

# Environment and Economy Overview and Scrutiny Committee

28 April 2010

# Agenda

The Environment and Economy Overview and Scrutiny Committee will hold a special meeting at the **SHIRE HALL, WARWICK** on **28 April 2010 at 10:00 a.m.**

The agenda will be: -

## 1. General

### (1) Apologies for absence

### (2) Members' Disclosure of Personal and Prejudicial Interests

Members should disclose the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a prejudicial interest the Member must withdraw from the room unless one of the exceptions applies.

Membership of a district or borough council is classed as a personal interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.

## 2. Public Question Time

Up to 30 minutes of the meeting is available for members of the public to ask questions **only** on the HS2 – Extreme Hardship Scheme. Questioners may ask 2 questions and can speak for up to three minutes each.

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The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)

Questions will need to be forwarded to Paul Williams (Telephone 01926 418196 E-mail [paulwilliamscl@warwickshire.gov.uk](mailto:paulwilliamscl@warwickshire.gov.uk)) **AT LEAST THREE WORKING DAYS BEFORE THE DATE OF THE MEETING**. Questions received after this time will not be considered at the meeting, and will be forwarded to the Environment and Economy Directorate for a response.

### **3. HS2 – Extreme Hardship Scheme**

Report of the Strategic Director for Environment & Economy.

On 11 March 2010, Government announced plans for a High Speed Railway (HS2) from London to Birmingham and beyond. The Preferred Route passes through Warwickshire. The Exceptional Hardship Scheme currently being consulted on was considered by Cabinet on 22<sup>nd</sup> April. The County Council's response to HS2 on that scheme will be agreed by the Portfolio Holder-Environment on 30<sup>th</sup> April 2010. Taking account of Cabinet's decision the Environment and Economy Overview and Scrutiny Committee is asked for its views on the Exceptional Hardship Scheme to inform the Portfolio Holder in formulating the response of the County Council.

#### **Recommendation**

That the Environment and Economy Overview and Scrutiny Committee expresses its views on the HS2 Exceptional Hardship Scheme in order to assist the Portfolio Holder (Environment) in formulating the County Council's response.

For further information please contact Andy Cowan, County Planner, Tel: 01926 412126 E-mail [andycowan@warwickshire.gov.uk](mailto:andycowan@warwickshire.gov.uk).

Shire Hall,  
Warwick.

JIM GRAHAM  
Chief Executive

#### **Environment and Economy Overview and Scrutiny Committee Membership**

**County Councillors:-** Penny Bould, Les Caborn, Chris Davis, Mike Doody (*Chair*), Jim Foster, Joan Lea, Barry Lobbett, Phillip Morris- Jones, Ray Sweet, Helen Walton, John Whitehouse and Chris Williams

**Cabinet Portfolio Holder:-** Alan Cockburn

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The public reports referred to are available on the Warwickshire Web  
[www.warwickshire.gov.uk/committee-papers](http://www.warwickshire.gov.uk/committee-papers)

# The report referred to is available in large print if requested

General Enquiries: Please contact Paul Williams on 01926 418196

E-mail: [paulwilliamscl@warwickshire.gov.uk](mailto:paulwilliamscl@warwickshire.gov.uk)

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**AGENDA MANAGEMENT SHEET**

<b>Name of Committee</b>	<b>Environment and Economy Overview and Scrutiny Committee</b>
<b>Date of Committee</b>	<b>28 April 2010</b>
<b>Report Title</b>	<b>High Speed Rail (HS2): Exceptional Hardship Scheme</b>
<b>Summary</b>	On 11 March 2010, Government announced plans for a High Speed Railway (HS2) from London to Birmingham and beyond. The Preferred Route passes through Warwickshire. The Exceptional Hardship Scheme currently being consulted on was considered by Cabinet on 22 <sup>nd</sup> April. The County Council's response to HS2 on that scheme will be agreed by the Portfolio Holder-Environment on 30 <sup>th</sup> April 2010. Taking account of Cabinet's decision the Environment and Economy Overview and Scrutiny Committee is asked for its views on the Exceptional Hardship Scheme to inform the Portfolio Holder in formulating the response of the County Council.
<b>For further information please contact</b>	Andy Cowan - County Planner Tel. 01926 412126 andycowan@warwickshire.gov.uk
<b>Would the recommended decision be contrary to the Budget and Policy Framework?</b>	No
<b>Background Papers</b>	<a href="http://www.dft.gov.uk/pgr/rail/pi/highspeedrail/">http://www.dft.gov.uk/pgr/rail/pi/highspeedrail/</a> <a href="http://www.dft.gov.uk/consultations/open/2010-18">www.dft.gov.uk/consultations/open/2010-18</a>

**CONSULTATION ALREADY UNDERTAKEN:-***Details to be specified*

Other Committees

 Cabinet 22 April 2010

Local Member(s)  
(With brief comments, if appropriate)

- Councillor J Appleton
- Councillor M Doody
- Councillor P Fowler
- Councillor Mrs J Lea
- Councillor B Moss
- Councillor D Shilton
- Councillor B Stevens
- Councillor J Whitehouse

Other Elected Members

- Councillor R Sweet

Cabinet Member  
(Reports to The Cabinet, to be cleared with appropriate Cabinet Member)

- Councillor A Cockburn.

Chief Executive

- .....

Legal

- I Marriott

Finance

- .....

Other Chief Officers

- .....

District Councils

- .....

Health Authority

- .....

Police

- .....

Other Bodies/Individuals

- .....

**FINAL DECISION**

**NO** (If 'No' complete Suggested Next Steps)

**SUGGESTED NEXT STEPS :**

*Details to be specified*

Further consideration by this Committee

- Portfolio Holder Decision on the Exceptional Hardship Scheme to be taken on 30 April 2010.

To Council

- .....

To Cabinet

- Further reports to Cabinet as the HS2 proposal proceeds to formal consultation (expected to commence in Autumn 2010).

To an O & S Committee

- Further reports to Environment and Economy Overview and Scrutiny Committee as required

**Environment and Economy Overview and Scrutiny Committee  
- 28 April 2010**

**High Speed Rail (HS2): Exceptional Hardship Scheme**

**Report of the Strategic Director for  
Environment and Economy**

**Recommendation**

Environment and Economy Overview and Scrutiny Committee expresses its views on the HS2 Exceptional Hardship Scheme in order to assist the Portfolio Holder (Environment) in formulating the County Council's response.

On 22<sup>nd</sup> April 2010 Cabinet considered the report of the Strategic Director Environment and Economy on the HS2 Exceptional Hardship Scheme. That report setting out the detail of the scheme is appended as Appendix A for the committee's information. Members will be informed of Cabinet's views as soon as possible after 22<sup>nd</sup> April. The County Council's response to the consultation on the Exceptional Hardship Scheme will be decided by the Portfolio Holder – Environment on 30<sup>th</sup> April. In order to assist the Portfolio Holder in formulating that response the Environment and Economy Overview and Scrutiny Committee is asked to express its views taking account of the report and the views of Cabinet.

PAUL GALLAND  
Strategic Director for Environment and Economy  
Shire Hall  
Warwick

14 April 2010

## Cabinet – 22 April 2010

# High Speed Rail (HS2): Preferred Route Announcement and Exceptional Hardship Scheme

## Report of the Strategic Director for Environment and Economy

### Recommendations

1. That Warwickshire County Council engages with HS2 Ltd during the pre consultation period to help achieve maximum benefit from the formal public consultation planned for the High-Speed Rail proposals to start in Autumn 2010.
2. That the Portfolio Holder responsible for transport leads a 'HS2 Working Group' of County Councillors as described in paragraph 2.10 of the Director's Report.
3. That the Portfolio Holder - Environment be authorised to finalise the response to the Government's consultation on its proposed Exceptional Hardship Scheme on behalf the Council. In finalising that response on 30 April 2010, the Portfolio Holder shall include the views of Cabinet, supporting the principle of the Scheme subject to it extending the scope to include small businesses and urging that it be brought into effect as soon as possible, and have regard to the views of Overview and Scrutiny Committee meeting on 28 April 2010.

### 1. Introduction

- 1.1 On 11 March 2010 Government announced its Preferred Route for a high speed railway (HS2) from London to the West Midlands. **Appendix A** of this report contains a series of 4 maps showing the Government's Preferred Route of HS2 through the County – overlaid on maps of the electoral divisions, parishes, wards and the ordinance base. **Appendix B** contains the executive summary from the Government report on HS2. More detailed plans and documents which describe the proposals can be found on the Department of Transport (DfT) website at [www.dft.gov.uk/pgr/rail/pi/highspeedrail/](http://www.dft.gov.uk/pgr/rail/pi/highspeedrail/). **Appendix C** is an extract of the Government's 'Exceptional Hardship Scheme' proposals on which it is now consulting the public.

