

# Guide to the reimbursement of agent fees

For those with a legal interest in land or property that is directly affected by East West Rail.

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## 1. Introduction

If you have a legal interest in land or property that is directly affected by the East West Rail (EWR) project, this guide explains when and how you can be reimbursed for professional advice. A glossary is included at the end of this document, which may help explain some of the technical or legal terms used.

If your land or property is directly affected by EWR, it's important to get professional advice from a suitably qualified Chartered Surveyor who has experience with compulsory purchase and compensation. When acting on your behalf, they are referred to as your 'agent'. They can support you through the compensation process, including representing your interests in discussions with East West Railway Company (EWR Co).

#### This guide explains:

- When and how East West Railway Company (EWR Co) will reimburse professional fees for agreed services delivered by your agent, if you have a compensable interest in land required for EWR
- What the rules are under the statutory compensation framework
- When we may offer additional support through our discretionary policy.

You can only claim for professional fees if you would be entitled to compensation under the Compensation Code ("the Compensation Code"). The term "Compensation Code" refers to the body of law, including legislation, case law, and established practice, that governs the process of compensating individuals and businesses affected by compulsory purchase.

### Why we have a discretionary policy

Under the statutory provisions, professional fees are usually only reimbursable after the property has been purchased by the acquiring authority or temporarily occupied under a legal notice. As this can take several years, we have introduced a discretionary policy to allow earlier support.

#### This policy helps us:

- Work more positively and collaboratively with landowners
- Support early access to professional advice
- Make progress on land negotiations at an earlier stage.

## Who the discretionary policy is for

Our discretionary approach is designed to help:

- Residents, businesses, and rural landowners
- Occupiers of land and property who have a compensable interest

#### Who:

- Are affected by EWR and may need early advice
- Might otherwise face financial disadvantages from paying for that advice themselves.

### Things to keep in mind

Agent fees will only be reimbursed if the property, or part of the property, is within the Draft Order Limits.

We will consider each application on its own merits. Not every case will be eligible, and we recommend that your Chartered Surveyor ('agent') checks with us before any costs are incurred.

While we may reimburse reasonable fees, please note:

- The contract is always between you and your agent
- You are ultimately responsible for their fees
- Any costs outside of an agreed scope or budget will also be your responsibility.

We may update this policy from time to time. However, your statutory rights to compensation (including professional fees) will not be affected by any future changes.

# 2. Applying for professional fee reimbursement

Before we can reimburse any professional fees, your agent must first agree the scope of work and budget with us. This section explains how that process works, step by step – from agreeing the scope of services to submitting an invoice for payment. Following these steps helps ensure your fees can be processed without delay.

### Step one – Initial contact and proposal preparation

Your agent should contact the EWR Land & Property team using the details provided in Section 13 to begin discussing the proposed instruction, scope of work, and fee eligibility.

Following this initial contact, your agent should prepare and submit a proposal setting out the key details. This proposal will form the basis of a Fees Agreement, which confirms the agreed scope of work, proposed budget, and terms of reimbursement.

The Fees Agreement must be in place before any costs are incurred, to avoid any disputes over fee reimbursement. Your allocated Case Manager from EWR will manage this process. If you do not already have a Case Manager, one will be assigned to you.

To complete the Fees Agreement, your agent will need to provide:

- Details of the instruction and relevant property information
  - The address of the affected property
  - o Details of the nature of your ownership or occupation of the affected property
  - o A plan showing the extent of ownership of the affected property.
- A proposed scope of services
- An interim fees budget
- Confirmation that they will comply with the Royal Institution of Chartered Surveyors (RICS)
   Professional Standard: Surveyors advising in respect of compulsory purchase and statutory compensation<sup>1</sup>.

The scope of work may be varied later, but only by agreement with your Case Manager.

#### Fee rates, expenses and travel costs

Although the contract is between you and your agent, we will reimburse fees that we consider reasonable. Agents are expected to apply consistent and reasonable fee levels across

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<sup>&</sup>lt;sup>1</sup> <u>Surveyors advising in respect of compulsory purchase and statutory compensation, UK 2nd edition</u>

similar cases. The rate should reflect the agent's experience and the skills needed for the work.

