

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet
AUTHOR: Finance and Resources Director

13 April 2006

COMPUTERISATION OF LOCAL LAND CHARGES SYSTEM

Purpose

1. To recommend to Council the procurement and development of a computerised Land Charges system to provide a cost effective and efficient system that complies with the requirements of NLIS (National Land and Information System) Level III.

Effect on Corporate Objectives

2. Quality, Accessible Services	To ensure continued access to modern up to date information as required by the Land Charges service. To provide that information in the most cost effective manner.
Village Life	
Sustainability	Further commitment to electronic processing will reduce paper usage.
Partnership	In partnership with other local authorities, provide an efficient service.

Background

3. The Council continues to transform services by new business processes resulting from the successful e-Government approach. The land charges service needs to achieve and implement the Council's contribution to the National Land Information Service (NLIS). Consequently the computerisation of land charges is seen as fundamental to the Council's commitment to electronic government.
4. The pressure for change to computerise the Land Charges service is brought about by both internal and external sources, not least:
 - (a) The Council's IEG statement that identified the computerisation of the Land Charges function as fundamental to the implementation of e-Government.
 - (b) The NLIS initiative being promoted by IDeA, as the first service to be delivered under the Government's Information Age Concordat.
 - (c) Other local authorities computerising their Local Land Charges service.
 - (d) The need to resist personal search agents, which reduce Council income.
 - (e) To support the introduction of the Home Improvement Pack (HIP) initiative.
5. The current Local Land Charges/Local Search process is based on a manual system, requiring staff from various service areas (Local Land Charges, Planning, Building Control and Environmental Health), to research both manual and various computer-based systems in order to provide answers to the local search. This is labour intensive and very dependent on local knowledge.
6. During the conveyancing process, solicitors will request information from various organisations including HM Land Registry, Utility Companies and Local Authorities. The solicitor submits requests that require numerous sections within the authority to research by reference to various records and computer systems. There is a strong

link with Development Services, which contributes over 80% of the data for the LLC Register.

7. Computerisation will enable a 'bringing together' of these services to provide a comprehensive facility that has access to all required information via one single system.
8. It is essential that the Council act now to be able to implement NLIS in line with the Government's requirements for delivering services electronically.

Current Processes

9. The current Land Charges and Local Search processes are vulnerable. They are heavily dependent on a flow of paper documentation and as a result are susceptible to the effects of staff absences through leave, sickness or other more pressing duties. The processes require significant local knowledge and experience of managing the historical systems established in both Land Charges and Development Services.
10. The current local search process suffers from:
 - (a) Reliance on an exchange of paper documentation between Land Charges and other sections
 - (b) Being prone to error, due to heavy reliance on manual systems.
 - (c) Duplication of data and effort in recording, processing and compiling local searches.
 - (d) Reductions in service levels during staff absences.
11. While the Council has an excellent record managing to process 100% of searches within the recommended 10 day turn around, any staff absence, coupled with increases in search numbers, would have a detrimental impact on turn around times.

Search returns that exceed the 10 day turnaround incur fixed penalties:

Time taken to reply (Working Days)	Penalty Payment (Percentage of Fee)
11 – 15	25%
16 - 20	50%
21 - 25	75%
Over 25	100%

12. With implementation of the new system, the ten-day turn around time for searches will be reduced substantially. A three-day response is considered reasonable, although some unitary authorities already on NLIS Level III, are making same day returns to Solicitors through NLIS. Additionally, efficiency savings derived from this project can be counted towards the Council's Gershon objectives.

Considerations

13. In 2005 the Council processed 4,314 searches of which 3,193 were standard searches and 1121 personal searches. Private sector agents are therefore processing approximately 26% of searches. This figure appears to be rising. The Council is only able to charge £11 for this personal service, which resulted in an approximate reduction in income of £133,000 in the 2005/6 financial year.
14. Set against the increasing costs of supporting the current manual process, this upward trend will only further decrease the income that the Council obtains from the service.

15. Any computerised land charges system should address existing process deficiencies, meet ongoing market changes to the service and deliver a more effective service within a justifiable programme of expenditure and timescale. The implementation of a fully computerised system is a fundamental development of the NLIS initiative.
16. A number of suppliers provide computerised local land charges systems. The key to any system is its ability to integrate with existing systems. It is vitally important that the Council acquire a solution that integrates the various systems and component parts as required whilst ensuring full benefit is derived from our existing investments in GIS and other land and property based services.

Options

17. After having carried out a full market evaluation based on the Council's existing systems, a very sensible business case has been built around a proposal to upgrade and further develop the existing MVM ProActive system with the new MVM/Northgate M3 system.
18. The upgrade will ensure our existing investment is utilised to the full and provide the most cost effective route to providing the solution required, including:
 - (a) Integrated Property Gazetteer compliant to NLPG standards
 - (b) Integration with the Council's GIS
 - (c) Connection to NLIS
 - (d) Web enabled and integrated with Microsoft Office
 - (e) Links to the Anite@Work Document Management System
19. A detailed assessment of how well the product meets the combined integration requirements has indicated that development of the MVM/Northgate M3 product is the only viable route.

