

## Local Authority Property Search Services

Costing and Charging guidance



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# 1 Executive Summary

This document sets out the outcomes of KPMG’s work on local authority property search related services and the analysis which supports the proposed costing and charging guidance for property search related data. It follows from KPMG’s commission by Communities and Local Government and the Ministry of Justice to create clear and comprehensive guidance for the costing of unrefined data in response to recommendations to the Government in the 2005 Office of Fair Trading (‘OFT’) Market Report into the Property Search Market.

The analysis supports a costing and charging model and guidance which will deliver unrefined property search related data to the private and public sectors on an equitable cost basis (providing equitable access to data is in place) and delineates the dual function of local authorities as unrefined data holders and report compilers.

## 1.1 Use of the terms ‘unrefined’ and ‘compiled’ information

The OFT undertook a market study of the Property Search market in 2005. To address concerns which had been raised in the market the OFT introduced the concepts of ‘unrefined’ and ‘compiled’ information held in local authorities. ‘Unrefined’ data referred to information held by local authorities and which is then ‘compiled’ into property searches. Compilation may be done by either local authorities or private search firms, and the access to, and cost of, ‘unrefined’ information was therefore the subject of a number of recommendations by the OFT.

A key recommendation referred to guidance for local authorities in costing for ‘unrefined’ and ‘compiled’ data, and is reproduced below:

***Central government should provide clear guidance for LAs on how they should recover the costs of providing property information in compiled and unrefined forms and, if LAs are to set their own prices for these two services, how they should set these charges to avoid distorting competition in the supply of local property searches.***

This report addresses the recommendation, and creates a clear distinction between data which is ‘unrefined’ and ‘compiled’. Clarity on this distinction – and the subsequent pricing treatment of this information – is necessary as both local authorities and the private sector require equal access to unrefined data.

The OFT also suggests creating costing guidance for ‘compiled’ data. Guidance for the pricing of the Local Land Charge Search (the ‘compiled’ LLC1 search) was issued by the Department for Constitutional Affairs (now the Ministry of Justice) in January 2007.

Our analysis suggests that both local authorities and the private sector compete on the sale of compiled data through a combination of price, value-added enhancements to the search product, and service. With such variation, it is less practical to set out formal guidance for compiled data although costing principles can be established based on the current legislative framework, in particular the 1994 Local Authority (Charges for Land Searches) Regulations which set local authorities' ability to charge for such services having 'regards to costs' (see section 3.1).

However, the OFT raised a concern that Local Authorities may be in a position to distort competition through the supply of property searches. The current market for local searches does not appear to adhere strictly to the legislative framework, and a reversion to the current legislative position could, in our opinion, have a material effect on the property search market. We have therefore addressed this issue in a further section of our report, 'an alternative approach to pricing for value-added activities' (see section 8).

## 1.2 Cost recovery versus uniform pricing for unrefined data

The OFT set out in its 2005 report 'Property Searches Market Study' two options for pricing local authority unrefined information. First that central government set prices at a uniform level across local authorities, either to reflect the costs of an efficient local authority, or an average local authority, or set at zero. It also set out a second approach where local authorities set their own prices for unrefined information.

Our recommendation is that the price for unrefined data is set by a local authority on a cost recovery basis. We have arrived at this conclusion after considering three key factors:

1. can the pricing option deliver a level cost playing field?
2. what is the potential size of any new overall financial burden created by the pricing option and what is the scale of the financial impact on individual authorities?
3. what is the level of complexity in calculating and administering the fee?

The proposed OFT pricing options could enable the local authority and the private sector to compete on an equal cost basis, whether the price is based on a uniform fee or on a cost recovery basis for unrefined data. As such there is no obvious differentiation between the different OFT options as regard their expected impact on competition for end users.

A uniform fee for unrefined data set at nil would result in the highest level of new burden for local authorities. Our evidence would suggest that this is in the range of £15k-£20k per authority per annum for the provision of access for a personal search of the local land charges register data. Moreover, this estimate excludes fees for access to Con29 unrefined data. We have therefore recommended that a uniform price of nil is rejected on the grounds that it will impose too significant a financial burden on local authorities.

There will always be local and regional price variations in property search related costs. Setting a uniform fee will result in some local authorities incurring an additional financial burden even if the net position across all local authorities is neutral. More importantly, from the point of view of sustaining competition (in relation to the provision of refined/compiled data), it would mean that some activities would generate an internal surplus on the provision of unrefined data. This in turn could influence a local authority's pricing decisions to end users, distorting competition.

Setting a uniform fee based on an average local authority would mean that half of local authorities would receive more than their costs through the uniform fee. Therefore half the market (by number of authorities, if not necessarily by quantum of transactions) could be subject to latent competitive distortions.

Setting a uniform fee based on an efficient authority, raises complex definitional issues, not least what is meant by "efficient". It would be extremely difficult to propose a single definition which was robust and credible to the majority of reasonable parties. This reflects, at least in part, the need to identify a balance between unit cost and quality of service when determining what constituted an efficient authority. Moreover, in both cases (average and efficient) the uniform fees, and underlying definitions, would need to be subject to regular review and potential adjustment to help ensure the underlying assumptions remain valid.

A uniform fee based on an "efficient" local authority would therefore be complex for government to administer (and enforce), though this additional complexity would not be expected to impact adversely on individual local authorities. It would remain the case that the definition of "efficient" would in turn determine the level of additional financial burden.

We therefore recommend that a uniform national fee for unrefined data – based on either an average or efficient local authority – is rejected. These approaches could impose potentially significant financial burdens on local authorities, and in the case of an efficient uniform fee, bring additional complexity.

Setting the fee based on local cost recovery may increase a local authority’s administrative overhead in terms of putting in place a robust costing and charging structure that identifies costs accurately and can stand up to independent scrutiny. This approach would be expected to result in the lowest additional new financial burden, when compared with a uniform price structure. Moreover, local authorities are expected to maintain, even if they may sometimes choose not to do so in practice, costing systems which would enable them to generate this information.

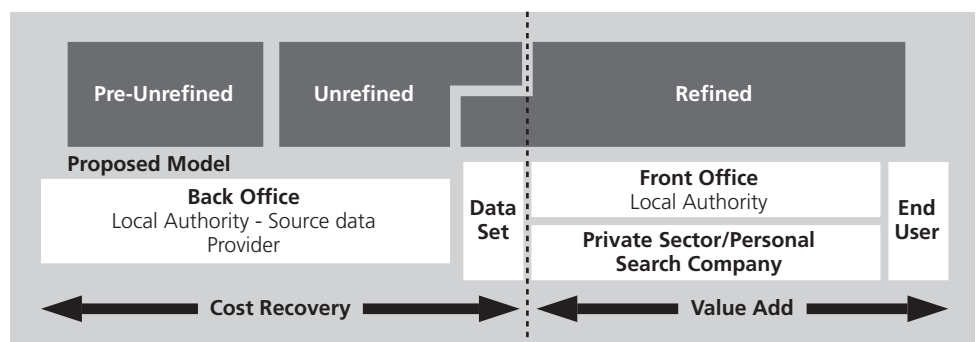
The analysis of information from local authorities supports the basis of the recommendation to favour cost recovery, rather than national uniform pricing in setting charges for unrefined data.

Notwithstanding the apparent lack of clarity around the current legislative framework, in our opinion, the preferred pricing model which best balances the interests of local government and the private sector, minimises the potential financial burden on council tax payers and allows competition in the provision of compiled data to end users, is one in which:

- all parties have access to unrefined data charged for on a cost recovery basis; and
- encourages the development of value added market propositions by both local authorities and the private sector which encourages competition in the sale of refined/compiled data to end users

### 1.3 Costing and charging model

Our proposed costing and charging guidance is based on the model shown below. The dotted line splits what we have defined as the local authority cost recovery and value-added activities. The core principle of the new model is that it establishes a clear difference between the data which is made available to all parties on the basis of cost recovery and that which is made available to end users in a value-added form and subject to competition. This approach seeks to establish both clarity in a complex legal environment and equality between the public and private sectors in the cost of the underlying data used to provide services to end users.



Under this model, the local authority back office provides a data management and distribution function. It manages the property search related source data and provides this data (shown as the 'data set' in the model above) on an equal cost basis to both the local authority front office, the private sector and any private individuals who wish to access it. These data management activities can only be carried out by the local authority and are non-contested activities as defined in the OFT's Commercial Use of Public Information (CUPI) study.

The local authority front office and the private sector then compete on their refined property data services (i.e. the compiled Con29, the LLC1 and other refined data offerings or their equivalents as produced by the private sector<sup>1</sup>). Key aspects of this model are:

- the local authority back office activities are based on local cost recovery rather than a centrally set uniform price across all authorities. This approach reflects our assessment of the inherent complexities and limitations of centrally established prices;
- the local authority back office is permitted to recover its costs in making available the 'data set'. It is not entitled to generate a surplus on its back office activities. The detailed costing principles are intended to achieve this, if properly applied. Our proposed model also recognises the importance of transparency to provide confidence that future costs do not include an element of surplus. We make suggestions in section 9 as to how this transparency can be secured; and
- the local authority front office is allowed to compete with the private sector for refined property search related data services. These are refined property search data activities that can be undertaken by both internal and external users and may represent a 'value-added' service by local authorities. The 1994 regulations allow local authorities to price such services 'with regards to cost' although pricing at or near cost may itself distort competition. We address this issue in section 8.

The model introduces a new data definition of 'pre-unrefined' data to clarify properly the full range of activities a local authority takes with regard to the generation, collection and subsequent provision of property search related data (see section 6). This new term is necessary to define more clearly the boundaries around the types of data which can be reasonably expected to be made available. It also responds to the absence of a current explicit definition of local authority property search related data in terms of 'unrefined' data in the 2005 OFT Market Report into the Property Search Market.

<sup>1</sup>Note. Only the Local Authority can produce a 'certified' LLC1 form, although private sector alternatives exist which are regarded as LLC1 equivalents by many users.

The model recognises that robust guidance is needed to enable local authorities to understand what property search related data they are permitted to charge for, and on what basis this charge should be calculated. We have taken the existing legislative position based on current Communities and Local Government and Ministry of Justice policy as the basis for our guidance.

The report acknowledges Government concerns, raised in its 2006 response to the OFT report into 'CUPI', that it could not accept the OFT CUPI recommendations in full until it had considered the ongoing fiscal cost of collation, storage and maintenance of public sector data.

## 1.4 Implications of the model

The model puts the private and public sector on an equal cost basis for access to unrefined property search related data, which is subsequently used to provide services to end users.

The model requires that a local authority must set its charges for unrefined property search related data in a way which is fair and transparent, and does not disadvantage the private sector. The costs and charges put forward by a local authority must be subject to independent challenge and scrutiny. The guidance below focuses on the pricing of unrefined data used in property searches by both the private sector and local authorities. The compilation of refined data into a property search report by the local authority is a value-added activity and in current practice may not be priced on a strict cost-recovery basis. A model based on cost recovery for refined and compiled data could have a material impact on the wider market for local authority searches with a probable effect of reducing the end price for such searches and possibly distorting competition. This report does not provide explicit guidance for cost-recovery of refined data provision, but recommends that Communities and Local Government and Ministry of Justice assess the potential impact of cost-recovery for refined information by local authorities in the context of its wider market impact.

Our study does not address the VAT inequality in the retail price of front office competed activities. VAT is an additional cost to the end user for a search commissioned through a personal search company, whereas the price of a local authority search to an end user is free from VAT. This inequality was outside the scope of KPMG's work.

## 2 Scope and methodology

### 2.1 Scope

KPMG was commissioned by Communities and Local Government and Ministry of Justice to help create clear and comprehensive guidance for a local authority to identify the costs they incur in respect of their unrefined property search related services and how they should subsequently charge, where permitted, for these services.

Local authorities are obliged by law to collect and maintain data on land and property, and make this information available to the public, most often as part of the process for property conveyancing.

The underlying purpose of our work was to propose a level cost playing field, setting aside VAT, for unrefined property search related data for all parties, based on transparent, clear and comprehensive guidance. This review was commissioned in response to the OFT's report into the Property Search Market (2005)<sup>2</sup>, which made a number of recommendations aimed at increasing competition, all of which were accepted by government in its response<sup>3</sup>.

The OFT recommended that government investigate a number of charging options for the provision of unrefined property search data, including uniform pricing (either nil, based on an efficient local authority or an average local authority) or locally-set pricing based on the recovery of costs. Our review required us to consider the potential impact of these charging regimes.

### 2.2 Approach and Methodology

Our approach was based on a recognition that robust guidance would need to enable local authorities to address three key questions:

1. what is it permissible to charge for? As considered further in section 3 and 5, a variety of different practices have developed as to what information should be provided free of charge and what can be charged for;
2. how to identify the costs associated with property search related activities? It is important that the cost identification process local authorities will be required to comply with is workable in practice, reflects existing accounting guidance and requirements (e.g. BVACOP) and does not impose additional administrative burdens over and above what would otherwise be expected to be in place at a well administered local authority; and

<sup>2</sup>OFT Market Report into the Property Search Market (2005) ref: OFT810.

<sup>3</sup>Government response to the OFT Market Report into the Property Search Market (2005) ref: DTI URN 05/1946.

3. how to convert costing information into a price charged for a specific service or activity (where this is currently permissible under statute)?  
Our research identified a variety of different practices across local authorities covering the extent to which Local Authorities price having 'regard to costs' and the estimation of the "volumes" of expected activity used to calculate the unit charges. The guidance provides clarification on these issues.

To understand a local authority's property search related activities and costs, we developed a questionnaire, with input from Communities and Local Government and Ministry of Justice, covering key aspects of a local authority's property search activities, including processes, data, systems, access policies, costs and volumes.

The questionnaire was sent to forty two local authorities with the objective of securing responses from a minimum of fifteen. Each local authority was subsequently contacted by telephone to arrange either an on-site visit or telephone interview to offer guidance on how to complete the questionnaire. This approach aimed to ensure maximum consistency and reliability of responses. To ensure a representative sample of local authorities were identified for the survey, five selection criteria were identified:

- Geography (by region);
- Population density (population per square km);
- Legal structure (unitary/two-tier, borough/district/county);
- Fee levels (for the LLC1 and Con29 p1); and
- Use of computerised land and property systems including connection level to the National Land Information Service ('NLIS').

The forty two local authorities are set out in Appendix A. Thirty two local authorities returned the questionnaire, the majority of these having received either telephone guidance or on-site visits. The non responses were reviewed for bias (self-selection) against the five selection criteria but no systematic bias was obvious. Whilst 32 of 42 local authorities amounted to a high response rate of 76%, only 7 of the 32 local authorities that responded to the questionnaire were able to itemise their costs in the detail requested in the questionnaire. The figures therefore presented in this report are as such not necessarily indicative of costs across all local authorities although as set out in the analysis in section 4.2.3, the data does support broad conclusions as to the costs incurred by local authorities in providing unrefined data.

Our findings were also informed by meetings with members of Communities and Local Government's Conveyancing and Property Searches Working Group, including the personal search trade associations (IPSA, COPSO, and The Property Search Group plc), the Association of HIPS Providers ('AHIPPs'), the Council for the National Land Information Service ('C-NLIS'), the Local Land Charges Institute and observation at two local authorities of personal searches carried out by a personal search company.

The costing and charging guidance set out in this document has also been informed by relevant documents, including:

- HM Treasury's Cross-cutting Review of the Knowledge Economy' 2000;
- OFT Market Report into the Property Search Market (2005) and the Government's response; and
- OFT CUPI report and the Government's response to the CUPI report
- Guidance for setting of Local Land Charge Fees (DCA, January 2007).

Taking into account this backdrop, we have also put forward a revised definition of property search data to help clarify the costing and charging guidance. This definition has been informed through consultation with the OFT.

## 2.3 Report Structure

The rest of this report is structured as follows:

- Section 3 – Key Issues;
- Section 4 – Our assessment of the pricing options put forward in the 2005 OFT report property searches market study report;
- Section 5 – Proposed costing and charging model;
- Section 6 – Policy context impacting on the costing and charging guidance;
- Section 7 – The costing and charging key principles;
- Section 8 – An alternative approach to pricing for value-added activities;
- Section 9 – Proposed process for securing transparency over the setting of charges.

This report is separated by three appendices:

- Appendix A – List of local authorities that were requested to take part in the survey;
- Appendix B – Definition of key terms; and
- Appendix C – Con29 part 1 and part 2 forms.
- Appendix D – Information on the sharing of best practice tools for holding and managing information.

## 3 Key Issues

The costing and charging guidance must provide clarity on what a local authority is entitled to charge for in the provision of unrefined data and on what basis it determines this charge.

Our work has identified two key issues that need to be considered before clear and comprehensive costing and charging guidance for local authorities can be developed. The first is the fragmented nature of the current legislative framework on the costs and charges for property search related services, and the second, is the lack of a single coherent set of agreed policies or legislation which can be explicitly applied to all public sector information. The following paragraphs set out these two issues in further detail and the approach we have adopted to develop the guidance as informed by these issues.

### 3.1 Fragmented legislative framework

The legislative framework that covers the setting of costs and charges includes the provisions of the Local Land Charges Act 1975 and its related charging regime, the Local Authorities (Charges for Land Searches) Regulations 1994 (the '1994 Regulations') and, alternatively, section 93 of the Local Government Act 2003 (the '2003 Act'). The charging regimes in the 1994 Regulations and the 2003 Act are subject to certain statutory provisions that require access to specific registers to be free. A summary of Communities and Local Government and Ministry of Justice's interpretation of the legislation for setting fees for property search related services and data is shown below:

- 'Up to cost recovery' for setting the LLC1 fee in England (following deregulation of the LLC1 fee in England in 2006). In Wales the LLC1 price is regulated at either £6 or £4;
- 'With regard to costs' for setting the Con29 part 1 or part 2 fee;
- 'With regard to the costs in dealing with enquiries' for setting the fee for Con29 source data. This applies to information where statute is silent and is therefore made available at the discretion of the local authority. It also applies to data which must be made available to the public, but where there is no explicit legislation requiring that this access must be free of charge;
- No charge made for Con29 source data that must be made available to the public for free under statute; and
- An £11 regulated fee for a personal search of the Local Land Charges Register.

It is important to bear in mind that the current legislative framework relates to what can be charged for, rather than the principles to be adopted by a local authority to determine its costs. A table setting out each element on the Con29 part 1 and part 2, with the current legislative access position is shown in section 5. Communities and Local Government and Ministry of Justice have advised on current policy and we have taken this existing legislative position as the basis for our costing and charging guidance. The policy context is set out in section 5.

Communities and Local Government and Ministry of Justice are mindful that there are a number of current government initiatives underway, e.g. proposed further work in response to the OFT's CUIPI study. This may further impact the charging policy decisions proposed in this document, and in due course could require an amended set of guidance.

### 3.2 Lack of guidance on current policy

Although clearly separate, KPMG's work sits within wider government consideration on the access and reuse of public sector information and the pricing of this information. In late 2006, the OFT published its report into the Commercial Use of Public Sector Information. In its response, the government acknowledged the economic benefits of improving access to public sector information. However, the government also recognised that it had to consider the ongoing fiscal cost of collation, storage and maintenance of public sector data and, until such considerations were assessed, government could not accept the CUIPI recommendations in full.

There is no current and definitive government guidance on how public sector information should be priced. In addition to the OFT's CUIPI study (and the government's response) there are a number of other potential impacts on policy: the Environmental Information Regulations 2004; and HM Treasury's Cross-cutting Review of the Knowledge Economy<sup>4</sup>. These seek to establish key pricing and access principles for public sector information, but as yet are not either fully tested or adopted and consequently have not yet been brought together into a single coherent set of agreed policies or legislation which could then be explicitly applied to all public sector information.

With the introduction of Home Information Packs ('HIPs') in August 2007, and following on from expected commitments made by government in the lead up to HIPs (specifically those committing to review the charging guidance for local authority search information), it is important to develop specific guidance on those data sets as used in the context of the HIPs related property searches, despite the unsettled overall picture on data priorities and pricing.

<sup>4</sup>Commissioned as part of Government Spending Review 2000.

Subsequent changes resulting from recommendations in CUIP, legislative change or challenge, or other UK or European Directives will clearly need to be taken into account in any future guidance.

### 3.3 Implication for our approach to a costing and charging model

We have put forward a costing and charging model that levels the playing field by putting all parties on an equitable cost basis for unrefined property search related data. The model, set out in detail in section 6, is also informed by the recent studies described above, in that it addresses the costing and charging principles for contested and non-contested data, and has regard to the financial implications of opening up public sector information to the private sector.