## 2. HS2 Proposal

- 2.1 **Outline:** The Government is proposing to build a new high-speed railway between London and Birmingham on which trains will travel at up to 250 mph. There will be up to eighteen trains an hour carrying 1,100 passenger each, cutting the central Birmingham (Curzon St.) to central London (Euston) journey time from 84 to 49 minutes (But just a 31 minute travel time between interchanges at NEC/BIA and the Old Oak Common Cross-Rail NW London interchange).
- 2.2 **Strategy:** HS2 will be the first instalment of a national strategy to introduce a high-speed rail network across the country. It is proposed to follow completion of the high-speed rail link across London ('Cross-Rail') linking the Channel Tunnel Euro-Star service (HS1). Costing £17bn, the line will be the first phase of a £30bn, 'Y-shaped' network that is proposed to go on to extend to Manchester and Leeds. It is estimated that this high-speed network will eventually cut about an hour off journey times between the capital and Britain's largest cities. This is a long term project that is not expected to start being built until 2017 and the London-Birmingham line is not expected to be operational until 2026.
- 2.3 **Rationale:** The Government's rationale behind HS2 is the idea of unifying the Country's economic geography – improving the movement of goods and people between the largest conurbations – a view long deployed by the English regions in the face of successive governments favouring transport investment in the South-East). The conventional wisdom in Whitehall is that our main railway lines will be overloaded by the 2020's and no amount of incremental adjustment to the existing network will address the problem. Expansion of the motorway network and domestic air travel are seen as relatively unattractive alternatives, given the UK's commitment to an 80% cut in carbon emissions by 2050. This reasoning leaves high-speed rail as the cleanest, fastest, option that also has huge economic benefits (estimated in a KPMG study to be 42,000 new jobs and increased tax receipts of £10bn by 2040).
- 2.4 **Preferred Route:** Inevitably, a high-speed railway from London to Birmingham has to pass, at some considerable length, through Warwickshire. The Preferred Route crosses Warwickshire over a distance of approximately 45 kilometres (15km in North Warwickshire Borough; 15km in Warwick District; 15km in Stratford-on-Avon District). It emerged through evaluation of a complex of alternatives that took paths going as far north as Nuneaton and as far south as passing between Stratford-upon-Avon and Warwick. All, including the Preferred Route, would go through open countryside and come close to settlements of all sizes in the County.
- 2.5 **Alignments:** Members should note that the alignment characteristics (horizontal and vertical) of high-speed rail is markedly different from the motorways and mainline railways with which we are familiar. Basically, 'high-speed' means that there is very little tolerance for moving from a straight line (otherwise it no longer becomes 'high-speed') and changes in heading can only be made very gradually over a long distance (7km+). Practically then, a small movement of the line in one place to avoid some feature necessitates extensive and radical change elsewhere in neighbouring locations - affecting other similarly valued features.
- 2.6 **Detailed Impacts:** It is too early to assess the numbers, types and area of property that the Preferred Route would need to be acquired to build HS2. Similarly, the



numerous cuttings and embankments, road and footpath diversions' tunnels and bridges involved in the construction cannot yet be assessed. However, there are some striking features evident from the detailed plans published. In particular, two long viaducts are proposed over floodplains – one south of Southam (4km) and the other west of Coleshill (2km); and a 1.4km tunnel would need to be bored under Long Itchington Wood. The published documents claim that the vast majority of the 440 homes to be acquired would be in the vicinity of the proposed new HS2 central stations in Birmingham (Curzon St.) and London (Euston).

- 2.7 **Understanding:** High-speed rail is not a means of transport that many Warwickshire residents will have used let alone experienced living nearby. Most people are only familiar with experience of using and living close to motorways, conventional UK railways and air transport. It will take some time for us to obtain a clear idea of the visual, noise and atmospheric impacts, the effects of property acquisition, land and community severance, roads and footpath diversions, the impacts on landscape, heritage and bio-diversity. Until then, it is not possible for the County Council as a responsible authority to arrive at a balanced judgement of the costs and benefits of the proposed HS2 Preferred Route and, if it is to proceed, on the mitigation measures that need to be taken. A greater understanding of these issues is therefore required to help assess the impacts on areas of public interest; and identify those aspects of the proposal that are causes for legitimate concern that demand mitigation. Whatever the eventual outcome, it is important for this Council and our Borough/ District Councils to establish a credible position, for leading the interests of Warwickshire as a whole, that secures and holds Government attention. It is also important that we work with neighbouring councils, especially in our Sub-region, to reflect the wider implications.
- 2.8 **Pre-consultation:** Government has asked the HS2 company (HS2 Ltd) to carry out further work to develop the proposals for their Preferred Route between London and the West Midlands. Subject to completion of this work, a formal public consultation is proposed in Autumn 2010 that is expected to last 6 months. In advance of the formal public consultation HS2 Ltd plan to engage with stakeholders. They have already made contact with Warwickshire County Council to begin that engagement locally. This engagement will give the County Council the opportunity to advise HS2 Ltd of any issues that we wish to communicate in advance of the formal public consultation. Government intends that this pre consultation engagement will give the opportunity for local sensitivities to be factored into the formal public consultation.
- 2.9 **Subsequent Stages:** The outcomes from consultation, environmental assessment and further costing will be fed into the next Government spending review. If Government decides to proceed with HS2 it will seek the necessary powers to take the scheme forward through a Hybrid Bill in Parliament. Subject to parliamentary timescales and approvals construction may begin after 2017 with opening in phases from 2026.
- 2.10 **Member Engagement:** This project has the clear **potential** to be of significant ongoing interest to the Council, from the shorter term information and then consultation phases, through to the Parliamentary phase and then over the much longer term, pre and post construction periods. During this time there will need to be appropriate forms of member engagement in the process in addition to the normal decision-making mechanisms (i.e. Chief Officer, Portfolio Holder, Cabinet, Full

Council). At least in the short-term – when there can be no certainty about the HS2 project proceeding or its confirmed route and design – it is appropriate that the Portfolio Holder – Environment (i.e. covering transport), leads a working group of local members whose electoral divisions are directly affected by the HS2 Preferred Route announced by the Secretary of State on 11 March 2010, together with the appropriate spokespersons of the opposition political groups. This ‘HS2 Working Group’ should (a) act as a sounding board for officers in their work to establish the impacts of the project and the mitigation that should be pursued and (b) prepare briefings to Full Council at key stages in the HS2 project process (e.g. when the formal consultation begins in the Autumn).

