

Land Registry

Official land registration
service for England and Wales



Land Registry, Wider Powers and
Local Land Charges

Government Response to
consultation

16 JUNE 2014

Land Registry consultation on 'Land Registry, Wider Powers and Local Land Charges'

Summary of responses - and Government response - to the consultation

About the consultation

Aimed at:	The consultation was primarily aimed at Land Registry customers, stakeholders and others who have an interest in the property sector
Duration:	From 16 January 2014 to 9 March 2014
Enquiries (including requests for this paper in an alternative format) to:	Consultation Team Central Operations Group Land Registry, Durham Office Southfield House, Southfield Way, Durham, DH1 5TR DX 60200 Durham (3) Tel: 0300 006 8887 Email: llcproject@landregistry.gsi.gov.uk

Additional copies

This Government response is available electronically at www.landregistry.gov.uk. You may make copies of this document without seeking permission. Printed copies of this Government response can be ordered from:

Consultation Team (details above)

Other versions of this document can be made available on request in Braille, large fonts and other formats.

Contents:

1. Foreword from Ed Lester, Chief Land Registrar and Chief Executive
2. Executive Summary
3. Introduction
 - 3.1 Background
 - 3.2 Devolved issues
 - 3.3 Consultation process
 - 3.4 Statistical analysis of responses
 - 3.5 Analysis of themes
4. Summary of Responses
 - 4.1 Responses to Part 1 of the consultation – Wider Powers
 - 4.2 Government response: Part 1 of the consultation – Wider Powers
 - 4.3 Responses to Part 2 of the consultation – Local Land Charges
 - 4.4 Government response: Part 2 of the consultation – Local Land Charges
5. Conclusions
 - 5.1 Part 1
 - 5.2 Part 2
6. Next steps
 - 6.1 Part 1
 - 6.2 Part 2
7. Contact details

1. Foreword from Ed Lester, Chief Land Registrar and Chief Executive

As Chief Land Registrar I am delighted to introduce this report on the outcome of Land Registry's public consultation - Land Registry, Wider Powers and Local Land Charges. The consultation concerned the proposals regarding an extension of Land Registry's powers and the provision by Land Registry of Local Land Charges services.

The consultation document set out the reasons behind our proposals. In particular, widening our powers will mean that Land Registry will be better placed to serve the changing needs of our customers, align with our stakeholder priorities and contribute to economic growth. In relation to Local Land Charges, it is envisaged that our proposals will drive efficiencies in the services available for the public sector and within the use of land and property data in general. This proposal supports the government's Digital by Default Agenda and Transparency Agenda, and will be an important first stage in improving the UK's rating for registering property within the World Bank Report.

We are very grateful to all those individuals and organisations that have sent us their views. Further details of the responses to the consultation, and the Government's response to these, are set out within this report.

The responses expressed a variety of views, many of which did not favour our proposals.

After careful consideration of all the responses to the consultation, we have concluded that we should proceed with the proposals. We have, however, taken account of all of the comments contained within the responses and amendments have been made to the proposals to reflect these where appropriate.

Further details of the responses to the consultation, and the Government's response to these, are set out within this report.

We will continue working with our stakeholders as matters are taken forward.

2. Executive summary

2.1 Land Registry (LR) is central to the functioning and development of the property market in England and Wales. Its strategy for 2013 to 2018 is based on meeting the needs of its customers and stakeholders and others who have an interest in the property sector. In this, LR aims to become recognised as the world leader in digitising land registration services and in the management and re-use of land and property data through:

- efficiency – unlocking efficiency in the public and property sectors
- data – maximising re-use of data for the benefit of the wider economy
- assurance – extending and enhancing assurance and compliance services relating to property
- capability – growing and maximising the benefit of its organisational capability.

2.2 The Government has recognised LR's experience in registration of land and acknowledged that through these proposals it will be able to build on this expertise to improve the UK's rating in the World Bank Report.

2.3 In order to pursue its strategy, LR is seeking authority to extend its current legal powers under the Land Registration Act 2002 (LRA 2002) to enable it to engage in new activities as follows:

- the provision of information and register services relating to land and other property in England and Wales;
- the provision of consultancy and advisory services relating to land and other property generally (rather than registration of land only) in England and Wales and elsewhere;

In addition, it is proposed that the Chief Land Registrar (CLR) should have the power to set charges for new services and that its powers to form, purchase or invest in companies should include activities carried out under these wider powers.

2.4 One such new activity relates to Local Land Charges (LLCs). LR is therefore also seeking authority to take over the statutory function for holding and maintaining a composite Local Land Charges Register (LLCR) for England and Wales. It will be necessary to change the Local Land Charges Act 1975 (LLCA 1975) to enable LR to take over statutory responsibility for LLCs instead of local authorities (LAs). The new model anticipates a central role for LR as sole registering authority for LLCs and for LR to become the sole provider of LLC official search results. Unofficial searches of the LLC register can continue, as now, to be provided by personal search companies (PSCs) where required.

LR's policy goals in relation to LLCs are to:

- implement fees on a full cost recovery basis in full compliance with HM Treasury's Managing Public Money and in line with the Managing Public Money norm. Through the introduction of a central system it should remove the national variations in the cost of the service. Given the norm is for fees to match costs, under Managing Public Money, this

would in turn lead LR to be able to introduce a standard fee and thus would remove the post code lottery.

