

Executive, 5 March 2009

SETTING OF FEES FOR THE LOCAL LAND CHARGES SERVICE 2009/10

Report of the Head of Corporate Services

Statutory Powers: The Constitutional Reform Act 2005 and Section 13A of the Local Land Charges Act 1975 and SI 2008 No 3248 the Local Authorities (England) (Charges for Property Searches) Regulations 2008

Purpose: The purpose of the Report is to seek Members recommendation to decrease fees for Local Land Charges services, with effect from 1 April 2009.

Financial Implications: The proposed fees have been set to recover the full cost of running the Land Charges Service.

Recommendation

That the Council be RECOMMENDED

- (1) to approve the proposed Local Land Charges search fees, as set out in this report;
- (2) to delegate to the Monitoring Officer, in consultation with the Executive Member for Community Affairs, the authority to review Local Land Charges search fees annually in accordance with the Regulations.

Background

1. Under Section 14 of the Local Land Charges Act 1975 the Lord Chancellor has the power to prescribe fees for Local Land Charges Services. These fees must be set in accordance with the HM Treasury guidance on fees. The Constitutional Reform Act 2005 amended the Local Land Charges Act giving individual registering authorities the power to set their own fees for Local Land Charges services (other than fees for personal searches for the LLC register), having regard to guidance issued by the Lord Chancellor.
2. As the business systems and circumstances of registering authorities vary, it was considered that any fees set by the Lord Chancellor would not accurately reflect the cost to each registering authority. In order to assist local authorities when setting their fees, Statutory Instrument No. 3248 was issued on 16 December 2008.
3. The regulations apply where a local authority grants access to property records to a person (including to another local authority). The regulation makes provision for the following:
 - Any charges and internal recharges to be no more than the costs to the local authority of granting access to property records.
 - Each charge or recharge must be calculated by dividing a reasonable estimate of the likely total costs to the authority, in granting access to property records during the financial year, by a reasonable estimate of the number of requests for access to property records likely to be received over that same financial year.

- Each unit charge made during a financial year must be the same amount regardless of whether it is made in relation to granting access to property records or internal transactions.

The Issues

4. Fees are to be set for each financial year and must ensure that over the course of any period of three consecutive financial years, the total income from such charges and recharges does not exceed the total costs of granting access to property records.
5. The proposed charges due to be implemented on 1 April 2009 are detailed in **Appendix A**. This should be read in conjunction with the search forms, which have been attached at **Appendix B**. The current fee for a full Local Land Charges search is £97.00. The revised fee in accordance with the legislation would be £89.85.
6. The following method was used to arrive at the final costing figures:-
 - Staff timings were taken for each question/search and an hourly rate used to convert the timings into a staff cost per search
 - All other recoverable costs of running the service were distributed over the different questions where appropriate. This produced a cost for each individual question, and an estimated expenditure figure for 2009/10. Individual search costs were multiplied by estimated search numbers to give a projected income figure that matched the estimated expenditure.
 - The estimated expenditure figure produced is in line with Land Charges budgeted expenditure 2009/10
7. The DCLG have issued regulations to assess income levels over a 3 year rolling programme. Therefore search fees may have to be reduced in subsequent years should a surplus be generated in 2009/10.

Risk Assessment

8. The Council will come under scrutiny from the DCLG if it continues to charge the current fees for Local Land Charges searches.
9. Registering authorities are exercising a statutory power when setting fees. The Council must act within the scope of the power. For example the same fee must be charged to all users of the same service or description of service. Exceeding the power will expose the Council to judicial review.

Conclusion

10. The proposed fees have been set to recover the full cost of providing the Local Land Charges Service, in response to legislative changes.

