

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

2 DECEMBER 2010

REPORT OF HEAD OF REGULATORY SERVICES

LAND CHARGES FEES FOR 2011/12

1.0 PURPOSE OF REPORT

1.1 The purpose of the report is to set Land Charges fees for 2011/12.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Land Charges Fees be maintained at the current levels as follows:-

- Commercial searches to: £135
- Residential searches to: £100

2.2 The setting of charges for individual enquiries for each of the specific questions on the LLC1 form (see para. 3.4 below) are delegated to the Head of Regulatory Services in consultation with the Head of Financial Services at the end of the financial year.

3.0 KEY ISSUES

3.1 Personal Search Companies are continuing to compete with the Local Authorities for business and it is necessary for Local Authorities to be competitive to maintain a share of the market and maximise income although they can not be profit making.

3.2 Legislative changes in August 2010 removed the ability of Council's to charge for access to the records that make up a search (on the basis it is Environmental Information to which citizens have a right to inspect under the Regulations) and as a result the Council is significantly disadvantaged in terms of providing basic search information when compared to 'personal searchers'. This has reduced the income the Council receives (it is estimated approximately £5000 per annum was acquired through personal searchers) but there has been no reduction in workload as the materials to be inspected still need to be collated and delivered for inspection purposes.

3.3 The continued downturn in the housing market has also had an effect on the number of land search applications received and they remain substantially lower than at pre 2008 levels. However, restructuring arrangements in 2009 have resulted in a significant reduction of resources dedicated to Land Charges to reflect this downturn and responsibility has transferred to Regulatory Services (within the administration team). This has had a significant impact on costs with an overall reduction in the region of £35,000. This is approximately in balance with the income levels, despite the trends described above. In view of the competitive environment in which land charges operates, the current fee receipts and this reduction, and because of the cost recovery requirements of this area of activity, it is not considered that fees could be justifiably increased.

3.4 The regulations relating to Land Charges require Authorities to respond to the individual questions comprised within the LLC1 form, and allows a charge to be made for each of these based on the staff time required to respond. These were introduced in April 2009 and have been calculated for the current year. However, they comprise a very limited proportion of overall income and it is necessary to collate reliable data on which to calculate them. Due to their limited number, it is preferable to make these calculations at the end of the year.

4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 No direct implications. Land Charges is currently undergoing examination as a potential shared service under the Public Service Board and as part of this it has been suggested that there could be a regularisation of fees across Leicestershire. However, this is still in relatively early stages and such steps would be considered as part of a wider consideration of a shared approach to service delivery.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 The fees recommended would maintain current income levels.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 There are no direct legal implications/powers.

7.0 **COMMUNITY SAFETY**

7.1 There are no direct community safety implications.

8.0 **EQUALITIES**

8.1 There are no direct equality implications.

9.0 **RISKS**

9.1 Due to the economic climate there has been a reduction in personal searches and the income from land charge fees has significantly fallen in 2008 from levels previously. However, 2010/11 levels appear to have stabilised and the new, reduced level. This has been taken into account with budget calculations for next year as far as possible, however there is a risk that income may fall further than expected and affect the income collected. This budget is reviewed on a regular basis and reported.

10.0 **CLIMATE CHANGE**

10.1 There are no climate change implications.

11.0 **CONSULTATION**

11.1 No consultation has been carried out.

12.0 **WARDS AFFECTED**

12.1 Not applicable.

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Appendices:

Background Papers: Land Charges Regulations
Budget Working Papers

Reference: X: Committees/PFA/2-12-10/Land Charges Fees for 2011-12