

## CENTRAL SERVICES

### 1. Discretionary fees: Land Charges Search Fees

Maintenance of the land charges register is a mandatory function of the Council. The Council is required to allow inspection of the register at no cost. This includes inspection by search agents (a “personal search”) which provide a commercial service to people seeking to buy a property (residential or commercial), and more generally those carrying out “due diligence” in relation to a property transaction.

The Council may, however, charge for an official search of the register, which is backed by the Council’s indemnity insurance in the event of there being an error in the search result. The Council is therefore in competition with personal search companies for this fee: if the fee is set too high, it is likely more people will engage a search agent to undertake a personal search rather than pay the Council’s fees.

There are two types of search, an “LLC1” search and a “Con 29” form. The LLC1 search looks at 12 separate parts of the register, whilst the Con 29 form is a complementary search setting out a standard set of enquiries agreed by central government, the Law Society and local authorities.

The LLC1 search is due to migrate to HM Land Registry in 2023 and at this point the Council will lose LLC1 income, whilst retaining responsibility to maintain the register. It is envisaged that this loss of income should be accounted for (at least in part) in fee setting for 2023/24 financial year (FY). At present, migration is due to occur in Q2 of FY23/24.

The Local Land Charges Act 1975 (“the Act”) and the Local Authorities (England) (Charges for Property Searches) Regulations 2008 (“the Regulations”) enable local authorities to charge for their property search services and set out rules for calculating the fees. The charges must be on a cost recovery basis and not on a “profit basis” and so the Council is legally restrained in its approach to such fee setting

The regulations allow for the fact that the fee has to be set in advance and so is based on an estimate of the likely level of searches received and the likely expenditure of the local authority in connection with answering those enquiries for the forthcoming year. The Act provides that registering authorities must secure that taking one financial year with another, that fee income does not exceed the cost of providing the services. This applies to the Official Search of the Land Charges Register. The Regulations apply in respect of the Official Enquiries of Local Authorities (more commonly known as Con 29) and further provide that over any three-year period the authority should not make a profit in relation to the fees it has charged

#### Current fee structure

The current fee structure (inclusive of VAT) is as follows:

LLC1 only = £35

LLC1 and Con29 residential search = £170.60

LLC1 and Con 29 commercial search = £351.80

Con 29 only residential = £162

Con29 only commercial = £351.60

Con29O optional enquiries = £18

Additional parcels = £12

Solicitors’ own questions = £21.60

In the year April '21- March '22 there were 1,352 official searches of LLC1 and Con 29 (“combined search”), 81 “LLC1 only” and 375 “Con 290”. This compares to 2,327 personal searches in the same period. The official combined search therefore accounts for approximately 33% of the market, as against 56% for personal searches.

The total of official searches, for which the Council receives a fee, account for 44% of the market.

Personal search agents charge between £75-£120 for a standard search<sup>1</sup>.

### Comparative fees

Whilst the Council is not in competition with neighbouring authorities in relation to search fees, they may provide a reasonable figure against which to benchmark fee setting.

At present, TMBC’s neighbours make the following charges:

Sevenoaks: LLC1 has migrated to HMLR. £146 Con29, £19.50 additional parcels, £22 Con 290

Tunbridge Wells: £42 LLC1 only (additional parcels £12), £123 Con29 only (additional parcels £21), £165 combined search, £15.60 Con290, £23.40 additional questions

Maidstone: £42 LLC1 only (additional parcels £12), £123 Con29 only (additional parcels £21), £165 combined search (additional parcels £33), £15.60 Con 290, £23.40 additional questions

Medway: £25.50 LLC1 only (additional parcels £20.40), £51 Con29 only (additional parcels £15.30), £76.50 combined search (additional parcels £35.70), £10.20 Con290

As can be seen from these figures, TMBC’s current fees are towards the higher end for the combined search, and above the high-end estimate for personal searches. Fees for LLC1 only searches, whilst only accounting for 2% of the market in TMBC, are low compared to neighbours.

