

# FEES AND CHARGES REPORT

## APPENDIX 8 - LAND CHARGES SERVICES

### 1. Service Description

A Local Land Charge is required whenever a property is sold, purchased, leased or re-mortgaged. The charge reviews whether there are any restrictions or prohibitions on the property and whether it is subject to charge (if that charge has been registered). There are four main search types that show different types of information.

- **Local Land Charge Register Search (LLC1).** Provides information held in the Local Land Charges Register and covers any charges or attendant restrictions relating to the land or property in question. This information can include whether the property is a listed building or whether it is subject to a Tree Protection Order.
- **CON29.** Provides answers to the property/land that only the Council hold information regarding. This can include recent statutory noise complaints or any road proposals and traffic schemes that affect the property
- **Environment Information Regulations.** Provides environmental information held on Council records, for example information on Building Regulations.
- **Access to Raw Data.** Provides the same information as the EIR but is a charged search and the customer can request the information to be presented in a particular format.

As part of the new Infrastructure Act, the responsibility of administering LLC1 searches is migrating to HM Land Registry. West Lindsey District Council will retain liability and responsibility for information provided from the register. This is to be delivered in 2022/23.

The migration of LLC1 searches to HM Land Registry will result in a decrease in search requests received by the service. Between 2019/20 and 2021/22; LLC1 searches contributed to 32% of total searches received.

## 2. Prior years analysis, current financial year projections

The table below illustrates the volumes of searches over the last three financial years (please note 2022/2023 is an estimate) and the levels of income achieved month by month.

	2019/20	2020/21	2021/22	2022-23 Forecast (£)
Searches Received	2,489	3,095	3,591	2,714
Income Received	(92,973)	(108,801)	(136,486)	(80,400)

Total income received during the previous three financial years against budget (2022/2023 is estimated).

Income achieved	2019-20 (£)	2020-21 (£)	2021-22 (£)	2022-23 Forecast (£)
Land Charges	(92,973)	(108,801)	(136,486)	(80,400)
Total Income	(92,973)	(108,801)	(136,486)	(80,400)
Budget	(125,600)	(98,700)	(116,800)	(80,400)
Income Achieved (Above)/Below Budget	32,627	(10,101)	(19,686)	-

## 3. Pricing

The service has proposed an increase of inflation at 6% across the majority of fees and charges within the service area.

Those fees which are increased below inflation are increased at an average of 4.1%. The resulting charges are consistent with benchmarking data for neighbouring Authorities.

LLC1 search fee will stop once HM Land Registry take over the declaration of registrations. This was anticipated to be before end March 2022. However, this is currently in project transition phase and a revised timeline from HMLR is expected with an Autumn 2022 delivery schedule.

## 4. Understanding Customers and Markets

Our average market share in the last 4 years is 36%, and currently this year's share is at 38%. We are looking to increase the market share by 8% over the next 3 years.

In order to forecast the income for the next 10 years we have taken the average searches for the last 4 years, which is 2,964 as the basis for our calculation. We have applied the increase in market share for the next 3 years only. The fees used to calculate the income is based on CON 29R one parcel rate. Next year we propose to

increase this rate by 6% from £78.44 to £83.17 (excl. VAT). For the following years' a 2% increase has been applied.

The income forecast has been compared to the MTFP budget agreed in March 2022. From April 2023 it is assumed that we will no longer receive the LLC1 income as we will no longer perform these searches, the Land Registry will deal with the declaration of registrations from this date. element of searches.

The chart below shows the forecasted budget using the CON29 element only.

Year	Forecast Income	Budget as per MTFP agreed March 2022	Variance over/ (under)	Market Share
2022/23	80,400	80,400	0	38%
2023/24	93,600	92,800	800	38%
2024/25	95,700	105,500	(9,800)	38%
2025/26	97,400	107,500	(10,100)	38%
2026/27	99,100	109,500	(10,400)	38%
2027/28	101,300	109,500	(8,200)	38%
2028/29	103,600	109,500	(5,900)	38%
2029/30	105,800	109,500	(3,700)	38%
2030/31	108,100	109,500	(1,400)	38%
2031/32	110,300	109,500	800	38%

## 5. Proposed Charges

The service has proposed an increase of inflation at 6% across the majority of fees and charges within the service area.

Those fees which are increased below inflation are increased at an average of 4.1%. The resulting charges are consistent with benchmarking data for neighbouring Authorities.

No increase is proposed for the Local Land Charge Register Search (LLC1) as this charge will stop once Land Registry take over the declaration of registrations. This was anticipated to be before end March 2022. However, this is currently in project transition phase and a revised timeline is expected with an Autumn 2022 delivery schedule.

## 6. Impact on Medium Term Financial Plan (MTFP)

	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)
Current Budget in MTFP	(92,800)	(105,500)	(107,500)	(109,500)	(109,500)
Proposed Budget - Search Fee Income (Non VAT)	(92,800)	(107,400)	(109,600)	(111,700)	(111,700)
Impact on MTFP 2023/24 Pressure/ (Saving)	-	(1,900)	(2,100)	(2,200)	(2,200)

## **7. Recommendation**

Members are requested to recommend to Council the charges for 2023/2024 as illustrated in the schedule below.

## Prosperous Communities Committee

## Land Charges

		2022/23		Proposed Increase / (Decrease)		2023/24		VAT	2023/24	VAT Rate
		£	% Type	or £	£	£	Amount	Charge Inc. VAT	£	
Access to data	Access to information not held on public registers (includes £5 admin fee)	£24.94	6.1%	£1.51	£26.45	£0.00	£26.45	OS		
	Cancellation Fee	£6.75	3.7%	£0.25	£7.00	£0.00	£7.00	OS		
LLC1:	Any one part of the register	£8.31	0.0%	£0.00	£8.31	£0.00	£8.31	OS		
	Whole of the register	£24.94	0.0%	£0.00	£24.94	£0.00	£24.94	OS		
	Per additional parcel (maximum of £16)	£2.00	0.0%	£0.00	£2.00	£0.00	£2.00	OS		
CON 29R	One parcel	£78.44	6.0%	£4.73	£83.17	£16.63	£99.80	S		
	Each additional parcel	£17.66	3.8%	£0.67	£18.33	£3.67	£22.00	S		
	Lincolnshire County Council Fee**	£40.00	0.0%	£0.00	£40.00	£8.00	£48.00	S		
CON 290										
submitted with CON29R or LLC1	Each printed enquiry	£19.22	4.1%	£0.78	£20.00	£4.00	£24.00	S		
submitted on its own	Each printed enquiry	£19.22	4.1%	£0.78	£20.00	£4.00	£24.00	S		
Administration Fee		£14.03	6.9%	£0.97	£15.00	£3.00	£18.00	S		
Additional Enquiries *	Per additional enquiry	£33.25	6.5%	£2.17	£35.42	£7.08	£42.50	S/O		
Filing a definitive certificate of the Lands Tribunal		£4.00	4.9%	£0.20	£4.20	£0.00	£4.20	OS		
Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)								S		

\* The VAT treatment of this supply will follow the treatment of the initial search (e.g. if CON29 it will be taxable, but if LLC1 it will be outside the scope)

\*\* Set by Lincolnshire County Council