



Personal Searches - The Facts

1. Personal searches play an increasingly important role in the home buying process. They currently:

- account for around 30% to 35% of all local searches, over 400,000 each year
- are approved by over 80 mortgage lenders
- are the preferred choice of many legal firms when obtaining local search information

2. This factsheet provides a brief overview of the personal search industry, how large it is, what information is provided, who accepts personal searches, what protection is available if the information is incorrect and the role of personal searches in the Government's proposed changes to the home buying and selling process.

What is a personal search?

3. Under the Local Land Charges Act 1975, local authorities are required to allow any person to search the Local Land Charges Register on payment of a prescribed fee. In addition, any person is entitled by law to inspect any records open to public inspection held by local authorities, for example, the planning register, the register of enforcement notices, stop notices and breach of condition notices.

4. All conveyancing transactions require a local search to be carried out to ensure there are no issues that might adversely affect the property that the buyers (and their lenders) should know about. Search companies are commissioned by conveyancers to carry out personal searches of public information held by local authorities, so they can confirm the position to their buyer clients.

How large is the personal search market?

5. In the mid to late 1990s, personal searches accounted for around 5% of all local searches but in recent years this has grown to approximately 30% to 35%. This rapid growth in personal searches has come about for three distinct reasons:

- **Service** – personal search companies compete with both one another and the local authorities to provide their customers with a comprehensive service for all necessary searches that enables them to make informed decisions.
- **Cost Advantage** – the fees levied by personal search companies are generally lower than the fees charged by local authorities when undertaking the searches direct. This reflects a commitment to providing a value for money approach.
- **Speed of Delivery** - personal searches can be significantly quicker compared to the time taken by local authorities to carry out searches.

Do lenders accept personal searches?

6. Over 80 lenders (including many of the largest lenders) accept personal search information as part of a conveyancing transaction. Together, these lenders account for nearly 80% of all mortgage lending in the UK and a significant proportion of the 1.3 million property transactions each year.

Does a personal search include all the information required for a local search?

7. When a local authority completes a local search, it uses a Form Con 29 that asks a range of questions about the property and the immediate surrounding area. By making an inspection of both the public information available and other data held by third parties, for example, the Highways Agency, personal search companies are in the majority of cases able to provide the same information.

What standards are in place for personal search companies and what protection is available if the search information provided is incorrect?

8. All members of the Council of Property Search Organisation (CoPSO) comply with a Code of Practice that requires:

- staff to be properly trained to undertake personal searches with thoroughness and diligence
- professional indemnity cover of £5 million (Full members) or £1.5m (Affiliate members) per transaction to ensure that there is robust protection available for those using personal searches
- search results to be presented in a way that makes it clear that the search information has been compiled by the searcher and not by the local authority
- the independent adjudication of complaints.

Can personal searches be included in the Government's proposed Home Information Packs?

9. Personal search companies provide an efficient and reliable service for conveyancers, lenders and consumers. The Government's reforms to the home buying and selling process in the Housing Act 2004 will clearly encourage greater diversity in those providing search information, which will generate further improvements via competition. CoPSO is currently working closely with officials both on the searches to be included in Home Information Packs and in promoting improved contact with local authorities when searching public information.

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