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The Government Response to the Consultation on Safeguarding High Speed Two Phase Two (Fradley to Crewe)

Presented to Parliament by the Secretary of State for Transport by Command of Her Majesty

November 2015

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1 Introduction

Purpose

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1.1 Between 4 November 2014 and 6 January 2015, the Government consulted on a proposal to safeguard land that may be needed for a section of the High Speed Two (HS2) Phase Two route between Fradley and Crewe (Phase 2a). HS2 Limited conducted the nine week consultation on behalf of the Government. It sought views from all interested parties, including the relevant Local Planning Authorities (LPAs) who would have to operate under the requirements of a safeguarding direction issued by the Secretary of State for Transport, other key stakeholders and qualifying owner-occupiers who would fall within the areas identified in the draft safeguarding directions and maps. In line with the Government's consultation principles, the consultation was also open to responses from the public more generally.

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2 Summary of the Government's intentions following this consultation

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- 2.1 Following the safeguarding consultation and the Phase 2a route announcement (more information can be found at <u>https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester</u>. The Government has decided to introduce safeguarding directions along a corridor of land to protect the route for this part of the Western Leg of Phase Two. Phase 2a will link directly with Phase One and enable services to run directly onto the West Coast Main Line (WCML) at Crewe.
- 2.2 This will not only have immediate implications for the Local Planning Authorities (LPAs) themselves, but also for those considering submitting planning applications in respect of land in the safeguarded area. Safeguarding the Phase 2a route will ensure that new developments in this corridor do not affect the ability to build or operate HS2, or lead to excessive additional costs. It is important to note that the safeguarding of land will not prevent all development and each application will be considered on a case-by-case basis.
- 2.3 Safeguarding is primarily a procedural mechanism which requires the LPA to notify HS2 Limited of any development proposals which may conflict with the route. This allows HS2 Limited to review the proposals and make representations to the LPA. If the LPA is minded to grant consent contrary to these representations, then they need to notify the Secretary of State who then has the ability to call in the application for determination.
- 2.4 As well as protecting land that may be required for the route, safeguarding triggers statutory blight under the Town and Country Planning Act 1990. It gives property owners who meet the statutory criteria the ability to serve a blight notice and request that the Government purchase their property. For example, owner-occupiers of residential properties who meet the relevant blight notice criteria and whose request is accepted can expect to receive the unblighted value of their home, a home-loss payment of 10 per cent of the value of their home (up to £53,000) and reasonable moving costs.
- 2.5 Information on statutory blight specifically aimed at those within areas safeguarded for HS2, including application forms, is available at https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester or by

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phoning the HS2 Limited Community Helpdesk on 020 7944 4908. Lines are open Monday to Friday from 9am to 5pm.

- 2.6 General information on England's compulsory purchase system, including the statutory blight regime that will operate within safeguarded areas is available at: <u>https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/compulsory-purchase-system-guidance</u>.
- 2.7 The purpose of this document is to explain the Government's decision in the light of responses to the safeguarding consultation. The responses themselves have been analysed by HS2 Limited and a summary entitled *"High Speed Two Phase Two (Fradley to Crewe) Safeguarding Consultation Summary Report"* has been published separately to this document at https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester.
- 2.8 At the same time, we will be introducing the discretionary express purchase scheme. This scheme relaxes some of the criteria that qualifying applicants have to meet in order to have their property bought by the Government under a blight notice. This is as an interim measure until the outcome of the consultation on the long-term discretionary schemes. For further information on the HS2 Phase Two: West Midlands to Crewe Property Consultation 2015 and the proposed schemes, please go to <u>https://www.gov.</u> <u>uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-andmanchester</u>.

Background

- 2.9 In July 2013, HS2 Limited published a proposed route for Phase Two of HS2, which the Government consulted on from July 2013 to January 2014. Following that consultation, HS2 Limited have considered a range of refinements to the whole of Phase Two, including the Phase 2a route.
- 2.10 Following careful consideration of the responses to that consultation, HS2 Limited remained of the view that a route to Crewe remained the right solution for serving the West and North-West. As explained in the Phase Two safeguarding consultation document, the Government was sufficiently persuaded of the case for a route via Crewe to consider issuing safeguarding directions for Phase 2a, in the interests of ensuring the timely and economic delivery of that section of the route. In order to inform the consultation on draft safeguarding directions, HS2 Limited made a number of assumptions about a possible route between the West Midlands and Crewe. The line of route that the Secretary of State has decided to take forward for the development of a hybrid bill is similar to the route that was used to inform this consultation, but it has been subject to further design development and refinement. Therefore, it is not the same as the route used to inform the safeguarding consultation.

