

## HIGH SPEED TWO PHASE 2a INFORMATION PAPER

### C9: RECOVERY OF COSTS BY PROPERTY OWNERS

This paper provides guidance on the circumstances in which owners of land and property affected by the Proposed Scheme can expect to recover costs and fees which they incur in relation to the Proposed Scheme and the extent of such recovery.

It will be of particular interest to those potentially affected by the Government's proposals for high speed rail.

This paper was prepared in relation to the promotion of the High Speed Rail (West Midlands-Crewe) Bill which is now enacted. It was finalised at Royal Assent and no further changes will be made.

If you have any queries about this paper or about how it might apply to you, please contact the HS2 Helpdesk in the first instance.

**The Helpdesk can be contacted:**

**by email:** [HS2enquiries@hs2.org.uk](mailto:HS2enquiries@hs2.org.uk)

**by phone (24hrs):** 08081 434 434  
08081 456 472 (minicom)

**or by post:** High Speed Two (HS2) Limited  
2 Snowhill, Queensway  
Birmingham  
B4 6GA

# C9: RECOVERY OF COSTS BY PROPERTY OWNERS

## 1. Introduction

- 1.1. High Speed Two (HS2) is the Government's proposal for a new, high speed north-south railway. The proposal is being taken forward in phases: Phase One will connect London with Birmingham and the West Midlands. Phase 2a will extend the route to Crewe. Phase 2b will extend the route to Manchester, Leeds and beyond. The construction and operation of Phase One of HS2 is authorised by the High Speed Rail (London – West Midlands) Act 2017.
- 1.2. HS2 Ltd is the non-departmental public body responsible for developing and promoting these proposals. The company works to a Development Agreement made with the Secretary of State for Transport.
- 1.3. In July 2017, the Government introduced a hybrid Bill<sup>1</sup> to Parliament to seek powers for the construction and operation of Phase 2a of HS2 (the Proposed Scheme). The Proposed Scheme is a railway starting at Fradley at its southern end. At the northern end it connects with the West Coast Main Line (WCML) south of Crewe to allow HS2 services to join the WCML and call at Crewe Station. North of this junction with the WCML, the Proposed Scheme continues to a tunnel portal south of Crewe.
- 1.4. The work to produce the Bill includes an Environmental Impact Assessment (EIA), the results of which are reported in an Environmental Statement (ES) submitted alongside the Bill. The Secretary of State has also published draft Environmental Minimum Requirements (EMRs)<sup>2</sup>, which set out the environmental and sustainability commitments that will be observed in the construction of the Proposed Scheme.
- 1.5. The Secretary of State for Transport is the Promoter of the Bill through Parliament. The Promoter will also appoint a body responsible for delivering the Proposed Scheme under the powers granted by the Bill. This body is known as the 'nominated undertaker'. The nominated undertaker will be bound by the obligations contained in the Bill and the policies established in the EMRs. There may be more than one nominated undertaker.
- 1.6. These information papers have been produced to explain the commitments made in the Bill and the EMRs and how they will be applied to the design and construction of the Proposed Scheme. They also provide information about the

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<sup>1</sup> The High Speed Rail (West Midlands – Crewe) Bill, hereafter 'the Bill'.

<sup>2</sup> For more information on the EMRs, please see Information Paper E1: Control of Environmental Impacts.

Proposed Scheme itself, the powers contained in the Bill and how particular decisions about the Proposed Scheme have been reached.

## **2. Overview**

- 2.1. This paper provides guidance on the circumstances in which owners of land and property affected by the Proposed Scheme can expect to recover costs and fees that they incur in relation to the Proposed Scheme and the extent of such recovery.
- 2.2. This paper should be read alongside the C3: Land Acquisition Policy, and C8: Compensation Code for Compulsory Purchase.
- 2.3. Reasonable professional fees incurred where property is acquired under the powers of the Bill, or by agreement in advance, can be reimbursed in accordance with the Compensation Code for compulsory purchase.

