

REPORT TO EXECUTIVE			
PORTFOLIO AREA: CORPORATE RESOURCES			
Date of Meeting:	15 October 2001		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside Policy Framework			

Title: REVIEW OF CHARGES 2002/2003

Report of: CITY SOLICITOR AND SECRETARY AND CITY TREASURER

Report reference: TC.208/01 & FINANCIAL MEMO 2001/02 NO 96

Summary:

The Report summarises proposed increases in charges in respect of Land Charges, Hire of the Civic Centre, Purchase of Council Minutes and matters relating to Electoral Registers.

Recommendations:

The recommendations are set out in paragraph 8 of the Report.

Contact Officer: John Egan

Ext: 7004

1. INTRODUCTION

1. Each service is required to carry out an annual review of its charges.
2. This Report proposes the review of a number of charges in respect of land charges, room hire and the publication of registers and has been prepared in accordance with the principles set out under the Council's current Corporate

Charging Policy.

3. The charges which have been reviewed are addressed separately below.
4. Attached at Appendix A is an extract from the summary of charges booklet, which shows the current and proposed level of charge for each of these services.

2. CORPORATE CHARGING POLICY

2.1 The Corporate Charging Policy, that was approved by Policy and Resources Committee on 30 August 2001 sets an income target so as to produce an overall increase in income equal to inflation plus 1%.

2. Therefore, for 2002/03 each service is required to achieve a corporate target for income generation of 3.5% (RPI of 2.5% plus 1%) and the increases proposed have been set with this requirement in mind. In addition, the policy requires Service Managers to investigate the scope for charging for services that have not been traditional charging areas in the past.

1. LOCAL LAND CHARGES AND SEARCH FEES

3.1 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)	£66.50
Standard Enquiries (CON29 – each additional parcel of land)	£10.70
Optional Enquiries: Urban Area	£6.20
Optional Enquiries: Rural Area	£6.70
Additional Enquiries	£7.30

3.2 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.

3.3 The cost of a standard search is presently £71.50 which is based on the standard Local Land Charges Search Fee of £5.00 together with the fee for the Standard Enquiries £66.50

3.4 It is estimated that for the current financial year, the income for dealing with searches based on the fees set out above will amount to £250,000. Budget estimates for the current year show that the costs are approximately £90,180, leaving a surplus

of £159,820.

3.5 It should be noted that the costs element includes estimated recharges made by the County Council in dealing with Highways searches. In the present budget, this was calculated at £9,000 which is based on the levels which have been charged in previous years. The costs element in the budget also includes internal recharge in respect of Development Control, Building Control, Environmental Services (£38,590), Highways (£5,530), and Drainage (£7,880). These costs elements were estimated before termination of the Highways Agency Agreement. It should be noted that following termination of the Highways Agency Agreement, the County Council have taken over responsibility for dealing with all Highways searches which are now processed by their contractor, CAPITA dbs. Furthermore, the Water Company (United Utilities) have taken over responsibility for answering water and drainage enquiries. In respect of the latter, searches are now sent directly to United Utilities because that Water Company have instructed the Council to cease answering water and drainage enquiries.

3.6 The County Council's contractor CAPITA dbs, make a charge of £9.50 per search for Part 1 Enquiries and £2.75 for Part 2 Enquiries. Given, following termination of the Highways Agency in April this year, that CAPITA dbs are now processing all highways searches on behalf of the County Council, it is anticipated that their fees may be as high as £48,850 this year. This exceeds the original budget provision (£9,000) by £39,850. The estimated cost of processing Highways searches by CAPITA dbs of £48,850 exceeds the estimated costs in the budget allowed for carrying out Highway searches of £9,000 for the County Council (Rural Searches) and £5,530 for the City Council (Urban Highways Searches) (combined cost £14,530) when the Agency Agreement was in force.

3.7 As stated above, the budgeted net income is £159,820. However, if the estimate for recharges by CAPITA dbs is correct (£48,850), the net income this year is likely to be £119,970 instead.