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- 2.11 Safeguarding directions are a mechanism set out in the Town and Country Planning (Development Management Procedure) (England) Order SI 2015 no 595 for ensuring that new developments do not conflict with the construction of proposed major projects such as HS2. When properly applied, they can help control costs and prevent delays, in the interests of scheme promoters, individual developers and the wider public. In practice, once the Secretary of State has made a decision to safeguard the land that may be needed for part of the route, the Secretary of State issues safeguarding directions to LPAs.
- 2.12 Safeguarding directions place a legal obligation on LPAs to consult the named authority – in this case HS2 Limited – on all undetermined planning applications (other than those exempted by the directions) in respect of land that is within the safeguarded area. If an LPA is minded to grant planning permission, other than to give effect to HS2 Limited's comments, the planning application is referred to the Secretary of State, affording him an opportunity to make a direction restricting the granting of planning permission.

Questions asked

2.13 The safeguarding consultation asked the following five questions:

Question 1 What are your views on the proposal to safeguard land between Fradley and Crewe? Please provide as much detail on your reasoning as possible

Question 2 What are your views on the content of the proposed safeguarding directions? Please provide as much detail on your reasoning as possible

Question 3 What are your views on the content of the guidance for local planning authorities on the directions? Please provide as much detail on your reasoning as possible

Question 4 What are your views on the proposed approach to determining what land is to be safeguarded? Please provide as much detail on your reasoning as possible

Question 5 What are your views on the draft Impact Assessment? Please provide as much detail on your reasoning as possible

In total, 107 responses were submitted during the consultation period.

3 Next steps

Immediate implications of safeguarding

3.1 Safeguarding directions for the Phase 2a route are being issued alongside this document. This has immediate implications for Local Planning Authorities (LPAs) and those wishing to submit planning applications in respect of land in the safeguarded area.

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- 3.2 As well as helping to protect the land needed to build and operate the railway, the safeguarding directions also trigger the statutory blight regime. This means that property owners within the safeguarded area may be eligible to serve a blight notice asking the Secretary of State to buy their property prior to it being needed for construction. General information on compensation for those who own property within safeguarded areas is available at: https://www.gov.uk/government/organisations/system-guidance.
- 3.3 Information on compensation specifically aimed at those who own property within areas safeguarded for HS2, including application forms, is available at https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester or by phoning the HS2 Limited enquiries line on 020 7944 4908.

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4 Forward look

4.1 The Secretary of State may, at a later date, issue new safeguarding directions if circumstances change; for example, if more detailed engineering work reveals that additional land is required or that land can be taken out of safeguarding. The Government will require HS2 Limited to keep the safeguarding directions under review, and to amend them as appropriate to reflect changes or developments to the scheme such as the Environmental Statement and hybrid bill deposit¹, when the engineering will have been further developed.

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¹ A hybrid Bill has characteristics of both a Public and Private Bill. Public Bills change the law as it applies to the general public and are the most common type of Bill introduced in Parliament. Private Bills change the law only as it applies to specific individuals or organisations, rather than the general public. Groups or individuals potentially affected by these changes can petition Parliament (at Bill deposit) against the proposed Bill and present their objections to committees of MPs and Lords.

5 The proposal to safeguard the Phase 2a route

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This chapter sets out the Government's decisions following responses to the question:

What are your views on the proposal to safeguard land between Fradley and Crewe?

Whether now is the right time to safeguard

- 5.1 Analysis of the consultation responses showed that it was common for respondents to suggest that it would be inappropriate to announce safeguarding the route between the Fradley (in the West Midlands) and Crewe until the line of route had been decided and announced.
- 5.2 The Government explained in the consultation document its reasons for why it was appropriate to seek to safeguard in advance of a route decision. However, the Secretary of State has now announced his decision on the route between the West Midlands and Crewe which can be found at https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester and so the route and safeguarding can be announced together.
- 5.3 The Government has to strike a balance when safeguarding. The later safeguarding takes place, the more precise knowledge there is of the route; the earlier safeguarding takes place, the sooner the implementation of the formal processes to deal with planning inputs in the route corridor can take place and the sooner the affected landowners may serve blight notices.

Whether safeguarding the route of Phase Two will assist with or spread blight

5.4 A concern noted by some respondents was that the issuing of safeguarding directions might increase the severity of and broaden the area experiencing generalised blight. Respondents also expressed concerns that the difficulties generalised blight cause communities and individuals would not be sufficiently addressed by the introduction of statutory blight.

