

**Heathrow Expansion**  
**Land Acquisition and Compensation Policies**  
**Interim Property Hardship Scheme<sup>1</sup>**  
**Panel Guidance**

**1 INTRODUCTION**

- 1.1 This document contains the Panel Guidance for the Interim Property Hardship Scheme (“PHS”) which has been introduced by Heathrow in connection with its proposals for the development of a new north-west runway at Heathrow Airport currently being prepared for application for development consent (the “Project”).
- 1.2 The PHS aims to assist eligible property owners who have a compelling need to sell their property but have been unable to do so, except at a substantially reduced price, as a direct result of the proposals for the Project and as a consequence are facing significant hardship. Under the PHS, property owners who can demonstrate that they meet certain eligibility criteria will be able to have their property purchased by Heathrow at its unaffected open market value (i.e. the market value ignoring any adverse effect from the Project). In circumstances where the subject property falls wholly or partly within the boundary of the designated Airports National Policy Statement (the “ANPS Site Boundary”) the criteria has been amended and subject to meeting that criteria in addition to the market value of the property the applicant will also receive an offer of the enhanced compensation as currently set out in the discretionary compensation policy for properties located in the CPZ. This amendment applies from 26 June 2018.
- 1.3 The PHS is one of the discretionary policies that Heathrow is putting in place for those whose properties are within the area most affected by the Project or, with an interest in land required for the Project. Our discretionary policies are intended to supplement and operate in parallel with the existing statutory regime governing compensation for the compulsory acquisition of land. This PHS policy goes beyond the statutory compensation regime.
- 1.4 An application under the PHS will be assessed by a majority independent panel (the “Panel”) to determine whether or not the eligibility criteria have been satisfied. The Panel will make a recommendation to Heathrow either to accept the application and offer to purchase the property or reject the application. Heathrow will then be responsible for deciding whether to accept or refuse an application. Heathrow must follow the recommendation of the Panel, except Heathrow may (in its absolute discretion) accept an application which the Panel has concluded does not meet all of the criteria, and which it has therefore recommended be refused, in circumstances where Heathrow consider there is a strong overall case for doing so.
- 1.5 This Panel Guidance sets out the operating procedures and working arrangements of the Panel. It has been produced not only to guide the Panel but also to ensure that applicants understand the procedures by which the Panel will operate when assessing applications under the PHS and making recommendations to Heathrow. The Panel Guidance should be read in conjunction with the ‘Property Hardship Scheme – Policy Terms’.
- 1.6 The PHS and this Panel Guidance was included in the consultation with local communities and stakeholders as part of the first phase of consultation on the Project which took place in early 2018. Heathrow believed it was important to have a scheme

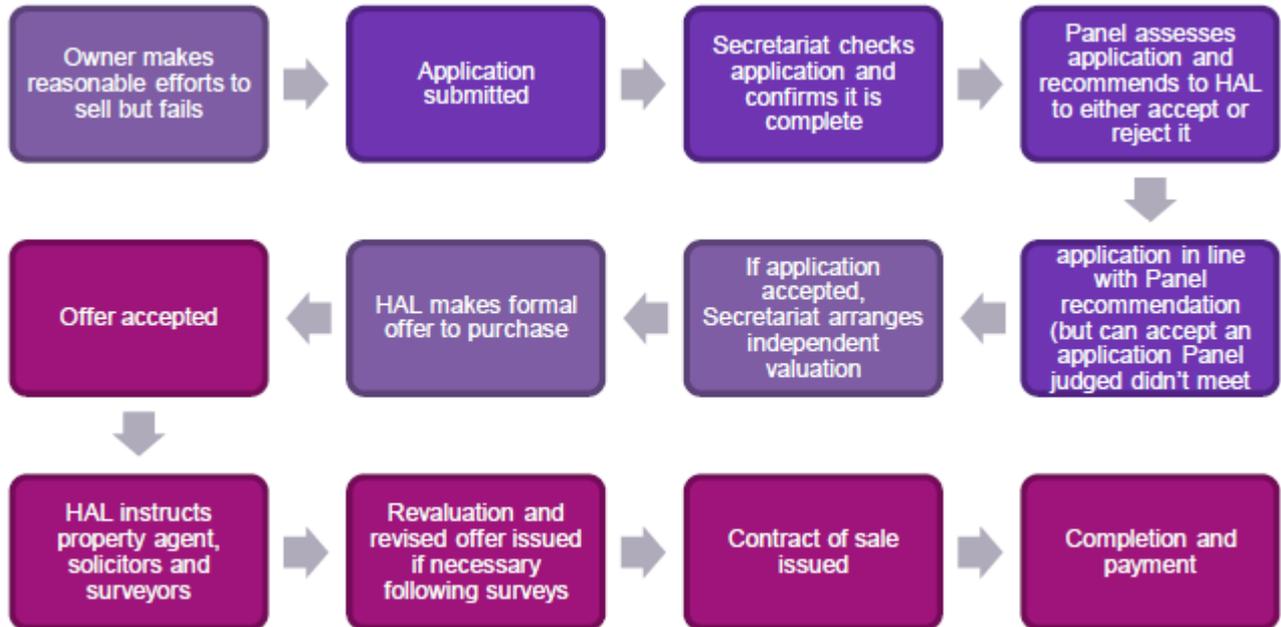
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<sup>1</sup> Updated on 26 June 2018 and supersedes all previous versions

