

Land and Property

Guide to the proposed Need to Sell Scheme

Share Your Views

March 2021

This document provides you with information and seeks your views on our proposals for a discretionary purchase scheme, the Need to Sell Scheme. The proposal is that the scheme be introduced when the preferred route alignment for the railway is announced later this year, but it is subject to further consideration, including of any responses to this consultation.

On submission of an application for a Development Consent Order, owner occupiers of certain property would be able to ask us to buy their property by submitting a statutory blight notice. This is explained in our leaflet, The Guide to Statutory Blight Notices. However, we know that publishing our plans could potentially affect people needing to sell their land or property ahead of this. We are consulting on a Need to Sell Scheme that, if introduced, would aim to support owner occupiers in this position.

Under the proposed scheme, you would be able to apply for your property to be purchased at its unaffected market value if:

- You are an owner occupier of a home, small business or farmhouse
- You have a pressing need to sell and would suffer severe hardship if you are unable to sell
- You are unable to sell except at a substantially lower value due to the EWR project

The details of our proposed scheme are set out in the following sections, along with details of how you can give us your view.

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What is East West Rail?

East West Rail is a proposed new rail link, which would connect communities between Oxford, Milton Keynes, Bedford and Cambridge. By making it cheaper and quicker to get around, by making it easier to develop more homes for people and by boosting local economies, the new railway line aims to create a range of opportunities for people right across the area and to help spread prosperity across the UK, by supporting opportunities for economic growth in towns and cities outside London.

The East West Railway Company (EWR Co) is responsible for developing the East West Rail Project and was created to plan a railway with customers and communities at its core. The project is being delivered in stages. Trains are already running between Oxford and Bicester, and we aim to have trains running the full length of the line between Oxford and Cambridge by the end of the decade.

Further information about East West Rail can be found on our website:

www.eastwestrail.co.uk



Figure: EWR route between Oxford and Cambridge

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Introduction

We are still in the early stages of developing our designs for the railway, and will go through a number of development stages and approvals before the details of the project are fully agreed. An outline of the development stages we will move through before we would start constructing your new railway can be found in our Route to Construction. This includes two more periods of consultation. For more details, please see the section on further information at the end of this document. Where we identify that land would be required, we want to work with you to identify ways in which we would minimise any negative impacts and mitigate any impacts we cannot avoid. While we don't yet know for certain which land or property would be needed for the project, we know that publishing our plans could affect people needing to sell their land or property. This is a matter we take seriously. Although it is not a legal requirement at this stage of the Project's development, we have published proposals for a discretionary purchase scheme, the Need to Sell Scheme.

The proposed Need to Sell Scheme would be aimed at owner occupiers who can show that they have a pressing need to sell but are unable to do so except at a substantially lower price as a result of the EWR project from the point of Preferred Route Alignment.

Tell us what you think of our Need to Sell scheme

We would like to hear your views on these proposals for the Need to Sell Scheme and whether this is the right way for us to support those whose land and property could be affected by the publication of our plans for East West Rail. Full details on how you can respond and the deadline for responses, will be available on our website:

www.eastwestrail.co.uk. These details are also described at the end of this document.

We will confirm the decision on the proposed scheme as part of our consultation response.

What is the Need to Sell Scheme?

At this stage, this is a proposal on which we are seeking your views, and which we will be considering further, including in light of responses to consultation. The proposed Need to Sell Scheme is a discretionary purchase scheme that would be offered by East West Rail to support owner occupiers, who are unable to sell their property, except at a substantially lesser value, due to the project.

To apply you would need to show that you have a pressing need to sell but are unable to sell your home, farmhouse or small business except at a substantially lower value than it would achieve without the EWR proposals.

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When should it apply?

We propose to introduce the Need to Sell Scheme when the preferred route alignment for the railway is announced, but it is subject to further consideration, including of any responses to consultation.

Our proposals for the Need to Sell Scheme would apply to those areas of the project included in an announcement of the preferred route alignment for the railway.

For the new railway between Bedford and Cambridge, an announcement of the preferred route alignment for the railway is expected later this year.

For improvements to the existing railway between Oxford to Bedford, we will further develop options where needed and identify preferred options/preferred alignments for each Project Section to be presented in the Statutory Consultation, which is expected in winter 2021/2022.

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Where should it apply?

Your property would not need to be in a fixed area or a set distance from the line of route of the EWR project but you would need to show that it's likely to be substantially affected by the EWR project. In assessing this we would consider various factors to establish whether the EWR Project causes a significant impact to the property, for example,

- the distance from the property of the proposed line of the new railway,
- the particular characteristics of the property
- the nature of its local area, including its position and surroundings
- the character of the railway line once it is completed (e.g. cutting or on a viaduct)

The EWR project includes those works required to deliver Connection Stage Two (Oxford to Bedford) and Connection Stage Three (Oxford to Cambridge). EWR Co will apply to the Secretary of State for Transport for a Development Consent Order (DCO) to authorise these works. The proposed works will include new railway infrastructure between Bedford and Cambridge, and the upgrade of the existing railway between Oxford and Bicester, to the Marston Vale Line between Bletchley and Bedford and to Bedford Station.

