

VIP Stakeholder Advisory Group
Minutes of the additional meeting held on 12th December 2016

Stakeholder Advisory Group members present:

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| • Chairman | Chris Baines |
| • Cadw | Ashley Batten, Senior Planning Archaeologist, Gwynedd Archaeological Planning Service |
| • Campaign for National Parks | Fiona Howie, Chief Executive |
| • CPRW | Peter Ogden, Director |
| • Historic England | Shane Gould, Senior Local Government & National Infrastructure Advisor |
| • National Association for AONBs | Howard Sutcliffe, AONB Manager, Clwydian Range & Dee Valley AONB |
| • National Grid | George Mayhew, Director of Corporate Affairs |
| • National Parks England | Sarah Kelly, Landscape Officer, New Forest National Park Authority |
| • National Parks Wales | Jonathan Cawley, Director of Planning & Cultural Heritage, Snowdonia National Park |
| • National Trust | Dr Ingrid Samuel, Historic Environment Director |
| • Natural England | Liz Newton, Director Strategy Development |
| • The Ramblers | Nicky Philpott, Director of Advocacy & Engagement |
| • Visit Wales | Lawrence Manley, Head of Investment & Funding |

Apologies:

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| • CPRE | [New representative due to be appointed] |
| • Landscape Institute | Mary O'Connor, WYG Associate Director |
| • Natural Resources Wales | Keith Davies, Head of Planning, Landscape, Energy & Climate Change Group |
| • Ofgem | Anna Kulhavy, Senior Economist |
| • Visit England | Sam Oakley, Policy and Affairs Manager |

Secretariat in attendance:

- **National Grid** – Hector Pearson, VIP Project Manager; Ben Smith, Senior Project Officer;
Adrian Chanter, Consents Officer
- **Camargue** – Stuart Fox; Matt Sutton; Jane Dalton

The purpose of the additional meeting on 12th December was for the Stakeholder Advisory Group to:

- Receive project updates on the Landscape Enhancement Initiative and the four schemes that have been prioritised to be taken forward for capital engineering projects.
 - Consider whether the group is willing to endorse National Grid's ability to use all the statutory powers available to it in order to progress projects prioritised under VIP.
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1 – Project Update

Hector Pearson, Adrian Chanter and Stuart Fox gave an update on the work that has been carried out since the last Stakeholder Advisory Group meeting on 27th – 28th September 2016.

Ben Smith, Senior VIP Project Officer, was introduced to the Stakeholder Advisory Group. He is now working full time on the project and is responsible for the delivery of all the lands, consents and consultation elements of the project. He replaces Ian McKenna.

1.1 – Landscape Enhancement Initiative (LEI)

The five schemes that were approved by the LEI Approvals Panel during the first round of applications were formally submitted to Ofgem on 18th November 2016. In order to get to this point, Ofgem requested extensive further information from National Grid which involved answering detailed and complicated questions. So as to expedite the process and not overburden the applicants, National Grid undertook this work on the applicants' behalf. The nature of the questions meant that it was not possible or realistic to answer some of them fully. It is felt that the process needs to be rationalised, as the scale of the work that was involved may be deemed too onerous when compared to other similar funds and given the constraints on resources at the eligible organisations. If the process is not streamlined, there is a danger of it becoming so onerous that organisations will not want to apply.

Funding decisions are expected from Ofgem in early 2017, however it was noted that a number of the applications contain seasonal elements (e.g. tree planting) and if the approvals process extends into March (or beyond) for both the first and second rounds, this could put some of the planned work at risk. It could also impact on applicants' matched funding if work is delayed into their next financial control period.

The second window of applications closed on 31st October 2016, and ten expressions of interest were received from eight areas (four AONBs and four National Parks). Of these, seven projects have been invited to submit applications before the deadline of 13th January 2017. The third application window will open on 1st May 2017.

A workshop for AONB bodies and their partners is still being planned for 2017 to promote the scheme, however it is now felt that this should only be progressed and the programme agreed once Ofgem has given its feedback on the first round of submissions.

