
REPORT TO:	ENVIRONMENTAL & DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	3RD MARCH 2005	CATEGORY: DELEGATED
REPORT FROM:	CHIEF EXECUTIVE	OPEN
MEMBERS' CONTACT POINT:	ANDREA McCASKIE EXT. 5831	DOC: t:\committees\karinscommite\env&dev services\landchargesreport030305.doc
SUBJECT:	LAND CHARGES FEES 2005/06	REF: AGM/SJS
WARDS AFFECTED:	ALL	TERMS OF REFERENCE: EDS12

1.0 Recommendations

- 1.1 That Members agree that the Land Charges fee be increased in line with inflation to £104.000 from 1st April 2005.

2.0 Purpose of Report

- 2.1 To set the fee for the Land Charges service for the financial year 2005/06.

3.0 Detail

- 3.1 The Local Land Charges Section ("the Section"), which comprises one full-time and one part-time officer, within the Legal and Democratic Services Department, is under a statutory duty to process Local Authority Searches (Full Searches) under the Local Land Charges Act 1975.
- 3.2 The Full Searches provide information to potential purchasers about planning, enforcement, notices, road adoption and improvement schemes for the land or property they are searching against.
- 3.3 Under the legislation, the Council have an express power to charge a reasonable administration fee for completing these Full Searches ("the Fee").
- 3.4 The current Fee, for the financial year 2004/05, which is paid in advance, is £102.00.
- 3.5 To complete a Full Search, two internal departments, Planning and Environmental Health, as well as Derbyshire County Council ("the County Council"), are required to respond to a list of questions.
- 3.6 When setting the Fee, consideration has to be given to the fact that the Section have entered into a Service Level Agreement with the County Council.

Marketing Considerations

- 3.7 The main users of the Section are solicitors/conveyancers, mortgage lenders and businesses who want to carry out Full Searches on land and property prior to acquiring an interest in them.
- 3.8 Between 1998 and 2003, there was approximately a 10% increase per year on the number of Full Searches received by the Section. However, in 2003/04, this decreased by 15% (2771 searches were completed) and in the current year 2004/05, this figure has continued to decrease, to date by approximately 23% (1689 searches completed up to 31.12.04). This is due to the increased number of Personal Searches being undertaken.
- 3.9 In 2005/2006, we have predicted that the number of Full Searches to be processed will be in the region of 2,400. This figure is again slightly lower than the previous years, due to the anticipation that the Section will need to continue to undertake an increased number of Personal Searches.
- 3.10 The Council is under statutory duty to make information available so that Personal Searches can be carried out. Under Legislation, a mandatory fee of only £11 can be levied for this information, which is significantly lower than the Full Search Fee which is currently £102.00.
- 3.11 With an increase in the number of Personal Searches being undertaken throughout the country, a number of Local Authorities have been forced to reduce their Fee in order to become more competitive.
- 3.12 Over the last five financial years, South Derbyshire District Council has seen a dramatic increase in the number of Personal Search Request, from 97 Searches in 1999/2000 to 705 Searches in 2003/2004. This trend is continuing in 2004/2005 and at the end of December 2004, 653 Personal Searches had been completed.
- 3.13 Another factor that could have a significant effect on the number of Full Searches and Personal Searches carried out by the Section is the state of the property market. The market has slowed this year and if the market were to slump, this could significantly reduce the income generated.
- 3.14 A schedule of the Full Search Fees charged by neighbouring Local Authorities is attached at Annexe 'A'. It shows that an increase in line with inflation to £104.00 is comparable to the rates charged by those Authorities.

E-government Considerations

- 3.15 The Section first became computerised in April 1999. After initial software problems, the computerisation has had a beneficial result in the turnaround time in which a Search is completed and returned to the solicitor/conveyancer.
- 3.16 As a direct result of the E-government initiative, the Section has signed up to the National Land Information Services ("NLIS"). This is an electronic service that is hoped to help solicitors/conveyancers to complete a conveyance quicker. South Derbyshire District Council has until recently been operating at stage 2 of the NLIS. This means that Land Charges enquiries can be transacted directly to the NLIS central hub using the web.

- 3.17 However, during the current financial year, the software utilised by the Land Charges Section has been upgraded, along with the software used in the Planning and Building Control Sections. This upgrade has assisted in achieving the next phase of NLIS, stage 3. This now enables the NLIS hub to send National Land and Property Gazetteer ("NLPG") verified addresses for Search requests direct to the Land Charges software. This in turn, feeds fully compliant BS7666 addresses to the Council's Land and Property Gazetteer.
- 3.18 Testing of NLIS stage 3 is currently being undertaken. It is envisaged by the commencement of the financial year in April, all Searches received via the NLIS central hub will be returned electronically, ensuring the compliance with Central Government's E-government target that all services should be capable of being delivered electronically by 2005.

Fee Recommendation

- 3.19 Due to the above considerations, it is recommended that the Search Fee is only increased by the rate of inflation. This will have the effect that the Fee will be £104.00 for 2005/2006.

4.0 Financial Implications

- 4.1 The recommended increase for fees and charges across the Authority was 2%. The proposed increase is in line with that proposal. Budget figures for Land Charges have also been compiled on this basis.

5.0 Community Implications

- 5.1 The Section provides information to prospective purchasers and/or their solicitors about the local area. This may range from details about planning histories, footpaths and other highway issues and certain statutory notices that relate to the property.

6.0 Conclusions

- 6.1 The recommended increase for fees across the Council was 2%. The proposed increase as set out in paragraph 3.19 above is in line with this recommended fee increase.

7.0 Background Papers

- 7.1 None.

