

Payment of Surveyors' Fees 2011



Introduction

Both National Grid Electricity Transmission plc and National Grid Gas plc, which trade under the name of National Grid, have equipment or assets on land owned by third parties. Sometimes additional land or rights need to be acquired by National Grid to undertake essential infrastructure works. This document sets out the basis for the assessment of surveyors' fees which would be reimbursed by National Grid, where the surveyors are retained by the landowners/occupiers in question. Please note these fees will be paid directly to the landowner/occupier.

The Fee Structure and new rates are effective from 1st January 2011.

Fees

- This Fee document is intended to provide a basis for assessing the appropriate reimbursement to a claimant, by National Grid, for Surveyors' fees reasonably incurred in respect of a claim for compensation for the acquisition of rights or for the granting of voluntary consent following the acquisition of such rights and the carrying out of all works in, on, over or under land. Unless specifically agreed, the Fee Structure will not apply to the acquisition of land. In such cases it will be up to the parties to agree a reasonable fee.
- There are two Fee Structures to be applied to different types of work carried out by National Grid.
- National Grid will pay a fixed fee for agreeing access and settling any damage claims for relevant minor site works to include boreholes, trial pits and other site investigation works.
- An appropriate fee will be agreed on an individual basis. A fixed fee will also be paid for agreeing injurious affection claims relating to existing apparatus for multiple claims affecting residential properties in one location.
- In certain cases National Grid may reimburse fees on a time charge basis, which should be agreed prior to commencement of the works. In assessing a fee on a time charge basis, it must be demonstrated that the fees proposed will have been properly incurred and are reasonable and proportionate to the claim. This is referred to in the RICS guidance note titled 'The calculation of fees relating to the exercise of statutory powers in connection with land and property' dated December 2006. The availability of the most appropriate local expertise should also be considered and accurate diary sheets will be required to assist in the assessment of a fee on this basis.
- Before the Surveyor undertakes work that does not obviously fall within the definition of either Table 1 or Table 2, the Surveyor should contact the relevant National Grid officer, or appointed National Grid agent, to clarify the position.
- In the event that National Grid abandons its works prior to carrying out the works, other than as a consequence of representations made by the claimant, the Surveyor's abortive fee will be reimbursed on a time charge basis. This shall not exceed the fee that otherwise would have been payable.
- The cost of the 'works', whether described as restoration, reinstatement, accommodation or scheme, proposed by National Grid and accepted by the claimant should not be added to the amount of the compensation for the purpose of calculating the fee.
- If one Surveyor were to act in respect of separate interests in the same property, and those interests were owned by connected parties as part of a business arrangement (e.g. family members, trustees/beneficiaries etc), National Grid will aggregate the compensation for the various interests for the assessment of the Surveyor's fee, if that is equitable in the circumstances of the case.
- The compensation under all heads of claim shall be aggregated and the fee assessed under the appropriate table.

Fees

Objections to Compulsory Purchase Orders, Necessary Wayleaves etc

The fee payable under this Fee Structure does not cover work in connection with objections to Notices of Entry, Compulsory Purchase Orders, Compulsory Works Orders and Necessary Wayleave Hearings. National Grid will only reimburse fees incurred in opposing their schemes in accordance with their statutory obligations.

References to Tribunals and Courts

Fees under this Fee Structure are exclusive of preparation of proofs of evidence and attendance at court or before any Tribunal or arbitrator.

Betterment

Where an amount of compensation payable has been reduced by set off for betterment the amount of the fee chargeable to the client shall be calculated on the amount of compensation otherwise payable before deduction of betterment.

Travelling and out-of-pocket expenses

Fees are inclusive of general office expenses (e.g. stationery, postage, telephone calls and photocopying). Travelling and other out-of-pocket expenses reasonably and necessarily incurred by the Surveyor in connection with the preparation and settlement of the claim will be payable in addition to the fee.

Fees on Fees

Fees should be calculated on the total amount of the compensation excluding fees incurred solely in connection with the preparation of the claim or settlement of the amount of compensation.

Value Added Tax

Where the Surveyor charges VAT, National Grid will reimburse it in so far as the claimant cannot recover it.

Fee Structures

Table 1 is to be used for works carried out by National Grid to inspect, repair, protect, renew, maintain and obtain a new consent for existing assets.

This table is to be used for agreeing the access routes and the negotiation and settlement of compensation claims on the completion of the works set out above and undertaken by National Grid and where necessary is to include a schedule of condition.

Fees relating only to any recurring crop loss claims i.e. in years following completion of actual construction works will be paid at 75% of this table.

This table is also to be used where the Surveyor negotiates the grant of an easement based only on the standard capitalisation of the annual wayleave payment; and will be paid at 50% of the figures in the table to the right.

Where an easement is negotiated with other heads of claim including injurious affection, then Table 2 should be used.

Table 1

Amount of Compensation	Fee
£1-£99	£214
£100-£149	£246
£150-£199	£287
£200-£249	£321
£250-£299	£360
£300-£349	£394
£350-£399	£430
£400-£449	£463
£450-£499	£503
£500-£599	£538
£600-£699	£572
£700-£799	£607
£800-£899	£646
£900-£999	£681
£1,000-£1,499	£715
£1,500-£1,999	£733
£2,000-£2,499	£749
£2,500-£2,999	£767
£3,000-£3,499	£790
£3,500-£3,999	£824
£4,000-£4,499	£842
£4,500-£5,000	£859
Remainder	2.3%

Fee Structures

Fees payable under Table 2 will cover all installation work for new assets and apply in certain circumstances on existing assets.

This includes receiving instructions, inspections, work relating to the route of the assets, conditions and requirements of working, obtaining and collating information necessary to formulate the claim and negotiating a settlement, and advising the client as to the basis and amount of compensation. In particular it covers work done in connection with giving permission for the commencement of the works and the grant of a voluntary consent, or concluding a memorandum of agreement where compulsory powers are not being exercised. It also includes work done in connection with an advance payment, ratification and negotiation of accommodation and restoration works.

The fee is inclusive of any work in connection with a Schedule of Condition and for settling the proposals of National Grid to include any inspections or meetings during the course of the works that might reasonably be expected to be necessary at the beginning of the project. The fee is inclusive of an inspection on completion of the works. Should subsequent inspections reasonably be necessary, an additional fee would be payable on a time charge basis. Where the duration of the project exceeds 12 months National Grid may consider the payment of an interim fee upon request.

This scale will apply to claims for injurious affection, loss of business or any other appropriate Head of Claim under an existing easement or in return for the grant of a new easement.

Table 2

Amount of Compensation	Fee
£1-£99	£321
£100-£149	£355
£150-£199	£394
£200-£249	£430
£250-£299	£469
£300-£349	£516
£350-£399	£561
£400-£449	£600
£450-£499	£641
£500-£599	£686
£600-£699	£733
£700-£799	£772
£800-£899	£813
£900-£999	£859
£1,000-£1,499	£892
£1,500-£1,999	£926
£2,000-£2,499	£967
£2,500-£2,999	£1002
£3,000-£3,499	£1019
£3,500-£3,999	£1030
£4,000-£4,499	£1042
£4,500-£5,000	£1058
Next £45,000	4.5%
Next £250,000	3.6%
Remainder	2.6%

