Appendix C

Somerset West and Taunton Council
Fees and Charges 2019-20

Local Land Charges

Background
Local Land Charges is a fee earning, self-financing service that operates on a rolling three-year cost recovery basis.

Under the Local Land Charges Act 1975 ('the Act'), each registering authority is responsible for keeping a register of local land charges for its area and an index in which the entries can be readily traced. In addition, also hold other information on a number of matters of importance to purchasers of property: eg road schemes; the property’s planning history; Tree Preservation Orders; Compulsory Purchase Orders; and various notices which affect the property.

Legal Authority

The Local Authorities (England) (Charges for Property Searches) Regulations 2008 make provision authorising local authorities in England and Wales to set their own charges in a scheme, based on full cost recovery, for carrying out their main Local Land Search functions. The principles of the charges regulations require authorities to ensure that the price charged is an accurate reflection of the costs of carrying out the Local Land Charge function and not for creating surplus.

Regulations 4, 5 and 7 allow a local authority to make a charge for granting access to property records or answering enquiries about a property; or if it makes or proposes an internal recharge. Exceptions apply where it may or must impose a charge apart from these regulations or in respect of access to free statutory information (eg public registers; Environmental Information Regulations).

Regulation 6 explains how the charges must be calculated. These must be no more than the cost to the local authority of granting access to the records and must be calculated by dividing a reasonable estimate of the total costs by a reasonable estimate of the number of request for access likely to be received. A local authority must take all reasonable steps to ensure that over the period of any three consecutive financial years the total income…does not exceed the total costs for granting access to property records. Where…a local authority makes an overestimate or underestimate of the unit charge for the financial year, it must take this into account in determining the unit charge for the following financial year.

Regulation 9 relates to transparency in setting of charges and stipulates that during each financial year, a local authority must publish a statement setting out the estimates the local authority has made (estimates of total costs and estimates of numbers of requests) in respect of the unit charge for the following financial year; the basis for these estimates and the amount of the unit charge.
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These are set out below under charges.

Charges

Land charge fees were changed in July 2016 due to changes in national regulations and changes in the fee charged by the County Council and Building Control. Full explanation is set out in the Weekly Bulletin http://oneteam/sites/services/cbo/Weekly%20Bulletin/JUNE092016.pdf

Since then, a full costs exercise has been undertaken to underpin the fee setting process and to comply with legislation. It is proposed to set the full search fee at £98 for the new Council. This is a reduction of £1 on the West Somerset fee for the previous financial year and is a small increase of £5 on Taunton Deane’s previous fee.

Local Land Charge Searches and Enquiries

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full search</td>
<td>£98</td>
</tr>
<tr>
<td>Statutory search fee on form LLC1</td>
<td>£9</td>
</tr>
<tr>
<td>Each additional parcel of land</td>
<td>£10</td>
</tr>
<tr>
<td>Optional enquiries</td>
<td></td>
</tr>
<tr>
<td>Each printed enquiry</td>
<td>£7</td>
</tr>
<tr>
<td>Solicitor’s own enquiry</td>
<td>£10</td>
</tr>
<tr>
<td>Highway authority charge (SCC)</td>
<td>£16</td>
</tr>
<tr>
<td>*charged as inclusive within full search fee</td>
<td></td>
</tr>
<tr>
<td>Personal search fee</td>
<td>No charge</td>
</tr>
<tr>
<td>Environmental Information Regulations</td>
<td>No charge</td>
</tr>
</tbody>
</table>

Discounts

No discounts are available for this service.

Budget impacts

Estimated total costs of service - £330,291

Estimated number of requests – 3435

- Based on average number of searches received across three years
  - 2015/16 – 3364
  - 2016/17 – 3499
  - 2017/18 - 3443
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Therefore estimate is $3364+3499+3443=10306$ divided by 3 = 3435

The unit charge is comprised of the cost of administering the service, plus the cost of paying Somerset County Council for their elements, plus additional costs such as software.

Estimated total income is £337,434, giving a small over recovery of £7,144. Due to the fact that this is a new charge, it is appropriate to aim for full cost recovery in the coming financial year. Estimated cost recovery is 102%, thereby leaving a small margin of error for the new costs calculation. As it would be unlawful to budget for a profit, it should be stated here that any over (or under) recovery would be reflected in future fees iterations to ensure full cost recovery for the Council aligned with best value for the customer.

The full basis of the estimate of costs is held with the Land Charges Manager and is available on request.

Budgets have been set to achieve full cost recovery for administering the service.

Equality Impact Assessment

There are no changes to the charging policy which remains based on full cost recovery and therefore no Equality Impact Assessment is required.