## 4 Analysis of property search related questions raised in the OFT Market Study

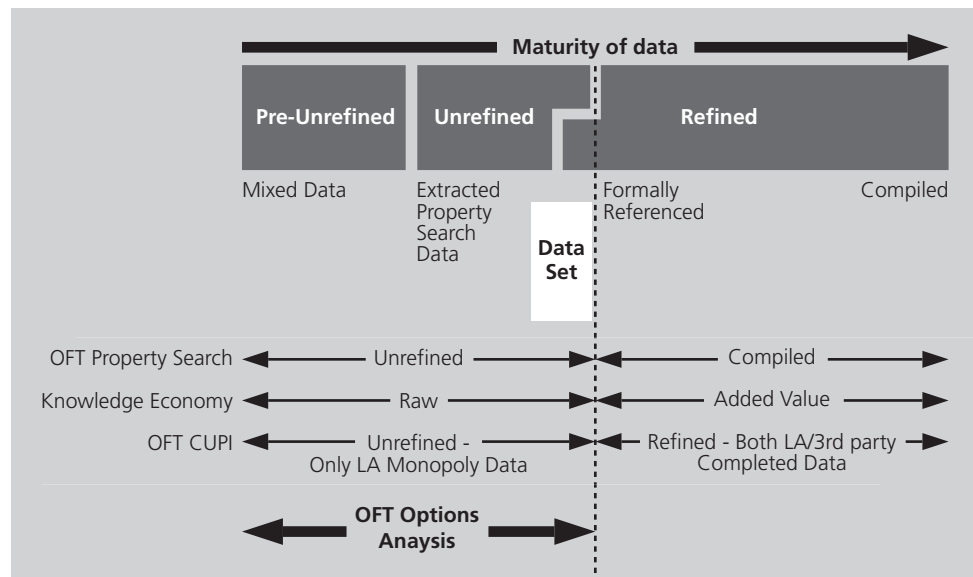
The OFT set out in its 2005 report 'Property Searches Market Study' that local authorities lack clear guidance on how they should charge for unrefined and compiled property information, and on how they should cover the costs they incur in providing this information. It set out two options for pricing unrefined information. First that central government set prices for unrefined property information at a uniform level across local authorities, and with a proposal that a uniform price could be set either to reflect the costs of an efficient local authority, an average local authority, or set at zero.

It also set out a second approach where local authorities set their own prices for unrefined information, and where clear guidance is provided to local authorities on which costs may be recovered. The OFT also set out that local authorities should not be able to charge themselves a lower internal price for unrefined information than that they charge to personal search companies.

The OFT report did not recommend either approach but concluded that government should provide clear guidance for local authorities on how they should recover the costs of providing property information in compiled and unrefined forms and, if local authorities are to set their own prices for these two services, how they should set these charges to avoid distorting competition in the supply of local property searches.

## 4.1 Background

There is no explicit definition of local authority property search related data in terms of the 'unrefined' data set out in the OFT's 2005 'Property Searches Market Study' report. To support an analysis of the different pricing options for 'unrefined' property search data, we have adopted the following definitions to clarify the boundaries around the different types of data.



These definitions are shown in the diagram above mapped against the OFT's 2005 reference to 'unrefined' information. Our analysis covers the set of data that is delivered to the left of the dotted line in the diagram above and is collectively referred to as the 'data set'.

This represents property search related data that has been processed to such a point by the local authority that further added value (e.g. further refinement or compilation) could be undertaken by either the local authority or by the private sector. The left hand side therefore represents the non contested data or data that can only be processed by a local authority. The diagram also shows how property related search data matures as it moves from pre-unrefined data through to unrefined and refined data. These definitions are explained in more detail in section 6.

To demonstrate how the distinction would be made in practice, set out below are some examples of property search related data, showing whether the data is pre-unrefined, unrefined or refined.

Con29 Data	Data Definition	Side of model
<b>1</b> Paper record mixed in with other protected data i.e. data that would not pass a DPA/FOI enquiry	Pre-unrefined	Left
<b>2</b> A record which is informally referenced but not by a specific property address or parcel of land. This could be in paper format or the equivalent paper format provided electronically such as a scanned image in PDF format or a MS Word document	Unrefined	Left
<b>3</b> An electronic system which captures the Con29 data but does not specifically index the data spatially, or by parcel of land, or by property address	Unrefined	Left
<b>4</b> An electronic record which is either indexed spatially or by parcel of land or by property address	Refined	Right but only if equivalent unrefined data is made available (see section 5.7)
<b>5</b> Electronic record that can be accessed and extracted via the internet by parcel of land in electronic format (e.g. XML)	Refined	Right but only if equivalent unrefined data is made available (see section 5.7)

LLCR Data	Data Definition	Side of model
6 Indexed paper register	Refined	Left (see section 6.1.2)
7 Indexed electronic register. This could be indexed spatially or by parcel of land or by property address	Refined	Left (see section 6.1.2)

It is important to note that the 'data set' would be expanded to include refined Con29 data only if the equivalent unrefined data was not available (see section 5.7).

#### 4.1.1 Factors affecting the price charged for the data set

The legislative framework that covers setting charges for the 'data set' is not currently fully aligned with charging on either a cost recovery or a uniform fee basis. The personal search fee of the LLCR is regulated at £11 and the charge for the Con29 source property search data is nil or on a having 'regard to cost' basis, depending on the particular legislative provision that covers each part of the Con29.

One interpretation of a 'uniform fee' could be a single price for the entire 'data set'. However, not all Con29 source data is held by local authorities. Specifically, in the County/District structure, the highways information is provided by the County Councils while the Boroughs and Districts operate the local land charges register and manage the Con29 compilation process. This could make the management of a single uniform fee for the totality of the 'data set' complex and would suggest instead that a pricing approach based on individual components of the data set would be preferable.

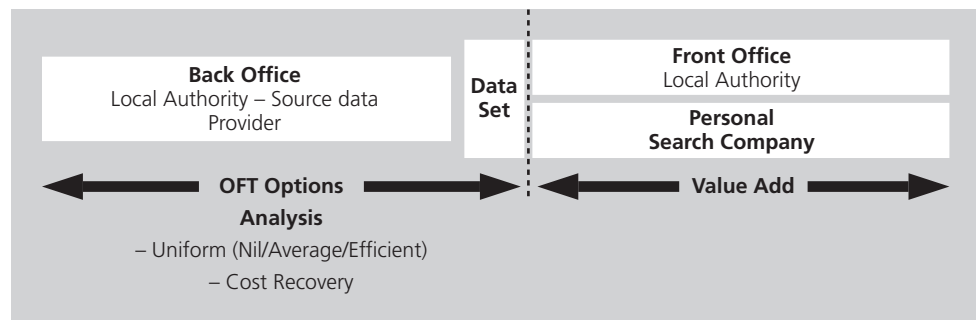
## 4.2 Analysis

### 4.2.1 Initial observations

There are four potential options for pricing the 'data set'. They are a centrally set uniform fee at nil, or at the costs of either an 'average' or an 'efficient' local authority. The fourth option is a locally set price based on the recovery of costs.

Our initial observations on these pricing options are shown below and are informed by our field work and our understanding of the property search market place.

- The data set is supplied by the local authority for its own use, that of the private sector and any individual who wishes to access it. If a distinction is made into the local authority 'back office' and 'front office', as shown in the diagram below, it can be seen that the local authority front office and the private sector will be able to compete on an equal cost basis, whether the price of the 'data set' is based on a uniform fee or cost recovery basis. This front office and back office concept is further explained in section 6.



It can be concluded that there is no obvious differentiation between the different OFT options as regard their expected impact on competition.

- There will always be local and regional price variations in property search related costs, such as salary costs and direct costs, and variations in the size and allocation of corporate overheads reflecting local democratic decisions as to the business model implemented by the local authority. Setting a uniform fee will result in some local authorities incurring an additional financial burden even if the net position across all local authorities is neutral. More importantly, from the point of view of sustaining competition, it would mean that some activities would generate an internal surplus on the provision of unrefined data. This in turn could influence a local authority's pricing decisions to end users (despite both the private sector and local authority receiving the unrefined data set at the same cost), distorting competition.
- A uniform fee set at nil will result in a new burden for the local authority back office. The evidence collected from our survey of local authorities suggests this would be of the order of £15k – £20k per annum per authority (or approximately of £7m per year in total for all local authorities in England and Wales) just for the provision of access for a personal search of the local land charges register data. This is based on multiplying the number of personal searches per year by the £11 regulated fee and dividing by the number of local authorities<sup>5</sup>. Moreover, this estimate excludes fees for access to Con29 source data.

<sup>5</sup> 650,000 personal searches in 2006 (source: COPSO, August 2007), multiplied by £11 (MoJ regulated personal search fee), and divided by 385 (number of local authorities providing searches (source NLIS) = c£18,571 per authority.

- Setting a uniform fee (or as noted above, fees for individual data elements) based on either an average or efficient local authority, rather than simply nil, carries with it additional complexities and ambiguity. Setting the fee based on an average authority compounds the potential for hidden cross subsidisation referred to above, as it would mean that half of local authorities would receive more than their costs through the uniform fee (with an expectation that those authorities benefiting would be skewed towards those in lower cost areas). Therefore half the market (by number of authorities, if not by quantum of transactions) could be subject to latent competitive distortions. Setting a uniform fee based on an efficient authority, raises complex definitional issues, not least what is meant by 'efficient'. Such a judgement would require consideration of a wide range of qualitative (such as quality of service including timeliness, accuracy, responsiveness) and quantitative (total costs, unit costs, expected volumes of activity) factors and issues round the degree of electronic delivery. It would be extremely difficult to propose a single definition which was robust and credible to all parties. Moreover, in both cases, the uniform fees (and underlying definitions) would need to be subject to regular review to help ensure the underlying assumptions remain valid;
- Setting a uniform fee will be straight-forward to administer as it will not require a local authority to follow a costing and charging methodology. However, as noted above defining what represents an average or efficient local authority would be extremely difficult. These two uniform pricing options were put forward in the 2005 report 'Property Searches Market Study' but were not specifically defined or developed.
- Setting the fee based on local cost recovery may increase a local authority's administrative overhead in terms of putting in place a robust costing and charging structure that identifies costs accurately and can stand up to independent scrutiny. This approach would, however, result in the lowest additional new financial burden, especially when compared with a uniform price structure. Moreover, local authorities are expected to maintain, even if they may sometimes choose not to do so in practice, costing systems which would enable them to generate this information.

#### **4.2.2 Types of costs involved in making the data set accessible**

There are three broad categories of property search related costs that could potentially be included in the calculation of a uniform fee or pricing based on cost recovery. These are the costs associated with:

1. The maintenance and update of the LLCR. This cost will be affected by local and regional price variations and whether a local authority has moved to an electronic LLCR and recovers part or all of this through the charge for access to the register.

2. The maintenance and update of the Con29 source data. Our survey has shown that the use of Con29 source data for property related search purposes is mainly incidental to the main use of the data by the local authority. Any charge made, would need to reflect the proportional low usage.
3. Making the 'data set' available to the private sector as set out in section 7.1.2.

We have taken the existing legislative position based on current Communities and Local Government and Ministry of Justice policy as the basis for our guidance. The policy context is set out in section 5 and covers the maintenance and update of both the LLCR and Con29 data in the uniform or cost recovery price for the 'data set'. The cost associated with making the data set available should only be included within the price for the 'data set' if the inclusion is fair, reasonable and equitable, and can stand up to scrutiny. In general, charging for the additional costs associated with making specific arrangements for enabling third parties to access the data appear supportable, provided they can be demonstrated as reasonable and consistent with the access policies promoted by Communities and Local Government. The costs associated with banking receipts should only be charged as an additional cost where this is done for all other forms of receipt. It would be our view that other access related activities are unlikely to be chargeable unless a local authority can clearly demonstrate that there are specific, locally prevailing circumstances, which make it reasonable for them to do so. This is an outcome we consider will apply only in rare circumstances.

#### **4.2.3 Results from KPMG survey**

The KPMG questionnaire was returned by 32 of the 42 local authorities surveyed. Whilst this amounts to a high response rate, relatively few authorities itemised their costs to the level of detail necessary to give a clear picture of the likely unrefined data costs. Of the 32 authorities that responded, 18 provided details on the total cost of running their property search related services, but of these only a small proportion (5 to 8 authorities) itemised their costs into the detail requested in the questionnaire. Based on the information provided to us from this small proportion it is possible to derive only highly indicative estimates of the costs incurred by local authorities in respect of key elements of their activities as follows:

	LLCR			Con29 p1		Total
	Cost of maintaining LLCR	Cost of compiling an LLC1	Cost of managing access for personal searches	Cost of maintaining Con29 p1 data	Cost of compiling a Con29 p1	
<b>Average Cost</b>	£3	£10	£17 Range £9 to £22	£13	£14	£57
<b>Sample Size</b>	7	8	5	5	6	

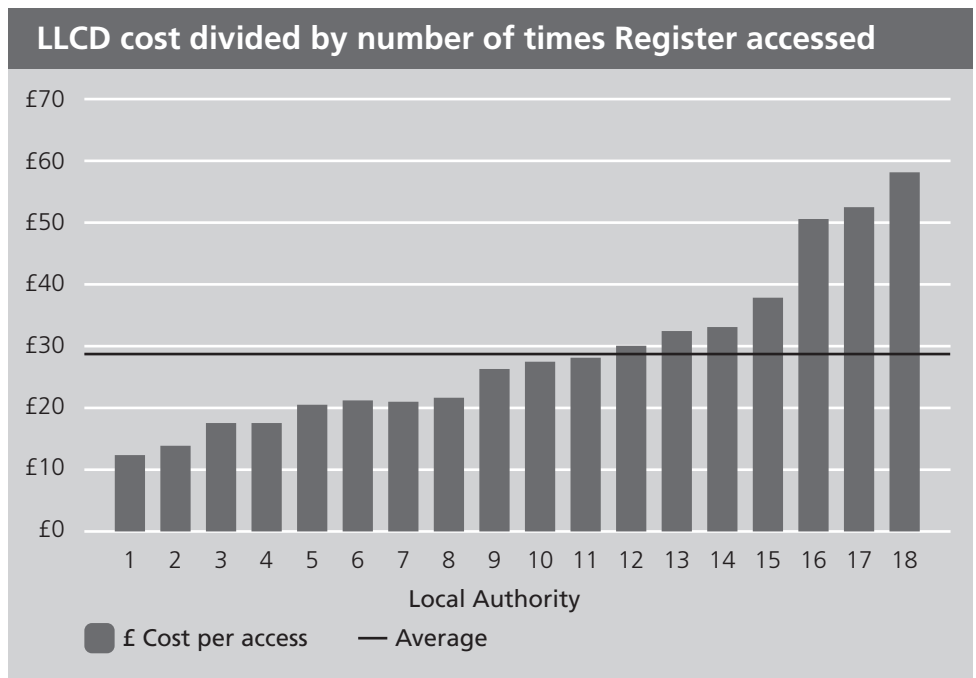
For this small sample size, the table indicates a cost of £33 for the data set (by adding the average cost of maintaining the LLCR, the cost of managing access for personal searches and the cost of maintaining the Con29 p1 data).

The fee for a personal search of the LLCR is currently regulated at £11. The table indicates that the cost of maintaining the LLCR and of providing access for personal searches could be in the range of £12 to £25 and this would suggest evidence of cross-subsidy of personal searches. However, a larger sample size would be required to test this observation.

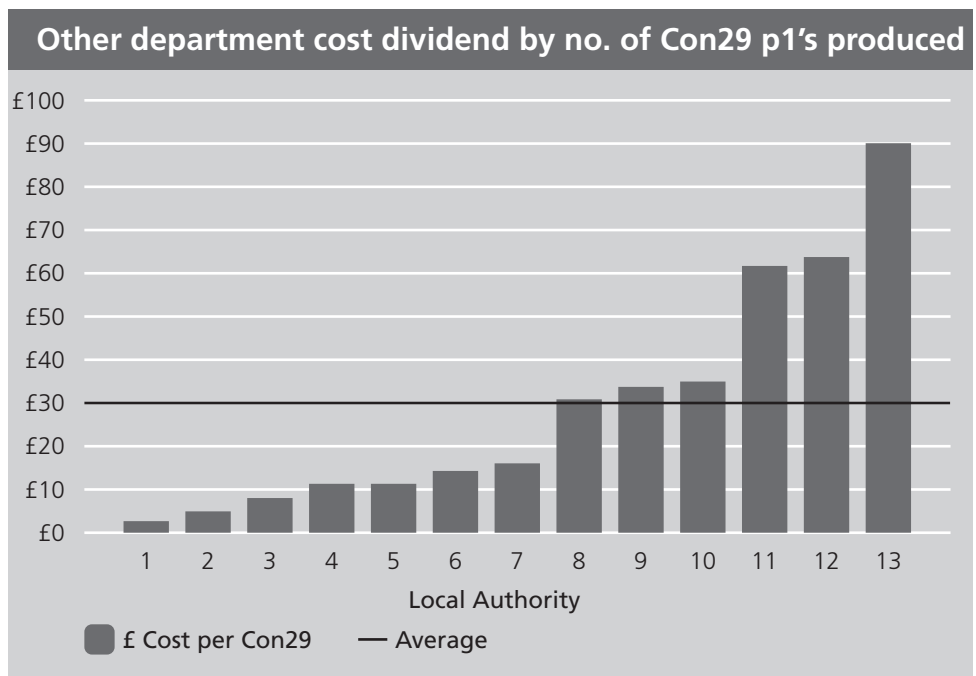
Further analysis is possible using the less complete data provided by other authorities. This further analysis base supports the figures derived above and demonstrates the broad range of costs incurred by individual local authorities for the same activities.

Local authorities also provided data on the total running cost of their service, split between the local land charges department and other departments. We have used this data to:

- estimate the unit cost for a search of the local land charges register. This has been calculated by dividing the LLCR department costs by the total numbers of times the register was accessed by either a PSC or the local authority (i.e. as part of completing an official search or as part of compiling a LLC1). As shown below this gives an average unit cost of £29, with a range between £10 and £59.



- estimate the unit cost for a Con29. This has been calculated by dividing the other department costs by the total number of official searches (i.e. the total number of Con29 p1’s produced). This gives an average unit cost of £30, with a range between £3 and £90.



Taken these two average unit charges together gives a combined unit cost of £59 for all property search related activities. This is consistent with the £57 total cost extracted from the small sample above. Whilst, this may give extra credibility to the figures, our view is that extreme caution still needs to be exercised in interpreting this data in light of the overall number of local authorities on which it is based. However, some broad indicative assessments can be arrived at:

1. The total range of costs further reinforces the conclusions arrived at above with regard to the likely drawbacks of implementing nationally uniform pricing for unrefined data on the basis of an average or efficient council. It also indicates that the financial burden on local authorities associated with imposing a uniform fee based on an efficient authority (if it is assumed that the lowest cost is a proxy for such) would be significant;
2. The limited data suggests that some local authorities could be potentially over-recovering costs in light of the range of charges they currently make for compiled (or refined) data. Accordingly a model based on equal access to the unrefined data set for the private sector, and priced on a cost-recovery basis, could lead to a reduction in the unrefined data charges. The extent to which the prices charged to end users for compiled data should then fall will under our proposed model, depend on the effectiveness of the market; and
3. If local authorities price refined or compiled data on a pure cost-recovery basis, then this would be expected to reduce the costs borne by end users. However, it would have the expected dual effect of:
  - eliminating any potential over-recovery of costs by local authorities and thereby imposing a possible financial burden on council tax payers; and
  - adversely affect the ability of the private sector to generate profits through the sale of personal searches.

The limited analysis possible from the financial data provided by local authorities lends further weight to our conclusion (discussed in section 8) that a model should be adopted which best balances the interests of local government and the private sector, minimises the potential financial burden on council tax payers and allows competition in the provision of compiled data to end users. This model would:

- allow all parties to have access to unrefined data charged for on a cost recovery basis; and
- encourage the development of value added market propositions by both local authorities and the private sector which encourages competition in the sale of refined/compiled data to end users.

### 4.3 Summary

The following table summarises our assessment of the impact of the pricing options for unrefined data put forward in the 2005 OFT 'Market Report into the Property Search Market', with the preferred cost recovery pricing option highlighted.

Assessment criteria	Uniform Fee			Cost recovery
	Nil	Efficient authority	Average authority	
<b>Does the pricing option deliver a level cost playing field for unrefined data?</b>	Yes	Yes	Yes	Yes
<b>What is the size of the overall new financial burden created?</b>	High	Moderate	Low	Low
<b>What scale of authorities will incur an additional financial burden?</b>	All	More than half	Approximately half	Will affect only those which over-recover
<b>What is the level of complexity involved in calculating the fee?</b>	Low	High	Moderate	Moderate

The key principles that will apply in determining the ‘cost recovery’ price are:

- the price of the ‘data set’ must be the same for both internal and external users;
- if the cost of moving to an electronic LLCR is passed on either partially or wholly in the charge for access to the LLCR then the private sector must benefit from electronic access to the data;
- if any charge is made for Con29 data maintenance then this would be expected to be a low proportional usage charge which can be fully and robustly supported; and
- if unrefined data can not be made available then the equivalent refined data should be made available on a cost recovery basis at no more than the cost incurred by the local authority front office for the same information.

Finally all charges must be set on a fair, reasonable and equitable basis and be subject to independent scrutiny. There should also be a formal process in place whereby charges can be challenged outside the judicial system. We discuss in section 9 what the key components of such a process might be.

## 5 Policy Context

To inform the costing and charging options for local authority property search services, we have consulted with both Communities and Local Government and Ministry of Justice who have given advice on the current policy position with regard to the legislative framework. Central to this are the provisions of the Local Land Charges Act 1975 and its related charging regime, the Local Authorities (Charges for Land Searches) Regulations 1994 (the 1994 Regulations) or, alternatively, section 93 of the Local Government Act 2003.

