BBC NEWS POLITICS

12 July 2012 Last updated at 16:49

High-speed rail: Decision on property compensation delayed

A decision on compensation to be paid to people affected by the building of a high-speed rail line between London and Birmingham has been delayed.

Ministers said they wanted more time to consider a "fair" and affordable deal for those living along the HS2 route.

They will launch a public consultation in September at the same time as announcing preferred routes for the second phase to Leeds and Manchester.

Transport Secretary Justine Greening acknowledged the delay was "unwelcome".

However, she said the issue was complicated and it was "imperative" that ministers got it right.

In January, the government gave the go-ahead for the £33bn project after agreeing changes to the London-to-Birmingham route to mitigate the impact on the countryside and local communities.

People whose properties will have to be knocked down to make way for the rail link will get compensation equivalent to the full market value of their homes under compulsory purchase orders.

But people not living directly on the route but still in close proximity to HS2 say the prospect of years of building work will have a devastating impact on house prices and their ability to sell their homes.

In a statement published on Thursday, Ms Greening said she was "acutely aware" of the effect that HS2 was already having on property prices in areas of southern England.

"The impacts on property are some of the most direct and personal effects of HS2," she said.

"This is why we have committed to going above and beyond the statutory requirements for property compensation.

"Developing the right property compensation package is complex as it needs to be fair to those living and working along the HS2 London to-West-Midlands route while recognising our broader responsibility to the taxpayer."

The complicated nature of the issue and its implications for phase two of the project meant the consultation would not now begin until after Parliament's summer recess, she added.

"I understand this delay will not be welcomed by individuals and businesses who had hoped to see an earlier resolution to the uncertainty surrounding HS2 property and compensation policies.

"However, this will enable the government to put forward a comprehensive, practical and affordable package of property and compensation measures."

The transport secretary said she would be writing to all those likely to be most "directly affected" to explain the change of timing.

Parliament is currently debating the legislation needed to pave the way for the project and people whose houses will be demolished will not be able to apply for compensation until it is approved.

While all three main Westminster parties support the link, MPs representing constituencies along the route remain uneasy about the repercussions.

Opponents of HS2, whose first leg is due to open in 2026, have said the business case for the project is flawed and the government should focus on improving capacity and services on existing lines.

More Politics stories



Ministers plan 'swift justice'

[/news/uk-18823643] Criminals could be dealt with in days or hours under government proposals for "swift and sure justice" and flexible court hours in England and Wales. Police chiefs back 'snooping' law [/news/uk-politics-18810571] 100 more free schools approved [/news/education-18819391]



BBC © 2012 The BBC is not responsible for the content of external sites. Read more.