



HS2 RESIDENTS' COMMISSIONER

Report 8 – January 2018

Summary

The year 2017 was a busy period for HS2 Ltd. The deposit of the Phase 2a hybrid Bill was accompanied by a series of community events, with two further rounds of community information events for Phase 2b. The year also saw the publication of the HS2 Ltd Community Engagement Strategy.

Key activities in 2018 begin with the second reading of the Phase 2a hybrid Bill (on 30 January) and continue with publication of the Phase 2b draft Environmental Statement. Phase One early works construction activities are also ramping up.

My recent actions include:

- Reviewing the current property schemes. I have had meetings with the Department for Transport (DfT) and Rail Minister to review this from a policy perspective and with HS2 Ltd from a process perspective.
- Participating in the recently established Mexborough Forum. In order to understand the key issues at Mexborough – particularly proposals to assist the Shimmer residents – I have engaged with residents, Doncaster councillors, Mexborough First councillors, the DfT and HS2 Ltd.
- Attendance at Phase 2b community engagement events and working with the Community Engagement Team to make the forthcoming Local Area Engagement plans as meaningful as possible.

My focus for 2018 remains on the discretionary and statutory property schemes and on community engagement communications, with the aim of improving these areas wherever possible.



Property schemes

I continue to monitor the property schemes and have been in discussion with the Government about how these could be improved in the future.

Application volumes and processing

So far, around 800 properties have been acquired by HS2 Ltd on behalf of the DfT under different property schemes.

As there will inevitably be more property scheme applications, HS2 Ltd must ensure that it has sufficient resources, particularly staff and third-party agency staff, to manage applications in a proactive and timely manner.

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

This applies to eligible property in the surface safeguarded area.

All individuals that may be eligible should already be aware of this scheme.

People living in the surface safeguarded area who meet the residency requirements can serve a Blight Notice on the Government. As of 31 December 2017, 602 Blight Notices had been accepted, and a further 27 were being assessed. The last 12 months have seen a 61% increase in the total number of notices – largely due to the addition of Phase 2b areas.

The Express Purchase scheme is available to property owners until HS2 Ltd needs to acquire their property. Increasingly on Phase One, property acquisitions will be moving to the Compulsory Purchase phase. As this happens, the emphasis must remain on effective and proactive engagement with residents. Property managers must ensure those affected are fully aware of the timescales and have been given ample opportunity to plan accordingly.



Rural Support Zone scheme: Phase One, Phase 2a and Phase 2b

This applies to property in rural areas, outside the surface safeguarded area and within 120 metres of the centreline of the new railway.

As of 31 December 2017, a total of 335 Rural Support Zone applications had been received. 227 were accepted and 93 were being assessed.

Of these, in Phase 2b, 213 applications have been received and are being processed with speed and efficiency, although the sheer volume of applications has caused some minor delays in the process. Where delays are being experienced, the HS2 Ltd Property Team is keeping applicants up to date.

I am pleased that there is now the option for a desktop valuation for cases where the property owner believes the value of their property is less than £250,000 and they wish to opt for a cash payment. This will help to speed up the valuation process, leading to a faster outcome for those affected.

There are more details of this option, known as the Streamlined Valuation Process, on page 12 of the Rural Support Zones schemes: guidance and application form. This can be found at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/662515/cs542b_rsz_guidance_and_application_form.pdf



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

This applies to owner-occupiers who 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 December 2017, 580 Need to Sell scheme applications had been received. 208 were accepted and a further 113 were awaiting a decision.

With the Need to Sell scheme having now been available in Phase 2b for over a year, it is disappointing that the acceptance rate in Phase 2b remains low at around 31% compared to an average of 58% across Phases One and 2a. HS2 Ltd must do further work to improve the scheme's accessibility, including making the guidance more user friendly. The current Need to Sell guidance document, which runs to 40 pages, can be off-putting to prospective applicants. I am pleased that HS2 Ltd are currently developing explainer videos, due for launch in spring 2018. At the same time, the existing easy-read introduction to the booklet must be more widely publicised. Together, these measures will improve the scheme's accessibility.

In accordance with the assurances given by the DfT in the Phase 2b Property Consultation Response, additional guidance should be provided to:

- help individuals make an application to the scheme; and
- ensure that individuals provide the correct evidence to enable the panel to make a decision.

Homeowner Payments scheme: Phase One

This applies to owner-occupiers of properties within 300 metres of the centreline of the Phase One railway.

Uptake of the Homeowner Payments scheme has been good. As of 31 December 2017, a total of 680 applications had been received. 606 of these had been accepted and a further 34 were being assessed.

More than 530 applicants have now received their payments and the scheme administration appears to be working extremely well.



Property schemes – general

Reviews of the non-statutory property schemes

Following the DfT's publication of the Phase 2b Property Consultation Response, a number of reviews relating to the property schemes are underway or at the planning stage.

Topics for review include:

- technical consultation on the proposal for a property bond;
- the Statutory Blight acquisition process;
- the impact of rolling stock depots; and
- individuals with no prior knowledge of discretionary schemes.

The DfT is also carrying out a general review of the non-statutory property schemes. I understand from DfT officials that the Department will announce key outcomes of this review in summer 2018.

Recommendation: Further details of the DfT's review of the non-statutory property schemes should be made public in accordance with the statements made in the DfT's Phase 2b Property Consultation Response.



Statutory schemes and the Express Purchase scheme

There remains a gap in the information available to homeowners who are able to serve a Blight Notice and who may qualify for the Express Purchase scheme. The Ministry of Housing, Communities & Local Government provides some high-level information on compulsory purchase at: www.gov.uk/government/publications/compulsory-purchase-and-compensation-booklet-4-compensation-to-residential-owners-and-occupiers. However, homeowners going through the process can still find out little before serving a Blight Notice. Moreover, HS2 Ltd has not published any further advice for people once their Blight Notice has been accepted.

