

HS2 Phase Two:
West Midlands to Crewe
Property Consultation 2015
Consultation summary document





Department for Transport

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Introduction

This document is a summary of the proposals for property assistance schemes for Phase 2a of HS2 that are included in the Government's 'HS2 Phase Two: West Midlands to Crewe Property Consultation 2015' consultation document.

The Government is consulting on a package of measures that could include:

- express purchase for qualifying owner-occupiers within the safeguarded area;
- extended homeowner protection zone for qualifying owner-occupiers whose properties are removed from surface safeguarding unless resulting from a change in the route or a decision to construct the railway in deep tunnel;
- rent back for renting properties back to their former owners;
- need to sell scheme for qualifying owner-occupiers who have a compelling reason to sell; and within the 'rural support zone':
 - a voluntary purchase scheme; or
 - a cash offer.
- homeowner payment scheme for qualifying owner-occupiers of rural properties near the line of route.

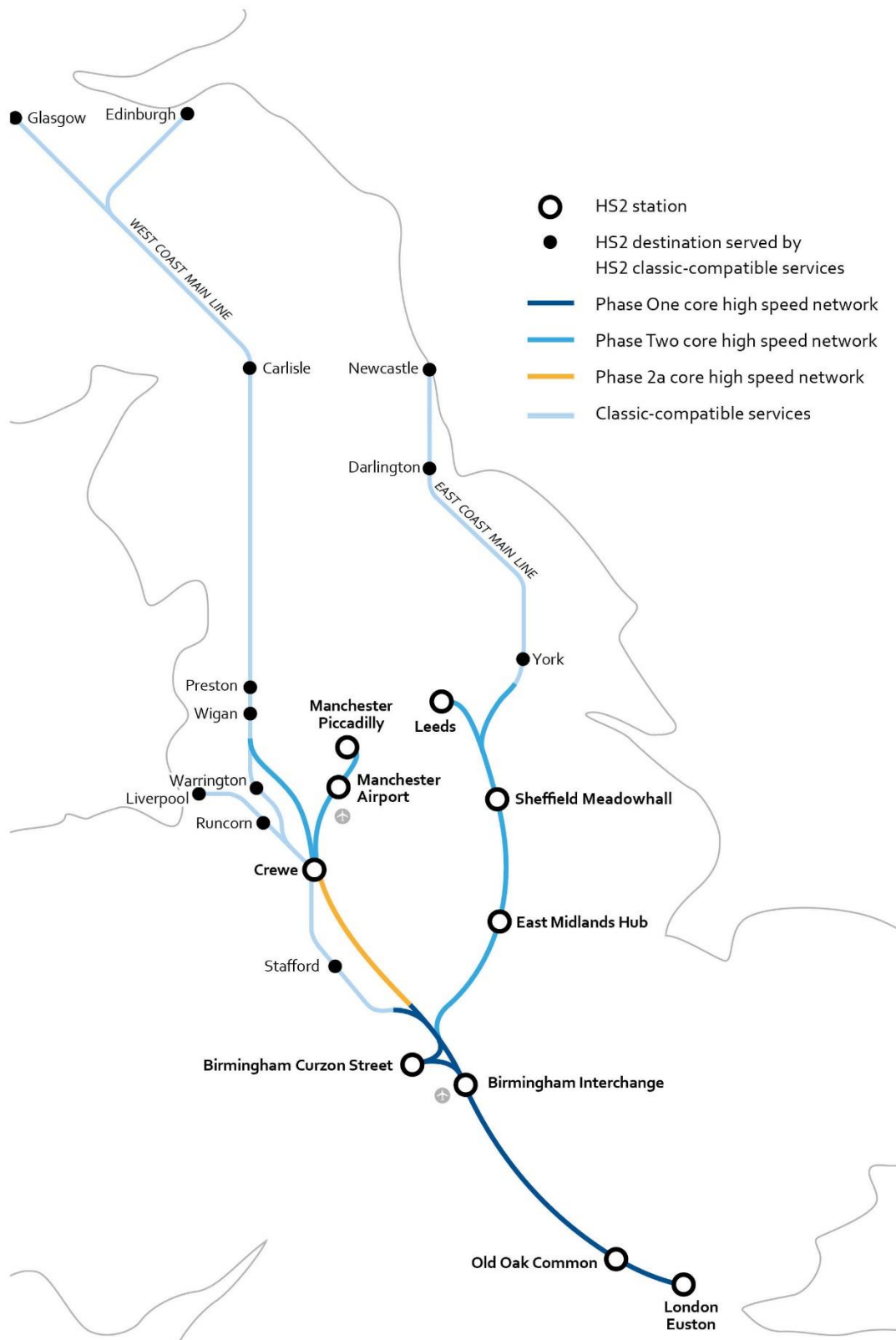
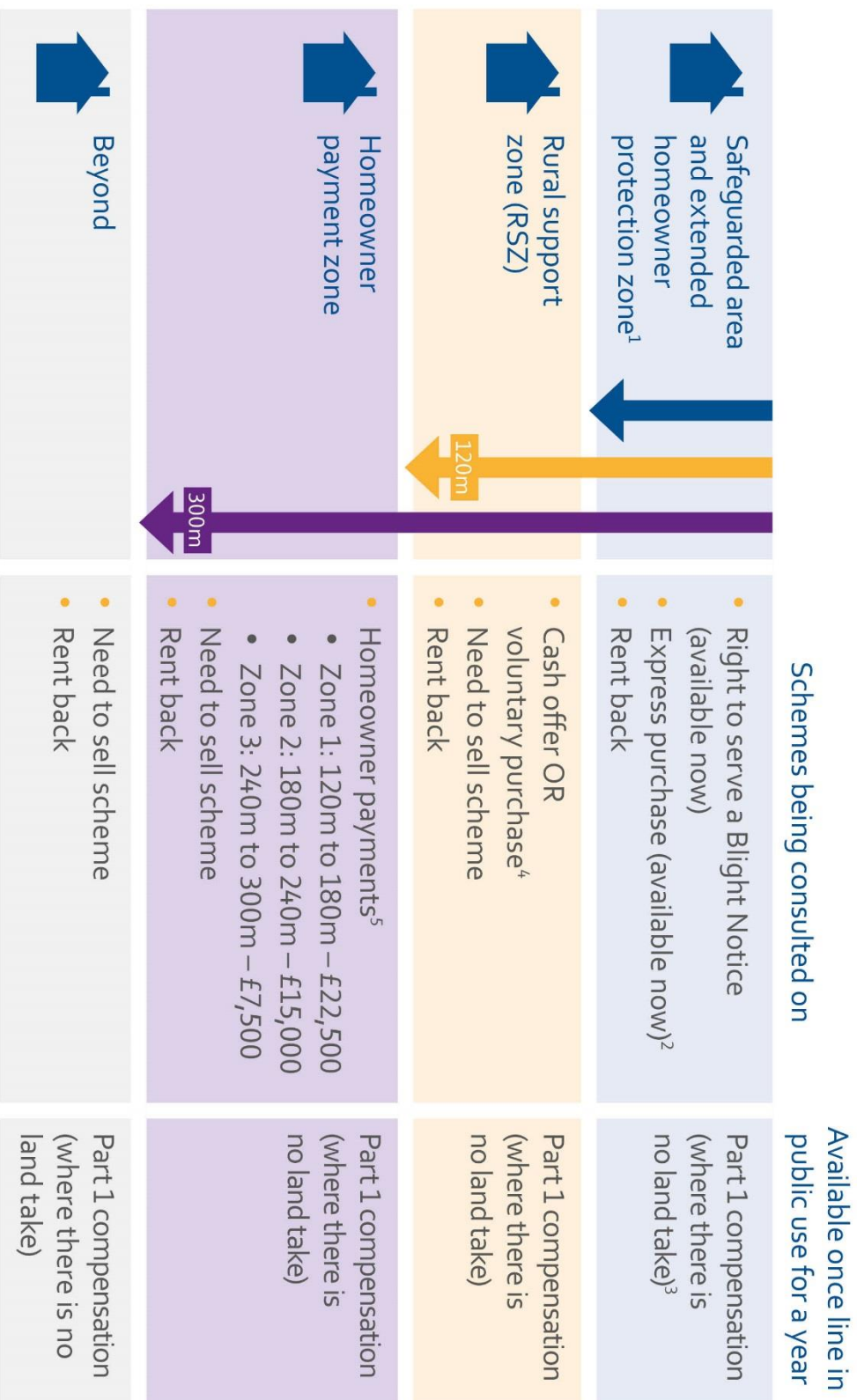


