



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	Cabinet: Wednesday 21 July 2021
Report Number	Agenda Item 7
Subject	Legal and Estates Standard Fees for Property Transactions
Wards affected	All
Accountable member	Cllr Suzi Coul, Cabinet Member for Finance suzi.coul@westoxon.gov.uk
Accountable officer	Susan Gargett, Interim Head of Legal Services Tel: 01285 623223 Email susan.gargett@cotswold.gov.uk Jasmine McWilliams, Asset Manager Tel: 01285 623255 Email: jasmine.mcwilliams@publicagroup.uk
Summary/Purpose	To obtain Cabinet's approval to set the Legal and Estates fees for property transactions
Annexes	Annex A – Proposed Standard Legal and Estates Fees for Property Transactions
Recommendation/s	That Cabinet: a) approves the fees detailed at Annex A. b) agrees that the fees should be set annually as part of the Council's Fees and Charges report to Cabinet
Corporate priorities	Provide efficient and value for money services, whilst delivering quality front line services
Key Decision	No
Exempt	No
Consultees/ Consultation	Senior Officers and Cabinet Members

I. BACKGROUND

- 1.1 Historically Legal and Estates fees have been charged by the Council where a transaction has been at the request of the tenant or other parties but there have been no standard fees set formally by the Council, with each case set individually.
- 1.2 Private sector landlords and other Councils typically charge standard fees for property transactions where appropriate.

2. MAIN POINTS

2.1. Legal Fees

To avoid this being commercially prohibitive to some of the Council's tenants, the proposed legal fees are a contribution only to the time spent on a property transaction. They are therefore a nominal fee and will not necessarily cover all costs incurred, particularly in complicated or protracted cases.

2.2 Estates Fees

The proposed estates fees have been benchmarked against the members of the CIPFA Asset Management Network's fees and those of Cheltenham Borough Council and Stroud District Council.

2.3 Review of Fees

It is proposed that the fees are set annually within the annual Fees and Charges report to Cabinet.

2.4 Departure/Reduction from Standard Fees

It is proposed that in exceptional circumstances or if it is in the interest of the Council's commercial property portfolio the Head of Legal Services, in respect of legal fees or the Group Manager with responsibility for Assets, can agree a reduction or waiver of fees.

3.0 FINANCIAL IMPLICATIONS

- 3.1 An increase in the Council's revenue income is expected due to the standardisation of fees.

4.0 LEGAL IMPLICATIONS

- 4.1 None

5.0 RISK ASSESSMENT

- 5.1 There is a risk of complaints from tenants or other parties in respect of payment of fees. However commercially this is standard practice and charges are already applied, so this is not a significant change in approach.

6.0 EQUALITIES ASSESSMENT

A standard set of fees will lead to the fair treatment of all tenants and other parties in the Council's property transactions

7.0 CLIMATE CHANGE IMPLICATIONS

7.1 No implications are envisaged in respect of this decision

8.0 ALTERNATIVE OPTIONS

8.1 The Council could decide to amend or not approve the proposed standard fees.

9.0 BACKGROUND PAPERS

9.1 None

STANDARD LEGAL AND ESTATES FEES FOR PROPERTY TRANSACTIONS**Standard Estates Fees**

Property	Commercial Lease	Nil
	Deed of Variation (at Tenant request)	£250
	Licence to Alter	£250
	Licence to Assign / Underlet	£250
	Deed of Grant/Release	£350
	Deed of Surrender	£250
	Letter Licence	£50
	Licence for Use	£150
	Schedule of Condition	£100 - £500 depending on size of property
	Disposal (at other party request)	£500

Standard Legal Fees – Minimum Fees

Property	New Commercial Lease	£500
	Renewal Leases (on agreement with tenant)	£100
	Deed of Variation (at Tenant request)	£250
	Licence to Alter	£250
	Licence to Assign / Underlet	£250
	Deed of Grant/Release	£500
	Deed of Surrender	£250
	Licence for Use	£150
	Disposal (at other party request)	£500

Proposed Standard Legal and Estates Fees for Property Transactions

Transaction	Legal Fee	Estates Fee	Total Fee
New Commercial Lease	£500	n/a	£500
Renewal Leases	£100	n/a	£100 (if tenant agrees)
Deed of Variation (at Tenant request)	£250	£150	£400
Licence to Alter	£250	£150	£400
Licence to Assign / Underlet	£250	£150	£400

Deed of Grant/Release	£500	£250	£750
Deed of Surrender	£250	£150	£400
Licence for Use	£150	£150	£300
Letter Licence	n/a	£50	£50
Schedule of Condition	n/a	£100 - £500 depending on size of property	£100-£500
Disposal - (at other party request)	£500	£500	£1000

Exclusions from Fees

- Council Contractors occupying property for service provision
- Local Charities
- Community Organisations (not for profit)

Departure/Reduction from Fees

In exceptional circumstances or if it is in the interest of the Council's commercial property portfolio the Head of Legal Services, in respect of Legal fees or the Group Manager with responsibility for Assets, in respect of Estates fees, can agree a reduction or waiver of fees.