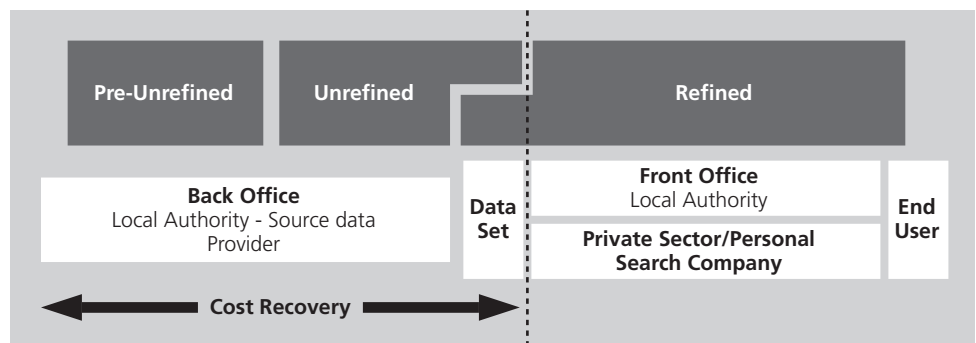
It is Communities and Local Government and Ministry of Justice's view (supported by the OFT in Annex E of its 2005 market study of property searches) that the legislation provides local authorities with the statutory basis for charging for "official searches", including charges for access to the data for personal searchers. The charging regimes in the 1975 Act, the 1994 Regulations and the 2003 Act underpin the following charging considerations, but are subject to specific statutory provisions that require access to certain registers to be free.

### 5.1 Pricing based on cost recovery or having 'regard to costs'

The provisions of the 1994 Regulations mean that the local authority must have "regard to the costs in dealing with enquiries"; although no definition or interpretation of the phrase 'regard to costs' is provided.

Whereas a local authority can only charge the fees prescribed by Parliament for personal searches of the local land charges register, a local authority which provides a service of answering enquiries in relation to other land searches is free to set its own fees within the constraints imposed by the requirement to have regard to the costs of dealing with those enquiries. Communities and Local Government's policy view is that a local authority should not charge more than is reasonably referable to the costs it incurs in answering enquiries. The amount charged will vary from authority to authority as the costs incurred by each authority in answering any relevant enquiries will vary. However, if an authority charges an amount which included a profit element it arguably would not be determining the amount of the charge by having regard to the costs of dealing with the relevant enquiries.

The costing and charging guidance proposed in this report is therefore based on the source 'data set' shown in the diagram below, being based on a cost recovery basis. In other words, a local authority must not generate a surplus on the provision of the source property data.



Under these proposals, this principle of cost recovery must be applied to every cost associated with property related search services in the provision of the source 'data set' i.e. for all costs to the left of the dotted line in the diagram above. For example, any reimbursement from the LLC department to another department for property search related services, must be on a cost recovery basis i.e. a reimbursement cannot include a surplus that would transfer an over recovery or surplus to another department.

Communities and Local Government's policy view is that, in order to be compliant with the current legislative framework, local authority charges for refined data (such as compiled searches) should also be priced having 'regard to costs'. From a comparison of the costs involved in compiling searches with the current charges made by local authorities for those searches, it would appear that some local authorities may not currently charge for searches in this way, and could potentially be over-recovering. A process for ensuring transparency in the setting of search charges is set out in Section 9 and Communities and Local Government would need to consider how best to enforce compliance with the legislative framework in order to reduce potential over-recovery.

The impact of a cost-recovery model on the current market for refined property searches is discussed in section 8.

## 5.2 The fee for a personal search of the local land charges register

Following the government's response to the OFT's report on property searches in 2005, Communities and Local Government and Ministry of Justice are preparing to consult on issues relating to property searches. The consultation will include a review of how and by whom the fee for a personal search of the local land charges register should be set.

This report proposes two approaches that would help local authorities set fees for a personal search of the local land charges register. The appropriate option will depend on the results of the consultation exercise:

1. Central government continues to set a statutory uniform fee for personal searches of the local land charges register. This fee could remain at £11 (although the limited data provided by local authorities suggests that actual costs fall in a wide range, £12 to £25, highlighting the difficulty with a uniform fee approach) or could change to nil or reflect an average or efficient local authority.
2. Transfer the fee setting power from central government to local government. The deregulated fee would be based on no more than cost recovery, where the full cost (but no more) of providing access for a personal search of the local land charges register could be recovered in the fee. On the evidence generated by our work this would be expected to give rise to a wide variation in what is charged. Such a proposal would require changes to the Local Land Charges Act 1975.

Our proposed model allows an overarching policy to establish an equal cost basis for the source 'data set' within each local authority and based on cost recovery, i.e. the charge for the 'data set' would be the same for both internal and external users.

### 5.3 Charging for the maintenance and update of the Local Land Charges Register

The Ministry of Justice is responsible for legislation governing the LLCR. Its policy is that the maintenance and update costs of the LLCR, should be proportionately recovered in the charge for a personal search of the LLCR.

In this instance, the net update and maintenance cost of the LLCR will be recovered through a unit charge for every search of the register. This will be calculated as net update and maintenance cost of the LLCR divided by the total estimated number of annual LLCR searches for all parties.

The net cost is calculated after deducting any income received from registering a local land charge, such as income from a light obstruction notice. It will also include the transmittal cost of a local land charges received from originating departments.

### 5.4 Policy on recovering the cost of access to Con29 related information

The tables below sets out Communities and Local Government's and OFT's interpretation of the legislative position for access to Con29 part 1 and part 2 data. This is divided into three types of information:

1. Information which statute requires to be made publicly available free of charge;
2. Information which statute requires to be made publicly available but does not specify it is free of charge; and

3. Information where there is currently no statutory obligation to make it available. Access is at the discretion at each local authority and charges may be made under the 1994 Regulations, unless the information is “environmental information” within the meaning of the Environmental Information Regulations.

**Table 1 – Con29 p1 (See Appendix C for a full description of a Con29 p1 form)**

<b>Con29 Part 1</b>	<b>Publicly available free of charge (1)</b>	<b>Publicly available – regard to its costs in dealing with enquiry (2)</b>	<b>Discretionary Access– with regard to cost (3)</b>
<b>Q1.1 – Planning and building regulations</b>		(a) – (d)	(e) – (h) Not currently on public registers
<b>Q1.2 – Planning designations and proposals</b>	ALL		
<b>Q2 – Roads</b>	(a) only		(b) – (d)
<b>Q3.1 – Land required for public purposes</b>		Available by consulting public local plans	
<b>Q3.2 – Land to be acquired for road works</b>		Register of any land subject to applications of planning permission	
<b>Q3.3 – Drainage agreements and consents</b>	Public sewer maps only	Other drainage agreements	
<b>Q3.4 – Nearby road schemes</b>	<ul style="list-style-type: none"> <li>✓ Street works register (some restricted information)</li> <li>✓ Minutes must be open for public access</li> </ul>		(a) – (f)
<b>Q3.5 – Nearby railway schemes</b>	ALL		
<b>Q3.6 – Traffic schemes</b>	Road and street works register (some restricted information)		
<b>Q3.7 – Outstanding notices</b>	Partial – some notices will be on public register		Information not on public register can be charged
<b>Q3.8 – Contravention of building regulations</b>			Not currently on public registers
<b>Q3.9 – Notices, orders, etc under Planning Acts</b>	(m) – free of charge (TPO)	Other	
<b>Q3.10 – Conservation Areas</b>		Open access – £11 per parcel	
<b>Q3.11 – Compulsory purchase</b>			ALL
<b>Q3.12 – Contaminated land</b>	ALL		
<b>Q 3.13 – Radon gas</b>	Public maps published by NRPB		

**Table 2 – Con29 p2 (See Appendix C for a full description of a Con29 p2 form)**

<b>Con29 Part 2</b>	<b>Publicly available free of charge (1)</b>	<b>Publicly available – regard to its costs in dealing with enquiry (2)</b>	<b>Discretionary Access– with regard to cost (3)</b>
<b>Q4 – Road proposals by private bodies</b>		SOME	SOME
<b>Q5 – Public paths or byways</b>	ALL		
<b>Q6 – Advertisements</b>		Entries in the Register	Notices, proceedings and orders
<b>Q7 – Completion notices</b>			ALL
<b>Q8 – Parks and Countryside</b>		ALL	
<b>Q9 – Pipelines</b>	ALL		
<b>Q10 – Houses in Multiple Occupation</b>	ALL		
<b>Q11 – Noise abatement</b>	ALL		
<b>Q12 – Urban Development Areas</b>		ALL	
<b>Q13 – Enterprise zones</b>	ALL		
<b>Q14 – Inner urban improvement areas</b>	ALL		
<b>Q15 – Simplified planning zones</b>		ALL	
<b>Q16 – Land Maintenance Notices</b>		ALL	
<b>Q17 – Mineral consultation areas</b>	Proposed plans and adopted plans available for public inspection		
<b>Q18 – Hazardous substance consents</b>		ALL	
<b>Q19 – Environment and Pollution Notices</b>	ALL		
<b>Q20 – Food Safety Notices</b>			ALL
<b>Q21 – Hedgerow notices</b>	ALL		
<b>Q22 – Registered common lands and town or village greens</b>		ALL	

Source: Communities and Local Government & OFT.

Our proposed costing and charging guidance for Con29 data is based on the legal framework set out above in tables 1 & 2 above and on the principles that:

- the cost associated with providing access to publicly available free information (see column 1 of each table) is borne by the local authority back office; and
- where a cost can be recovered for Con29 source data, then it must be on a cost recovery basis and the charge for this data must be the same for both the internal and external users.

## 5.5 Maintenance and update of the information that is the basis for answering Con29 enquiries

Communities and Local Government and Ministry of Justice's view is that where information is not required to be provided free of charge by statute, then a proportion of the costs of maintaining and updating the information can be recovered in fees for unrefined Con29 data. If the unrefined data has to be provided free of charge, then any cost incurred by the local authority in making it available must not be recovered in fees for other unrefined data.

Where an authority chooses to include the maintenance and update cost of Con29 data in its charges for the 'data set', then it can only apply to information specified in columns 2 & 3 of the tables above. The charge must 'have regard to costs', be based on proportional usage of the data, which must be fair, reasonable and transparently derived, and have account of any external income received by the authority, such as income or grants to assist with the creation of source data.

### 5.5.1 Apportioning local authority overheads into the fee for access to the data set

Communities and Local Government and Ministry of Justice's interpretation of the legislation is that in principle overheads can be apportioned to the personal search fee of the LLCR, the LLC1 (if deregulated) and to Con29 'non free' data but only:

- at the discretion of local authority (i.e. it may choose not to allocate); and
- if applied, the apportionment is consistent with the way overheads are apportioned to all other services and activities (i.e. excessive apportionment is not permissible simply because such amounts can be subsequently in charges to external parties); and
- if applied, the basis of allocation must be reasonable, fair and transparent.

## 5.6 Other legislation and guidance that may impact on charging for access to Con29 source unrefined data and the LLCR personal search fee

It is possible that some of the data required to complete a property search may be 'environmental information' as defined by the Environmental Information Regulations 2004. This will depend on the nature of the request in any particular case. If it is environmental information and providing the information is not required to be provided free of charge, a local authority may make a 'reasonable' charge for the information. An authority would need to demonstrate this reasonableness and comply with the regulations (specifically regulation 8(8)) in publishing a schedule of charges.

## 5.7 Charging when unrefined data is not available

A local authority may choose not to retain unrefined property search data for certain sections of the Con29. It may use the pre-unrefined data to compile its Con29 or it may refine the data directly into an electronic system. Under these circumstances, a local authority could either:

- establish the pre-unrefined data costs for preparing a Con29 question response (which may include the services or cooperation of another department) and make this service available on a cost recovery basis to all parties; or,
- make the refined data available from the electronic system on a cost recovery basis. On the basis of Communities and Local Government's policy view, the cost charged could include a proportionate allocation of system maintenance costs where the allocation is fair, reasonable and transparent.

## 6 Proposed costing and charging model

This section sets out our proposed costing and charging model for unrefined property search related data. It starts by putting forward a definition of the data involved in the property search related processes (section 6.1). This is followed by a description of the model in section 6.2. We have also set out the model benefits and the policy context that underpin it. The policy context is discussed further in earlier section 5.

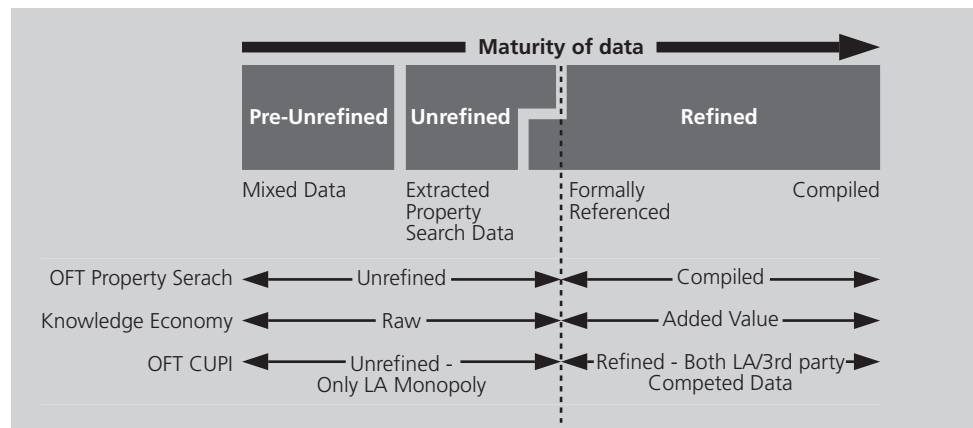
The model makes the assumption that both a local authority front office and the private sector have equitable access to the underlying source data.

### 6.1 Definition of data

The costing and charging guidance can only be applied if there is a rigorous definition of the data involved in the property search related processes. This definition will enable costs to be properly allocated, data charges to be determined in a manner that is clear and transparent, and which do not disadvantage either local authorities or the private sector.

The government put forward a definition of ‘raw data’ and ‘value added data’ in the HM Treasury’s Cross-cutting Review of the Knowledge Economy. The OFT report into the Property Search Market (2005) subsequently proposed the terms ‘unrefined’ and ‘compiled data’ in the context of local authority property search services (i.e. where compiled refers specifically to the production of the LLC1 and Con29). The CUPI study raised the concept of unrefined and refined data, where refined data was defined as ‘value added’ data, where that value could have been added by a third party if it had access to the same unrefined data set. It also raised the concept of contested and uncontested data i.e. data subject or not to competition. We have taken this range of overlapping definitions into account in developing our proposed costing and charging model.

As there is no current explicit definition of local authority property search data in terms of ‘refined’ or ‘unrefined’ data, KPMG has adopted, based on our fieldwork, the following data definition to help clarify the costing guidance. This definition is mapped against the terminology used in the studies set out above and will be further tested as part of the Communities and Local Government and Ministry of Justice costing guidance consultation process.



We would typically encourage simplification of definitions (and a reduction in their number). In this case, however, the introduction of the new definition of 'pre-unrefined' data is in our view necessary to clarify properly the full range of activities a local authority takes with regard to the generation, collection and subsequent provision of property search related data. The definition of 'pre-unrefined' is in our view necessary to:

- Enable a better understanding of tasks and activities undertaken before such data can be made accessible; and
- More clearly define the boundaries around types of data which can be reasonably expected to be made available.

### 6.1.1 Pre-unrefined data

Pre-unrefined data is data that cannot be made publicly available as access would not comply with the Data Protection Act ('DPA') or pass a Freedom of Information ('FOI') test. It includes:

- data held in paper format, without the benefit of any precise spatial or formal index and which requires extraction before it can be accessed by a third party, as it is held with other protected data (such as data specific to an individual). An example here could be a planning enforcement complaint that has developed into a full planning enforcement notice, where the local authority case file (i.e. the pre-unrefined data) contains both personal complainant details (DPA protected) and the planning enforcement notice (publicly accessible). Only the local authority can access the case file to view or extract the planning enforcement notice; and/or
- data that has not been formally quality assured and would need checking before allowing third party access; and/or
- data which requires input from an appropriate officer as it requires their experience and personal knowledge which may not be formally documented.

Pre-unrefined data can only be converted into unrefined data by the local authority.

### 6.1.2 Unrefined data

Unrefined data is data that would pass a DPA or FOI test (i.e. it may have been extracted from other sensitive data). The process of converting pre-unrefined into unrefined data can only be undertaken by the local authority. Unrefined data is the first point at which data is able to be accessed by a third party and where any further refinement of that data could equally have been undertaken by a third party. It includes data:

- held in paper format, without the benefit of any precise spatial or formal index; and/or
- held electronically but not specifically referenced to a parcel of land, spatial position or address; and/or
- held as part of general Council business e.g. a Council meeting minute; and/or
- where legislation specifically says the public has a right of access (e.g. the Planning Register, the Local Plan, public sewer etc).

Although the LLCR is a refined data set (see 6.2), for the purposes of this report and our guidance, it is treated in the same way as unrefined data and included in the 'data set'. This is consistent with the OFT Property Searches Market report which considered the LLCR to be 'unrefined' data.

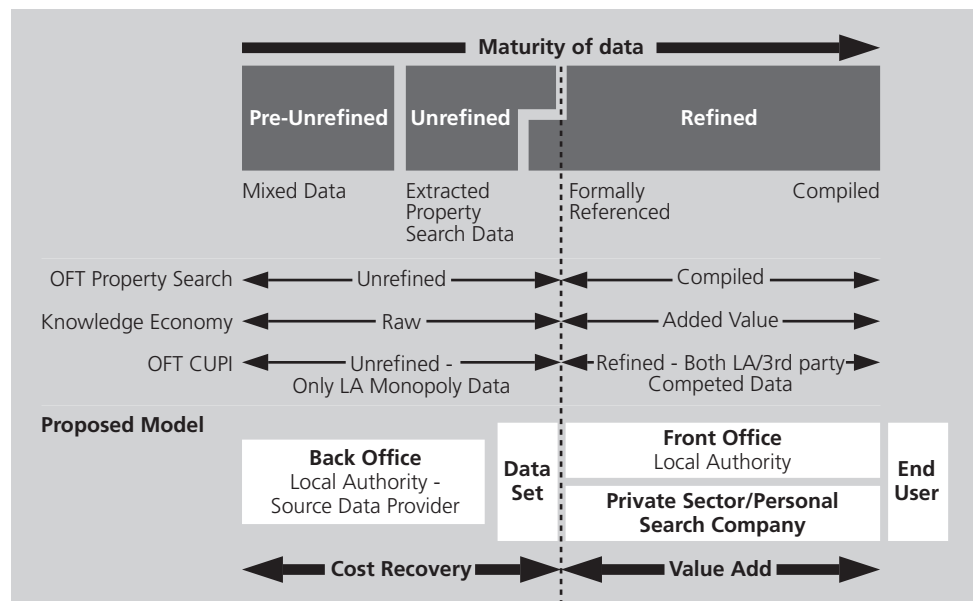
### 6.1.3 Refined data (including 'compiled data')

Refined data is data where the local authority has added some value to the unrefined data, but this value could equally have been added by the private sector using the same set of unrefined data. The local authority would generally 'add value' by indexing the unrefined data e.g. spatially. This refined data would then be further refined (or more commonly known as compiled) to produce a LLC1 or Con29. Often local authorities will do the refining process from pre-unrefined data (i.e. data that is not normally made available to the public).

## 6.2 Proposed Model

The proposed costing and charging model is set out below. This has been overlaid on the definition of the data described above. The dotted line represents the point at which source property search related data can be provided to third parties. It is the point at which any further added value could be undertaken by a party other than the local authority. The dotted line also crosses both unrefined and refined data, this is to reflect that:

- The LLCR is essentially refined data, as the Local Land Charges are formally referenced whether on a paper or electronic system and a local authority must by statute allow a third party access to search the Register; and
- A local authority may not be able to make unrefined information available, particularly if it uses the pre-unrefined data to complete a LLC1 or Con29. In this instant it may choose to make the refined data available but will only be able to do so on a cost recovery basis.



The proposed model clearly differentiates between access to unrefined data and the subsequent use made of it. The left hand side (i.e. to the left of the dotted line) represents the local authority back office function that produces the source 'data set'. This 'data set' is then provided to all parties (i.e. the local authority front office and the private sector which operate to the right of the dotted line) on an equal cost basis. The key principles of this model are shown below and explained more fully in section 7:

Back Office activities	Front Office activities
<ul style="list-style-type: none"> <li>• The back office function provides the 'data set' to the local authority front office and other parties on an equal cost basis</li> <li>• The 'data set' is provided on a cost recovery basis except where the data must be provided for free under statute or where access for a personal search of the LLCR fee remains regulated</li> <li>• The cost of the 'data set' must be the same for the local authority front office as it is for another party. Data provided for free under statute must be provided for free to the local authority front office</li> <li>• No surplus or margin can be included in the charge for the 'data set'. This includes internal charges between departments or between authorities, such as between the highways department in a County Council and the local land charge department in a District Council</li> </ul>	<ul style="list-style-type: none"> <li>• The local authority front office function and other parties (eg: a personal search company) have equal access to the 'data set'</li> <li>• The local authority front office function and other parties compete on the price of their refined data products, such as the Con29. Under the current legislative framework, the price set by the local authority for its value-added services should be with 'regard to costs'</li> </ul>

For the avoidance of doubt, to prevent local authorities engaging in predatory pricing, the retail price a local authority may charge for unrefined data must be at least equal to its total cost (including the amounts paid for access to the unrefined data).

Under the current legislative framework, costs incurred by the 'front office' function in providing value-added products to the market should be charged 'with regards to costs'. Our analysis suggests that some local authorities may potentially over-recover through their front office activities and this is further discussed in section 8.

