

Land and property acquisition and compensation policies

Draft Residential Tenant Policy

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1. Definitions

The definition of key terms referred to in this policy are explained below.

Term	Definition
Assured Periodic Tenancy (APT)	An APT is the default, rolling residential tenancy in England, replacing assured shorthold tenancies (ASTs) under the Renters' Rights Act 2025. These tenancies have no fixed end date, allowing tenants to give two months' notice to leave at any time, while landlords must use specific, grounds-based notices for eviction, such as redevelopment.
Bedroom	A room within a dwelling that is suitable for sleeping accommodation by one or more persons and meets the minimum size requirements.
Compensation Code	The rules, statute (Acts of Parliament) and case law governing compensation for the compulsory purchase of land in the UK.
Compulsory purchase/compulsory acquisition	A legal mechanism that enables land to be acquired without the agreement of the owner. It can only be used for projects that are deemed to be in the public interest, such as infrastructure and regeneration schemes, and compensation must be paid to impacted owners and occupiers in accordance with the Compensation Code. This may also be referred to as compulsory acquisition where the compulsory purchase powers are being sought as part of a Development Consent Order (DCO) application.
Compulsory Purchase Zone (CPZ)	The Compulsory Purchase Zone (CPZ) is the defined area within the Heathrow expansion boundary comprising all properties currently anticipated to be required for the Project, and for which we will seek powers under the DCO to acquire compulsorily, if necessary.
Development Consent Order (DCO)	The legal instrument under which Heathrow is seeking planning permission and the compulsory acquisition powers that may be required to purchase the land needed to construct the Project.
Discretionary policy	Compensation or other support offered to property owners or occupiers that is beyond the statutory requirement.
Disturbance compensation	Costs and losses that may be reasonably incurred as a direct consequence of a compulsory purchase that are reimbursed to the owner by us in accordance with the Compensation Code.
Draft policy	A document that sets out a proposed policy for comment from relevant stakeholders, whose feedback will be considered in finalising the adopted policy.
Eligible tenant	A tenant of a residential property within the CPZ on whom we serve notice to vacate their home.
Enhanced loss payment	A discretionary loss payment offered by us under this draft policy to eligible tenants within the CPZ who have been served statutory notices to vacate a residential property that is being compulsorily purchased. For tenants in occupation for more than a year, the rate is higher than the tenant's statutory

Term	Definition
	home loss payment entitlement (currently £8,100) and increases according to how long the tenant has occupied the property under a formal tenancy agreement. It is paid instead of, and not in addition to, statutory compensation.
Home Purchase Scheme	The discretionary scheme under which we will offer to purchase single residential dwellings from owners within the CPZ.
Loss payment	A payment to displaced tenants to compensate for the inconvenience and disruption caused by the compulsory purchase of the property they live in. Tenants may be entitled to a statutory home loss payment or an enhanced home loss payment when the property they occupy is sold to Heathrow under one of the schemes in the policy.
Main residence	A person's home where they ordinarily and permanently live.
The Project	The development of a new Northwest Runway and associated infrastructure to expand Heathrow Airport, for which we will be seeking a DCO under the Planning Act 2008.
Proof of occupancy	Documents provided by a tenant to prove that they currently live (or lived during a specific period) in the property as their main residence. These need to be specific documents, such as Council Tax notices, bank statements and utility bills, that are addressed to the tenant and dated at the time the tenant is proving they were living there.
Royal Institution of Chartered Surveyors (RICS)	A global professional body that sets standards and regulates professionals working in land, property, construction, real estate and the built environment. This is the professional body that sets and upholds the standards followed by chartered surveyors and property valuers in the United Kingdom.
Statutory compensation	A person's legal entitlement to compensation in accordance with the Compensation Code.
Statutory home loss payment	This is the compensation available to tenants who are forced to move from the property they live in as their main home. It is a flat rate (currently £8,100) set by the Government and is subject to change.
Statutory notices	Formal notices that we will serve to owners, tenants and occupiers of properties that confirm the property will be compulsorily purchased, as well as the date on which the property will be purchased, and all occupiers will be required to vacate. This includes formal notices served under the Renters' Rights Act 2025.
Vacant possession	The property is empty of people, all belongings and rubbish.