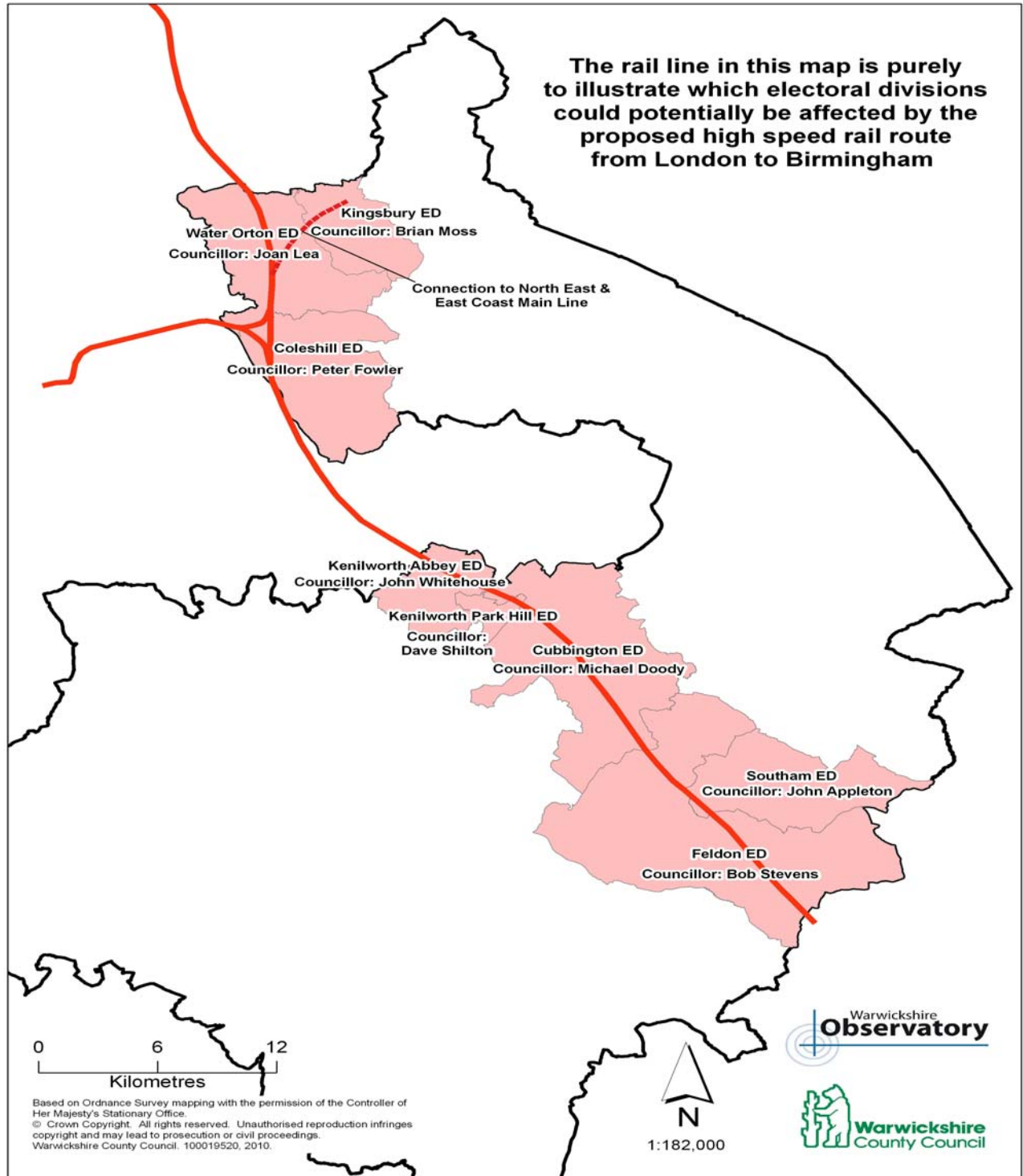
### 3. Exceptional Hardship Scheme

- 3.1 If and when there are confirmed plans for HS2 route, affected residential and agricultural property owners will have access to statutory blight provisions – enabling affected owners to require properties to be purchased and providing for compensation for disturbance etc. However, Government now recognises that the announcement of such proposals yet to be confirmed can have an adverse impact on home owners who need to sell their properties and are being prevented from doing so because of the effect of the Government’s unconfirmed proposals on property values.
- 3.2 Specifically in relation to its proposed Preferred Route for HS2, the Government proposes to introduce an Exceptional Hardship Scheme (EHS), the details of which have been extracted and copied in **Appendix C**. In summary, this Scheme would provide for the Government to purchase properties of residential owner-occupiers if they can demonstrate that they had a pressing need to sell at that time and they would suffer hardship if they had to wait until the statutory blight provisions to be triggered by the HS2 proposal preferred route being confirmed. The full EHS consultation paper can be viewed on the DfT website at [www.dft.gov.uk/consultations/open/2010-18](http://www.dft.gov.uk/consultations/open/2010-18). The consultation closes on 20 May.
- 3.3 Obviously it is important that Government canvasses public views on major schemes, such as this, before it finally makes up its mind. However, as the County Council advised in 2002 in relation to the proposed options for new and expanded airports, this can cause hardship to some people who have an exceptional need to sell their properties. The types of personal circumstance identified in the proposed EHS appear to cover the most likely situations that residential owner-occupiers may find themselves in and there are no geographical limits specified to limit the scope for them being considered. However, in particular the owners of small businesses could also be adversely affected by the proposed rail line. Therefore, it seems appropriate that these should also be included in any exceptional hardship scheme.
- 3.4 Therefore, the Government’s proposed Exceptional Hardship Scheme is to be welcomed and should be supported in principle provided its scope is extended to cover commercial properties, at the very least those of small businesses. It should be brought into effect as soon as possible to minimise the distress experienced in those particular instances where there is a legitimate case to be addressed.

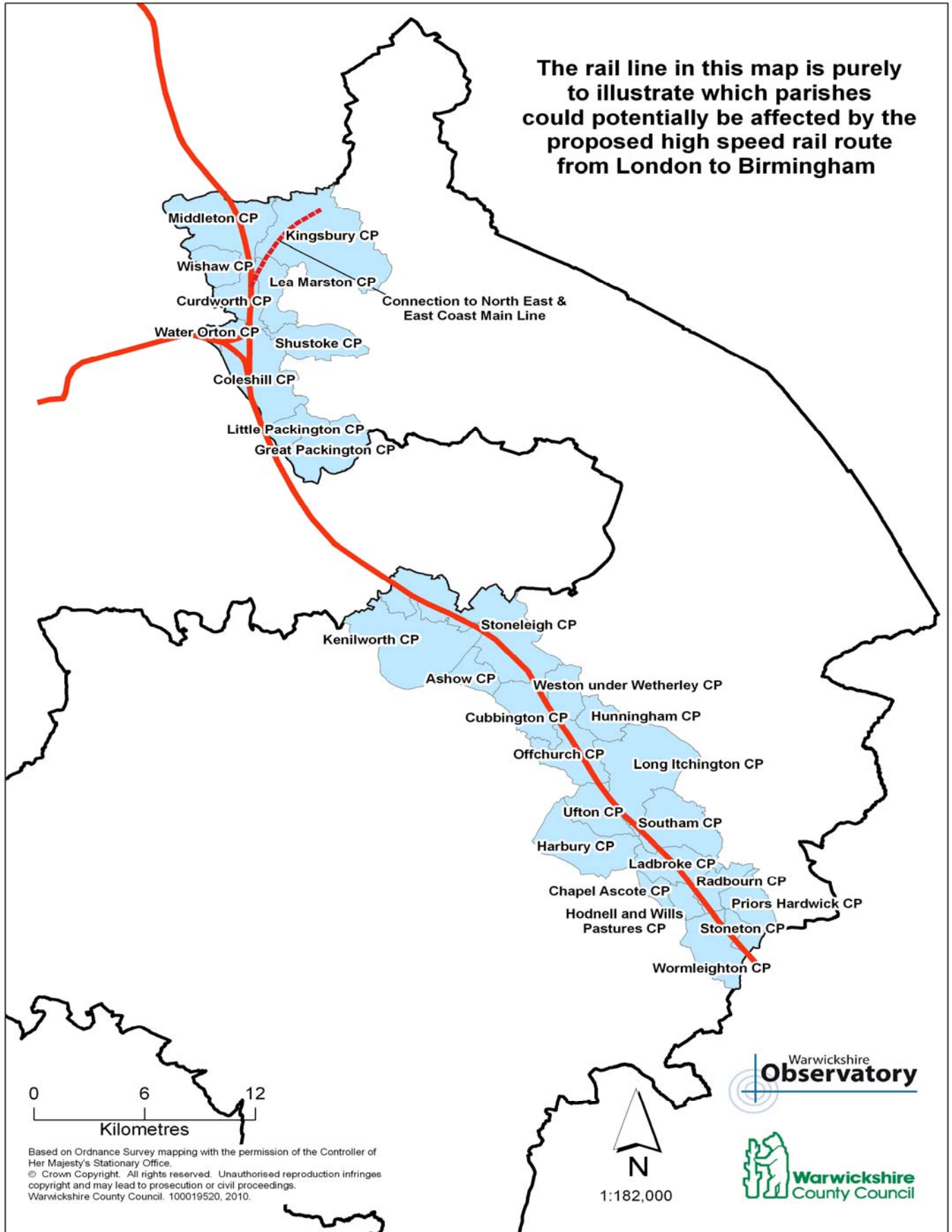
PAUL GALLAND  
Strategic Director for Environment and Economy  
Shire Hall  
Warwick