1.2 – Snowdonia National Park – 4CZ.1

National Grid met with Ofgem on 21st November to discuss and seek approval for the up-front development costs needed to carry out the ground intrusive (GI) works to determine the depth of the tunnel under the Dwyryd Estuary. Ofgem has agreed to confirm its position in January, and in the meantime National Grid is continuing with the ongoing site investigations and preparatory work that is needed to get the GI works under way.

It was also noted that further discussions will be needed with Ofgem at a future point regarding the cost difference between constructing a narrower tunnel to deal with the existing capacity only, and building a wider tunnel that would also have capacity for the potential new power lines arising from the North Wales Connection project.

1.3 – Peak District National Park (Eastern section – 4ZO.2)

As advised at the previous Stakeholder Advisory Group meeting in September, although a preferred routeing option along the Trans Pennine Trail (TPT) to the south of the River Don had previously been agreed with the local Stakeholder Reference Group (SRG) in March 2016, National Grid was

subsequently asked by local stakeholders to reconsider the alternative northerly routeing option. This route avoids the TPT and Wogden Foot local nature reserve but would require more complex and disruptive civil engineering activity, including a horizontal directional drill (HDD) under the River Don, dealing with steep gradients and the generation of large amounts of spoil. Lead engineering consultants on the Peak District East project, Parsons Brinckerhoff, were commissioned to produce an engineering design for this option, and the work that they completed showed that this route would generate considerably more significant, landscape-changing impacts than the southerly route. As a result, the SRG agreed at its November meeting that the preferred southerly routeing option should be pursued.

There is a great deal of support for this scheme locally, including from the Peak District National Park Authority, the local MP (Angela Smith MP), CPRE and Friends of the Peak District. National Grid has also now met with senior leaders and politicians from Barnsley Metropolitan Borough Council (BMBC) - the determining authority for the bulk of this scheme - and it has been agreed that BMBC and National Grid will work collaboratively on a series of workstreams including work to consider the economic impacts, opportunities and communications activity required. BMBC is the lead local authority for the whole of the TPT and considers it to be economically very important to the area. Although a route for a temporary diversion has been identified, BMBC is keen to understand the economic impact during construction works. This will be addressed as part of the ongoing joint work with BMBC during the first quarter of 2017.

Workshops will be held in January 2017 to begin detailed discussions on mitigation and enhancement opportunities at Wogden Foot local nature reserve, where the new sealing end compound (SEC) will be located, and along the TPT. A number of potential regeneration and enhancement opportunities that could arise from this project were discussed by the Stakeholder Advisory Group, and it was also noted that CPRE are in discussion with the local distribution network operator (DNO) to remove the lower voltage distribution line that goes into Dunford Bridge on wooden poles.

With regards to technical innovation, National Grid advised that it is also exploring alternative technology options for the underground cabling on this project. Both gas insulated line (GIL) and one cable per phase solutions are being examined for this project as they have the potential to reduce costs and/or achieve a quicker programme. GIL is a new form of technology that has not been used in the UK extensively to date, other than for very short lengths in sub-stations. The Peak District project potentially lends itself well to the technology as it is a relatively short and flat section of line.

1.4 – New Forest National Park – 4YB.2

There has been extensive ongoing discussion and liaison with principally the National Trust, Natural England, the New Forest National Park Association but also with other local stakeholder groups. A site walkover has taken place with the Hale Purlieu Commoners, and the first meeting of the Community Liaison Group (CLG) was held on 8th December 2016. Although there are some concerns about specific elements of the project, the vast majority of stakeholders are very supportive. There was positive feedback from the Verderers about how well National Grid has been doing in terms of local discussion and engagement, particularly in listening to requests from stakeholders and acting on them.

With regards to the route, new variations on the preferred northern route option are currently being considered to avoid an area of mire. The project will require a mix of trenches and horizontal directional drill (HDD), and GI works to determine the depth and size of the directional drills need to be completed before the end of February 2017 – to avoid disturbance to ground nesting birds.

