Property compensation schemes

Heathrow currently offers two routes for owners affected by the proposed north-west runway. The Interim Property Hardship Scheme is discretionary and run by Heathrow Airport Limited (HAL). Statutory blight is a legal right under the Town and Country Planning Act 1990 (TCPA 1990), triggered when the Airports National Policy Statement (Airports NPS) was designated on June 26, 2018.

	Interim Property Hardship Scheme	Statutory blight
Nature	Discretionary offer. Goes beyond the statutory compensation regime.	Statutory right under the TCPA 1990. The Secretary of State for Transport is the acquiring authority.
Who pays	HAL.	HAL, under an agreement with the Secretary of State for Transport.
Compensation inside the red line	Unaffected open market value, plus 25% home loss payment, stamp duty on an equivalent replacement home, and reasonable legal, removal and disturbance costs.	Unaffected market value, plus a statutory loss payment of 10% (capped at £81,000 for homes; 10% capped at £100,000 for business and agricultural property), stamp duty on an equivalent property, and reasonable legal and removal costs.
Compensation outside the red line	Unaffected open market value only. No premium and no seller disturbance costs.	Not available. Valid notices outside the red line can only be made against HAL if it applies for development consent and needs the land.
Valuation	Two independent RICS valuations (one chosen by the applicant, one by HAL) averaged if within 10%. Otherwise a third valuation, with the offer based on the closest two. HAL pays for the valuations.	Statutory compensation code. Valued as if compulsorily acquired, ignoring the blighting effect.

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Property compensation schemes: eligibility

	Interim Property Hardship Scheme	Statutory blight
Where the property must be	Close enough to be substantially adversely affected. Deemed met if the property falls inside the Compulsory Purchase Zone, Wider Property Offer Zone or Airports NPS site boundary. Elsewhere, the panel judges case by case.	Within the Annex A red line boundary of the Airports NPS only.
Qualifying interest	Owner-occupier of a home, small commercial premises or agricultural unit; mortgagee; personal representative; or "reluctant landlord" (one property, let for no more than 12 months to enable an essential move). Freehold, or lease with at least three years unexpired. Six months of ownership and occupation.	Owner-occupier of a home, business premises (rateable value up to £44,200) or agricultural unit; mortgagee with right to sell; personal representative. Freehold, or lease with at least three years unexpired. Residents must have lived there at least six months before making application and provide evidence. No landlord category.
Prior knowledge	Must have bought before December 17, 2013, or rebut the presumption of knowledge with evidence.	No equivalent test.
Efforts to sell	Marketed with a recognised local agent and no offer within 10% of unaffected value. Minimum marketing: 3 months (asking price under £450,000, or inside the Airports NPS boundary), 6 months (£450,000-£1 million), 12 months (over £1 million). Advice from three agents on asking price. Waived if three agents refuse to market because of the runway.	Reasonable efforts to sell, but only at a price substantially below unaffected market value. Marketing evidence must be enclosed with the notice.
Hardship test	Applicant must show a compelling need to sell (e.g. medical, employment, family, financial or winding up an estate) and significant hardship.	None.

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Property compensation schemes: applications

	Interim Property Hardship Scheme	Statutory blight
Decision-maker	Independent panel of five (three independent members, one HAL representative, one airline representative) recommends by simple majority. HAL must follow the recommendation but may still accept a refused case at its absolute discretion.	Secretary of State, with HAL managing claims on its behalf. A counter notice can be served within two months of receipt.
Application route	1. Request the application form from HAL Community Relations (communityrelations@heathrow.com, 0800 307 7996), or from CBRE as scheme operator. 2. Submit the form with evidence for all five criteria by email or to The Compass Centre, Nelson Road, Hounslow, TW6 2GW. 3. Secretariat checks completeness and verifies with agents. 4. Panel assesses; HAL decides, normally within 12 weeks of a complete application. 5. Valuation, then a formal offer open for six months.	1. Complete the prescribed TCPA 1990 blight notice form. 2. Serve it on the Department for Transport (Statutory Blight, Airport Policy Division, Great Minster House, 33 Horseferry Road, London SW1P 4DR, or blight.enquiries@dft.gov.uk). 3. Send a copy to HAL (property@heathrow.com). 4. Notice is accepted, or a counter notice is served within two months. 5. Disputed counter notices can be referred to the Upper Tribunal (Lands Chamber).
If refused	Reapply after three months with new evidence or a material change in circumstances. Rejecting an offer bars reapplication, but the zone-based offers remain open.	Challenge the counter notice at the Upper Tribunal.
Advice	Application support from the Secretariat.	Independent legal advice recommended, at the owner's cost. RICS helpline offers 30 minutes free advice: 0247 686 8555.

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