

Selling your home or small business using the Statutory Blight or Express Purchase process





Department for Transport

High Speed Two (HS2) Limited has been tasked by the Department for Transport (DfT) with managing the delivery of a new national high speed rail network. It is a non-departmental public body wholly owned by the DfT.

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Foreword

Selling your home or small business using the Statutory Blight or Express Purchase process can be more complicated than selling your property privately. This is because a price has to be agreed through a process of negotiation, rather than a guide price being set and bids accepted, and because compensation covers more than just the market value of your property. The principles of compensation are also complex, being made up of Acts of Parliament (statute), previous court cases considered by the courts ('case law') and government guidance.

We have produced this additional guidance to assist you through the process of selling your property to the Secretary of State for Transport (being represented by HS2 Ltd) in connection with the HS2 project. Your appointed advisor will be able to explain to you in greater detail the process outlined in this guidance booklet.

The aim of compulsory purchase compensation is to put the person having their property acquired in the same position as they were before the property was acquired, so far as can reasonably be done.

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1 Introduction

This guidance booklet provides information to property owners affected by HS2 on the process of selling their home or small business using the Statutory Blight or Express Purchase process.

The guidance provides detailed information on what to expect after you have received confirmation from the Secretary of State for Transport (the 'SoS') that your Blight Notice in relation to the construction of High Speed Two (HS2) has been accepted (i.e. you have a deemed Notice to Treat).

It supplements general guidance on safeguarding and serving a Blight Notice which has been published for each Phase of HS2 and is available at:

www.hs2.org.uk/documents/collections/express-purchase/.

It also supplements guidance published by Ministry of Housing, Communities & Local Government (formally the Department of Communities & Local Government) at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/817392/CPO_guidance_-_with_2019_update.pdf.

Disclaimer

The information contained in this booklet is for guidance and information purposes only and should not be regarded as a substitute for taking your own professional advice. Use of this information is voluntary and HS2 Ltd disclaims any liability arising from any inaccuracy or misstatement whether under breach of contract, tort or misrepresentation or howsoever otherwise arising.

Our commitment

Our Residents' Charter sets the standards that we aim to meet when communicating with property owners. You can find out more at: www.hs2.org.uk/documents/hs2-residents-charter/.

2 The importance of appointing a professional advisor

We would strongly encourage you to appoint a professional Advisor, such as a Royal Institution of Chartered Surveyors (RICS) Surveyor, to act on your behalf in this process. In representing you, your advisor should have relevant compulsory purchase experience and hold all appropriate professional indemnity insurances.

Your Advisor's professional fees will - in most cases - be fully recoverable as part of your Blight Claim, provided they are reasonable in relation to the complexity of the claim.

The RICS operates a service to refer you to a qualified person in your area. The RICS Consumer Helpline number is 0247 686 8555, or you can search via the RICS website at: www.ricsfirms.com/ by choosing the surveying service 'Compulsory Purchase'.

In April 2017, RICS produced a professional statement to provide its members with mandatory requirements as to professional behaviour and competence in providing advice. On appointment, an RICS surveyor will confirm that the professional statement applies and can provide you with a copy at your request.

Alternatively, this document, entitled 'Surveyors advising in respect of compulsory purchase and statutory compensation', is available on the RICS website:

www.rics.org/uk/knowledge/professional-guidance/professional-statements/surveyors-advising-in-respect-of-compulsory-purchase-and-statutory-compensation-uk-1st-edition/.

In addition to the RICS, the Central Association of Agricultural Valuers (CAAV) may also be able to assist owners with agricultural interests. The contact details for the CAAV are:

Harts Barn Farmhouse
Monmouth Road
Longhope
Gloucestershire
GL17 0QD

Telephone: 01452 831815

Email: enquire@caav.org.uk

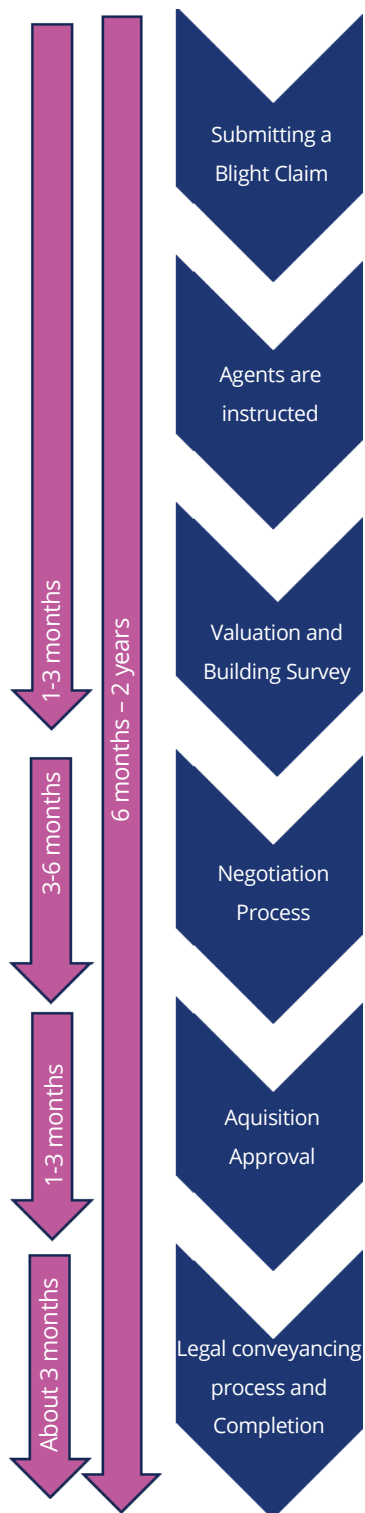
You will also need to appoint a legal advisor, such as a solicitor or licenced conveyancer, to represent you in the legal conveyance of your property once the Blight Claim has been agreed.

3 The step-by-step process once your Blight Notice has been accepted

The following diagram gives a brief overview of the steps in the process to sell your property to the SoS following the acceptance of a Blight Notice. Further explanation on the individual steps is provided in this section.

Acceptance of your Blight Notice means that the SoS is deemed to be authorised to compulsorily purchase your property and to have served a 'Notice to Treat' in respect of it. A Notice to Treat establishes a quasi-contract for the sale of your property, which becomes unconditional once compensation is agreed or otherwise determined by the Upper Tribunal (Lands Chamber) (the 'Upper Tribunal'). The Notice to Treat becomes operative two months after we receive it. The Notice to Treat is valid for three years which means you have three years and two months from the date your blight notice was received by HS2 Ltd; therefore, you have a three-year and two month period to agree compensation with us (via your professional advisor) or, in the absence of agreement, refer the matter to the Upper Tribunal. If compensation is not agreed or referred to the Upper Tribunal within the three-year and two month period (unless both parties agree to extend it or if the SoS serves a notice of entry and takes possession of the property), the Notice to Treat would expire and your Blight Notice would no longer be valid. You would then need to start the process again, or wait for HS2 Ltd to serve a notice on you to acquire your property if it is required for the project.