Figure 1 - Map of the HS2 network

Phase 2a line of route



¹ Usually 60m in rural areas. ² Surface safeguarding only. ³ Compensation for any reduction in the value of property as a result of the physical effects of the operation of the railway ⁴ Applies to rural areas only and does not extend to areas beyond deep tunnels. ⁵ Only available after Royal Assent to the Bill. Applies to rural areas only and does not extend to areas beyond deep tunnels.

Figure 2 - Property schemes

Express purchase

Following consultation, the Secretary of State for Transport has issued safeguarding directions under Articles 16(4), 25(1) and 29(6) of the Town and Country Planning (Development Management Procedure) (England) Order 2010¹ that cover the HS2 route from Fradley in the West Midlands to Crewe. The safeguarded area is generally 60 metres each side of the centre line of the track in rural areas. You can view maps of the safeguarded area at www.gov.uk/hs2

Where a property is within the safeguarded area, owner-occupiers who meet the qualifying criteria and who wish to sell their property may serve a blight notice on the Secretary of State for Transport. The Government proposes to exercise its discretion in how the statutory blight provisions will work for HS2 by accepting blight notices from eligible property owners:

- without regard to whether the property would be needed for the construction or operation of the railway, provided the property is wholly within the safeguarded area; and
- without requiring the owner to demonstrate reasonable endeavours to sell their property.

'Eligible property owners' refers to all those with a qualifying interest under section 149 of the Town and Country Planning Act 1990 – i.e. residential owner-occupiers; owner-occupiers of small business premises with an annual rateable value not exceeding £34,800; and owner-occupiers of agricultural units.

For eligible property owners whose properties are only partially within the safeguarded area, we are proposing to consider each blight notice on a case-by-case basis, but also to limit the issuing of counter-notices to exceptional circumstances.

We propose to pay the full entitlement for the property in question as per the Compensation Code, which comprises:

- the full un-blighted open market value of the property, (that is, the value of the property if there was no HS2) valued as set out in Annex A of the consultation document; plus
- a further 10 per cent up to a maximum of £53,000, known as the home-loss payment; plus
- reasonable costs of moving.

Express purchase would not normally apply to properties where safeguarding had been put in place to protect land above deep tunnels or other sub-surface works.

Express purchase has been launched alongside this consultation as an interim measure. The safeguarding that accompanied the route decision and the launch of this consultation has triggered the statutory blight regime. The Government is keen to ensure that the people most directly affected by the scheme are able to access the compensation that this brings with minimal

¹ 2010/2184.

delay and hindrance. Express purchase still forms part of this consultation, and the outcome will determine whether it continues to be operated longer term. Therefore, we invite comments on express purchase in the same way as the other proposed schemes.

Maps showing the safeguarded area are available on www.gov.uk/hs2. They will also be available at public events during this consultation.

Extended homeowner protection zone

Owner-occupiers whose property falls wholly or partly within the surface safeguarded area announced in the current or any subsequent safeguarding directions are eligible for express purchase.

Where a property is then later removed from safeguarding we propose that an owner-occupier would continue to be able to apply for purchase under express purchase for a period of five years from the date the property ceases to be affected by the directions.

The eligibility criteria is the same as express purchase (detailed in Annex A of the Consultation Document). This measure would not apply where we change safeguarding because we decide to change the route or to put it into deep tunnel.

Rent back

Rent back would enable eligible homeowners to sell their homes to the Government and remain as tenants. It is designed to provide flexibility and reassurance, and to benefit both individual homeowners and the wider community. Rent back would apply to all homes that the government agrees to purchase through any of the proposed Phase 2a property schemes provided that the property is eligible as detailed in Appendix B of the Consultation Document.