If your agent charges more than EWR Co considers reasonable, you will be responsible for paying the difference. They should make this clear to you before any costs are incurred.

In addition to hourly rates, we may reimburse reasonable travel and other expenses – but only if supported by receipts or tickets.

- Mileage will be reimbursed at HMRC's standard rates (currently 45p per mile for the first 10,000 miles in a tax year and 25p per mile thereafter)
- Public transport costs are only reimbursed at the cheapest standard fare
- Travel time is refunded at 50% of the agreed hourly rate
- General office expenses (such as stationery, postage, telephone calls, and photocopying) are expected to be included in the standard fee.

In all cases, agents and clients should keep costs proportionate and avoid unnecessary expenditure.

### Step two – Confirming the Fees Agreement

Your Case Manager will review the proposal and confirm what level of fees will be reimbursed. This confirmation forms part of the Fees Agreement and sets the approved budget and hourly rates for the work. Any changes to the agreed scope or budget must be approved in advance.

## Step three – Changes to the interim fees budget

If there is a risk that your agent's fees may exceed the agreed interim budget, you or your agent must notify your Case Manager in advance. They will review any proposed increase and confirm whether it is reasonable. This helps to avoid delays or disputes over reimbursement.

## Step four – Submitting supporting information

Before submitting a final invoice, you or your agent must first send information that will support the final invoice to your Case Manager, along with:

- Your written confirmation the activities reflect your instructions
- Evidence such as timesheets, diary records, or activity logs that show time and fees were reasonably incurred
- Receipts for any expenses or travel costs (see fee rates, expenses and travel costs above).

Your Case Manager will let you know if any further information is needed to approve the invoice.

### Step five – Final invoice and VAT

The final invoice should be addressed to you and must include:

• The name of your EWR Case Manager

- The address of the property directly affected by EWR, along with your correspondence address if different
- The unique case reference number issued during non-statutory consultation
- The period covered by the invoice
- · A summary of the work completed
- Any relevant supporting documents
- Your banking details and VAT information

A copy of the final invoice should then be emailed to your EWR Case Manager.

#### **VAT** on professional fees

We will pay VAT on agreed professional fees where it is confirmed that VAT is chargeable.

If you have opted to tax the property, you must provide a copy of your completed HMRC Option to Tax form. In this case, we expect you to reclaim the VAT through your VAT return and invoice us only for the net amount (excluding VAT).

If your property is not opted to tax, we will reimburse the fees on a VAT-inclusive basis—that is, we will pay the full amount, including any VAT charged. In either case, you should be neither better nor worse off financially due to appointing a professional adviser.

# 3. Professional support during consultation

We are happy to support you in paying for professional advice, where appropriate and reasonable, during consultation on the EWR proposals. Below are examples of fee costs that are likely to be considered reasonable:

- Up to three hours of advice on initial compensation entitlements under the statutory framework, including options for mitigation and, where relevant, advice on submitting a claim
- Your agent's time for attending meetings involving you and EWR Co
- Reasonable travel costs incurred for a meeting with us.

## 4. Voluntary land acquisition

Before seeking compulsory powers to acquire land or rights over land through the Development Consent Order ('DCO') process, EWR Co aims to reach voluntary agreements for land within the Draft Order Limits.

We will cover reasonable agent fees for negotiating these terms, in line with the approach set out in this Guide to the Reimbursement of Agent Fees.

These costs will only be covered once EWR Co has confirmed, in principle and subject to agreement, that it is willing to purchase the land or property.

## Surveys and Access Agreements

EWR Co will carry out a range of surveys during the project's development phases. These surveys help us design the railway in a way that is responsible, environmentally sustainable, and informed by accurate information. They also support the development of mitigation plans to reduce or remove any negative impacts where possible.

If we need to carry out surveys on your land, we will contact you to request access and ask you to enter into an Access Agreement that sets out the terms.

We will contact landowners and occupiers directly, unless you have instructed us to deal with your appointed agent.

If you decide to seek professional advice, we will either:

- Pay a fixed fee, as set out in the Access Agreement, to cover your costs for professional advice and/or your time completing the agreement
- Pay reasonable professional costs, provided appropriate evidence is submitted.