2. Introduction

2.1 Background and purpose

- 2.1.1 All properties within the Compulsory Purchase Zone (CPZ) are currently anticipated to be purchased for the development of a new Northwest Runway and associated infrastructure to expand Heathrow Airport (the Project). An application for a Development Consent Order (DCO) is currently being prepared under the Planning Act 2008.
- 2.1.2 This discretionary draft policy provides an overview of initiatives designed to support tenants in the CPZ. It sets out the options available to eligible tenants of residential properties who are required to relocate due to the Project.
- 2.1.3 This document also includes an overview of the statutory compensation entitlements available to tenants of a property purchased compulsorily.
- 2.1.4 Tenants and other stakeholders are encouraged to provide feedback on this draft policy, which will be considered when finalising the adopted tenant policy following consultation on the Project.

3. Tenants covered by this draft policy

3.1 Eligibility criteria

- 3.1.1 To construct, operate and maintain the Project, we will need to purchase a large area of land. As currently defined, the area referred to as the Compulsory Purchase Zone (CPZ) reflects the compulsory purchase boundary for residential properties. This is shown in green on the map in **Appendix A: Map of areas covered by this draft policy**.
- 3.1.2 There are 757 residential properties within the CPZ that will need to be purchased for the Project. These are generally located in Longford, parts of Harmondsworth, parts of Sipson and at Elbow Meadow in Colnbrook.
- 3.1.3 This draft policy applies to tenants who:
 - 1. Occupy a property within the Compulsory Purchase Zone as their main home and;
 - 2. Occupy under a formal tenancy agreement on which they are named (usually an Assured Periodic Tenancy Agreement) and;
 - 3. Have an unexpired term of less than three years (a tenancy of longer than three years would fulfil the statutory definition of an owner) and;
 - 4. Are served statutory notice by us to vacate the property.
- 3.1.4 This policy also applies to existing tenants living in Heathrow-owned properties within the CPZ.
- 3.1.5 Protected tenants (those afforded the protection to remain in their property for life), may also apply for compensation payments under this policy. They will be considered on a case-by-case basis depending on their specific circumstances.
- 3.1.6 Tenants who are not eligible under the policy may be entitled to compensation in accordance with the Compensation Code.

4. Objectives of this draft policy

4.1 Policy aims and approach

- 4.1.1 This policy aims to support tenants in the Compulsory Purchase Zone (CPZ) who wish to remain living in their homes for as long as practicably possible. Our Draft Residential Landlord Policy further supports this objective by incentivising landlords to retain ownership and continue letting their property to tenants until the land is required by us for construction. If development consent is granted, we anticipate this will occur in 2029.
- 4.1.2 Where we purchase a tenanted property before the date it is required for construction, we will, where reasonably practicable, seek to keep the tenants in their home until the property is needed for construction. Before completing any such purchase, we will review the existing tenancy agreement to determine whether we are satisfied with its terms. If we are, we will offer to acquire the property with the tenants in situ under that agreement.
- 4.1.3 Where we consider, following that review, that it is not appropriate to acquire the property subject to the existing agreement, we may request that the landlord terminates the tenancy before the sale is completed. We may also request that the tenant simultaneously enters into a new Assured Periodic Tenancy (APT) directly with us, so the tenant's occupation continues without interruption. We will explain the new arrangement to the tenant before entering into this agreement, and the continuity of occupation and eligibility for compensation will not be prejudiced by the change of agreement.
- 4.1.4 Where the tenant is in breach of their existing tenancy, we may refuse to purchase the property with the tenant in-situ. In this case, the landlord will be responsible for ensuring the property is available with vacant possession on completion of the sale to us.
- 4.1.5 Whether tenants can remain in occupation, and on what basis, will depend on a number of factors. These include the timing of construction, the condition of the property and any works required to make it safe and lettable. Any tenancy under which a tenant occupies a Heathrow-owned property may be terminated when the property is needed for construction.
- 4.1.6 This discretionary policy sets out the compensation and additional support services we will offer to residential tenants within the CPZ whose interest is compulsorily purchased. This includes enhanced compensation to those who have been tenants in their homes in the CPZ for many years, and the option of a fixed disturbance payment, which will simplify the compensation claim process and provide more certainty to tenants about the compensation they will receive.
- 4.1.7 Our discretionary compensation policies are intended to supplement the existing statutory regime governing compensation for the compulsory purchase of land, known as the Compensation Code. Any statutory claim made by a tenant will be adjusted to reflect payments that may have already been made, or committed to under this policy, where applicable.

