



# Phase 2b Western Leg 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 (Crewe - Manchester) Bill. Content will be maintained and updated as considered appropriate during the passage of the Bill.

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

## 1 Introduction

- 1.1 High Speed Two (HS2) is the Government's scheme for a new, high speed north-south railway, which is being taken forward in a number of phases. Phase One will connect London with Birmingham and the West Midlands. Phase 2a will extend the route from the West Midlands to Crewe. The Phase 2b Western Leg will connect Crewe to Manchester. As set out in the Integrated Rail Plan, published in November 2021, HS2 East is proposed to deliver a new high speed line from the West Midlands to East Midlands Parkway.
- 1.2 HS2 Ltd is the non-departmental public body responsible for developing and promoting these proposals. The company works under the terms of a Development Agreement entered into with the Secretary of State for Transport.
- 1.3 The construction and operation of Phase One of HS2 is authorised by the High Speed Rail (London – West Midlands) Act 2017 and Phase 2a by the High Speed Rail (West Midlands – Crewe) Act 2021.
- 1.4 In January 2022, the Government introduced a hybrid Bill to Parliament (hereafter referred to as 'the Bill'), to seek powers for the construction and operation of the Phase 2b Western Leg (the Proposed Scheme), which is called the High Speed Rail (Crewe – Manchester) Bill. The Proposed Scheme comprises the Phase 2b Western Leg from Crewe to Manchester and several off-route works. It also facilitates the delivery of Northern Powerhouse Rail by providing the Crewe Northern Connection and junctions and other infrastructure to be used in future schemes.
- 1.5 The work to produce the Bill includes an Equalities Impact Assessment and 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), which set out the environmental and sustainability commitments that will be observed in the construction of the Proposed

Scheme. For more information on the EMRs please see Information Paper E1: Control of environmental impacts.

1.6 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'. There may be more than one nominated undertaker. However, any and all nominated undertakers will be bound by the obligations contained in the Bill, the policies established in the EMRs and any commitments provided in the information papers.

1.7 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 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 information 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 Information Paper C3: Land acquisition policy, and Information Paper 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 Value Added Tax (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 for Transport 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, the following will not be reimbursed (unless otherwise agreed):
  - costs and fees which owners incur in researching, preparing, 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; and/or
- attendance at meetings with HS2 Ltd to discuss their petition or subsequent exchanges.

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 Information Paper C8: Compensation code for compulsory purchase for further information.

## 6 Independent advice

6.1 It is important that claimants obtain the right professional advice from practitioners experienced in compulsory purchase and compensation.

6.2 The Royal Institution of Chartered Surveyors (RICS) operates a customer helpline scheme that can put people in touch with suitably experienced firms. Claimants who own land and property required for HS2 can contact one of the RICS regulated firms, some of whom may be in a position to offer 30 minutes free consultancy.

6.3 The RICS general 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)

Lines are open 8.30 to 17.30 (GMT) Monday to Friday

6.4 The RICS has also established a landing page on their website containing useful information for parties affected by compulsory purchase. A link to this and other RICS schemes can be found in the references section at the end of this paper.

6.5 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

GL17 0QD

Tel: 01594 810701

[enquire@caav.org.uk](mailto:enquire@caav.org.uk)

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

## **7 What to consider when appointing an advisor**

7.1 Compulsory purchase and the assessment of compensation can be complex and affected parties are advised to get specialist advice. Guidance to enable you to select an advisor that has the appropriate level of expertise and experience for your particular circumstances is now available from the Royal Institution of Chartered Surveyors (RICS) in their Consumer Guide: Compulsory Purchase.

## **8 More Information**

8.1 More detail on the Bill and related documents can be found at [www.gov.uk/hs2-phase2b-crewe-manchester](http://www.gov.uk/hs2-phase2b-crewe-manchester).

## References

Surveyors advising in respect of compulsory purchase and statutory compensation

<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>

RICS Compulsory Purchase Standards and Guidance

<https://www.rics.org/uk/upholding-professional-standards/sector-standards/land/compulsory-purchase/>

RICS Consumer Guide: Compulsory Purchase

<https://www.ricsfirms.com/residential/legal-issues/compulsory-purchase/rics-consumer-guide-compulsory-purchase/>

RICS Customer Helpline Scheme

<https://www.ricsfirms.com/helplines>

Claimant's Professional Fee Policy

<https://www.hs2.org.uk/documents/claimants-professional-fee-policy/>

Upper Tribunal (Lands Chamber)

<https://landschamber.decisions.tribunals.gov.uk/Aspx/Default.aspx>