It is important that there is assurance that the authority is clear and transparent in its pricing for both the front and back office activities. We believe that the potential supporting scrutiny process outlined in section 9 will provide sufficient transparency on this issue, whilst not unduly restricting how a local authority operates.

#### **6.2.1 Benefits of model**

The proposed model levels the playing field in terms of an equal cost of access to unrefined property search related data, i.e. the 'data set', for all parties. This assumes that an equitable access policy is in place.

The model identifies those activities undertaken by the local authority in competition with the private sector and allows consideration of pricing and competition issues in the context of the recommendations of the OFT Property Search Market report.

The model is also consistent with the: OFT Market Report into the Property Search Market (2005); the OFT CUPI report; and, the Government's response to both these documents. The model has regard to the definitions of data put forward in these reports and recognises that the Government must have consideration to the financial implications of opening up public sector information to the private sector.

## 7 Key costing principles for the 'data set'

This section sets out the key costing and charging principles for unrefined data that are informed by the policy context in section 5 and the proposed model in section 6.

### 7.1 Identification of costs

There are two broad categories of property search related costs that should be included in the calculation of the charge for the 'data set'. These are the costs associated with the maintenance and update of the LLCR/Con29 source data and the costs of making the 'data set' available to the private sector. We have shown a further breakdown of these costs below.

#### 7.1.1 Maintenance and update costs of the LLCR and Con29 data

The full range of possible LLCR maintenance and update net costs (net after deducting relevant income, such as the income received for registering a light obstruction notice) are described in Table C below.

Table C – LLCR Costs	
Cost type	Description of cost
<b>Maintenance/ update costs of register</b>	Staff costs in either the LLCR or other department to update and maintain the register
<b>Indirect costs</b>	Direct costs associated with maintaining the register e.g. support costs (if a system), paper costs etc An allocation of the LLCR overheads based on time spent on maintaining register. This will include costs of accommodation
<b>Capital charges</b>	Depreciation of system costs for an electronic LLCR

A local authority moving to an electronic LLCR could recover this cost through the charges made to both the front office and the private sector. The analysis of the cost would need to take into account whether the electronic data set was used elsewhere in the authority, in which case the costing would need to be proportional to use.

Our survey has shown that the use of Con29 source data for property related search purposes is mainly incidental to the main use of this data by a local authority. Therefore any charge made (if any) by the local authority back office for maintaining and updating this data will be expected to reflect the proportionally low usage.

The full range of possible Con29 maintenance and update net costs (i.e. after deducting relevant income for creating the source Con29 data) are described in Table D below.

<b>Table D – Con29 Costs</b>	
<b>Cost type</b>	Description of cost
<b>Maintenance/ update costs of Con29 record</b>	Staff costs to update and maintain the record
	Direct costs associated with maintaining the record e.g. support costs (if a system), paper costs etc
<b>Indirect costs</b>	An allocation of overheads based on time spent on maintaining/updating record
<b>Capital charges</b>	Depreciation of system costs for electronic Con29 source data systems

### 7.1.2 of making the 'data set' available

Examples of other costs we have identified during our field work that a local authority would look to recover in the cost of the 'data set', include the:

- a. Time cost of local authority staff in managing access to the data set by third parties (eg personal search company employees) including escorting a party to the data;
- b. Time cost of local authority staff in compiling an unofficial LLC1 (this could be a LLC1 but not on the official paper or a LLC1 watermarked as "non official") for the private sector rather than give direct access to the register;
- c. Time cost of local authority staff, where appropriate, in validating the data before allowing access to the LLCR or other records;
- d. Cost of making unrefined Con29 data available – where it does not already exist in unrefined format. i.e. where a local authority uses pre-unrefined data to produce a Con29;

- e. The administrative time in booking appointments and the cost of a dedicated electronic booking system(s) to manage third party access to data;
- f. The cashier administrative time/banking costs in collecting and banking receipts from a PSC; and
- g. Cost of creating a specific data room or access point where parties can access to data from a terminal.

The cost shown above should only be included within the price for the 'data set' if inclusion is fair, reasonable and transparent, and can stand up to scrutiny.

## 7.2 Costing and charging principles

### 7.2.1 Key principles

Principle
<p><b>1</b> The cost and charging guidance applies only to the "back office" activities set out in the model in section 6.</p>
<p><b>2</b> The source property 'data set' must be provided:</p> <ul style="list-style-type: none"> <li>• to all parties at the same charge;</li> <li>• on a cost recovery basis except where statute specifically sets the fee (e.g. the current £11 regulated personal search fee of the LLCR and the Con29 source data that must be provided for free); and</li> <li>• on a cost recovery basis where, no surplus is generated in the local authority back office or no margin is made on charges between local authority departments or between a County and District Council</li> </ul>

### 7.2.2 LLCR costing and charging principles

#### Principle

- 3** Principle for a centrally set regulated personal search fee of the LLCR.

Any over or under recovery incurred in the provision of access for a personal search can not be offset against the cost charged for other data elements.

- 4** Principle for locally devolved setting of the personal search fee of the LLCR on a cost recovery basis (not currently allowed for under legislation).

The personal search fee of the LLCR the fee can include:

- A unit charge for the update and maintenance cost of the LLCR;
- Any staff time involved in managing access;
- An allocation of the LLCR overheads; and
- An allocation of the time and cost for booking appointments, managing access to the data set and processing cheques.

The inclusion of these costs is at the discretion of the local authority (i.e. they may choose not to allocate them). If they are taken into account, the basis on which they are done so, must be reasonable, fair and transparent. The subsequent charge to either the front office or third party must be the same (and directly reflect these calculated costs)

### 7.2.3 Con29 data costing and charging principles

Principle	
<b>5</b>	No charge can be made for data that must be provided for free by statute. This is the same basis for both the private and public sectors
<b>6</b>	There can be no cross subsidy of the cost of providing free data i.e. any cost incurred in managing access to free data cannot be cross subsidised in charges for other Con29 'non-free' data
<b>7</b>	The charge for Con29 'non free' data can include a proportionate allocation of the net update/maintenance costs of the underlying systems from which the data is derived
<b>8</b>	Where a local authority does not hold unrefined property search data, it can make the refined data available on a cost recovery basis. This could include a proportionate allocation of system maintenance costs if the allocation is fair, reasonable and transparent
<b>9</b>	There must be transparency over a local authority's price setting. All prices must be fair, reasonable and transparent

### 7.2.4 Calculating the unit charge

Principle	
<b>10</b>	The unit charge should be calculated by dividing the total annual cost attributable to the provision of an element of the 'data set', by the estimated annual volume of usage of that data (i.e. by the local authority front office and the private sector)
<b>11</b>	The estimated volume of usage of the data should be calculated as accurately as possible to reduce the size of any over or under recovery over a three year period

# 8 An alternative approach to pricing for value-added activities

A local authority front office competes with the private sector in the provision of refined data in the form of compiled property searches. We have referred to these in our model as 'value-added' activities.

The 1994 regulations allow local authorities to price such front office services 'with regards to cost' (see section 5.1).

From our study, it would appear that some local authorities could be potentially over-recovering costs through the charges they currently make for compiled (or refined) data.

Communities and Local Government's policy view is that local authorities should price their compiled searches having 'regards to costs'. From our analysis, pricing compiled searches on this basis would have a material impact on the market for local authority searches – with the possibility of distorting competition – and this section therefore explores an option for Communities and Local Government to review and amend the current legislation in order to sustain a viable and competitive environment.

## 8.1 Impact on the local authorities of pricing on a cost-recovery basis for refined data

Our analysis, although based on a limited sample size, (see section 4.3) suggested that the cost-recovery price for the compiled LLC1 and Con29 p1 searches could be as low as £57. As the current average local authority price for these two searches is £129<sup>6</sup>, it can be seen that the impact of pricing on a strict cost-recovery basis could have a detrimental impact on local authority finances. The potential impact of such a change would need to be considered by Communities and Local Government through its forthcoming consultation and related Impact Assessment.

<sup>6</sup>Source: National Land Information Service, April 2007.

## 8.2 Impact on the private sector of pricing on a cost-recovery basis for refined data by local authorities

A private sector alternative to local authority searches has emerged and has seen rapid growth particularly over the past ten years. Personal Search companies access unrefined data held by local authorities and produce alternative property search reports and, according to one industry representative body, Personal Searches now account for 50% of the market, or 650,000 search reports per year<sup>7</sup>.

The price of a personal search tends to be lower than its local authority equivalent. It is reasonable, therefore, to assume that a reduction in the price of a local authority search will also be reflected in the price of a personal search.

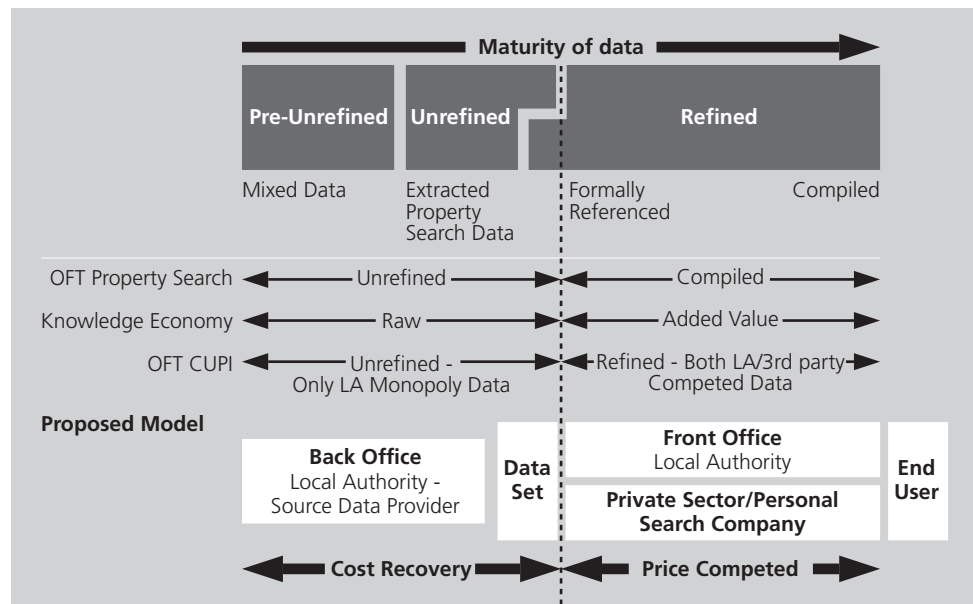
The extent to which this impacts on the personal search market will depend on the current levels of profitability of the personal search companies and the value placed by the market on the service levels and enhancements to the search product offered by the private sector in comparison to the local authority alternative.

## 8.3 An alternative approach to pricing by local authorities

A search charging model based on cost-recovery by local authorities will reduce margins in the property sector and may consequently reduce competition should the personal search companies find that the reduced prices charge by local authorities makes a private sector alternative unviable.

In order to stimulate and sustain competition, Communities and Local Government and Ministry of Justice should consider the impact of a change in legislation to allow local authorities more freedom in pricing their 'compiled' search reports. This can be demonstrated in our model by replacing the term 'value added' right hand side with the term 'price competed'.

<sup>7</sup>Source: COPSO, Press release: 22 August 2007.



Under this revised model local authorities may continue pricing at a level higher than cost recovery for compiled searches (as is the current practice), and are consequently subject to competitive pressure from private sector alternatives.

This model is compliant with the OFT recommendations to stimulate competition and reduces the risk of a financial burden to the local authorities.

## 8.4 Mitigating the risk of excessive price increases

Allowing local authorities to price their search products more freely creates a risk relating to excessive price increases for compiled searches.

With more freedom to set prices, there is the risk that local authorities increase the price of searches in order to generate more general income. This has the effect of house buyers and sellers providing a cross-subsidy to other local authority activities (although this cross-subsidy is in effect already in place today through the practice of over-recovery).

Similarly as the price of a personal search is related to the price of a local authority search, any increase in local authority prices could be reflected in the price of a personal search.

The risk of price increases may be naturally mitigated by expansion in the numbers of personal search companies. According to the trade bodies, COPSO and IPSA, there are over 100 personal search companies trading in the UK, and the current market share of personal searches is estimated to be over 50% or 650,000 searches per year<sup>8</sup>. It can be assumed therefore that there is healthy competition in the personal search market.

<sup>8</sup>Source: COPSO, Press release: 22 August 2007.

Given that the market is served by a mix of public and private sector search providers, it will remain important for local authorities to be accountable and transparent in their pricing decisions, and for Communities and Local Government to continue to undertake the monitoring activities set out in section 9.

The OFT, which described the Property Search Market in its report as ‘rapidly evolving’ would need to be alerted to any structural changes in the market (such as dominance by a private sector company) or anti-competitive behaviour by local authorities.

## 9 Proposed process for securing transparency over the setting of charges

Concerns have been expressed that as the costing and charging policy will only be guidance, rather than mandatory, then local authorities will fail to comply with the spirit and the letter of the guidance. There is also a need to generate continuing data on the performance of local authorities following the abolition of the Best Value Practice Indicators ('BVPI'). These issues are linked, but separate.

The primary concern regarding local authority compliance relates to the fact that currently the private sector only has recourse to the expensive, difficult and time consuming process of the High Court, if it wishes to challenge the validity of the charges made by a local authority. This is in effect primarily an issue of transparency. We believe our proposed model can be used to support a more straightforward route of challenge, provided it is supported by minor legislative changes.

First, we recommend that every local authority should be required to provide an annual statement setting out the basis on which it has calculated the charges it proposes to make for the various components of unrefined data, clearly stating the assumptions it has made in setting these charges. Those assumptions would be expected to include those on the volume of activity on which unit costs have been estimated, the proportion of corporate and other overheads included in the total cost (and the basis for that proportion and the extent to which investment in ICT is being recovered through the charges). This statement should be a public document which is signed off by the section 151 officer, confirming that the costs have been derived in a manner which is materially compliant with the Communities and Local Government costing and charging guidance and other applicable accountancy guidance, such as BVACOP.

Second, after the first financial year of the operation of the guidance, local authorities could be required to issue an annual summary setting out the amount charged in the preceding year analysed between both:

- the amounts charged to the private sector and the authority's own front end for unrefined data; and
- by different components of unrefined data.

Again the annual account should be certified by the section 151 officer. The annual financial statement should also separately identify the financial performance of the “front end” function (if any) to clearly demonstrate that the local authority has at minimum recovered its total costs (and not engaged in predatory pricing at the expense of the council tax payer).

If the government wished to follow the precedent set in respect of building control charges, it could further require that a memorandum of account setting out the income from, and costs allocated to the provision of unrefined data, is contained in the annual financial statements.

Such an approach would provide greater transparency than is currently in place. More importantly it would, subject to consultation with the Audit Commission, bring the basis on which charges are made for unrefined data within the remit of potential review by the Appointed Auditor. As such the private sector (or at least a representative resident who, as a council tax payer in the local authority, in question) could request that the Appointed Auditor review the basis on which charges for access to the unrefined data set are established.

It should be noted that the Appointed Auditor is under no duty to investigate vexatious enquiries, and the enquirer would be required to provide sufficient *prima facie* evidence that a review is merited.

This approach would also support the collection of financial and performance data nationally by Communities and Local Government, as it would already be in place at local level. As such, Communities and Local Government could implement a simple return, based on data already required to be generated locally, from which it could compile a national picture.

# 10 Appendix A – List of local authorities invited to take part in the KPMG survey

Authority	Geography	Population Density	Legal Structure
Arun	SE	643	District Council (W Sussex)
Barnet	London	3694	London Borough
Barnsley	Y&H	662	Met Borough (Unitary)
Birmingham	WM	3697	Met Borough (W Mids)
Bolsover	EM	452	District Council (Derbyshire)
Brentwood	East	448	Borough Council (Essex)
Bridgnorth	WM	83	District Council (Shropshire)
Carmarthenshire	Wales	73	Welsh County (Unitary)
Crewe & Nantwich	NW	259	Borough Council (Cheshire)
Darlington	NE	496	Borough Council (Unitary)
Dartford	SE	1188	Borough Council (Kent)
Eden	NW	23	District Council (Cumbria)
Fareham	SE	1466	Borough Council (Hants)
Flintshire	Wales	341	Welsh County (Unitary)
Greenwich	London	4677	London Borough
Hambleton	Y&H	65	District Council (N Yorks)
Harrogate	Y&H	115	Borough Council (N Yorks)
Kensington & Chelsea	London	13609	London Borough
Kettering	EM	355	Borough Council (Northants)
Kingston	London	4031	London Borough
Lincoln	EM	2408	City Council (Lincs)
Manchester	NW	3652	City Council (Gtr Manch)
Merton	London	5112	London Borough
Mid Devon	SW	77	District Council (Devon)
Northamptonshire	EM	270	County Council
Oldham	NW	1535	Met Borough (Gtr Manch)
Poole	SW	2130	Unitary
Portsmouth	SE	4671	City Council (Unitary)
Richmondshire	Y&H	36	District Council (N Yorks)
Sefton	NW	1840	Met Borough (Merseyside)
Sevenoaks	SE	294	District Council (Kent)
Slough	SE	3725	Borough Council (Unitary)
South Gloucestershire	SW	496	Unitary
Southampton	SE	4438	City Council (Unitary)
Surrey Heath	SE	838	Borough Council (Surrey)
Three Rivers	East	929	District Council (Herts)
Wakefield	Y&H	934	Met District (Unitary)
Wandsworth	London	7859	London Borough
Wellingborough	EM	453	Borough Council (Northants)
West Oxfordshire	SE	135	District Council (Oxon)
Windsor & Maidenhead	SE	678	Borough Council (Unitary)
York	Y&H	670	City Council (Unitary)

# 11 Appendix B – Glossary of terms

Term	Description
<b>local authority</b>	Local Authority
<b>LLC</b>	Local Land Charge
<b>LLCR</b>	Local Land Charges Register
<b>LLCD</b>	Local Land Charges Department
<b>LLC1</b>	The official certification of search (LLC1) is a search of the register of the local land charges
<b>Con29 p1</b>	Conveyancing Form 29 part 1 – contain the standard enquiries
<b>Con29 p2</b>	Conveyancing Form 29 part 2 – contain the optional enquiries
<b>Official search of the LLCR</b>	A search by the Local Authority of the LLCR that results in the production of form LLC1
<b>Official Search</b>	A search, undertaken by a Local Authority at the request of an individual, of certain types of information about a land parcel or property held by or available to the Local Authority. The output of an official search is the compilation of the form LLC1 and form Con29 part 1
<b>Personal Search of the LLCR</b>	A search by a party, other than the Local Authority, of the LLCR
<b>Personal Search fee of the LLCR</b>	The statutory fee of £11 that allows a party to do a personal search of the LLCR. This fee is set by the Ministry of Justice
<b>Personal Search Company ('PSC')</b>	A private company undertaking personal searches on behalf of the public
<b>Compilation of data</b>	Compilation of the LLC1, Con29 part 1 or Con29 part 2 forms from registers (and other systems holding information) and interpretation of information relating to individual land parcels or properties into a usable format for individuals

# 12 Appendix C – Con29 part 1 and part 2 forms

## 12.1 Con29 part 1

### Questions

#### 1. PLANNING AND BUILDING REGULATIONS

##### 1.1 Planning and Building Decisions and Pending Applications

Which of the following relating to the property have been granted, issued or refused or (where applicable) are the subject of pending applications:

- (a) a planning permission;
- (b) a listed building consent;
- (c) a conservation area consent;
- (d) a certificate of lawfulness of existing use or development;
- (e) a certificate of lawfulness of proposed use or development;
- (f) building regulations approval;
- (g) a building regulation completion certificate; and
- (h) any building regulations certificate or notice issued in respect of work carried out under a competent person self-certification scheme?

##### 1.2 Planning Designations and Proposals

What designations of land use for the property or the area, and what specific proposals for the property, are contained in any existing or proposed development plan?

#### 2. ROADS

Which of the roads, footways and footpaths named in the application for this search (via boxes B and C) are:

- (a) highways maintainable at public expense;
- (b) subject to adoption and, supported by a bond or bond waiver.
- (c) to be made up by a local authority who will reclaim the cost from the frontagers; or
- (d) to be adopted by a local authority without reclaiming the cost from the frontagers?

## Questions

### 3. OTHER MATTERS

#### 3.1 Land required for Public Purposes

Is the property included in land required for public purposes?

#### 3.2 Land to be acquired for Road Works

Is the property included in land to be acquired for road works?

#### 3.3 Drainage Agreements and Consents

Do either of the following exist in relation to the property-

- (a) An agreement to drain buildings in combination into an existing sewer by means of a private sewer; or
- (b) An agreement or consent for (i) a building, or (ii) extension to a building on the property, to be built over, or in the vicinity of a drain, sewer or disposal main?

#### 3.4 Nearby Road Schemes

Is the property (or will it be) within 200 metres of any of the following:

- (a) the centre line of a new trunk road or special road specified in any order, draft order or scheme;
- (b) the centre line of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway;
- (c) the outer limits of construction works for a proposed alteration or improvement to an existing road, involving (i) construction of a roundabout (other than a mini roundabout); or (ii) widening by construction of one or more additional traffic lanes;
- (d) the outer limits of (i) construction of a new road to be built by a local authority; (ii) an approved alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; or (iii) construction of a roundabout (other than a mini roundabout) or widening by construction of one or more additional traffic lanes;
- (e) the centre line of the proposed route of a new road under proposals published for public consultation; or
- (f) the outer limits of (i) construction of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; (ii) construction of a roundabout (other than a mini roundabout); or (iii) widening by construction of one or more additional traffic lanes, under proposals published for public consultation?