5. Enhanced compensation available to tenants

5.1 The enhanced compensation offer

Overview

- 5.1.1 Tenants whose homes are required for the Project will be sent statutory notices at least three months before the date they are required to vacate, advising that the property is being compulsorily purchased.
- 5.1.2 Where we are already the landlord of the property, notice in line with the Renters' Rights Act 2025 may be relied on.
- 5.1.3 Once they receive statutory notice from us to vacate the property, tenants can either:
 - 1. Make an application for enhanced compensation, which may include an enhanced loss payment and a fixed disturbance payment.
 - 2. Submit a claim for statutory compensation, which will be assessed in accordance with the Compensation Code.
- 5.1.4 The discretionary enhanced compensation offer set out in this draft policy is being put in place to improve the compensation available to affected tenants. It does not remove or limit rights that already exist in law.

Enhanced compensation

- 5.1.5 Tenants in the Compulsory Purchase Zone (CPZ) whose homes are compulsorily purchased by us and have been served a statutory notice to vacate the property, will have the option to apply for enhanced compensation. This includes a fixed disturbance payment to assist with the costs of moving, and an enhanced loss payment to compensate for the upheaval and inconvenience of being displaced from their home.
- 5.1.6 Only one compensation payment can be made per household. In a home shared by multiple tenants named on the formal tenancy agreement, all tenants will need to complete the application. Each tenant will be due an equal share of the enhanced compensation and if claimed, the fixed disturbance payment.
- 5.1.7 Applications for the enhanced compensation offer can be made online or by completing the form that we will send to tenants with the statutory notices.
- 5.1.8 Any enhanced loss payment or fixed disturbance payment will be made instead of, not in addition to, statutory compensation.

Disturbance payment

- 5.1.9 Tenants will have the choice of either applying for a fixed disturbance payment or making a claim for the actual disturbance costs incurred.

Fixed disturbance payment

- 5.1.10 Tenants may apply to receive a fixed disturbance payment, instead of making an evidence-based claim after completing their move. The application must be received no later than two months before the date the property is vacated. The payment would then be made on the date the tenant leaves and hands over the property with vacant possession to us.
- 5.1.11 The amount of fixed disturbance compensation tenants are eligible for under the enhanced compensation offer will be determined by the number of bedrooms within their home and whether the home is furnished.

Table 5.1: Fixed disturbance payment rates (furnished and unfurnished)

Property	Furnished	Unfurnished
Studio	£1,750	£2,500
1 bedroom	£2,250	£3,000
2 bedrooms	£2,750	£3,750
3 bedrooms	£3,500	£4,500
4 bedrooms	£4,000	£5,500
5+ bedrooms	£5,000	£6,500

Evidence-based disturbance claim

- 5.1.12 Tenants may prefer to make an evidence-based disturbance claim if their costs are likely to be higher than the fixed disturbance rate. Disturbance costs typically include removals, disconnecting and reconnecting services (such as telephone, broadband and electricity), mail redirection and altering soft furnishings and moveable items to fit a new property.
- 5.1.13 If the home has been adapted for a tenant or someone else living at the property who is disabled or has a medical condition, compensation may be payable for the cost of adapting their new home to provide the same facilities.
- 5.1.14 Unlike a fixed disturbance payment, disturbance costs claims will need to be supported with full details and documentary evidence. The claim will be assessed based on the statutory entitlement to disturbance costs incurred as a direct result of moving from the property.