available in the interim period before this consultation took place in order to assist any property owners facing significant hardship. Heathrow is reviewing the Consultation feedback and the PHS and this Panel Guidance may be further revised as appropriate.

## 2 OUTLINE OF PROCESS

2.1 An overview of the PHS process is set out in the flowchart below:



2.2 It should be noted that the PHS is a paper-based process. Applicants are expected to provide documentary evidence in support of their application.

## 3 PANEL PROCEDURES

### 3.1 Membership

3.1.1 The Panel is a majority independent panel. For each application made under the PHS, the Panel will be made up of five members comprising three independent members, one senior representative of Heathrow and one airline representative.

3.1.2 A pool of suitably qualified and experienced Panel members has been established to include a number of independent members who may be called upon to sit on the Panel when it meets to consider an application. This means that the independent members in attendance at Panel meetings will vary according to availability.

3.1.3 The role of Chair for each Panel meeting will rotate between the independent members. The responsibilities of the Chair are explained in section 3.11 below.

### 3.2 Quorum

The quorum for all meetings of the Panel is five members, which must include three independent members.

### 3.3 Secretariat

3.3.1 The PHS will be administered by a Secretariat funded by Heathrow. The Secretariat will manage the processing of applications, support applicants in ensuring that

applications are complete and contain the required information, provide administrative support to the Panel and oversee the proper functioning and operation of the PHS process. The Secretariat will not be involved in assessing the merits of individual applications or in determining the recommendation to be made by the Panel.

3.3.2 In particular, the Secretariat will be responsible for:

- (a) developing and maintaining a system for managing applications, including ensuring compliance with data protection laws;
- (b) receiving, processing and checking applications;
- (c) dealing with information received from applicants, including verifying information submitted as part of an application;
- (d) notifying applicants as to whether or not their application has been completed correctly and is valid for assessment by the Panel;
- (e) convening Panel meetings and supporting the Panel members before and during the meeting;
- (f) preparing summary reports for each application (in the form of the template in Appendix 1) and providing these summary reports to Panel members before Panel meetings along with all supporting evidence and the other information referred to in paragraph 3.3.3 below;
- (g) informing the Panel of any previous recommendations and decisions made in relation to the applicant;
- (h) producing a formal note after each meeting that records the recommendation of the Panel with respect to each application considered at the meeting and the supporting reasons for that recommendation, and clearing this with the Panel;
- (i) sending the agreed minute to the relevant decision-maker at Heathrow;
- (j) conducting spot checks on the provenance of evidence provided by applicants to ensure its legitimacy;
- (k) notifying applicants of the decision made by Heathrow in relation to their application;
- (l) seeking legal advice as necessary; and
- (m) administering the valuation and purchase process by: obtaining property valuations where the decision is to offer to buy the applicant's property; calculating and communicating the offer; and where an offer is accepted instructing property agents and solicitors to progress the purchase process.

3.3.3 The Secretariat will provide the following information to the Panel to assist in consideration of an application:

- (a) the application and supporting evidence;
- (b) the summary report in respect of the application (see Appendix 1);
- (c) any previous recommendations and/or decisions relating to the applicant;
- (d) the Property Hardship Scheme Policy Terms and Panel Guidance;

- (e) geographical information relevant to the property location; and
- (f) any legal or other advice it has obtained on an application before the meeting (which will also be provided to the applicant).

3.3.4 The Secretariat will advise on the procedures of the PHS. It can pause the Panel meeting at any time to ensure the correct operation of the meeting, to clarify the correct interpretation of criteria (subject to paragraph 3.3.5 below), to help Panel members find information within a case file or for any other reason at their discretion to ensure the correct operation of the scheme.

3.3.5 The Secretariat staff cannot give their opinion in relation to the merits of an application at the Panel meeting, guide the discussion in terms of what the Panel's considerations must be or become in any way involved in the making of recommendations.

