



FULL COUNCIL REPORT

Date Written	11/11/16
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Service Area	Neighbourhood Services
Exempt/Non Exempt	Non Exempt
Committee Date	30 th November 2016

To: Mayor, Ladies and Gentlemen

CHANGES TO LOCAL AUTHORITY SEARCH FEES

1.0 SUMMARY OF THE REPORT

1.1 Local Authority Official search fees need to be amended to take into account additional enquiries on the search report. Personal Search fees should be reintroduced in accordance with new European Union Directive.

2.0 RECOMMENDATIONS that

- 2.1 Local Authority Official search fees be amended;
- 2.2 Personal search fees to be reintroduced.

3.0 INTRODUCTION AND BACKGROUND

3.1 To protect the financial and legal interest of prospective purchasers of land and property, a search of all relevant local authority held (LA) information should be conducted to establish any factors that may affect a buyer's decision. A search can be carried out in one of two ways: an Official Local Authority Search; or a Personal Search.

3.2 Official LA Search

This is requested by a solicitor or conveyancer, electronically or by post, and consists of a CON29R form and an LLC1 form. This type of search is conducted solely by the LA and is submitted to the Local Land Charges section within the Estates Dept. The Local Land Charges Officer sends the CON29R questions to Highways, Rights of Way, Planning, Building Control and Environmental Health for each department to answer the relevant questions. The Local Land Charges Officer will then collate all the information and compile it into one report along with an Official Search Certificate of the Local Land Charges Register, revealing any registered Local Land Charges as appropriate; and send the results back within three working days of receiving the request. The current fee for this service is as follows:

	Residential	Land / Commercial
LLC1	£6	£6 (as set by Welsh Government)
CON29		
Land Charges	£18	£20
Env Health	£8	£10
Building Control	£18	£20
Highways	£18	£20
Planning	£18	£20
Total	£80	£90

- 3.4 There is also a CON29O Optional Enquiries form which deals with additional questions, priced at £10 per question, and additional parcels of land at £10 each.

Personal Search

- 3.5 A Personal Search is carried out by a Personal Search Company (PSC) on behalf of a solicitor or conveyancer and requires an agent to personally inspect the relevant public registers and consult various LA departments as necessary in order to compile their own reports. Prior to 2010, the PSCs were charged by LAs for gathering the information which meant LAs received an income from personal searches.
- 3.6 However, in 2010, the UK Government concluded that charging a fee for a personal search was incompatible with the Environmental Information Regulations 2004 (EIR) and the underlying 2003 EU Directive that supports it. All personal search fees were abolished from July 2010.

4.0 THE NEW CON29 FORM

- 4.1 As of 4 July 2016, a new CON29 form was introduced by the Law Society which includes additional enquires required of each department (Appendix 1). The most significant change is the introduction of the new rights of way enquiry at 2.2 of the

new form. Rights of Way enquiries were previously part of the CON29 Optional Enquiries form, and it was at the discretion of the solicitor or conveyancer whether the enquiry was required. This enquiry is now part of the standard CON29 and should be reflected in the new pricing structure.

- 4.2 Each department involved in the compilation of a CON29 report have conducted an exercise to determine how long the new enquiries take to answer. The following amounts have been calculated with the advice of the Accounts Department, based on the information provided from each department:

	Residential	Land / Commercial
Land Charges	£12	£12
Building Control	£10	£12
Env Health	£17	£19
Highways	£17	£19
Planning	£17	£19
Rights of Way	£17	£19
Total	£90	£100

- 4.3 As a search provider, we must remain competitively priced if we are to increase our share of the search market. Local research has shown that £100 is the cut-off point upon which solicitors and conveyancers base their decision on where to purchase a search. With the inclusion of the new Rights of Way enquiry, it is considered necessary to slightly lower the fees of some of the departments to remain competitively priced.

- 4.4 It is recommended that Optional Enquires should remain £10 per question, with the exception of Enquiry no. 22 regarding Common Land. Other LAs charge more (see below) for this enquiry due to its complexity:

Caerphilly	£12
RCT	£17
Swansea	£22
Cardiff	£14
Vale of Glam	£14
Ceredigion	£12
Torfaen	£14
Powys	£22
Merthyr	£10

- 4.5 Optional Enquiry no 22 should be increased to £15 per search.
- 4.6 Additional parcels of land should remain at £10 per parcel up to a maximum of five parcels per search.
- 4.7 The target turnaround time for CON29 searches shall remain three days.

5.0 CHARGING PERSONAL SEARCH COMPANIES

- 5.1 A new EU Directive has been issued (Appendix 2) to clarify what types of environmental information can be charged for.
- 5.2 The Directive states that public organisations can now reintroduce fees for providing information to search companies providing that a) the fees are published; and b) the fees do not include charges for maintaining databases of any kind.
- 5.3 Each relevant department has conducted an exercise to determine how the fees should be set. The following amounts have been calculated with the advice of the Accounts Department, based on the information provided from each department:

Building Control	£10
Planning	£12
Rights of Way	£14
Env Health	£17
Highways	£17

- 5.4 If the above fees are accepted, they should be introduced with immediate effect.

6.0 FINANCIAL IMPLICATION(S)

- 6.1 The new CON29 form requires additional time to complete and so should be reflected in the total price of the search. Should the proposed figures be accepted, this will generate an extra £10 per search. A total of 225 CON29 searches were processed in 2015/16 so there is a potential increase of £2250 in the future.
- 6.2 A total of 56 CON29 Optional Enquiry no 22s were received in 2015/16. Should the proposed amount of £15 be accepted, this could potentially generate an additional £280 per annum.
- 6.3 The largest increase in income will derive from the reintroduction of personal search fees. During the last 12 months, the following amount of searches were received by each department:

Building Control	820
Planning	791
Rights of Way	320
Environmental Health	617
Highways	770

Had the fees been in place, this could potentially have generated £45,751.

- 6.4 Reintroducing personal search fees cannot guarantee the above said figure, however. Companies will still have the option to conduct searches 'personally' by visiting departments and gathering and interpreting information themselves for free. This is time consuming and costly in terms of agent fees so some companies may

continue to request each department conduct the searches for them; this will generate income.

- 6.5 The reintroduction of personal search fees will encourage solicitors and conveyancers to shop around for the best deal, as search companies increase their own fees to compensate. This will provide a more level playing field within the search service, and will hopefully see the increase of CON29 requests.

7.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY

- 7.1 The Single Integrated Plan & Sustainability Impact Assessment has been completed and no positive or negative impacts have been identified.

8.0 EQUALITY IMPACT ASSESSMENT

- 8.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

CHERYLLEE EVANS
CHIEF OFFICER NEIGHBOURHOOD SERVICES

COUNCILLOR CHRIS BARRY
CABINET MEMBER FOR REGENERATION, PLANNING AND COUNTRYSIDE

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Does the report contain any issue that may impact the Council's Constitution?		

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.