The process will be a new and strange experience for individuals, and indeed businesses, who deserve to be better supported. The current Express Purchase scheme guidance lacks detail and examples and was a significant source of complaint to HS2 Ltd during 2017. This issue was raised in my last report but still has not been addressed.

Recommendation: As a matter of urgency, HS2 Ltd should publish an information booklet on the Express Purchase process.

This guidance should include indicative timelines, frequently asked questions and information on the disturbance claim element.



Property Schemes Review

The following anomalies have come to light through correspondence I have received. I have asked for these to be reviewed as part of the DfT review of the policy on discretionary property schemes.

Investment owners in safeguarding – It is not uncommon for private individuals to invest in property (particularly in buy-to-let property) with the intention of disposing of the property as part of a long-term pension or savings plan.

There are a small number of such investors with properties that lie within safeguarding and where the property may not be compulsorily purchased for many years – if ever. For example, investors with properties on the Shimmer estate. These investment owners find themselves stuck and some may be experiencing financial hardship as a result. Subject to qualifying criteria, it seems reasonable that they should be able to apply for a discretionary purchase scheme, such as Need to Sell.

Property owners who were marketing their property before HS2 was announced – It is my view that where:

- a property owner had their property on the market for sale before HS2 was announced; and
- they can demonstrate that they have continued to seek to sell their property, but have been unable to as a result of the HS2 announcement; and
- they have made one or more applications to the Need to Sell scheme;

This should be acceptable as a qualifying criteria where there is no other acceptable qualifying 'pressing need to sell' under Criteria 5 of the Need to Sell scheme.

Recommendation: The DfT should consider including both of the above areas in their policy review of the discretionary property schemes.



Learning from the past experience of applicants

There is much that can be learned from those individuals who have already gone through the process of selling their property to HS2 Ltd under one of the property schemes. As part of the Government's review of the accessibility of the Need to Sell scheme, it suggested collecting information from applicants to get a better understanding of any difficulties.

I believe this measure should be extended. The experiences of homeowners who have been through any one of the current property scheme processes could provide a valuable insight to simplify, quicken, and generally improve each of them.

Recommendation: The DfT and/or HS2 Ltd should consider measures to learn from the experiences of the approximately 800 homeowners who have already been through one of the existing property schemes.

Alternative dispute resolution guidance

Despite the HS2 Ltd Chief Executive's comments in his response to my last report, the alternative dispute resolution guidance is still not available. A commitment to produce this by May 2017 was also given in the House of Commons.

The compulsory purchase of residential property is now taking place with the guidance still absent. Whilst I am aware that in some individual cases, alternative dispute resolution has been proposed by HS2 Ltd, it is part of the information that should be readily available to those going through a blight acquisition process, who struggle to find any helpful information.

Recommendation: As a matter of urgency, HS2 Ltd should publish alternative dispute resolution guidance and provide it to all those looking to apply through the Express Purchase scheme or issue a Blight Notice.



Urban Compensation policy

It is now more than 12 months since the House of Lords Select Committee recommended that additional compensation be provided to those who will experience prolonged disturbance from construction; a recommendation that was subsequently agreed by the DfT.

The Urban Compensation policy is not yet agreed, meaning those facing prolonged disturbance are still not aware of their potential entitlement.

Although it is anticipated that any construction works that may lead to prolonged disturbance will not commence before summer 2019, those who will be affected should be able to plan in full knowledge of the Urban Compensation policy.

Recommendation: HS2 Ltd should determine the policy on prolonged disturbance and make it public without further delay.



Community engagement communications

Community engagement is generally working well. The low volume of concerns on this topic raised with me recently reflects the substantial improvements that HS2 Ltd has made since 2015.

Local area engagement managers who know and are able to actively engage with their communities are now in place across Phases One and 2a. There has also been a significant increase in the number of HS2 Ltd and partner staff supporting communities affected by Phase 2b.

Tailored Local Area Engagement plans are now being put in place for Phase One, although the roll out of these is taking some time. In discussions with HS2 Ltd's Director of Community Engagement, I have expressed encouragement for the plans to contain real and measurable targets, appropriate to the communities they affect. This will enable communities to hold HS2 Ltd and its delivery partners to account. For example, if a commitment is made to measure lorry movements, the community must be able to see: the starting point for this measure; where the monitoring is taking place; and track measurable progress.

The Community Engagement Strategy states that progress for the ten Community Commitments will be measured and reported. I urge the Director of Community Engagement to publish these key performance indicators at the earliest opportunity although, of course, some of the commitments – such as providing a positive and sustainable legacy – are unlikely to be in place for some time yet.

Recommendation: HS2 Ltd should begin publishing the measures for the Community Commitments as soon as possible.



Commonplace consultation platforms

The Commonplace websites, such as HS2inEuston, are now being widely rolled out; there should be 10 of these local platforms available by the spring.

I welcome these platforms as they will provide valuable information and support to those who can access them. However, I remain concerned that many people directly affected by HS2 do not have access to the internet and will not be able to use the platforms.

Through the construction phase of the programme, more needs to be done to identify and support these individuals – many of whom may be vulnerable.

Next steps

Nusrat Ghani MP has assumed responsibility for HS2 matters following her appointment as Parliamentary Under-Secretary of State for Transport. I look forward to raising many of the issues in this report with her when we meet.

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

I will continue to focus on the DfT review of the property schemes and welcome anyone who is affected by the property schemes, or by apparent policy anomalies, to contact me.

Contact me

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