

LAND CHARGES MIGRATION

Head of Service:	Victoria Potts, Head of Place Development
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	no
If yes, reason urgent decision required:	
Appendices (attached):	n/a

Summary

HM Land Registry are combining each Local Authorities Land Charges Register into a single standardised digital and geospatial dataset. Under the Infrastructure Act 2015, responsibility for the 331 registers was transferred to HM Land Registry (HMLR) in a phased approach. The target is for all 331 local authorities in England and Wales to be migrated by 2025. The target for Epsom & Ewell is to carry out the migration during the financial year 2023-24.

Whilst we carry out the work of the data migration, we will still be responsible for running the service delivery of Land Charges, Planning, Building Control and Street Naming and Numbering.

Recommendation (s)

The Committee is asked to:

- (1) Authorise the Head of Place Development, in Consultation with the Chief Legal Officer, to enter into a Collaboration Agreement and agree a Delivery Plan with HMLR and to enter into any other agreements necessary to facilitate the migration of the Council's Local Land Charges service to HMLR.**
- (2) To agree to allocate up to £18,000 of the Part 1 HMLR Transitional Payment to fund additional staff resource to enable the migration process to be delivered within agreed timescales.**

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1 Reason for Recommendation

- 1.1 Every local authority is required to migrate its local land charges service to HMLR. There are two parts to local land charges. Once migration has taken place, the Council will cease to provide local land charges searches (Part 1) and customers will obtain instant local searches from HMLR via a portal. Part 1 holds information about the property such as restrictions, prohibitions, and financial requirements. The Council will however continue to provide CON 29 enquiries (Part 2) which relate to Planning and Building Control and are usually made when buying a property. These include matters that may affect the property such as major road proposals, traffic schemes, road adoption status. HMLR has escalated its migration programme and has earmarked Epsom and Ewell for migration in the year 2023/2024.
- 1.2 To inform members of the ongoing work with Her Majesty's Land Registry (HMLR) in connection with the migration of the Council's Local Land Charges service to HMLR and to seek approval to enter into a Collaboration Agreement and agree a Development Plan with HMLR.
- 1.3 To agree the allocation of Part 1 of the HMLR Transitional Payment to fund additional staff resource to enable the Council to progress the migration of the Council's Local Land Charges Service to HMLR

2 Background

- 2.1 HMLR is working in partnership with local authorities across England and Wales to migrate their local land charges data to a central digital register. The objective of the programme is to make HMLR the sole registering authority and official search provider for Part 1 Local Land Charges in accordance with the provisions of the Infrastructure Act 2015. The programme is part of the Government's commitment to make the homebuying process simpler, faster, and cheaper.
- 2.2 The migration of local land charges is a complex issue. The purpose of the Collaboration Agreement is to establish a framework to govern each parties' rights and obligations under the Local Land Charges Programme. In particular, the parties agree to:
 - Discuss the authority data with the other
 - Share and discuss the results of collaboration
 - Analyse the data and take remedial action in relation to incorrect entries
 - Act in good faith to support the migration process

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- 2.3 In addition, under the Collaboration Agreement the Council is required to appoint a Senior Responsible Owner (Head of Place Development) for the Migration to provide overall strategic oversight and direction and an Operational Leader (Development Management and Enforcement Manager) accountable for the day-to-day delivery of the migration.
- 2.4 On signing of the collaboration agreement, a delivery plan will be agreed with HMLR. Officers will enter into negotiation with HMLR on the realistic timescales for the delivery plan which the council is willing to commit to based on its resource capacity.
- 2.5 The Delivery Plan once agreed sets out the timetable for the migration process and commits the Council to deliver the migration of local land charges by a specified date. There will be targets within the plan which the Council must achieve to receive transitional funding from HMLR. The Council will be entitled to a maximum transitional payment of £60,000.00 if it delivers the migration process on time. We will ensure that any delay as a result of HMLR does not result in a financial penalty to the council. As Epsom and Ewell's Local Land Charges service comprises solely of one member of staff, it is envisaged that extra support will be needed to work on data preparation e.g., cleansing any incorrect data before migration can take place.
- 2.6 The Council intends to take advantage of the transitional payments to fund the costs of additional staff time (appointing a temporary member of staff and/or overtime) needed to cleanse the data whilst continuing to run the service. Committee authority is therefore requested to allocate the first stage of the transitional payment made on signing of the Delivery Plan (£18,000) to fund the additional staff resource required to deliver the programme on time.
- 2.7 Once the migration process is complete, the Chief Land Registrar issues a formal notice to the Council informing it of the date on which the Chief Land Registrar will assume the Local Land Charges function for the borough. After migration, the Council will continue to provide CON 29 relating to Planning and Building Control Enquiries, which provide information on matters which affect a property e.g., road schemes or noise abatement notices. In addition, the Council will still be required to apply, vary, or cancel charges in the new register.
- 2.8 The migration of the local land charges service will have financial implications for the Council as set out below.
- 2.9 Once the Chief Land Registrar has assumed the Local Land Charges function for the borough, the Council will no longer carry out local land charges searches with a resultant loss in income.