3.3.6 The recommendations are the Panel's alone. The Secretariat can advise on whether wording and phrases are appropriate for inclusion in the recommendation to the decision maker, because this will also be visible to applicants.

### 3.4 Terms of reference for the Panel

3.4.1 The role of the Panel is to assess an application made by a property owner under the PHS and determine whether or not the eligibility criteria have been satisfied. On the basis of that assessment, the Panel must make a recommendation to Heathrow either to accept the application and offer to purchase the property or reject the application. The eligibility criteria are set out in section 3 of the 'Property Hardship Scheme – Policy Terms' which is available by contacting Heathrow via email on [communityrelations@heathrow.com](mailto:communityrelations@heathrow.com) or via phone on 0800 307 7996.

3.4.2 When making recommendations against each individual criterion for each application, the Panel should consider the specific wording of that criterion as set out in the Policy Terms. If the Panel raises queries about the meaning or application of the eligibility criteria, the Secretariat may need to seek legal advice to ensure that the PHS criteria are properly applied by the Panel.

3.4.3 All members of the Panel must apply the criteria set out in the Policy Terms consistently and exercise sound judgement in order to ensure that applicants are treated fairly.

3.4.4 In the event that an application is rejected due to a failure to satisfy the eligibility criteria, the applicant can reapply under the PHS if there has been a material change in their circumstances or they are able to provide new or additional evidence that is relevant to the reason(s) why the original or previous application was refused. However, reapplications cannot be submitted (and will not be processed by the Secretariat) until three months have passed from the date on which the original or previous application was refused. Reapplications that come before the Panel should be assessed on the following basis:

- (a) A reapplication that is submitted within six months of refusal need only address the criteria that were not met by the previous application and should be considered by the Panel against those criteria only.
- (b) Where a re-application is submitted more than six months after refusal, the application must address all of the eligibility criteria and the Panel will not be bound to follow the conclusions of the Panel that considered the earlier application or the decision of Heathrow in relation to the eligibility criteria. However, if the factual circumstances pertaining to an individual criterion have not changed since the earlier criterion, the Panel may in its discretion take into account the earlier Panel's conclusion should the Panel consider it appropriate to do so.

- 3.4.5 In carrying out its duties under the PHS the Panel must have regard to the principles of procedural fairness.

### 3.5 **Recommendations**

#### *Determining recommendations*

- 3.5.1 The Panel will determine its recommendation for each application on a simple majority basis. This means that the Panel's recommendation will be based on the views of at least three of the five Panel members. The Chair of Panel will not have a casting vote and his or her view will carry no additional weight.

#### *Making recommendations*

- 3.5.2 The recommendation of the Panel will be drafted by the Secretariat to give effect to the Panel's conclusions following each Panel meeting and cleared by the Panel. This recommendation will be set out in a formal note of the meeting (the "recommendation report"). The substance of the recommendation report in respect of any individual criterion or the overall application cannot be altered after the meeting. Only the detail of the wording can be changed (i.e. in an editorial context). The recommendation report will be sent to the relevant decision-maker within Heathrow.

- 3.5.3 The recommendation report must include reasoning for the conclusions reached in respect of the eligibility criteria. Panel members should provide sufficient detail for the applicant to understand why the recommendation has been reached. Where an application is rejected under a criterion and the reason or part of the reason for this is a lack of evidence, the recommendation report should set out as much detail as possible with respect to what evidence would have reasonably been expected to overcome the deficiency.

#### *Where the Panel members do not all agree*

- 3.5.4 The Panel is not asked to reach unanimous agreement on any criterion or on an application overall. Where a Panel member disagrees with the recommendation by the majority of the Panel on an individual application, and feels strongly enough about this to believe that Heathrow should be made aware of their view, that member may require that its view be included as a separate section of the recommendation report to Heathrow. Such separate section will be known as a "minority report". This is optional and not expected simply because all five members do not agree. Any request to include a minority report in a recommendation report must be openly declared during the consideration of the case at the Panel meeting and the reasoning and proposed wording presented to the other members and the Secretariat, so that it can be recorded as part of the recommendation report. It is therefore not possible to decide to submit a minority report after the meeting has ended.

#### *Decision on the application*

- 3.5.5 Heathrow will be responsible for deciding whether to accept or refuse an application based on the recommendation of the Panel. Heathrow will be bound to follow the recommendation of the Panel, except that Heathrow may (in its absolute discretion) accept an application which the Panel has concluded does not meet all of the criteria, and which it has therefore recommended be refused, in circumstances where Heathrow considers there is a strong overall case for doing so.

