

Report to Portfolio Holder for Sustainable Growth and Economy

Subject: Land Charges Fees and Charges for 2024/25

Date: 23 February 2024

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Wards Affected

Borough-wide

Purpose

The report details a revised set of fees and charges for the Local Land Charge personal searches and seeks approval for their introduction from 1 April 2024.

Key Decision

This is not a Key Decision.

Recommendation(s)

- a) To approve the revised Personal Search Fees and Charges as detailed in Appendix 1.
- b) To approve the prices revisions to be introduced from 1 April 2024.

1 Background

- 1.1 Gedling Borough Council currently maintain a local land charges register (“the register”) containing details of legal restrictions attached to property or land, which are binding upon the owner or occupier. Searches of the register are normally required in the property-buying process. Full searches are dealt with through the LLC1 process which deals with all the charges recorded in the local land charges register.
- 1.2 In October 2022 the Council entered into in a Collaboration Agreement (CA) with HM Land Registry (HMLR) to transfer data and responsibility for Local Land Charges (LLCs) from Gedling Borough Council to HMLR. The project has now been signed off and full searches will be provided by HMLR from 01 April 2024.
- 1.3 Once responsibility has been transferred, Gedling Borough Council will still be responsible for processing Land Charge Searches (CON29). These confirm

other matters affecting property and land such as the planning history, work carried out under building regulations and highway information. With the exception of the LLC1 income which currently stands at £2,200 for 2023/24, the other income will be retained.

- 1.4 Benchmarking with other Nottinghamshire Councils has identified that our LLC1 charges are low at £4.26. HMLR has also confirmed that this is low nationally, however as detailed above, this service will no longer be retained in house from 01 April 2024. The CON29 fees are comparable and HMLR have confirmed that this appears to be the case nationally. Benchmarking data is important when setting fees and charges, these are posted in Appendix 2.
- 1.5 A 5% minimum income inflation increase for discretionary income has been agreed by Cabinet for all discretionary portfolio areas for 2024/25. This was the optimum figure in terms of generating additional income from Fees and Charges to support a balanced budget.
- 1.6 With Portfolio Holder and relevant Corporate Director approval, discretion can be made to apply varying percentage increases or freezes to relevant Fees and Charges as long as the overall cash amount for that area are met. This allows consideration to be made for factors that influence the rate at which fees and charges are set. These factors include:
 - The Borough's priorities.
 - The comparative price of neighbouring authorities.
 - The effect an increase in price would have on the activity, including customer resistance.
 - The cost benefit of the service.
- 1.7 The current fees have not been increased since 2022 and therefore a 10% fee increase is considered to be appropriate, reflecting the inflationary pressures and increased costs of delivering Local Land Charge Searches. Fee income is currently £15,000 below target for 2023/24. This is due to a downturn in property transactions, possibly as a result of higher interest rates, uncertainty in the property market and rising living costs. The number of searches is however now starting to increase.

2 Proposal

- 2.1 It is proposed to increase the fees as detailed in appendix 1. It is recommended that these be introduced on 1 April 2024.

3 Alternative Options

- 3.1 To continue levying the existing fees. This option is not proposed as the costs to the Council of supplying the information has increased since 2022.

4 Financial Implications

- 4.1 As detailed above, fee income is currently below target and this will need be reviewed through future budget monitoring to ensure that the service operates on a cost recovery basis. Applying a 10% fee increase in accordance with the report will only cover the costs of providing the service if the number of searches increase. If transactions remain lower than in previous years, a full cost review of providing the service will be required.

5 Legal Implications

- 5.1 The Local Land Charges Act 1975 gives councils power to set fees for the provision of Local Land Charge services. The Act allows registering authorities some flexibility in setting the fees for local land charges services. However, the authority must ensure that taking one financial year with another the income from fees charged for each service does not exceed the costs of providing the service. The provision of information following a Con29 search request is a discretionary service provided by the Council. In accordance with s.93 of the Local Government Act 2003, the Council can charge for providing this service.

6 Equalities Implications

- 6.1 The Equality Impact Assessment can be found in appendix 3.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 Not applicable.

8 Appendices

- 8.1 Appendix 1: Current fees and proposed fees for 2023/24 and 2024/25.
8.2 Appendix 2: Benchmarking data.
8.3 Appendix 3: Equality Impact Assessment.

9 Background Papers

- 9.1 None identified.

10 Reasons for Recommendations

- 10.1 To contribute to the delivery of a balanced budget both in 2024/25 and in the medium term and satisfy statutory requirements.