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for Transport

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Our Ref: MC/[ItemID]
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Friday 16 January 2015

I am writing to advise you that the Government has launched the full package of measures to provide assistance to owner-occupiers along the line of route for Phase One of the High Speed Two (HS2) railway. This is the final outcome of two consultations:

- the Property Consultation 2013, on which the decision was announced on 9 April 2014; and
- the Property Consultation 2014, which ran from 8 July to 30 September 2014 and on which the decision is announced today.

(<https://www.gov.uk/government/speeches/hs2-phase-one-property-consultation-2014>).

We will be introducing the proposed alternative cash offer (now named the 'cash offer') and the homeowner payment schemes. These schemes aim to help maintain the cohesion of communities along the route of Phase One, between London and the West Midlands, and provide an early share of the benefits.

From today, HS2 Ltd will accept applications for the voluntary purchase, cash offer and need to sell schemes. These schemes supplement those launched earlier this year – namely, express purchase and rent back. The result is an exceptional package of measures for an exceptional project. Over 2,500 dwellings are within the express purchase area, rural support zone (within which the voluntary purchase scheme and cash offer are available) and

homeowner payment zone. In addition, the need to sell scheme will independently consider applications regardless of distance from the railway.

The full package is as follows:

- **Express purchase** is for people living closest to the line, in what is known as the 'surface safeguarded area'. Under this scheme, owner-occupiers may be able to sell their home to the government, if they wish to do so, at its full unblighted market value (as it would be if there were no plans for HS2), plus 10% (up to £49,000) and reasonable moving expenses, including stamp duty.
- **Voluntary purchase** is for people in rural areas outside the safeguarding area and up to 120 metres away from the line (this is defined as the rural support zone). Owner-occupiers in this area will be able to sell their home to the government for its full unblighted value at any time until one year after Phase One first opens for public use.
- The **cash offer** (known as the **alternative cash offer** during the consultation). This gives rural owner-occupiers within the rural support zone two measures to choose from, if they wish: selling their property to the government for its full unblighted market value under the voluntary purchase arrangements described above or remaining in their home and receiving 10% of that value. This payment is a minimum of £30,000 and is capped at £100,000. This scheme will be available until one year after Phase One first opens for public use.
- The **need to sell** scheme does not have a boundary and is available to owner-occupiers who have a compelling reason to sell their house (for example this might be as a result of job relocation or ill health) but are unable to do so because of HS2. The government will pay the full, unblighted value for these properties. This scheme replaces the Phase One exceptional hardship scheme (EHS). Applications for the EHS that have not yet been considered will automatically transfer to the need to sell scheme. This scheme is available in both urban and rural areas.
- The **homeowner payment** scheme will give rural homeowners outside the voluntary purchase area but within 300 metres of the line the opportunity to share early in the benefits of HS2. These payments will be available only once the HS2 Bill receives Royal Assent. Owner-occupiers outside the safeguarded area but within 180 metres of the centreline of the railway will receive £22,500; those beyond this and within 240 metres will receive £15,000; and those beyond this and within 300 metres will receive £7,500.

The express purchase, voluntary purchase and need to sell schemes are all accompanied by a voluntary **rent back** option. Owner-occupiers who have sold their property to the government, but would prefer to carry on living there, may be able to rent it back, subject to property suitability checks.

In my letter of 15th December, I outlined the objectives of the Residents' Charter. This will be implemented from today. I can advise you that Deborah Fazan has been appointed as the Residents' Commissioner to oversee the Charter and ensure its principles are adhered to.

This package of measures will be administered by HS2 Ltd under these guiding principles. Together, they signal the beginning of a new relationship with the communities along the route of Phase One.

I encourage both you and your constituents to continue to engage with HS2 Ltd should you require further clarification or information at this stage.

A handwritten signature in black ink, consisting of a stylized 'P' followed by 'atrick'.

THE RT. HON. PATRICK McLOUGHLIN