3.8 If the Council is to meet its target under the Corporate Charging Policy in the forthcoming financial year, it will be necessary for it to receive an income of £258,750 (ie £250,000 x 3.5%). In order to achieve this target, it is recommended that the fees be increased as follows:-

Standard Enquiries (CON29 - 1 parcel of land)	£70.50
Standard Enquiries (CON29 – each additional parcel of land)	£11.30
Optional Enquiries*	£7.05
Additional Enquiries	£7.70

*The same fee will now be charged for Rural and Urban Optional Enquiries

3.9 Under this proposal the cost of a standard search rises from £71.50 to £75.50. The Executive are asked to consider this proposal as Option 1.

3.10 However, as explained above, it is estimated that the County Council, through CAPITA dbs, will charge £48,850 this year for answering Highways Searches in both the Rural and Urban Areas which represents an increase in recharge of £39,850 above the original £9,000. (It should be noted that the allowance of £9,000 made in the budget was estimated before it was known for definite that the Agency would be terminated and before the full implications thereof were known.) The implications of this are that instead of the Council receiving a surplus of £159,820 as originally budgeted for, it is likely to receive a reduced surplus of £133,380. The shortfall in the surplus compared to the original amount budgeted is therefore £26,440 (making allowance for abolition of internal recharges for Highways (£5,530) and drainage (£7,880)). The Executive may therefore wish to consider further raising the fees in addition to the increases specified above in order to make up this shortfall in the surplus. How this might be done is explained in paragraph 3.11 below.

3.11 Assuming that CAPITA dbs charge similar sums next year, the "shortfall" in the surplus will be at least £26,440. This represents approximately 10.22% of the target income of £258,750. Raising each of the fees by 10.22% would achieve the following results:-

Standard Enquiries (CON29 - 1 parcel of land)	£77.70
Standard Enquiries (CON29 – each additional parcel of land)	£12.45
Optional Enquiries	£7.77
Additional Enquiries	£8.49

3.12 These proposals would produce a gross income in the region of £285,110 and a net surplus in the region of £168,490 based upon 2001/02 costs.

3.13 Under this proposal, the cost of a standard search increases from £71.50 to £82.50 - an increase of £11.00. The Executive are asked to consider this proposal as Option 2.

3.14 The Executive is therefore requested to determine which of the two options outlined above should form the budget proposal for Land Charges Income in the forthcoming financial year.

3.15 Finally, there is a further issue which should be brought to the attention of the Executive. The Government has set very demanding targets for electronic service delivery. It is anticipated that within the next five years, Government will demand that Local Authorities deliver Land Charges Searches electronically. Many Local Authorities have already gone down this route (for example, near to home: Newcastle upon Tyne and Allerdale). In such Authorities, the computerisation of Land Charges has been part of a much wider project to put all Councils' land and property systems onto a geographic information system. Within this Authority, this step has not yet been taken; however, Planning Services are presently in the process of updating their software from a national supplier. That supplier has provided a quote for Land Charges for the installation of hardware, software and carrying out training in the

region of £21,650. In addition to this, there would also be the costs of the capture of the manual data (there are several thousand manual card records comprising the Land Charges Register). A proposal for the Executive to consider would be for the Land Charges Service to be computerised after the Planning Services Division has fully implemented the software update. Such a proposal would be a net cost to the Council because it is unlikely that an equivalent saving could be found. The system would require a full-time member of staff to operate it and at present the manual Land Charges system is operated by only one full-time member of staff. Officers consider that this proposal, whenever implemented, would represent a key step towards electronic service delivery and would be essential in order to prepare properly for it. In view of this, Officers would propose making a budget proposal in 12 months time to be implemented in the financial year 2004/05.

2. CIVIC CENTRE

1. The charge for hire of a room in the Civic Centre is currently £65.50 per session; a session comprising morning, afternoon or evening use. An increase of inflation plus 1% i.e. 3.5% to £67.80 is recommended from 1 April 2002. The level of income expected to be generated in 2002/03 is £2,185. A number of users of the Civic Centre Accommodation are provided with free use in any event under the Council's current policy (attached at Appendix 'B').

3. COUNCIL MINUTES

1. The charge levied for the sale of Council Minute Books is £12.50 per copy plus VAT. Many bodies continue to receive free copies of Minute Books and at present no Companies receive chargeable copies but it is recommended that the charge is increased by 3.5% to £13.00 from 1 April 2002. The annual income from sale of council minutes is negligible.

