

Minutes of the Environment and Economy Overview and Scrutiny Committee meeting held on 28 April 2010

Present: Councillors:

Penny Bould
Les Caborn
Mike Doody (Chair)
Joan Lea
Phillip Morris- Jones
Ray Sweet
Helen Walton
John Whitehouse
Chris Williams

Also Present: Councillor John Appleton
Councillor Alan Cockburn (Portfolio Holder for Environment)
Councillor Ron Cockings
Councillor Peter Fowler (Portfolio Holder for Economic
Development)
Councillor Dave Shilton
Councillor Bob Stevens (Portfolio Holder for Health and
Performance and Deputy Leader)

Officers Andy Cowan, County Planner
Richard Maybey, Assistant to Political Group (Labour)
Phil Maull, Senior Committee Administrator
Paul Williams, Scrutiny Officer

1. General

The Chair explained that the purpose of the meeting was to consider the Exceptional Hardship Scheme and not the line of HS2 and, for the purpose of the meeting, it would be assumed that the route would be as published. There were many people blighted by the proposal and it was therefore important to respond to the consultation on that Scheme. He asked that speakers avoid making political points. The current elections meant that the Council was in a period of "purdah", which placed a restriction on its political activity.

He then said that he had decided to vary the agenda slightly by asking Andy Cowan to give an introduction to the issues to set the context immediately prior to the Public Questions.

(1) Apologies for absence

An apology for absence was submitted from Councillor Chris Davis.

(2) Members Declarations of Personal and Prejudicial Interests

Councillor Penny Bould declared a personal interest as a member of Friends of the Earth.

Councillor Alan Cockburn declared a personal interest as a member of Kenilworth Town Council.

Councillor Peter Fowler declared a prejudicial interest due to the proximity of the preferred route to his house. He left the room.

2. Introduction by Andy Cowan

Andy Cowan said that the view taken by government over major schemes was that it wanted public involvement in consultation before making up its mind. The statutory system for blight would not come into effect until the decision was made to confirm a particular line for HS2 and this could take as much as twelve months or longer. This would have meant that although property would have been effectively blighted from the announcement of the HS2 proposal on the 11th March, there would be no compensation scheme. The government accordingly proposed an exceptional hardship scheme to address this.

3. Public Question Time

(1) Question from Mr David Vaughan

He was a resident of Stoneleigh. The HS2 line would be carried on an elevated track at Stoneleigh and would pass within 250 metres of his front door. There was no information about noise levels from the trains. The Exceptional Hardship Scheme had very narrow criteria for determining whether a property was covered. In contrast, he referred to private schemes such as BAA third runway and the Central Rail Project where the developer underwrote the value of properties when the owner moved house at any time. He asked why the Government could not adopt a similar scheme for its project. It could be fifteen to sixteen years before the trains began to run and the provisions of the Land Compensation Act were brought into use. He urged the Committee to recommend the Government to adopt an improved scheme in place of the scheme put forward, which was “shoddy” for the majority who would be deprived by the individual loss of value and enjoyment in property.

Councillor Alan Cockburn said that the HS2 company had been asked for more details, including details of an Environmental Impact Assessment. The response had been unsatisfactory with the company saying that the information would not be available until the consultation period in the Autumn.

(2) Question from Mr David Halsall

He was a resident of Ladbroke and a representative of Ladbroke Action Group. Since the announcement on the 11th March a blight cloud had settled over the village and it had been difficult to carry on life as normal. The rules of the Exceptional Hardship Scheme were too narrow: excluding farms and small businesses; requiring that a house had to be on the open market three months before a claim could be made and the property had to be in close vicinity to the route. He said that the BAA and Central Railways compensation arrangements were fairer in giving full compensation. The system should be modernised to prevent blight

spreading to houses, farms and businesses. He asked if the County Council had seen the alternative solution developed by HS2 Action Alliance and asked the Committee to support the solution and notify the Government accordingly.