- as part of that, pass on the benefits of the centralised system to customers through fee reductions in line with costs and improve processing times to maintain quality and integrity of data
- standardise the format of results
- support the Government Digital by Default Agenda and Transparency Agenda

2.5 LR opened a public consultation (the consultation) on 16 January 2014 which was in two parts:

- Part 1 sought views on the proposals to extend LR's powers under the LRA 2002 to enable it to provide services relating not only to land registration but also to land and other property.
- Part 2 sought views on the proposals to amend the LLCA 1975 to enable LR to hold and maintain the LLCR and to provide a more consistent, standardised LLC search system.

Further details of the proposals are set out within the consultation document. The consultation closed on 9 March 2014.

The consultation was separate and distinct from the consultation published by the Department for Business, Innovation and Skills (BIS) - 'Introduction of a Land Registry service delivery company' (Consultation paper BIS/14/510).

2.6 This report considers the responses received to the consultation and the Government's response to them. Further details of these are set out in part 4 of this report.

2.7 Government acknowledges that many of the responses were not supportive of the proposals. After careful consideration, Government has concluded that LR should proceed with the both parts of the proposals set out in the consultation document. However, as a result of the responses received, the following changes to the proposals have been made:

- The proposal to limit the period covered by an LLC official search to 15 years will not be implemented
- The proposal to simplify the definition of an LLC in the LLCA 1975 will not now be implemented

2.8 LR is very grateful to all those individuals and organisations that responded to the consultation.

3. Introduction

3.1 Background

3.1.1 The consultation document on 'Land Registry, Wider Powers and Local Land Charges' was published on 16 January 2014 and invited comments on LR's proposals regarding an extension of its powers and the provision by LR of LLC services.

3.1.2 The background to the consultation is that, whilst LR remains committed to the continual improvement of its own services, its overall business strategy also proposes a wider role for LR in the property sector, in which it already plays a key role. The Government fully supports LR strategy and role. This strategy is to be achieved through:

- digitisation – digitising and automating core land registration services to reduce processing times, costs and the risk of error and fraud
- centralisation – providing a central point of access for obtaining official search results and other property data
- efficiency – unlocking efficiency in the public and property sectors
- data – maximising re-use of data for the benefit of the wider economy
- assurance – extending and enhancing assurance and compliance services relating to property
- capability – growing and maximising the benefit of its organisational capability.

The strategy has included consideration of the potential to diversify into other land and property services, including maintaining land and property registers on behalf of other parts of Government. The aim is to reflect and fulfil the needs and expectations of LR's customers and stakeholders and others who have an interest in the property sector. In this, LR seeks to ensure that its overall aims align with broader Government initiatives to benefit the wider economy, under which LR has been chosen by Government to take a lead.

3.1.3 However, under the LRA 2002, LR's powers are currently limited to land registration activities. To enable LR to pursue its business strategy, it therefore proposes an extension of its powers so that it may engage in new activities as follows:

- the provision of information and register services relating to land and other property in England and Wales;
- the provision of consultancy and advisory services relating to land and other property generally (rather than registration of land only) in England and Wales and elsewhere;

3.1.5 LR's primary function will remain land registration, and any other activities it undertakes would not be allowed to detract from this.

3.1.6 All charges will comply with HM Treasury's (HMT) publication *Managing Public Money*.

As part of its strategy, LR is also proposing to seek authority to take over the statutory function for holding and maintaining a composite LLCR for England and Wales. This will also involve the provision of LLC official search results. Consequential changes to the LLCA 1975 will be necessary to enable LR to take over statutory responsibility for LLCs instead of LAs, and the necessary work to achieve this is being undertaken.

Although LR acknowledges the good level of service which LAs have sought to provide under the current system, this system has inherent limitations which will become exacerbated as time moves on and the demand for digital data increases. The current system includes paper-based data and is not therefore 'future proof' or conducive to the development and enhancement of digital services.

Additionally, the speed of provision of LLC search data varies both regionally and across LAs. The period of time required by LAs to return search data varies between one and more than 10 days. Again, the provision of search data from a centralised LR database would remove this disparity, by facilitating automated provision of LLC data.

Buyers of residential and commercial property will usually be unaware of the length of time required by LAs to provide search data at the time a conveyancing firm or PSC is instructed to obtain an LLC search. However, no evidence has been put forward in responses to the consultation to suggest that this disparity results from any failure in the co-ordination of supply and demand within the property market.

3.1.7 The aims of the proposals in relation to LLCs are therefore to:

- implement fees on a full cost recovery basis in full compliance with HM Treasury's *Managing Public Money* and in line with the *Managing Public Money* norm. The introduction of a central system it should remove the national variations in the cost of the service. Given the norm is for fees to be set in line with full cost, under *Managing Public Money*, this would in turn lead LR to be able to introduce a standard fee and thus would remove the post code lottery.
- improve processing times to maintain quality and integrity of data
- standardise the format of results
- support the government Digital by Default Agenda and Transparency Agenda
- improve the UK's rating for registering property within the World Bank Report – ease of doing business 2014

3.1.8 The proposals anticipate a central role for LR as sole registering authority for LLCs and sole provider of LLC official search results. The amendments to the LLCA 1975 will include those necessary to provide for personal and official searches of the LLCR and to

require applications for official searches and requests for personal searches to be submitted electronically to LR. It is also intended that the LLCR will be an amalgamation of the current 12 part register into a single register and that arrangements will be made so as to make the information accessible for personal search purposes in accordance with LLCA 1975 and the Environmental Information Regulations 2004 (EIR 2004).