4. ELECTORAL REGISTERS

1. The charge for sale of printed copies of electoral registers is fixed by the Home Office. This was last raised in February 2001 to £10 plus £5 for each 1,000 entries.
2. The electoral register is available as computer data at a statutory charge of £20 plus £1.50 for each 1,000 entries again as set by the Home Office.
3. The City Council determines the binding charge and it is recommended that this be increased by 3.5% from £3.15 to £3.25.
4. Under the local election rules, any person is entitled to take a copy of the marked electoral registers used on polling day, subject to a fee determined by the Council. A charge of 10p per page was set in 2001. It is recommended that the fee for copies of marked registers be increased to 11p per page from 1 April 2002.
5. Due to a change in regulations which came into force in February 2001 the scope for selling copies of the register has reduced. Therefore it has been necessary to reduced the revised estimate for 2001/02 from £2,330 to a more realistic figure of £1,000.

5. SUMMARY OF INCOME GENERATED

1. The introduction of the charges suggested above is forecast to produce the following additional receipts in a full year:

Detail	Original Est. 2001/02 £	Estimate 2002/03 £		% increase

Land Charges/Search Fee	250,000	258,750	Option 1	
		285,110	Option 2	
Civic Centre – Room Hire	2,110	2,180		
Council Minutes	-	-		
Electoral Registers	2,330	1,030		
Total	254,440	261,960	Option 1	3.0%
		288,320	Option 2	13.3%

6. RECOMMENDATIONS

It is recommended that the charges referred to above are increased as follows from 1 April 2001:

1. The Executive is asked to determine whether, in respect of Land Charges, it wishes to proceed with either Option 1 in paragraph 3.9 or Option 2 in paragraph 3.13.
2. Civic Centre room hire as per paragraph 4.1.
3. Council Minutes as per paragraph 5.1.
4. Electoral Registers as per paragraphs 6.3 and 6.4.

Contact Officers: **John Egan**
 Michelle Bellis

Ext: 7004

Ext: 7281

JOHN EGAN

CITY SOLICITOR AND SECRETARY

DOUGLAS THOMAS

CITY TREASURER

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FINANCE & GENERAL PURPOSES SUB-COMMITTEE

		Charges	Implementation	Suggested
		£	Date	Charge
				From 1/4/2002
				£
1.	Land Charges - Search Fees (VAT Outside/Scope)			
	Registration of a charge in Part II of the Register *	60.00	1.6.98	*
	Filing a definitive certificate of the Lands Tribunal under rule 10(3) *	2.10	1.6.98	*
	Filing a judgement, order or application for the variation or cancellation of an entry in Part II of the register *	6.30	1.6.98	*
	Inspection of documents filed under Rule 10 in respect of each parcel of land *	2.10	1.6.98	*
	Personal search in the whole or in part of the register * and in addition, in respect of each parcel of land above one, where under Rule 11(3) the search extends to more than one parcel, subject to a maximum of £13.00	10.00 1.00	1.6.98	*

Official Search (incl. issue of official certificate of search):- *				
a)	in any one part of the register	1.90	1.6.98	*
b)	in the whole of the register	5.00	1.6.98	*
and in addition, in respect of each parcel of land above one, where under Rule 11(3) more than one parcel is included in the same requisition (where the requisition is for a search in the whole or in any part of the register), subject to a maximum of £13.00 *		0.80	1.6.98	*
office copy of any entry in the register (not including a copy of extract of any plan or document filed in pursuant to these rules) *		1.40	1.6.98	*
office copy of any plan or other document filed in pursuant to these rules		various		
Part I - Standard Enquiries				
a)	One parcel of land	66.50	1.4.01	70.50/77.70**
b)	Several parcels of land			
	- First parcel	66.50	1.4.01	70.50/77.70**
	- Each addition	10.70	1.4.01	11.30/12.45**
(Fees that would exceed £100 to be fixed by arrangement)				
		Charges	Implementation	Suggested
		£	Date	Charge
				From 1/4/2002
1.	Land Charges - Search Fees (VAT Outside/Scope) – Continued			£
Part II - Optional Enquiries				
	Each printed enquiry – Urban	6.20	1.4.01	7.05/7.77**
	Each printed enquiry – Rural	6.70	1.4.01	7.05/7.77**
	Each additional enquiry	7.30	1.4.01	7.70/8.49**
*	These charges are set by the Home Office			
**	Two fees are stipulated; the first being Option 1 and the second being Option 2			
Registration and search fees are prescribed by the Government with the exception of the charge for an office copy of a plan or document. Fees for additional information are not statutory but are based on charges agreed between the Law Society and the				