There are still some big technical challenges facing this project, and a key issue is the presence of protected bird species including the Nightjar, Woodlark and Dartford Warbler. New surveys have shown that there are a lot more breeding pairs than historical data suggested and, because of their existence, Natural England had asked National Grid to consider the implications of construction work being limited to winter working only (i.e. between September and the end of February). The working period would also be further compressed due to having to dismantle and set up again, and there is an additional risk of not being able to complete an underground section within the winter time period.

A high-level desktop study on the implications to the programme has shown that with this limitation in place, the construction works could take between six and nine years. The need for repeated mobilisation/demobilisation of equipment and resources also means that a considerable cost increase is envisaged. There are also wider environmental and social implications of an extended programme and concerns were expressed by Stakeholder Advisory Group members about putting the community through the scale of disruption for that period of time. National Grid also noted that winter working is normally avoided for this kind of work as much better restoration can be achieved during the summer.

Members of the Stakeholder Advisory Group commented that, provided alternative locations could be provided for the birds a shorter work period would be much more preferable. It felt that agreement must be reached and urged National Grid to keep up its discussions with Natural England to find an appropriate solution and to keep the Stakeholder Advisory Group informed of progress.

National Grid confirmed that it is working closely with Natural England, the National Trust and other local groups to look at potential ways to mitigate the issues e.g. mitigating habitat elsewhere, researching the species' response to disturbance and exploring ways to get a better environmental outcome for the species in the long term.

1.5 – Dorset AONB – 4YA.7

A preferred routeing option has been agreed with local stakeholders, and good progress has been made on the scheme design and survey work. Working relationships with the local SRG and the Dorset AONB Partnership are very strong – the AONB Partnership Board has now formally endorsed the project, and support has also been secured from Winterbourne Abbas Parish Council. A location for the northern SEC has been identified, and at the southern end, National Grid is working with the landowner and the AONB Partnership landscape officers to look at alternative locations beyond the escarpment in that area to find an optimum location for the SEC.

The main issue facing the project is that, despite further attempts at negotiation, a key landowner who owns land affecting approximately 30 per cent of the route remains unwilling to cooperate. Discussions with the landowner have reached a critical juncture where landowner issues are preventing the scheme from progressing any further. National Grid will continue to negotiate with the landowner to try to resolve the situation.

Without landowner agreement, National Grid will have to resort to its compulsory powers if the project is to proceed.

At its September meeting, the Stakeholder Advisory Group discussed options for the way forward should agreement from this landowner not be obtained, including adopting an alternative route alignment, potentially removing a shorter section of line and/or exercising National Grid's

compulsory purchase powers. If none of these are possible, swapping to one of the other shortlisted Dorset schemes was also discussed

Option 1 – Switching to another route

Alternative routes around the landholding are not considered feasible due to their proximity to scheduled / non-scheduled monuments.

Option 2 – Removal of a shorter section of line

National Grid has explored the option of removing a shorter section of line (approximately 50 per cent of the total section). If this option were to be pursued, the section of overhead line across the South Dorset Ridgeway (purple section from the original landscape assessment) and the escarpment would remain, and these are considered to be the most sensitive parts of the AONB. A new location for an SEC would also need to be identified and although there is a potential search area, it contains a steep-sided valley which would create technical challenges in getting the construction equipment into the site. Additionally, whilst an SEC in this area could be relatively well screened from a low-lying area, it would be visible from above and from Hardy's Monument specifically. The Dorset AONB Partnership officers have also voiced their concerns regarding this option and do not favour it. A shorter section of line removal in this location was not felt by the Stakeholder Advisory Group to fulfil the objectives of the VIP project.

Option 3 – Switching to an alternative scheme in Dorset

Three sections of overhead line in the Dorset AONB were originally identified as having a very high visual impact in the original landscape assessment. The Stakeholder Advisory Group raised the possibility of moving to one of these and abandoning the section in Winterbourne Abbas due to the landowner issues.

As discussed at the September 2016 meeting, although another Dorset scheme *could* be pursued, this scheme was chosen through a rigorous process of landscape assessment and local stakeholder engagement (it was the local SRG's preferred option), and it is felt that this process would be undermined if an alternative project is chosen on the basis of one landowner.