3.1 Process to sell your property



The process to acquire your property is triggered by you or your Professional Advisor submitting a Blight Claim to the SoS. This would be sent by registered post to The Secretary of State for Transport, c/o High Speed Two (HS2) Limited, Land and Property Team, Two Snowhill, Birmingham B4 6GA or emailed to blightnotice@hs2.org.uk

HS2 Ltd instructs its Professional Advisor to act on its behalf in connection with the process to acquire the property and pay compensation.

Our Advisors (a valuer and building surveyor) will arrange to inspect your property as soon as possible and at a mutually convenient time agreed with you in advance. The purpose is to undertake a valuation of your property and building survey to highlight any defects and repairs that are needed.

This will commence after the inspection and survey and will involve our professional Advisors engaging in discussions to agree the overall Blight Claim. This will comprise of the Unblighted Market Value of the property assuming that HS2 had not been proposed, and other related costs involved in your move, known as Disturbance Costs. This process may take a number of months depending on the complexity of the discussion.

- Once the Unblighted Market Value and Disturbance Costs have been agreed by all parties they need to be formally approved by HS2 Ltd or in some cases, the Department for Transport. Until formal approval, the amounts remain 'subject to approval' and may be rejected. In the event that approval is not granted, negotiations will need to continue or further information provided to support the claim.
- Once an overall Blight Claim is agreed, you will be provided with a firm offer and the only outstanding matter is the Conveyancing Process to transfer the property to the SoS.

This is the term used when the Acquisition Process ends and your Property passes into the ownership of the SoS. A Pre Completion Report inspection will be arranged with yourself and your Agent.

3.2 Submitting a Blight Claim

Your professional advisor will be able to help you with submitting your Blight Claim. In addition a model compensation claim form and guidance notes are available at the following link: www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance.

The process to acquire your property is triggered by you/your professional advisor submitting a Blight Claim to:

The Secretary of State for Transport c/o High Speed Two (HS2) Limited
Land and Property Team,
Two Snowhill, Snow Hill Queensway,
Birmingham, B4 6GA

Email: blightnotice@hs2.org.uk

You have up to three years and two months after your Blight Notice was received by HS2 Ltd to submit a Blight Claim and agree compensation with us (via your advisor) or, in the absence of an agreement, to refer the matter to the Upper Tribunal (Lands Chamber). If there is no referral and compensation is not agreed within this time period then the opportunity will lapse and you will need to start the process again, or wait for HS2 Ltd to serve a notice to acquire your property if it is required for the project.

3.3 Agents are instructed

On receipt of a valid Blight Claim, HS2 Ltd will instruct its professional Advisor, which will be a firm of Chartered Surveyors, to act on its behalf in connection with the process to acquire your property.

3.4 Valuation and Building Survey

Once instructed, HS2 Ltd's professional Advisors will arrange to visit your property, ideally within two weeks, to inspect for valuation purposes and to undertake a Building Survey on your property. This information is absolutely necessary in order to help establish the Market Value for the property, taking into account any factors that may have an effect on the value of your property such as the general condition of repair. This is the same process which takes place for a normal house sale.

3.5 Negotiation process

Following the Valuation and Building Surveys, the negotiations will begin with you or your Advisor in order to reach agreement on the Market Value of your property and any other Disturbance Compensation.

The duration of this stage in the process is dependent on the ease with which these matters can be agreed. In straightforward cases, it would be expected that the compensation could be agreed relatively quickly, however in our experience it normally takes a number of months to reach agreement.

3.6 Acquisition process

Once agreement has been reached on the compensation that both Advisors are prepared to recommend, i.e. 'agreed in principle', HS2 Ltd's appointed Advisor will provide a final Valuation Report detailing the agreed Market Value and any agreed Disturbance

Compensation. This information is provided to HS2 Ltd to allow the Case Manager to seek formal approval to make a firm offer and progress to the next stage, the Legal Conveyancing Process. At this stage the price must remain 'subject to contract' as the checks made during the next stage can in certain situations occasionally result in the need to review/reduce the price.

This Acquisition Approval stage should take less than a month in straightforward cases, however it could take longer if there are aspects of the Blight Claim that need further clarification or verification. In some cases, not all the compensation items will be accepted and further negotiations may be necessary.

3.7 Legal conveyance process

Once a value is agreed, you will be provided with an offer, which is 'subject to contract' in relation to checks that will be undertaken during this process and the Pre-Completion Report. This is the time when your Legal Advisor (either a solicitor or legal executive), will deal with the sale of your property and possibly the purchase of your new property.

To ensure this stage in the process runs smoothly your Legal Advisor should have previously checked your property's title in order to ensure that there are no issues that might cause a delay.

Completion of the sale is normally 'in full and final settlement' of your compensation claim, meaning that your claim is settled.

This final stage in the process generally takes around three months, in view of the need to investigate a property title (to check what rights if any apply to the property), issue and receive Property Information Forms (a set of enquiries or questions about the property), undertake property searches and reach agreement on the legal documentation, transfer funds to the solicitor, agree a suitable completion date, carry out the Pre-Completion Report, exchange contracts and complete the sale. The duration of this stage in the process is dependent on the complexity of the property and any onward purchase.

Claimants can also choose to exercise some control over the timescales, such as requesting a delayed completion until they have found a property to purchase.

3.8 Pre-completion report

A survey/assessment of your property will be undertaken prior to completion of the Legal Conveyancing Process. The Pre-Completion Report is based on a survey that is used to determine any additional security measures that may be required and to decide whether to rent it out, based on the cost of any repairs needed to make it suitable for renting and whether the work is a good use of taxpayers' money.

3.9 Rent back

You may apply to rent back your property and continue to live in it. This opportunity needs to be agreed with your Case Manager, ideally at an early stage, so suitable arrangements can be made.

Rent back is subject the Pre-Completion Report, to a deposit being paid, suitable references being provided and be for a minimum of 6 months.

Just like any other landlord, the Government will ask for a deposit and suitable references to be provided. The lease will include standard covenants, such as being responsible for internal repairs and decoration.

Some people choose to rent back their property to give them more time to find an alternative property in the knowledge that they are in a strong negotiating position as a cash buyer with no chain, having already had their compensation package agreed.

If you are interested in renting back your property, your Case Manager can let you know whether you will be able to rent it after you have sold it to the SoS. Full terms and conditions of the scheme can be found here: www.hs2.org.uk/documents/hs2-rent-back-scheme/.