Councillor Alan Cockburn confirmed that the alternative solution had been received and the officers had studied it. The Scheme appeared to have some merit but needed further investigation.

(3) Question from Mr Don McGilivray

He was a resident of Stareton, which would be devastated if the proposed line was implemented. He had purchased a dilapidated house and rebuilt it with the intention of selling it. At present it was his only family home. There were a number of criteria under the Hardship Scheme that caused him particular concern:-

- The stipulation that he would have to demonstrate that reasonable efforts had been taken to sell the house for three months before a claim was made. It would be difficult to find an estate agent to take on the property with no prospect of a sale or commission.
- The 15% close offer meant that on the estimated value of his house of £875,000, the offer price would have to be lower by £131,000 before a claim could be made and at that level all profit would be wiped out.
- There was a pre condition to demonstrate that equivalent houses were selling. The difficulty was that a lot of the value in the house was because of its location and therefore he would not be able to identify an equivalent house.

He asked that the Committee support the removal of those conditions.

Andy Cowan said that the Government should find the wider interpretation of the criteria to be acceptable as it was only a temporary scheme. He added that he and Ian Marriott, the solicitor for planning issues at the County Council, had looked at the alternative scheme and had come to the conclusion that it might have some merit. However, they were not clear about the wider implications of the scheme for local authorities. He had spoken to the planning officers at Buckinghamshire to discover the grounds they had used to support the alternative solution but they had confirmed that they had not had the time to look at it in any detail. In the circumstances, the advice to the Members was that the Government should be informed that although there appeared to be merit to the scheme, the County Council had neither the time nor the resources to investigate it, but commended the Government to do so. If any alternative arrangements were agreed they should be applied retrospectively.

(4) Question from Mr Nigel Rock

He thanked the Chair for the opportunity to speak at the meeting. He was a District Councillor on the Stratford-on-Avon District Council and Vice Chair of the Environmental Quality and Climate Change Panel. He had asked the Environment Cabinet Member for Stratford District Council

whether he would take urgent action in respect of the Government consultation on the Exceptional Hardship Scheme for the High Speed Rail Link in view of the short deadline and that residents had no idea whether they would be affected and if so to what degree. He was waiting a response. He then asked whether it would be appropriate for the County Council to coordinate the responses from the Districts affected. He asked whether the County Council would consider how the noise profile implications could be estimated prior to the closure of the EHS consultation, so that consultees could understand how they might be affected.

Councillor Alan Cockburn said that the question on noise had already been asked but there had been no satisfactory response. There had already been meetings between the County Council, the three affected District Councils and the HS2 representatives. It was intended that there would be a coordinated approach.

The Chair then said that the Warwick District Council had a problem with resourcing an Environmental Impact Assessment and would therefore refer this issue back to Government.

(5) Question from Mr Jeremy Wright

He said that he had been MP for Rugby and Kenilworth until the closure of Parliament and was currently a candidate for the new Southam and Kenilworth seat. He pointed out that consultation period ended on the 20th May, only two days after Parliament was due to sit for the first time following the General Election. The 18th May would be taken up by the election of the Speaker, leaving very little opportunity for MPs to represent the views of their constituents. There was a particular issue at Stoneleigh as it was recognised in the proposal that the line might change at this point. He asked when it would be known whether this was to change, who might be affected and when they could respond.

The Chair reminded the Committee that they should only deal with the route as published and pointed out that any extension in the consultation period would prolong the period of blight during which there was no scheme.

Councillor George Illingworth (Warwick District Council – Kenilworth Abbey Ward) said that there was only a narrow gap at Stoneleigh and any changes to the line at the village would have consequences for the whole area.

Councillor Penny Bould questioned whether there had been any benchmarking carried out against compensation schemes in other countries.