3 Risk Assessment

Legal or other duties

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3.1 Equality Impact Assessment

3.1.1 None arising.

3.2 Crime & Disorder

3.2.1 None arising.

3.3 Safeguarding

3.3.1 None arising.

3.4 Dependencies

3.4.1 None arising.

3.5 Other

3.5.1 We are currently waiting for an extract of our data to be captured and analysed. This data will be analysed by software created by HMLR and once complete will give us an indication on the time and resources that will be needed for the migration process.

4 Financial Implications

4.1 There are 2 parts to a Local Authority Land Charges official search. Part 1 (Land Charges Register) and Part 2 (CON29).

4.2 Once the migration has been complete, HM Land Registry will provide replies to Part 1 (Land Charges Register). The current fee we charge is £28.75 and this will instead go to HMLR.

4.3 Local Authorities will continue to provide replies to Part 2 (CON29). The Fee for this varies from £2.20 - £208 depending on what is requested. This payment will still be made to Epsom & Ewell Borough Council. We will review the part 2 fees and charges to ensure full cost recovery.

4.4 The Council's budgeted income for local land charges is currently £102,000 per annum. In 2021/22, the Council generated £115,000 land charges income for Part 1 and 2 searches combined. It is estimated that the migration of Part 1 local land charges to HMLR will result in a loss of approximately £12,000.00 budgeted income to the Council from 2024/2025.

4.5 To support the LA, a transition payment will be given to each Local Authority to address any practical challenges to undertaking the work to migrate the data. Epsom have been allocated to receive a total payment of £60,000 divided into 2 payments.

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- 4.6 It is anticipated that £18,000 of this funding will be required to fund an additional staff resource to enable the migration process to be delivered within agreed timescales. The remainder of the funding can be used to partially offset the loss of income and provide a transition period.

Part 1 workstreams are shared across the business support team, rather than being provided by a single dedicated resource. As such, cost savings are not expected to be immediately realisable, however, in the longer term the service should seek efficiency savings to reflect any reduced workstreams.

- 4.7 The 2 separate payments are made when two key milestones are met. The first payment (30%) will be issued when the Delivery Plan is agreed and signed, and we formally enter service migration. After the service goes live and the register is migrated, we will receive the second final payment (70%).
- 4.8 If the agreed go live date is not met there would be a deduction of 2.5% of the second payment each week until the service goes live officially.
- 4.9 **Section 151 Officer's comments:** The statutory change in service delivery will be factored into the Council's Medium Term Financial Strategy.

5 Legal Implications

- 5.1 In 2015, HM Land Registry was given authority under the Infrastructure Act 2015 to create a single, national, digital register of Local Land Charges across England and Wales. The Land Charges Register whether operated by the Council or the H M Land Registry is a statutory duty function and data must therefore be registered in a specific way. Whilst there are no legal implications as such, incorrectly registered data could expose the Council to claims from customers of the H M Land Registry, therefore it is important to maintain adequate insurance cover.
- 5.2 **Legal Officer's comments:** none other than as stated above

6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged: N/A
- 6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** None arising.
- 6.4 **Sustainability Policy & Community Safety Implications:** None arising.
- 6.5 **Partnerships:** This requires partnership working between the Council and HMLR.

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7 Background papers

7.1 The documents referred to in compiling this report are as follows:

<https://www.gov.uk/government/publications/hm-land-registry-local-land-charges-programme/local-land-charges-programme>

https://landregistry.github.io/local-land-charges/files/Info/New%20burdens%20product%20card_16052022.pdf

<https://landregistry.github.io/local-land-charges/files/Info/Updated%20New%20burdens%20information%20.pdf>