9 April 2010

# High Speed Rail (HS2): Preferred Route Announcement and Exceptional Hardship Scheme



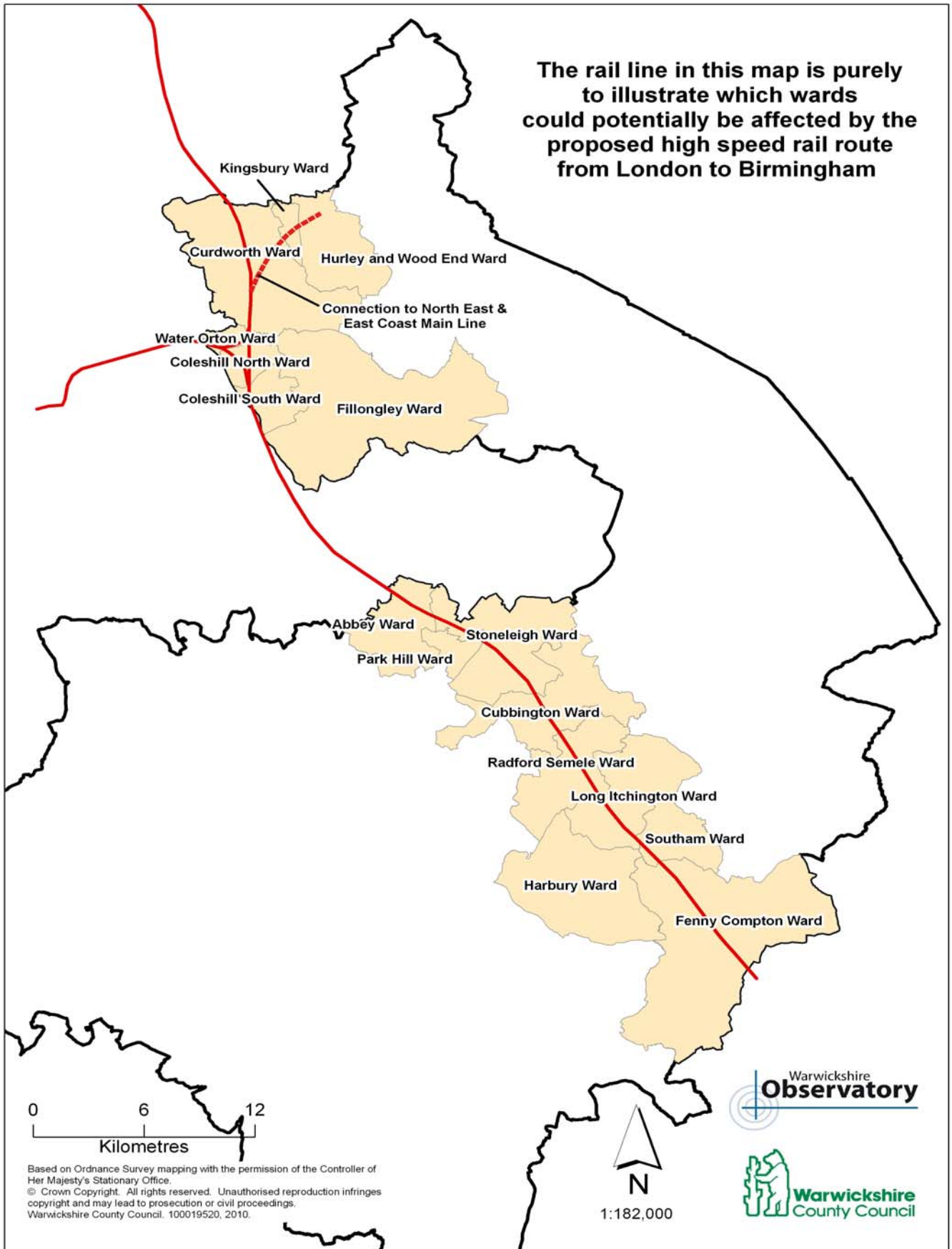
The rail line in this map is purely to illustrate which parishes could potentially be affected by the proposed high speed rail route from London to Birmingham



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 Warwickshire County Council. 100019520, 2010.

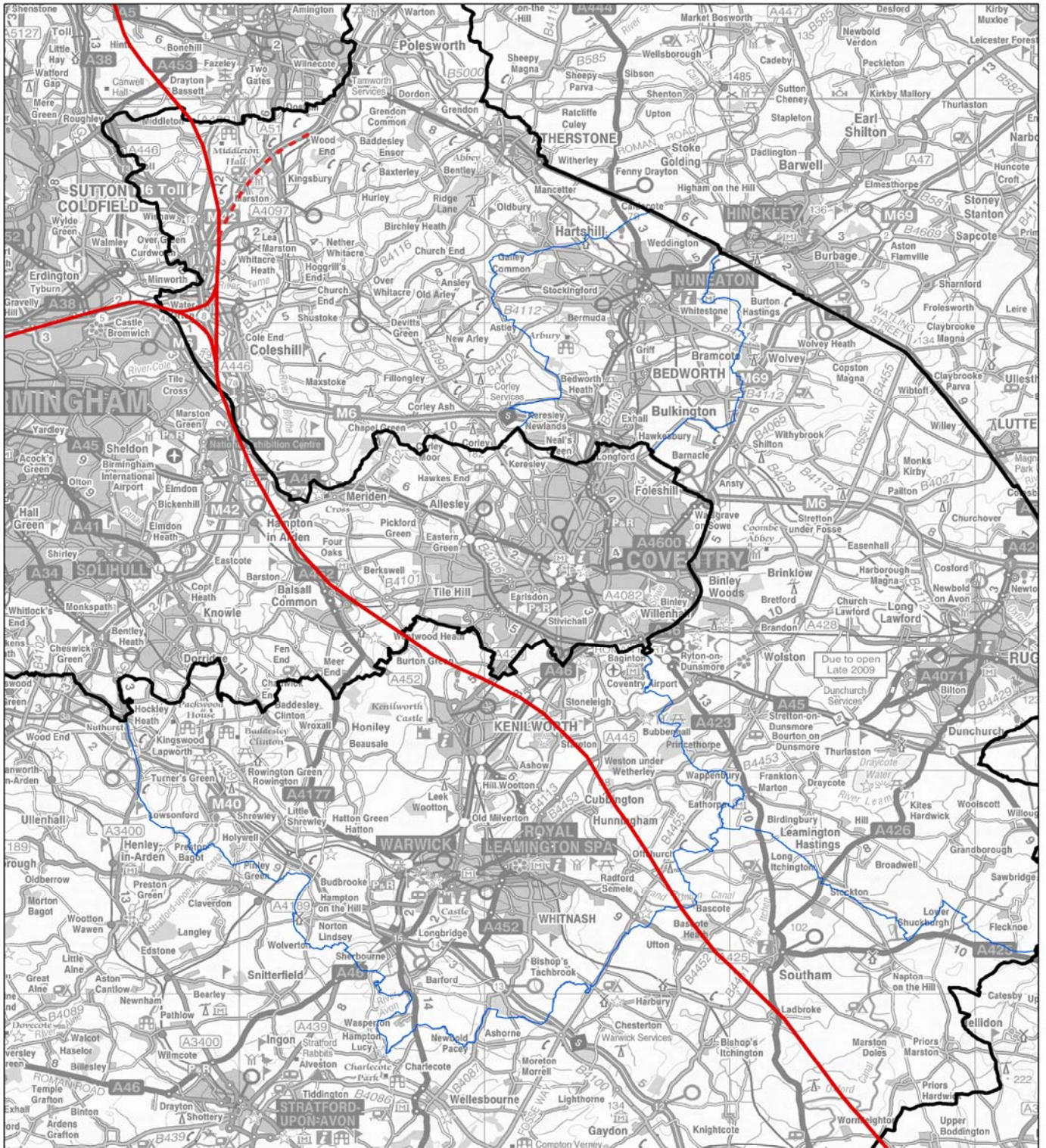


The rail line in this map is purely to illustrate which wards could potentially be affected by the proposed high speed rail route from London to Birmingham



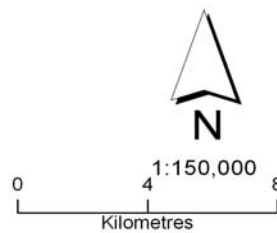
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**Proposed High Speed Rail Line - Warwickshire Section**

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**Environment and Economy Overview and Scrutiny  
Committee – 28 April 2010**

**High Speed Rail (HS2): Preferred Route Announcement and  
Exceptional Hardship Scheme**

**Executive Summary - High Speed Rail**

Presented to Parliament  
by the Secretary of State for Transport  
by Command of Her Majesty  
March 2010  
Cm 7827

**The Twenty-First Century Transport Challenge (Chapter 1)**

Demand for travel between the UK's largest cities is expected to increase significantly over the coming decades, driven by continuing economic growth and rising prosperity. This has the potential to see congestion and crowding gradually worsen across all modes of transport, leading over time to slower, less reliable and more uncomfortable journeys for travellers, and potentially endangering the long-term health of the UK economy.

The Government is taking action to address these challenges and, in line with Sir Rod Eddington's recommendations<sup>[1]</sup>, is focusing substantial investment on improving the capacity and performance of existing networks.

For rail, some £25 billion will be invested in capacity enhancements in England and Wales over the next seven years, including at least 1,300 extra railway carriages, major line and station upgrades in Reading and Birmingham, and the Thameslink and Crossrail schemes to transform capacity and major north-south and east-west commuter routes into London. The recently completed modernisation of the West Coast Main Line has substantially increased rail capacity to Birmingham and beyond. Electrification and additional rolling stock are also planned for the Great Western Main Line and on commuter routes in the North West.