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- 5.5 The Government's view is that generalised blight is caused by the fear and uncertainty that follows the announcement of a major project; in this case the proposal to construct HS2. There is an important distinction to be made between the impact the announcement of the HS2 project has and the processes that are used to protect the route from conflicting development.
- 5.6 In addition, the Government's view is that safeguarding this section of the route will provide certainty to those whose properties are close to all other alternative route proposals, reducing the impact of generalised blight in these locations.
- 5.7 Also, safeguarding triggers the statutory blight regime, enabling those within the safeguarded area to serve a blight notice on the Government. If accepted, they will receive the unblighted open market value of their property, a home-loss payment of 10 per cent of the value of their home (up to £53,000) and reasonable moving costs.
- 5.8 The Secretary of State today announced a consultation seeking your views on proposals for long-term discretionary schemes to assist owner-occupiers of properties along the Phase 2a route. More information can be found at https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester.
- 5.9 Express purchase has been launched as an interim measure whilst the consultation into the long-term discretionary schemes is carried out, and responses analysed.

Negative impacts on business and development

- 5.10 A number of respondents raised concerns that safeguarding may lead to a hiatus in development along the corridor proposed. While it is the objective of safeguarding to protect land likely to be required for the construction and operation of HS2 from developments, which may conflict with the timely and economic delivery of the scheme, this does not mean that a blanket ban is imposed. The Government continues to recognise its responsibility to those who wish to develop land in the safeguarded area. In particular, the Government supports the principle that safeguarding should not automatically prevent development in the safeguarded area, but instead should provide a process for potential conflicts to be resolved. For that reason, the Government has asked HS2 Limited to adopt the same safeguarding planning principles that have applied since safeguarding directions were issued for Phase One. These principles are as follows:
 - HS2 Limited will respond in a clear manner to planning application consultations within 21 days
 - HS2 Limited will publish and apply guidance for developers providing key information about HS2 design criteria. This will assist developers to design buildings that meet the Government's safeguarding objectives, and decrease the possibility of a recommendation of refusal of planning permission being made to the LPA

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- where potential developments are in conflict with the railway, HS2 Limited will be ready to discuss with developers any possible ways in which the design of the development could be altered to remove conflicts with the railway
- 5.11 Some respondents suggested that the issuing of directions would result in the refusal of any planning application within the safeguarded zone. However, the experience of issuing safeguarding directions for Phase One of the railway since July 2013 demonstrates otherwise. The vast majority of applications (approximately 97 per cent) referred to HS2 Limited result in either a 'no objection' response, or recommendation that the planning permission could be granted provided the permission was subject to appropriate planning conditions.
- 5.12 Concerns were raised that there would be a detrimental impact on property values, which would adversely affect the ability of businesses to raise capital secured against their property. The Government believes that it is likely to be the prospect of HS2 being constructed in this area, as opposed to the safeguarding directions themselves, that may cause loss of confidence in the value of commercial land and property. The Government believes that safeguarding as a planning tool is the correct step in the development of HS2 and puts in place mechanisms to help eligible homeowners, and small businesses, who fall within the safeguarded area.
- 5.13 While there may be negative impacts in some locations because of HS2 in the short-term, it ought to be recognised that there will be long-term benefits resulting from the increased connectivity and capacity that HS2 will bring to the region.
- 5.14 HS2 Limited would advise an LPA that planning permission should be refused only in the event that there was a direct conflict with the proposed construction and/or operation of the railway in a given location and that conflict either could not be overcome through amendments to the proposed development or appropriately worded planning conditions. To assist developers to design buildings that do not conflict or obstruct the route of HS2, and to avoid the possibility of a recommendation of refusal being made to an LPA under these safeguarding directions, HS2 Limited intends to produce separate guidance about HS2 design criteria for developers bringing forward new developments in the safeguarded area.
- 5.15 There was a suggestion from a respondent that applicants for planning permission should be able to recover their professional fees from HS2 Limited once the directions had been issued. There is no precedent for this on other significant infrastructure projects where safeguarding directions have been applied and the same situation will apply to HS2.