3.1.9 The LR's new LLC service will also run under a full cost recovery in line with the Managing Public Money norm, and it is anticipated that the running costs will achieve approximately a 20 per cent saving on the current service costs of the LLC service provided by LAs (Office of National Statistics, *Local Authority Revenue Expenditure and Financing* – line 460, page 32).

It is intended that the new LLC services will therefore provide:

- clear information
- improved access to electronic LLC data
- a single LLC registration authority
- LLC personal search facilities
- standard protocols
- a standardised format of LLC register and results
- transparency on costs in full compliance with Managing Public Money

3.1.10 LR's proposals in relation to LLCs support the government's Digital by Default Agenda and Transparency Agenda, as the register will be held electronically and will standardise format and improve turnaround times for searches of that register. Importantly, a digital LLC service will be the first step to improving the UK's rating for registering property within the World Bank Report – ease of doing business 2014.

The annual World Bank Ease of Doing Business Report assesses the ease with which a local entrepreneur, in the 183 economies of the world, can open and run a small to medium-size business by complying with the relevant obligations. This covers a variety of factors including on regulations that enhance or constrain business activity, and include the ease and speed of registering and transferring commercial property.

In the 2014 report, the UK's overall ranking - which is based upon a suite of indicators, such as the ease of starting a business, obtaining a credit facility and enforcing contracts – was seventh of 183 economies. However, on the ease of registering a business, in particular, the UK ranked 68th of 183 economies. The average length of time required to register a property was measured at 21.5 days, during which time six different procedures are required to be undertaken. The UK is not therefore currently listed as being a country in which commercial or residential property can be registered at speed or with ease.

Regulation should be designed to guide markets towards producing the desired outcomes with the minimum burden and corresponding costs for businesses. The desired outcome in terms of LR's strategy is the minimising of the time and cost burden of registering a property in the UK. Standardisation of the LLC speed of delivery of search results and the scope of the information provided within a search would contribute to the delivery of this outcome. In turn, reducing the burden of registering a property would contribute to the ease of doing business in the UK, and to the fostering of the conditions required for economic growth and competitiveness.

Analysis suggests that public sector information already available for free re-use creates £1.8bn in value - increasing digitisation of services should facilitate greater future access to public sector information.

3.1.11 The consultation was in two parts, to reflect the two specific elements of the proposals:

- Part 1 sought views on the proposals to extend LRs powers under the LRA 2002 to enable it to provide services relating not only to land registration but also to land and other property.
- Part 2 sought views on the proposals to amend the LLCA 1975 to enable LR to hold and maintain the LLCR and to provide a more consistent, standardised LLC search system.

The consultation ended on 9 March 2014.

An updated impact assessment as to part 2 of the consultation ('Land Registry and Local Land Charges') has already been published and is available separately.

3.1.12 LR is very grateful to all those individuals and organisations that responded to the consultation. The responses expressed a variety of views, many of which did not favour our proposals.

After careful consideration, the Government has concluded that LR should proceed with the both parts of the proposals set out in the consultation document. However, as a result of the responses received, LR has made the following changes to the proposals:

- The proposal to limit the period covered by an LLC official search to 15 years will not be implemented
- The proposal to simplify the definition of an LLC in the LLCA 1975 will not now be implemented

LR will continue working with our stakeholders as matters are taken forward as its recognised that their contributions are vital to the development of this service.

LR acknowledges the relationship between the provision of LLC official search results alongside related CON29 information. Government recognises LR's experience as a registration authority which makes it suitable to take on the statutory function of holding and maintaining an LLC register. Therefore the consultation was limited to this.

3.2 Devolved issues

The proposals in the consultation affect England and Wales. There have been discussions between LR and the Welsh Government in relation to its devolved power to set fees in relation to LLC in Wales.

3.3 Consultation process

The consultation was launched electronically on GOV.UK and LR's website, in English only, with copies in other formats available on request.

At the launch, LR informed and invited comment from the stakeholders listed in Annex B of the consultation document. These included government departments, regulatory and representative bodies and individuals. All LR customers and the general public were invited to participate by means of a message posted on the LR website and the electronic services log-in page. Internal staff were invited to participate, by means of a staff message explaining what the consultation was about.

The consultation document questionnaire, in relation to both parts of the consultation, asked respondents if they:

- agreed to the individual aspects of the proposals
- had any comments on the individual proposals
- thought LR had taken all of the issues into consideration in the impact assessment
- had any other comments on the proposals

While some respondents chose to use the set questions, others chose to reply in a free format without referring to the questions. All of the responses have been considered equally regardless of the method used. Where respondents did not use the standard questions, their responses have nevertheless been considered under the Summary of responses set out in part 4 of this report.

3.4 Statistical analysis of responses

In total 627 responses were received for this consultation, either online via the consultation platform or by post, email or letter. The analysis includes those responses received after the closing day of 9 March 2014. LR also received a number of similar responses from organisations expressing identical views and comments. The summary of responses to each of the questions contains verbatim extracts.

Details of the distribution:

Category of respondent	Number	Percentage of total
A solicitor or other conveyancer	24	4%
Myself as an individual (but expressing a view as a	43	7%

conveyancing professional)		
A local authority	218	34%
Another property professional	29	5%
Myself as a private individual	249	40%
Representative body	22	4%
Other	42	6%

Where the size of business was stated the replies came from a wide range of business size.