4 What you may be entitled to claim by way of compensation

The aim of compulsory purchase compensation is to put the person having their property acquired in the same position as they were before the property was acquired, so far as can reasonably be done.

Compensation will comprise of the Market Value of your property, and may also include the depreciation in value of retained land where only part of your property is acquired (known as Severance and Injurious Affection), and Disturbance Compensation in relation to costs and losses incurred as a result of being 'disturbed' from occupation of your property. In addition, there are certain statutory loss payments.

The following represents HS2 Ltd's views (based on legislation/case law) in terms of what you may be entitled to claim by way of compulsory purchase compensation.

4.1 Market value

In order for the SoS to acquire your property we must agree the Market Value of your property or it must be determined by the Upper Tribunal.

Market Value is defined as 'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion' (RICS Valuation – Global Standards 2017). This means you will receive the price that you would have expected to achieve if your property in its current condition was sold assuming there had been no indication of a compulsory acquisition (i.e. you will receive its un-blighted or unaffected Market Value). This hypothetical situation is known as the 'No-Scheme World'.

The process of arriving at the Market Value is by way of negotiation supported by initial valuations by both parties using what appropriate comparable evidence is available. Comparable evidence will include details of other properties that are broadly similar in terms of appearance, type, accommodation, age, state of repair, and geographic location that have been sold in the market in what would appear to be a normal market transaction.

Offer prices or the views of a local estate agent are not accepted as suitable evidence as they do not represent evidence of an actual sale.

Market Value may also reflect Development Value or other 'Hope Value', if it can be demonstrated that this would have existed in the No-Scheme World. This may involve you seeking a 'Certificate of Appropriate Alternative Development' from the local planning authority, which will confirm if a particular use or uses would be possible had it not been for the compulsory purchase. If Development Value or Hope Value is claimed this may impact on your ability to claim Disturbance Payments and certain Loss Payments.

4.2 Acquisition of Part of your property only

If only part of your property is acquired then you may be entitled to compensation not only for the land taken, but also for any adverse effect on the value of the land you have retained. 'Severance' is the term used to describe the situation where the land taken contributed to the value of the land retained, so what is left has a value that has diminished. 'Injurious

Affection' refers to the reduction in value of the retained land as a result of the construction and use of the scheme, in this situation, HS2.

Compensation in such circumstances is usually assessed using a 'before and after' valuation approach, i.e. to consider the combined effect on value. This approach will also need to have regard to any increase in value, or 'Betterment' of the land retained.

Please consult your Advisor for more detailed information on this if you think it would apply to your property, as this is complicated area of law and procedure and whether it would apply would depend on your specific circumstances.

4.3 Disturbance compensation

You will incur costs in the process of selling your property to the SoS, purchasing a new property and with the actual move, i.e. as a result of being 'disturbed' from your property. Where these costs are reasonable, they will generally be accepted by HS2 Ltd as part of your Blight Claim.

You do, however, have a duty to minimise your losses and must be able to justify them by providing relevant evidence in your Blight Claim. Failure to do this may lengthen the process, as HS2 Ltd's Advisor will need to request further proof that you should be compensated.

It is therefore recommended that you provide full information, keep a record of any costs, with receipts. Any cost that appears unusual should be highlighted to your Advisor before they are incurred in order to get prior HS2 Ltd approval to their acceptance.

Typically, a claim for Disturbance Compensation will include such items as set out below.

Removal expenses

The reasonable cost of employing a removal company are generally acceptable, however it is expected that at least three quotes are obtained and the lowest one accepted. If you decide to move to another part of the country, or abroad, then it is unlikely that your full removal expenses will be reimbursed.

Special adaptations of the replacement property

If your new property needs adapting to meet your specific requirements, as provided for at your current property, they will generally be compensable. However, this will not be the case if what was provided at your existing property e.g. outbuildings, added value and formed part of the agreed Market Value.

Fixtures and fittings

If items such as curtains, carpets and integrated white goods are to be left behind then they would normally be valued with the property and form an element of the Market Value. If it is reasonably possible to remove the items then a claim for their removal and fitting in the new property, or for their loss on forced sale, could be made. The loss on forced sale would be based on their current value, bearing in mind their age and condition.

Solar panels fixed to a property will be considered on this basis.

Disconnection and reconnection of services

This could include plumbing, electrical and digital related installation costs.

Forwarding of post

Royal Mail Redirection Service costs for a reasonable period are generally acceptable.

Incidental losses

Other incidental losses that are incurred as a direct consequence of the compulsory purchase, such as mortgage redemption penalties and arrangement fees may also be claimable.

Claimants' Surveyors professional fees

In recognition of the importance of a claimant receiving the right professional advice, there is provision for reimbursement of professional fees upon the property being occupied by the acquiring authority. Since this might be several years away in the case of HS2, a discretionary policy has been introduced whereby HS2 Ltd will consider the advance interim payment of reasonable professional surveyors' fees to landowners of property interests that are directly and significantly impacted by the HS2 scheme and where the landowner will in due course have a claim.

In practice, it is often the case that HS2 Ltd or its Advisor will agree a fee rate and scope of works and the fees will be paid directly to your Advisor. If an Advisor goes beyond its scope HS2 Ltd may not accept the request for payment. Your Advisor is responsible for advising where time is spent on matters that HS2 Ltd would not pay.

The fees and disbursements will need to be reasonable in relation to the complexity of the claim.

It should be noted that it will be assumed that a claimant can recover VAT unless adequate justification is presented to the contrary.

Legal fees

The reasonable costs of your Legal Advisor incurred in selling your property and acquiring a new property will generally be claimable. The fees and disbursements will need to be reasonable in relation to the complexity of the claim.

Personal time

It is recognised that claimants will spend time involved in the process of moving home. In line with the Compensation Code, the time must be properly and reasonably incurred i.e. be linked to the compulsory purchase, and be proportionate and sufficiently evidenced to demonstrate that a financial loss or inconvenience has been suffered. If you propose to include personal time within your Blight Claim then you should make sure that you keep accurate record of the time you propose to claim.

If claiming as a business, you would need to show that there has been a financial loss. If claiming as an individual, a professional rate would not be appropriate.

Your professional Advisor and Legal Advisor are there to provide a service to you and can discuss with you if you need further assistance.

Mortgage related costs

The Guide to Compensation for Mortgage Costs on Relocation is contained in Section 6 of this Guidance.

Other professional fees

In most cases your professional Advisor and Legal Advisor will be able to provide adequate support so that you are inconvenienced as little as possible. However, in some cases additional costs may be incurred, such as in employing a property finder or mortgage broker. Such costs may be considered reasonable, bearing in mind the facts of the case.