On the strategic road network, motorway widening and the innovative use of hard shoulder running at peak times on the M42 near Birmingham, together with improved real time information for motorists, offer the prospect of sizeable capacity and reliability benefits. The £6 billion roads programme announced in January 2009 is rolling out this approach much more widely, alongside a number of targeted motorway and strategic road widening schemes across England.

But there is a limit to the improvements that can be squeezed out of our current transport system. The same railway lines that provide inter-urban routes north of London must also support the capital's commuter market, as well as regional and freight services. As a result, they are already close to carrying as many services as they can.



Further major upgrades to the existing network would be highly expensive, problematic and disruptive. The West Coast Route Modernisation project cost £8.9 billion and took almost a decade. It delivered fewer benefits than originally envisaged and caused serious disruption to travellers and to business, at a significant economic and social price in addition to the cost of the project itself.

Given the extended timescales for planning, developing and delivering major schemes, it is therefore vital that work begins now to identify how best to ensure that the UK's transport infrastructure can continue to support and facilitate a successful twenty-first century economy.

Improving capacity and connectivity cannot be the sole objectives for new national transport infrastructure. It must also be sustainable.

Transport projects bring substantial social and economic benefits, but they can also impose costs through their impacts on individuals, communities and the environment, including through the carbon emissions that they generate. In developing the UK's future transport networks, therefore, the Government's objective is to bring forward transport projects which will deliver the greatest improvements in capacity, connectivity and performance whilst minimising these negative impacts.

### **The Strategic Case for High Speed Rail (Chapters 2 and 3)**

The Government has considered a wide range of options for addressing Britain's long-term inter-city transport challenges, taking into account their impacts on capacity, connectivity and sustainability, as well as their financial costs. These included new motorways and railway lines, both conventional and high speed, an expansion in domestic aviation, and a number of major packages of improvements to existing networks.

In respect of improving the networks linking England's principal conurbations, the Government has ruled out major new motorways and an expansion of domestic aviation on sustainability grounds. The growth in car travel enabled by entirely new major motorways would increase greenhouse gas emissions substantially, over and above the local environmental implications of such schemes. And new motorways would not in any case provide significant time savings for city centre to city centre journeys. A major expansion in domestic inter-city aviation is considered by the Government – in line with the Committee on Climate Change's advice in December 2009 – not to be a viable option due to long term constraints on aviation capacity.

A detailed analysis has been carried out by the Government of the potential costs and benefits of improving existing road and rail networks, alongside the work done by HS2 Ltd on the case for new high speed and conventional railway lines.

This assessment indicates that major, multi-billion pound upgrades to existing road and rail networks would provide far less additional capacity than a new railway line. Major upgrades also involve considerable disruption for travellers. Moreover, they yield few of the connectivity improvements which new high speed routes make possible – for example, transforming links between the West Midlands and other conurbations in the Midlands, the North and Scotland, in addition to substantially improving journey times to London.

While entirely new conventional rail lines could address the long-term capacity constraints on the rail network, their net costs would be almost as high as those of high speed rail without delivering anything close to the same journey time benefits.

High speed rail, in contrast, delivers against every one of the Government's key objectives. It offers dramatic connectivity benefits and journey time savings between major urban centres. It provides very significant capacity increases for long-distance travellers as well as releasing space on conventional networks for increased commuter and freight services. And it achieves this whilst remaining consistent with the Government's overall strategies for reducing greenhouse gas emissions.

Furthermore, HS2 Ltd's work suggests that a well-designed and managed high speed rail project, despite its substantial costs, could deliver high value for money, with well over £2 of benefits for every £1 spent.

On the basis of this analysis, the Government's assessment is that high speed rail should be at the heart of its long term strategy to transform the UK's inter-urban transport networks.

### **A core high speed rail network for the UK (Chapter 4)**

In comparison to other European nations, Britain's economic geography is tightly packed, with relatively short distances between its major cities, especially in the Midlands and the North. Journey times and capacity between the UK's four largest conurbations – London, Birmingham, Manchester and Leeds – could be transformed by a Y-shaped high speed rail network of around just 335 miles of high speed track, capable of carrying trains at up to 250 miles per hour.



The benefits of this initial Y-shaped network would not be limited only to travellers from the four cities directly situated on the high speed line. By including stations in the East Midlands and South Yorkshire, connectivity and capacity would be increased to other key cities and regions. Additional destinations, including Liverpool, Newcastle, Glasgow and Edinburgh, would be reached directly by high speed trains from the outset, by building in the links necessary for trains to continue at conventional speed onto the East and West Coast Main Lines.

**Capacity**

The most significant capacity benefits of this network would be felt on the three principal rail corridors heading north from London, and particularly the critical London-West Midlands corridor, whose rail capacity would be more than trebled. This would address the substantial demand growth expected on these key strategic routes, which serve extensive long distance, commuter and freight markets, as well as providing the

foundation for journeys to a wide range of destinations further north, on both sides of the Pennines.

The very high capacity of the new line would be achieved both through its dedicated use for high speed operations, allowing an intensive service pattern, and through the use of longer (and larger) trains of up to 400 metres (compared to the current 207-metre Pendolinos currently in service on the West Coast Main Line).

By transferring long distance services to the high speed line, significant amounts of capacity would also be released on the existing West Coast Main Line for commuter and freight trains, including services to key areas of housing growth around Milton Keynes and Northampton.

A Y-shaped core high speed rail network yields similar increases in capacity on the East Coast and Midland Main Lines. Long-distance services to the East Midlands, South Yorkshire and Leeds would switch to the new network, as well as the southern portion of journeys to Newcastle and Edinburgh. All these lines are expected to experience significant capacity constraints over the next 20 to 30 years.

### **Connectivity**

This initial core high speed rail network would not only provide capacity benefits, but would also significantly reduce journey times between all of the UK's largest conurbations.

The fastest journey from the West Midlands to London would be more than halved to around half an hour, and Manchester and Leeds would be brought within around 75 minutes of London, with travel time from these cities to Birmingham halved to just 40-45 minutes. The time needed to travel from Sheffield to London could be cut by 55 minutes to just 75 minutes, and from Sheffield to Birmingham from 75 minutes to just 45 minutes.

Furthermore, the links from the core high speed network onto current inter-city lines would see greatly improved connectivity to Liverpool, Newcastle, Edinburgh and Glasgow. A journey time from Glasgow and Edinburgh to London of just 3 hours 30 minutes could be achieved – fast enough to be an attractive and viable alternative to travelling by air. The use of flexible rolling stock, able to run on both high speed and conventional lines, would ensure that these wider benefits were delivered from the outset.

The connectivity benefits of this core network would be multiplied by a fast, convenient link onto Crossrail, the rapid and frequent east-west underground line through London due to open from 2017. A high speed rail/Crossrail Interchange station, west of Paddington, would slash end-to-end journey times to key destinations in the West End, Canary Wharf and the City of London. The journey time from Leeds' financial services sector to Canary Wharf, for instance, would be as little as an hour and a half.

A Crossrail interchange station would also transform connectivity between the north-south rail network and both Heathrow and the Great Western Main Line. This would bring Heathrow Airport to within an hour of the centre of Birmingham, and around 45 minutes of Birmingham Airport, and provide swift connections for those travelling to the cluster of technology and other firms in the Reading/M4 corridor, and to Bristol, South Wales and the South West. A second interchange station close to the National Exhibition Centre could bring Birmingham Airport closer to London.

## **Sustainability**

The capacity and connectivity benefits of high speed rail are substantial. But for a British high speed rail network to be a viable way forward, it is equally important that it is sustainable.

HS2 Ltd has carried out a thorough assessment of high speed rail's potential carbon implications (based on a London to Birmingham line). Its conclusion is that, even allowing for the additional demand for travel that such a line would generate, they are likely to be broadly neutral: a change in average annual emissions in a range from - 0.41 to +0.44 million tonnes, equivalent to just +/-0.3 per cent of current annual transport emissions. There would also be some carbon emitted as a result of construction but this would not be significant in the context of the UK's overall emissions.

The great majority of transport carbon emissions – around 90 per cent – are generated by road transport, and cutting these emissions will be the key factor in ensuring that the transport sector plays its full part in meeting the UK's statutory carbon reduction targets. The Government's low carbon transport strategy sets out a route map to achieve this. Any new high speed network would also need to be designed and built to be resistant to the unavoidable impacts of climate change.