### **In-year Recommendations FY22/23**

It is not recommended that Con29, combined searches, or Con290 fees are increased in-year, as this risks further loss of market share to personal searches. However, the LLC1 only fee seems a little low compared to neighbours. It is recommended therefore that this could be increased in-year to £42 in line with neighbouring authorities. This would result in an estimated £236.25 of additional fee income in this financial year.

The fees for additional parcels are low compared to some neighbouring authorities and TMBC sets the “additional parcel” fee the same for both commercial and residential searches, and for combined or LLC1/ Con29 “only” searches. It is recommended that this fee is increased in line with the LLC1 fee increase, to £13.20. It is also recommended that the Con290 fee is increased in line with the LLC1 fee, to £19.80.

### **Proposed Fee Structure – remainder of FY 22/23**

LLC1 only = £42

LLC1 and Con29 residential search = £170.60

LLC1 and Con 29 commercial search = £351.80

Con 29 only residential = £162

Con29 only commercial = £351.60

Con290 optional enquiries = £19.80

Additional parcels = £13.20

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<sup>1</sup> Home Owner’s Alliance, [Local Authority Searches Explained - HomeOwners Alliance \(hoa.org.uk\)](https://www.hoa.org.uk), 2022

Solicitors' own questions = £21.60

### Financial Year 23/24 Recommendations

A different approach will be required for FY23/24 to account for the loss of LLC1 fee income. To fully absorb the loss of LLC1 fee income, the Con29 search figure will need to increase to match the current combined search figure. For residential searches, this is an increase of £8.60 and for commercial searches an increase of £0.20. In addition, a further increase would be required to account for the loss of "LLC1 only" income. This equates to £2.14 per search. In total, therefore, the uplift required is £10.74 for residential Con29 and £2.34 for commercial Con29. Given this requirement, it is not recommended that an inflationary increase is added to these search fees for financial year 23/24.

### Proposed fee structure 23/34

(i) Until LLC1 service transfers to HMLR

LLC1 only = £42

LLC1 and Con29 residential search = £170.60

LLC1 and Con 29 commercial search = £351.80

Con 29 only residential = £162

Con29 only commercial = £351.60

Con29O optional enquiries = £19.80

Additional parcels = £13.20

Solicitors' own questions = £21.60

(ii) Upon transfer of LLC1 to HMLR

Con 29 residential = £172.74

Con29 commercial = £353.94

Con29O optional enquiries = £19.80

Additional parcels = £13.20

Solicitors' own questions = £21.60

## 2. Tonbridge Castle Fees

Tonbridge Castle fees have been set by the Finance, Innovation and Property Advisory Board in January of each year for effect from 1 April of that year.

Booking for all activities are taken well in advance of the activity or event, for up to a year in advance. As a result if we increase fees with immediate effect the majority of the bookings until the end of March 2023 have already been contracted in. No in-year fee increases are therefore proposed for FY22/23.

However, a 10% fee increase has been modelled against all fees for FY23/24 below.

The three levels of fees at Tonbridge Castle:

**Type 1**  
**"Fixed rate"**

**Type 2**

**Type 3**  
**"Events"**

**“Discount / commission when criteria is met”**

Examples

- **Attraction Tickets**  
(Castle Tours)
- **Vast Majority of Weddings**

Examples

- **Attraction Tickets**  
(Castle Tours – e.g. discount for groups)
- School parties  
(1 place free in 10)
- **Castle event partners**  
(Partners who book Weddings / Events)

Examples

- Events where different levels of commission or fees are negotiated between TMBC and Event Organiser for events on:

- **Castle Lawn and grounds**

(where the Chamber is booked as part of a package)

- **Gatehouse / Council Chamber**

(Where Partners enter into an agreement to hold functions and the income to TMBC will vary)

**Castle tours**

Year	2022/23	10% Increase	Comments
Adult	£9.00	£9.90	
Concessions Jun/Senior/Student	£6.50	£7.15	
Family Ticket 2 adults 2 children	£28.00	£30.00	Round down to £30 from £30.80
Season Ticket Adult*	£30	£33	