Stamp Duty

Payment of stamp duty, (formally stamp duty land tax), on a new property is generally claimable, though this contribution has an upper limit based on the price paid for your current home. If your new home has a lower value than your existing home, then the stamp duty claimable will be the amount paid on your new home.

Business losses

If we are purchasing premises used in whole or part for business purposes through Statutory Blight or Express Purchase, specific compensation may be payable for losses that the business suffers as a reasonable consequence of the relocation, such as the reasonable costs of new stationary, costs to notify customers of your new address, depreciation in the value of stock and for Loss of Profits.

In certain circumstances relocation of a business may not be possible, and your business will need to close. Extinguishment of a business could happen where relocation is not economically viable, or where you are statutorily entitled to choose compensation based on Extinguishment, i.e. if you are aged 60 or over. Please consult your advisor for more detailed information on this if you think it would apply to your property, as this is complicated area of law and procedure and whether it would apply would depend on your specific circumstances.

4.4 Loss Payments

Statutory loss payments are paid to compensate for the inconvenience and disruption of being compelled to sell your property. There are different loss payments depending on whether the property is residential or non-residential.

Home Loss Payment

If you are selling your home using the Statutory Blight or Express Purchase process, you may be entitled to receive a home loss payment. This payment is equivalent to 10 per cent of the value of your existing home up to a maximum of £71,000, which is set out in legislation. You would need to show that you had been in occupation of the property for at least a year before the acquisition.

The Ministry of Housing, Communities & Local Government (formally known as the Department of Communities, and Local Government) is responsible for setting the maximum level of home loss payment and this is increased each year in line with inflation.

The current maximum is set out in The Home Loss Payments (Prescribed Amounts) (England) Regulations 2020¹ and is set at £71,000.

¹ www.legislation.gov.uk/uksi/2020/739/contents/made

Other Loss Payments

A Basic Loss Payment and Occupiers Loss Payment may be payable where the property is non-residential.

5 What happens in the event of a dispute?

It will only be in the rarest of occasions that agents will not be able to reach agreement and have to consider alternative means to conclude the negotiations.

If after a reasonable period of time it becomes clear that negotiations have stalled, our first step will be to offer an 'Agents and Principals' Meeting. This meeting would normally involve the claimants and HS2 Ltd Land and Property team members, as well as HS2 Ltd's agents, and will offer the opportunity to explore the reasons why negotiations have broken down and to see if they can be resurrected by testing both parties' positions.

In the event this approach also fails then we may suggest considering Alternative Dispute Resolution (often referred to as "ADR"), which is any means of settling a dispute without going to a court or tribunal and is often a faster and/or cheaper way of resolving a disputed matter than taking it to a court or tribunal for a decision. ADR can take many different forms and can be used to:

- help parties negotiate to reach a mutually acceptable compromise;
- involve an independent expert to determine a fair figure.

HS2 Ltd has produced a booklet entitled HS2 Guidance on Alternative Dispute Resolution (ADR), which is available at the following link: www.hs2.org.uk/documents/alternative-dispute-resolution-for-compulsory-purchase-claims/.

However, if agreement cannot be reached, then either party may refer the case to the Upper Tribunal (Lands Chamber) for determination. You have up to three years and two months after your Blight Notice has been received by HS2 Ltd to submit a Blight Claim and agree compensation with us (via your Advisor) or, in the absence of an agreement, to refer the matter to the Upper Tribunal (Lands Chamber). If there is no referral and compensation is not agreed within this time period then the opportunity will lapse and you will need to start the process again, or wait for HS2 Ltd to serve a notice to acquire your property if it is required for the project.

A referral to the Upper Tribunal (Lands Chamber) is a formal process where the Upper Tribunal is asked to make a decision on a compulsory purchase and compensation matter. Often, this is on a point of law that will affect the level of compensation payable. It can, however, decide the level of compensation where parties have been unable to agree through negotiation.

6 The help available to you should you need assistance in progressing your Blight Claim

Whilst generally we would hope that your professional Advisors would be able to adequately assist and represent you in your dealings with HS2 Ltd, we recognise that you may feel the need to get in touch with us directly. You can do this in a variety of ways, as set out below.

6.1 Helpdesk

You can contact our Helpdesk on 0808 1 434 434 or email HS2enquiries@hs2.org.uk at any time. Minicom is available by calling 0808 1 456 472. Our helpdesk will be able to help answer any questions you have, or to put you in touch with a member of staff with the relevant expertise, or a member of our stakeholder engagement team who can help with general HS2 matters.

6.2 Land and Property Case Manager

You will also have a specific Case Manager who works in the Land and Property team at HS2 Ltd and will be overseeing your case and has responsibility for contact with the Department for Transport. You will be notified of the details of your Case Manager when we confirm receipt of your Claim Form.

6.3 The Residents' Commissioner

The Residents' Commissioner is independent and holds HS2 Ltd accountable to the commitments made in the Residents' Charter (see Introduction). The Residents' Commissioner oversees and monitors our commitments to you and produces a periodic report, published online at www.hs2.org.uk/in-your-area/assistance-for-property-owners/residents-charter/#:~:text=Deborah%20Fazan&text=The%20residents'%20commissioner%20is%20independent,and%20produces%20a%20periodic%20report .

In addition, the Residents' Commissioner meets regularly with the HS2 Ltd Chairman about emerging trends and concerns.

The Residents' Commissioner does not investigate individual cases, act as an arbitrator for individual resident concerns, or deal with complaints. You can contact the Residents' Commissioner by emailing residentscommissioner@hs2.org.uk.

7 Guide to compensation for mortgage costs on relocation

Introduction

If you are likely to have to sell your home to the SoS and have a mortgage on the property, you will incur some costs in moving your borrowing to your new home. This guide sets out how HS2 Ltd will compensate those costs so that you have the information you need to make decisions about your move when the time comes.

The scope of this guide is limited to mortgage related costs only.

In addition to the mortgage related costs explained in this guide you will of course be entitled to the relevant compensation set out under compulsory purchase law, or the terms of one of our discretionary purchase schemes if you are selling under one of those schemes. Separate guidance is available for those elements of compensation.

Glossary

Lender: The body (usually a bank or building society) that made the loan to you in return for the mortgage on your property.

Loan to Value (LTV): the proportion of the property value that the loan represents. For example a loan of £180,000 against a property worth £200,000 would be a 90% LTV. The other £20,000 or 10% would usually be the deposit paid by the home owner. The higher the LTV, the higher the risk to the lender.

Who is this guide for?

This guide is for home owners selling the home they normally live in (their main residence) to the SoS under any of the statutory or discretionary schemes listed below.

