



Department for
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From the Secretary of State

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Dear Tony

I know that you will be taking a close interest in the Government's high speed rail policy and in particular its potential consequences for your constituents.

You may therefore wish to be aware that I have today laid a Written Ministerial Statement announcing the launch of an Exceptional Hardship Scheme in respect of the proposed high speed line between London and the West Midlands. This follows the recent consultation, which closed on 17 June having attracted well over 4,000 responses.

Whilst there is no statutory obligation on the Government to introduce an assistance scheme, in line with our clear intention to be sensitive to the impacts which our proposals for a high speed line may bring I feel it only right that assistance should be provided in this way to property owners.


A copy of my Statement is attached. The Scheme will open for applications from 20 August and guidance for applicants and application forms will be made available on the HS2 website at that point. However, the Department for Transport website now includes some introductory information on the scheme, including on the types of supporting documentation likely to be required when making an application. This information can be accessed at: www.dft.gov.uk/highspeedrail

The scheme will remain in place and applications will be able to be submitted until at least such time as the Government takes a decision following public consultation on whether to proceed with a new high speed line and, if so, on the route that it would take. I would not expect that to be before the autumn

of next year. Therefore your constituents should not feel under pressure to submit an immediate application if this is not otherwise in their best interests.

This announcement is in line with the Government's clear intention to ensure that in developing its plans for a high speed network it takes steps to provide assistance for those who may be most seriously affected. For the same reason, I have also made clear in the Written Ministerial Statement, that should the Government proceed with a new high speed line, it is my intention that assistance would be available for all of those whose properties would be most seriously affected, and that the statutory blight regime alone will not be sufficient to achieve this.

I have asked my officials to look in detail at the options for providing longer-term assistance for those whose properties would not be covered by the statutory blight regime, and I will report to Parliament on my proposed way forward before any public consultation commences.

A handwritten signature in black ink, appearing to read 'Philip Hammond', with a stylized 'P' and 'H'.

PHILIP HAMMOND

DEPARTMENT FOR TRANSPORT

High Speed 2: Exceptional Hardship Scheme

The Secretary of State for Transport (Mr Philip Hammond): The Government is committed to the establishment of a high speed rail network as part of its programme of measures to create a low carbon economy. However, in developing plans for a new high speed line, both I and my predecessor as Secretary of State for Transport have been mindful of their potential impact on those who live on or close to the proposed line of route.

It was for this reason that the previous Government launched a consultation on a potential Exceptional Hardship Scheme to provide assistance for those who have been most severely and immediately affected by the preferred route option for a new line between London and the West Midlands set out in the recent report by HS2 Ltd. This consultation closed on 17 June. Around 4,500 responses were received. This Statement sets out my response.

It is clear from the responses to the consultation that there is overwhelming support for a scheme to be introduced to provide assistance for those most severely affected by HS2 Ltd's proposed line. I can therefore confirm that an Exceptional Hardship Scheme will be introduced, and that it will be open to applications from Friday 20 August.

The introduction of the scheme recognises the unique nature of the proposed line, which is only the second high speed rail project to be considered in the UK and which differs significantly from its predecessor in terms of its design, operation and potential market. It should therefore not be taken as setting any precedent for future infrastructure schemes.

Respondents to the consultation also made many suggestions as to how the terms of the scheme might be altered. I have considered these and have made the following changes from the scheme put forward for consultation. Firstly, the scheme will be widened to include owner-occupiers of agricultural units and commercial properties with an annual rateable value not exceeding £34,800; this brings it in line with the blight provisions under the Town and Country Planning Act 1990. Secondly, the scheme will also be able to cover properties recently inherited following a bereavement and repossessed properties that the original owner urgently requires the bank or other lender to sell to realise some value.

A number of respondents asked for the scheme to be extended to properties over tunnelled sections of the proposed line of route. It is my view, however, that any blighting effects over tunnels are likely to be limited, and this is reinforced by the additional information note on the effects of tunnelling which HS2 Ltd has published on its website today. However, I accept that there is a need to make special provision in relation to properties close to the proposed entrances and exits of tunnels. I have therefore decided to extend the scheme to cover these properties.

Finally, I have decided that the panel which makes recommendations to me on applications to the scheme should have a majority of independent members, although this will not be the case for the shadow panel announced in my Written Ministerial Statement of 27 May.

In other respects, the scheme will operate as set out in the consultation document. In particular, the scheme will apply only to properties on or in the vicinity of HS2 Ltd's route option 3. HS2 Ltd's report makes a clear recommendation and it is therefore my view that assistance of this kind should be focused on this route, where the blight impacts will be most severe. It is also my conclusion that, to minimise the risk of blight spreading as a result of a scheme of this kind, it

should be limited to those who have a pressing need to sell and who would otherwise experience exceptional hardship.

A large proportion of consultation responses also raised issues in relation to longer-term provision to address blight. If a decision is taken following public consultation to proceed with a new high speed line and to safeguard the route that it would follow, statutory blight arrangements would come into force covering those properties which would have to be acquired in order to build or operate the new line. However, many respondents suggested that additional provision would be needed to cover those properties which would not have to be acquired but which might still be seriously affected by the construction or operation of the line. Respondents also made a number of proposals for how such provision might be structured. I am aware that provision of this kind has been made in respect of a number of previous schemes in both the public and private sectors.

I am mindful of the importance of appropriate longer-term arrangements to assist those who would be most seriously affected by a new line. I agree that some additional provision over and above the statutory blight regime will be needed to achieve this, and it is therefore my intention that this should be put in place, if and when a decision is taken to safeguard a route.

The specific issues raised in response to the consultation, particularly in respect of the different models for operating such arrangements, are complex and require detailed consideration. I have therefore asked my officials to provide me with further advice on options for the terms and conditions of such additional provision and how it should operate. I will report to Parliament on my proposed way forward in the light of the Spending Review outcome and before public consultation on the Government's strategy for high speed rail and the route of any new high speed line.

I have placed copies of the analysis of responses to the consultation and a list of frequently asked questions about the scheme in the Libraries of the House.