### 3.6 **Frequency of Panel meetings**

The Secretariat convenes meetings of the Panel, the frequency of which shall be determined by the number of applications received in any three-month period. A meeting will generally be held on a single day with preparation that morning, but there

may need to be some flexibility on this depending on the volume of applications. Where there are no applications to consider at a certain meeting, that meeting will be cancelled with as much advance warning as is possible.

### 3.7 **Attendance at Panel meetings**

Panel Meetings are held in private and only the Secretariat and the Panel members will attend them. The Secretariat will agree which members from the pool of Panel members will attend which meeting, taking into account members' availability and ensuring as far as possible that meetings are evenly distributed between them. The aim will be to agree attendance at least two weeks before any meeting.

### 3.8 **Documentation, preparation for and follow up from Panel meetings**

3.8.1 On the morning of a Panel meeting, the relevant Panel members will be provided with individual copies of the case files relating to the applications to be considered. To ensure data security the case file documents will only be provided to Panel members in hard copy form at Heathrow's offices and may not be taken off site. Panel members will be required to hand back all papers at the end of Panel meetings and may not take or keep copies of any papers comprised in the case file. The case file in respect of an application will include the following:

- (a) the summary report of the application (template attached in Appendix 1) that will have been prepared by the Secretariat;
- (b) a copy of the application form and supporting documentation;
- (c) any legal or other professional advice obtained by the Secretariat to assist the Panel in making its recommendation;
- (d) the Property Hardship Policy Terms and Panel Guidance
- (e) any previous recommendation or decision relating to the applicant.

3.8.2 Panel members will also be sent the agenda for a Panel meeting in advance, in the form of the template attached at Appendix 2.

3.8.3 Panel members must only use the information contained in the case file that is given to them by the Secretariat in preparing for the meeting, and in the meeting. Panel members should not use internet searches or other forms of background research to add information or understanding of information to the documentation provided as part of the case file.

3.8.4 The timing for a Panel member's preparation will be agreed beforehand and a room will be booked for independent members where the documentation can be reviewed. This is likely to take place on the morning of a Panel meeting. Panel members should expect to spend at least three hours reviewing cases, in a single slot. On occasion, if there is only a very small number of cases to be considered, the Secretariat may suggest a shorter period of preparation time. If the volume of cases is high, for example six or more cases, independent members should expect to spend more time reviewing the cases in advance of the meeting.

3.8.5 The Secretariat will limit the maximum number of cases that could be considered in one day by the Panel. The current maximum that will be worked to is 8-10 cases, but this is dependent on the complexity of the cases and the amount of information submitted. The decision on the number of cases will be made at the Secretariat's discretion, after careful consideration of the time it expects that the Panel will need to spend on the review and discussion of each case.

- 3.8.6 All material reviewed must be returned to the Secretariat for safekeeping following each member's preparation time. This will include the Panel member's own copy of the case file with any notes they may have made on it. The Panel members' files will be returned to them at the beginning of the Panel meeting.
- 3.8.7 A Panel meeting cannot take place until each of the Panel members are comfortable that they have had sufficient preparation time, and have confirmed to the Secretariat that they have reviewed and acknowledged the full contents of all of the case files to be reviewed at the meeting. This will also be confirmed by the Chair at the meeting. It is therefore possible that the start of a meeting might be delayed from the planned time in order to make sure that this is the case.
- 3.8.8 Following each Panel meeting, the Secretariat will draft the recommendations of the Panel. Panel members will be asked to review the recommendations within a reasonable time frame, usually a maximum of two days.

### 3.9 **Security**

- 3.9.1 Once the Secretariat has prepared the draft recommendation report, it will be sent to Panel members by email in order for it to be approved. The draft recommendation report and the summary forms with the Panel member's notes will be password protected before being sent to them. The Panel members will be made aware of the password at the Panel meeting.
- 3.9.2 Any communications regarding recommendations should not be printed, downloaded, forwarded to other email addresses or saved onto any type of computer, media or communication device. The email address provided to the Secretariat for the purpose of receiving the documents for the review of the recommendations must belong solely to the Panel member. Email addresses that are set up for the sending and receiving of emails for another individual in addition to or instead of the Panel member cannot be used. This includes email addresses that are accessible by spouses, partners, children or other family members of the Panel member.
- 3.9.3 Passwords to open documents sent must not be disclosed to any other person, including personal assistants, partners or family members; and must not at any time be left unattended or in the care of others.
- 3.9.4 Panel members' own copies of the case file with any notes on it will be retained by the Secretariat until Heathrow's decision on the case is finalised. Following this, the copies will be destroyed as they will no longer be required. Copies of all other documentation in the case file will be made and retained by the Secretariat, and any original documents supplied by the applicant will be returned to the applicant after a decision has been made on their application.
- 3.9.5 The Secretariat will not disclose to applicants or their advisors or representatives the names of individual Panel members appointed to their case, or of the decision maker at Heathrow who made the decision. There is no benefit to an applicant in knowing the names of the Panel members. There is no mechanism by which applicants would be able to contact Panel members directly and the Secretariat will not enable any communication between applicants and Panel members. There should not be any direct communication between Panel members and applicants in any circumstance. Heathrow will act immediately to intervene in any communication in either direction and ensure that Panel members are not exposed to any risks as a result.