Option 4 – Pursuing compulsory acquisition rights

National Grid has the powers to compulsorily acquire interests in land. Land is usually only purchased outright for new substations or SEC locations, whereas for the power line itself rights to install, operate, inspect and maintain the apparatus would be required. The landownership itself would remain with the landowner, who would be compensated for the rights acquired over the land. Despite a verbal offer from the landowner to sell the entire large farm, such a large interest in land is not required to facilitate the Dorset scheme and it would not be in the consumers' interest to spend money on purchasing the entirety of the land.

2 – Compulsory acquisition rights

Following on from discussions about the landowner issues facing the Dorset AONB scheme, Stakeholder Advisory members were asked to consider whether they would be willing to support National Grid exercising its powers to pursue compulsory acquisition of rights for this land. A paper had been circulated in advance of the meeting to Stakeholder Advisory Group members with the landowner's name redacted. An un-redacted version was available at the meeting. Hector Pearson gave a presentation reminding the Advisory Group about the process and timescales for pursuing a compulsory purchase order (CPO) [*see also section 2.2 of the 28th September meeting minutes*]. The key issues arising from the presentation and discussions are summarised below.

2.1 – Nature and purpose of pursuing a CPO

Many statutory undertakers have the powers to pursue compulsory purchase, and as outlined at the previous meeting, exercising a CPO is primarily a way of preventing somebody holding a project to ransom. When National Grid initiates a CPO process, negotiations with the landowner would continue, and a financial agreement is often reached before it gets to the stage of a public inquiry.

It was noted that the term ‘compulsory purchase’ is an unfortunate label for what essentially only involves gaining an easement over the land as opposed to purchasing the freehold outright. Ownership therefore stays with the landowner who is fully compensated for the rights acquired.

The full CPO process may take 12-18 months and construction cannot commence until the Secretary of State has given approval. If the landowner were to lodge an appeal, the process could take even longer.

2.2 – Making the case for compulsory purchase

There is a clearly defined process for seeking to obtain a CPO which requires comprehensive evidence and justification of the need for compulsory purchase. Public interest is one of the key tests and it has previously been discussed that justification for this needs to come from the VIP project itself. A successful outcome may also require endorsement from the Stakeholder Advisory Group as well as evidence of strong local stakeholder and public backing. It was noted that there is almost universal support for the Dorset AONB project to go ahead, including formal endorsement from the AONB Partnership Board. It was also reiterated that the detailed, open and transparent nature of the Landscape and Visual Assessment, and the thoroughness of the Advisory Group’s own decision-making process, should together provide strong evidence of the rigour of the VIP process.

There are, however, a number of risks in pursuing a CPO including: reputational risks for all involved parties; the potential for negative publicity to arise from a perception of ‘strong arm’ tactics being used and big organisations being seen to bully an individual; and the other projects and/or the VIP process itself being tarnished as a result. These concerns are balanced by the need to demonstrate to the commitment needed to ensure that the VIP project is successful (both now and in the future), and ensuring that well-supported and justified projects cannot be frustrated by one landowner.

2.3 – Decision on the way forward

There was some discussion among the Stakeholder Advisory Group on the principle of National Grid exercising its compulsory acquisition rights and the wider implications of this.

The Stakeholder Advisory Group members reinforced their belief that the VIP project, and the four prioritised schemes specifically, are of great national importance and public value. As a result, members agreed unanimously that National Grid should be able to use all the powers available to it if necessary – including compulsory acquisition of rights – to gain rights to land required for the delivery of a specific scheme.

If the compulsory powers are used then due process will then be followed and public interest will be weighed up in the course of this.

National Grid made a commitment to continue with attempts to reach voluntary agreement through negotiation with any landowner(s) concerned in parallel with the compulsory powers process.

3 – Future meetings

The next meeting will take place on Monday 24th and Tuesday 25th April 2017, provisionally in Snowdonia. As agreed at the last meeting, the Scottish Transmission Operators will be invited to this, or a future meeting to update on progress on their schemes.