Size of Business	Number
A micro business (up to 9 staff)	34
A small business (10 to 49 staff)	20
A medium business (50 to 250 staff)	26
A large business (over 250 staff)	69

3.5 Analysis of themes

The themes that emerged from the responses are set out in part 4 of this report, together with details of the Government's response.

4. Summary of responses

4.1 Responses to Part 1 of the consultation – Wider Powers

The consultation asked for views on whether there was the potential to streamline and bring greater efficiency to services in the property sector and to introduce new services. Also, whether LR should, where it can bring efficiencies, undertake other services. The consultation also asked for suggestions as to what new services LR could consider. This section of the report contains details of the individual consultation questions and summarises the responses received to each of them.

Summary of responses received:

Question 1. Do you agree that there is the potential to (a) streamline and bring greater efficiencies to services in the property sector and (b) introduce new services?

As to part (a):

Response	Number	Percentage of total	Of those who responded
Yes	169	27%	32%
No	252	40%	47%
Not Sure	114	18%	21%
No answer	92	15%	

As to part (b):

Response	Number	Percentage of Total	Of those who responded
Yes	112	18%	22%
No	253	40%	50%
Not Sure	146	23%	28%
No answer	116	19%	

Some respondents replied that there is potential to both streamline and bring greater efficiencies to services in the property sector and to introduce new services.

An LA said *“In an era of financial challenges all public sector organisations need to be seeking opportunities to deliver efficiencies where practicable.”*

A national park authority replied *“We should always be looking at ways to improve efficiencies. As an authority (National Park Authority) we periodically do this already, e.g. updating our systems to make the task more efficient which in turn conforms to the Government’s ‘Digital by Default’ agenda. As I understand it this is the case for most Local Authorities.”*

A conveyancer said *“The current system is archaic and in need of overhaul.”* Another respondent said *“There are many services in the property sector and there will be numerous*

opportunities to bring greater efficiencies. Some of these in their own right may be through the introduction of what would effectively be new services and others could be the amalgamation of existing services or improvements to services through better use of technology etc.”

However, many respondents expressed concerns if Land Registry was the proper body for this, such as

“There is potential for streamlining of some property services, and introduction of new services. However, we are not convinced that the Land Registry is the proper body to do this. In the context of wider powers for the Land Registry, it is not considered that the Land Registry is the body which should be exploring the possibility of streamlining other property services or introduce new services. It is considered that it would be a better use of resources for the Land Registry to focus on its core business of land registration to complete registration of all land, and improving and streamlining its own processes.”

Also some suggested that further detail of new services was required. A respondent said “a) With the correct initiatives researched and resource and in some cases funding available, property services could be improved to create efficiencies. b) New services could be introduced to meet the property community and publics demands. Extensive research would be essential to determine the services required and how these would be delivered to ensure efficiencies.”

Of those that provided comments, many focussed specifically on LLCs.

Question 2A. Do you agree that Land Registry should play a greater role in the property market by providing information and register services additional to land registration services?

Response	Number	Percentage of Total	Of those who responded
Yes	48	7%	9%
No	349	56%	68%
Not Sure	118	19%	23%
No answer	112	18%	

Question 2B. Do you agree that Land Registry should play a greater role in the property market by providing consultancy and advisory services relating to land and other property?

Response	Number	Percentage of Total	Of those who responded
Yes	40	6%	8%
No	310	50%	63%
Not Sure	141	22%	29%
No answer	136	22%	

Many respondents were against as to whether LR should play a greater role in the property market by providing (a) information and register services additional to land registration

services and b) consultancy and advisory services relating to land and other property. Of the respondents who commented their focus was on impartiality and trust. A local authority said *“As long as this is not done as a profit making exercise which would be against public interest.”* Another referred *“Providing advisory services would stop Land Registry appearing impartial. This would erode public trust.”* Another local authority said *“The registry is supposed to be impartial. If it takes on advisory services it is offering an opinion. An impartial body should not be doing so.”*

Whilst a PSC said *“It is important to learn the lessons of history and not repeat the mistakes made by NLIS. Citizens (more particularly their conveyancers) should benefit from a competitive market for information and service provision. Land Registry should prioritise citizen benefit over its own commercial interests and encourage a competitive market for distribution of this information and services. A Land Registry channel to the market would stifle competition as it would be unfairly advantaged by vertical integration.”*

Additionally, a conveyancing professional said *“Persons seeking to consult or to obtain advice about land and other property have the choice of a full range of solicitors and other professional practitioners. HMLR should not be fulfilling this role at all.”*

An LA replied *“I believe that LR could play a greater role, not necessarily that they should.”*

Another LA was against the proposals as they stood as it would result in a fragmented and confusing service for users. *“However, we are not against proposals which genuinely sought to improve service delivery on a national basis, so long as this was in a joined up manner which offered a ‘whole service’ approach.”*

Some respondents agreement was conditional:

- Only where services were not currently available in a comprehensive way elsewhere.
- On not being done as a profit making exercise which would be against public interest.
- On it not being a LR “take-over” of services currently in the hands of LAs.
- It not detracting from LRs core and original function.

Other respondents were against the proposals as they wished LR to remain as it was, completing land registration, improving its own services and remaining an impartial body.