The below figure shows the EWR project at option consultation stage. Once preferred options have been identified, these Project Sections will form a single alignment for the railway between Oxford and Cambridge, for which we would seek development consent.

In assessing the potential for significant impact on a property we would consider the information published at the time on the EWR project including environmental information.

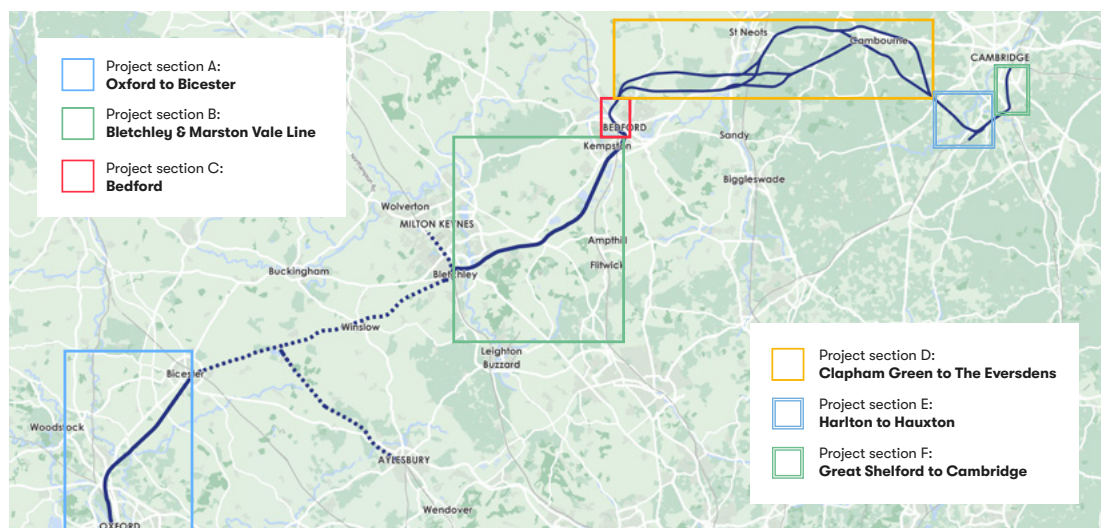


Figure: Sections of the route we are consulting on

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Who should it apply to?

To be eligible, you would need to be either a freeholder or leaseholder with at least three years remaining on the lease. You would be:

- A residential owner occupier of a private dwelling; or
- An owner occupier of business premises with an annual rateable value of not more than £36,000; or
- An owner occupier of an agricultural unit which must include a property that acts as a main home.

An owner-occupier is anyone who owns a property (either outright or with a mortgage) as a freehold or on a lease with a certain term (which has at least three years left to run) and uses it as their main home or place of business.

You may also be eligible if you are a:

- Mortgage lender with a right to sell the property and who can give immediate vacant possession.
- Personal representative of someone who has died who had one of the above qualifying interests at the time of their death.
- Reluctant landlord. A 'reluctant landlord' is someone who can show that they had a pressing reason to sell at the time they moved out of the property in order to avoid or escape an unreasonable burden, that letting the property would only relieve this burden temporarily, and they do not own another home.

We would not normally agree to purchase a property if information showing the EWR project impact was published before you purchased the property, for example, in proposals shown during a consultation.

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Would you need to try to sell your property?

Yes. You would need to be able to show that reasonable efforts have been made to sell the property at an unaffected market value, and that you have been unable to do so due to the EWR project. Generally, you would be able to show that the value of your property has been reduced by at least 15% as a result of the EWR project. You would also need to provide evidence that you have marketed the property for at least the last three months.

You would need to provide evidence that you have made reasonable efforts to sell the property, for example, you could demonstrate that:

- at least three recognised estate agents have been asked for advice on marketing the property, including what its realistic unaffected asking price should be
- the property has been on the market with at least one recognised estate agent for at least three months immediately before the date of the application
- all reasonable efforts have been made to sell the property, taking into account the current housing market (including testing more than one asking price)
- the EWR Project is the reason the property has not been sold or cannot be sold, other than at a substantially reduced value (e.g. 15% below unaffected market value), and this is known through feedback from viewings or people who have chosen not to view.

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Would you need to show that you have a pressing need to sell?