Financial Implications

20. Benefits can be attributed to two principal areas:
 - (a) Increased revenue through the applied search fees
 - (b) Staff time savings and reduced costs through increased productivity
21. Search fees vary nationally between £60 and £260. Local authorities are able to set their own search fees, however, this can only be an amount indicative of the requirement to cover operational costs. The Council's current fee for 2006/7 is £133, an increase of £3 on the £130 for the previous financial year (2005/6).
22. Delays in setting up the more efficient computerised system will encourage more use of external local agents and therefore significantly reduce the Council's income as a direct result.
23. The following budget is recommended for the computerisation of local land charges in 2006-07. An amount for ongoing maintenance of the licences is included.

Supplier MVM/Northgate M3		
Software and Implementation	£77,000	<i>Capital one-off</i>
Data Conversion/Additional Costs	£50,000	<i>Revenue</i>
Annual Maintenance	£2,500	<i>Revenue ongoing</i>
Total	£129,500	

24. The quoted figures for software and implantation have been confirmed with the system supplier. Data conversion and additional costs are based on those associated with similar projects, it is anticipated that it will take 12 months to successfully capture all the required data; however, initial benefits will be seen very early in the project.
25. As indicated in Staffing Implications (below), projections show a significant saving can be achieved through this initiative and it will in future years be self financing; it is proposed that Cabinet agree to increase existing cash limits imposed for 2006/7 to fund the implementation.
26. In order to progress this initiative, Cabinet are asked to waive Contract Standing Orders on the basis that it is desirable in the best interests of the Council to work with Northgate/ MVM as a contractor already engaged by the Council.

Legal Implications

27. The Council has a statutory obligation to provide a Local Land Charges service and public access to the Local Land Charges Register.

Staffing Implications

28. Following successful computerisation, efficiencies will allow for staff savings or redeployments to be made. The likely savings will result in the phased reduction of 3 full-time equivalents in the process:

Section	Current Level of Resource	Recommended Level of Resource
Local Land Charges	4.2	2
Planning	1.5	1
Building Control	0.2	0.05 <i>(indicative of the need to provide answers to any additional questions which may arise).</i>
Environmental Health	0.2	0.05 <i>(indicative of the need to provide answers to any additional questions which may arise).</i>
Total	6.1 FTE	3.1 FTE

29. The recommended level of resource reflects the need for the service to be robust and to provide cover during periods of absence. Given that the majority of data called upon to process a local search is held within the Development Services Department, consideration should be given to relocate the Land Charges service within this Department following the implementation of the new systems. This would then present opportunities for rationalisation of staff resources to help cover for absence and multi-tasking, while acknowledging gains to come from the Transformation project.

30. Savings would not be fully realised until implementation of the land charges system and data capture is complete, so should not be included in calculations until year 2 of the project. It should be noted that savings in staff time as indicated above, might need to be offset against the deployment of additional resources in areas such as LLPG and GIS data quality maintenance. Nevertheless, a net figure of £60,000 per annum is a modest assumption of what savings can be made. Taking account of the need to ignore the first year in terms of absolute savings, a figure of £240,000 would not be unreasonable for a five-year period.
31. The central ICT support team would manage requirements for the increased systems administration.
32. Any attempt to realise savings in staff time would have to be handled in a sensitive manner. It is recommended that UNISON be consulted.

Risk Management Implications

33. Failure or delays in introducing the required computerisation will increase the Councils' costs and could see a reduction in income if, as predicted, independent agents carry out more local searches.

Consultations

34. Land Searches Team
MVM/Northgate
Legal Services
ICT
Leader
Resources and Staffing Portfolio Holder

Conclusions/Summary

35. The current process supporting the provision of local searches is not sustainable. It is inefficient, very costly and prone to possible error by virtue of the high level of manual input. The computerisation of the process will not only make it more accurate, much quicker and less expensive but also make best use of our existing investment and enable the Council to interact better with our partners in both the public and private sector.

Recommendations

36. Cabinet is recommended to:
 - (a) Determine to fully computerise the local land charges/local search process at the earliest opportunity, starting 1st May 2006.
 - (b) Approve a variance on cash limits and the budget as identified in paragraphs 21 & 23 (above) to implement and support an electronic Local Land Charges system.
 - (c) Waive Standing Orders to allow a contract to be placed with Northgate/MVM for the M3 system.
 - (d) Commend the proposal to full Council.

Background Papers: None

Contact Officers: Steve Rayment – Assistant Finance and Resources Director (ICT),
Telephone: (01954) 713010
Colin Tucker – Head of Legal Services, Telephone: (01954) 713060