A high speed rail network would have other implications for sustainability as well as its carbon emissions. The Government is mindful of its responsibilities to protect landscapes and biodiversity, including sites of particular beauty or scientific interest, as well as to ensure that land take, noise and other impacts on local communities are proportionate.

In contrast to carbon emissions, these effects are heavily dependent on the detailed route chosen and mitigation measures deployed. HS2 Ltd has assessed a range of route options between London and Birmingham for sustainability, and identified a recommended route whose impacts on the local environment and communities are assessed as being the most consistent overall with the Government's sustainable development objectives. However, having assessed the recommended route in detail, the Government believes that further mitigation may be possible, and has asked HS2 Ltd to consider the options for providing such additional mitigation.

### **The Government's View**

The Government's view is that the UK's initial core high speed rail network should consist of a Y-shaped network connecting London directly with Birmingham, Manchester and Leeds at speeds of up to 250 miles per hour.

The necessary interchange stations and links to the conventional rail network should also be provided to reach the full range of potential destinations from the outset, and the capacity released on existing lines should be used to expand commuter and freight services, with particular benefit for key areas of housing growth around Milton Keynes and Northampton.

This assessment will be subject to the results of the further work by HS2 Ltd that the Government has commissioned on the detailed route options and business case for the lines to Manchester and Leeds, as well as to the outcome of forthcoming public consultation.

In the longer term, the initial core 'Y' network could also provide the foundations for a more extensive network of high speed lines encompassing other English regions, Scotland and Wales. The work carried out by HS2 Ltd indicates a potentially strong business case for lines extending to Glasgow and Edinburgh, but further work will be required to understand the costs and benefits of each link in more detail and to identify the optimum solutions and funding packages. Any future decision on the construction of new lines in Scotland would be a devolved matter.

### **'High Speed Two' – London to Birmingham (Chapters 5 and 6)**

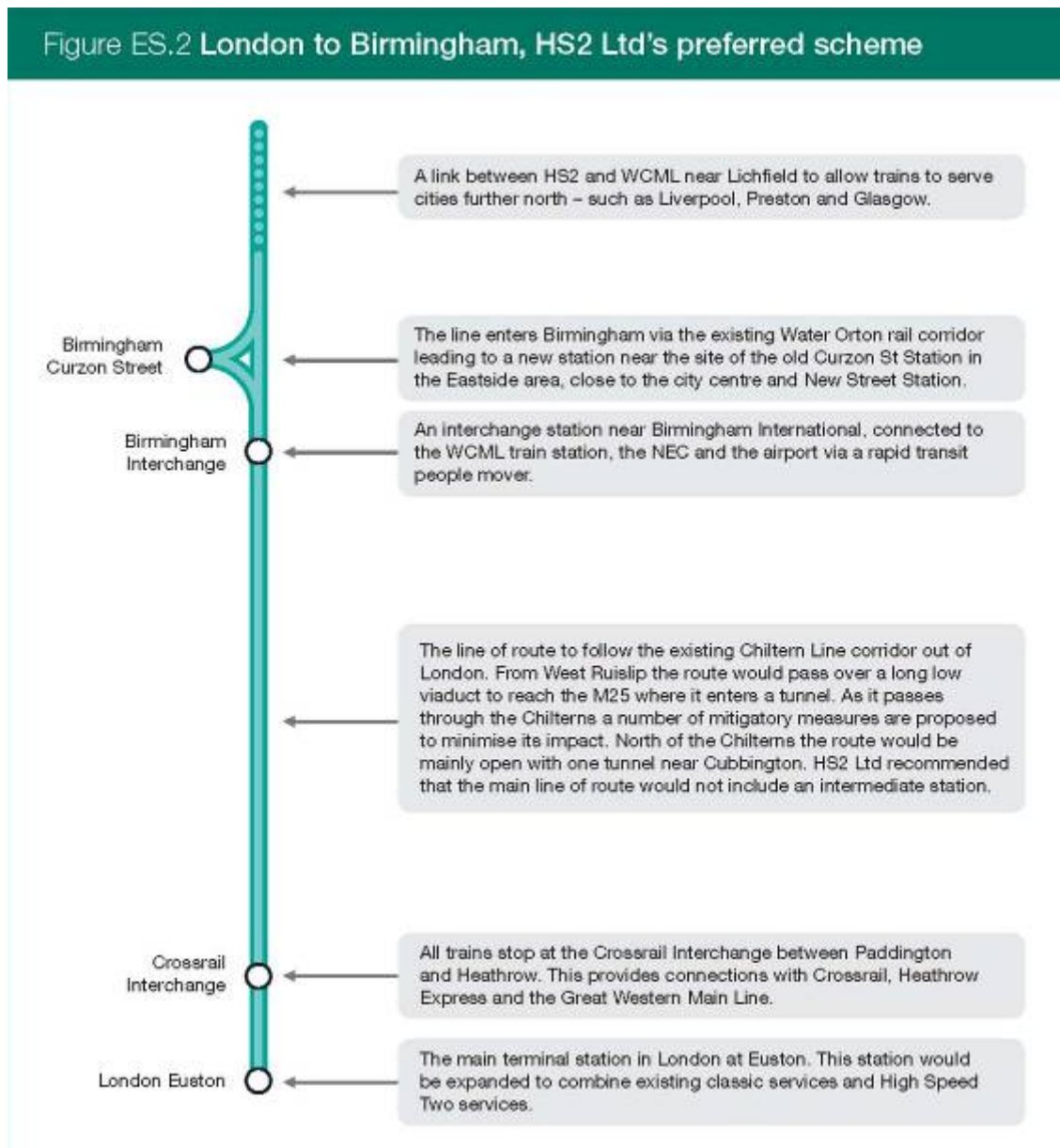
The practical implementation of high speed rail remains a major planning, construction and funding challenge. This is why, as well as considering the options for a British network, HS2 Ltd was also commissioned to develop a costed and feasible proposal for a high speed line from London to Birmingham, 'High Speed Two', and to assess its costs and benefits.

After evaluating a range of possible station and route configurations, HS2 Ltd identified a recommended route option which their calculations indicate would deliver significant benefits of well over £2 for every £1 spent.

The Government has carefully assessed the various route options considered by HS2 Ltd, including routes using elements of the existing transport corridors of the M1, M40, A413 and West Coast Main Line, and also those which follow new alignments, for instance crossing the Hughenden Valley through the Chiltern Hills.

It agrees with HS2 Ltd that its route option 3, which in part follows the A413 corridor, appears to best meet the Government's objectives for minimising journey times and cost, and managing impacts on the local environment and communities in an acceptable way. After thorough consideration, the Government has come to the overall view that all of the other route options presented by HS2 Ltd are significantly inferior. It is therefore HS2 Ltd's recommended route option 3 which the Government proposes to put forward for public consultation in the autumn, following the completion of further work on mitigating specific impacts on the local environment and communities along the route.

Figure ES.2 London to Birmingham, HS2 Ltd's preferred scheme



The main terminal station in London at Euston. This station would be expanded to combine existing classic services and High Speed Two services.

A link between HS2 and WCML near Lichfield to allow trains to serve cities further north – such as Liverpool, Preston and Glasgow.

The line enters Birmingham via the existing Water Orton rail corridor leading to a new station near the site of the old Curzon St Station in the Eastside area, close to the city centre and New Street Station.

An interchange station near Birmingham International, connected to the WCML train station, the NEC and the airport via a rapid transit people mover.

The line of route to follow the existing Chiltern Line corridor out of London. From West Ruislip the route would pass over a long low viaduct to reach the M25 where it enters a tunnel. As it passes through the Chilterns a number of mitigatory measures are proposed to minimise its impact. North of the Chilterns the route would be mainly open with one tunnel near Cubbington. HS2 Ltd recommended that the main line of route would not include an intermediate station.

All trains stop at the Crossrail Interchange between Paddington and Heathrow. This provides connections with Crossrail, Heathrow Express and the Great Western Main Line.

As described by HS2 Ltd, this route would run in tunnel from a rebuilt Euston Station, surfacing in West London to follow the route of the existing Chiltern Line, leaving London near Ruislip. The route would proceed largely in tunnel from the M25 as far as Amersham, and then continue to the west of Wendover and Aylesbury, partly in tunnel and partly following the existing A413 and Chiltern Line corridor.

The next section of the route would make use of the largely-preserved track-bed of the former Great Central Railway, before continuing north west through Warwickshire to enter Birmingham close to Water Orton. The route would terminate at a new city centre station built at Curzon/Fazeley Street in Birmingham's Eastside regeneration area, with the main line extending north to join the West Coast Main Line near Lichfield, enabling services to continue at conventional speeds to destinations further north.

