

CS977