Local Authorities Associations, taking into consideration any additional expenses incurred			
by the Council in providing the service.			
Authorising Minute FGP. 133/00 - 12.12.00			
Estimated Income 2002/03 - Option 1 £258,750			
Option 2 £285,110			
2.	Civic Centre (VAT Exempt)		
-	Room Letting - per session	65.50	1.4.01 67.80
Authorising Minute FGP. 133/00 - 12.12.00			
Estimated Income 2002/03 - £2,180			
3.	Council Minutes (VAT Standard Rate)		
-	Per Booklet	12.50	1.4.01 13.00
Authorising Minute FGP. 133/00 - 12.12.00			
Estimated Income 2002/03 - £negligible			
		Charges	Implementation
		£	Date
			Suggested
			Charge
			From
			1/4/2002
4.	Electoral Registers (VAT – Outside/Scope)		£
-	Full Printed Copy *	410.00	16.2.01 *
-	Register per 1,000 entries *	5.00	16.2.01 *
-	Binding of Register	3.15	1.4.01 3.25
-	Full Data Copy *	140.00	16.2.01 *
-	Fee for marked copy electoral	0.10	1.4.01 0.11
	register (per page)		
*	These charges are set by the Home Office		
Authorising Minute FGP. 133/00 - 12.12.00			
Estimated Income 2002/03 - £1,030			

FINANCE & GENERAL PURPOSES SUB-COMMITTEE

	<u>Charges</u> £	<u>Implementation</u> Date
1. Land Charges - Search Fees (VAT Outside/Scope)		
Registration of a charge in Part II of the Register *	60.00	1.6.98
Filing a definitive certificate of the Lands Tribunal under rule 10(3) *	2.10	1.6.98
Filing a judgement, order or application for the variation or cancellation of an entry in Part II of the register *	6.30	1.6.98
Inspection of documents filed under Rule 10 in respect of each parcel of land *	2.10	1.6.98
Personal search in the whole or in part of the register * and in addition, in respect of each parcel of land above one, where under Rule 11(3) the search extends to more than one parcel, subject to a maximum of £13.00	10.00 1.00	1.6.98 1.6.98
Official Search (incl. issue of official certificate of search):- *		
a) in any one part of the register	1.90	1.6.98
b) in the whole of the register	5.00	1.6.98
and in addition, in respect of each parcel of land above one, where under Rule 11(3) more than one parcel is included in the same requisition (where the requisition is for a search in the whole or in any part of the register), subject to a maximum of £13.00 *	0.80	1.6.98
office copy of any entry in the register (not including a copy of extract of any plan or document filed in pursuant to these rules) *	1.40	1.6.98
office copy of any plan or other document filed in pursuant to these rules	various	
<u>Part I - Standard Enquiries</u>		
a) One parcel of land	66.50	1.4.01
b) Several parcels of land		
- First parcel	66.50	1.4.01
- Each addition	10.70	1.4.01
(Fees that would exceed £100 to be fixed by arrangement)		

	<u>Charges</u> £	<u>Implementation</u> Date
1. Land Charges - Search Fees (VAT Outside/Scope) - Continued		
<u>Part II - Optional Enquiries</u>		
Each printed enquiry - Urban	6.20	1.4.01
Each printed enquiry - Rural	6.70	1.4.01
Each additional enquiry	7.30	1.4.01

* These charges are set by the Home Office

** Two fees are stipulated; the first being Option 1 and the second being Option 2

Registration and search fees are prescribed by the Government with the exception of the charge for an office copy of a plan or document. Fees for additional information are not statutory but are based on charges agreed between the Law Society and the Local Authorities Associations, taking into consideration any additional expenses incurred by the Council in providing the service.

