

# Stansted Airport Consultative Committee - 22 June 2016

## Information Report: Land Compensation claims

### 1. Introduction

The Stansted Airport Consultative Committee (STACC) has received various reports on this issue over the years and considered a number of public questions. The last report was on 24 June 2014. This information report is to update STACC on recent progress with the issue.

### 2. Background

The June 2014 report set out the basic facts with regard to compensation, under 'Part 1' of the Land Compensation Act 1973. In particular, the two key issues - "physical factors" affecting a property and whether those factors then caused a diminution in the value of the property. If they did, compensation is payable for the 'loss' in value.

### 3. The 'public works'

The issue stems from a series of works carried out at Stansted between 1999 and 2007. These works were part of the planning permission for what was known as 'Phase 2' of Stansted's previous development programme. Phase 1 of that programme resulted in a number of compensation claims being settled by the previous owners, BAA, in the 1990s. The 'phase 2' works comprised:

- (a) Works to taxiways Juliet (from M to Y taxiways), Kilo (section K1, K3), Lima (section LR) and November (section N1, N3). These were constructed between December 1999 and April 2001. The works were in use by April 2001.
- (b) Construction of the Delta Cul-de-Sac aprons and stands. These were completed and brought into use by June 2001.
- (c) Construction of three of the Echo Cul-de-Sac stands. These were completed and brought into use by October 2006.
- (d) Works to Quebec rapid exit taxiway, brought in to use by March 2007.

### 4. 'Completion of the works'

Under the Land Compensation Act 1973, claims for compensation can be made from 12 months after the works are first brought in to use (termed the '*relevant date*'). However, since the mid-1990's, Stansted Airport Limited (STAL) was clear and consistent in advising local residents that Part 1 claims could, and should, not be made until the final completion of all the public works authorised by its Phase 2 planning permission. This largely comprised the construction of further aircraft stands to complete the full Echo cul de sac; the date for which gradually receded in to the future.

In late 2015, the Lands Tribunal addressed the '*relevant date*' issue in a similar case at Farnborough Airport. This was followed by a more recent preliminary hearing in relation to one of the claims that had already been lodged at Stansted by a local resident. As a result, STAL now acknowledges that claims do not need to be held back pending completion of the remaining works under 'Phase 2' of the previous planning permission.

## **5. Limitation**

It is a well-established principle that legal action in the Courts has to be taken within 6 years of the Act that gives rise to the action. This applies to Part 1 claims as much as any other litigation. As noted earlier, the *'relevant date'* for Part 1 claims is one year after completion of the works. This sets the 6 year period running; giving a limitation date of 7 years from completion of the works. On this basis any claims made are now 'out of time'.

## **6. STAL's position**

In the light of the Lands Tribunal's views, STAL have now been able to clarify its position on these two important matters of principle and issued a public statement on 9 June 2016. A copy of the press advert is attached.

STAL hopes the public statement will address the uncertainty that has been created around this issue.

## **7. Next steps**

As set out in the press notice; STAL will shortly publish further information about the timescale for lodging claims and the process to be adopted.

Making claims for compensation is a complex legal and technical issue. Claimants will normally wish to take their own specialist professional advice.

It is also an issue which includes the sensitive personal and financial circumstances of individuals. STAL will need to be mindful of these points in how openly it is able to discuss the issue.

**Stansted Airport Limited**  
**22 June 2016**