In summary:

- before accepting an application for rent back the Government would first need to assess the cost of any repairs, improvements or testing of service installations – in accordance with legal requirements and in line with sound commercial principles;
- its open market rental value would be determined, with the above changes made;
- lettings granted under rent back would be at an open market rent for an initial term of six months; and
- for successful blight notices, a home-loss payment would be paid at the moment of sale and reasonable moving costs would be paid when the tenant moved to another property.

Establishing a rural support zone

The Government is consulting on alternative discretionary scheme options for rural areas that would be available to people who live within a specified distance of the proposed line, but outside the safeguarded area. This region, or 'zone', would be called the 'rural support zone' (RSZ).

Subject to the outcome of this consultation, an RSZ would be brought in as soon as possible and remain in operation until one year after Phase 2a opened for public use. Once the railway had been open for one year, eligible property owners would be able to make a claim for Part 1 compensation payments under the Land Compensation Act 1973, as set out in chapter 4.4 of the consultation document.

Setting a boundary

We propose that the RSZ would extend up to 120 metres either side of the line, where the land had not already been safeguarded. The safeguarding area typically extends 60 metres either side of the centre line of the track in rural areas, but with adjustments to take account of local geography and construction needs.

We propose that the Phase 2a route should be deemed 'rural' from the connection with Phase One at Fradley to where it passes under the A500 south of Crewe. A RSZ would therefore apply between those points, except where the line runs in deep tunnel.

Eligibility for the RSZ schemes where a property is only partially within the zone will be judged in much the same way as under express purchase. In other words, should any part of the dwelling or more than 25 per cent of the property (meaning the hereditament that includes the house, garden and land) be within 120 metres, the property would be treated as if it were within 120 metres.

Options for providing assistance in the rural support zone

We are proposing two schemes for providing support to property owners within the proposed RSZ. These are:

- a voluntary purchase scheme available to people who live up to 120 metres from the centre of the proposed line but outside the safeguarded area; or
- a cash offer payment of 10 per cent on the unblighted value of the property (subject to a minimum payment of £30,000 and a maximum of £100,000).

Voluntary purchase scheme

One option within the RSZ is a voluntary purchase scheme, whereby eligible owner- occupiers of property within the rural support zone would be able to ask the Government to purchase their property at 100 per cent of its un-blighted open market value.

By 'eligible property owners', we mean all those with a qualifying interest under section 149 of the Town and Country Planning Act 1990 – i.e. residential owner-occupiers; owner-occupiers of small business premises with a rateable value not exceeding £34,800; and owner-occupiers of agricultural units. These are the same categories of property owners who, if they were within the safeguarded area, would be eligible to serve a blight notice.

Cash offer

The other option within the RSZ is a cash offer, which is a lump sum payment of 10 per cent of the un-blighted open market value of a property. It would enable owner-occupiers to stay within their community. There would be a minimum payment of £30,000 and maximum payment of £100,000.

The eligibility criteria for cash offer is the same as that of the voluntary purchase scheme.

Valuing properties

Property values would be assessed using two independent valuers. The Government would pay for these valuations.

We do not propose to offer property owners who sell under voluntary purchase any additional payments on top of the un-blighted open-market value of their property. That is because this is a voluntary scheme and it is very unlikely that any of the properties within the RSZ will need to be compulsorily purchased.

Need to sell (NTS)

The Government is proposing to introduce a need to sell scheme for Phase 2a to assist owner-occupiers who have a compelling reason to sell their property but are unable to do so – other than at a significant loss – due to HS2, or, if they are unable to sell their property, would face an unreasonable burden in the near future.

Successful applicants would have their property purchased by the Government at 100% of its un-blighted, open market value.

Applications would be judged against five published criteria:

Property type: Applicants must have a 'qualifying interest' in the property. This means that they must be an owner-occupier of the property as defined under Section 149 of the Town and Country Planning Act 1990.

Location of property: Consideration of applications would take account of whether a property is in such close proximity to the route that it would be likely to be substantially adversely affected by the construction or operation of the new line. Each property would be considered on a case-by-case basis and there is no fixed distance within which a property must be situated in order to satisfy this criterion.

