

High Speed Two Phase One

Prolonged Disruption Compensation Scheme Policy

1 Overview

This paper outlines the prolonged disruption compensation scheme that will be in place for those particularly affected by construction works during the building of HS2 (High Speed Two) – the new high-speed railway.

The scheme complements a wider package of environmental controls set out in the HS2 Phase 1 Environmental Minimum Requirements. These include prior consent for construction noise through the Code of Construction Practice and local compensation measures if required through the small claims scheme.

The Policy adds to the noise insulation and temporary re-housing measures set out in Information Paper E23: Control of Construction Noise and Vibration. It will modify and enhance those measures to:

- give people more choice to remain in their homes, help avoid the disruption of being temporarily re-housed and support them with cash compensation to provide alternative respite from such works; and
- in special circumstances, give owner occupiers of residential dwellings the option of requiring the Secretary of State to purchase their property.

The prolonged disruption compensation arrangements apply to dwellings and other buildings lawfully used for residential purposes.

The scheme is tiered:

- As a starting point, HS2 Ltd will take all reasonable steps to keep construction noise and vibration below the lowest observed adverse effect levels. Principally this will be through the design of the work and the timing of construction activity;
- Where the above is not practicable, HS2 Ltd will offer affected residents noise insulation;
- Where temporary rehousing thresholds (set 10 decibels higher than for noise insulation) are breached for 10 or more days of working in any consecutive 15-day period, eligible residents will have a further choice between temporary re-housing or a cash payment; and
- Where noise levels are predicted to exceed the temporary re-housing threshold for three or more consecutive months, property owners have the right to request the Secretary of State to purchase their property for its full unblighted value.

The scheme is open to both those who own and rent their homes, on the principle that disturbance from construction makes no distinction on the basis of tenure. Nor does it include a 'no prior knowledge' date, as disruption may affect different properties at different times over the construction phase.

The scheme will apply closer to the beginning of the main construction works. There will be clear guidance for those potentially eligible, made available in good time ahead of the scheme opening.

2 Introduction

- 2.1.1 The requirement for this Policy on severe and prolonged disruption stems from the Special Report of the Select Committee on the High Speed (London to West Midlands) Bill in in the House of Lords and the Government's response to that Report (January 2017).
- 2.1.2 The Government accepted the need for a compensation scheme for households that are subject to severe and prolonged noise and disruption resulting from the construction of the works authorised by the Bill (now the High Speed (London to West Midlands) Act 2017). Such compensation is to be offered in addition to any statutory remedy which may be available. This prolonged disruption compensation scheme addresses that need.
- 2.1.3 This Policy complements a wider package of environmental controls set out in the HS2 Phase 1 Environmental Minimum Requirements that include, amongst other controls, prior consent for noise through the Code of Construction Practice and local compensation measures if required through the small claims scheme.
- 2.1.4 The Policy adds to the noise insulation and temporary re-housing measures set out in Information Paper E23: Control of Construction Noise and Vibration. It will modify and enhance those measures to include a compensation package that will:
- give people greater choice to remain in their homes, help avoid the disruptive effects of being temporarily re-housed and be supported with cash compensation to provide some alternative respite from such works; and
 - in special circumstances, give owner occupiers of residential dwellings the option of requiring the Secretary of State to purchase their property.
- 2.1.5 The working of this Policy will be reviewed 6 months and 12 months after the start of main construction works.
- 2.1.6 Diversity monitoring of the scheme will also be undertaken to ensure that it is not having a disproportionate impact.
- 2.1.7 Where, on the advice of HS2 Ltd., the Secretary of State proposes to update any part of this Policy in response to either review HS2 Ltd. will consult the Planning Forum or a relevant sub-group of that forum as appropriate on the wording of such a change.