Councillor Alan Cockburn said that Cabinet had agreed to disseminate information through the Parish and Town Councils. There was a meeting next month of those concerned to find a way forward. It was originally scheduled for him to agree the County Council's response on Friday but he would delay this to the 14th May to enable him to give proper consideration to this morning's discussions.

At the Chair's request, Andy Cowan explained that members of the public could make their representations on-line to the Department of Transport. If anyone had difficulty with this, there was a link to the appropriate website on the County Council website. For the purpose of the consultation, it would be better for individual responses to be sent rather than standard letters or petitions. The Government needed as many instances as possible of where hardship was being experienced because of the announcement of the preferred route. Standardised letters and petitions tended to distil representations generically thereby losing the uniqueness of situations that was needed to inform Government.

4. HS2 – Extreme Hardship Scheme

The report of the Strategic Director for the Environment and Economy was considered.

Councillor Phillip Morris-Jones said that it was imperative that an acceptable level of compensation should be agreed. Those affected by the proposals should be convinced that there was a real economic benefit and that HS2 was in the national interest and that there were compelling reasons for the enormously expensive scheme to proceed.

Councillor Chris Williams said that the scope of the scheme should be extended to farms and small businesses and the consultation period extended to allow for Parliamentary debate.

Councillor John Whitehouse agreed that the 20th May deadline was unfortunate and should be extended but also that the Government should set a timetable when it would respond. He was very interested in the alternative scheme but was aware that there were potential implications to adopting it. He felt that the hardship scheme should be introduced but questioned why it should be an "exceptional hardship" scheme rather than just a "hardship" scheme. There was no definition of what was meant by close vicinity and he suggested that this would change depending on whether the train was carried via an elevated viaduct or through a deep cutting. The 15% rule was arbitrary. The panel looking at applications for compensation should be independent of Government with independent local valuation experts. The local media should be used to help give publicity to the scheme.

Councillor Ray Sweet said that farms should be included. He was also concerned about the consultation period and proposed a fourteen day extension.

Councillor Penny Bould seconded the proposal for a fourteen day extension.

Councillor Les Caborn favoured making the measures wider to produce a fairer scheme. He supported fuller consultation and a single point of contact. The County Council should work with Parish and Town Councils and the District Councils.

Councillor Joan Lea supported the need for adequate compensation and close contact with the other Warwickshire local authorities affected.

The Chair summarized the points raised and it was then Resolved unanimously:-

That the Portfolio Holder for Environment be recommended:-

- (1) To inform the Government:-
 - (i) That the proposed Exceptional Hardship Scheme should be expanded to make it more acceptable.
 - (ii) That the scope of the scheme should be extended and the term “close vicinity” be widened and more clearly defined.
 - (iii) That the scheme should be for “hardship” and not just “exceptional hardship”.
 - (iv) That the alternative compensation solution developed by HS2 Action Alliance should be investigated by the Government, as it appeared to have merit. There was insufficient time and resource to study the wider and fundamental implications particularly for the public sector. In the event of the Government choosing to adopt the scheme or some other alternative it should be made retrospective.
 - (v) That farms and small businesses should be included in the scheme.
 - (vi) That the Government should publish a timetable for its response to the consultation exercise.
 - (vii) That the requirements to a) prove that no offer had been received within three months of a property being put on sale and b) that only losses in excess of 15% would qualify under the scheme were unreasonable. The 3 month period was too long and the 15% should be substantially reduced.
 - (viii) That a panel separate from Government should be established to determine applications for compensation under the scheme.
 - (ix) That the consultation period should be extended by between fourteen and twenty-eight days to allow for Parliamentary debate.

- (2) That County Council officers be asked to arrange:-
 - (i) for the County Council to link with the local media to inform local residents of the Scheme and the consultation process.
 - (ii) for the identification of a single point of contact for issues relating to the proposals.
 - (iii) for close liaison with the Borough and District Councils and the Town and Parish Councils.

.....
Chair

The Committee rose at 11.35 pm