## Questions

### 3.5 Nearby Railway Schemes

Is the property (or will it be) within 200 metres of the centre line of a proposed railway, tramway, light railway or monorail?

### 3.6 Traffic Schemes

Has a local authority approved but not yet implemented any of the following for the roads, footways and footpaths (named in Box B) which abut the boundaries of the property:

- (a) permanent stopping up or diversion;
- (b) waiting or loading restrictions;
- (c) one way driving;
- (d) prohibition of driving;
- (e) pedestrianisation;
- (f) vehicle width or weight restriction;
- (g) traffic calming works including road humps;
- (h) residents parking controls;
- (i) minor road widening or improvement;
- (j) pedestrian crossings;
- (k) cycle tracks; or
- (l) bridge building?

### 3.7 Outstanding Notices

Do any statutory notices which relate to the following matters subsist in relation to the property other than those revealed in a response to any other enquiry in this Schedule:

- (a) building works;
- (b) environment;
- (c) health and safety;
- (d) housing;
- (e) highways; or
- (f) public health?

### 3.8 Contravention of Building Regulations

Has a local authority authorised in relation to the property any proceedings for the contravention of any provision contained in Building Regulations?

## Questions

### 3.9 Notices, Orders, Directions and Proceedings under Planning Acts

Do any of the following subsist in relation to the property, or has a local authority decided to issue, serve, make or commence any of the following:

- (a) an enforcement notice;
- (b) a stop notice;
- (c) a listed building enforcement notice;
- (d) a breach of condition notice;
- (e) a planning contravention notice;
- (f) another notice relating to breach of planning control;
- (g) a listed building repairs notice;
- (h) in the case of a listed building deliberately allowed to fall into disrepair, a compulsory purchase order with a direction for minimum compensation;
- (i) a building preservation notice;
- (j) a direction restricting permitted development;
- (k) an order revoking or modifying planning permission;
- (l) an order requiring discontinuance of use or alteration or removal of building or works;
- (m) a tree preservation order; or
- (n) proceedings to enforce a planning agreement or planning contribution?

### 3.10 Conservation Area

Do the following apply in relation to the property:

- (a) the making of the area a Conservation Area before 31 August 1974; or
- (b) an unimplemented resolution to designate the area a Conservation Area?

### 3.11 Compulsory Purchase

Has any enforceable order or decision been made to compulsorily purchase or acquire the property?

## Questions

### 3.12 Contaminated Land

Do any of the following apply (including any relating to land adjacent to or adjoining the property which has been identified as contaminated land because it is in such a condition that harm or pollution of controlled waters might be caused on the property):

- (a) a contaminated land notice;
- (b) in relation to a register maintained under section 78R of the Environmental Protection Act 1990:
  - (i) a decision to make an entry; or
  - (ii) an entry; or
- (c) consultation with the owner or occupier of the property conducted under section 78G(3) of the Environmental Protection Act 1990 before the service of a remediation notice?

### 3.13 Radon Gas

Do records indicate that the property is in a “Radon Affected Area” as identified by the Health Protection Agency?

## 12.2 Con 29 part 2

### Questions

#### 4 ROAD PROPOSALS BY PRIVATE BODIES

- 4.1** What proposals by others, (1) still capable of being implemented, have the Council approved for any of the following, the limits of construction of which are within 200 metres of the property:
- (a) The construction of a new road, or
  - (b) The alteration or improvement of an existing road, involving the construction, whether or not within existing highway limits, of a subway, underpass, flyover, footbridge, elevated road, dual carriageway, the construction of a roundabout (other than a mini roundabout) (2) or the widening of an existing road by the construction of one or more additional traffic lanes?

#### 5 PUBLIC PATHS OR BYWAYS

- 5.1** Is any footpath, bridleway, restricted byway or byway open to all traffic which abuts on, or crosses the property, shown in a definitive map or revised definitive map prepared under Part IV of the National Parks and Access to the Countryside Act 1949 or Part III of the Wildlife and Countryside Act 1981?
- 5.2** If so, please mark its approximate route on the attached plan.

#### 6 ADVERTISEMENTS

##### Entries in the Register

- 6.1** Please list any entries in the Register of applications, directions and decisions relating to consent for the display of advertisements.
- 6.2** If there are any entries, where can that Register be inspected?

##### Notices, Proceedings and Orders

- 6.3** Except as shown in the Official Certificate of Search:
- (a) has any notice been given by the Secretary of State or served in respect of a direction or proposed direction restricting deemed consent for any class of advertisement?
  - (b) have the Council resolved to serve a notice requiring the display of any advertisement to be discontinued?
  - (c) If a discontinuance notice has been served, has it been complied with to the satisfaction of the Council?
  - (d) have the Council resolved to serve any other notice or proceedings relating to a contravention of the control of advertisements?
  - (e) have the Council resolved to make an order for the special control of advertisements for the area?

## Questions

### 7 COMPLETION NOTICES

- 7.1 Which of the planning permissions in force have the Council resolved to terminate by means of a completion notice under s.94 of the Town & Country Planning Act 1990?

### 8 PARKS AND COUNTRYSIDE

#### Areas of Outstanding Natural Beauty

- 8.1 Has any order under s.82 of the Countryside and Rights of Way Act 2000 been made?

#### National Parks

- 8.2 Is the property within a National Park designated under s.7 of the National Parks and Access to the Countryside Act 1949?

### 9 PIPELINES

- 9.1 Has a map been deposited under s.35 of the Pipelines Act 1962, or Schedule 7 of the Gas Act 1986, showing a pipeline laid through, or within 100 feet (30.48 metres) of the property?

### 10 HOUSES IN MULTIPLE OCCUPATION

- 10.1 Is the property a house in multiple occupation, or is it designated or proposed to be designated for selective licensing of residential accommodation in accordance with the Housing Act 2004?

### 11 NOISE ABATEMENT

#### Noise Abatement Zone

- 11.1 Have the Council made, or resolved to make, any noise abatement zone order under s.63 of the Control of Pollution Act 1974 for the area?

#### Entries in Register

- 11.2 Has any entry been recorded in the Noise Level Register kept pursuant to s.64 of the Control of Pollution Act 1974?
- 11.3 If there is any entry, how can copies be obtained and where can that Register be inspected?

### 12 URBAN DEVELOPMENT AREAS

- 12.1 Is the area an urban development area designated under Part XVI of the Local Government, Planning and Land Act 1980?
- 12.2 If so, please state the name of the urban development corporation and the address of its principal office.

### 13 ENTERPRISE ZONES

- 13.1 Is the area an enterprise zone designated under Part XVIII of the Local Government, Planning and Land Act 1980?

## Questions

### 14 INNER URBAN IMPROVEMENT AREAS

**14.1** Have the Council resolved to define the area as an improvement area under s.4 of the Inner Urban Areas Act 1978?

### 15 SIMPLIFIED PLANNING ZONES

**15.1** Is the area a simplified planning zone adopted or approved pursuant to s.83 of the Town & Country Planning Act 1990?

**15.2** Have the Council approved any proposal for designating the area as a simplified planning zone?

### 16 LAND MAINTENANCE NOTICES

**16.1** Have the Council authorised the service of a maintenance notice under s.215 of the Town & Country Planning Act 1990?

### 17 MINERAL CONSULTATION AREAS

**17.1** Is the area a mineral consultation area notified by the county planning authority under Schedule 1 para 7 of the Town & Country Planning Act 1990?

### 18 HAZARDOUS SUBSTANCE CONSENTS

**18.1** Please list any entries in the Register kept pursuant to s.28 of the Planning (Hazardous Substances) Act 1990.

**18.2** If there are any entries:

- (a) How can copies of the entries be obtained?
- (b) Where can the Register be inspected?

### 19 ENVIRONMENTAL AND POLLUTION NOTICES

**19.1** What outstanding statutory or informal notices have been issued by the Council under the Environmental Protection Act 1990 or the Control of Pollution Act 1974?

(This enquiry does not cover notices under Part IIA or Part III of the EPA, to which enquiries 3.12 or 3.7 apply)

### 20 FOOD SAFETY NOTICES

**20.1** What outstanding statutory notices or informal notices have been issued by the Council under the Food Safety Act 1990 or the Food Hygiene Regulations 2006?

### 21 HEDGEROW NOTICES

**21.1** Please list any entries in the record maintained under regulation 10 of the Hedgerows Regulations 1997.

**21.2** If there are any entries:

- (a) How can copies of the matters entered be obtained?
- (b) Where can the record be inspected?

## Questions

### **22 REGISTERED COMMON LAND AND TOWN OR VILLAGE GREEN**

**22.1** Is the property, or any land which abuts the property, registered common land or town or village green under the Commons Registration Act 1965 or the Commons Act 2006?

**22.2** If there are any entries, how can copies of the matters registered be obtained and where can the register be inspected?

Source: Communities and Local Government

# 13 Appendix D – Sharing of best practice tools on holding and managing information

As part of our study, we were requested to make some observations on best practice for local authorities' storage and management of land and property information. Our observations are set out below. They are not intended to be a comprehensive review of either the current technological environment or a definitive statement of best practice examples in local authority information management.

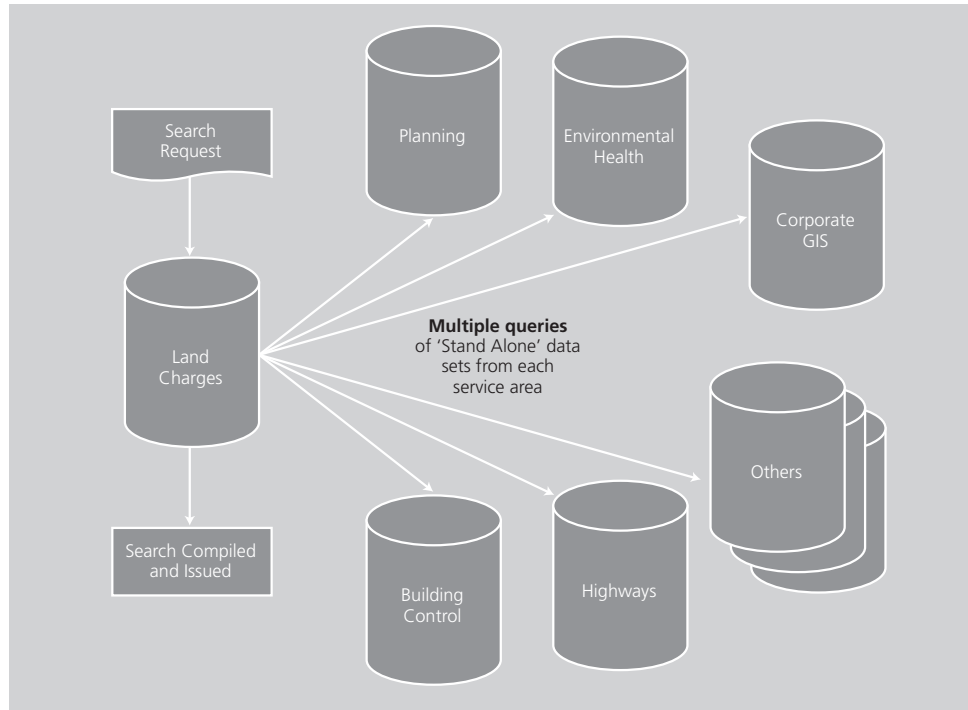
## 13.1 What systems exist at the moment?

There are a variety of methods employed by local authorities across England and Wales to produce a local land charge search. These vary from fully manual systems, through to fully integrated and computerised solutions (i.e. across departments). In between these two extremes there is any number of variations of systems and procedures; in some cases electronic systems combine with manual systems whereby, for example, the Local Land Charges Department may have a computer system but the Council's Environmental Health department answers its respective questions from manual records. The diverse nature of Local Land Charges data often means that the data is stored and (therefore) retrieved in a wide variety of ways – as well as the combination of manual and electronic systems, it is often the case that the electronic systems used by local authorities store their data in very different ways and integration is therefore difficult. We have seen that whilst some authorities use manual or non integrated systems, in some cases the LLC departments have compensating manual processes that support efficient working practices.

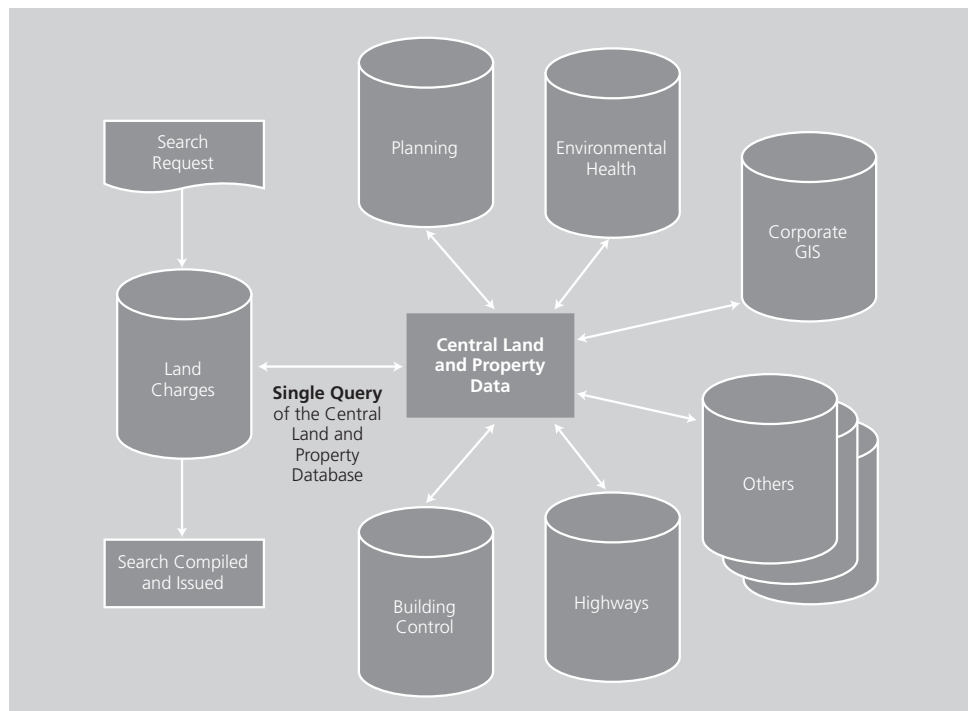
It is therefore important to appreciate that efficiency is not only possible in an automated environment and that simpler manual processes can, where effectively operated, compare on costs.

The two following diagrams illustrate the two extreme system models, from a completely de-centralised system to a fully centralised system.

Example 1: The conveyancing data is held in differing systems with each system having to be queried individually by the respective owners of the systems



Example 2: The data is totally centralised so only one query is required centrally to answer a search questions or produce the LLC 1/Con29 part 1.



In practice most authorities have a mixture of processes that sit between these two extremes.

## 13.2 Analysis of the configurations and best practice we have seen during our investigations

Our survey has shown that whilst the majority of authorities use computerised systems in one form or another, there is a significant variation in the level of data holding, integration, and automation. We have found that:

- There are a number of approaches to notifying answering departments or services to request answers to the search Con29 questions:
  - Manual paper sheets with questions listed
  - E-mailed questions
  - Direct access to the system’s screens by the answering department, with the system notifying the department which questions are outstanding – in some cases the system generates the response to the Con29 questions and allows for the answering department to verify the data.
- Where the local authority has an integrated suite of applications, business rules can be set up in some systems to “trigger” the transaction as a potential item for inclusion on the LLC Register. For example, this can be set up such that the conditional planning application is on the LLC Register immediately following the issuing of the decision notice.
- Where systems and data are integrated, this tends to be for planning applications and building control records, as these form the largest volume of data and are often offered as modules within the same package. Therefore it is these services which are likely to be the drivers behind investment in new systems.
- A number of authorities have implemented the XML Schema to integrate data for self-registration and competent persons (FENSA, CORGI and so forth).

## 13.3 Electronic Systems

In the Local Land Charges Department there is still a proportion (albeit decreasing) of authorities that only have a paper register. We have seen from our work that electronic LLC systems can provide authorities with more robust security and continuity arrangements, as well as give opportunities for integration with other systems.

Computerisation can also enable a LLC department to move to spatial referencing and give further added value by managing within a Geographic Information System (GIS). The functionality the GIS provides can enable a local authority to produce more complete information on a parcel of land, especially if all conveyancing search data is spatially referenced. It also gives a local authority further opportunities for providing additional 'value add' refined data services. The key principles of a fully integrated and automated electronic system include:

- A computerised system for managing the day-to-day LLC search requests;
- A spatially-enabled system for the analysis of the LLC1 and the Con29;
- Electronic data stored once and used many times, i.e. a relational system;
- Electronic data (tabular, spatial, and imaging) within component systems (e.g. Planning, Environmental Health, Building Control and so forth) which is comprehensive and satisfies the requirements of the source department as well as the LLC service. The epochs of the data should also satisfy the business needs of all local authority users; and
- The data stored in a central corporate "spatial" database, or full integration of systems using XML schema (e-GIF compliance).

## 13.4 National Context

The government launched its e-Government initiatives some years ago, and as a result many services within local government have undergone a significant transformation; this is now being recognised in the context of the wider Transformation Government. Indeed the LLC service has already taken part in major initiatives for computerisation, supported by such projects as the National Land Information Service ('NLIS') and the development of XML Schema<sup>9</sup> have significantly increased the computerisation of LLC services across the country. In other related services such as planning there has been direct financial encouragement for computerisation through the provision of an e-Planning element of the Planning Delivery Grant<sup>10</sup>. This has been allowed investment by Local Authorities in their computer systems and data coupled with the assessment of their achievements through guidance notes, toolkits, and established criterion for best practice<sup>11</sup>.

<sup>9</sup>See [http://www.govtalk.gov.uk/schemasstandards/schemalibrary\\_schema.asp?schemaid=205](http://www.govtalk.gov.uk/schemasstandards/schemalibrary_schema.asp?schemaid=205) XML Schema for the exchange of data between County and District Councils for the Con29 in compliance with the Electronic Government Interoperability Framework (e-GIF).

<sup>10</sup>See <http://www.communities.gov.uk/index.asp?id=1143674>

<sup>11</sup>Details can be found at <http://www.pas.gov.uk/pas/core/page.do?pagelD=26315> for PARSOL toolkits and guidance. Assessment criterion for earlier surveys can be found at <http://www.pendleton-assoc.com/websitesurveys.html>

## Local Authority Property Search Services

Draft Costing and Charging methodology



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# 1 Introduction

This document sets out the proposed costing and charging methodology for local authority property search related services. It is the result of work commissioned by Communities and Local Government and the Ministry of Justice in response to recommendations made by the Office of Fair Trading ('OFT') in its 2005 market report into the Property Search Market (the 'OFT report').

The OFT report concluded that central government should provide clear and comprehensive guidance for local authorities on how they should recover the costs of providing property information in 'unrefined' and 'compiled' forms. This methodology sets out:

- definitions of the data involved in the property search market. This is necessary to clarify properly the full range of activities a local authority takes with regard to the generation, collection and subsequent provision of property search related data;
- what a local authority is entitled by statute to charge for. A variety of different practices have developed in local authorities as to what information should be provided free of charge and what can be charged for. The statutory position on charging for Con29 data is set out in Appendix B;
- how a local authority should identify the costs associated with property search related activities in accordance with existing accounting guidance and requirements (e.g BVACOP); and
- how a local authority should convert the costing information collected into a charge for a property search related activity (where this is permissible under statute).

The key to the effective application of this guidance is first establishing a clear framework setting out what a local authority can charge for, and what it cannot. This guidance first describes that framework, introducing clear definitions of the type and maturity of data to which the costing and charging guidance will apply, before then setting out the principles on which the costing and charging guidance is based. The costing principles reflect the accounting regime with which local authorities are required to comply and do not as such introduce any new accounting requirements or concepts.

More information on the legislative position and more detail on the business model set out in this methodology, can be found in the accompanying report, *Local Authority Property Search Services – Costing and Charging Guidance*.

## 1.1 Structure of guidance

The costing and charging methodology is structured as follows:

- Section 2 – Definition of property search related data;
- Section 3 – Proposed costing and charging model;
- Section 4 – Costing and charging methodology; and
- Section 5 – Proposed process for providing transparency over the setting of charges.

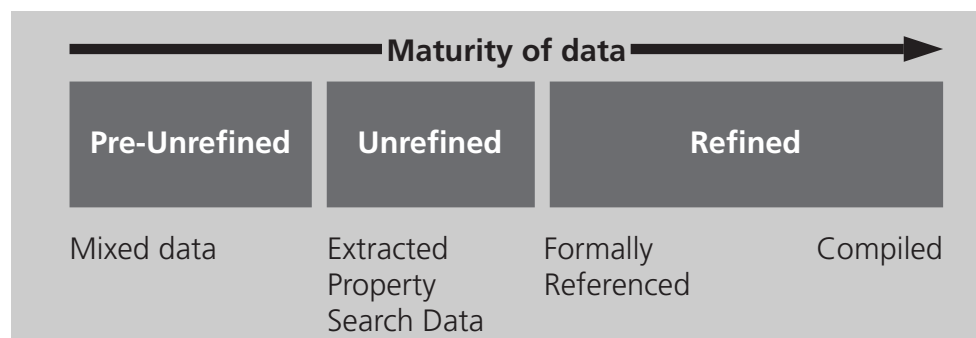
The guidance is supported by a number of appendices as follows:

- Appendix A – Glossary of terms;
- Appendix B – Statutory position on charging for Con29 data;
- Appendix C – Forms for capturing staff time costs against property search related activities; and
- Appendix D – A worked example of the methodology; and
- Appendix E – Full description of the Con29 part 1 and part 2 forms.

