

April 2024



HS2 Residents' Commissioner

Report 20 – April 2024

Introduction

This is the 20th report of the HS2 Residents' Commissioner and covers the period from December 2023 to March 2024.

The last few months have been marked by significant managerial and organisational change at HS2 Ltd in the wake of the Prime Minister's announcement of 4 October 2023 and the government's intention to scale back and reconfigure the HS2 project; and uncertainty in respect of key policy decisions such as the future of the Old Oak Common to Euston link and the adaptation of the Phase 2b proposals into the proposed new Northern Powerhouse Rail (NPR) project.

On a more strategic level, there is still a huge amount of work to be completed across the whole line of route on land and property matters – closing out claims; delivering utility land rights, handbacks and land disposals; land transition from civils to systems; management and monitoring agreements; and delivering notices to treat (NtT) and notices of entry (NoE).

That said, my role as Residents' Commissioner remains unchanged: namely the dual priorities of ensuring that the views and concerns of local residents are heard at the highest levels in terms of land and property acquisitions and disposals, and effective and timely stakeholder engagement and communication by HS2 Ltd.

March 2024 ministerial statement

On 25 March, the Secretary of State the Rt Hon Mark Harper MP laid a statement in the House of Commons which provided some much needed and welcome clarity on the next steps for NPR by way of adaptation of the High Speed Rail (Crewe–Manchester) Bill and plans for rail services to Warrington Bank Quay and Manchester Airport. This would be secured by petitioning to the existing select committee and the agreement of Parliament to amend the Bill by removing the scope of land south of Millington and Rostherne in Cheshire. More specifically, safeguarding remains in place for the whole of the former Phase 2b route until later this year, when it will be lifted depending on the land requirements for NPR.

Clearly, there is significant work to do on disposals, handbacks and other associated land and property arrangements consequent upon the lifting of safeguarding and the development of the previous HS2 line of route as it evolves into NPR. This is a complex and intensive process with major impacts for local communities.

As Residents' Commissioner, I will be monitoring progress on this process as well as the legislative changes needed to give effect to the new priorities of HS2 Ltd and NPR.

Euston

The main area of particular concern for local stakeholders and HS2 Ltd in Phase One is the future of Euston station and its environs, and the 'London connection' issue. HS2 Ltd will no longer be responsible for the construction of the southern terminus of HS2, although the government remains committed to it. The governance structure which will bring this about, however, has not yet been enunciated by ministers. The full redesign and construction of the new Euston station is very likely to be costly and time-consuming, adding to the concerns of local residents, and as of October 2023, the scope, schedule and delivery arrangements for the new station are unclear. HS2 Ltd is seeking to protect its (and the taxpayers') interest by reviewing its land requirements via its existing and future compulsory purchase powers in the interim.

In addition, the full details for the link to Old Oak Common have not been made public and the status of the temporary 'meanwhile use' of land close to Euston at Euston Square Gardens East and the National Temperance Hospital site is uncertain. HS2 Ltd is

rightly committed to maintaining an ongoing dialogue with local communities concerning the works on the Euston approaches and the enabling works for the new Euston station.

Key decisions by ministers must be taken as quickly as practicable (and certainly before the pre-general-election 'purdah' period) in order to reassure all stakeholders, including HS2 Ltd, the rail and construction industry, investors and, of course, local people. Both the HS2 Construction Commissioner and I remain concerned to ensure that HS2 Ltd continues a regular and timely dialogue with local people and their elected representatives and that they are involved in all discussions on governance, land and property, and construction issues as plans develop.

HS2 land and property framework and principles

After the Prime Minister's announcement on 4 October 2023, both HS2 Ltd and the Department for Transport (DfT) moved quickly to put in place a protocol in respect of matters covered by statutory and non-statutory provisions for dealing with urgent land and property cases. Using formal DfT guidance and collaborative workshops, a framework and principles document was worked out and agreed by the company board and ministers.

Each urgent case will be looked at individually and under delegated authority by the Property Approvals Group (PAG), of which I am the independent member. In the interim, the group considered a small number of atypical acquisitions in December 2023 and January 2024 until the document was fully adopted. Focus was rightly on any likely consequences of delays for claimants, such as when a blight notice had been accepted or indeed, when the secretary of state had intervened, to ensure compliance with previous obligations.

It was noteworthy that both HS2 Ltd and DfT fully engaged with me on the development and roll out of the framework and principles document.

Policy Engagement and Improvement Group (PEIG)

PEIG seeks to evaluate available customer engagement data and evidence, and to improve the claimant experience with HS2 Ltd. Land and Property is a collaborative body made up of representatives of HS2 Ltd and DfT.



As a member of PEIG, I oversee and participate in this work and recently attended a meeting on 15 January 2024 at which a number of issues were discussed, including Phase 2a safeguarding, analysis of workflows, and case resolution and discretionary schemes.

