

Report of: Land and Property Search Manager

Report to: Chief Officer, Elections and Regulatory Services

Date: 05 July 2019

Subject: Amendment to Fees for provision of Local Land Charges Services
2019/20

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report seeks approval to changes to the Council's standard charges for official searches of the Local Land Charges Register, maintained by the Land and Property Search Service (LPSS).
2. This report seeks approval to recover VAT in respect of the Expedited LLC1 Search service.

Recommendations

- 5 To approve the new charge for an expedited official search of the local land charges register as set out in Appendix 1.
- 6 To approve the collection of VAT in respect of the Expedited LLC1 Search service.

1 Purpose of this report

- 1.1 To comply with legislative requirements in relation to official searches of the local land charges register.
- 1.2 To comply with instructions from Corporate Taxation Team.

2 Background Information

- 2.1 This report relates to the fees charged in respect of property information which the Council holds. A new expedited LLC1 search service is proposed.
- 2.2 There are two ways of obtaining property search information from the Council. The Council can be asked to make its own search, an official search, or a search can be made by a buyer, their advisers or a property search company (PSC). This is known as a personal search.
- 2.3 Under the Local Land Charges Act 1975, the Council is obliged to maintain a local land charges register for its area. The register contains details of charges on a property which have been registered and are enforceable, for example planning enforcement notices, financial charges, granted planning consents (with conditions), and conservation areas. On payment of a fee, a copy of all of the registered charges relating to a specific property can be requested, by way of an official search.
- 2.4 This information can be requested via an official search undertaken by the Council, or by a personal search carried out by the buyer or a PSC.
- 2.5 Authorities are required to set their fees for an official search (LLC1) in accordance with the provisions of the Local Authorities (England) (Charges for Property Searches) Regulations 2008.
- 2.6 The Council is required by the 2008 Regulations to publish a statement during each financial year setting out the estimates of total costs and estimates of numbers of requests in respect of unit charges for granting access to property records, the basis for those estimates, and the amount of the unit charge it proposes for the following financial year.
- 2.7 The register of local land charges is managed and maintained centrally by Elections and Regulatory Services, and therefore most of the costs attributable to official searches of the register pertain to LPSS.

3 Main issues

- 3.1 Currently 50% of searches in Leeds are carried out by the council (known as Official Searches) and 50% by the private sector (known as Personal Searches).
- 3.2 Despite our relatively low search fees, and the fact that the Council provides high quality search information in an extremely short time scale (the average for 2018/19 is 3 working days) our market share has been declining over the past 3 financial years – 66%:34% 16/17, 62%:38% 17/18, 53%:47% 18/19. The ability of private search companies to offer ‘blanket fees’ that cover all councils in Yorkshire

for example (regardless of any additional costs they may incur e.g travel) and the fact panels are operation in West Yorkshire (where solicitors determine who should supply searches for their members) means it has been very hard to do anything about the general decline.

- 3.1 We therefore propose to offer an expedited LLC1 search service. This will offer customers the chance, in return for paying a premium on top of the normal fee, to obtain their LLC1 search results within a maximum turnaround time of 24 hours.
- 3.2 The standard fee for a search of the Local Land Charges register is £26.50. VAT is not applicable as the fee relates to a statutory service.
- 3.3 LPSS propose to set a 'premium' of £3.50 i.e an expedite fee. This fee, as it relates to a commercial activity, is subject to VAT at the standard rate (20%).

4 Corporate Considerations

- 4.1 The decisions recommended in this report will qualify as significant operational decisions, as it is proposed to alter the standard charge that the Council makes for the full official search.
- 4.2 It is considered these decisions will not qualify as "key" or "major" decisions, as the Council will not thereby incur expenditure or make savings over the respective financial thresholds.

5 Consultation and Engagement

- 5.1 The fee have been agreed after consultation with the following: -
 - Finance Officers
 - Corporate Taxation Team;

- 5.2 The collection of VAT has been discussed with the Corporate Taxation Team.

6 Equality and Diversity / Cohesion and Integration

- 6.1 An Equality, Diversity, Cohesion and Integration Impact Assessment has been completed. The recommendation has no impact on any of the groups outlined.

7 Council policies and City Priorities

- 7.1 The recommendations seek only to recover a small premium, in addition to our actual costs attributable to the provision of the services outlined and as such will not have an adverse impact upon any council policy/city priorities.
- 7.2 Consequently there is no requirement to undertake consideration of different schemes of charges for Leeds and non-Leeds residents in accordance with the findings of the Scrutiny Board review of Fees and Charges.

8 Resources and value for money

8.1 The recommendations seek only to recover a small premium in relation to the provision of the services outlined.

9 Legal Implications, Access to Information and Call In

9.2 In setting its charges for official searches, the Council must continue to have regard to both the 2008 Regulations, the Local Land Charges Act 1975, the Value Added Tax Act 1994 and also to the Environmental Information Regulations. As a significant operational decision the report is not subject to call in.

10 Risk Management

10.3 There are no known risks if the recommendation are not accepted.

11 Conclusions

11.1 It is concluded that the proposed charge for an expedited official search of the Local Land Charges Register is consistent with the provisions of the 2008 Regulations, the Local Land Charges Act 1975 and the Environmental Information Regulations.

12 Recommendations

12.2 To approve the revised charge for an expedited official searches of the local land charges register, as set out in Appendix 1.

12.3 To approve the collection of VAT in respect of the Con29 form.

13 Background documents¹

13.1 None.

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.