The Government's view is that a London-Birmingham route along these lines is viable, subject to further work on reducing the local impacts on landscape and communities, and could offer high value for money as the foundation for the high speed network. Following the completion of this work, public consultation will begin in the autumn of 2010.

Alongside this, the Government has also commissioned HS2 Ltd to undertake more detailed work on potential routes from Birmingham to Manchester and Leeds. This will be completed by summer 2011, with a view to consulting the public early in the following year.

### **Integration with urban and international networks (Chapters 6 and 7)**

No effective high speed line can exist in isolation. Travellers are not interested in getting merely from one city centre station to another but in making complete journeys. It is therefore vital that high speed lines are well integrated with other transport networks, so that time savings are not dissipated through slow, unreliable or non-existent connections.

HS2 Ltd's modelling indicates that by far the largest market for High Speed Two would be for travellers to and from London, who would comprise more than 80 per cent of High Speed Two's passengers. As a result, the most important interchanges must be with London's current and planned urban transport networks, in particular the Underground and the new Crossrail line to be opened from 2017.

Whilst the proposed terminus at Euston would allow convenient transfer for passengers to the Victoria and Northern Lines, as well as access to other lines at Euston Square, it would not provide any connection with Crossrail. Furthermore, the large numbers of additional passengers generated by a new high speed line could cause significant operational problems on Euston's increasingly crowded Underground platforms.

A Crossrail Interchange station a short distance west of Paddington, as recommended by HS2 Ltd, addresses these issues directly. An interchange station would provide a fast, direct link to Crossrail for passengers travelling onwards to the West End, the City and Canary Wharf, enhancing the connectivity of the high speed line and significantly reducing crowding and dispersal issues at Euston.



The Government therefore agrees with HS2 Ltd's recommendation that a Crossrail interchange station is important for integration with London transport networks and should form part of the London-Birmingham line.

The Government also considers that rail access to Heathrow is an important factor for High Speed Two, given the airport's strategic importance for the UK economy.

The Crossrail Interchange could provide a rapid (around 10-minute) and frequent service to Heathrow via the Heathrow Express and Crossrail.

A strategic case has been suggested for an at-airport station in addition to, or in place of, the Crossrail Interchange. The far greater connectivity and dispersal benefits of the Crossrail Interchange have led the Government to discount the option of an at-airport station substituting for this Interchange. However, consistent with paragraph 57 of its 2009 Decision on Adding Capacity at Heathrow, the Government wishes to assess further the case for an additional high speed station at Heathrow, on a loop line from HS2 Ltd's recommended route, subject to the considerations set out in Chapter Seven. The Government has appointed Lord Mawhinney to undertake this assessment and to provide advice to Ministers.

Heathrow is not the only airport whose customers might make use of any high speed network. HS2 Ltd's report also recommends that a second interchange station should be built close to the National Exhibition Centre, providing direct access to Birmingham Airport as well as to the West Coast Main Line and the M42 and M6. The Government agrees that such an interchange has great potential to support wider connectivity within the West Midlands area and should be included as a part of the core project, subject to an acceptable funding proposal supported by the major beneficiaries. As part of its detailed design work for the routes north of Birmingham, HS2 Ltd will evaluate the business case and options for a similar interchange providing access to Manchester Airport on similar terms.

Links between High Speed Two and the existing High Speed One line to the Channel Tunnel and the wider European high speed rail network are also an important consideration. This could be achieved by a direct rail connection and/or more efficient connections from Euston to the existing High Speed One terminus at St Pancras. HS2 Ltd's report considers options for a possible High Speed Two/High Speed One link, and a short dedicated rapid transit system between Euston and St Pancras. The Government wishes to assess firm proposals for both options, and has asked HS2 Ltd to undertake further work on both, including an assessment of their business cases, prior to the commencement of consultation.

### **Funding a UK High Speed Rail Network (Chapter 11)**

HS2 Ltd estimates the total development and construction costs of the proposed initial core 'Y' network to be in the region of £30 billion, including risk, spread out over twenty years or more. Many of these costs, and especially the very significant expenditure on construction, would not be incurred for several years. Construction would not start until after the Crossrail scheme is completed from 2017. Moreover, as Crossrail and other major capital projects such as the Olympic Park indicate, the average rate of expenditure during construction of around £2 billion per year is not unprecedented.

It is vital that any project of this scale is delivered in such a way as to provide the best possible value for money. For this reason, the Government proposes that further work should now take place on both the costs and funding options for high speed rail.

As part of its work HS2 Ltd made a comparison of UK rail engineering costs and those in comparable European countries. This work identified significant disparities – in line with the high prices that can be seen across the UK civil engineering sector. The Department for Transport and Infrastructure UK (IUK) will work together to consider how and whether the cost of relevant civil engineering works could be lowered, taking into account HS2 Ltd's evidence. HS2 Ltd will engage closely as this work progresses, and its construction cost estimates will be kept under review in the light of the results emerging from this work and subsequent actions.

In funding a new core high speed network, the Government is determined that fair contributions should be made to the overall funding package by those who will benefit from it. The Government will therefore further consider the funding options for a high speed rail network in the UK. These may include third party contributions, including developer contributions linked to new station and interchange sites, and local authority funding where the project supports local economic growth.

### **New Industry, New Jobs (Chapter 12)**

A long-term programme of investment in high speed rail would present significant new opportunities for British business and enable the UK to capitalise on its strengths in design, engineering, construction and manufacturing.

The UK's rail sector is recognised across the world as a source of innovative products and services, from sophisticated low-carbon technologies, to engineering solutions, consultancy and major infrastructure projects. The UK has a strong and highly competitive export capability in this sector, and its open market and strong business environment make it an attractive location for inward investment.

A commitment to invest in high speed rail would provide the construction and engineering industries in Britain with a predictable, long-term pipeline of major infrastructure projects, following the completion of the current works on the Crossrail and Thameslink schemes and the Olympic Park. HS2 Ltd has estimated that the construction of a new high speed line over seven years could generate as many as 10,000 new jobs, and provide significant opportunities for the development of the UK's skills base. It would also promote the UK supply chain across the world, by providing a show case for its world class expertise across a range of sectors.

The Government will work closely with HS2 Ltd and with industry to maximise the business opportunities associated with the development of a British high speed rail network. In doing so, it will seek to ensure that firms in the UK have the skills and capability to compete successfully for contracts and to offer the best value for money, and that every opportunity is taken to promote the expertise and innovation of British firms to the broader global market.

### **Engagement and Public Consultation (Chapter 9)**

This document describes the Government's response to HS2 Ltd's recommendations for a high speed rail line from London to the West Midlands. It also sets out the Government's proposals for a core high speed rail network extending to Manchester

and Leeds, with through services running beyond, which could be developed and delivered over the next twenty years.

Transport proposals of this scale and complexity can only be taken forward through a process of full and open public engagement with those who will be affected by them and interested in them.

HS2 Ltd has been asked to carry out further work on specific aspects of its recommended route. Subject to completion of that work, the Government proposes to undertake a formal public consultation in the autumn. This consultation will cover three key issues:

- HS2 Ltd's detailed recommendations for a high speed line from London to the West Midlands.
- The strategic case for high speed rail in the UK.
- The Government's proposed strategy for an initial core high speed rail network.

Alongside this, HS2 Ltd will also develop detailed plans for extensions to Manchester and Leeds for public consultation.

Subject to the results of those consultations and further detailed work on costs and funding to feed into decisions to be taken in the next Spending Review, the next step will be to carry out the necessary preparations, including the process of environmental impact assessment, for the introduction of a Hybrid Bill for a core high speed network linking London to Birmingham, Manchester and Leeds.

This could see the London-Birmingham route opening by the end of 2026, with the legs to Manchester and Leeds opening over the succeeding years, although that is clearly dependent on securing Parliamentary approval.

But the very next step must be to ensure that the public is properly informed and to engage with local authorities and representative groups with a view to ensuring that the public consultation can be as effective as possible. The Government's plans for that process of public engagement are set out in detail in Chapter 9.

A new high speed rail network would be a project spanning the coming decades and which could transform the capacity, connectivity and sustainability of inter-urban travel in Britain. If such a network is to be made a reality, then it must be delivered in the way which best balances its potential impacts with the very considerable benefits for the UK economy and society that it would bring.

**Environment and Economy Overview and Scrutiny  
Committee – 28 April 2010**

**High Speed Rail (HS2): Preferred Route Announcement and  
Exceptional Hardship Scheme**

**HS2 Exceptional Hardship Scheme - The Government's Proposals**

**What are the Objectives of an Exceptional Hardship Scheme?**

- 2.1 On 11 March, the Government published its Command Paper setting out its preferred route option for a new high speed rail link between London and the West Midlands and potentially beyond.