One private individual said *“Land Registry should stick to what it does - being an impartial Register of Landholdings. If Land Registry start offering advice and tinkering in the market then given their unique position within the property market they could be in danger of being seen as partisan and serving interests counter to their position. This could impact on their impartiality.”*

On a similar theme, another private individual who expressed a ‘Not Sure’ response, said *“The answer depends on the status of the Land Registry. At present, the LR is viewed as an impartial part of govt. Were it to be privatised - as seems the likely outcome for most Agencies if Michael Fallon's comments are an indication - I would not like to see LR either taking on additional roles or providing consultancy or advisory services. Its impartiality would be compromised by the need to make money for shareholders, rather than providing a public service. I understand that currently the LR has a policy of not providing advice for fear that it might be sued if the advice turns out to be incorrect. There are risks to moving into consultancy if you're not prepared to stand by the advice you've given.”*

Question 3. Do you have any suggestions as to new services Land Registry could consider?

Response	Number	Percentage of Total	Of those who responded
Yes	81	13%	16%
No	432	69%	84%
No answer	114	18%	

Only 81 respondents gave suggestions as to new services that we could consider. The suggestions fell into two categories, ones that fell outside of land registration and ones that were in relation to land registration.

Of suggested services outside of land registration, LLC was a common theme. One solicitor/other conveyancer said *“Providing local search results to sellers solicitors for lower additional cost so that they can see the results and anticipate issues rather than waiting to be asked about results they haven’t seen.”*

CON 29 was also suggested. As was becoming an insurance provider that covers any land charges that subsequently cause any loss to the buyer.

One LA suggested that we *“Provide complete one stop shop for house movers – ie be a conduit for additional services eg links to United Utilities, Coal Board, Environment Agency data, Energy Performance Certificates, Estate Agent, Mortgage lenders etc, removal companies, mail redirection, service suppliers, council tax information.”*

Whilst a private individual suggested that we share our expertise across LAs to help them improve.

Other specific suggestions included:

- Chancel repair searches.
- The register of Common Land and Town and Village Greens.
- Definitive Map of footpaths and bridleways.
- Map of Access land under the Countryside and Rights of Way Act 2000.
- Fixtures and Fittings data collection pertinent to the property.
- Take on the Energy Performance Certificate (EPC) register which would make the EPC retrieval process easier for conveyancers.

One PSC suggested we look outside of England and Wales.

Support was also shown for a register of licensed landlords and to providing conveyancing document storage as referred to in the consultation paper.

As to LR related services, one reoccurring theme was the subject of plans. One conveyancing professional said *“Provision of plans (which the Land Registry are currently having to purchase from Ordnance Survey and another third party supplier.) Anything outside of the registration process runs the risk of compromising the impartiality.”*

Another conveyancing professional said *“A plan service would be extremely useful. We experience a lot of problems with non-compliant plans and often clients have to pay surveyors/ map shops to get plans drawn up or for copies of OS plans - this could be a service offered by the Land Registry.”*

Additional plan services:

- Access to the index map online, with access to title numbers.
- Greater mapping facilities.

Other LR related services were:

- More online applications, for e.g. e-CT1 & WCT and e-K1 & K11.
- Make “current and historic data available online for public searching”.
- Chasing up lenders for the release when notified a mortgage has been discharged.

Some respondents did not make suggestions but re-iterated that LR should remain as it is or not take on LLCs function. One respondent said that *“There was no compelling need for new services to be considered.”*

Question 4. Do you agree that Land Registry should have the power to set the charges for new services?

Response	Number	Percentage of Total	Of those who responded
Yes	63	10%	13%
No	323	51%	64%
Not Sure	117	19%	23%
No answer	124	20%	

The reasons given by those in favour of LR having the power to set new charges were that it was:

- Fair
- *“It would give greater flexibility for LR to meet its real costs.”*

Speaking from a LLC perspective:

- *“As hub operator this is fair, proper and expected.”*

Some of the responses in favour, were conditional on:

- Being passed by ministerial consent.
- *“Subject to the charges being reasonable for the cost and effort incurred for the service provided given that there could be little or no competition or consumer choice to help regulate prices.”*

A conveyancing professional and a local authority who were in favour of the proposal, brought up the question of LA costs. The local authority said *“However, they need to take into account that the fee charged by Local Authorities includes officer time in updating the Local Land Charges register. If Land Registry deal with the LLC Register where does that leave local authorities in maintaining the date for the register?”*

Of the respondents against LR having the power to set fees, the main reason given was that the fees should be set by government/by statutory instrument as now. A Fee Order

ensures over oversight by government. It also ensures value and efficiency for Citizens.

An LA said *“The charges should be statutory set by the government or free of charge if the European Information Regulations are to be followed.”*

In relation to LLC, respondents felt that fees should be set either in consultation with or by LAs and central government.

One solicitor/other conveyancer said *“If the LR is to be privatised then it will be a monopoly and must not have power to set its fees.”* Another local authority said *“The LR operates at no cost to the tax payer and last year made £98.8 million for the Treasury; that income was partly used to reduce the fees LR charges to its customers. If, as it has been hinted at, parts of the LR are sold to become private companies, quasi-private companies or a GovCo, then the Council does not believe that the LR should have the power to set fees, as there would be no obligation on it to minimise fee charges to its customers and, conversely, there would be greater pressure to increase profits. Presumably, at present, the information held by the LR on land and property falls under the Environmental Information Regulations, for which fees can only be charged on a cost recovery basis; private companies are not subject to the same regulations.”*

Those respondents who were ‘Not Sure’ were concerned about LR’s future status. A private individual said *“The Land Registry needs to decide whether it wants to be a shareholder-driven profit making corporate entity or a provider of public services. My view is that it must remain the latter if it is to continue to be effective. If the fees were on a “not for profit” basis, then the proposal would gain more support”.*

The consultation also asked whether the current provision under the LRA 2002 to form, purchase or invest in a company in connection with its functions in relation to historical information, land registry network, electronic settlement and consultancy and advisory services should include activities carried out under wider powers, to allow for flexibility in the way the delivery of new services is structured.

