



ARTICLE NO: 1D

**CORPORATE AND
ENVIRONMENTAL OVERVIEW &
SCRUTINY COMMITTEE**

**MEMBERS UPDATE 2014/15
ISSUE: 1**

Article of: Borough Solicitor

Relevant Managing Director: Managing Director (People and Places)

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SUBJECT: LOCAL LAND CHARGES - HM LAND REGISTRY PROPOSALS

Wards affected: Borough wide

1.0 PURPOSE OF ARTICLE

- 1.1 To provide Members with information relating to the HM Land Registry (HMLR) proposals for the Local Land Charges Service and the Council's response to a related consultation exercise.

2.0 BACKGROUND

- 2.1 Members will be aware that the HMLR is a government department responsible for Land Registration services and the management of land and property data relating to land ownership.
- 2.2 In 2010 HMLR approved a diversification strategy to investigate further income streams.
- 2.3 One area identified was the Local Search Service. Members will be aware that local authorities historically have always been keepers of local search information which is most usually released as part of the conveyancing process upon sale etc. of land. Most of the data is created by local authorities through their statutory functions (e.g. Planning and Environmental Health) with the data being managed locally by the Local Land Charges Team. It has always been seen as logical that data created by a local authority for use by local residents within that local authority's catchment area should be managed by the relevant local authority.

- 2.4 Relevant authorities have a statutory duty to maintain a Land Charges Register which is a record of all properties within the Borough, including their planning history (which includes Section 106 agreements, Listed Building and Tree Preservation Orders) as well as numerous other charges i.e. information relevant to the properties, including environmental charges, such as Smoke Control Orders and Grants.
- 2.5 This information can be accessed by various means including personal inspection carried out by individuals or companies free of charge or by submitting the Official searches - LLC1 (a search of the Register) and Con29R (search enquiries which are answered by local authority departments). The LLC1 and Con29R are usually submitted together and the response is managed and provided by the local authority for a fee. The fees are used to cover the cost of the service.

3.0 CURRENT POSITION

- 3.1 Following a consultation exercise it appears HMLR are pushing ahead with proposals to part manage the Local Search service. This is a change to their original aim of providing a full service. Instead, HMLR has now proposed taking over the management of the Land Charges Register element whilst leaving the enquiries and personal inspections with local authorities. Under the current proposals local authorities would have responsibility for the data that is transferred and the picture is unclear as to who would fund any costs of transferring local authority data into the format required by HMLR. Local authorities will have to update HMLR with new data and provide the replies to enquiries. The HMLR proposal will add another tier to the process with HMLR retaining the search income. There have been no detailed proposals on how the local authorities will fund the remnants of the service going forward. HMLR has also proposed that it intends to supply 15 years history only on a search with the presumption that local authorities will process all other enquiries.
- 3.2 As previously advised the Council's response to the consultation was issued under delegated arrangements, in consultation with the Leader. The response was balanced but expressed concern about the following areas of the proposals;
- If HMLR are proposing to get involved in delivery of the search service they should be seeking to provide the whole service not just parts of it. Concern was raised about the loss of income, who would fund the works necessary to prepare the data for transfer and how local authorities would fund the remaining areas of work once the income had been removed. Concerns were also raised that reduction of the search data to a 15 years' time span will lead to additional enquiries being placed with local authorities.
 - Concern was also expressed about the benefit of adding another tier to the search process and the inevitable delays that will occur as a result. This could in turn slow the housing market down and lead to delays and frustrations for potential buyers. This proposal would create a fragmented service. It is believed that HMLR appears not to have properly assessed

the impact of the proposals on business and the public and demonstrates no alternative plan if problems were experienced.

3.3 The Council's consultation response was submitted in March 2014, and it was believed that HMLR would publish the results of the consultation in April. However, nothing has yet been published. HMLR proposals have been the subject of widely voiced concern amongst conveyancers and solicitors' firms, as well as the search providers themselves (local authorities and personal search companies) It has been suggested in some media circles that HMLR is seeking to add further income streams to its portfolio to make it a more attractive proposition for privatisation.

3.4 A copy of the consultation can be viewed at:
[http://consultations.landregistry.gov.uk/gf2.ti/f/391970/11444965.1/PDF/-/Land Registry Wider Powers and Local Land Charges Consultation FINAL .pdf](http://consultations.landregistry.gov.uk/gf2.ti/f/391970/11444965.1/PDF/-/Land%20Registry%20Wider%20Powers%20and%20Local%20Land%20Charges%20Consultation%20FINAL.pdf)

4.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

4.1 There are no significant issues other than those matters highlighted elsewhere in this update.

5.0 FINANCIAL AND RESOURCE IMPLICATIONS

5.1 The loss of the search income would result in additional resources being needed to fund the remnants of the search service that the Council would be expected to provide. As local authorities operate many different electronic search systems there would be costs in converting the data into the format that HMLR would need along with data capture costs. It is not clear under the current HMLR proposals as to who would fund this.

6.0 RISK ASSESSMENT

6.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers as a result of this report.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

None.