**Existing protections**

- 2.2 As explained in paragraph 1.3, it is proposed to hold a full public consultation in autumn 2010 on proposals for a high speed line. Following this, the Government will need time to consider the responses to the consultation. If it then decides to proceed with a high speed rail link, it would announce its proposed route and would then seek powers from Parliament to build the new line. The necessary arrangements would also be made to safeguard the route<sup>1</sup>.
- 2.3 The effect of safeguarding would be to trigger the statutory blight provisions under the Town and Country Planning Act 1990. These apply where the promoter of a transport scheme has given notice that they are looking to acquire property, or affect it by their proposals, and entitles a person with a qualifying interest<sup>2</sup> in that property to serve a blight notice on the relevant authority (in the case of High Speed Two, the Secretary of State). This may result in the Secretary of State purchasing the property in question. These provisions apply to certain commercial<sup>3</sup>, agricultural and residential land, and there is no requirement to demonstrate exceptional hardship.

**Exceptional Hardship**

- 2.4 However, the Government recognises that until it makes a decision on any high speed rail link there will be uncertainty as to whether the line will be built, exactly what route any such line would follow and which properties may need to be purchased to construct or operate it, as well as which other properties may be affected during the construction period or once any new line is open.
- 2.5 This means that, in some cases, there may be an effect on property values in the immediate vicinity of the preferred route option in the period before statutory protection is available.
- 2.6 There is no statutory remedy to address this, but the Government accepts that those adversely affected should have access to some form of redress. This is why it intends to introduce a non-statutory EHS which would be available to

eligible residential property owner-occupiers who can demonstrate that they have an urgent need to move before the statutory protection takes effect.

- 2.7 The EHS is intended as an interim measure, which would remain in place only until such time as the statutory blight provisions apply. If the Secretary of State decided to use compulsory purchase powers to acquire land from its owner later on, following a decision on the final route of any new line, or the owner of a nearby property would be injuriously affected<sup>4</sup> by the construction or operation of any line, then the normal statutory provisions for the assessment and payment of compensation would apply.

### **Proposed Introduction of an Exceptional Hardship Scheme**

- 2.8 The Department for Transport would welcome views as to whether it should introduce an EHS ahead of decisions on whether, and if so how, to proceed with a high speed route?

### **Who would the Exceptional Hardship Scheme Cover?**

- 2.9 The aim of the EHS would be to protect the interests of residential owner-occupiers of properties the value of which may be seriously affected by the preferred route option for a new high speed rail link between London and the West Midlands, and who can demonstrate that they have an urgent need to sell their properties before any decision was taken which might trigger the application of the statutory blight provisions.

### **Criteria to determine qualification for the exceptional hardship scheme**

- 2.10 The owner-occupiers of residential properties on or in the close vicinity of any of the sections of the preferred route option (see paragraphs 1.4 and 1.5 above) could qualify for the EHS, subject to their meeting the other criteria set out in paragraphs 2.12 to 2.17.
- 2.11 Where the preferred route option is in tunnel we would expect any blighting effects of the proposals to be limited. Given this, the EHS would not apply to properties above tunnelled sections. More details on which sections of the preferred route option it is proposed to place in tunnel can be found in the detailed plan and profile route plans, mentioned in paragraph 1.5.

### **Type of Property and Qualifying Interests**

- 2.12 At the time of applying for the EHS a person must have a “qualifying interest” in a residential property which they are attempting to sell. This means that they must be the owner-occupier<sup>5</sup> of the property. If the property is commercially let or if the occupier does not own the property and is a residential tenant subject to a periodic tenancy<sup>6</sup> then they will not have a qualifying interest or be eligible for the EHS. Owners of non-residential properties would not be eligible for the EHS. Owners of residential properties which are not the owner’s main place of residence – e.g. second homes – would also not be eligible.

## **Exceptional Hardship**

- 2.13 Residential property owner-occupiers would have to be able to demonstrate that they had a pressing need to sell their property at that time and that they would suffer exceptional hardship if they had to wait until such time as the statutory blight provisions applied.
- 2.14 It is proposed that the following circumstances would be regarded as potentially giving rise to such need and related extreme hardship:
- a change in employment location;
  - extreme financial pressure;
  - the accommodation of an enlarged family;
  - a requirement to move into sheltered accommodation, a nursing home, or with other family members;
  - a medical condition suffered by a family member living in the property.

## **Effort to Sell**

- 2.15 Applicants would have to demonstrate that they had already made reasonable efforts to sell their property; that it had been on the market for at least 3 months and that no offer had been received within 15% of its existing open market property price (that is the price it would most likely have fetched other than for the High Speed Two preferred route option).
- 2.16 Applicants would also need to demonstrate that their ability to sell their property had been seriously affected and that these difficulties were directly related to the High Speed Two preferred route option, rather than other factors (for example that the property market in their area was already slow and that broadly similar properties that were not close to the Government's preferred High Speed Two route option were also affected).

## **Prior Knowledge of High Speed Two Proposals**

- 2.17 An applicant would not be eligible for the EHS where they bought their property at a time when they could reasonably have been expected to have been aware of the High Speed Two preferred route option.

## **Exceptional Hardship Scheme Principles and Criteria**

- 2.18 Do you agree with the proposed principles underpinning the proposed EHS? If not, what alternative arrangements would you propose, including specific criteria for determining qualification for the scheme?

## **How would the Exceptional Hardship Scheme Operate? Process**

- 2.19 Where a residential property owner-occupier has an urgent need to sell their property and believes that the value of that property had been affected by the High Speed Two preferred route option, they would be able to apply to the Secretary of State to purchase their property under the EHS. It is proposed to

set up a panel of experts, including independent members, which would consider individual applications and make recommendations to the Secretary of State as to whether they should be accepted. The panel would consider each application on its own merits, according to how far it meets the criteria set out in paragraphs 2.10 to 2.17 above.

- 2.20 Where the Panel recommended that the Secretary of State should offer to buy a particular property, independent valuers would be appointed to assess its value, based on unaffected realistic open market value (that is, what would have been the value of the property without any adverse effect arising from the High Speed Two preferred route option).
- 2.21 The valuation would not cover additional costs, such as the seller's agents & legal fees or removal costs, on the grounds that if the property owner was already looking to sell their property they would normally expect to have to meet these costs themselves. In addition the Secretary of State would not make any payments as part of the EHS process which could be payable later on if the property was subject to compulsory acquisition. For example this would include home loss payments, which are fixed sums payable to persons displaced from property where compulsory purchase takes place.

### **Dealing with applications**

- 2.22 Should the Government decide to introduce an EHS, the scheme would come into force on the date of announcement and applicants who consider that they met the eligibility criteria would be able to apply to the Secretary of State for consideration with immediate effect.
- 2.23 The Secretary of State would be required to determine each application within three months of receipt. Where the Secretary of State offered to buy the property in question, the applicant would have two months to decide whether to accept the offer.
- 2.24 The EHS would be entirely discretionary. In other words, the Secretary of State would be under no automatic obligation to buy any individual property, and the applicant would be under no obligation to sell the property if the Secretary of State offered to buy it.

#### Notes:

- 1 Safeguarding is a process under which the Secretary of State issues directions under the Town and Country Planning (General Development Procedure) Order 1995. These directions are given to local planning authorities and are designed to protect route corridors which have already been identified for building transport and other projects. Once the directions are made, where a third party submits certain types of planning applications which affect these route corridors – for instance to erect a new supermarket – the applications need to be reviewed in order to safeguard the development of the project which is the subject of the directions.
- 2 This term is defined in section 149 of the Town and Country Planning Act 1990.
- 3 In the case of commercial land, the provisions are restricted to land which has an annual rateable value which does not exceed £29,000.
- 4 Injurious affection is the effect of acquiring land for a public project on any neighbouring or remaining land; for instance, where only part of a person's land was purchased compulsorily by a scheme promoter how would this affect the value of the remainder of the owner's property and what compensation would be payable to the owner.
- 5 In this document, the terms "owner-occupier" is used to refer to someone who must have occupied the whole (or a substantial part) of the property as a private dwelling and who has either a freehold interest in the property, or a leasehold interest consisting of a tenancy granted or extended for a specified term of years of which at least 3 years remain unexpired.<sup>6</sup> This is a tenancy which is not granted for a fixed period of time but which can be ended by either party on the giving of the appropriate notice e.g. a standard rental agreement.