

November 2023



HS2 Residents' Commissioner

Report 19 – November 2023

Introduction

In the absence of fully developed policies arising from the Prime Minister's announcement on 4 October 2023, especially regarding land and property, it is necessary to publish a "holding" report until we have further policy guidance and a framework on the next steps for the reconfigured project.

The Prime Minister announced at the Conservative Party conference that HS2 north of the West Midlands (at Handsacre Junction) would not go ahead, and that funding previously allocated for that part of the route will instead be used for a wide-ranging programme of local regional and transport investment, branded as Network North. The government issued a command paper (Network North: Transforming British Transport) to give some policy certainty on HS2 Ltd's next moves forward. This allowed for, *inter alia*, the lifting on safeguarding for Phase 2, the cessation of further land acquisition, and broader undertakings on the disposal of land acquired previously but now surplus to requirements.

However, the work of the Residents' Commissioner has continued with a dual focus on land and property issues and community and stakeholder engagement, particularly regarding Phase One. I will also represent and protect the interests of all residents and stakeholders across the existing line of route, as well as dealing with legacy issues in Phase 2a.

These developments have generated much media and public interest, and both the Residents' Commissioner and the Construction Commissioner were fully briefed by the company in the wake of the Prime Minister's announcement, although (along with the executive team at HS2 Ltd) we were not briefed beforehand on this significant policy change. HS2 Ltd's helpdesk and other customer-facing resources have needed to react quickly to address the legitimate concerns of a wide variety of people.

Euston

The government has recommitted to the construction of a high-speed rail link between Curzon Street Birmingham and London Euston via Old Oak Common, most recently in evidence given by the Secretary of State at the House of Commons Transport Select Committee on 15 November 2023.

My specific focus in the next few months will be on the proposed development of Euston station, now mooted via potential private-sector investment, and the establishment of a development corporation. I will be looking at how this policy evolves in practice and how community and stakeholder representatives are engaged and involved. Both the capacity and the scope of the physical construction of the station have been reconfigured since the inception of the project.

I visited the Camden cutting/Euston site for a visit earlier this year and saw very clearly the significant scale of construction and long-term disruption for local residents. Shortly afterwards, the government directed HS2 Ltd to stop full construction on the new Euston station (formerly the National Temperance Hospital) for two years and to look again at the design statement in respect of affordability and deliverability. Construction activities between Old Oak Common and Euston, such as those on the Euston Approaches and the tunnelling and excavation works on the Adelaide Road headhouse and ventilation shaft, have also been paused, although other work, such as that at the old Maria Fidelis School and the traction substation, will continue. The Euston development team is working with Land and Property at HS2 Ltd to utilise short-term “meanwhile” sites.

HS2 Ltd remains engaged with the community, including elected representatives and community groups. It has organised walkabouts and multimedia update publications, being aware of the importance of dialogue in keeping residents apprised of its efforts to mitigate their inconvenience. This is particularly true in the hiatus between now and renewed construction.

Phase One update issues

I have liaised periodically with key stakeholders, including Buckinghamshire County Council and local Members of Parliament, and I have received briefings (along with the Construction Commissioner) from HS2 Ltd on the progress of Phase One. I continue to be aware of residual issues and ongoing concerns in the Calvert box area of north Buckinghamshire and



the intersection point of HS2 and the East West Rail project to connect Oxford and Cambridge.

Earlier in November, ground movement in the path of the Florence Tunnel boring machine, near the Chesham Road vent shaft at Hyde Heath in south Buckinghamshire and a known geological fault line, gave rise to local stakeholder concerns. Fortunately HS2 Ltd acted quickly to increase monitoring and communicate promptly with local people and the local Member of Parliament and other elected representatives.

There is, more broadly, an expectation that the change in government policy on the overall HS2 project may well have great significance on the cost and timescale of Phase One, but without a new business case for the truncated project, this has yet to be determined.