Authorising Minute FGP. 133/00 - 12.12.00

Estimated Income 2002/03 - Option 1 £258,750
Option 2 £285,110

2. Civic Centre (VAT Exempt)		
- Room Letting - per session	65.50	1.4.01

Authorising Minute FGP. 133/00 - 12.12.00

Estimated Income 2002/03 - £2,180

3. Council Minutes (VAT Standard Rate)		
- Per Booklet	12.50	1.4.01

Authorising Minute FGP. 133/00 - 12.12.00

Estimated Income 2002/03 - £ negligible

	<u>Charges</u> £	<u>Implementation</u> Date
4. Electoral Registers (VAT - Outside/Scope)		
- Full Printed Copy *	410.00	16.2.01
- Register per 1,000 entries *	5.00	16.2.01
- Binding of Register	3.15	1.4.01
- Full Data Copy *	140.00	16.2.01
- Fee for marked copy electoral register (per page)	0.10	1.4.01

* These charges are set by the Home Office

Authorising Minute FGP. 133/00 - 12.12.00

Estimated Income 2002/03 - £1,030

Current Civic Centre Users & Charging Policy

The following shows the present Civic Centre users analysed over the various categories within the current charging policy.

Categories of Bookings

1. Council or Civic Centre Use

Current Charging Policy: No Room Charge even after normal hours.

Overtime to be paid by Council

(Meetings of Council and Civic Events only see 2 for other meetings organised by Council Departments)

LGA Cumbria Branch (Formerly ADC Cumbria Branch)

Carlisle Countryside Group (Pays for Refreshments)

Conservation Area Advisory (Pays for Refreshments)

County Joint Committee

Cumbria & Lancs Road Accident Prevention Federation

District Auditor

Guild of Retailers

Mayor Making

Mayor's Sherry Party

Mayor's Use

Political Group Meetings

Royal Visits

Social Services Department (Carlisle Office Only entitled under user rights.) (Normally provide their own refreshments)

Twinning Link Visits (e.g. Flensburg & Slupsk)

2. Quasi Council Use

Current Charging Policy: No charge apart from overtime payments and refreshments.

(Normal charging policy for Council Departmental use unless booking is briefing Councillors etc. when 1. above applies. Refreshments are not normally available as a matter of course as provision will depend on Council and Civic Business and staff availability.)

Carlisle Aid for Women (26/08/97)

Carlisle Anti-Poverty Forum (17/02/98)

Carlisle Cycling Campaign (13/04/99)

Carlisle Sports Council

Carlisle Schools' Sports Association

C.I.P.F.A. Students

Crossroads

Cumberland Society of Architects (14/04/98)

Quasi Council Use Continued

Cumbria Association of Local Councils (01/07/97)

Cumbria Housing Training Group

Cumbria Local Authority I. T. Users

Cumbria Tourist Board (18/10/94)

Cumbria Valuation Tribunal

East Cumbria Welfare Rights Forum (27/08/96)

Housing Associations

Institute of Building Surveyors (Branch Meetings for Members)

Institute of Civil Engineers (Branch Meetings for Members)

Institute of Highway Engineers (Branch Meetings for Members)

Municipal Bowls League

National Blood Transfusion Centre – Newcastle

Northern Arts

Northern Consortium of Housing Authorities (NCHA)

Northern TUC

North of England Assembly (**Membership ceased ref.PR.122/99**)

Parish Councils

Quality Street Awards

Trade Unions - Meetings of recognised Carlisle City Branches

Workplace Meetings Social Services Carlisle Office Only (Entitled under user rights)

3. Voluntary/Charitable Organisations with no direct Council Involvement

Current Charging Policy: Hirer to pay for overheads e.g. energy costs and cleaning plus any overtime payments and refreshments unless Resources Sub-Committee exempts.

Duke of Edinburgh Awards Committee (Usually hosted by the Mayor)
Horticultural Society (**Not met for several years**)

4. Others

Current Charging Policy: Hirer to pay Full Charge plus any overtime payments plus refreshments.

Carlisle Magistrates' Court

Commissioners for Income tax

Coroner's Court (22/08/97)

Cumbria County Branch of Unison

Industrial Tribunals

Legal Aid

North West Traffic Commissioners

No attempt has been made to widen the use of the Civic Suite by outside bodies as the view has always been taken that the primary use of rooms must be for Council business and maximising lettings could result in special meetings having to be fitted around external bookings.