

HS2

High Speed Two

Policy on the Limitation Period for compulsory acquisition compensation claims

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Background

We, High Speed Two (HS2) Limited (HS2 Ltd), acting on behalf of the Secretary of State for Transport (SoS), have bought a significant amount of land and property to build, run and maintain the proposed HS2 railway.

The law places a limit (the limitation period) on the time you have to refer a claim for compensation to the Upper Tribunal (Lands Chamber) if we have compulsorily purchased your land for the railway. Compulsory purchase is a legal process where land or property can be bought or occupied without the permission of the owner or occupier.

This policy sets out how we apply limitation in relation to compulsory purchase claims. It includes the date we consider the limitation period to run from, as well as broad details of how we aim to deal with claims where the limitation period runs out.

Disclaimer

Putting the legislation into practice can be complex. The information in this policy is for guidance only and to make our policy clear. It is not a substitute for professional advice. You do not have to use this information and we will not accept any liability over how it is interpreted.

We do not have any legal obligation or requirement to tell you when the limitation period is due to end. We will not commit to contacting you or accept any liability resulting from failing to tell you that you can make a claim. It is the responsibility of you (and your professional advisor) to take appropriate steps to check whether you can claim.

If you have any questions about your case, you should consult your professional advisor first, or you can contact your HS2 Ltd case manager. It is important that, if you are directly affected by proposed or actual HS2 work, you get professional advice on compulsory purchase and compensation. Professional fees are usually refunded once the property has been purchased by the SoS. You can find out more about HS2 Ltd's Claimant's Professional Fee Policy at <https://www.hs2.org.uk/about-us/our-documents/claimants-professional-fee-policy>

Our commitment

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

1 Introduction

- 1.1.1 If you have received a compulsory purchase notice from us or we have accepted a blight notice from you (the formal application asking us to buy your property), the level of your compensation will need to be agreed between you and us or decided by the Upper Tribunal.
- 1.1.2 This policy applies where you have a right to refer a dispute about compensation to the Upper Tribunal. This includes claims following our temporary possession and occupation of your land (under schedule 16 of the High Speed Rail (London – West Midlands) Act 2017 or schedule 15 of the High Speed Rail (West Midlands – Crewe) Act 2021, and work authorised by schedule 2 of both Acts.
- 1.1.3 It does not apply to:
- our non-statutory property schemes (those we do not have to offer by law), including Voluntary Purchase, Need to Sell, Rural Support Zone, Homeowner Payment, Streamlined Residential Blight, Prolonged Disturbance Compensation Scheme, Shimmer Cash Offer Scheme and Shimmer Relocation Assistance Scheme;
 - minor claims related to construction;
 - disputes over whether we have used our powers properly;
 - disputes to do with undertakings and assurances; or
 - assessing compensation that has been paid in advance.

2 The limitation period

- 2.1.1 If land is permanently required for HS2, it will be taken using the procedures identified within the Compulsory Purchase Act (1965) (through a notice to treat or notice of entry) or the Compulsory Purchase (Vesting Declaration) Act 1981 (through a general vesting declaration). Under the former, limitation is governed by the Limitation Act 1980, which states that: "An action to recover any sum recoverable by virtue of any enactment shall not be brought after the expiration of six years from the date on which the cause of action accrued." (See 2.1.3 below for an explanation of this.)
- 2.1.2 Under the latter, limitation is governed by the Compulsory Purchase (Vesting Declaration) Act 1981. Section 10 (3) of that Act is referred to in the table below.
- 2.1.3 If we have compulsorily purchased or taken temporary possession of your land or property (or part of it) and have not been able to agree your claim for compensation, you have six years to refer your claim to the Upper Tribunal. They will decide how much compensation you should receive.
- 2.1.4 If we have taken permanent possession of your property (taken your land permanently under a general vesting declaration, notice to treat or notice of entry, or by accepting a blight notice), the date that the six-year period starts varies, depending on the method we used to obtain your property. This is explained in the following table.