Enhanced loss payment

- 5.1.15 We are offering tenants the opportunity to apply for an enhanced loss payment. The starting rate for those in occupation for at least one year is higher than the statutory entitlement of £8,100 (correct on 1 September 2026), and it increases depending on how long a tenant has been occupying the property under a formal tenancy agreement. Tenants who have lived in their home for less than one year before the possession date, so are not legally entitled to a statutory loss payment, will still be able to apply under this policy for an enhanced loss payment of £5,000.
- 5.1.16 To be eligible for an enhanced loss payment above the minimum statutory amount, tenants must provide proof-of-occupancy documents to evidence the length of time they have been living in the property. Examples could include a tenancy agreement, proof of rental payments to the landlord or utility bills covering the period being claimed.

Table 5.2: Enhanced loss payment rates by length of occupation

Length of occupation	Amount
Less than 1 year	£5,000
1 to 3 years	£10,000
4 to 5 years	£12,000
6 to 9 years	£13,500
10 years +	£15,000

- 5.1.17 The statutory home loss payment is reviewed by the Government from time to time. It was most recently changed in 2023 to its current amount of £8,100 (correct on 1 September 2026). If the Government increases the statutory home loss payment, we will review the enhanced loss payment amounts under this policy, to ensure they remain higher than the tenant's statutory entitlement.

6. Statutory compensation

6.1 Statutory compensation explained

- 6.1.1 This section provides an overview of the statutory compensation that a tenant may be entitled to claim under the Compensation Code, if they choose not to make an application for the enhanced compensation offer.

Market value

- 6.1.2 Compensation is usually payable for the market value of an unexpired lease. However, a shorter tenancy, such as an Assured Periodic Tenancy (APT), does not normally hold any market value. This is usually because the terms and conditions do not allow it to be sold on the open market, or there is no market value in the tenancy. A protected tenancy is not transferable so holds no market value.

Statutory home loss payment

- 6.1.3 Tenants are entitled to receive a home loss payment if they have lived in their home as their main residence, under a formal rental agreement, for at least one year, on the date they are required to vacate. This is calculated as the greater of 10% of the market value of their unexpired lease, or the flat rate as determined by regulations. As APT agreements do not usually have a market value, the statutory flat rate home loss payment is usually payable.
- 6.1.4 The statutory flat rate is currently £8,100 (correct on 1 September 2026). However, it is reviewed by the Government from time to time and may increase or decrease. Tenants who opt to make a statutory compensation claim will be paid the flat rate that applies on the date we require them to leave the property.

Disturbance compensation

- 6.1.5 Tenants are also entitled to disturbance compensation for costs that arise as a natural consequence of being required by us to vacate the property. These may include, for example, the cost of removals, disconnecting and reconnecting services (such as telephone, broadband or electricity), mail redirection and alterations to soft furnishings and moveable items to fit a new property (where these are owned and relocated by the tenant).
- 6.1.6 If the home has been adapted for a tenant or someone else living at the property who is disabled or has a medical condition, compensation may be payable for the cost of adapting their new home to provide the same facilities. Before issuing the statutory notice to vacate, we will write to tenants asking for details of any modifications that have been made. It is important that tenants provide this information accurately, so we can assist them in relocating to a new property that meets their needs.
- 6.1.7 There is a substantial amount of legislation and case law (commonly referred to as the Compensation Code) that outlines the principles on which disturbance

compensation is assessed. All claims for disturbance must demonstrate that costs have been reasonably incurred and must be supported by documentary evidence such as receipts, invoices and fee quotes.