We will not pay this contribution if no Access Agreement is completed and access is instead secured using statutory powers.

For more information, please see the following guidance on our website:

- Guide to the Access Agreement for Ground Investigation and other Intrusive Surveys
- Guide to the Access Agreement for Surveys Environmental and other nonintrusive surveys
- Archaeological Trail Trenching Factsheet

## 6. Farm Business Interviews

As part of the EWR project, we will carry out Farm Business Interviews (FBIs) with landowners and occupiers to help us better understand the land and farming practices along the proposed route. These interviews allow us to assess the potential effects of the project on individual farm holdings and consider appropriate mitigation measures during the design process. The information also supports our environmental assessments.

We will pay £250 plus VAT, if applicable, to cover your or your agent's time in providing the necessary information to complete a FBI.

For more information, please see <u>Farm Business Interviews: What do you need to know?</u> on our website.

If reimbursing an agent, the method of payment will follow the same process set out in Section 2.

## 7. Land Interest Questionnaires

We will not normally reimburse professional fees for completion of a Land Interest Questionnaire. However, if there are exceptional circumstances, please speak to us as we may consider the matter on a case-by-case basis.

If you believe that your circumstances require professional assistance, you may wish to appoint an agent. In that case, please contact us before any costs are incurred.

For more information, please visit the <u>Land Interest Questionnaires Frequently Asked</u> Questions section of our website.

## 8. Statutory Blight claims

If you have submitted a Statutory Blight Notice at the appropriate time and it is accepted, we will pay your reasonable agent and legal costs in accordance with the following stages:

- Upon acceptance of the application the agent's fee associated with the preparation and submission of the application
- Upon submission of the fully evidenced claim the agent's fees associated with its preparation
- Upon approval of the compensation heads of claim by EWR Co, the agent's fee associated with their negotiation

- Upon completion of the property transfer any remaining fees associated with finalising the transaction, including legal fees
- Upon full and final settlement of the claim after the property transfer any remaining fees associated with bringing the case to a conclusion.

All agent fee rates for Blight Notice claims must be agreed upon with your Case Manager in accordance with the statutory compensation framework.

Even where a Blight Notice is successful, we will not pay:

- Any charges from your agent that go beyond the reasonable fees agreed (see Section 2)
- Fees of more than one agent where work has been duplicated
- Legal costs unnecessarily incurred in proving property ownership
- Fees charged by your mortgage lender in connection with our obligation to offer compensation to the lender before you
- Costs associated with marketing the property prior to the claim.

If a Blight Notice expires and is re-submitted, we will generally only pay for one submission and will not reimburse duplicated work. However, if a previous notice was unsuccessful and a subsequent notice is accepted, the professional fees for the successful application would be reimbursable.

For more information, please visit the Safeguarding page on our website.

# Temporary possession and land acquisition

## Temporary possession and permanent acquisition using statutory powers

If we expect to serve legal notices for temporary possession or land acquisition (via a General Vesting Declaration or Notice to Treat/Notice of Entry), the level of engagement with you and your agent may vary depending on the nature, scale, or complexity of the case. For example, more engagement may be required where a business relocation is involved.

In such cases, interim professional fees may be reimbursed, but only where the scope of discussions, fee rates, and milestones have been agreed in advance with your Case Manager.

Once we take temporary possession of land using legal powers, professional fees will normally be considered as part of a claim in accordance with the Compensation Code and provisions in the DCO. In exceptional cases, we may consider reimbursing interim fees where temporary possession lasts longer than twelve months.

Where we take permanent possession of land, for example following a General Vesting Declaration or Notice to Treat, professional fees will be considered only as part of a claim submission and reimbursed once the claim has been settled. The claim must include sufficient evidence and justification to allow us to make a reasonable assessment.

All fee rates must be agreed with your Case Manager in advance to avoid disputes or delays in settling claims.

If your compensation is reduced due to betterment, this will not affect the reimbursement of reasonable professional fees. Betterment refers to an increase in the value of your property due to the railway project. Where this occurs, any compensation due may be reduced to reflect the uplift in value, in line with the Compensation Code.