## **3. Costs inside the scope of reimbursement**

- 3.1. Prior to Royal Assent of the Bill, HS2 Ltd will reimburse an agent's reasonable fee in facilitating a landowner entering into an early access agreement ('EAA') for essential survey works.
- 3.2. In respect of statutory blight and express purchase, HS2 Ltd will pay reasonable professional fees if the application is accepted.
- 3.3. In respect of the Rural Support Zone, HS2 Ltd will pay reasonable legal fees in respect of a deed of receipt for all cash offers up to £500 plus vat. However, HS2 Ltd will not pay legal fees in respect of Voluntary Purchase.
- 3.4. In respect of the Homeowner Payments Scheme (HOP), HS2 Ltd will pay reasonable legal fees of up to £500 plus vat in respect of a contract of receipt for the purpose of receiving a payment under the HOP scheme.
- 3.5. Owners are strongly advised to ensure the basis of their instructions incurring those fees and costs (including the fee level and basis of costs themselves) is set out in writing and agreed as applicable by HS2 Ltd, the Secretary of State or the nominated undertaker in advance. HS2 Ltd recommends that claimant or their appointed agents/representatives agree the scope and amount of such fees prior to entering into any commitment.

## **4. Costs and fees outside the scope of reimbursement**

- 4.1. Costs and fees which an owner incurs for the purpose of obtaining information about the Proposed Scheme and its impact will not be reimbursed.
- 4.2. In accordance with previous established practice on hybrid Bills, costs and fees which owners incur in drafting and depositing their petitions, considering or responding to Petition Response Documents, assurance letters or undertakings, attendance and presentation of their petition in Select Committee, or in

attendance at meetings with HS2 Ltd to discuss their petition or subsequent exchanges (unless otherwise agreed) will not be reimbursed.

- 4.3. Under the Need to Sell and Rent Back scheme, no professional fees incurred by the seller will be reimbursed.

## 5. No land taken

- 5.1. Reasonable professional fees and costs are payable to owners who do not have any land or property acquired from them for the Proposed Scheme, but who make a successful claim in relation to the adverse effect of the Proposed Scheme on the value of their land or property under either section 10 of the Compulsory Purchase Act 1965 or Part 1 of the Land Compensation Act 1973. See the Information Paper C8: Compensation Code for Compulsory Purchase.

## 6. Independent advice

- 6.1. It is important that claimants obtain the right professional advice from practitioners experienced in compulsory purchase and compensation. The Royal Institution of Chartered Surveyors operates a customer helpline that can put people in touch with suitably experienced firms in their area and offer up to 30 minutes free consultancy.

- 6.2. Their contact details are:

**Royal Institution of Chartered Surveyors**  
12 Great George Street (Parliament Square)  
London  
SW1P 3AD  
Tel: 024 7686 8555  
[contactrics@rics.org](mailto:contactrics@rics.org)

- 6.3. The Central Association of Agricultural Valuers may also be able to assist owners in rural areas. Their contact details are:

**The Central Association of Agricultural Valuers**  
Harts Barn Farmhouse  
Monmouth Road  
Longhope  
Gloucestershire  
GL17 0QD  
Tel: 01452 831815  
[enquire@caav.org.uk](mailto:enquire@caav.org.uk)

- 6.4. The Central Association of Agricultural Valuers also offers a "Find a CAAV Member" tool to see a list of members in their area.

## 7. More information

- 7.1. More detail on the Bill and related documents can be found at: [www.gov.uk/HS2](http://www.gov.uk/HS2)
- 7.2. The Royal Institution of Chartered Surveyors has published a practice statement for surveyors advising in respect of compulsory purchase and statutory compensation at:

<https://www.rics.org/globalassets/rics-website/media/upholding-professional-standards/sector-standards/land/surveyors-advising-in-respect-of-compulsory-purchase-and-statutory-compensation-1st-edition-rics.pdf>