- Blight notice
- Notice to Treat
- General Vesting Declaration
- Express Purchase

This guide does not apply if you are selling your home to the SoS under the following discretionary schemes

- Voluntary Purchase scheme
- Need to Sell

The guide also does not apply if the property you are selling to the SoS is a residential property you have let out to a tenant or tenants, or if the property is not a residential property.

What mortgage related costs might I incur when selling my home to the SoS?

The mortgage related costs that you will incur when selling your home to the SoS will depend on the terms and conditions of your existing mortgage and any mortgage you take out or transfer to your replacement home. The charges listed below are the most common types.

Early repayment charge (ERC)

An early repayment charge may be payable if you pay off all or part of your mortgage before the end of a specified period. This is usually the period of any fixed interest rate deal but can be another period depending on the mortgage product. If you move all your existing mortgage to your new property ("porting") you will not usually be charged an ERC.

The ERC can be between 1% - 5% of the amount being paid early.

Exit fee (Mortgage Exit Administration Fee – MEAF)

This is an administration fee to cover the paperwork in closing the mortgage and will usually be payable if the mortgage on the home being sold is paid off and a new mortgage taken on the replacement home. It should not be charged if a mortgage is ported.

Arrangement fee/booking fee/product fee

The arrangement fee is a charge made by the lender for setting up the mortgage. The arrangement fee is likely to be higher for discounted rate mortgages. Not all mortgages will charge an arrangement fee. The arrangement fee is for new mortgages and should not be charged when an existing mortgage is ported.

Valuation and legal fees

The lender may require the fees they incur for legal and valuation work to be paid by the person taking the loan. These fees are for the lender's valuation and legal work and not for any survey or legal work you may have undertaken. The lender may charge valuation and legal fees for a new mortgage or for porting an existing mortgage.

Costs relating to surveys or conveyancing which are undertaken for you rather than the lender might be compensated but fall outside of this guide as they are not mortgage related costs.

What does porting a mortgage mean?

When a mortgage is "ported" it is moved from one property to another property, staying with the same lender and borrower. This means that the same terms and conditions apply, including any discounted or fixed interest rate periods, and many of the costs of taking out a new mortgage are avoided. Provided the same amount of borrowing is taken over to the new property, arrangement fees, early repayment charges and exit fees are avoided. Lender's valuation and legal fees incurred in moving the mortgage would usually have to be paid.

Most mortgages are able to be ported but the lender must agree to the porting of the mortgage. If your circumstances, or the lender's lending criteria, have changed since the mortgage was originally taken the lender might not agree to port the mortgage.

What compensation am I likely to receive for mortgage related costs?

The SoS must pay the compensation provided for by law when acquiring properties by compulsory purchase. This applies to Blight notices served on the SoS/HS2 Ltd by eligible property owners and situations when the SoS/HS2 Ltd serves a notice requiring you to sell your property (Notice to Treat or General Vesting Declaration). The SoS has also agreed to pay compensation on a similar basis for properties acquired under the Express Purchase scheme.

The law can be quite complex, but the principle behind it is that a person having their property acquired should be put in the same position as they were before the property was acquired, so far as can reasonably be done.

The best way to achieve this in practice is to port your existing mortgage to the replacement home. You will therefore be expected to port your mortgage to your replacement property if possible and the SoS will pay compensation to cover the reasonable cost of porting the mortgage.

If you are able to find a better mortgage deal than your current one and would rather not port the mortgage, HS2 Ltd will not insist that you port the mortgage. However, you will have to pay any additional mortgage related costs that you incur such as exit fees, arrangement fees, valuation and legal fees and any early repayment charge and they will not be compensated. HS2 Ltd will still contribute the equivalent of the costs that would have been incurred if the mortgage had been ported, and we will need written confirmation from your lender as to what those charges would have been.

What if my replacement property costs more or less than my existing one?

The aim of compulsory purchase compensation is to put the person having their property acquired in the same position as they were before the property was acquired, so far as can reasonably be done. In practice it may not be possible to find a replacement property at exactly the same price. Alternatively, some vendors may wish to take the opportunity to move to a cheaper or significantly more expensive property by choice. There is no reason why this cannot be done, but HS2 Ltd will not compensate any additional costs incurred in doing so.

Your lender should be able to port your mortgage to a differently priced property provided the Loan to Value (LTV) ratio remains within their acceptable range. If the value of the replacement property is different from the existing, it may be necessary to take additional measures to restore the LTV to an acceptable level for the lender, or to meet the increased price of the replacement property.

Where the replacement property costs less than the acquired property

If the replacement property costs less than the price paid by HS2 Ltd for the acquired property, some of the mortgage loan may need to be paid off to make sure the LTV does not become too high. This would normally be possible as the compensation received for the existing home would be more than the cost of the replacement home.

In some cases, particularly where the ported mortgage was still in a fixed or discounted interest rate deal, an early repayment charge may be payable on the part of the mortgage repaid. The benefit of paying off part of the mortgage would be reduced debt and interest costs. For this reason, HS2 Ltd would not pay compensation for any early repayment charge incurred. We would pay the other reasonable costs of porting the mortgage such as legal and valuation fees.

Where the replacement property costs more than the acquired property

In addition to the mortgage related costs covered by this guide, HS2 Ltd will pay Home Loss Payments as required by compulsory purchase law. These payments comprise an additional 10% of the value of the acquired property, subject to a maximum allowable payment of £65,000.

Where a replacement property is more expensive than the acquired property, you will of course have to find additional funds to meet the higher price of the property. This can either be through additional cash, such as the Home Loss Payment, or additional borrowing. Although you will have paid more for the property, you will have the benefit of a more valuable property and so still be, so far as can reasonably be achieved, in a similar position as before the acquisition.

When porting a mortgage to a more expensive property the LTV will decrease and this will mean less risk for the lender, provided more borrowing is not incurred. For value differences which are less than the amount of the Home Loss Payment, no further borrowing will be required if the Home Loss Payment is used to meet the additional cost of the property. As no additional borrowing is required and the LTV will reduce, porting the mortgage should normally be possible. HS2 Ltd will compensate the reasonable cost of porting the mortgage.

If you decide to relocate to a significantly more expensive property, the Home Loss Payment may not meet the difference in price. It should still be possible to port the mortgage but additional borrowing may be required. HS2 Ltd will not compensate the mortgage related costs of any additional borrowing such as arrangement fees, valuation or legal fees, but will compensate the reasonable cost of porting the mortgage to a property of equivalent value, and we will need written confirmation from your lender as to what those charges would have been.

