

Executive: 4 April 2007

Local Land Charge Search Fees

Report of Chief Solicitor and Financial Services Manager

(This matter is the responsibility of Executive Councillor T Hall.)

Executive Summary

This report details the changes which the Lord Chancellor is making in connection with the fees to be levied for a Local Land Charge Certificate Search and certain of the services associated with the processing of Local Land Charges.

The purpose of the report is to ask the Executive to agree to delegate the fixing of the fees to Strategic Director, Kevin Toller, in consultation with the Executive Member for Corporate Services.

1. Background

- 1.1 The Lord Chancellor has, until recently, specified the fee for certain services provided by local authorities in connection with the Local Land Charge Search Service. In particular, the Lord Chancellor specified that local authorities should charge £6.00 for completing a Local Land Charge Certificate Search and, if such a search was submitted electronically, the fee for processing it should be £4.00.
- 1.2 In addition, fees were specified for certain minor services associated with the registration of items on the Land Charges Register and for personal searchers to carry out searches of that register.

2. The Present Position

- 2.1 Earlier this year the Lord Chancellor issued formal guidance for registering authorities on setting fees for Local Land Charge Services in England. The intention is that individual local authorities should set their own fees for certain of these services and should publish those fees so that those using the service will be aware of the fees payable by them. This change is due to come into force on 1 April 2007.
- 2.2 The guidance issued by the Lord Chancellor indicates that local authorities are to have regard to the guidance in calculating the fees they are to charge and that the fees are to be based on the local authority recovering its costs for providing the services which costs are to be assessed over a three period. At present the Land Charges service generates an annual surplus. The new

guidance indicates that the Council's ability to generate such a surplus in future may be put at risk.

- 2.3 While the Council have reasonable records associated with the costs of providing the Land Charge Service guidance from CIPFA on how these are to be calculated has been delayed. This coupled with the involvement of the authors of this report in the ISiS process and various other major projects with which this Authority has been involved has prevented the final calculations being made to enable the fees to be established.
- 2.4 In addition the Service Level Agreement (SLA), which the district authorities have with the County Council for the County Council to provide certain information on matters under its control expires on 31 March 2007. A meeting to discuss the renewal of this Service Level Agreement is due to take place on 4 April 2007. One of the issues to be discussed is the fee which the County Council charges for processing the information it supplies to the district authorities. The information is supplied in connection with the replies the districts provide to the questions on the Con 29 form which is normally submitted with a local search. The finalisation of the SLA is key to establishing the Council's total cost of providing the service and therefore our ability to subsequently set the fees for a full search.

3. Future Developments

- 3.1 As Members may be aware, it is the Government's intention to introduce Home Information Packs with effect from June 2007 and the provision of a Local Search is a requirement of such a Pack. Personal search companies will continue to compete with local authorities to provide these searches and it is therefore important that the local authority can process search applications efficiently and at reasonable prices. It was anticipated that guidance would be provided by the Government on the charges to be levied for responses to the Con 29 aspect of a Local Search but this has not been forthcoming.
- 3.2 The Government has also agreed with the Law Society that the Con 29 form itself will change with effect from June 2007 and that too will have a bearing on the fees to be charged for processing that form as part of a Local Land Charge Search.

4. Conclusions and Recommendations

- 4.1 The Lord Chancellor, having changed the basis on which the fees for Local Land Charge Certificate Searches and certain of the services to be provided for Local Land Charges with effect from 1 April 2007, the Council has to respond to those changes and needs to do so swiftly.
- 4.2 For the reasons explained above it has not been possible to achieve this in the appointed timescale and arrangements need to be made for these fees to be established and brought into force as soon as practicable.
- 4.3 Significant changes are due in the coming months for the Local Land Charge Search Service and these need to be accommodated efficiently. As mentioned above the changes outlined above could have an impact on the Local Land Charges Service's budget which in turn will have an impact on the

Council's overall financial position. Any impact on the Council's overall budget as a result of the new fees will be reported via the quarterly Performance Monitoring reports to the Review Board.

- 4.4 You are recommended to delegate the power to fix the Local Land Charge Searches fees both for the Local Land Charge Certificate Search and the services associated with the Land Charge Service to Strategic Director, Kevin Toller, in consultation with Executive Councillor Terry Hall.

Contact Officers: Ian Taylor, Chief Solicitor
01823 356408 Ext 2303
i.taylor@tauntondeane.gov.uk

Paul Carter, Financial Services Manager
01823 356418 Ext 2507
p.carter@tauntondeane.gov.uk