

HIGH SPEED 2 - EXCEPTIONAL HARDSHIP SCHEME

Some frequently asked questions

Q1. Was 17 June 2010 (the closing date of the consultation) the deadline to apply to the Government to buy my home under the Exceptional Hardship Scheme (EHS)?

A1. No. 17 June 2010 (extended from 20 May) is simply the deadline for responding to the consultation on the EHS. Now that the consultation is completed the Government is considering the responses and deciding whether to introduce a scheme and, if so, how it might operate. If a scheme is introduced it would start as soon as possible in the summer. At that point you would then be able to submit your application if you would like the Government to buy your property. There would be plenty of time to do this, and we would not be setting an early deadline by which applications must be sent in.

Q2. Didn't extending the deadline for responding to the consultation until 17 June mean that those property owners who most urgently need to move will have to wait longer until they can sell their houses?

A2. The Government is conscious that extending the consultation might have implications for those most urgently needing to sell. So, without looking to pre-empt what the final result of the consultation might be, they have asked Government officials to put shadow arrangements in place so that if Ministers decide to go ahead with the EHS after consultation it can be implemented immediately.

Q3. What would these "shadow arrangements" consist of?

A3. The aim of any shadow arrangements will be to minimise the delay between Ministers' decisions on whether and how the scheme should operate and the consideration of the first applications. In particular, we want to ensure that the time required to recruit independent members for the panel (should a panel be required for the final scheme) does not unhelpfully delay progress dealing with any urgent cases.

Therefore, we propose to identify and put in place a 'shadow panel' who will not necessarily meet the full criteria for independence, but who will be able to consider applications as early as possible following a Ministerial decision on the scheme. The shadow panel, should it be required, will operate under the same arrangements and guidance as announced by Ministers following consultation. This will help ensure that payments can be made to eligible property owners as quickly as possible if the Government agrees to buy their property. If an applicant disagrees with a decision taken by a shadow panel, they will have the right of appeal to any final panel once that is in place.

If Ministers decide following consultation on different arrangements which do not require a panel, the shadow arrangements will not be used.

Q4. Is the EHS my only chance of getting you to buy my house or of getting any compensation?

A4. No, this is not your only opportunity to claim. The EHS is designed to help people who have an urgent need to move before a final decision is taken on (i) whether to build a new high speed link, and (ii) exactly what its route would be. The Government intends to launch a consultation on both of these issues shortly. Only after the Government has had a chance to consider the responses to this latter consultation will a decision be taken on any new link and its route.

Even if it is decided broadly to take forward the current recommended route there may still be some changes made in order to reduce its effects on particular areas; this might mean for instance that some properties will not be affected after all.

If a decision is taken to go ahead with a new high speed route, and exactly what the route should be, the Government is likely to “safeguard” the route. Safeguarding is designed, amongst other things, to protect route corridors which have already been identified for building transport projects from other new developments which are proposed. For example, if someone else was proposing to build a new supermarket which would block the route of the high speed line.

Safeguarding the final route for the line would also trigger what are known as statutory blight arrangements. Once these arrangements come into force, the owner of a blighted property who tried to sell it but, because of the HS2 proposals, was unable to do so other than at a price substantially lower than what it would otherwise have been worth, can serve the Government with a “blight notice”. Government may then buy the property at its full market value. This is separate from the EHS and not all of the eligibility criteria proposed for the EHS would apply. In particular you would not need to show that you would suffer exceptional hardship if you were unable to sell your property.

Looking further into the future, and depending upon individual circumstances, as a property owner you might also qualify for compensation if a new line is built. This might be available even if it didn't prove necessary for the Government to purchase your property, for example if you suffered from increased noise levels during the building of the line or after it opens.

Q5. Doesn't the consultation paper suggest that you will only pay me 85% of the value of my property if you buy it from me?

A.5 No. The consultation paper explains that one of the criteria under which you could qualify for the EHS would be if your property had been on the market for at least three months and that you had not received any firm offers within 85% of its market value. So, for instance, if your house had been valued at £400,000 and you had not received any offers of £340,000 or more. This simply reflects the fact that where property owners anywhere were looking to sell their property they might normally be prepared to accept a slightly lower offer if it was proving hard to sell. A similar 85% threshold has applied to other purchase schemes for

properties affected by major transport projects, such as the Channel Tunnel Rail Link and Crossrail

This would not affect how much you might receive under the EHS. If the Government agrees to buy your property under the EHS it will pay its full market value at the time, ie 100% of its value. This will be its unblighted value, that is the amount it would be worth if there were no proposals to build a high speed rail line nearby

Q6. Can I submit my details in advance of the close of the consultation, even if you don't make a decision until afterwards?

A6. Yes. You can notify us now that you might be interested in applying under the EHS (you do not need to send us any more information at this stage, other than your contact details). We will then contact you again after the consultation ends. That will also allow us to make sure that we can deal with your application quickly once any EHS starts.

Q7. The published maps for the proposed route of the rail link suggest that my property will need to be demolished. Does this mean that you will be looking to demolish it soon?

A7. No. As explained above in the answer to Q4, at this stage no decision has been taken as to what the final route of any high speed link would be. There will be a full public consultation launched on whether to build a new line and, if so, the possible routes, in a few months time. Only once that consultation is completed and the Government has considered the responses to it will a final decision be taken on whether the new link would go ahead and exactly what its route would be. Even after a decision was taken on any final route it would still be several years before it was necessary to take any properties.