

FEES AND CHARGES REPORT

APPENDIX 5 - 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. These searches have now migrated to HM Land Registry.
- **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 (EIR).** 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 administrating LLC1 searches is migrating to HM Land Registry. West Lindsey District Council will retain liability and responsibility for information provided from the register. The migration was implemented during 2023/2024.

The migration of LLC1 searches to HM Land Registry will result in a decrease in search requests received by the service. Between 2019/2020 and 2021/2022; LLC1 searches contributed to 32% of total searches received. As we were aware of the planned migration in advance, the income budget within the 2022/2023 MTFP was reduced to reflect the anticipated impact.

The migration of the LLC1 searches to HM Land Registry was due to take place before March 2022 and the income budget was reduced to reflect this through the 2022/2023 MTFP. The migration was delayed until April 2023, resulting in overachieved income during 2022/2023.

2. Prior years analysis, current financial year projections

The table below illustrates the volumes of searches over the last three financial years, with a forecast for 2023/2024, and the income received.

	2020/21	2021/22	2022/23	2023/24 Forecast (£)
Searches Received	3,095	3,591	2,719	2,741
Income Received	(108,801)	(137,040)	(104,022)	(92,800)

The following table shows income received over the previous three financial years against budget, with a forecast for 2023/2024.

The migration of the LLC1 searches to HM Land Registry was due to take place before March 2022 and the income budget was reduced to reflect this through the 2022/2023 MTFP. The migration was delayed until April 2023, resulting in overachieved income during 2022/2023.

Income achieved	2020/21 (£)	2021/22 (£)	2022/23 (£)	2023/24 Forecast (£)
Land Charges	(108,801)	(137,040)	(104,022)	(92,800)
Total Income	(108,801)	(137,040)	(104,022)	(92,800)
Budget	(98,700)	(116,800)	(87,200)	(92,800)
Income Achieved (Above)/Below Budget	(10,101)	(20,240)	(16,822)	-

3. Pricing

The service has proposed an increase of inflation at 6% across most of the fees and charges within the service area, with the remainder being held at the current rates to maintain market share. The resulting charges are consistent with benchmarking data for neighbouring Authorities.

4. Understanding Customers and Markets

Our average market share has previously been 33%. However, this included LLC1 searches that we no longer process. These searches are now dealt with by HM Land Registry. The market share last year which includes a small amount of LLC1 searches was 28%. The current market share for 2023/2024 as at 30/09/23 is 21%. We hope to achieve 25% share by the end of the year.

Moving forward we are forecasting a market share of 29% in 2024/2025 and this will be increased by 1% each year. To try and achieve this increase in market share we are proposing to freeze the current rate of £99.80 (incl. VAT) for 2024/2025 and then increase the fee by 3% for each subsequent year.

The income forecast included the Lincolnshire County Council (LCC) fee of £63.00 (incl. VAT). This income offsets the pay overs made to LCC.

The chart below shows the forecasted income:

Year	Forecast Income	Budget as per MTFP agreed March 2022	Variance over/ (under)	Market Share
2023/24	92,800	92,800	0	25%
2024/25	106,400	107,400	(1,000)	29%
2025/26	112,100	109,600	2,500	30%
2026/27	117,900	111,700	6,200	31%
2027/28	124,000	111,700	12,300	32%
2028/29	130,300	111,700	18,600	33%
2029/30	136,800	111,700	25,100	34%
2030/31	143,700	111,700	32,000	35%
2031/32	150,700	111,700	39,000	36%

5. Proposed Charges

For non-statutory charges the Land Charges Service proposes a freeze to maintain the market share.

6. Impact on Medium Term Financial Plan (MTFP)

	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)	2028/29 (£)
Current Budget in MTFP	(107,400)	(109,600)	(111,700)	(111,700)	(111,700)
Proposed Budget - Search Fee Income	(106,400)	(112,100)	(117,900)	(124,000)	(130,300)
Impact on MTFP 2024/25 Pressure/	1,000	(2,500)	(6,200)	(12,300)	(18,600)

7. Recommendation

Members are requested to recommend to Council the charges for 2024/2025 as illustrated in the schedule below.

Prosperous Communities Committee

Land Charges

2023/24	Proposed Increase / (Decrease)		2024/25	VAT Amount	2024/25 Charge Inc. VAT	VAT Rate
	% Type	or £				
£			£	£	£	

Access to data	Access to information not held on public registers (includes £5 admin fee)	£26.45	5.9%	£1.55	£28.00	£0.00	£28.00	OS
	Cancellation Fee	£7.00	7.1%	£0.50	£7.50	£0.00	£7.50	OS
CON 29R	One parcel	£83.17	0.0%	£0.00	£83.17	£16.63	£99.80	S
	Each additional parcel	£18.33	5.5%	£1.00	£19.33	£3.87	£23.20	S
	Lincolnshire County Council Fee**	£52.50	0.0%	£0.00	£52.50	£10.50	£63.00	S
CON 290								
submitted with CON29R	Each printed enquiry	£23.33	0.0%	£0.00	£23.33	£4.67	£28.00	S
submitted on its own	Each printed enquiry	£23.33	0.0%	£0.00	£23.33	£4.67	£28.00	S
Administration Fee		£15.00	0.0%	£0.00	£15.00	£3.00	£18.00	S
Additional Enquiries *	Per additional enquiry	£35.42	7.3%	£2.58	£38.00	£7.60	£45.60	S/O
Filing a definitive certificate of the Lands Tribunal		£4.20	6.0%	£0.25	£4.45	£0.00	£4.45	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