**Additional tour fees**

Item	Cost	10% Increase
<b>Castle Tour Guide – Commercial</b>	£30	£33.00

**Schools**

The key difference between the normal entrance fee which is charge inclusive of VAT, is that you have the audio tour guide included with the price of the ticket. Schools do not charge VAT

Year	Cost	10% Increase	Comments
Adult	£8.60	£9.46	Price for a Guide in built into fees for schools
School Children	£6.00	£6.60	Price for a Guide in built into fees for schools
Education Facilities includes toys, dressing up clothes, games, paper, pens and 2 tour	£95.00	£104.50	

guides (1 teacher free per 10 children. For special needs groups, carers admitted free as required)			
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#### Ceremonies - fee model – Chamber

	Cost	10% Increase	Comments
<b>Weddings -</b>			
Monday - Thursday	£900	£990	
Friday	£940	£1,034	
Saturday	£980	£1,078	
Sunday	£980	£1,078	
<b>Renewal of Vows/Baby Naming -</b>			
Monday - Thursday	300	£363	
Friday	400	£484	
Saturday	500	£605	
Sunday	500	£605	

#### Chamber reception after Ceremonies

	Cost	10% Increase	Comments
<b>Weddings -</b>			
Monday - Thursday	£1,100	£1,210	
Friday	£1,350	£1,485	
Saturday	£1,400	£1,540	
Sunday	£1,400	£1,540	
<b>Renewal of Vows/Baby Naming -</b>			
Monday - Thursday	£660	£726	
Friday	£660	£726	
Saturday	£770	£847	
Sunday	£770	£847	

#### Ceremonies – additional fees

Additional Ceremony fees	Cost	10% Increase
<b>Window Advertisement</b>		
Location – Bay window in corridor to Chamber	£50	£55
<b>Castle Photo Opportunity – buy 30mins in the Castle 4-4.30pm</b>	£50	£55
<b>Wedding Fair Table</b>	£25	£28
<b>Wedding Fair Table</b>	£50	£55
<b>Corkage Table</b>	£50	£55

#### Council Chamber

Venue	Cost	10% Increase
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<b>Chamber Half Day</b> (Monday to Saturday)	£100	£110
<b>Chamber Full Day</b> (Monday to Saturday)	£200	£220
<b>Chamber Full Day</b> (Sunday)	£125	£138
<b>Chamber Evening*</b> (Monday to Friday) *Plus Caretaker Charge	£100	£110
<b>Chamber Evening*</b> (Saturday) *Plus Caretaker Charge	£200	£220
<b>Castle Board Room (Shared Space) Half</b> (Monday to Saturday)	£75	£83
<b>Castle Board Room (SS) Full Day</b> (Monday to Saturday)	£150	£165
<b>Castle Board Room (SS) Full Day</b> (Sunday)	£125	£138
<b>Castle Board Room (SS) Evening*</b> (Monday to Friday) *Plus Caretaker Charge	£75	£83
<b>Castle Board Room (SS) Evening*</b> (Saturday) *Plus Caretaker Charge	£200	£220

### Coffee / Tea

The cost for all cups of Coffee and Teas was raised from £1 to £1.10 with effect from 1 October 2022. If Members were minded to increase this fee for the FY23/24 it is suggested that the appropriate increase would be 10p per cup, taking the cost to £1.20 per cup.

For conference bookings we have applied an automatic increase with effect from 1 October 2022.

### 3. Licensing Services

Members are asked to note that licensing fees have been excluded from these suggestions. There are several reasons for this. Firstly, fees payable under the Licensing Act 2003 are set centrally by government so the Council has no discretion as to the level of fees. Fees payable under the Gambling Act 2005 are based on a maximum fee set by central government and the Borough Council's fee levels are already at the maximum.

More broadly, licensing fees fall within the purview of the Licensing & Appeals Committee as a non-executive function of the authority. Cabinet is not therefore able to determine the fee levels for this service. However, the Licensing & Appeals Committee is due to consider fee levels for 23/24 at its next scheduled meeting on 29 November, and Cabinet's desire to model an inflationary level of increase will be considered as part of that report.