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PORTFOLIO AREA: CORPORATE RESOURCES			
Date of Meeting:	4 November 2003		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside Policy Framework			

Title: CHARGES REVIEW REPORT 2004/05 –
LEGAL AND DEMOCRATIC SERVICES

Report of: Head of Legal and Democratic Services

Report reference: LDS.58/03

Summary:

This report sets out the proposed fees and charges for areas falling within the responsibility of the Legal and Democratic Services Business Unit.

Recommendations:

The Executive is asked to agree the charges as set out in the report with effect from 1 April 2004.

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CITY OF CARLISLE

To: The Executive LDS.58/03

4 November 2003

REVIEW OF CHARGES 2004/05 – LEGAL AND DEMOCRATIC SERVICES

1. BACKGROUND

1.1 Each Service Manager is required to carry out an annual review of fees and charges.

1.2 This report proposes the review of charges within the Legal and Democratic Services Business Unit in respect of charges for electoral registers, Minute books and room bookings and Local Land Searches. The report has been prepared in accordance with the principles recently approved under the Council's Corporate Charging Policy.

1.3 The charges, which have been reviewed, are addressed separately below.

2. CORPORATE CHARGING POLICY

1. The Corporate Charging Policy, which was approved by the Executive on 07 July 2003, sets out three basic principles to underpin the City Council's policy for reviewing charges.

- A Corporate Approach – to help the delivery of the Council's corporate objectives and to address strategic and cross cutting themes between departments.
- Consistent Concessions – to clarify the basis by which the Council subsidises services and activities and to identify which citizens should benefit from the subsidies.
- Income Targets – to raise income from services where this is appropriate. This should include consideration of charging for services where this is not currently the case. Where charges for services are made they should be cognisant of the costs where appropriate. For 2004/05 each service has been given a corporate target for income generation of a minimum of 3.5%, i.e. an additional 1% increase over and above the assumed retail price index.

1. In addition, the policy recognises that each Service is different, and requires Service Managers to develop specific principles for their particular service or clients groups, but within the parameters of the three main principles.

1. ELECTORAL REGISTERS

3.1 The Electoral Registration Officer has a statutory duty to maintain the electoral register and to publish a revised register by 1 December each year. Under the Representation of the People Regulations 2001, the Registration Officer must on request supply a copy of the full register to government departments and credit reference agencies and the edited version of the register to any person. The fees for supply of both registers are prescribed in the Regulations and are revised from time to time and the Council cannot alter them. The current fees are £10 plus £5 for each 1000 entries for printed registers and £20 plus £1.50 for each 1000 entries in computer data

form. The same companies tend to buy the register each year so the level of income is generally static.

4. MINUTE BOOKS AND ROOM BOOKINGS

4.1 The charge for hire of a room in the Civic Centre is currently £70.00 per session; a session comprising morning, afternoon or evening use. An increase of 3.5% to £72.50 is recommended from 1 April 2004. Based on the level of income achieved in the last full year ie 2001/2002, the level of income expected to be generated in 2003/2004 is £2,425.

2. The charge levied for the sale of Council Minute Books is £13.50 per copy plus VAT. A number of outside bodies continue to receive free copies of Minute Books and at present 1 Company receives a chargeable copy. It is recommended that the charge is increased by 3.5% to £14.00 from 1 April 2004. The annual income from sale of council minutes is negligible.

4.3 The 2003/04 original estimate for Civic Centre room lettings was increased to £3,590 as a result of additional one-off room hire, mainly as a result of the Foot and Mouth Inquiry. This budget therefore needs to be reduced to reflect current activity levels.

5. LOCAL LAND SEARCHES

5.1 The fees for all searches of the Local Land Charges Register and enquiries of the Local Authority are presently as follows:-

Local Land Charges Search Fee	£5.00
Standard Enquiries (CON29 - 1 parcel of land)	£90.30
Standard Enquiries (CON29 – Level 2/3 – 1 parcel of land)	£73.80
Standard Enquiries (CON29 – each additional parcel of land)	£12.88
Optional Enquiries	£8.04
Additional Enquiries	£8.80

5.2 The first charge on the above list - Local Land Charges Search Fee - is determined by the Home Office and at the last review on 1 June 1998, the charge was raised to £5.00. The Council has no control over this fee as it is fixed by Central Government. The Council does, however, control the remainder of the fees on the above list. In setting these fees, the Council must have regard to the provisions of the Local Authorities (Charges for Land Searches) Regulations 1994. These regulations state that the amount of charge is at the Local Authority's discretion but in determining the charges to be made, the Authority must have regard to its costs in dealing with the enquiries.