It is important to note that there is still a very significant amount of work to be undertaken on land and property matters in Phase One in areas such as utilities' land rights, accommodation works, compensation claims, hand-backs of temporary land, and land disposals, which will continue over several more years.

On a separate note, following some concerns at rent uplifts in the managed rental portfolio held by HS2 Ltd (which was flagged in my previous report), HS2 Ltd and the Department for Transport (DfT), whilst mindful of their fiduciary duty to the taxpayer and value for money, have nevertheless shown flexibility and sensitivity in seeking resolution with tenants. The issue of substantial rent uplifts reflects wider post-Covid economic trends, and I believe HS2 Ltd and DfT should be commended for their handling of the situation.

Undertakings and assurances

In my last report, both commissioners were keen to understand the reasons for any variations and non-compliance, the allocation of undertakings and assurances across the line of route, and to interrogate risk management and continual improvement methodology.

We received a comprehensive briefing by HS2 Ltd in February 2023, and I hope that it will be possible for a further "audit" of undertakings and assurances to be undertaken early in 2024, in respect of progress on Phase One.

Other periodic meetings and briefings – CSEG and Land and Property

I met with the new chairman of HS2 Ltd, Sir Jon Thompson, in June 2023 as he was commencing his permanent term of office, having acted up over several months.

I have also attended monthly meetings with the director of Land and Property at HS2 Ltd and quarterly updates as a member of the Community and Stakeholder Engagement Group (CSEG). The interrogation and analysis of quarterly “flash reports” of the work of that directorate in discrete areas such as community engagement, helpdesk enquiries, correspondence and freedom of information requests, corporate performance and stakeholder outreach, provide a real-time (or close to) oversight of progress and trends. I have not commissioned separate polling or other qualitative research to date as I believe that the work undertaken by HS2 Ltd as part of its community and stakeholder engagement insight programme provides a comprehensive picture of stakeholder views and trends.

The “Respecting People, Respecting Places” conference and award events that HS2 Ltd has established are a vehicle to affirm and celebrate excellence amongst supply chain partners in the way that they deal with residents and the wider community of neighbours. Hopefully these events will help to embed consistent good practice.

In October, I was asked to judge entries in the HS2 Inspiration Awards, and the quality of entries was exceptionally high. The active support of the HS2 supply chain and community groups was also heartening. However, given the uncertainty following on from the Prime Minister’s announcement in October, the awards ceremony scheduled for the end of November has been postponed.

In addition, both commissioners are regularly briefed each quarter on the progress and issues arising in the Phase One – South area, where construction activity is most intense.

HS2 Ltd and its supply chain have learnt much from previous experience on the need for openness, transparency, and professional and timely engagement with local people. The ground movement issues in south Buckinghamshire in May as a result of pre-existing ground conditions and the activities of the tunnel boring machine close to the River Misbourne at Shardeloes Lake were a good example of this. Proactive engagement with

parish councillors, the local authority and Affinity Water Ltd, and collaborative working with Align joint venture partners on what actions were necessary to alleviate the problems, led to a successful outcome.

Property Approvals Group

As the independent member I continue to attend DfT's Property Approvals Group (PAG) which examines atypical land and property acquisitions. I have been impressed by the quality of the papers presented by HS2 Ltd and the ensuing debates and discussions, which are often pragmatic and show a degree of flexibility and empathy for local people affected by the project (with the proviso that they are within legislative and regulatory constraints).

Since the October 2023 announcement, DfT and HS2 Ltd have worked hard to react as quickly as possible to the imperative of bringing time-sensitive cases before the committee in larger numbers. This has resulted in extra meetings and the production of more data and professional advice, but the process has worked well thus far.

Funding initiatives: CEF, BIF and BLEF

The Residents' Commissioner takes a close interest in and is updated regularly on these community-led funding initiatives, most recently the "meanwhile use" programmes in the Euston area. This funding is managed independently by Groundwork UK and its annual review can be accessed here:

<https://hs2funds.org.uk/about/annual-reviews/>

So far, £15.5m in total has been allocated to projects in Phases One and 2a after the first round of biodiversity applications and funding for Phase 2a were received earlier this year. In total, 273 discrete Community Environment Fund (CEF) and Business and Local Economy Fund (BLEF) projects have been awarded such funding.