Question 5. Do you agree that Land Registry’s power to form, purchase or invest in companies should apply to activities carried out under Wider Powers?

Response	Number	Percentage of Total	Of those who responded
Yes	27	4%	6%
No	314	50%	63%
Not Sure	154	25%	31%
No answer	132	21%	

The majority of those who responded were against extending LR’s power to form, purchase or invest in companies to wider powers.

Respondents felt that LR should not compete with private industries nor have a vested interest in private companies. An LA said *“The Land Registry should not be able to use its*

monopolistic powers to compete with private industry.” Another said “This would lead to a massive unchallengeable monopoly and a lack of accountability.”

Many respondents suggested that LR should not change.

One conveyancing professional said *“The Land Registry should do what we entrust it to do not encroach on functions that others perform perfectly well.”*

A private individual said *“No. not sure what the significance of this question is, as there is no detail about what this actually means in the consultation info. However, in my view the LR should not be forming, purchasing or investing in any companies. It should remain within the civil service as a part of the govt. A body like the LR is fundamental to the economy, it shouldn’t be contracting out or forming companies.”*

Another said *“As stated above, Land Registry has a unique and impartial role in the property market and this should not be jeopardised.”*

An LA responded *“I do not believe that Land Registry, as a government department, delivering a public service, have any business forming companies. The LR function, as with many other services, is a function of government. It is essential for public confidence and safeguarding the public interest that such services continue to be delivered by government.”*

Other reasons given were that:

- In a free market you cannot give an organisation with a state monopoly powers to form companies.
- If LR given the power to create new sub organisations these should be subject to the same scrutiny as the Registry and as such should be a ministerial administrative decision.

The only respondents in favour who commented said *“To operate in an open market LR should have sufficient powers to enable it to do so,”* and *“We agree with this so long as the companies and activities they engage in are kept at arms length from core activities.”*

Question 6. Do you have any other comments relating to this part of the consultation?

We received further comments from around 50% of respondents.

The comments mainly related to

- LLCs
- the consultation process
- the lack of an impact assessment
- the separate consultation by the Department of BIS, which could result in the privatisation of the LR.
- the future of Land Registry

We received a great deal of feedback where respondents felt that an impact assessment should have accompanied the consultation and would better inform the consultation. One conveyancing professional said *"If the Registry is to go beyond its powers it should publish an impact assessment. If I want to build a house I need to provide an environmental impact assessment. If the registry (a public body) wishes to create new organisations which will have impact on the conveyancing process it should seek the response of its peers and stakeholders."*

Other respondents did not feel the consultation process was undertaken in the right way. A search company said *"The careful consideration being made by the Registry should have been considered by an outsider to make a fair and transparent system. The fact that it is not published would raise the very large thought that it is because this POWER GRAB less likely to happen. Therefore the decision makers should review it in miniscule details and publish it as the writer said and be damned. If a new monopoly is created behind such closed doors it would suggest that the free market in the Eng and Wales is well and truly dead by Gov order."*

Whilst a private individual said *"Land Registry's decision to not be fully open about their proposals does not seem to fit with an open and honest public consultation."*

An LA replied *"It is our view that whilst there is considerable merit in the questions being asked, they have been posed in such a way as to illicit from respondents a mandate to proposed changes to the LLC service and the wider powers that the LR are seeking in their second consultation 'Introduction of a Land Registry Service Delivery Company.'"*

There was a feeling that LR should stick with what it does well now including a conveyancer *"The LR's reputation for excellence and delivery should not be understated; indeed must always be maintained, if not enhanced. Please understand that we hold this reputation in very high regard and consider your current application to the needs of the profession, a vital underpinning of our own service delivery. Thus, the LR should focus only on its core services."*

Finally, having seen the separate BIS consultation in relation to LR a respondent said in his covering letter *"I had prepared the original draft of this letter - and the original draft of my answers to the individual Consultation questions - but I then received news of yet another consultation. This is from HM Government and it deals with the effective privatisation of HMLR (ie involving a "service delivery company"). Were that to proceed, I would strongly object to all of the present Consultation Document proposals to widen the powers of HMLR (since those powers would then fall into the hands of a privatised company rather than a reliable public agency as at present) My answers should be construed on that basis."*

4.2 Government response: Part 1 of the consultation – Wider Powers

This section of the report sets out the Government's overall response to the replies to Part 1 of the consultation. Given the fact that:

- whilst some responses were made by reference to each of the individual consultation questions, others were made in a 'free format' without direct reference to individual questions,
- some responses were combined in relation to both parts of the consultation, and when read in conjunction, the combined responses gave rise to certain common themes,

the format of this report is to set out (within this section) a summary of those themes and, in relation to each one, the Government response. Where appropriate, details of individual responses have been set out within part 4.1 of this report.