Yes. We would need to be satisfied that there is a pressing need to sell the property and that severe hardship would result if you were unable to do so. In most cases the pressing need to sell would need to be unrelated to the Project proposals. As a guide, the following situations may, depending on the individual circumstances, be considered as creating a pressing need to sell:

- A serious medical condition, loss of job or change of circumstance affecting income or ability to pay mortgage.
- A pressing need to move to larger premises due to expanding family.
- A pressing need to move to care for dependent family members.
- A relocation required for work or a new job.
- Divorce and dividing assets.
- Death and dividing assets.
- A serious medical condition requiring a move to a different property
- A medical condition seriously affected by the construction and operation of the EWR project

This list is not intended to be exhaustive and we would welcome views on any other specific examples you think could usefully be added as a guide.

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How we would deal with your application?

We would aim to decide applications within three months of receipt, providing they are fully completed. Some applications may take longer, but we would let you know if this is the case.

Once we received your application, we would contact you to confirm receipt and also check any details required. Once your application has been assessed, we would write to you and let you know the outcome.

We would undertake the following steps when assessing your application:

1. We would review your application to ensure all required information has been provided, this includes information to show you hold a qualifying interest in the property, that you have a pressing need to sell it, and that you haven't been able to sell your property except at a substantially reduced price due to the EWR project.
2. We would consider whether you had foreknowledge of the impact of the EWR project before you purchased the property and would be very unlikely to offer to purchase your property if you did.

If your application includes all required information, there are two assessments we would need to carry out:

1. We would need to be satisfied that you have a pressing need to sell the property and that severe hardship would result if you were unable to do so. To ensure this requirement is assessed fairly, we would ask an internal panel which would include representation from our Client Board, which has a key role to scrutinise decisions taken by the company. The panel would consider this part of the application and make a recommendation to us.
2. Where all other parts of the application are successful, we would carry out the valuation process which would involve two valuations being carried out; one by a valuer you choose, the other valuer will be from EWR Co's panel of RICS valuers. EWR Co will pay for both valuations. If the valuations are within 10% of each other, the agreed value we will be the average of the two (calculated by taking the difference between the two values as a percentage of the higher value). If the valuations differ by more than 10%, EWR Co will arrange a third valuation and take the average of the two closest valuations.

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What would happen next if your application was accepted

Where all criteria are met, we would offer to buy your property at its unaffected market value. Our independent professional valuer would negotiate and agree the value of the property with you.

If we accepted your application and offered to buy your property, our offer would be open for 1 month. The offer would also be subject to agreement on price and exchange of contracts within 6 months of the date of the offer. If you did not meet these timescales the offer to purchase may be withdrawn.

You would normally pay your own surveyor's costs, legal fees and moving expenses as these would have been incurred if you were selling to a third party.

In some circumstances these timescales may be varied, depending on the reason for your pressing need to sell. For example, if you needed to relocate due a medical condition which would be seriously affected by the construction or use of the railway, we would normally purchase the property at an appropriate time ahead of construction or operation of the railway.

The details set out in this document provide information on our proposed scheme and we would recommend that you seek independent professional advice if you think your property may be affected by our project.

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How you can tell us your views on our proposed Need to Sell Scheme.

Please tell us your views on the proposed Need to Sell Scheme, including the following questions:

1. Is the proposed Need to Sell Scheme the right way to support those whose land and property is affected by East West Rail or are there other forms of help we should offer?
2. Do you agree with the proposed criteria and parameters for the Need to Sell scheme as detailed in the document?
3. Do you have specific comments on:
 - a. Where the scheme should apply?
 - b. Who should be eligible for the scheme?
 - c. When the scheme should start and finish?
 - d. What applicants should be required to demonstrate in order to qualify for the scheme?
 - e. How applications are proposed to be dealt with?
4. Do you have any further views on Need to Sell that you would like us to consider?

You can share your thoughts with us on these questions by filling in our online feedback form at www.eastwestrail.co.uk/NTS-feedback.

Alternatively, you can download a physical copy of the feedback form from our website at www.eastwestrail.co.uk/the-project/land-and-property and:

- Return a paper copy to Freepost **EAST WEST RAIL LAND**
- Scan an electronic copy to land@eastwestrail.co.uk

For large print copies of this form or versions in alternative languages, please email contact@eastwestrail.co.uk or call **0330 838 7583**.

Please submit your feedback by 9 June 2021 when this consultation will close.

We will confirm the decision on the proposed scheme as part of our consultation response.

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Where can you find further information?

You will be able to contact our land team at any point during the project and you can contact us on the detail below and one of our landowner engagement team will respond:



- Email us at: land@eastwestrail.co.uk
- Call us on: **0330 838 7583**
- Send us a message online at www.eastwestrail.co.uk/get-in-touch

For further information you can also visit our website: www.eastwestrail.co.uk. This includes our Route to Construction which provides an outline of the development stages we will move through before we would start constructing your new railway. We have created a number of resources to provide further information for people whose land or property is potentially affected by our project. These can be found on the land and property page of our website:

www.eastwestrail.co.uk/the-project/land-and-property

These include guides on:

- Compulsory Acquisition and Compensation
- Statutory Blight Notices
- Part 1 Claims