If you are able to find a better mortgage deal than porting your current one and taking additional borrowing from your existing lender, HS2 Ltd will not insist that you port the mortgage. However, you will have to pay any additional mortgage related costs that you incur such as exit fees, arrangement fees, valuation and legal fees and any early repayment charge and they will not be compensated by HS2 Ltd. HS2 Ltd will still contribute the equivalent of the costs that would have been incurred if the mortgage had been ported to a property of equivalent value, and we will need written confirmation from your lender as to what those charges would have been.

What if I have a Help to Buy Equity Loan mortgage that is tied to Help to Buy properties?

When the original Help to Buy mortgage was taken, the choice of properties would have been limited to Help to Buy eligible homes. In order to port the mortgage your choice of replacement home may similarly be restricted to Help to Buy eligible homes.

If you would rather move to a non-Help to Buy home and not port the mortgage, HS2 Ltd will not insist that the mortgage is ported. However, you will have to pay any additional mortgage related costs that you incur and they will not be compensated. HS2 Ltd will still contribute the equivalent of the costs that would have been incurred if the mortgage had been ported, and we will need written confirmation from your lender as to what those charges would have been.

If you would like to move to another Help to Buy home and port the mortgage but are not able to find one within the price HS2 Ltd is paying for your acquired property plus the Home Loss Payment, HS2 Ltd will pay compensation in the same way as if the mortgage was not portable (see below). However, we may need you to give good reasons why any Help to Buy homes that are available are not suitable. If you are not able to do so HS2 Ltd will not insist that you move to a home that you do not wish to live in, but we may not meet all the mortgage related costs of moving to a different property.

What if my lender will not port my mortgage?

If your existing mortgage cannot be ported because of its terms and conditions or because your lender refuses to port, we will ask you to provide a written confirmation from your lender as to the reasons.

Provided the reasons do not relate to the replacement property you have chosen, HS2 Ltd will meet the reasonable cost of ending your existing mortgage and taking out a new mortgage on the replacement property on equivalent terms such as exit fees, arrangement fees, valuation and legal fees and any early repayment charge. This will include the reasonable cost of any early repayment charge on the existing mortgage.

What are reasonably equivalent terms?

Where you are unable to port your mortgage and HS2 Ltd has agreed to meet the cost of securing a new mortgage, the new mortgage must be on reasonably equivalent terms. Some mortgage products may be available with a discounted or fixed interest rate but require a large up front arrangement fee. When selecting a mortgage HS2 Ltd will expect you to select a mortgage product which is as similar as reasonably possible to your existing mortgage.

If you would rather take a product with a different balance of upfront fee and interest rate offer, you may do so but HS2 Ltd will only compensate you up to the cost of a product equivalent to your existing mortgage.

What will I need to provide?

If you would like to claim for mortgage related costs you will need to provide at least the following;

- Full terms and conditions statement for your current mortgage
- Full terms and conditions statement for your proposed mortgage
- A letter from your existing lender giving reasons why your current mortgage cannot be ported

We may require further information in some circumstances but will only request information which is necessary to process your claim.

8 Frequently asked questions

Why can't HS2 Ltd give me a firmer timeline for how long it will take to sell my home?

It is difficult to predict precisely how long it will take as every purchase is different. Whilst the majority run fairly smoothly and should take around six to eight months, this timescale may be much longer where there is difficulty in agreeing all the aspects of a Blight Claim, if there is an issue with the title deeds or local searches during the Legal Conveyancing Process, if you decide to delay the process or if there are any difficulties with your ongoing purchase.

When would be an appropriate time to place an offer on an alternative property?

Given the uncertainties surrounding negotiation, we would strongly suggest claimant's delay committing to an onward purchase until they have Acquisition Approval. This will provide you with a firm budget to work with and ensure that you are in the best possible position when making onward offers. The process to completion from this point can still take around three months. The price must remain 'subject to contract' as the checks made during the Conveyancing Process can in certain situations occasionally result in the need to review/reduce the price.

Will you re-house me?

We have no duty to re-house you, but can offer a Rent Back arrangement in certain situations.

Will you help me find a new property?

As buying a property is a very personal matter it is better for you to work with your professional Advisor and/or local estate agents in order to search for a suitable new property. It may be the case that your needs are unique, meaning that you need to directly employ a property finder/property search agent. Depending on the facts of the case this may be an acceptable cost to claim as part of your Disturbance Compensation.

What costs might not be covered by Disturbance?

Examples of costs not covered would include those incurred in buying a second property or costs to improve your new property. Employing another advisor in order to get a second opinion would not be acceptable. Only costs that are incurred, as a direct, natural and reasonable consequence of having to move out of your property will be covered.

Can I claim for the costs incurred where an onward house purchase falls through?

HS2 Ltd will not cover abortive costs associated with onwards purchases that have been committed to prior to obtaining Acquisition Approval. Once approval is received and we proceed into the Legal Conveyancing Process then abortive costs will be considered where they are considered fair and reasonable in the circumstances.

What does HS2 Ltd mean by “reasonable” moving costs?

There is a general obligation for a person claiming compensation to mitigate their costs, i.e. to act reasonably. If costs are considered excessive or have been incurred unnecessarily, HS2 Ltd may not pay the full amount claimed.

Can I apply for the costs of moving in advance?

It is normal practice to pay the costs of moving with the agreed property value on completion of the conveyance process, i.e. when the property transfers into the ownership of the SoS and you hand over the keys.

Do HS2 Ltd's property advisors have local knowledge?

Our property advisors have been appointed because they are RICS Registered Valuers and have the capability to cover valuations over the geographic extent of the route. It is important to recognise that many local estate agents are not RICS Registered Valuers and are not qualified to provide an open market valuation.

Why is there no independent verification of the valuation given for my property by HS2 Ltd's agents?

A valuation is required by HS2 Ltd specifically for internal governance approval purposes and is carried out to RICS valuation standards. It is similar to a bank or building society requesting a valuation before being willing to lend. As with a normal house sale, you will rely on your professional Advisor to ensure that the price is correct.

Will you accept a Red Book valuation as the value of my property?

We would not normally rely on a Red Book valuation and instead expect our professional Advisors to be able to reach agreement on the Market Value.

Whilst a Red Book valuation provides an opinion of value at a set point in time by an RICS Registered Valuer, the valuation is normally personal to the client who commissioned the valuation and so another party cannot rely on it.

What if my Advisor agrees to a price that is below your Advisor's estimate of Market Value?

Both our agents have a duty to ensure that you receive compensation that puts you in no better or worse a situation, in financial terms (the principle of 'equivalence'). If such a situation were to arise we would instruct our agent to notify that we would be willing to pay our estimate of the Market Value. If our agents are unable to agree Market Value then dispute resolution may be required – see paragraph 5 of this guidance booklet.