Claire Benton
Local Land Charges Officer

Executive
5 March 2009

Delyth Jenkins Evans
Legal and Monitoring Officer

Background Documents:

The Local Authorities (England) (Charges for Property Searches) Regulations 2008

SI 2008/ 3248

Local Land Charges Act 1975

The Constitutional Reform Act 2005

LLC search and enquiry forms [list or identify]

Appendix A:

	Price Per Search	Actual	Rounded
L L C 1	LLC1 Manual	£ 11.42	£ 11.40
	LLC1 NLIS	£ 12.30	£ 12.30
	Admin Fee	£ 6.73	£ 6.75
	Personal Search Fee	£ 11.00	£ 11.00
	Additional parcel fee LLC1	£ 2.13	£ 2.15
	Additional parcel fee CON29R	£ 13.33	£ 13.35
	Additional parcel fee Personal searches	£ 2.50	£ 2.50
C O N 2 9 R	Q1.1 A-E	£ 3.48	£ 3.50
	Q1.1 F-H	£ 4.10	£ 4.10
	Q1.2	£ 4.09	£ 4.10
	Q2	£ 3.01	£ 3.00
	Q3.1	£ 3.41	£ 3.40
	Q3.2	£ 0.92	£ 0.90
	Q3.3	£ 2.18	£ 2.20
	Q3.4	£ 3.73	£ 3.75
	Q3.5	£ 3.67	£ 3.65
	Q3.6	£ 7.11	£ 7.10
	Q3.7	£ 7.71	£ 7.70
	Q3.8	£ 3.73	£ 3.75
	Q3.9	£ 7.38	£ 7.35
	Q3.10	£ 3.41	£ 3.40
	Q3.11	£ 4.99	£ 5.00
	Q3.12	£ 5.05	£ 5.05
	Q3.13	£ 3.73	£ 3.75
	Total	£ 71.70	£ 71.70
C O N 2 9 O	Q5	£ 3.33	£ 3.35
	Q6	£ 3.75	£ 3.75
	Q7	£ 3.46	£ 3.45
	Q8	£ 3.04	£ 3.05
	Q9	£ 3.46	£ 3.45
	Q10	£ 5.10	£ 5.10
	Q11	£ 5.10	£ 5.10
	Q12	£ 2.30	£ 2.30
	Q13	£ 2.45	£ 2.45
	Q14	£ 2.30	£ 2.30
	Q15	£ 2.45	£ 2.45
	Q16	£ 3.17	£ 3.15
	Q17	£ 2.45	£ 2.45
	Q18	£ 3.17	£ 3.20
	Q19	£ 4.81	£ 4.80
	Q20	£ 4.81	£ 4.80
	Q21	£ 3.70	£ 3.70
Q22	£ 5.09	£ 5.10	
	Total	£ 63.94	£ 63.95

Full Search Manual £ 89.85 (comprising LLC1/CON29R/Admin fee)
Full Search NLIS £ 90.75 (comprising LLC1/CON29R/Admin fee)

Predicted Income - Rounded				
		Price per search	Estimated searches for 09/10	Income
	FULL SEARCH	£ 89.85	830	£ 74,575.50
	FULL SEARCH NLIS	£ 90.75	565	£ 51,273.75
	LLC1 ONLY	£ 11.40	70	£ 798.00
	NLIS LLC1 ONLY	£ 12.30	35	£ 430.50
	CON29R:	£ 71.70	10	£ 717.00
	ADMIN *	£ 6.75	500	£ 3,375.00
	PERSONAL SEARCH	£ 11.00	1250	£ 13,750.00
C O N 2 9 0	Q5	£ 3.35	420	£ 1,407.00
	Q6	£ 3.75	10	£ 37.50
	Q7	£ 3.45	25	£ 86.25
	Q8	£ 3.05	100	£ 305.00
	Q9	£ 3.45	10	£ 34.50
	Q10	£ 5.10	10	£ 51.00
	Q11	£ 5.10	10	£ 51.00
	Q12	£ 2.30	10	£ 23.00
	Q13	£ 2.45	10	£ 24.50
	Q14	£ 2.30	10	£ 23.00
	Q15	£ 2.45	10	£ 24.50
	Q16	£ 3.15	15	£ 47.25
	Q17	£ 2.45	15	£ 36.75
	Q18	£ 3.20	10	£ 32.00
	Q19	£ 4.80	10	£ 48.00
	Q20	£ 4.80	10	£ 48.00
	Q21	£ 3.70	10	£ 37.00
	Q22	£ 5.10	350	£ 1,785.00
	Total			£149,021.00

* Admin fee to be charged on any question or search requested