Theme (1): *'There is no need for LR to diversify - it should stay as it is'*

The concept that LR could engage in services which are additional to its existing statutory functions is not new. It is already included in the current provisions of the LRA 2002, s.105 of which enables LR to provide consultancy and advisory services about the registration of land and for the CLR to set charges for such services.

To date, LR has utilised this power to provide 'add value' services and international consultancy on land registration. Any charges have been based on the cost of providing the service plus a return on capital employed (in accordance with HMT Guidelines). LR has been careful to ensure that the provision of such services does not conflict with the private sector.

Indeed, the impetus for seeking the wider powers has been initiated not only by LR, but by the property market itself, which generates increasing demands of LR to provide services which fulfil the needs of property professionals and others. It also expects LR to help make the conveyancing process quicker, cheaper and easier to complete. The expectation of Government is, that through the Business Strategy, LR will build on its existing expertise and become a leader in digitising land and property services and in the management and re-use of land and property data.

LR has a long and distinguished history of public service. It is now very much at the centre of the conveyancing process and the property market as a whole within England and Wales. Customers have confidence in what LR does and this stems from its consistently high performance in the delivery of its existing services. This in turn gives reassurance that LR's performance in relation to any new services will be equally high.

The proposed wider powers will enable LR to extend its services in a positive and beneficial way which is not currently possible under its current powers, which are limited to land registration activities. The existing principles and standards to which LR adheres would, however, underpin these extended services. In addition, LR would undertake other services only where it could be shown that there would be savings in time or money (including

improvement in property transaction times), or where other efficiencies could be achieved for the consumer or business. The aim would always be to benefit the property market overall.

Any specific proposals to engage in additional services would, of course, be subject to stakeholder engagement and full analysis of business impact including where there is potential for competition. Any necessary changes to existing legislation would also be taken into account.

LR's primary function will remain land registration, and any additional activities it undertook would not be allowed to detract from or undermine this.

Theme (2): 'LR is an impartial body and should not undertake other services, especially as this may result in it competing with the private sector and possibly creating a monopoly over property-related data'

LR is looking to provide new or supplemental services that benefit the property market and are of wider public benefit. LR's track record of providing its existing 'add value' services is a demonstration of this, in that these are viewed by customers and property professionals as being bespoke additional services, rather than being in competition with existing services and businesses. The primary purpose behind the creation of the LR's wider powers is to facilitate the provision of services to support the property market and economy, rather than the generation of additional revenue streams.

The provision of new services would not undermine current well-respected LR's impartiality, which would extend to those new services in addition to LR's current core business.

Theme (3): 'The consultation did not provide sufficient detail of the services which LR intends to undertake under its proposed wider powers'

The part of the consultation on wider powers related to the principle of LR's powers being extended to enable it to provide new services relating to land and other property. It was not a consultation on any specific new services or activities which might in future be proposed. It was for that reason that no further details were given, other than those relating to LLCs comprised in Part 2 of the consultation.

As indicated in the consultation document and re-affirmed above, LR would consider undertaking new services and activities only where it could bring savings, efficiencies and other benefits to the property market. An assessment would be made on market need and LR would engage with stakeholders and, where appropriate, consult on any significant initiatives. This assessment would therefore take into account:

- (a) The market need and relevant business case;
- (b) The impact on the property market, including any competition issues;
- (c) The need to consider relevant capability and capacity issues. This would include the skills and resource required and any possible impact on LR's existing operations. In this, protecting LR's core business operations and maintaining service levels would be of paramount importance;

(d) The need for consistency with government policy, including a consideration of whether it was appropriate for the new services or activities to be carried out by or for a public body; and

(e) The need to carry out a formal Impact Assessment, where required.

Theme (5): *'It is not clear from the consultation how any change in the current structure of LR would affect the proposed wider powers'*

Theme (6): *'If LR becomes a service delivery company, it would be in an advantageous position compared to other companies in the private sector'*

The consultation published by BIS 'Introduction of a Land Registry service delivery company' (Consultation paper BIS/14/510) is a separate consultation.

No decision will be taken on the future commercial model of LR until all consultation responses have been considered – and a Government response will be published in due course when all responses have been considered.

We intend to proceed with the proposals on wider powers set out in this response regardless of the outcome of the separate consultation on commercial models.

Theme (7): *'Why was no Impact Assessment provided in relation to the proposals as to wider powers?'*

As indicated in the consultation document, no Impact Assessment was provided in relation to the proposals as to wider powers, because these concerned the principle of the extension of LR's enabling powers under the LRA 2002. This will not, in itself, impose a cost or burden on consumers or business and therefore no Impact Assessment was necessary. Conversely, because the proposals as to LLC services did potentially impose a cost or burden, an Impact Assessment was provided in relation to those proposals and an updated version of this has been published and is available separately.

Where LR consults regarding any future proposals on specific new services or activities, it will carry out an Impact Assessment at that time where appropriate.

4.3 Responses to Part 2 of the consultation – Local Land Charges

The consultation asked for views on the changes that may be necessary to the LLCA 1975 in order to construct a framework that would allow LR (by means of secondary legislation, including amended LLC Rules) to assume responsibility as the sole registering authority for LLCs to enable it to hold and maintain a composite LLCR for England and Wales instead of LAs. Also, to assume responsibility as the sole provider of LLC official search results at a standardised speed, cost and format.

This section of the report contains details of the individual consultation questions and summarises the responses received to each of them.