What is the situation if I claim development value on all or part of my property?

If HS2 Ltd accepts that all or part of your property has development potential, as confirmed by a Certificate for Appropriate Alternative Development, for example, then it will accept a claim for its Market Value on this basis, presuming it results in a higher amount being claimed.

Disturbance compensation is not generally accepted if development value is being claimed.

Should I continue to make necessary repairs, or improvements to my property, even when I have had my Blight Notice accepted?

It would be appropriate for you to undertake repairs to your property as necessary for it to remain habitable. You are also free to improve your property, however the costs of the improvement may not necessarily be met as they may not equate to a similar increase in the Market Value of the property.

I have a Help to Buy arrangement on my existing home. Do I need a separate Help to Buy valuation?

No, if you are selling your home to the Secretary of State under an HS2 scheme, then you do not need a Help to Buy valuation. Homes England will accept the final agreed valuation given for your property as part of the statutory blight process.

How should I complain to HS2 Ltd if I am unhappy with the service received?

The best way to resolve a problem is through continued discussions with your appointed agents. If your agent is not able to deal with the problem then you should contact the HS2 Helpdesk which will liaise with the Land & Property Case Manager. If the issue cannot be resolved locally then you may progress matters further by making a formal complaint through our Helpdesk using the following link: www.hs2.org.uk/how-to-complain/.

For matters relating to a dispute in terms of the compensation amount, please refer to Section 4, above.

How do I refer a matter to the Upper Tribunal (Lands Chamber)?

Details of how to apply are available at the following link: www.gov.uk/appeal-upper-tribunal-lands. You can call or email the Upper Tribunal if you have any questions about the process. The Upper Tribunal cannot give you legal advice. Contact details for the Upper Tribunal (Lands Chamber) are as follows:

Upper Tribunal (Lands Chamber),
5th floor, Rolls Building,
7 Rolls Buildings,
Fetter Lane,
London, EC4A 1NL

Telephone: 020 7612 9710 (Monday to Friday, 9am to 5pm)

Fax: 020 7612 9723

Email: lands@hmcts.gsi.gov.uk

Is there a time limit for referring a matter to the Upper Tribunal (Lands Chamber)?

You have up to three years and two months after your Blight Notice was received by HS2 Ltd to submit a Blight Claim and agree compensation with us (via your advisor) or, in the absence of an agreement, to refer the matter to the Upper Tribunal (Lands Chamber). If there is no referral and compensation is not agreed within this time period then the opportunity will lapse and you will need to start the process again, or wait for HS2 Ltd to serve a notice to acquire your property if it is required for the project.

What is the difference between Blight and Statutory Blight?

The term 'blight' is a general word used to describe something that spoils, harms or damages something. It may be considered that property close to the route of HS2 is blighted and that has affected your ability to sell it on the open market other than at a substantially reduced price. In such a situation you may be able to apply for the SoS to purchase your property (see Need to Sell or Voluntary Purchase Scheme) or receive a Cash Payment if you wish to remain in your home or business (see Cash Offer). The term 'Statutory Blight' is the same in context but has a legal basis enshrined in legislation. If your property is directly impacted i.e. it is within a Development Plan or is safeguarded for a specific purpose (e.g. HS2) or is included within a compulsory purchase order then you may be able to serve a Blight Notice to compel the acquiring authority to purchase your property and pay you other costs as a result of being disturbed from your home.

What will happen to my property after you have bought it?

We can be required to buy property that may or may not be needed for HS2, or will not be needed for some time. In order to ensure that we manage this property appropriately we will look to rent it wherever possible.

In certain circumstances surplus land may be offered back to former owners, their successors, or to sitting tenants. Further information is available in the HS2 Information Paper C6: Disposal of Surplus Land and Over-Site Development, which is available at the following link: [www.gov.uk/government/uploads/system/uploads/attachment_data/file/672197/C6 - Disposal of Surplus Land and Over-Site Development v1.5.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672197/C6_-_Disposal_of_Surplus_Land_and_Over-Site_Development_v1.5.pdf)

My business is location-specific: I can't move it elsewhere (e.g. quarry owner, specialised orchard). I will lose everything as a result of HS2. What will happen to me?

If your business is within the safeguarded area and qualifies for Statutory Blight, we will need to consider your circumstances on a case-by-case basis. Business compensation can be awarded on the basis of relocation or, in certain circumstances, extinguishment of the business. Entitlement to claim will, however, depend on qualifying criteria. General information on this can be found in MHCLG's compulsory purchase booklet 2:

www.gov.uk/government/publications/compulsory-purchase-and-compensation-booklet-2-compensation-to-business-owners-and-occupiers.

If you have further questions after reading this booklet, please contact the HS2 Enquiries or speak to your Advisor.

9 Glossary

Acquisition Approval: This is the process to seek formal approval of your compensation, which will have been agreed in principle or 'subject to approval' between our advisors. Until Acquisition Approval, there is no guarantee that the compensation that has been negotiated will be paid. The price remains 'subject to contract' during the Conveyancing Process as the checks made may result in the need to review/reduce the price.

Advisor: This will be a representative appointed to advise and negotiate on your behalf, or on behalf of HS2 Ltd. It is normally expected that you would appoint a suitably experienced RICS surveyor, who may also be referred to as 'your agent' or 'your surveyor'.

Agents and Principals' Meeting: This will be a meeting between both sets of agents and their clients, which has been organised with the intention of presenting both sides view on matters in dispute and to see if the open forum can unlock the area of dispute. Usually the meeting will be led by the HS2 Ltd Case Manager and will be seen as a more informal first stage of dispute resolution or mediation.

Alternative Dispute Resolution: Often abbreviated to ADR, this is a collective term for various dispute resolution methods and techniques to resolve a matter without going to Court or Tribunal.

Betterment: If land retained by a claimant increases in value due to the scheme i.e. it has obtained betterment, then this increase in value may be deducted from the compensation paid for the land taken.

Blight Claim: A term used to describe the claim form that you will submit to the SoS (via HS2 Ltd) for compensation for selling your property to the SoS. A Blight Claim can only be served once the SoS has confirmed acceptance of your Blight Notice.

Blight Notice: This is the statutory notice that you can serve on the SoS (via HS2 Ltd), if you are eligible, in order to seek acceptance that the SoS is willing to purchase your property.

Case Manager: The Acquisition team in Land & Property manage the process to acquire property from the point at which a Blight Claim is made. A dedicated Case Manager is appointed.