## 2 Defining the property search related data

The costing and charging guidance can only be applied if there is a rigorous definition of property search related data. A rigorous definition will help enable costs to be properly allocated, and charges to be determined in a manner that is clear and transparent, and which does not disadvantage the private or public sectors.

The guidance is based on the following data definitions:



### 2.1 Pre-unrefined data

The term 'pre-unrefined' data has been introduced to clarify properly the full range of activities a local authority takes with regard to the generation, collection and subsequent provision of property search related data.

Pre-unrefined data is data that cannot be made publicly available as access would not comply with the Data Protection Act ('DPA') or pass a Freedom of Information ('FOI') test. It includes data:

- held in paper format, without the benefit of any precise spatial or formal index and which requires extraction before it can be accessed by a third party, as it is held with other protected data (such as data specific to an individual). An example here could be a planning enforcement complaint that has developed into a full planning enforcement notice, where the local authority case file (i.e. the pre-unrefined data) contains both personal complainant details (DPA protected) and the planning enforcement notice (publicly accessible). Only the local authority can access the case file to view or extract the planning enforcement notice; and/or
- which has not been formally quality assured and would need checking before allowing third party access; and/or

- which requires input from an appropriate officer as it requires their experience and personal knowledge which may not be formally documented.

Pre-unrefined data can only be converted into unrefined data by the local authority.

## 2.2 Unrefined data

Unrefined data is data that would pass a DPA/FOI test (i.e. it may have been extracted from other sensitive data). The process of converting pre-unrefined into unrefined can only be undertaken by the local authority. Unrefined data is the first point at which data is accessible to a third party and where any further refinement of that data could equally be undertaken by a third party or the local authority. It includes data:

- held in paper format, without the benefit of any precise spatial or formal index; and/or
- held electronically or manually, but not specifically referenced to a parcel of land, spatial position or address, and held as part of general Council business e.g. a Council meeting minute; and/or
- where legislation specifically says the public has a right of access (e.g. the Planning Register, the Local Plan, public sewer etc).

This guidance embeds the principle that a local authority can only charge for the cost of providing unrefined data. For avoidance of doubt this means that a local authority should not over-recover costs through the provision of this information. Furthermore, a local authority must charge the same amount to all parties, irrespective of whether they are internal or external to the authority.

As explained in Section 5 of this document, the local authority will be required to identify the costs of making unrefined data available and also make this costing information available to the public.

## 2.3 Refined data (including 'compiled data')

Refined data is data where the local authority has added value to the unrefined data, but this value could equally have been added by a third party (e.g. the private sector) using the same set of unrefined data. The local authority or a third party would generally 'add value' by indexing the unrefined data e.g. spatially. This refined data would then be further refined (or more commonly known as compiled) to produce a LLC1 or Con29. Often local authorities will do the refining process from pre-unrefined data (i.e. data that is not normally accessible to the public).

We have set out in section 3.2 specific examples of pre-unrefined, unrefined and refined data.

## 3 Proposed business model

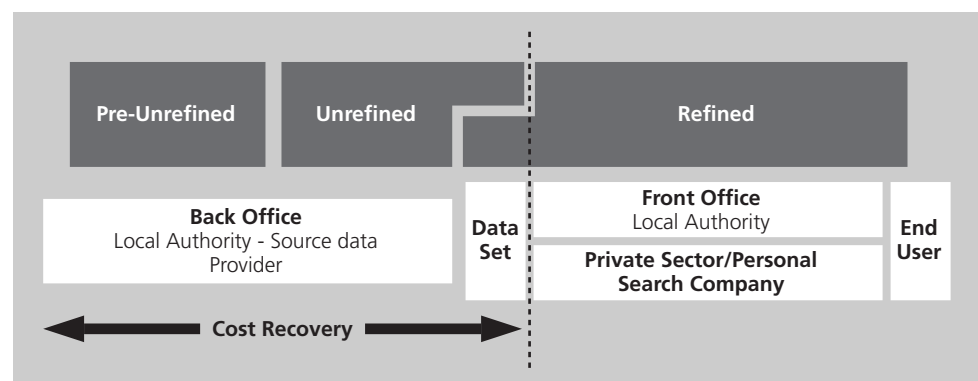
Fundamental to the effective application of this costing and charging guidance is establishing the overall business model which provides the framework within which costing and charging decisions will be taken by a local authority. This section sets out the proposed business model which underpins the costing and charging methodology described in section 4. The model shown below has been overlaid on the definition of data described above.

The business model (and the costing and charging guidance which is based on it) relies on a clear distinction between the data set of unrefined data – which is available to all at the same cost – and the subsequent use of that data to create products and services which are value added. In the diagram below that distinction is represented by a dotted line.

The dotted line is the point at which source property search related data is accessible by third parties. It is the point at which any further added value to the data could be undertaken by a party other than the local authority. The dotted line crosses both unrefined and refined data to reflect that:

- The LLCR is refined data as the Local Land Charges are formally referenced whether on a paper or electronic system. It sits to the left of the dotted line as a local authority must by statute allow a third party access to search the Register (i.e to access the refined data); and
- A local authority may not be able to make the unrefined information available; particularly if it operates an electronic system updated using pre-unrefined data. In this instant it must make the refined data available to third parties but will only be able to do so on a cost recovery basis.

The proposed model clearly differentiates between access to unrefined data and the subsequent use made of it. This clear split is represented by the dotted line in the diagram below. The left hand side of the dotted line represents the local authority back office function that produces what we term the 'data set'. This is the data that is provided to all parties (i.e. the local authority front office and the private sector) on an equal cost basis.



The key principles of this model are shown below and explained more fully in section 4.

Back Office activities	Front Office activities
<ul style="list-style-type: none"> <li>• The back office function provides the 'data set' to the local authority front office and other parties on an equal cost basis</li> <li>• The 'data set' is provided on a cost recovery basis except where the data must be provided for free under statute or where access for a personal search of the LLCR fee remains regulated</li> <li>• The cost of the 'data set' must be the same for the local authority front office as it is for other parties (e.g. a personal search company). Data provided for free under statute must be provided for free to the local authority front office and the cost absorbed by the back office</li> <li>• No surplus or margin can be included in the charge for the 'data set'. This includes in internal charges between departments or between authorities, such as between the highways department in a County Council and the local land charge department in a District Council</li> </ul>	<ul style="list-style-type: none"> <li>• The local authority front office function and other parties (e.g. a personal search company) have equal access to the 'data set'</li> <li>• The local authority front office function and other parties compete on their refined data products, such as the Con29. Under the current legislative framework, the price set by the local authority for its value-added services should be with 'regard to cost' and for the LLC1 and other local land charge services 'up to cost recovery'</li> </ul>

For the avoidance of doubt, to prevent local authorities engaging in predatory pricing, the retail price a local authority may charge for unrefined data must be at least equal to its total cost, including the amounts paid for access to the unrefined data.

The costing and charging methodology covers the back office function only. It does not provide guidance on setting charges for the LLC1, Con29p1, Con29p2 and other refined data activities. In refining the data, and compiling reports, the local authorities compete with the private sector and create 'value added' products. With variation in the services provided (and in an innovative, competitive environment), it is less practical to set out formal guidance for compiled data. Even so, costing principles can be established based on the current legislative framework, in particular the Local Authority (Charges for Land Searches) Regulations 1994 which set local authorities' ability to charge for such services having 'regard to costs'. The 1994 Regulations do not deal with the LLC1, which is priced at 'up to cost recovery' following deregulation (in England) in 2006.

Communities and Local Government and Ministry of Justice intend to consult on the issue of local authority pricing for refined data services in response to the KPMG report which accompanies this guidance.

### 3.1 Benefits of model

The proposed model levels the playing field in terms of an equal cost of access to unrefined property search related data, i.e. the 'data set', for all parties. This assumes that an equitable access policy is also in place.

The model identifies those activities undertaken by the local authority in competition with the private sector and allows consideration of pricing and competition issues in the context of the recommendations of the OFT Property Search Market report.

### 3.2 Practical data examples

As noted above, key to a local authority determining what it can charge (and on what basis), is what type of data is in question i.e. pre-unrefined, unrefined or refined/compiled. Generally, distinguishing between these data types and in particular between refined/compiled and the others, will be straightforward.

To demonstrate how the distinction would be made in practice, and its effect on the subsequent basis of charging for that data, set out below are some examples of property search related data, showing whether the data is pre-unrefined, unrefined or refined, and the basis on which it would be charged for.

### 3.2.1 Con29 data

Data Maturity	Data Definition	Side of model	Charging basis
1 Paper record mixed in with other protected data i.e. data that would not pass a DPA/FOI enquiry	Pre-unrefined	Left	N/A
2 A record which is informally referenced but not by a specific property address or parcel of land. This could be in paper format or the equivalent paper format provided electronically such as a scanned image in PDF format or a MS Word document	Unrefined	Left	At cost
3 An electronic system which captures the Con29 data but does not specifically index the data spatially, or by parcel of land, or by property address	Unrefined	Left	At cost
4 An electronic record which is either indexed spatially or by parcel of land or by property address	Refined	Right but only if equivalent unrefined data is made available	Having regard to costs
5 Electronic record that can be accessed and extracted via the internet by parcel of land in electronic format (e.g. XML)	Refined	Right but only if equivalent unrefined data is made available	Having regard to costs

It is important to note that the 'data set' would be expanded to include refined Con29 data only if the equivalent unrefined data was not available.

### 3.2.2 LLCR data

Data Maturity	Data Definition	Side of model	Charging basis
1 Indexed paper register	Refined	Left	At cost
2 Indexed electronic register. This could be indexed spatially or by parcel of land or by property address	Refined	Left	At cost

## 4 Costing and charging methodology for unrefined data

This costing and charging guidance applies only to the unrefined data and data used in the creation of the 'data set'.

As noted above, for refined data services (such as compiled search reports), the current legislative environment permits local authorities to charge having 'regard to costs'.

The key to what a local authority can charge for, and on what basis, is driven by the type of information involved. In simple terms for unrefined data, where a local authority is permitted to charge by statute, this data can only be charged for at cost, without generating a surplus (i.e. over recovery of costs). To support a charge a local authority will therefore need to demonstrate that it has robustly identified the proper cost of making this type of data available.

It is also important to note that this guidance only applies where a local authority chooses, to charge for this data and where it is permitted by to do so by statute. If it does charge for the data, then it will need to demonstrate it has determined the cost charged in accordance with this guidance. However, local authorities retain the option of not charging for the data should it decide that costs incurred in implementing the charging guidance would not merit the additional income (through recovered costs) which it would otherwise raise.

The costing and charging methodology is structured as follows:

- Key costing and charging principles (section 4.1);
- Step 1 – Identification of the staff time/costs (section 4.2);
- Step 2 – Allocation of staff and other costs to activities;
  - Step 2.1 – Allocation of costs to the update and maintenance of the LLCR (section 4.3);
  - Step 2.2 – Allocation of costs to the update and maintenance of the Con29 data (section 4.4);
  - Step 2.3 – Allocation of costs to providing access to data (section 4.5);
  - Step 2.4 – Calculation of the costs for each activity (section 4.6);

- Step 3 – Converting the costs into a unit charge (section 4.7); and
- Practical application of the methodology (section 4.8).

## 4.1 Costing and Charging principles

This section sets out the key costing and charging principles that have been informed by current Communities and Local Government and Ministry of Justice policy.

### 4.1.1 Key principles

Principle	
1	The cost and charging guidance applies only to the “back office” activities set out in the model in section 3
2	The source property ‘data set’ must be provided: <ul style="list-style-type: none"> <li>• to all parties (e.g. the local authority front office, personal search companies and individuals) at the same charge;</li> <li>• on a cost recovery basis – except where statute specifically sets the fee (e.g. the current £11 regulated personal search fee of the LLCR, and the Con29 source data that must be provided for free). Appendix B sets out the legal position (as determined by Communities and Local Government and OFT) for providing access to Con29 data; and</li> <li>• on a cost recovery basis where, no surplus is generated in the local authority back office or no margin is made on charges between local authority departments or between a County and District Council</li> </ul>
3	The ‘data set’ should be priced based on the costs of providing the data for each element of the Con29 part 1 and 2. There will be a series of prices for each Con29 data element that together would enable the local authority front office or third party to pay for the data to produce a full Con29 part 1 or respond to a specific part 2 question
4	Costs should be captured based on actual costs for 2007/08 or the budget for 2008/09 (if this is a better representation of likely costs for 2008/09). The new charging structure should be put in place for the financial year 2008/09 and adjusted annually (or as necessary to reflect changes in processes or technology)

#### 4.1.2 LLCR costing & charging principles

##### Principle

- 5 Where the fee for a personal search of the LLCR is regulated and centrally set, then the cost incurred by a local authority in providing access for a personal search of the LLCR (whether under or over the regulated fee) can only be recovered in charges for refined property related services (i.e. on the right hand side of the model). The under or over recovery amount can not be offset against charges for other data elements
- 6 Should the setting of the fee for a personal search of the LLCR be devolved locally and based on cost recovery, then this fee can include:
  - A unit charge for the update and maintenance of the LLCR;
  - Staff time involved in managing access;
  - An allocation of the LLCR overheads; and.
  - An allocation of the time and cost for booking appointments, managing access to the data set and processing cheques.

The inclusion of these costs is at the discretion of the local authority (i.e. they may choose not to allocate them). If they are taken into account, the basis on which they are done so, must be reasonable, fair and transparent and based on the proportionate use made by the LLCR by all parties: i.e. the subsequent charge to either the front office or third party must be the same (and directly reflect these calculated costs)

### 4.1.3 Con29 data costing and charging principles

#### Principle

- 7** No charge can be made for data that must be provided for free by statute. This will be the same basis for both the local authority front office and third parties
- 8** There can be no cross subsidy of the cost of providing free data i.e. any cost incurred in managing access to free data cannot be cross subsidised in charges for other Con29 'non free' data
- 9** The charge for Con29 'non statutory free' data can include a proportionate allocation of the net undate/maintenance costs of the underlying systems from which the data is derived
- 10** Where a local authority does not hold unrefined property search data, it can make the refined data available on a cost recovery basis. This could include a proportionate allocation of system maintenance costs, if the allocation is fair, reasonable and transparent

### 4.1.4 Calculating the unit charge

#### Principle

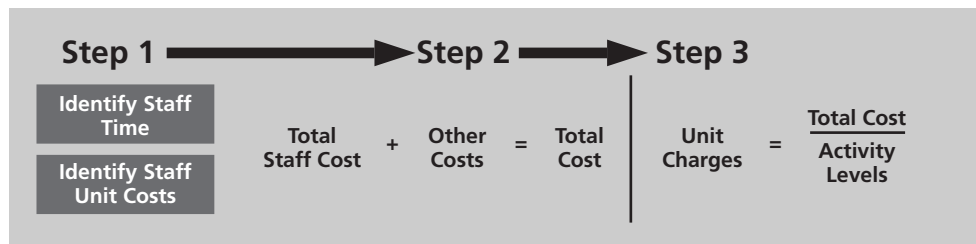
- 11** The unit charge should be calculated by dividing the total annual cost allocated to the provision of a component of the 'data set', by the estimated annual volume of usage of that data (i.e. by the local authority and the private sector combined). The estimated volume of activity should be based on prior year actuals updated for any known changes in market conditions. The estimate should be as accurate as possible to reduce the size of any over or under recovery. The basis of the estimate of activity will be made publicly available
- 12** The unit charge should be calculated to result in no material under/over recovery taking one year with the next. Any such under/over recovery in one year should be taken into account (added/deducted) when determining the unit charges to be applied in the immediately following year

### 4.1.5 Transparency principles

Principle	
<b>13</b>	Sufficient documentation must be in place to make the local authority's calculation of its charges transparent (e.g. the computation setting out the assessment and allocation of the relevant costs should be made publicly available) and therefore supported by an audit trail

Informed by these principles the following guidance sets out some of the key processes which will need to be implemented to calculate accurately the costs associated with specific activities. It starts with the staff costs associated with the specific property search related activities.

### 4.2 Step 1 – Capture the staff time spent on property search related activities and then calculate the related staff cost



The first step is for the local authority to capture the property search related staff costs associated with:

1. Updating and maintaining the LLCR;
2. Providing third parties with access to the LLCR;
3. Updating and maintaining the Con29 data; and
4. Providing third parties with access to the Con29 source data.

Most local authorities will typically not operate a time recording system and, where they do, they will not capture time against the activities shown above. The expectation is that a local authority will either need to implement a simple manual time recording system over a typical period and then apply these allocations annually, or if appropriate robust data already exists then this should be used, for example if the data was collected as part of the process an English authority followed in determining the deregulated LLC1 fee.

Two simple forms are included in Appendix C that will help a local authority capture staff time and costs against activities. The first form is a simple timecard to collect staff time associated with the activities above. The second is a mechanism for calculating the staff costs by activity, this is based on determining a daily rate for each person involved in these activities based on their gross salary cost (including employers national insurance and pension contribution), divided by the total annual number of hours they are contracted to work. We would expect a local authority to use suitably robust alternatives if these forms are not used.

In Appendix C we have shown all the sections of the Con29 bundled together on one line of the example timecard. However, in practice we would expect a local authority to capture the time against specific elements of the Con29 part 1 and part 2 (see the worked example set out in Appendix D). This will allow a local authority to calculate a separate price for access to data elements of the Con29. This will then allow the data compiler (e.g. the local authority front office or personal search company) to pay for the necessary data elements to produce a full Con29 part 1 or respond to a specific part 2 question.

### 4.3 Step 2.1 – Capturing the net costs of updating and maintaining the LLCR

The local authority should capture the total costs associated with updating and maintaining the LLCR and then deduct any income (generated from registering specific Charges) to calculate a net cost. The following table sets out the range of possible costs and income a local authority would be expected to allocate to this activity.

Cost Category	Description	Amount £
<b>Add</b>		
<i>Salary Costs</i>	Salary cost, including employer NI and pension contribution, of staff in either the LLCR or other department involved in updating and maintaining the LLCR	Use the costs calculated in step 1
<i>Direct Costs</i>	Direct costs associated with maintaining and updating the register e.g. support costs (if an electronic system), paper costs etc. A local authority's ability to provide direct cost data will depend on how costs are captured and allocated in its financial system. Allocating direct costs may not be possible if for example stationery costs are not captured by department but allocated by way of a central overhead charge	X
<i>Indirect Costs (e.g. overheads)</i>	<p>This is an allocation of the LLCR overheads to the update and maintenance activity. Typical overheads could include an allocation for premises costs, transport related costs, supplies and services, and support services costs. Examples of costs in these categories are shown below:</p> <ul style="list-style-type: none"> <li>• Premises could include an allocation for fixture and fittings, rents/leases, business rates, water/energy, repairs/maintenance, cleaning and insurance</li> <li>• Transport related costs as they relate to providing services for maintaining the LLCR</li> <li>• Supplies and services could include an allocation for printing, postage, photocopying, stationery, telephones, statutory advertising, computer costs, periodicals, subscriptions and microfilming; and</li> <li>• Support services costs could include an overhead allocation for financial, legal, highway, IT, valuation and public relations services</li> </ul> <p>The allocation of overheads to this activity should either be based on the staff time spent on this activity divided by the total annual LLCR staff time, or some other suitably robust alternative</p>	X

Cost Category	Description	Amount £
<b>Add (continued)</b>		
<i>Capital charges</i>	These are the charges for any capital investment in electronic LLCR systems. These costs will be in two parts. Firstly, the depreciation charge (the cost of the wearing out of the asset) and secondly, the cost of capital (which represent the opportunity cost of investing in the capital asset)	X
<b>Deduct</b>		
<i>Income</i>	The local authority should deduct any income received from registering a charge (e.g. such as for a light obstruction notice)	(X)
	TOTAL	X

As noted above a local authority may choose not to allocate all of these costs, particularly if costs cannot easily be calculated or allocated in a robust manner, or if it chooses to make the data available free of charge.

## 4.4 Step 2.2 – Capturing the costs of updating and maintaining the Con29 data

The following guidance applies only to a small proportion of the costs associated with the update and maintenance of the Con29 data, as KPMG's fieldwork found that the use of Con29 source data for property related search purposes is mainly incidental to the main use of this data by a local authority. Therefore the costs allocated to this activity (if any) will be expected to reflect the proportionally low usage.

Where a local authority chooses to allocate costs then the following table sets out the range of possible costs and income a local authority could be expected to allocate to this activity.