Central Association of Agricultural Valuers (CAAV)

As part of its commitment to improve the delivery of its service to claimants, and also because of ministerial concerns at the time taken to settle a *small minority* of cases, HS2 Ltd engaged with CAAV to review and analyse the problems leading to protracted negotiations and difficulties in settling compensation claims. The resulting CAAV report was detailed and rich in qualitative data, and very helpful as a template for action by HS2 Ltd. The company responded on 22 February 2024 with a serious, comprehensive reply, giving recommendations and an action plan.

As Residents' Commissioner, I was copied in at all stages and I will be monitoring the company's response over the next few months, as it relates to, *inter alia*, quicker settlement of claims, improved communications, avoidance of referrals to the Upper Case Tribunal, and adherence to the HS2 Residents' Charter.

Property Approvals Group (PAG)

As the independent member, I have attended the vast bulk of the weekly meetings of PAG over the last quarter. As I have mentioned before, the quality of the documentation and debate, and the timeliness of the presentations by both HS2 Ltd and DfT have been impressive, maintaining a delicate balance between the need to adhere to legislative and regulatory constraints and protecting the secretary of state's interests and taxpayers' value for money, and the adoption of a sympathetic and flexible approach to claimants in often stressful, complex and time-sensitive situations.

Other Land and Property issues

As I understand, ministers have the review of the **Prolonged Disruption Compensation Scheme** (PDCS) on their desks (to which both the Residents' and Construction Commissioners have respectively contributed) and HS2 Ltd is awaiting detailed guidance on changes to the scheme and the findings and recommendations. The new policy document will be published in due course for action by the company's supply chain contractors.



Following a review by CBRE commissioned by HS2 Ltd and the publication of updated guidance in March 2023, good progress is being made in developing the policy on **Alternative Dispute Resolution** (ADR). A drop in the number of ADR cases proceeding to the Upper Case Tribunal will save both time and money for the claimant and the company. This is best facilitated by the sharing of information, debate and mediation, early neutral evaluation, and quick turnaround by agents on both sides.

As Residents' Commissioner, I will be closely monitoring developments in these two areas in the next 12 months.

In addition, I await details of the reviews and evaluation of both the **Crop Loss Expedited Payment** and **Streamlined Residential Blight** schemes respectively and how they will operate within a reconfigured and smaller HS2 project.

Regular meetings and feedback

In the last quarter, I have had the opportunity to meet the chair of HS2 Ltd, Sir Jon Thompson, and the rail minister, Huw Merriman MP, and I meet, as a matter of course, the senior Land and Property team and the High Speed Rail Group at DfT on a regular monthly basis. In addition, I am updated quarterly by the Phase One engagement team at HS2 Ltd and the Community and Stakeholder Engagement Group (CSEG).

Community and stakeholder engagement: performance overview and monitoring

Each month, I receive a detailed report on local authority activity as it relates to HS2, including feedback from the HS2 Helpdesk on route-wide complaints, disaggregated between service and construction and more general non-complaint enquiries. These are further broken down into community engagement, construction, land and property, and other issues. In addition, I am provided with a weekly synopsis of interactions in respect of the parliamentary advice line, MPs' correspondence, parliamentary questions, and requests made under the Freedom of Information Act 2000.

Finally, I receive a public response monthly demand and performance report focused on HS2 contractor performance, as well as granular data for land and property claims on a rolling monthly basis. Together, they enable me to pick up and monitor trends almost in real time and to raise appropriate concerns as expeditiously as possible with HS2 Ltd and DfT.



I had the opportunity on 25 January of attending and being a judge at the HS2 Community Engagement Inspiration Awards held at Birmingham Town Hall, which focused on the themes of 'Informing', 'Involving' and 'Responding' as set out in the 'Respecting People, Respecting Places' community engagement policy of HS2 Ltd.

HS2 Community and Environment Fund and Business and Local Economy Fund

HS2 Ltd has dispersed a total of £16.09 million from the Community and Environment Fund (CEF) and the Business and Local Economy Fund (BLEF) across 285 discrete projects in Phase One and Phase 2a respectively, as of 21 March 2024.

The funding is managed independently at arm's length by the charity Groundwork UK. Individual details can be accessed via a helpful interactive map: <https://hs2funds.org.uk/home/projects-funded-by-hs2-funds/>.

Notwithstanding a decision by DfT to end new project funding from 8 November 2023, I have undertaken to ensure that those projects (particularly on the Phase 2a leg) which were 'live' when the Prime Minister's announcement was made on 4 October 2023 and where agreements had been signed after approval, were fully appraised of the new circumstances by Groundwork UK and, where possible, received the funding allocated to them.

Conclusion

I intend to schedule more on-site visits in the next quarter as government policy hopefully becomes clearer but, in the meantime, I would be pleased to receive any comments, observations or questions on my role as Residents' Commissioner via:

residentscommissioner@hs2.org.uk

or you can write to me at:

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