Where you request an advance payment following a General Vesting Declaration or Notice to Treat, the payment may also include an estimate of your reasonable agent and legal fees for work linked to the advance payment.

For further information please see the <u>Guide to Compulsory Acquisition and</u> Compensation on our website.

### Certificate of Appropriate Alternative Development (CAAD)

If you believe that land being compulsorily purchased may have had a higher value due to potential for alternative uses, you may apply to the local planning authority for a Certificate of Appropriate Alternative Development (CAAD).

Under Section 17 of the Land Compensation Act 1961, a CAAD confirms what types of development the local planning authority would have considered acceptable if the land were not being compulsorily acquired (the so-called "no scheme world"). This is relevant where the land does not have planning permission for alternative development, or where existing permissions do not reflect its potential development value.

You can apply for a CAAD once your land is identified for acquisition and either:

- Compulsory acquisition powers have been granted and notices served
- A Blight Notice has been accepted.

You may apply for one of two types of certificate:

- A positive certificate, stating that alternative development would have been permitted
- A negative certificate, stating that no development, or only limited development, would have been permitted.

A positive certificate must identify the type of development considered appropriate, the likely timing of planning consent, and any conditions or planning obligations that would apply.

The issued certificate will be taken into account in assessing your compensation.

You should speak to your professional adviser about the costs of applying for a CAAD. You or your adviser can also contact your Case Manager with any queries about fees relating to CAAD applications.

# 10. Part 1 claims – If your property loses value due to the railway

Under Part 1 of the Land Compensation Act 1973, you may be entitled to compensation if you own and occupy a property outside of the Order Limits (such as your home, or a commercial or agricultural property you do not let out) and its value has been reduced by more than £50 due to physical effects from the use of a new or altered railway. Compensation is only payable after the railway has operated for one year.

These physical effects may include noise, vibration, smell, fumes, smoke, artificial lighting, or the discharge of a solid or liquid substance onto the property.

If your Part 1 claim is successful, we will pay:

- The reasonable fees of your agent for acting on your behalf. These must be agreed in advance with your Case Manager and will follow the statutory compensation framework
- The reasonable costs of your legal adviser to prove ownership of the property, including
  the cost of retrieving title deeds where a simple Land Registry check is not sufficient.
  These costs will be paid at the same time as the compensation.

#### We will not pay for:

- Charges from your agent that exceed the agreed reasonable fee
- Fees for an unsuccessful claim
- Fees for more than one agent
- Legal costs that were unnecessarily incurred to prove ownership
- Fees charged by your mortgage lender, as we are legally required to offer compensation to them before you.

For more information, please refer to our <u>Guide to Part 1 Claims</u> on our website.

## 11. What we cannot reimburse

Please note that there are certain types of costs we are unlikely to consider reasonable and therefore will not reimburse. Examples include (but are not limited to):

- Seeking general information about EWR, not linked to a specific client instruction
- Canvassing for business
- Objecting to our proposals
- Drafting consultation responses
- Preparing or submitting formal objections to the Planning Inspectorate or other examining body
- Drafting written submissions for the DCO Examination
- Attending examination hearings
- Attending our public or consultation events
- Duplicated work if you change your agent partway through
- Any costs linked to the Need to Sell Property Scheme
- Recoverable VAT or other sums that can be reclaimed unless you provide clear justification that recovery is not possible
- Avoidable travel, subsistence, or other unnecessary expenses.

For information about allowable consultation related costs, see Section 3.

Where multiple connected parties (such as family members, trustees, or business partners) have separate interests in the same property and are represented by the same agent, we may aggregate those interests when assessing the fee, if it is fair to do so in the circumstances.

## 12. If you need extra support

We want everyone to be able to engage with us confidently and fairly. If you need any extra support, for example with communication, access, or understanding information, we are here to help.

Where appropriate, we will consider making reasonable adjustments to our policies or procedures to support individuals with additional needs. This includes people with what the Equality Act 2010 refers to as a protected characteristic.

Protected characteristics can include age, disability, pregnancy or maternity, race, religion or belief, sex, sexual orientation, gender reassignment, or marital status.