Effort to sell: Applicants will need to prove that HS2 is the reason their property has not sold, despite them making all reasonable efforts to sell. The property should have been on the market for at least three months immediately prior to the application, with no offers received within 15% of its realistic, un-blighted asking price (the price that a recognised estate agent would advise to be a realistic asking price for the property were there no HS2).

No prior knowledge: Applicants will not be eligible for the NTS if, at the time they bought their property, they could reasonably have been expected to be aware of the proposals for HS2.

Compelling reason to sell: Applicants would need to show that an unreasonable burden would occur within the next three years from the date of application if they were unable to sell their property (except at a significant loss due to Phase 2A) in the near future.

Homeowner payment scheme

The homeowner payment scheme is for owner-occupiers of rural properties along the line of route. The aim is to ensure that people who live near the line of route receive an early share in the benefits of HS2.

The scheme would be implemented only once the HS2 hybrid bill for the Phase 2a (West Midlands to Crewe) section of HS2 becomes law. We expect this to be towards the end of 2019, but would contact people living in eligible areas when the scheme is available.

Eligible owner-occupiers will be able to claim from £7,500 to £22,500:

- For properties between 120 and 180 metres from the line of route – £22,500.
- For properties between 180 and 240 metres from the line of route – £15,000.
- For properties between 240 and 300 metres from the line of route – £7,500.

Eligibility

In order to qualify for a homeowner payment the following would need to be demonstrated:

- A qualifying interest, meaning: (1) you are an owner-occupier of the property; and (2) you have either a freehold of the property or a lease with over three years unexpired;
- your property is wholly or partly in the homeowner payment zone (if partly in this zone, either your dwelling or 25% of the whole area of your land must be in the zone); and
- you were an owner-occupier of the property by the launch date of this consultation when the proposals for the homeowner payment were first outlined.

How to respond

The consultation closes on 25 February 2016. Emails and online responses can be submitted until 23:45 hrs on the final day of the consultation. Paper responses must be posted on or before the final day of the consultation.

If you would like further copies of this consultation document or the consultation response form, you can download them at www.gov.uk/hs2. Alternatively, you can order a hard copy by calling 0300 123 1102.

Response channels

You can respond to the consultation in the following ways:

- Online: you can respond online at www.HS2PropertyConsultation2015.dialoguebydesign.net
- Email: you can email your response to hs2propertyconsultation2015@dialoguebydesign.co.uk
- Post: you can post your response to the following FREEPOST address (Please note: no additional address information is required and you do not need a stamp):

FREEPOST HS2 PROPERTY CONSULTATION 2015

If responses are sent to other addresses, HS2 Limited and the Department for Transport cannot accept responsibility for ensuring their inclusion in the consultation.

All responses must include your name (and the name of your organisation, if applicable). If you are responding on behalf of an organisation please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

If you have any queries, you can contact us at: HS2Enquiries@hs2.org.uk or on 020 7944 4908.

Events

We are holding a series of consultation events to provide further information about the issues described in this document. Visitors to these events will have an opportunity to speak with members of HS2 staff, collect consultation documents and view maps relevant to the local area. Further information on these events is available at www.gov.uk/hs2 or by contacting 0207 944 4908.

Consultation responses will not be accepted at events. Please send these via the dedicated channels described above.

Date	Location	Time
Thur 14 Jan 2016	Hough Village Hall, Cobbs Lane, Hough, Cheshire CW2 5JN	12-8pm
Fri 15 Jan 2016	Kings Bromley Village Hall, Alrewas Road, Kings Bromley, Staffs DE13 7HW	12-8pm
Sat 16 Jan 2016	Yarnfield Village Hall, Meece Road, Yarnfield, Staffs ST15 0NR	10am-5pm
Wed 20 Jan 2016	Stafford Gatehouse Theatre, Eastgate Street, Stafford, Staffs ST16 2LT	12-8pm
Fri 22 Jan 2016	Colwich and Little Haywood, Village Hall, Chilwell Avenue, Little Haywood, Staffs ST18 0QZ	12-8pm
Sat 23 Jan 2016	Whitmore and District Village Hall, Coneygreave Lane, Whitmore, Staffs ST5 5HX	10am-5pm
Fri 29 Jan 2016	The Madeley Centre, New Road, Madeley, Cheshire CW3 9DN	12-8pm