Cost Category	Description	Amount £
<b>Add</b>		
<i>Salary Costs</i>	Salary cost, including employer NI and pension contribution, of staff responsible for updating and maintaining the Con29 data	Use the costs calculated in step1
<i>Direct Costs</i>	Direct costs associated with maintaining and updating the data e.g. support costs (if a system), paper costs, costs of making the unrefined data available where it might only exist in pre-unrefined format etc	X
<i>Indirect Costs (e.g. overheads)</i>	<p>This is an allocation of department overheads to the update and maintenance of the Con29 data activity. Typical overheads could include an allocation for premises costs, transport related costs, supplies and services, and support services costs. Examples of costs in these categories are shown below:</p> <ul style="list-style-type: none"> <li>• Premises could include an allocation for fixture &amp; fittings, rents/leases, business rates, water/energy, repairs/ maintenance, cleaning and insurance;</li> <li>• Transport related costs as they relate to providing services for maintaining the Con29 data.</li> <li>• Supplies and services could include an allocation for printing, postage, photocopying, stationery, telephones, statutory advertising, computer costs, periodicals, subscriptions and microfilming; and</li> <li>• Support services costs could include an overhead allocation for financial, legal, highway, IT, valuation and public relations services</li> </ul>	X

Cost Category	Description	Amount £
<b>Add (continued)</b>		
	The allocation of overheads to this activity should either be based on the proportion of the total department staff time spent on this activity (i.e. the updating and maintenance of the Con29 data activity), or some other suitably robust alternative	
<i>Capital charges</i>	These are the charges for any capital investment in electronic Con29 systems. These costs will be in two parts. Firstly, the depreciation charge (the cost of the wearing out of the asset) and secondly, the cost of capital (which represent the opportunity cost of investing in the capital asset)	X
<b>Deduct</b>		
<i>Income</i>	The local authority should deduct any income received for creating the source Con29 data (e.g. such as the income received from a successful planning application) bearing in mind the proportional usage of the source data by the land charge department	(X)
		TOTAL X

## 4.5 Step 2.3 – Capturing the costs of making the LLCR and Con29 data available to third parties

The local authority should calculate the total costs associated with making the data available to third parties. The following tables set out the range of potential costs that could be allocated to making the LLCR and Con29 data available to third parties. The inclusion of these costs is at the discretion of the local authority (i.e. they may choose not to allocate them). If they are taken into account, the basis on which they are done so, must be reasonable, fair and transparent.

### LLCR

Cost Category	Description	Amount £
<b>Managing access to the LLCR</b>	Time cost of local authority staff in managing access to the LLCR. This includes the administrative time in booking appointments and escorting a party to the data	Use the costs calculated in step 1
<b>Validating the LLCR data</b>	Time cost of local authority staff in validating the data before allowing the private sector to access the LLCR	
<b>Specific booking system</b>	Cost of a specific booking system to manage third party access to data	X
<b>Cashier cost</b>	The cashier administrative time/bank costs in collecting and banking receipts from third parties. This must be calculated on the same basis as the cost of banking other local authority receipts	X
	TOTAL	X

## Con29 p1 and p2 data

Cost Category	Description	Amount £
<b>Managing access to the Con29 data</b>	Time cost of local authority staff in managing access to the data set. This includes the administrative time in booking appointments and escorting a party to the data	Use the costs calculated in step 1
<b>Validating the Con29 data</b>	Time cost, where appropriate, of local authority staff in validating the data before allowing a third party to access the data	
<b>Specific booking system</b>	Cost of a specific booking system(s) to manage third party access to data	X
<b>Cashier cost</b>	The cashier administrative time/bank costs in collecting and banking receipts from third parties. This must be calculated on the same basis as the cost of banking other local authority receipts	X
	TOTAL	X

## 4.6 Step 2.4 – Calculating the total costs by activity

The next step is to calculate the total costs for each activity by adding up the results from steps 2.1 to 2.3 above. In the table below we have split the Con29 data into the part 1 and part 2 but a local authority may decide to allocate costs to specific sections within the part 1 and part 2 to give a menu of charges for data, rather than one price for the Con29 p1 and Con29 p2 data.

Activities	LLCR	Con29 p1 elements	Con29 p2 elements
<b>1</b> Updating and maintaining the LLCR	X		
<b>2</b> Providing third party with access to the LLCR	X		
<b>3</b> Updating and maintaining the Con29 data		X	X
<b>4</b> Providing third parties with access to the Con29 source data		X	X
TOTAL	X	X	X

### 4.7 Step 3 – Converting the costs into a charge

The conversion of the total annual cost by data element into a unit charge is calculated by dividing the total annual cost (step 2.4) by the estimated volume of usage of the data by *all* parties.

For the LLCR, this will be the total annual cost shown above divided by the total number of estimated annual searches of the register, including searches by the local land charge department, personal search companies and other third parties. The estimate should be based on prior year actuals updated for any known changes in market conditions.

The unit charge should be calculated to result in no material under/over recovery taking one year with the next. Any such under/over recovery in one year should be taken into account (added/deducted) when determining the unit charges to be applied in the immediately following year.

For the Con29 source data, a local authority could calculate the unit cost by taking the total annual cost (step 2.4) by data element divided by the total number of estimated times the data is accessed by the local authority, personal search companies and other third parties. The estimate should be based on prior year actuals (where this data exists) updated for any known changes in market conditions. For example:

	LLCR	Con29 p1 Sections				Con29 p2
		Data element <sub>1</sub>	Data element <sub>2</sub>	Data element <sub>3</sub>	Data element <sub>4</sub>	elements
Total Costs (C)	$C_1$	$C_2$	$C_3$	$C_4$	$C_5$	$C_6$
Estimated Volumes (V)	$V_1$	$V_2$	$V_3$	$V_4$	$V_5$	$V_6$
Unit Charge = Cost/Volumes	$C_1/V_1$	$C_2/V_2$	$C_3/V_3$	$C_4/V_4$	$C_5/V_5$	$C_6/V_6$

Where the fee for a personal search of the LLCR is regulated and not equivalent to  $C_1/V_1$  (using the example above) then the difference can only be recovered in charges for refined property related services (i.e in the right hand side of the model). The under or over recovery amount can not be offset against charges for other data elements (e.g in  $C_2/V_2$ ,  $C_3/V_3$  etc).

For Con29 p1 and p2 data that must be provided under statute for free (see Appendix B for the Statutory position on charging for Con29 data), then the costs incurred in providing access to this data can only be recovered in charges for refined property related services (i.e. in the right hand side of the model). For example, if data element 3 above

represented property search data that must be provided for free under statute, then the local authority should include cost  $C_4$  in its calculation of its Con29 refined data price.

The costing and charging methodology covers the back office function only. It does not provide guidance on setting charges for the LLC1, Con29p1, Con29p2 and other refined data activities.

## 4.8 Practical application of the methodology

The practical application of the methodology is straightforward, and based on local government accounting practice and principles (e.g. BVACOP). It reduces to calculating the total cost of a specific activity in line with existing practices and then converting that total cost into a unit charge on the basis of robustly estimated levels of activity. This is best illustrated in some examples:

Scenario	Application of methodology
<p><b>1</b> A local authority uses a specific system to record all information related to highways. This system is accessed by the local authority highways department when it responds to a Con29 p1 question from the LLC department. How should the unit charge be calculated?</p>	<p>The local authority could either make the originating records available to a third party (i.e. the records the local authority used to update their system, so long as this does not conflict with the DPA/FOI regulations) and calculate the charge based on providing access to these original records, or give access to the electronic system and base the charge on an allocation of the maintenance and update costs of the system</p>
<p><b>2</b> A local authority implements a new electronic LLC register with some of the capital costs allocated to the unit charge for access to the register, but due to problems with the system it is likely to be written off</p>	<p>The capital asset (i.e. the new system) has been impaired and should be written down in the local authority accounts. The cost of that impairment, to the extent taken to the consolidated revenue account ('CRA') after taking into account revaluation reserves, will be a legitimate part of the total cost of the activity in the year the system is written off</p>
<p><b>3</b> A local authority has significantly mis-estimated its volume of activity and has either significantly over or under recovered costs</p>	<p>Activity volumes (i.e. the usage of data) should be monitored by the local authority and adjustments made to charges annually to reduce any over/under recovery. Any such under/over recovery in one year should be taken into account (added/deducted) when determining the unit charges to be applied in the immediately following year</p>

Scenario	Application of methodology
<p><b>4</b> A local authority has two staff in its local land charge department. How should the front office/back office split apply?</p>	<p>The local authority front office/back office split is a concept to separate the local authority activities that are competed (i.e. where the local authority competes with a personal search company on providing compiled property search related data) from those activities that can only be undertaken by the local authority</p> <p>To apply the front office/back office concept a local authority should calculate the time spent by the two staff and other non LLCD staff on the back office activities, along with the direct costs, indirect costs and capital charges that can be allocated to the back office. The unit charges should then be calculated for the back office based on the anticipated activity levels</p>
<p><b>5</b> A local authority operates an integrated system across planning, building control, highways and the local land charge department. Can the implementation cost be included as part of the unit charge?</p>	<p>If a third party benefits from the integrated system and the equivalent source paper records are not made available then a local authority can include an element of the capital charges but this must be based on a robust assessment of the proportional usage of the system. This allocation must clearly take into account the core purpose of the system and its actual use to support the provision of property search related data to third parties. It is expected that this allocation would be very low as the system (except for the LLCD component) is predominately in place for other local authority purposes</p> <p>For the Con29 part of the integrated system, if the equivalent unrefined data is also made available to third parties at cost (i.e. a personal search company could refine the data in the same way as the local authority using the unrefined records) then the local authority can charge this data as a refined data service and price accordingly</p>

# 5 Process for securing transparency over the setting of charges

In this section we have set out a process for providing transparency over the setting of charges for unrefined data.

Firstly, we recommend that every local authority should provide an annual statement setting out the basis on which it has calculated the charges it proposes to make for the various components of unrefined data, clearly stating the assumptions it has made in setting these charges. Those assumptions would be expected to include those on the volume of activity on which unit costs have been estimated, the proportion of corporate and other overheads included in the total cost (and the basis for that proportion and the extent to which investment in IT and systems is being recovered through the charges). This statement should be a public document which is signed off by the section 151 officer, confirming that the costs have been derived in a manner which is materially compliant with the Communities and Local Government costing and charging guidance and other applicable accountancy guidance, such as BVACOP.

Secondly, after the first financial year of the operation of the guidance, local authorities could be required to issue an annual summary setting out the amount charged in the preceding year analysed between both:

- the amounts charged to the public sector and the authority's own front end for unrefined data; and
- by different components of unrefined data.

Again the annual account should be certified by the section 151 officer. The annual financial statement should also separately identify the financial performance of the "front end" function (if any) to clearly demonstrate that the local authority has at minimum recovered its total costs (and not engaged in predatory pricing at the expense of the council tax payer).

If the government wished to follow the precedent set in respect of building control charges, it could further require that a memorandum account setting out the income from, and costs allocated to the provision of unrefined data, is contained in the annual financial statements.

Such an approach would provide greater transparency and, subject to consultation with the Audit Commission, bring the basis on which charges are made for unrefined data within the remit of potential review by the Appointed Auditor. As such the private sector (or at least a representative resident who, as a council tax payer in the local authority, in question) could request that the Appointed Auditor review the basis on which charges for access to the unrefined data set are established.

It should be noted that the Appointed Auditor is under no duty to investigate vexatious enquiries, and the enquirer would be required to provide sufficient *prima facie* evidence that a review is merited.

## 6 Appendix A – Glossary of terms

Term	Description
<b>local authority</b>	Local Authority
<b>LLC</b>	Local Land Charge
<b>LLCR</b>	Local Land Charges Register
<b>LLCD</b>	Local Land Charge Department
<b>LLC1</b>	The official certification of search (LLC1) is a search of the register of the local land charges
<b>Con29 p1</b>	Conveyancing Form 29 part 1 – contain the standard enquiries
<b>Con29 p2</b>	Conveyancing Form 29 part 2 – contain the optional enquiries
<b>Official search of the LLCR</b>	A search by the Local Authority of the LLCR that results in the production of form LLC1
<b>Official Search</b>	A search, undertaken by a Local Authority at the request of an individual, of certain types of information about a land parcel or property held by or available to the Local Authority. The output of an official search is the compilation of the form LLC1 and form Con29 part 1
<b>Personal Search of the LLCR</b>	A search by a party, other than the Local Authority, of the LLCR
<b>Personal Search fee of the LLCR</b>	The statutory fee of £11 that allows a party to do a personal search of the LLCR. This fee is set by Ministry of Justice
<b>Personal Search Company ('PSC')</b>	A private company undertaking personal searches on behalf of the public
<b>Compilation of data</b>	Compilation of the LLC1, Con29 part 1 or Con29 part 2 forms from registers (and other systems holding information) and interpretation of information relating to individual land parcels or properties into a usable format for individuals

## 7 Appendix B – Statutory position on access and charging for Con29 data

The following tables set out Communities and Local Government's and OFT's view of the legislative position for access to Con29 part 1 and part 2 data. This is divided into three types of information:

1. Information where statute requires the information to be made publicly available free of charge;
2. Information where statute requires the information to be made publicly available but does not specify it is free of charge; and
3. Information where there is currently no statutory obligation to make the information available. Access is at the discretion at each local authority and charges may be made under the 1994 Regulations, unless the information is "environmental information" within the meaning of the Environmental Information Regulations.

Table1 – Con29 p1 (See Appendix E for a full description of the Con29 p1)

Con29 Part 1	Publicly available free of charge (1)	Publicly available – regard to its costs in dealing with enquiry (2)	Discretionary Access– with regard to cost (3)
<b>Q1.1 – Planning &amp; building regulations</b>		(a) – (d)	(e) – (h) Not currently on public registers
<b>Q1.2 – Planning designations and proposals</b>	ALL		
<b>Q2 – Roads</b>	(a) only		(b) – (d)
<b>Q3.1 – Land required for public purposes</b>		Available by consulting public local plans	
<b>Q3.2 – Land to be acquired for road works</b>		Register of any land subject to applications of planning permission	
<b>Q3.3 – Drainage agreements and consents</b>	Public sewer maps only	Other drainage agreements	
<b>Q3.4 – Nearby road schemes</b>	Street works register (some restricted information) Minutes must be open for public access		(a) – (f)
<b>Q3.5 – Nearby railway schemes</b>	ALL		
<b>Q3.6 – Traffic schemes</b>	Road and street works register (some restricted information)		
<b>Q3.7 – Outstanding notices</b>	Partial – some notices will be on public register		Information not on public register can be charged
<b>Q3.8 – Contravention of building regulations</b>			Not currently on public registers.
<b>Q3.9 – Notices, orders, etc under Planning Acts</b>	(m) – free of charge (TPO)	All other	
<b>Q3.10 – Conservation Areas</b>		Open access – £11 per parcel	
<b>Q3.11 – Compulsory purchase</b>			ALL
<b>Q3.12 – Contaminated land</b>	ALL		
<b>Q 3.13 – Radon gas</b>	Public maps published by NRPB		

Source: Communities &amp; Local Government &amp; OFT

**Table2 – Con29 p2 (See Appendix E for a full description of the Con29 p2)**

<b>Con29 Part 1</b>	<b>Publicly available free of charge (1)</b>	<b>Publicly available – regard to its costs in dealing with enquiry (2)</b>	<b>Discretionary Access– with regard to cost (3)</b>
<b>Q4 – Road proposals by private bodies</b>		SOME	SOME
<b>Q5 – Public paths or byways</b>	ALL		
<b>Q6 – Advertisements</b>		Entries in the Register	Notices, proceedings and orders
<b>Q7 – Completion notices</b>			ALL
<b>Q8 – Parks and Countryside</b>		ALL	
<b>Q9 – Pipelines</b>	ALL		
<b>Q10 – Houses in Multiple Occupation</b>	ALL		
<b>Q11 – Noise abatement</b>	ALL		
<b>Q12 – Urban Development Areas</b>		ALL	
<b>Q13 – Enterprise zones</b>	ALL		
<b>Q14 – Inner urban improvement areas</b>	ALL		
<b>Q15 – Simplified planning zones</b>		ALL	
<b>Q16 – Land Maintenance Notices</b>		ALL	
<b>Q17 – Mineral consultation areas</b>	Proposed plans and adopted plans available for public inspection		
<b>Q18 – Hazardous substance consents</b>		ALL	
<b>Q19 – Environment and Pollution Notices</b>	ALL		
<b>Q20 – Food Safety Notices</b>			ALL
<b>Q21 – Hedgerow notices</b>	ALL		
<b>Q22 – Registered common lands and town or village greens</b>		ALL	

Source: Communities &amp; Local Government &amp; OFT

# 8 Appendix C – Example forms for capturing staff time and cost for property search related activities

## 8.1 Example time card

This is an example of a time card a local authority could use to capture the time spent on relevant property search related activities. We suggest that this simple time card is populated over a typical period (e.g. a month) and then grossed up to calculate an annual allocation to activities.

Name						
Department						
Grade						
Week	Mon	Tues	Wed	Thurs	Fri	Total
Grade	hrs	hrs	hrs	hrs	hrs	
• Time spent updating and maintaining the LLCR						
• Time spent providing access to the LLCR to a third party						
• Time spent validating data before access provided to a third party						
• Time spent updating and maintaining Con29 data*						
• Time spent providing access to Con29 data to a third party*						

\*We have presented all the sections of the Con29 together on one line here, however, practically we would expect a local authority to capture the time against each section of the Con29 part 1 and part 2. (See Appendix B for the legal position on which sections of the Con29 must be provided for free). This will allow a local authority to calculate a separate charge for access to data for each section of the Con29.

## 8.2 Calculating the total staff time and cost against activities

Once the manual timesheet system has operated for a period, the local authority should calculate the total annual staff cost allocated to these activities. An example of how this could be done is shown below.

Staff name	Cost per hour	Cost per activity			
		Maintain LLCR	Access to LLCR	Maintain Con29	Access to Con29
• A					
• B					
• Total		X	X	X	X

The cost per hour is the gross salary cost including employers’ national insurance and pension contribution divided by the total number of hours worked annually. Again we would practically expect a local authority to capture the time against each section of the Con29 part 1 and part 2 to enable a separate charge to be calculated.

## 9 Appendix D – Worked example

This section sets out a worked example for calculating the unit charges associated with providing the 'data set' on a cost recovery basis.

The example assumes the fee setting for the personal search of the LLCR is devolved locally and based on cost recovery. It also assumes that the local authority has decided to set a charge for each of the following elements of Con29 data:

- A – Planning and building regulations (Q1.1 e-h Con29 p1)
- B – Roads (Q2 b-d Con29p1)
- C – Contravention of building regulations (Q3.8 Con29 p1)
- D – Compulsory purchase (Q3.11 Con29 p1)
- E – Registered common land and town and village green (Q22 Con29 p2)

All other Con29 unrefined data in this example is provided for free. Each of the above elements of data will attract a separate fee for which, data compilers will receive all the unrefined information necessary to compile that section of the Con29. This worked example follows the steps set out in section 4.

## 9.1 Step 1 – Calculating the staff cost for each activity within a data element

In this example the local authority has operated a manual time recording system for a period of four weeks to identify how their three relevant staff spend their time on property search related activities. There is one person in the local land charge department (person A) and two within other departments (person B & C) to manage Con29 data. These three staff have the following unit costs:

### Person A

Salary plus NI + Pension	£23,000
Number of contracted hours	1,820
Hourly rate	£12.64

### Person B

Salary plus NI + Pension	£14,000
Number of contracted hours	1,820
Hourly rate	£7.69

### Person C (part time)

Salary plus NI + Pension	£15,000
Number of contracted hours	1,456
Hourly rate	£10.30

They have each completed timecards for a four week period as follows:



Person B

Person B	Activity (hours per day)	Week 1							Week 2							Week 3							Week 4							TOTAL HOURS	UNIT COST	TOTAL COST		
		M		T		W		T		F		M		T		W		T		F		M		T		W		T					F	
LLCR	Updating and maintaining data																															0	£7.69	£0
	Providing access to data to a third party																															0	£7.69	£0
A – Planning & building regulations (Q1.1 e-h Con29 p1)	Updating and maintaining data	2	3					2	1	3																					24	£7.69	£185	
	Providing access to data to a third party		3	4	5					4	5																				31	£7.69	£238	
B – Roads (Q2 b-d Con29 p1)	Updating and maintaining data	2						2	1																						26	£7.69	£200	
	Providing access to data to a third party		1																												7	£7.69	£54	
C – Contravention of building regulations (Q3.8 Con29 p1)	Updating and maintaining data	2						2	2																						14	£7.69	£108	
	Providing access to data to a third party			2						3	2																				13	£7.69	£100	
D – Compulsory purchase (Q3.11 Con29 p1)	Updating and maintaining data																														0	£7.69	£0	
	Providing access to data to a third party																														0	£7.69	£0	
E – Registered common land & town and village green (Q22 Con29 p2)	Updating and maintaining data																														0	£7.69	£0	
	Providing access to data to a third party																														0	£7.69	£0	
<b>TOTAL</b>		<b>6</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>115</b>		<b>£885</b>				

Person C

Person C	Activity (hours per day)	Week 1			Week 2			Week 3			Week 4			TOTAL HOURS	UNIT COST	TOTAL COST			
		M	T	W	T	M	T	W	T	M	T	W	T				F		
LLCR	Updating and maintaining data														0	£10.30	£0		
	Providing access to data to a third party														0	£10.30	£0		
A – Planning & building regulations (Q1.1 e-h Con29 p1)	Updating and maintaining data														0	£10.30	£0		
	Providing access to data to a third party														0	£10.30	£0		
B – Roads (Q2 b-d Con29 p1)	Updating and maintaining data														0	£10.30	£0		
	Providing access to data to a third party														0	£10.30	£0		
C – Contravention of building regulations (Q 3.8 Con29 p1)	Updating and maintaining data														0	£10.30	£0		
	Providing access to data to a third party														0	£10.30	£0		
D – Compulsory purchase (Q3.11 Con29 p1)	Updating and maintaining data	3	3		1	3		2	3		2				17	£10.30	£175		
	Providing access to data to a third party		1	4	5		4	5		5			5		29	£10.30	£299		
E – Registered common land & town and village green (Q22 Con29 p2)	Updating and maintaining data	2			1			2	1	6				6	20	£10.30	£206		
	Providing access to data to a third party		1		1	4	2				1	2	1		12	£10.30	£124		
<b>TOTAL</b>		<b>5</b>	<b>5</b>	<b>4</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>78</b>	<b>£804</b>



## 9.2 Step 2 – Calculating the total costs against the LLCD activities

Next the costs and income set out in the 2006/07 financial position for the local land charge department is allocated (where appropriate) to the two LLCD activities shown above. Costs that can not be specifically allocated to either of these two activities are apportioned based on the staff cost allocated to the activity (from the time cards) divided by the total staff cost. The allocation of costs is shown below.