If you think you may need additional support when dealing with us, for example due to a health condition, a disability, or a communication need, please let us know when you get in touch. We will do what we reasonably can to make the process easier for you.

## 13. Contacting EWR Co

If you have any questions about this policy or need further support, please contact the EWR Co Land & Property team:

By post: Freepost EAST WEST RAIL LAND

By email: land@eastwestrail.co.uk

By phone: 0330 838 7583

Online: www.eastwestrail.co.uk/get-in-touch

## 14. Where to get further advice

It is essential to seek professional advice from practitioners with experience in compulsory purchase and compensation. The Royal Institution of Chartered Surveyors (RICS) offers a helpline that can connect you with suitably qualified firms in your area and provides up to 30 minutes of free advice:

Visit: www.ricsfirms.com/helplines/compulsory-purchase

RICS contact details:
Royal Institution of Chartered Surveyors
12 Great George Street
Parliament Square
London
SW1P 3AD

Email: <a href="mailto:contactrics@rics.org">contactrics@rics.org</a> Telephone: 024 7686 8555

For rural landowners, the Central Association of Agricultural Valuers (CAAV) may also be able to help.

CAAV contact details:

The Central Association of Agricultural Valuers
Harts Barn Farmhouse
Monmouth Road
Longhope
Gloucestershire
GL17 0QD

Email: <a href="mailto:enquire@caav.org.uk">enquire@caav.org.uk</a>
Telephone: 01452 831815

## Abbreviations/glossary

Term	Description
Advance Payment	An Advance Payment under S52 of the Land Compensation Act 1973 is 90% of the agreed compensation or, where there is no agreement, 90% of the Acquiring Authority's estimate of the compensation due, made at the request of a claimant's agent.
Acquiring Authority	An acquiring authority is a body lawfully authorised to compulsory purchase land.
Access Agreement	An Access Agreement allows our survey teams to carry out non-intrusive ground investigation and other intrusive surveys and access land during agreed periods. This is standard practice for infrastructure and other development projects where detailed information on ground conditions and other environmental matters is essential to the design and construction as well as informing the relevant DCO application documents.
Blight Notice	The statutory notice that you can serve on EWR Co asking us to buy your property.
Case Manager	An appointed member of the EWR Land & Property team to co-ordinate and manage your property matter with EWR.
Certificate of Appropriate Alternative Development (CAAD)	If you or we feel that planning consent would be granted for alternative uses for land or property that is being compulsorily purchased, perhaps because this may have a higher market value, either of us can apply to the local planning authority for a Certificate of Appropriate Alternative Development (CAAD). The local planning authority will then issue a certificate identifying the classes of development (if any) for which they believe planning permission would be granted if there were no compulsory purchase. If either of us disagree with the planning authority's decision, we can appeal to the Upper Tribunal (Lands Chamber).

Term	Description
Compensation Code	Refers to the body of law, including legislation, case law, and established practice, that governs the process of compensating individuals and businesses affected by compulsory purchase in the UK.
Development Consent Order (DCO)	A Development Consent Order (DCO) is a piece of law that would give authority to East West Rail Company (EWR Co) to build the new railway. The DCO, if granted by the Secretary of State for Transport, would also provide all the necessary powers to construct and operate the railway, including the necessary compulsory acquisition powers.
Directly affected	Parties that own or occupy a land interest inside the Order Limits (or Draft Order Limits).
Draft Order Limits	All the land and property that may be needed for the Project as indicated on relevant plans prior to the DCO being consented.
East West Rail (EWR)	A proposed new rail link, which would connect communities between Oxford, Milton Keynes, Bedford and Cambridge. The works that will be subject to the DCO application are referred to as the project.
EWR Co	The Company set up by the Secretary of State for Transport to develop the project. This is the Company, so we use "we, us and our."
Farm Business Interview (FBI)	Farm Business Interviews (FBIs) are carried out to understand the agricultural land and practices which may be affected by EWR proposals. FBIs allow potential impacts on individual farm holdings to be identified at an early stage. They also inform the development of the design, with the aim of avoiding or reducing these potential impacts on farm holdings.
General Vesting Declaration (GVD)	A General Vesting Declaration ("GVD") would transfer ownership of the land to us if the Secretary of State grants development consent. We would serve notice that we have made a General Vesting Declaration on all affected landowners. This would allow us to take possession and ownership of the land after the time