- 6.1.8 For tenants submitting a claim for statutory compensation, we recommend engaging a specialist adviser who can provide guidance and help prepare a claim.
- 6.1.9 We will make statutory compensation claim forms available, both online and in hard copy, when the Home Purchase Scheme is launched after consultation. The Royal Institution of Chartered Surveyors (RICS) operates a helpline¹ that puts those affected by compulsory purchase in touch with a specialist surveyor in their area who can provide a free 30-minute initial consultation.
- 6.1.10 Compulsory purchase surveyors must comply with the RICS professional standard on surveyors advising in respect of compulsory purchase and statutory compensation².
- 6.1.11 Reasonable surveyors' fees will be reimbursed by us. However, surveyors acting on behalf of tenants are recommended to first contact us to discuss their fee arrangements. We have also published a draft professional fees policy, as part of the suite of policies made available to those affected by our proposals to expand the airport.
- 6.1.12 Further information in relation to statutory compensation is available in the Ministry of Housing, Communities and Local Government's Compulsory Purchase guidance for residential owners and occupiers³. This includes specific guidance for tenants with short tenancies and occupiers with no interest in land⁴ that entitles them to compensation.

¹ <https://www.ricsfirms.com/helplines/compulsory-purchase/>

² https://www.rics.org/content/dam/ricsglobal/documents/standards/Surveyors-advising-in-respect-of-compulsory-purchase_sept2024.pdf

³ <https://www.gov.uk/guidance/compulsory-purchase-and-compensation-guide-4-compensation-to-residential-owners-and-occupiers>

⁴ <https://www.gov.uk/guidance/compulsory-purchase-and-compensation-guide-4-compensation-to-residential-owners-and-occupiers#compensation-for-tenants-with-short-tenancies-and-occupiers-with-no-compensateable-interest-in-land>

7. Support services available to tenants

7.1 Tenant support and assistance

- 7.1.1 We will offer a range of support services to all tenants who are required by us to relocate from their homes.

Vulnerable tenants

- 7.1.2 We will engage with vulnerable tenants, including those who are long-term or permanently disabled, or who have mental health or other serious medical conditions, to understand their circumstances and discuss the assistance that can be provided.

