

By email to:  
New Philanthropy Capital  
CC. HS2 Ltd.

23<sup>rd</sup> December 2014

Dear Sally Bagwell,

### **HS2 Community & Environment Fund (CEF) and Business & Local Economy Fund (BLEF)**

We write further to the December workshops on the CEF and BLEF, which officers from the London Borough of Camden attended as representatives of the Council and the London LEP. Camden Council is opposed to HS2, but if the scheme goes ahead we are committed to getting the best deal for our communities. As such, we welcome the opportunity to participate in the workshops and to offer the comments below.

In line with our petition to Parliament and the recent correspondence of the 51M group (of which the Council is a member), the Council is generally supportive of the principle of the fund. However, given the number of communities and neighbourhoods potentially affected by HS2 we consider £30m to be an inadequate amount. The involvement of the community and businesses in the development of the fund is essential, and this will be most effective on a localised or neighbourhood basis, particularly in urban environments.

The Council's position remains that essential mitigation, including measures that go beyond those outlined in the Environmental Statement, must be funded directly by HS2 and in addition to the CEF and the BLEF. Referring to the information presented at the workshop and also to HS2 Ltd's information paper C12 which states that *'the objective of the fund[s] is to help offset the impacts on communities [and businesses] along the route as a result of disturbance associated with the construction and initial operation of the railway'*, we therefore stress the importance of this fund being in addition to, and in no way instead of, mitigation.

It should not be left to community and business groups to address HS2 impacts through a competitive bidding process. The Council is concerned that a fund of finite and insufficient amount will mean that some good proposals miss out on funding. The Council is also concerned that competition for funds along the HS2 route could mean that some neighbourhoods where there is great need miss out.

We estimate that approximately 3,800 people will be living in close proximity to construction sites (within 20m of the surface safeguarding) in Camden alone. It is therefore clear that £30 million for the whole construction period of phase 1 is not going to be in any way sufficient to support all the communities and businesses impacted by the scheme. The 51m group have suggested that £230m is made available for the fund, which is broadly equivalent to £1m per km of Phase 1 of HS2, representing around 1% of the scheme's construction costs.

You asked for views on the type of projects that should be funded and the type of funding that should be made available. This is very difficult to answer in the context of such a small amount of funding. We would suggest that an increased fund should support both capital and longer term revenue projects and importantly projects which build capacity in community and business groups to improve their sustainability. In order to ensure there is equality and fairness and to ensure that the money does not just go to the most well organised groups, support should be provided to

groups applying for funds and money should be made available for feasibility studies and other work which may enable a scheme. The scale of support required for the fund to be effective and to support hard to reach groups should not be underestimated. It is unlikely that local authorities will be in a position to provide this support without additional funding.

There should be no requirement for match funding. Grants for up to 100% should be offered and community groups and business should not be penalised for not having match funding in place (as suggested by your scoring system). The bidding process should be proportionate in its requirements to the amount sought, should be as accessible as possible and aligned to compliment other funding channels where appropriate. Grants should be made available as soon as possible in order to address the impacts of the scheme which are being felt now and should continue to be made available in the longer term. It is important that all administrative and support costs are covered including post-project monitoring and these costs should not be taken out of the money available to community and business groups – they should be separate to the funds.

Following the workshops many questions remain unanswered. Key questions that need to be addressed through engagement and consultation with stakeholders and local communities include:

- How is the figure of £30m justified?
- How will the money be split between the two funds?
- Will the funds be allocated by region or will bidding take place along the whole route?
- Can local authorities bid for funds and manage a local process for CEF and BLEF – and be funded to manage the process?
- Will there be restrictions on when groups in different areas can apply for the funds?
- Who will manage the funds/ assess applications?
- Who will be accountable?
- Who will be eligible and for what kind of projects?
- How will eligibility for the scheme be assessed?
- What can we learn from other similar funds?
- What is considered to be best practice?

While we appreciate the invitation to comment on your proposals so far, we are deeply concerned that the process you have outlined includes no opportunity for engagement with local communities and businesses or further engagement with local authorities and LEP's. It will continue to be very difficult to provide meaningful comments on the fund until we know more about how the fund would operate and what the overall compensation and mitigation package will look like for our communities. The Council therefore requests the engagement of communities and businesses and further input from the groups involved so far before any final decisions on the funds are taken.

Recognising the importance of the fund, the Council welcomes the opportunity for future inputs and would strongly encourage NPC and HS2 Ltd. in the engagement of local communities and businesses. Camden has a number of very active community groups and the contributions of these groups will be invaluable to the development and ultimate effectiveness of funds in reaching those they set out to support.

Yours sincerely,

Camden Council officer