Following the Prime Minister's announcement, DfT has directed that no further funding be distributed to projects in Phase 2a and that applications received after 8 November 2023 will not be accepted. A small number of "live" applications (three for CEF and one for the Business Investment Fund (BIF)) were speedily advised of the change of circumstances and the Phase 2 CSEG team plan to publish a newsletter very soon for residents on the Phase 2a line of route to advise of the closure of the CEF, BLEF and BIF schemes.



That said, I look forward to the publication of HS2 Ltd's third annual Environmental Sustainability Progress Report and note the efforts it has made on new habitat sites, ponds and tree planting.

Policy Engagement and Improvement Group

Both DfT and HS2 Ltd have striven to improve the claimant experience in the last year, and this has included internal analysis and evaluation of the current data and systems across the land and property policy.

As part of that endeavour, the Residents' Commissioner has served on the Policy Engagement and Improvement Group (PEIG) which meets periodically to interrogate progress on driving these changes and testing their efficacy.

Ongoing issues: mitigation management agreements

I am pleased to report that HS2 Ltd has continued its commitments to protect the "green assets" along its 3500-hectare green corridor adjacent to the existing line of route. It has collaborated with the National Farmers Union this year on a draft standardised mitigation management agreement to facilitate efficient and timely land management which includes disposals and hand-backs.

Prolonged Disruption Compensation Scheme review

My predecessor argued strongly for the introduction of this scheme but hitherto take-up has been sub-optimal.

The Prolonged Disruption Compensation Scheme (PDCS) complements a wider package of environmental controls set out in the environmental minimum requirements for HS2 Phase One. The policy adds to the noise insulation and temporary rehousing measures set out in Information Paper E23: Control of Construction Noise and Vibration.

As previously noted, there are several reasons why the methodology underpinning the PDCS may be wrong or, if not, may not be necessary because contractors are already taking remedial action on noise. Alternatively, the scheme itself may not be sufficiently known to claimants, hence its poor take-up.

As I understand, DfT and HS2 Ltd have concluded their review with input and feedback from the Construction and Residents' Commissioners respectively and I trust that the recommendations on the scheme's future will be published shortly after ministers have signed them off.

Alternative dispute resolution

HS2 Ltd has seen an uptake in requests for alternative dispute resolution (ADR) since the guidance was published and has successfully concluded a number of cases utilising early neutral evaluation, mediation and independent expert determination. It is proving to be an effective way of resolving cases more quickly and cheaply than referring cases to the Upper Tribunal.

Streamlined residential blight and crop loss expedited payment schemes

Uptake of these specialised schemes is still modest, but they are relatively recent developments in the portfolio and they represent an enhancement of the existing compensation schemes that are available. Both HS2 Ltd and DfT are reviewing their efficacy and I will also continue to monitor their impact in my regular Land and Property meetings.

Visits

I very much enjoyed visiting the Curzon Street station and Washwood Heath maintenance depot construction sites in September and seeing the collaborative work with key business, education, community and civic leaders in east Birmingham, especially on skills and apprenticeships and the wider regeneration prospects for the whole of the West Midlands accruing from the HS2 project.

Once the full ramifications of the government's policy changes are better known, I intend to undertake further visits in the early part of 2024. In the meantime, you can email me via:

residentscommissioner@hs2.org.uk

or you can write to me at:

High Speed 2 (HS2 Ltd), 2 Snowhill, Snow Hill Queensway,
Birmingham B4 6GA

Lord Jackson of Peterborough MA MCIPD

HS2 Residents' Commissioner

High Speed Two (HS2) Limited

Two Snowhill

Snow Hill Queensway

Birmingham B4 6GA

Freephone 08081 434 434

Minicom 08081 456 472

Email HS2enquiries@hs2.org.uk

CS977