Term	Description
	period stated in the notice (which must not be less three months) on what is known as the "Vesting Date".
HMRC	His Majesty's Revenue and Customs: the government department responsible for assessing and collecting taxes.
Land Interest Questionnaire (LIQ)	A Land Interest Questionnaire (LIQ) is part of the planning process for large-scale developments. The questionnaire is issued to help us identify the people and organisations with legal interests in land that may be affected by the Project. This process, called "Land Referencing," is all part of obtaining a Development Consent Order (DCO).
	LIQs help us ensure we know who owns, occupies and uses the land. Having this information means we can keep people fully informed about our consultations and, later down the line, involvement in the DCO process.
Notice of Entry	A Notice of Entry is used once a Notice to Treat has been served. This enables the Acquiring Authority to serve a Notice of Entry, which specifies a date at least three months away when the Acquiring Authority is able to enter and take possession of the land.
Notice to Treat	This is a notice served on an owner, leaseholder or mortgage provider by an authority with compulsory purchase powers. The notice states that the Acquiring Authority is willing to agree a price to buy the property.
Order Limits	Land shown on relevant plans as land subject to the compulsory acquisition powers provided within the DCO once consented.
Option to Tax	If you own a commercial property, you can choose to "opt to tax" it. This means you elect to charge VAT (usually at 20%) on rent or sale of the property — even though commercial property is normally exempt from VAT.
	By opting to tax, you can usually <b>reclaim VAT on related expenses</b> , such as professional fees. If you have opted to tax a property, you'll need to provide a copy of your <b>HMRC Option to Tax form</b> when submitting a claim involving VAT.

Term	Description
RICS	The Royal Institution of Chartered Surveyors (RICS). The RICS is a worldwide professional body that promotes and enforces the highest international standards in valuing, managing, and developing land, real estate, construction, and infrastructure. For RICS advice on compulsory purchase, please go to:  rics-consumer-guide-compulsory-purchase.pdf (ricsfirms.com)
Statutory Blight	The Secretary of State has issued Safeguarding Directions for EWR. As well as helping to protect the land needed for our proposals, issuing a Safeguarding Direction means the Statutory Blight regime is triggered under section 149 and Schedule 13 of the Town and Country Planning Act 1990. Where Statutory Blight applies, a 'Blight Notice' may be served on EWR and, if accepted, EWR would compensate for the acquisition of the land/interest on compulsory acquisition terms.
Unblighted Market Value	The value of the property as if there were no proposals for EWR.
VAT	Value Added Tax (VAT) is a tax added to most products and services sold by VAT-registered businesses.

## Appendix 1 – Summary Table of Fees

Fee Type	Fees Payable
Certificate of Appropriate Alternative Development (CAAD)	Payment of fees in accordance with Statutory Compensation Framework.
Consultation	Reasonable agent fees supported by evidence.
Farm Business Interviews	Flat Fee £250 plus VAT.
Land acquisition	Reasonable agent fees supported by evidence.
Land Interest Questionnaires	EWR Co will not normally reimburse professional fees for the completion of an LIQ. However, please do speak to us if there are circumstances that should be considered in a particular case.
Part 1 claims	Payment of fees in accordance with Statutory Compensation Framework with payment of the compensation.
Survey (Access Agreement)	A fixed amount as set out in the respective licence or reasonable fees, with supporting evidence.
Statutory Blight	With a submitted and accepted Blight Notice we would pay your reasonable agent and legal costs in accordance with the statutory framework. Interim payments can be considered in accordance with agreed milestones up to and including completion of the acquisition, as set out in this Guide (Section 8).
	Payment of fees in accordance with the statutory compensation framework on completion of the acquisition.
	Any discretion regarding any interim payment of fees for temporary possession to be agreed in advance.
	Where advance payment of compensation is made, we will also pay 90% of agent fees and reasonable legal fees for work in connection with your advance payment.