5.3 The cost of a standard search is presently £95.30 which is based on the standard Local Land Charges Search Fee of £5.00 together with the fee for the Standard Enquiries £90.30.

5.4 A revised estimate recently prepared by the Head of Finance projects that for the current financial year, the income for dealing with searches based on the fees set out above

will amount to £380,750. Budget estimates for the current year show that the costs are approximately £159,090 leaving a surplus (net income) of £226,660.

5.5 It should be noted that the costs element includes estimated recharges made by the County Council in dealing with Highways searches through its contractor Capita DBS. In the present budget, this was calculated at £78,970. The costs element in the budget also includes internal recharge in respect of Development Control, Building Control and Environmental Services which is currently £39,750.

5.6 Members will be aware that during the 2003/04 financial year the Council introduced a computerised Land Charges system to facilitate the provision of searches electronically. There is an ongoing maintenance charge for the system and cost implications in relation to user licences and software maintenance. For the current financial year these figures total £3,830. The charges are indexed linked. It is estimated that these charges will be in the region of £3,925 in the 2004/05 financial year. It is therefore recommended that this additional figure be recouped from the Land Charge fees.

5.7 Local Authorities have been advised that they should estimate that 20% of searches will be submitted as level 2/3 searches. On the basis of this advice, the target level of income set under the Corporate Charging Policy and the need to recoup the computer system licence fee the fees have been calculated as set out below.

£

5.8	Local Land Charges Search Fee	5.00
	Standard Enquiries (CON29 - Level 1 - one parcel of land)	94.50
	Standard Enquiries (CON29 – Level 2/3 - one parcel of land)	77.50
	Standard Enquiries (CON29 - each additional parcel of land)	14.00
	Optional Enquiries	8.50
	Additional Enquiries	9.00

9. These proposals would produce a gross income in the region of £389,200 and a net surplus in the region of £232,315 based upon 2003/04 costs of £153,060 inflated by 2.5% (£156,885). It should be noted that these estimates are based on search throughput in previous years (averaging around 4,050 searches pa). The actual amounts of net income will depend entirely on the actual volume of searches which are made together with any increase in costs, particularly in the costs of Capita dbs.
10. There has been a significant increased in land charge fee income during 2003/04 as a result of the buoyancy of the housing market. There is a risk in assuming that this will continue indefinitely and if taken this will be monitored carefully during the year.

6. SUMMARY OF INCOME GENERATED

6.1 The introduction of the charges proposed is forecast to generate income of £392,709 in 2004/05 which is summarised in the following table:

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Service Area	Original Estimate 2003/04 £	Estimate 2004/05 £	% Increase
A Electoral Registers	1,070	1,070	
B Room Lettings	3,590	2,425	
C Minute Book		14	
D Land Charges	333,250	419,910	
Total	337,910	423,419	25.3

7. CONSULTATION

7.1 Consultation to Date -

This report has been considered by CMT and SFPG and their comments have been incorporated into the report.

7.2 Consultation Proposed -

Overview and Scrutiny as part of the budget process.

8. RECOMMENDATIONS

The Executive is asked to agree the charges as set out in the report with effect from 01 April 2004.

9. REASONS FOR RECOMMENDATIONS

To ensure that the City Council's Corporate Charging Policy is complied with.

10. IMPLICATIONS

- Staffing/Resources – N/A
- Financial – Included in the report.
- Legal – Head of Legal and Democratic Services has compiled this report.
- Corporate – The report reflects the Council's Charging Policy.
- Risk Management – The major risk to this Charges Review is the heavy reliance on income from fees and charges which reflect past and present experience of economic and customer activities. Any significant slowdown or economic recession would likely impact on projected income and would result in budget bids for future years.
- Equality Issues – N/A
- Environmental – N/A

- Crime and Disorder – N/A

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