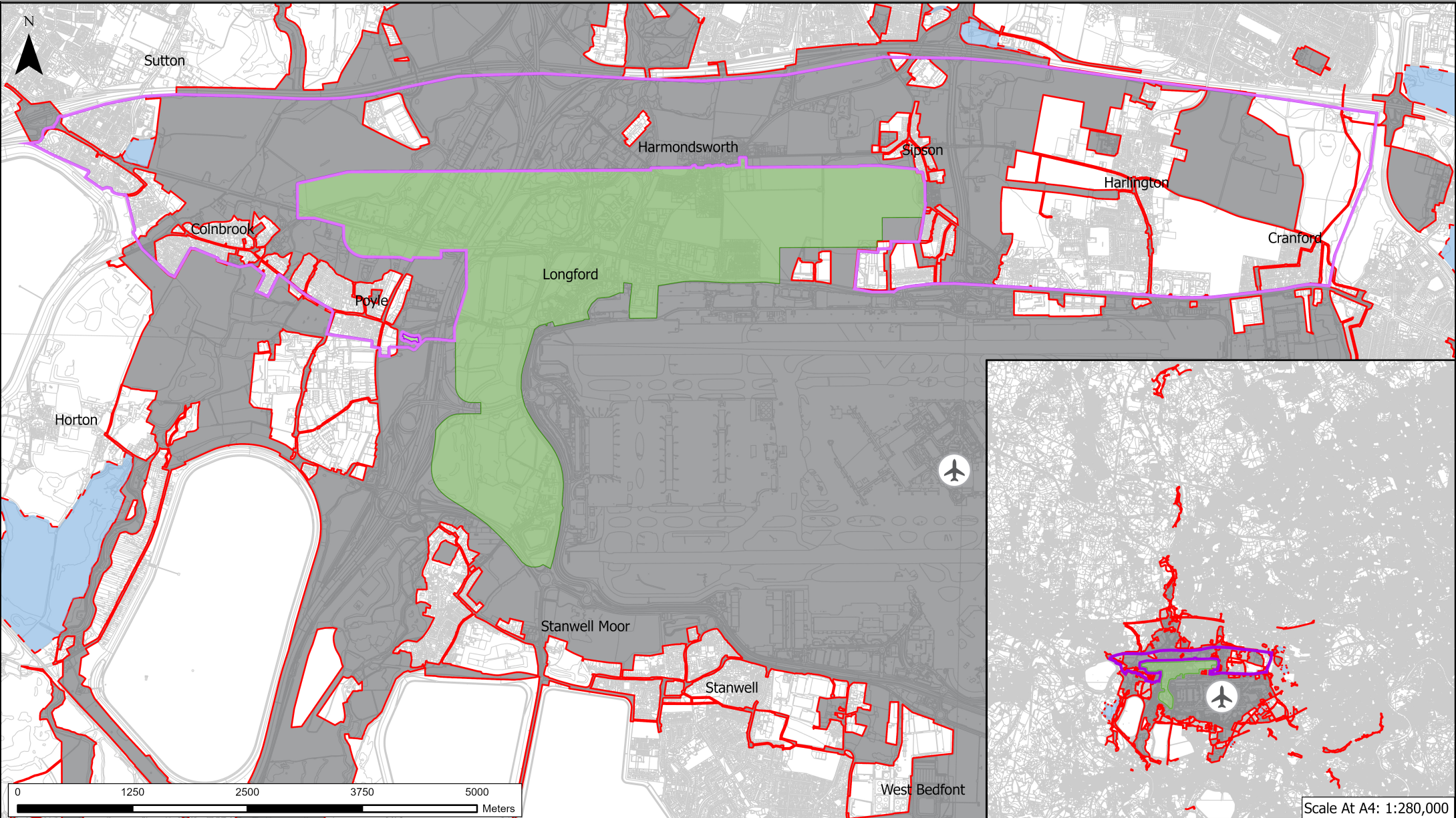
Protected tenants

- 7.1.3 We will engage with protected tenants and their landlords to identify and discuss options for rehousing. Protected tenants will be eligible to claim statutory compensation. If applications are made under this policy, any payments agreed will be deducted from any existing entitlement to the statutory compensation available.

Local housing authority assistance

- 7.1.4 Where there is no alternative accommodation in the area that is considered suitable, the local housing authority is responsible for rehousing a tenant who occupied their home within the Compulsory Purchase Zone on the date the Development Consent Order is confirmed. Displaced tenants who do not meet the criteria may still apply to the local authority for assistance.
- 7.1.5 There will be no adjustment to the amount of compensation paid by us under this policy if tenants are subsequently rehoused by the local authority.

Appendix A Map of areas covered by this draft policy



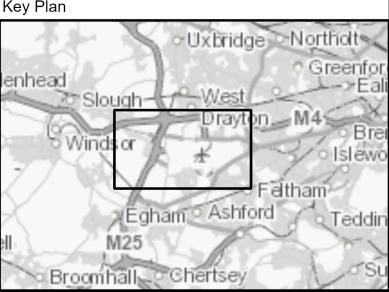
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Heathrow

Legend

- London Heathrow Airport
- Compulsory Purchase Zone (CPZ)
- Wider Property Offer Zone (WPOZ)
- Draft Development Consent Order Limits
- Draft Development Consent Order Limits - Optionality



Title			
Compulsory Purchase Zone, Wider Property Offer Zone and Draft Development Consent Order Limits			
1	25/09/26	Updated CPZ	TB
0.1	20/07/26	Draft Issue	TB
Version	Date	Description Of Change	Drawn By

© Heathrow Airport Limited 202X		Scale at A4: 1:55,000	
Project Name		Heathrow Project No.	
xxxxxxx		xxxxxxx	
Programme No		Originator Project No.	
WSP	TB	MF/SW	25/09/2026
Company	Drawn By	Chk/Approved	Drawn Date
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