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Eligibility to serve a blight notice

- 5.16 The issuing of safeguarding directions will allow those eligible owner-occupiers the option to ask the Government to acquire their property on statutory blight terms. In the absence of safeguarding directions, their only access to assistance would be through the Exceptional Hardship Scheme (EHS). If an application were accepted under EHS, the property would be purchased at the full unblighted value. However, it would not include the home-loss payment of 10 per cent of the value of the home (up to £53,000) and reasonable moving costs, which would both be payable under the statutory blight regime.
- 5.17 The exclusion of larger businesses from the statutory blight regime, who due to the eligibility criteria of the regime are not able to serve a blight notice, was also highlighted. Some of these organisations feel that they will not benefit from the issuing of safeguarding directions.
- 5.18 The measures available under the statutory blight regime, which assists property owner-occupiers affected by new infrastructure, has developed over the years through a mixture of statute², case law and established practice. These measures offer a sound basis for compensation for those individuals affected by infrastructure projects and have been widely and successfully employed for many years. The statutory blight regime requires certain eligibility criteria to be met in order for land and property owners to qualify; these criteria are not the subject of this consultation. Guidance for statutory blight can be found at: https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester or by contacting HS2 Limited Community Helpdesk (020 7944 4908 or https://www.gov.uk/beta.corg.uk).

Mitigation and refinements

- 5.19 Some respondents suggested that the issuing of safeguarding directions that reflect only the route, rather than including land which may be needed for engineering refinements and environmental mitigation, could restrict HS2 options in the future. The supposition was that development would be pushed from the safeguarding area to the land adjacent, or that development may be attracted to these areas.
- 5.20 Further work and development will be required on the Phase 2a route so there is not yet a clear indication of sites which are likely to be needed for mitigation and engineering.
- 5.21 There was a balance to be struck between protecting land likely to be required for HS2 and safeguarding large areas of land (to include mitigation and engineering land), which might not be required. The decision was made in favour of safeguarding a more discrete, defined area that we considered achieved an appropriate balance.

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² The principal acts are the Land Compensation Acts of 1961 and 1973 and the Compulsory Purchase Act 1965

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6 The content of the proposed safeguarding directions

This chapter sets out the Government's decisions following responses to the question:

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What are your views on the content of the proposed safeguarding directions?

What you said and the Government's response

6.1 There were relatively few comments in response to this question, many stating a belief that these were a matter on which the LPA should comment. A prominent suggestion was that there should be an expiry date for the safeguarding directions.

Review of safeguarding directions

- 6.2 A number of respondents called for a date at which the directions would expire so that they would automatically lapse in certain circumstances, such as if the line were not to run within the proposed corridor but via an alternative route.
- 6.3 The Government agrees that where regulation is unnecessary, it should be revoked. We recognise the risk that the long-term safeguarding of proposed transport schemes can result in development proposals not coming forward or taking place on the land in question. Therefore it is right that the safeguarding directions should be kept under review, and that opportunities to reduce the extent of safeguarding should be taken where practical.
- 6.4 However, the Government does not agree with the argument that safeguarding directions should automatically lapse. The Government has asked HS2 Limited to keep safeguarding under review, as it is on Phase One, so that the safeguarding plans can be amended at intervals to reflect a growing understanding of land that will be required where it is reasonable to do so. The Government believes it will be appropriate to review the safeguarding of the scheme following key milestones in the lifetime of the project such as following deposit of the hybrid bill and the Environmental Statement, when the engineering will be at more developed stage and there will be a better understanding of the land required.

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Suggested amendments to the safeguarding directions Schedule of Local Planning Authorities (LPAs)

6.5 Staffordshire County Council has now been included in the Schedule of Local Planning Authorities in recognition that 'county matter' minerals and waste planning applications will need to be referred to HS2 Limited for consideration when such proposals are located within the safeguarded area.

Location specific requests

- 6.6 A number of location specific amendments to the safeguarding directions were requested. Every proposed location specific change to the safeguarding boundary was considered by HS2 Limited, which assessed them against the requirements of the project and in accordance with the aims of safeguarding to protect land likely to be needed for the railway. At this stage of route design development, we have been unable to make any changes as requested. However, HS2 Limited will remain in discussion with those that have made such a request.
- 6.7 As previously stated, declining the request for exemption does not result in a blanket ban on all development; the purpose of safeguarding is to protect the land that may be required to construct and operate the railway. The Government supports complementary development around stations, working with local partners to establish local delivery bodies to create vibrant hubs, driving economic growth and fulfilling economic potential across local regions. This is a key area where the Government hopes that there can be useful and productive discussions between the developer and HS2 Limited, as to how a development could proceed compatibly with HS2.

