

REPORT TO: Cabinet Member - Corporate Services
Cabinet

DATE: 1st September 2010
2nd September 2010

SUBJECT: The Local Land Charges (Amendment) Rules 2010

**WARDS
AFFECTED:** All

REPORT OF: Assistant Chief Executive

**CONTACT
OFFICER:** Andrea Grant (Assistant Director - Democratic Services
Ext. 2030)

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To inform Members of the publication and enactment of the above Rules and their implications for the Council.

REASON WHY DECISION REQUIRED:

To inform Members of the loss of income as a result of the above rules.

RECOMMENDATION(S):

That the Cabinet Member (Corporate Services) note the report and budgetary implications

Recommend to Cabinet :

- (1) That the implications of the enactment of the above Rules on fee income be noted as a budget issue in this Financial year and future years;
- (2) Consider the income targets for the Land Charges Section for the current year;
- (3) Note the intention to bring a further report on a fee charging regime for Land Searches, following a review of the current charging position, with the aim of bringing charges in line with the spirit of European legislation and with any LGA guidance issued to Local Authorities.

KEY DECISION: Yes

FORWARD PLAN: Yes

IMPLEMENTATION DATE: Following the expiry of the 'call-in' period for the Minutes of the Cabinet Meeting.

ALTERNATIVE OPTIONS: None available.

IMPLICATIONS: As a result of changes in legislation, the Council will receive reduced levels of fee income from Land Charge Fees.

Budget/Policy Framework:

Financial: As a result of the enactment of the Local Land Charges (Amendment) Rules 2010 revoking charges relating to Personal searches of the Land Charges register, the Council will stand to lose real Fee income estimated to be £56,000 in 2010/11 rising to £84,000 in 2011/12. Members are asked to consider allowing a budget adjustment for this loss of income in 2010/11.

A review will be carried out of the current charging mechanism by the Planning Department, who are to administer the Land Search Section from 1 September 2010, and a further report containing a more realistic charging regime and revised income budget, will be brought to Members in the near future.

	2010 2011 £	2011/ 2012 £	2012/ 2013 £	2013/ 2014 £
<u>CAPITAL EXPENDITURE</u>				
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross increase in Revenue Expenditure	56,000	84,000	84,000	84,000
Funded by:				
Sefton funded Resources	56,000	84,000	84,000	84,000
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: The implementation of the Rules is a statutory requirement.

Risk Assessment:

Asset Management: No implications.

**CONSULTATION UNDERTAKEN/VIEWS
FD476 – THE INTERIM HEAD OF CORPORATE FINANCE AND ICT
STRATEGY HAS BEEN CONSULTED AND HIS COMMENTS HAVE BEEN
INCORPORATED WITHIN THIS REPORT.**

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Creating Safe Communities		✓	
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being		✓	
5	Environmental Sustainability		✓	
6	Creating Inclusive Communities		✓	
7	Improving the Quality of Council Services and Strengthening local Democracy		✓	
8	Children and Young People		✓	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

None under the meaning of the Access to Information Act.

1.0 Background

1.1 In October and November 2009, reports on the fees basis of Local Land Charges were considered by both Cabinet Member (Corporate Services) and Cabinet. At that time, further legal advice was being sought by the Local Government Association.

2.0 Latest Legislation

2.1 On 31st July 2010 the Government published the Local Land Charges (Amendment) Rules 2010 which come into force on 17th August 2010.

2.2 The Local Land Charge Rules 1977 specified that Local Authorities could charge a fee (currently £22) for the inspection of their Local Land Charges Registers (which in general terms record matters of public interest affecting individual properties). However, the Environmental Information Regulations 2004 (EIR) provide that access to environmental information must be available free of charge. As the vast majority of local land charges contain environmental information, the Amendment Rules revoke the fee for inspection in person of the registers, to ensure that the two pieces of legislation are consistent. A reasonable charge may still be made under the EIR when the information is requested otherwise than in person, for example, by post or e-mail.

3.0 Financial Implications

3.1 The publication of this instrument is likely to focus attention on the fact that Local Authorities have charged for personal searches of the Local Land Charges Register since 2005 when the EIR came into force. The Instrument indicates that, in these cases there could be an obligation on Local Authorities to refund the fee paid. However, each case will depend on its own facts and, for example, an agent who has passed on the cost of the fee to another person might be unjustly enriched by a refund and not entitled to one. Legal advice will be sought on any individual claims.

3.2 The income target for the Land Charges Section is currently £300,000. It is estimated that the real loss of income from the revocation of the Personal Search Fee will be in the region of £56,000 in 2010/11 rising to £84,000 in 2011/12.