Cash Offer: You may be able to apply for a Cash Offer if you don't want to sell your home and if any part of your dwelling or more than 25% of your property is within the Rural Support Zone. We will also reclaim the value of the cash offer, plus statutory interest, if you sell to us under Statutory Blight/Express Purchase or by compulsory purchase. For more information please use this link: www.hs2.org.uk/documents/collections/rural-support-zone/

There is a cash offer scheme in operation for owner-occupiers within safeguarding on the Shimmer estate, Mexborough South Yorkshire. For more information, please use this link: www.hs2.org.uk/documents/shimmer-estate-cash-offer-scheme-guidance-notes-and-application-form/

Certificate of Appropriate Alternative Development: If either a claimant or acquiring authority feels that it is necessary to establish alternative uses for land that is being compulsorily purchased, perhaps because this may demonstrate a higher Market Value, then they may want to apply to the local planning authority for a Certificate of Appropriate Alternative Development (CAAD). The local planning authority must then issue a certificate (CAAD) identifying the classes of development (if any) for which in their opinion, planning permission would be granted in the absence of the compulsory purchase. If either party

disagrees with the decision by the local planning authority they may appeal to the Upper Tribunal (Lands Chamber).

Compensation Code: This is the collective term used to describe the principles for the assessment of compensation. It is a mixture of Acts of Parliament, court cases ('case law') and Government guidance relating to compensation for compulsory acquisition. It can also be referred to as the 'Compulsory Purchase Code'.

Conveyance: The legally binding document that transfers property ownership from the seller of a property, to the SoS. It is also known as the 'Transfer'.

Crichel Down Rules: The Crichel Down Rules have been developed for over half a century and have been endorsed by previous governments. They provide for the circumstances in which land acquired by or under threat of compulsion or Statutory Blight, but no longer required for public purposes, will be offered back to the former owners, their successors or sitting tenants as the case may be. The rules also apply to land acquired under the Statutory Blight provisions (but not to land acquired by agreement in advance of any liability under these provisions).

High Speed Two Phase 2a Information Paper C6: Disposal of Surplus Land and over-site development also provides further guidance on this process, which is available at the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/701201/C6_Disposal_of_Surplus_Land_v2.0_.pdf

The Rules are set out in Government guidance on Compulsory Purchase Process and The Crichel Down Rules available at the following link:

www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance

Development Value: This is the value of a property for an alternative use with existing full planning permission.

Disturbance Compensation: Usually only available to the occupiers of the properties, it means compensation for reasonable additional costs and losses incurred as a result of being required to move (e.g. removal expenses).

Equivalence: Compensation following the compulsory purchase of a property is based on the principle of equivalence. This means that you should be put in no worse a position, or indeed no better position, in financial terms by the compensation.

Express Purchase: This is a discretionary scheme introduced by the SoS, which relaxes two provisions applying to Statutory Blight, namely the acceptance of the notice if more than 25% of the property or any part of the dwelling is within safeguarding, and the requirement to demonstrate reasonable endeavours to sell.

Extended Homeowner Protection Zone: The Extended Homeowner Protection Zone (EHPZ) applies to those properties that previously fell wholly or partly within the surface safeguarded area, but no longer do so following subsequent route alignment decisions. Owner-occupiers within this zone will remain eligible to serve a Blight Notice for five years from the point Safeguarding Directions are removed. The EHPZ does not apply where the line of route moves significantly, for example into a deep tunnel or more than 300 metres away from the original alignment which was subject to safeguarding.

Extinguishment: The extinguishment of a business in terms of Compulsory Purchase and Compensation will mean that it is closed permanently and the claimant will be entitled to the

value of the business and other reasonable losses and costs that are incurred as a direct consequence of the closure. The claimant will also be required to undertake not in future to engage in the same business activity within a specified geographical area.

Fees: Meaning compensation for reasonable surveyors' and/or solicitors' fees that may be incurred as a result of the property being acquired.

Home Loss Payment: This is a statutory loss payment available to residential owners (freeholder or lessee with at least three years unexpired) who have occupied their property as their main residence for at least a year. The payment is equal to 10% of the property's Market Value and is subject to minimum and maximum values set out in legislation.

Hope Value: If land is perceived to have a higher value than its Market Value, based not on fact but on judgement, then this additional value may be referred to as Hope Value.

Injurious Affection: This is the depreciation in value of retained land as a result of the proposed construction and use of the land acquired for the proposed scheme.

Loss of Profits: A business owner, whose business suffers a loss in its profitability as a result of being required to relocate, may be able to claim for these losses. There can be either a temporary or permanent loss of profits.

Need to Sell scheme: The Need to Sell scheme is a discretionary scheme (i.e. it is not required by law) that is administered by HS2 Ltd on behalf of the Government. Property owners who cannot claim via Statutory Blight or apply under the Express Purchase or Voluntary Purchase schemes, may be able to request that the SoS purchases their property if they have a compelling reason to sell their property. Further guidance is available at the following link: www.hs2.org.uk/documents/collections/need-to-sell/

No-Scheme World: This is the hypothetical situation that a valuer is required to have regard to when valuing a property for compulsory purchase, i.e. to ignore both the positive and negative effects of the scheme (in this case HS2). It can also be referred to as the 'no-scheme' rule.

Notice to Treat: This is a notice served on an owner, lessee or mortgagee by an authority with compulsory purchase powers. The notice states that the acquiring authority is willing to treat for the purchase of the property.

RICS: This stands for the Royal Institution of Chartered Surveyors. It is a global professional body promoting and enforcing the highest international standards in the valuation, management and development of land, real estate, construction and infrastructure. For RICS advice on compulsory purchase please uses the following link: www.ricsfirms.com/media/1183/rics-consumer-guide-compulsory-purchase.pdf

Safeguarding: This is a planning tool to help the Government and HS2 Ltd to protect the land that may be needed to build and operate the railway from conflicting development. As well as helping to protect the land that may be needed to build and operate the railway, the issuing of Safeguarding Directions also triggers Statutory Blight. This means that property owners within the safeguarded area may be eligible to serve a Blight Notice asking the Secretary of State to buy their property prior to it being needed for construction.

Safeguarding Directions: These are the directions issued by the SoS that establish the land that is safeguarded.

Statutory Blight: This is the term used to describe a situation where a property is blighted in a legal sense, such as where it is in a development plan or within land safeguarded for a specific purpose e.g. HS2 or included within a compulsory purchase order.

Severance: Meaning compensation for the reduction in value of any land retained by the property owner, if only part of the property needs to be purchased

Voluntary Purchase: If your property is within the Rural Support Zone and you wish to sell (rather than take a Cash Offer), the SoS may purchase your property under the Voluntary Purchase scheme. Under this scheme, the Government will buy the property for 100% of its un-blighted open market value. For more information please use this link:

www.hs2.org.uk/documents/collections/rural-support-zone/

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