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**PROPERTY SEARCH SERVICES**

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**Responsible Cabinet Member - Councillor Stephen Harker, Resources Portfolio**

**Responsible Director - Paul Wildsmith, Director of Corporate Services**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To seek approval for charges to be set for access to property search records and for the Director of Corporate Services to be given this power under delegated authority.

**Summary**

2. The Council holds a range of property and environmental information. The information is held in a number of Council teams including Local Land Charges, Planning Services, Highways, Building Control, Housing Renewal and Environmental Health.
3. This information is used in the provision of a full local authority land search. Personal search companies also provide property search services and rely on access to information held by the local authority.
4. The Local Authorities Charges for Property Searches Regulations 2008 were introduced on 23 December 2008 and in January 2009 the Department for Communities published 'Local Authority Property Search Services – Costing and Charging Guidance'. The Regulations provide that a Local Authority can recover the cost of providing access to property information, unless that information is free statutory information (such as the local land charges register) or where charges can be levied from other legislation.
5. A costing exercise is currently underway to calculate the charges that can be set in compliance with the Regulations and having regard to the Guidance. The Personal Search Companies that we currently work with will be advised in writing of the introduction of the new charges and information will be posted on the Council's web site.
6. A delegated power to the Director of Corporate Services for setting these charges is sought. This will allow greater flexibility and responsiveness to the setting of charges and any subsequent adjustment to the level of those charges.

**Recommendation**

7. It is recommended that Members approve a delegation to the Director of Corporate Services to determine the scale of charges for providing access to property search information,

including the power to vary those charges from time to time.

## Reasons

8. The recommendation is supported to enable the enable Council to recover the costs involved in providing information that can be lawfully charged for.

**Paul Wildsmith**  
**Director of Corporate Services**

## Background Papers

Local Authorities (England) (Charges for Property Searches) Regulations 2008, SI 2008 No.3248

Local Authority Property Search Services – Costing and Charging Guidances – January 2009.  
Department for Communities and Local Government

Luke Swinhoe : Extension 2055

S17 Crime and Disorder	There are no issues arising directly from this report that relate to crime and disorder.
Health and Well Being	There are no issues arising directly from this report that relate to health and well being.
Sustainability	There are no sustainability issues.
Diversity	The content of this report impacts equally across all groups
Wards Affected	All wards equally affected
Groups Affected	All groups equally affected
Budget and Policy Framework	There is no change to the Budget and Policy Framework as a result of this report
Key Decision	Not a key decision
Urgent Decision	Not an urgent decision
One Darlington: Perfectly Placed	This report has no particular impact on the sustainable Community Strategy
Efficiency	This report does not have any direct impact on efficiency.

## MAIN REPORT

### Information and Analysis

9. The Council holds a range of property and environmental information. The information is held in a number of Council teams including Local Land Charges, Planning Services, Highways, Building Control, Housing Renewal and Environmental Health.
10. This information is used in the provision of a full local authority land search. Personal search companies also provide property search services and rely on access to information held by the local authority.
11. The full local authority search provides comprehensive answers to a range of property information. Personal Search Companies have not previously provided their clients with as much search detail as the full local authority search, but have been able to rely on insurance to cover the risks that arise from conducting a less comprehensive search.
12. From the 6 April 2009 the insurance provided to personal search companies is being withdrawn by the Government and Personal Search Companies will need to access all of the information that is used by Councils in conducting the full local authority search.
13. The Government wants to ensure that parity exists between property searches undertaken by local authorities and personal search companies, both in terms of access to the information and charges that can be set by local authorities in allowing access. This goes back to a 2005 market study of Property Searches undertaken by the Office of Fair Trading.
14. The Local Authorities Charges for Property Searches Regulations 2008 were introduced on 23 December 2008 and January 2009 the Department for Communities published 'Local Authority Property Search Services – Costing and Charging Guidance'.
15. The Regulations provide that a Local Authority can recover the cost of providing access to property information, unless that information is free statutory information (such as the local land charges register) or where charges can be levied from other legislation. When a local authority charges it can only do this on equal basis and will need to make an internal recharge for analogous internal transactions.
16. Guidance sets out a methodology for calculating the charges. This involves working out staff time taken and the costs of performing particular property search activities against the volume in order to calculate unit costs.
17. A costing exercise is currently underway to calculate the charges that can be set in compliance with the Regulations and having regard to the Guidance. This will be completed before the end of March 2009 and in time for the changes that take place from 6 April 2009.

18. Prior to the 6 April 2009 the Personal Search Companies that we currently work with will be advised in writing of the introduction of the new charges and information will be posted on the Council's web site.
19. A delegated power to the Director of Corporate Services for setting these charges is sought. This will allow greater flexibility and responsiveness to the setting of charges and any subsequent adjustment to the level of those charges.

### **Financial Implications**

20. The current state of the housing market has seen significantly lower levels of requests for property information and in decline in both full local authority searches and personal searches. This has added an additional level of uncertainty about the likely number of transactions. It has been assumed that the number of enquires for property information is likely to be at a reduced level over the course of the financial year 2009/2010. Another variable that is difficult to predict is exactly what information personal search companies and others will request. An indicative level of new revenue is within the range of £40,000 to £80,000. However current projections on land charges income are below what is included in the Medium Term Financial Plan, therefore this new income will help offset the 'lost' income.

### **Outcome of Consultation**

21. There has been no formal consultation undertaken with external persons or organisations.