### 3.10 **Conflicts of interest**

It is the responsibility of Panel members to declare any actual or perceived conflicts of interests on a case-by-case basis at the beginning of each meeting. This will be facilitated by the Chair. Should such conflict of interest arise, handling of the application will be postponed to the next Panel meeting and arrangements will be made to ensure the Panel member with the conflict of interest does not evaluate that

application. As soon as a Panel member becomes aware of a conflict of interest, for example on opening a case file during the preparation, they must report this to the Secretariat immediately.

### 3.11 **The role of the Chair**

3.11.1 The Chair at a Panel meeting will be one of the three independent members, selected on a rotational basis.

3.11.2 The Chair's view does not carry any additional weight to the other members. The responsibilities of the Chair at Panel meetings are as follows:

- (a) to ask each Panel member in turn to confirm, as well as confirming themselves, whether:
  - (i) the Panel member has any conflict of interest in relation to any of the applications on the agenda;
  - (ii) the Panel member has thoroughly read and acknowledges each and every page of the case file for each application on the agenda and is comfortable that they had enough time to do this; and
  - (iii) the Panel member can therefore sign the declaration page of their notes in relation to each application;
- (b) to ask the Secretariat member in attendance whether there are any announcements or updates for the information of the Panel;
- (c) to be mindful of, and to take responsibility for, pausing the meeting at any point if there is doubt over the fact that individual Panel members have read and acknowledged each and every page of an application. The Chair has the responsibility of ensuring a set of high-quality, robust and appropriate recommendations are provided at the end of the meeting. If any doubt arises over the acknowledgement, absorption or understanding of the material in an application, for them or in relation to other Panel members, the Chair must pause the meeting and time must be taken to fully rectify the situation, with assistance from the Secretariat if required;
- (d) to ensure that the recommendations recorded by the Secretariat at the meeting (by way of the Secretariat interacting with the Panel members to confirm the recommendations) comprise only of appropriate, respectful and suitable language;
- (e) to ensure that the recommendations take full account of all of the information submitted by the applicant in the case file; and
- (f) to ensure that the recommendations reflect an accurate acknowledgement of the information submitted by the applicant and do not contain factual errors.

3.11.3 The Chair should ensure that the Property Hardship Scheme Policy Terms are properly applied.

3.11.4 The Chair or any other Panel member can and should ask for advice or assistance from the Secretariat, at any point before or during the meeting.

**Appendix 1  
Summary Report Template**

Case number:	
Initials:	
Address:	
Date of application receipt:	
Date of PHS Panel meeting application is submitted to:	

<b>PHS Criteria</b>	<b>Applicability to Applicant</b>	<b>Documentary Evidence</b>	<b>Notes (for panel member)</b>
Qualifying Interest (Heathrow summary)			
No prior knowledge (Heathrow summary)			
Proximity (Heathrow summary)			
Efforts to sell (Heathrow summary)			
Hardship (Applicant's own wording, anonymised)			

## Appendix 2 Panel Meeting Agenda Template

**Heathrow Airport Ltd**

**PHS Panel Meeting**

*Date:*

*Time:*

*Location:*

**Panel Members:**

Chair (Independent):

Independent:

Heathrow Airport Ltd:

**Secretariat:**

[•]

[•]

**Agenda**

- 4 Chair's standing items:
  - (a) Confirmation of no conflict of interest
  - (b) Assurance of preparation from all Panel members
  - (c) Any questions concerns arising and AOB
- 5 Preliminaries/notices (PHS Secretariat)
- 6 PHS Applications:

Number	Name	Criteria
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- 7 Confirmation of recommendations (PHS Secretariat)

**Declaration**

I confirm that I attended the Panel meeting on DD MM YYYY. I declare that I have no conflict of interest in relation to the above case(s) and I confirm I have read and acknowledged every page of the above case file(s):

Chair: Sign: .....Date:.....

Independent Sign: .....Date:.....

Independent Sign: .....Date:.....

Heathrow Sign: .....Date:.....

Airline Sign: .....Date:.....