LLCD cost heading	2006/07	LLCD Activities		
	£	Maintain Data	Access to data	Allocation method
Salaries	£21,000			
NI	£1,000			
Pension	£1,000			
<b>Staff Costs</b>	<b>£23,000</b>	£6,369	£2,426	As per time recorded above
Rent	£12,000	£3,323	£1,266	Allocated based on staff cost
Transport	£150			Not allocated as a compilation cost
Office Equipment	£250	£69	£26	Allocated based on staff cost
Insurance	£17,000	£4,708	£1,793	Allocated based on staff cost
Professional Fees	£3,500	£969	£369	Allocated based on staff cost
Postage	£2,100			Not allocated as a compilation cost
Telephones	£400	£111	£42	Allocated based on staff cost
Cashiers charges	£2,900		£2,900	Full allocation to access to data
Computer Maintenance	£9,000	£9,000		Full allocation to maintenance of data
System depreciation	£2,500	£2,500		Full allocation to maintenance of data
Indirect - Support Services overhead	£40,000	£11,077	£4,220	Allocated based on staff cost
<b>Other Costs</b>	<b>£89,800</b>			
<b>Total Cost</b>	<b>£112,800</b>	<b>£38,126</b>	<b>£13,043</b>	
<b>INCOME RECEIVED</b>	<b>£1,600</b>	£443	£169	Allocated based on staff cost
<b>NET COST</b>	<b>£111,200</b>	<b>£37,683</b>	<b>£12,875</b>	

### 9.3 Step 2 – Calculating the total costs against the Con29 activities

Next the costs and income set out in the 2006/07 financial positions for the two other departments (here we are calling them department 1 and department 2) are allocated (where appropriate) to the two activities for each data element of the Con29. Costs that can not be specifically allocated to either of the two activities are apportioned based on the staff cost allocated to the activity (based on time cards) divided by the total staff cost. Department 1 maintains the data for data elements A, B and C, and department 2 maintains the data for data elements D and E.

DEPT1 Cost heading	2006/07 £	Data Element A		Data Element B		Data Element C		Total	Allocation
		Update	Access	Update	Access	Update	Access		
Salaries	£444,000								
NI	£8,000								
Pension	£50,000								
<b>Staff Costs</b>	<b>£502,000</b>	<b>£2,215</b>	<b>£2,862</b>	<b>£2,400</b>	<b>£646</b>	<b>£1,292</b>	<b>£1,200</b>	<b>£10,615</b>	Allocated based on staff cost
Rent	£15,000								
Transport	£14,000								
Office Equipment	£3,400								
Insurance	£34,000								
Professional Fees	£7,000								
Postage	£500								
Telephones	£900								
Cashiers charges	£1,500		£500		£550		£450	£1,500	Allocated based on actual cost incurred for each data element
Computer Maintenance	£14,000								
System depreciation	£19,000								
Indirect - Support Services overhead	£120,000	£530	£684	£574	£154	£309	£287	£2,538	Allocated based on staff cost
<b>Other Costs</b>	<b>£229,300</b>								
<b>Total Cost</b>	<b>£731,300</b>	<b>£2,745</b>	<b>£4,046</b>	<b>£2,974</b>	<b>£1,351</b>	<b>£1,601</b>	<b>£1,937</b>	<b>£14,653</b>	
<b>INCOME RECEIVED</b>	<b>£45,000</b>	<b>£199</b>	<b>£257</b>	<b>£215</b>	<b>£58</b>	<b>£116</b>	<b>£108</b>	<b>£952</b>	Allocated based on staff cost
<b>NET COST</b>	<b>£686,300</b>	<b>£2,546</b>	<b>£3,789</b>	<b>£2,759</b>	<b>£1,293</b>	<b>£1,485</b>	<b>£1,829</b>	<b>£13,701</b>	

DEPT2 Cost heading	2006/07 £	Data Element D		Data Element E		Total	Allocation
		Update	Access	Update	Access		
Salaries	£245,000						
NI	£10,000						
Pension	£40,000						
<b>Staff Costs</b>	<b>£295,000</b>	<b>£2,102</b>	<b>£3,585</b>	<b>£2,473</b>	<b>£1,484</b>	<b>£9,643</b>	Allocated based on staff cost
Rent	£34,000						
Transport	£15,000						
Office Equipment	£1,000						
Insurance	£45,000						
Professional Fees	£10,000						
Postage	£5,000						
Telephones	£850						
Cashiers charges	£4,000		£1,700		£550	£2,200	Allocated based on actual cost incurred for each data element
Computer Maintenance	£4,000						
System depreciation	£25,000						
Indirect - Support Services overhead	£150,000						Allocated based on staff cost
<b>Other Costs</b>	<b>£293,850</b>						
<b>Total Cost</b>	<b>£588,850</b>	<b>£2,102</b>	<b>£5,285</b>	<b>£2,473</b>	<b>£1,984</b>	<b>£11,843</b>	
<b>INCOME RECEIVED</b>	<b>£8,000</b>	<b>£57</b>	<b>£97</b>	<b>£67</b>	<b>£40</b>	<b>£262</b>	Allocated based on staff cost
<b>NET COST</b>	<b>£580,850</b>	<b>£2,045</b>	<b>£5,188</b>	<b>£2,405</b>	<b>£1,943</b>	<b>£11,581</b>	

### 9.4 Step 3 – Calculating the unit charges

The predicted activities levels for access to the ‘data set’ are then estimated (based on expected volumes for the following year) to give an initial price for each data element. In this example the total price of the ‘data set’ is £47.

LLCD Activities	CON29 part 1										CON 29 part 2	
	Data Element A		Data Element B		Data Element C		Data Element D		Data Element E		Update	Access
	Update	Access	Update	Access	Update	Access	Update	Access	Update	Access		
<b>TOTAL COSTS</b>	£37,683	£12,875	£2,546	£3,789	£2,759	£1,293	£1,485	£1,829	£2,045	£5,188	£2,405	£1,943
<b>ESTIMATED ACTIVITY LEVELS</b>												
Personal Searches of LLCR	1200											
Total (LLC1s from all parties)	3000											
No. of times data accessed (third party only)			900		900		900		900			900
No. of time data accessed (all parties)		1400		1400		1400		1400			1400	
<b>UNIT CHARGES</b>	£12.6	£10.7	£1.8	£4.2	£2.0	£1.4	£1.1	£2.0	£1.5	£5.8	£1.7	£2.2
	<b>TOTAL</b>											<u>£47</u>
<b>PRICING</b>												
LLCR data	£23											
Con 29 p1												
A - Planning & building regulations (Q1.1e-h Con29p1)	£6											
B - Roads (Q2 b-d Con29p1)	£3											
C - Contravention of building regulations (Q3.8 Con29p1)	£3											
D - Compulsory purchase (Q3.11 Con29p1)	£7											
Con 29 p2												
E - Registered common land & town and village green (Q22 Con29p2)	£4											

# 10 Appendix E – Con29 part 1 and part 2 forms

## 10.1 Con29 part 1

### Questions

#### 1. PLANNING AND BUILDING REGULATIONS

##### 1.1 Planning and Building Decisions and Pending Applications

Which of the following relating to the property have been granted, issued or refused or (where applicable) are the subject of pending applications -

- (a) a planning permission;
- (b) a listed building consent;
- (c) a conservation area consent;
- (d) a certificate of lawfulness of existing use or development;
- (e) a certificate of lawfulness of proposed use or development;
- (f) building regulations approval;
- (g) a building regulation completion certificate; and
- (h) any building regulations certificate or notice issued in respect of work carried out under a competent person self-certification scheme?

##### 1.2 Planning Designations and Proposals

What designations of land use for the property or the area, and what specific proposals for the property, are contained in any existing or proposed development plan?

#### 2. ROADS

Which of the roads, footways and footpaths named in the application for this search (via boxes B and C) are:

- (a) highways maintainable at public expense;
- (b) subject to adoption and, supported by a bond or bond waiver.
- (c) to be made up by a local authority who will reclaim the cost from the frontagers; or
- (d) to be adopted by a local authority without reclaiming the cost from the frontagers?

## Questions

### 3. OTHER MATTERS

#### 3.1 Land required for Public Purposes

Is the property included in land required for public purposes?

#### 3.2 Land to be acquired for Road Works

Is the property included in land to be acquired for road works?

#### 3.3 Drainage Agreements and Consents

Do either of the following exist in relation to the property-

- (a) An agreement to drain buildings in combination into an existing sewer by means of a private sewer; or
- (b) An agreement or consent for (i) a building, or (ii) extension to a building on the property, to be built over, or in the vicinity of a drain, sewer or disposal main?

#### 3.4 Nearby Road Schemes

Is the property (or will it be) within 200 metres of any of the following:

- (a) the centre line of a new trunk road or special road specified in any order, draft order or scheme;
- (b) the centre line of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway;
- (c) the outer limits of construction works for a proposed alteration or improvement to an existing road, involving (i) construction of a roundabout (other than a mini roundabout); or (ii) widening by construction of one or more additional traffic lanes;
- (d) the outer limits of (i) construction of a new road to be built by a local authority; (ii) an approved alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; or (iii) construction of a roundabout (other than a mini roundabout) or widening by construction of one or more additional traffic lanes;
- (e) the centre line of the proposed route of a new road under proposals published for public consultation; or
- (f) the outer limits of (i) construction of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; (ii) construction of a roundabout (other than a mini roundabout); or (iii) widening by construction of one or more additional traffic lanes, under proposals published for public consultation?

## Questions

### 3.5 Nearby Railway Schemes

Is the property (or will it be) within 200 metres of the centre line of a proposed railway, tramway, light railway or monorail?

### 3.6 Traffic Schemes

Has a local authority approved but not yet implemented any of the following for the roads, footways and footpaths (named in Box B) which abut the boundaries of the property:

- (a) permanent stopping up or diversion;
- (b) waiting or loading restrictions;
- (c) one way driving;
- (d) prohibition of driving;
- (e) pedestrianisation;
- (f) vehicle width or weight restriction;
- (g) traffic calming works including road humps;
- (h) residents parking controls;
- (i) minor road widening or improvement;
- (j) pedestrian crossings;
- (k) cycle tracks; or
- (l) bridge building?

### 3.7 Outstanding Notices

Do any statutory notices which relate to the following matters subsist in relation to the property other than those revealed in a response to any other enquiry in this Schedule:

- (a) building works;
- (b) environment;
- (c) health and safety;
- (d) housing;
- (e) highways; or
- (f) public health?

### 3.8 Contravention of Building Regulations

Has a local authority authorised in relation to the property any proceedings for the contravention of any provision contained in Building Regulations?

## Questions

### 3.9 Notices, Orders, Directions and Proceedings under Planning Acts

Do any of the following subsist in relation to the property, or has a local authority decided to issue, serve, make or commence any of the following:

- (a) an enforcement notice;
- (b) a stop notice;
- (c) a listed building enforcement notice;
- (d) a breach of condition notice;
- (e) a planning contravention notice;
- (f) another notice relating to breach of planning control;
- (g) a listed building repairs notice;
- (h) in the case of a listed building deliberately allowed to fall into disrepair, a compulsory purchase order with a direction for minimum compensation;
- (i) a building preservation notice;
- (j) a direction restricting permitted development;
- (k) an order revoking or modifying planning permission;
- (l) an order requiring discontinuance of use or alteration or removal of building or works;
- (m) a tree preservation order; or
- (n) proceedings to enforce a planning agreement or planning contribution?

### 3.10 Conservation Area

Do the following apply in relation to the property:

- (a) the making of the area a Conservation Area before 31 August 1974; or
- (b) an unimplemented resolution to designate the area a Conservation Area?

### 3.11 Compulsory Purchase

Has any enforceable order or decision been made to compulsorily purchase or acquire the property?

## Questions

### 3.12 Contaminated Land

Do any of the following apply (including any relating to land adjacent to or adjoining the property which has been identified as contaminated land because it is in such a condition that harm or pollution of controlled waters might be caused on the property):

- (a) a contaminated land notice;
- (b) in relation to a register maintained under section 78R of the Environmental Protection Act 1990:
  - (i) a decision to make an entry; or
  - (ii) an entry; or
- (c) consultation with the owner or occupier of the property conducted under section 78G(3) of the Environmental Protection Act 1990 before the service of a remediation notice?

### 3.13 Radon Gas

Do records indicate that the property is in a “Radon Affected Area” as identified by the Health Protection Agency?

Source: Communities and Local Government

## 10.2 Con29 part 2

**Questions****4. ROAD PROPOSALS BY PRIVATE BODIES**

What proposals by others, (1) still capable of being implemented, have the Council approved for any of the following, the limits of construction of which are within 200 metres of the property:

- (a) The construction of a new road, or
- (b) The alteration or improvement of an existing road, involving the construction, whether or not within existing highway limits, of a subway, underpass, flyover, footbridge, elevated road, dual carriageway, the construction of a roundabout (other than a mini roundabout) (2) or the widening of an existing road by the construction of one or more additional traffic lanes?

**5. PUBLIC PATHS OR BYWAYS**

**5.1** Is any footpath, bridleway, restricted byway or byway open to all traffic which abuts on, or crosses the property, shown in a definitive map or revised definitive map prepared under Part IV of the National Parks and Access to the Countryside Act 1949 or Part III of the Wildlife and Countryside Act 1981?

**5.2** If so, please mark its approximate route on the attached plan.

**6. ADVERTISEMENTS****Entries in the Register**

**6.1** Please list any entries in the Register of applications, directions and decisions relating to consent for the display of advertisements.

**6.2** If there are any entries, where can that Register be inspected?

**Notices, Proceedings and Orders**

**6.3** Except as shown in the Official Certificate of Search:

- (a) has any notice been given by the Secretary of State or served in respect of a direction or proposed direction restricting deemed consent for any class of advertisement?
- (b) have the Council resolved to serve a notice requiring the display of any advertisement to be discontinued?
- (c) If a discontinuance notice has been served, has it been complied with to the satisfaction of the Council?
- (d) have the Council resolved to serve any other notice or proceedings relating to a contravention of the control of advertisements?
- (e) have the Council resolved to make an order for the special control of advertisements for the area?

## Questions

### 7. COMPLETION NOTICES

- 7.1 Which of the planning permissions in force have the Council resolved to terminate by means of a completion notice under s.94 of the Town & Country Planning Act 1990?

### 8. PARKS AND COUNTRYSIDE

#### Areas of Outstanding Natural Beauty

- 8.1 Has any order under s.82 of the Countryside and Rights of Way Act 2000 been made?

#### National Parks

- 8.2 Is the property within a National Park designated under s.7 of the National Parks and Access to the Countryside Act 1949?

### 9. PIPELINES

- 9.1 Has a map been deposited under s.35 of the Pipelines Act 1962, or Schedule 7 of the Gas Act 1986, showing a pipeline laid through, or within 100 feet (30.48 metres) of the property?

### 10. HOUSES IN MULTIPLE OCCUPATION

- 10.1 Is the property a house in multiple occupation, or is it designated or proposed to be designated for selective licensing of residential accommodation in accordance with the Housing Act 2004?

### 11. NOISE ABATEMENT

#### Noise Abatement Zone

- 11.1 Have the Council made, or resolved to make, any noise abatement zone order under s.63 of the Control of Pollution Act 1974 for the area?

#### Entries in Register

- 11.2 Has any entry been recorded in the Noise Level Register kept pursuant to s.64 of the Control of Pollution Act 1974?

- 11.3 If there is any entry, how can copies be obtained and where can that Register be inspected?

### 12. URBAN DEVELOPMENT AREAS

- 12.1 Is the area an urban development area designated under Part XVI of the Local Government, Planning and Land Act 1980?

- 12.2 If so, please state the name of the urban development corporation and the address of its principal office.

### 13. ENTERPRISE ZONES

- 13.1 Is the area an enterprise zone designated under Part XVIII of the Local Government, Planning and Land Act 1980?

## Questions

### 14. INNER URBAN IMPROVEMENT AREAS

**14.1** Have the Council resolved to define the area as an improvement area under s.4 of the Inner Urban Areas Act 1978?

### 15. SIMPLIFIED PLANNING ZONES

**15.1** Is the area a simplified planning zone adopted or approved pursuant to s.83 of the Town & Country Planning Act 1990?

**15.2** Have the Council approved any proposal for designating the area as a simplified planning zone?

### 16. LAND MAINTENANCE NOTICES

**16.1** Have the Council authorised the service of a maintenance notice under s.215 of the Town & Country Planning Act 1990?

### 17. MINERAL CONSULTATION AREAS

**17.1** Is the area a mineral consultation area notified by the county planning authority under Schedule 1 para 7 of the Town & Country Planning Act 1990?

### 18. HAZARDOUS SUBSTANCE CONSENTS

**18.1** Please list any entries in the Register kept pursuant to s.28 of the Planning (Hazardous Substances) Act 1990.

**18.2** If there are any entries:

- (a) How can copies of the entries be obtained?
- (b) Where can the Register be inspected?

### 19. ENVIRONMENTAL AND POLLUTION NOTICES

**19.1** What outstanding statutory or informal notices have been issued by the Council under the Environmental Protection Act 1990 or the Control of Pollution Act 1974?

(This enquiry does not cover notices under Part IIA or Part III of the EPA, to which enquiries 3.12 or 3.7 apply)

### 20. FOOD SAFETY NOTICES

**20.1** What outstanding statutory notices or informal notices have been issued by the Council under the Food Safety Act 1990 or the Food Hygiene Regulations 2006?

### 21. HEDGEROW NOTICES

**21.1** Please list any entries in the record maintained under regulation 10 of the Hedgerows Regulations 1997.

**21.2** If there are any entries:

- (a) How can copies of the matters entered be obtained?
- (b) Where can the record be inspected?

## Questions

### **22. REGISTERED COMMON LAND AND TOWN OR VILLAGE GREEN**

- 22.1** Is the property, or any land which abuts the property, registered common land or town or village green under the Commons Registration Act 1965 or the Commons Act 2006?
- 22.2** If there are any entries, how can copies of the matters registered be obtained and where can the register be inspected?

Source: Communities and Local Government





# Annex 7

Personal search of the local land charges register:  
Local Authority costing proforma



# Contents

<b>Local Authority details and confidentiality disclaimer</b>	<b>5</b>
<b>Staff costs</b>	<b>6</b>
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## Local Authority details and confidentiality disclaimer

NAME OF LOCAL AUTHORITY	<input type="text"/>
CONTACT DETAILS	
Contact Name	<input type="text"/>
Telephone Number	<input type="text"/>
Email Address	<input type="text"/>

**Confidentiality**

Information provided to the Department for Communities and Local Government or the Ministry of Justice (who will share information received) on this pro-forma may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Ministry.

## Staff costs

### SEARCHES OF THE REGISTER

Annual number of Official LLC1s	
Annual number of personal searches of the local land charge register ('LLCR')	

### Notes

Using prior year actual figures or 2007/08 estimates if this represents a better reflection of likely volumes.

### STAFFING INFORMATION

Average number of FTE staff in LLC department	
Average salary costs including employer contributions	
Total Average Salary cost for LLC department	£0
% of time in an average working week someone in the LLC department generally spends on the activities associated with updating and maintaining the LLCR	%
% of time in an average working week someone in the LLC department generally spends on managing 3rd party access to the LLCR	%
% of time in an average working week someone in the LLC department generally spends processing the monies received by 3rd parties to complete a personal search of the Register	%

Input to up to two decimal places. (e.g. 2.25, 2.5, 2 etc)

- Any staff time spent validating the register before a personal search can be included.

- Do not include any LA staff time in compiling an unofficial LLC1 (this could be a LLC1 but not on the official paper or a LLC1 watermarked as "non official") for the personal searcher rather than giving direct access to the register.

- The % can include the administrative time in booking appointments and escorting a party to the data.

- The time spent processing a personal search cheque should not be greater than the time spent processing monies received from other sources.

### Calculation part (do not edit)

Salary cost associated with maintaining the register	£0
Total number of searches of register	0
Maintenance cost per search of register	£0.0
Salary cost associated with managing personal searcher access and processing personal searcher fees	£0
Total number of personal searches of register	0
Access and processing costs per personal search	£0.0
Total salary cost per personal search	<b>£0.0</b>







## Summary

<b>SUMMARY</b>			
Staff costs per personal search	£ £0.0	See sheet 1. 'Staff Costs'	
Direct costs per personal search		See sheet 2. 'Direct Costs'	
Indirect costs per personal search		See sheet 3. 'Indirect Costs'	
Capital costs per personal search		See sheet 4. 'Capital Charges'	Yes/No <input type="checkbox"/>
<b>Total cost</b>	<b>£0.0</b>	Q. Does this total figure now represent a true reflection of the cost of a personal search of the LLCR? If no, set out why below:	
<div style="border: 1px solid black; height: 400px; width: 100%;"></div>			