2.2 Prolonged Disruption Compensation

- 2.2.1 The prolonged disruption compensation arrangements apply to dwellings and other buildings lawfully used for residential purposes.
- 2.2.2 The Policy is based upon the temporary re-housing thresholds and eligibility criteria set out in the HS2 Phase One Environmental Minimum Requirements Annex 1 Code of Construction Practice.
- 2.2.3 The temporary re-housing thresholds and eligibility criteria have been selected to establish a proxy measure for prolonged disruption. Where noise levels are high it is most likely that intensive and particularly disruptive construction works are taking place and where those construction works are prolonged, eligibility criteria invite people to take alternative action to have noise insulation installed at certain levels to enable dwellings to remain habitable or be temporarily re-housed where high noise levels are predicted.
- 2.2.4 The prolonged disruption compensation Policy adds cash compensation to provide an alternative choice to being temporarily re-housed.
- 2.2.5 To be eligible for prolonged disruption compensation you must own or occupy as a tenant a residential dwelling and have accepted and had installed appropriate noise insulation as set out in the eligibility criteria for noise insulation in Information Paper E23.
- 2.2.6 The dwelling must be one in which the predicted or actual noise exceeds the temporary re-housing thresholds set out in Table 1 of Appendix B of Information Paper E23 for a period of 10 or more days of working in any 15 consecutive days during construction.
- 2.2.7 Owner occupiers and rental occupiers of dwellings where the predicted or actual noise levels exceed the temporary re-housing thresholds for a period of 10 or more days of working in any 15 consecutive days during construction will be eligible for cash compensation derived using Council Tax Bands and will equate to 100% of the average local property rental value as determined by HS2 Ltd on advice from an independent expert to ensure they are locally relevant and not exceeding, in total, £50,000 in Greater London, or £30,000 outside Greater London, as an alternative to being temporarily re-housed.
- 2.2.8 Only one claim, or a series of claims, may be made in relation to each dwelling i.e. there is only one compensation payment per household, not per occupier. Local values will be kept under review to ensure they reflect unblighted prevailing market conditions.

2.3 Special Circumstances

- 2.3.1 This Policy recognises that cases in which the predicted noise at a dwelling exceeds the temporary re-housing thresholds set out in Information Paper E23 over a prolonged period of 3 months or more in any 12 month period of construction call for special treatment.
- 2.3.2 In these circumstances the owner-occupier of the dwelling will have the option of requiring the Secretary of State to purchase the property for its full un-blighted value. This would be on the same terms as apply to properties purchased under the Voluntary Purchase and Need to Sell Schemes.
- 2.3.3 Appendix A gives further detail about the qualifying conditions for entitlement under this Policy.

2.4 Exceptional Circumstances

- 2.4.1 The HS2 Ltd. recognises that in certain circumstances and despite accepting noise insulation it may not be possible for it to be installed e.g. consent may not be achieved for such measures in a listed building. In such cases compensation set out in this Policy will be considered treated on an exceptional basis.
- 2.4.2 The HS2 Ltd will exceptionally consider providing assistance for cases falling outside this Policy on a case by case basis, having regard to the specific circumstances of the case and the reasons why the case does not fall within this Policy.

3 Appendix A – Further details as to qualifying conditions

3.1 Qualifying Interests

“Owner-occupier”

3.1.1 An owner-occupier in relation to a property means:

- a) an individual who occupies the whole or a substantial part of the property as a private dwelling in right of an owner’s interest in it, and has so occupied the property or, as the case may be, that part during the whole of the period of six months ending with the date of making an application under this policy; or
- b) if the whole or a substantial part of the property was unoccupied for a period of not more than 12 months ending with that date, an individual who so occupied the property or, as the case may be, that part during the whole of a period of 6 months ending immediately before the period when it was not occupied.

3.1.2 An owner’s interest means a freehold or a tenancy granted for a certain term of years, not less than three years of which remain unexpired on the date of making an application under this policy.

3.1.3 Where the owner-occupier’s interest is a leasehold interest, an owner must also be able to assign or sublet the whole of his or her interest to the Secretary of State and any necessary consent from the landlord must be obtained first.

“Rental occupiers”

3.1.4 A “rental occupier” means any person who occupies a property as a dwelling under a tenancy or licence which does not constitute an owner’s interest.