

Brighton & Hove City Council

Policy & Resources Committee

Agenda Item 109

Subject: Local Land Charges Fees & Charges 2023/24

Date of meeting: 19 January 2023

Report of: Executive Director for Governance, People & Resources

Contact Officer: Name: Michael Appleford, Head of Electoral Services & Local Land Charges
Tel: 01273 291997
Email: michael.appleford@brighton-hove.gov.uk

Ward(s) affected: All

For general release

1. Purpose of the report and policy context

1.1 This report sets out the proposed Local Land Charges fees and charges for the financial year 2023/24

2. Recommendations

2.1 That Committee agrees the fees and charges set out in 3.4

2.2 That Committee delegates authority to the Executive Director Governance, People & Resources to make the changes to fees and charges.

Note: If the above recommendations are not agreed, or if the committee wishes to amend the recommendations, then the item will need to be referred to the Policy & Resources Committee meeting on 9th February to be dealt with as part of the overall budget. This is because the budget is being developed on the assumption that the fees and charges are agreed as recommended and any failure to agree, or a proposal to agree different fees and charges, will have an impact on the overall budget, which means it needs to be dealt with by the Policy & Resources Committee as per the requirements of the constitution. This will not stop the committee from making recommendations to P&R.

3. Context and background information

3.1 The Local Land Charges service provides searches and information to the conveyancing and property industry. These searches and information consist of:

- LLC1 – Search of the Local Land Charges Register.
- CON29 – Enquiries of District Councils.
- Personal Searches of the Local Land Charges register for which a fee cannot be charged.
- Property information under the 2008 Regulations.

- The inspection of property information under the Environmental Information Regulations (EIR) 2004.

3.2 Traditionally solicitors acting for the purchasers of properties have carried out CON29 and LLC1 searches. These searches can take the form of official local authority searches or personal searches which are carried out by private companies.

3.3 Councils are allowed to set fees for these services. When considering fees, the Council must be mindful of the Corporate Fees & Charges Policy and the Local Authorities (England) (Charges for Property Searches) Regulations 2008 which require fees to have regard to local authority costs.

3.4 The proposed fees for the financial year 2023/24 are set out below. Fees include a 19% increase from 2022/23:

Search	2022/23 Fees	2023/24 Fees
Full local authority search (inc LLC1 & Con29R)	£191.20	£227.53
LLC1 search only (Non Vatable)	£56.20	£66.88
Con29R search only	£135.00	£160.65
Each additional parcel of land (LLC1)(Non Vatable)	£11.25	£13.39
Each additional parcel of land (Con29R)	£13.55	£16.12
Each printed enquiry (Con29O)	£20.20	£24.04
Commons registration (question 22)	£20.20	£24.04
Each supplementary enquiry	£40.50	£48.20

3.5 The proposed fees are set with consideration of the following:

- **Increased Service Costs:** As with all services in the Council, the service is working with increased staffing and corporate overhead costs.
- **Local Authority Benchmarking:** Extensive benchmarking has been undertaken across a widened South-East region. Brighton & Hove's current pricing places them within the top third - and second amongst authorities in East and West Sussex.
- **Housing Market Downturn:** Research by Savills shows the number of residential transactions in the UK is expected to drop by 21% over the next year. This drop in transactions will lead to a reduction in searches taking place in Brighton & Hove and will reduce revenue - relative to running costs.
- **Threat to Market Share:** The Local Land Charges service does not have a monopoly over the search market, with private search

companies operating too. The BHCC service must therefore be mindful that an increase in fees could lead to conveyancers moving their business to one of the private companies in operation. Previous significant increases to fees have seen the market share of Brighton & Hove drop by more than 10%.

4. Analysis and consideration of alternative options

- 4.1 The recommendations have considered the effects of service costs, the house market downturn and the threat to market share when considering these fees.
- 4.2 A higher fee was not proposed because the service cannot risk losing further market share to private companies. The fees charged by private companies are not publicly available but our research shows that the proposed fees are slightly higher than those charged by private companies.
- 4.3 A higher fee was also not proposed because the Council must be mindful of their costs and a significant rise would not be justifiable.
- 4.4 A lower fee was not proposed because the downturn in the housing market is likely to lead to a significant drop in searches. This will result in a decrease in revenue.

5. Community engagement and consultation

- 5.1 The service continues to work closely with the Local Land Charges Institute and have shared their benchmarking with members.

6. Conclusion

- 6.1 A thorough assessment of Local Land Charges fees and charges has taken place. The fees have been developed with regard to Council policy and legislation relevant to the setting of Local Land Charges fees, sector benchmarking, increased running costs and the future number of property transactions. The proposed fees reflect these within the context of the service trying to maintain market share which could affect revenue.

7. Financial implications

- 7.1 The fees and charges recommended in this report have been reviewed in line with the Corporate Fees & Charges Policy and all relevant regulations and legislation. The anticipated recurring financial impacts of fee changes will be reflected within service revenue budgets. Increases to meet the corporate rate of inflation of 3.0% are normally applied to all council income budgets as a minimum but fees & charges should normally be set to recover costs and/or maintain income in proportion to expenditure. Increases above or below the corporate rate of inflation require approval by the relevant service committee or Policy & Resources Committee and can result in additional contributions toward the cost of services and/or corporate and service overheads. This can also result in the achievement of a net budget

saving to the council. Where this is the case, this will be reflected in Budget proposals for the relevant service and will be incorporated within the revenue budget report to Policy & Resources Committee and Budget Council in February 2023. Income from fees and charges is monitored as part of the Targeted Budget Monitoring (TBM)

Name of finance officer consulted: Peter Francis Date consulted 15.12.2022

8. Legal implications

- 8.1 The fees charges in relation to access to property records are governed by the Local Authorities (England) (Charges for Property Searches) Regulations 2008 and are limited to costs recovery. The cost for answering enquiries about a property are at the Council's discretion 'but must have regard to the costs to the local authority' of answering enquiries about the property.

Name of lawyer consulted: Elizabeth Culbert Date consulted 20.12.22

9. Equalities implications

- 9.1 An Equalities Impact Assessment has been undertaken. No implications have been identified.

10. Sustainability implications

- 10.1 None identified