Method	Date the limitation period starts (when you can claim from)
General vesting declaration (GVD)	<p>Section 10 (3) of the Compulsory Purchase (Vesting Declaration) Act 1981 says that where land has been obtained by a GVD, the limitation period begins: "from the date when the person claiming compensation, or a person under whom he derives title, first knew, or could reasonably be expected to have known, of the vesting of the interest".</p> <p>This will usually be the date that ownership of your property legally passes to the SoS (the vesting date). This gives us the right to enter and take possession of your land. We will have told you the vesting date for your property in the correspondence we send you.</p>
Notice to treat (NTT) or notice of entry (NOE)	The date we can enter your property following us serving a notice to treat or notice of entry.
Blight notice	In most cases where we have accepted a blight notice, the SoS will agree to buy your property once you have received the agreed amount of compensation. There is no limitation period because compensation has already been agreed and paid.

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Method	Date the limitation period starts (when you can claim from)
	<p>If the purchase does not go ahead on this basis, the date that the six-year limitation period will be triggered will vary depending on the different circumstances set out below:</p> <ul style="list-style-type: none"> • If we serve a notice of entry, limitation will run from six years from the date we entered the property. • If we agree to buy the property before all the compensation has been agreed and paid, the limitation period may depend on the terms of that agreement. You may need to take advice from your agent about this or contact your HS2 case officer. • If you have rented your home after selling it to the SoS through our Rent Back Scheme, you can claim from the date the SoS completed the acquisition of your property. • If a general vesting declaration (GVD) is served on land that has a blight notice (for example, if compensation is not agreed before we need the land, or if there has not been time to complete the conveyancing), the date you can claim from for the land covered by the GVD will usually be the vesting date (as set out above).

2.1.5 If we temporarily possess your land, the Neighbourhood Planning Act 2017 (NPA 2017) states that:

“For the purposes of section 9 of the Limitation Act 1980, a cause of action for compensation under this section which, apart from this subsection, would accrue before or during a period of compulsory temporary possession for which notice is given under section 20 is to be treated as accruing on the last day of the period.”

2.1.6 This means that the six-year limitation period begins from the last day we are in temporary possession of your land or property. Because the NPA 2017 came into force after the High Speed Rail (London – West Midlands) Act 2017, point 2.1.4 above does not strictly apply to temporary possessions made under that Act.

2.1.7 As a result, there could be some uncertainty about when the limitation period begins for compensation claims relating to land we temporarily possess in Phase One of the scheme (using the powers granted within the High Speed Rail (London – West Midlands) Act 2017).

2.1.8 So, we have decided to follow the position set out in the NPA 2017 regarding compensation claims for temporary possession under the High Speed Rail (London – West Midlands) Act 2017. That is, if a claim goes to the Upper Tribunal, we will not argue that the limitation period of six years should start any earlier than the date our temporary possession of your land ends. This means that the limitation period will begin six years after the last day of temporary possession.

3 Our policy

- 3.1.1 In most cases, we expect compensation will be settled and paid well before the limitation period runs out.
- 3.1.2 However, there might be circumstances where all or part of the compensation has not been settled and neither we nor you have referred the matter to the Upper Tribunal.
- 3.1.3 We have the right to use limitation as a defence if your claim is referred to the Upper Tribunal after the end of the limitation period.
- 3.1.4 In cases of compulsory purchase, we will treat the limitation period as ending six years from the date you can claim from, in line with the table below 2.1.4.
- 3.1.5 In cases of temporary possession, we will treat the limitation period as ending six years from the date we hand your land back.
- 3.1.6 However, we recognise that both you and we might have convincing reasons for wanting to extend the limitation period. In these circumstances, we may agree to extend it for a specific length of time or suspend it. This might include where we have provisionally agreed compensation, but it hasn't yet been paid and documented. (We would normally enter into a deed of receipt or a deed of full and final settlement of any compensation.)
- 3.1.7 We accept that the date the limitation period ends might be difficult to establish, particularly if many notices have been served. In these circumstances, you should contact your agent to find out the relevant date.