Subsurface safeguarding

- 6.8 The draft safeguarding directions specified that where land is subject to subsurface safeguarding, all development below existing ground level would need to be referred to HS2 Limited. A concern raised by a respondent was that this was not an appropriate criterion as most, if not all, development requires some form of foundation work.
- 6.9 Development comprising conversion or a change of use often do not require any such 'ground breaking' works and would therefore not need to be referred to HS2 Limited.
- 6.10 The referring of all applications that require 'ground breaking' works does not, in the Government's view, place an undue burden on either the developer or the LPA. This is not a concern which was raised by any of the respondent LPAs, and has not caused issues in respect of other safeguarding directions, notably on Phase One.

7 The content of the guidance for Local Planning Authorities (LPAs)

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This chapter sets out the Government's decisions following responses to the question:

What are your views on the content of the guidance for local planning authorities on the directions?

What you said and the Government's response

- 7.1 As with the request for views on the safeguarding directions, there were relatively few responses to this question. Some commented that the guidance provided a useful resource for LPAs and that they were well drafted.
- 7.2 Responses from key stakeholders also sought to clarify that developments within the Town and Country Planning (General Permitted Development) (England) Order SI 2015 no 596 (GPDO) were exempt from the safeguarding directions. There was a general desire expressed that there should be transparency regarding the criteria against which HS2 Limited will assess planning applications.

General Permitted Development Order (GPDO) exemptions

7.3 It is accepted that the proposed directions do not apply to development that does not require a planning application by virtue of the GPDO (this would include relevant Highways England works within the highways boundary). It is also acknowledged that directions will not apply to operational development by Network Rail as defined by the GPDO. However, it is important that a similar level of protection is provided in cases of Network Rail development through engagement between HS2 Limited and Network Rail regarding the development of HS2.

Schedule of HS2 requirements

7.4 The Government notes the request for a schedule or specification of HS2 requirements to be issued to LPAs. This would assist developers to design buildings that do not conflict or obstruct the route of HS2 and to avoid the possibility of HS2 Limited recommending that permission be refused because of a potential conflict with HS2. HS2 Limited intends to produce separate guidance about HS2 design criterion for the use of developers bringing forward new developments in the safeguarded area of the route of HS2.

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Improvements to the guidance to reduce the burden on Local Planning Authorities

7.5 There was a suggestion that it would be helpful for the guidance to clarify what constitutes an exempt application. Examples will be provided as part of the LPA guidance.

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8 Approach to determining what land is to be safeguarded

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This chapter sets out the Government's decisions following responses to the question:

What are your views on the proposed approach to determining what land is to be safeguarded?

What you said and the Government's response

8.1 There were many responses to this question. Frequently the views expressed were closely linked to the respondents' comments on the decision to issue safeguarding directions before a route decision is made and announced. The rationale for adopting a 120 metre corridor with some variation, where appropriate for safeguarding, was also questioned by some respondents.

Safeguarded area

- 8.2 As set out in the general notes that accompanied the safeguarding maps, the draft safeguarding plans were based on the best current estimates of land which may be required, drawing on the current level of engineering design and construction planning and using the professional judgement of HS2 Limited's engineering and planning teams.
- 8.3 A suggestion that a one kilometre corridor should be adopted has not been taken forward as this would place an undue burden on the LPAs, the taxpayer and, more importantly, would affect other development that may benefit local communities. The negative impact on development of such a wide corridor might deter developments being considered or result in the referral to HS2 Limited of applications that would be of no interest.
- 8.4 A corridor has been selected in order to protect the land that is very likely to be required for HS2, based on the current level of route design. As the design progresses, and confidence in the land required to construct and operate the railway increases, this corridor will be updated. This approach is broadly similar to that originally adopted for Phase One in July 2013. As with Phase One, the approach has been applied consistently across the route.

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- 8.5 At this stage of design, we have not factored in land which might be required for construction sites, environmental mitigation or road realignments into the safeguarding directions. If required, safeguarding will be updated to reflect these requirements later. For further information about what has been designed at this stage, see the West Midlands to Crewe engineering report.
- 8.6 The safeguarding zone covers only the corridor required for the Phase 2a route including the Infrastructure Maintenance Depot. Further planning work in the future will identify additional sites to those safeguarded at this stage. These are likely to be the subject of future revisions to the safeguarding directions, as the Secretary of State considers appropriate and proportionate.

Change of route from the line of route consultation

- 8.7 In July 2013, the Secretary of State published proposals for Phase Two of HS2, and initiated a seven-month period of public consultation to gather views on the proposed route and stations. Following the consultation and Phase One route refinements, HS2 Limited undertook a review of the route and proposed a number of refinements to this route. Further information can be found in the "West Midlands Crewe Summary of Route Refinements" report https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester.
- 8.8 This report sets out the route that HS2 Limited recommends taking forward. It explains the issues that they and the Government have considered in the route development process and safeguarding has been amended to reflect changes made since the consultation on the draft safeguarding directions.

9 Impact Assessment

This chapter sets out the Government's decisions following responses to the question:

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What are your views on the draft Impact Assessment?

Scope of the Economic Impact Assessment (IA)

- 9.1 A significant number of responses suggested that the IA should record all the blighting impacts that might be attributed to the HS2 project. It was also suggested by some respondents that the cost of discretionary compensation and assistance schemes (as are now operating for Phase One) should be included in the evaluation. One respondent felt that the IA should be either independently produced or subject to independent assessment.
- 9.2 The separation between the project and the use of a statutory planning tool must be recognised. Therefore, the Government does not consider that any extraneous impacts should be included in this assessment. The Government believes that the impacts that need to be assessed are:
 - the additional costs that may result from the granting of conflicting developments on land, which would not be protected in the absence of safeguarding directions
 - the burden that protecting the land places on LPAs with safeguarding directions, as compared to without

Independence of the assessment

9.3 The IA on safeguarding the Phase 2a route sets out the expected costs and benefits of issuing safeguarding directions to protect land which may be required to construct and operate HS2 along the route. Estimates were made of the main quantifiable costs while the scale of the potential benefits of safeguarding were deemed too uncertain to monetise because it was too difficult to speculate on what development might come forward without safeguarding and the extent of potential additional costs. The production of the IA followed normal Department for Transport (DfT) procedure and the analysis included in the IA was conducted and peer reviewed by DfT analysts. The inputs used to conduct the analysis, an explanation of the quantification of costs and a discussion of the non-monetised factors are all fully described within the IA. The consultation IA was published for public consumption and scrutiny and forms part of the consultation. HS2 Limited and DfT considered all responses to the consultation

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and whether this IA required amending or updating. The IA was updated and is available at <u>https://www.gov.uk/government/collections/hs2-phase-two-from-the-westmidlands-to-leeds-and-manchester</u>. Other than internal DfT peer review, it is not normal practice for DfT to seek independent scrutiny of its (or associated bodies) IAs other than to make IAs publicly available.

Impact on property values

- 9.4 In the case of HS2, in line with established practice, the estimated costs associated with property compensation or factors that could link to property values (either up or down), such as time savings, noise, air quality, regeneration and changes to the landscape are accounted for separately through work on the wider HS2 Business Case.
- 9.5 There are further IAs in relation to other aspects of the project, many of which will be assessed in the draft Environmental Statement. Consequently, we have not attempted to record the estimated impact of HS2 as a whole in a single document. The safeguarding IA therefore limits itself to costs and benefits directly related to the decision to issue safeguarding directions.

Planning application rate

- 9.6 The Department for Communities and Local Government provides total planning application data split at local authority level and not by rural/urban split. For the purpose of the IA we have taken an average rate of planning applications reflecting the characteristics of the route.
- 9.7 The route runs largely through rural areas. We have assumed that planning rates are lower in these rural areas and HS2 Limited have advised that there is a medium-low risk to development within the urban areas. Existing planning policy constraints and the rural nature of the area normally mean that large urban style developments are less likely to come forward. Therefore, it was appropriate to model a scenario with a 50 per cent lower planning application rate.
- 9.8 Modelling a range of planning application rates accounts for uncertain assumptions such as inflated risk of conflicting developments. Nevertheless, planning is not the only consideration and it is relevant to reflect on the other corollary of safeguarding in that it will introduce the Statutory Blight regime for those who may be affected.

Compensation and assistance costs

9.9 The Government has launched a consultation on long-term discretionary compensation and assistance arrangements for the Phase 2a route, which can be found at <u>https://www.gov.uk/government/collections/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester</u>.

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Costs of accelerating a route to Crewe

9.10 Some respondents expressed the view that the costs of the potential acceleration of a section of the Western Leg of Phase Two should be considered as part of the IA. The purpose of the IA is to focus on assessing the impacts of the decision to safeguard the Phase 2a route rather than the impact of accelerating construction of the route. A Business Case was prepared to support the Secretary of State's decision to accelerate the route to Crewe. This can be found at: https://www.gov.uk/government/hs2-phase-two-from-the-west-midlands-to-leeds-and-manchester.

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