Summary of responses received:

Question 7. Do you have any comments about the reasons to change Local Land Charge services and do you see any benefits?

The majority of respondents to this question felt that the reasons given in the consultation to change LLC services were not supported by the evidence produced and that the perceived problems with the current service had been overstated. Many felt that the consultation did not provide sufficient information of how the proposals would work in practice and that they would not produce the costs benefits or a centralised one stop shop.

An overwhelming majority stated that the services should all remain with local authorities. Many referred to improvements in service already made by many LAs, the fact that LAs have invested financially in their systems to achieve improvements and current levels of satisfaction with the existing service being high, as evidenced in the research referred to in the consultation.

Others suggested that changes such as standardised fees and turnaround times would be more effectively achieved if the service remained with local authorities and that this could be achieved with less financial outlay by legislation and by existing software providers working with LAs.

Many respondents stated that the consultation did not make a compelling case for change and that the proposals would not produce the benefits to the consumer highlighted. Many pointed out that the initial proposal was for LR to provide the LLC1 and CON29 service and said that the proposals would lead to a more complex, fragmented service if CON29 searches are not part of the service to be offered by LR. Others could not see how quality could be assured with data being transmitted between local authorities and LR.

This, along with the loss of local knowledge and expertise of local authority local land charges staff, many said, would lead to a worse service than that currently provided.

Other respondents said that PSCs who offer the service are able to obtain information free of charge and that LR would need to offer them the same service, otherwise it would be detrimental to private enterprise and anti-competitive, as well as a threat to private and public sector jobs.

Some respondents said that previous Government initiatives such as Home Information Packs and digitisation projects had failed and said that there is a risk to the housing market if the consultation proposals are implemented. Several respondents thought that LR should focus on its registration functions, with one stating that there are risks in diversifying. Others felt that in proposing to provide the service, LR was seeking to improve its own income and financial position, and some stated that a monopoly could be created. Some respondents felt that LR future should be resolved before any further consideration is given to the proposals.

A solicitor or other conveyancer said "The LLC services should stay with the local authorities. Their provision of responses has improved over the last several years, a great deal of public money has been spent on such as IT systems enabling this, and they would still be dealing with the Con 29. The public money spent on enabling LR to deal with LLCs to achieve a possible 20% reduction in fees paid by service users doesn't make financial sense"

An LA said "In my professional capacity as a Land Charges Manager/Team Leader, I fail to see how providing a centralised service would benefit anyone or any organisation other

than the Land Registry (ie. as an income stream): splitting the current service in terms of provision of the LLC1 by the Land Registry and CON29 by Local Authorities can only be viewed as an unnecessary fragmentation of what is currently already an efficient and high quality (combined) service provided at the local level.

There is no evidence to support the view that current customers are dissatisfied with the services received from local Authorities; nor has the Land Registry demonstrated how an improved service would be provided to the end customer. The concept of a 'standard form' and 'standard results' being provided would, in my view of the proposals, provide a 'lowest common denominator' in terms of output, thus compromising the value and professionalism of local land charge searches."

Another LA said "We are unsure of the reasons behind the Land Registry's desire to take over provision of the Local Land Charges service. Is it an attempt to improve the provision of search results or is it driven by a desire to increase the Land Registry's income? If the former then it is hard to see how the provision of the information by the Land Registry can be a better service than that currently provided by the local authorities who have local knowledge.

If the proposal is driven by a desire to ensure that Local Land Charges information is held in a standardised format across the country we believe it would be better for the Government to fund the local authorities to digitise the information instead."

A minority of respondents supported the reasons to change the services and identified benefits. One LA said "I think it is a good idea however in practice it will be very hard indeed to achieve and needs to conform to the same standards as at present where customers are covered by insurance and statutory regulations. The benefits are that searches (sic) can be done directly with one body for any area in the country and be carried out by individuals rather than agents acting on their behalf. This should reduce the cost of moving house."

Another respondent said "Currently LLC1 and Con29 searches vary in terms of cost, quality and timeliness depending on where the property is located. Land Registry's proposal to change Local Land Charges will deliver a more consistent service to customers. This will lead to a number of efficiency gains for; Land Registry, Conveyancers, Local Authorities' and the public. Most notably the standardisation of cost, quality and timescales will lead to a level playing field for all stakeholders. Digitisation of data will lead to greater efficiencies in the way data is stored, managed and queried. Improving data access and data quality will offer a basis on which to develop added value services."

A conveyancer said "The reasons are eminently sensible. Certain parts of LLC data are static. Others are not. Centralising registers has the potential to introduce efficiencies. It would see sensible to incentivise LAs to fully participate by paying a fee for updating the registers when planning applications and the like are received and approved at a local level. This income stream would replace the loss of revenue from providing local search services and personal search agent access to registers."

Other respondents supported the reasons for change, but did not think that the preferred option referred to in the consultation was necessarily the best way forward.

An LA said "There could be benefits in changing ways of operating and delivering the Local Land Charges Services but not necessarily by this proposed option.

There remains scope to improve and facilitate (sic) better relationships between Local Authorities and Government departments to achieve standardisation of format of results, turnaround times and price.

For Government to put targets in place that are measurable and transparent. If targets are not met then "fines" or "penalties" (sic) should be imposed on Local Authorities."

Question 8. Do you agree with the stated perception that the current Local Land Charges services would benefit from reform?

Response	Number	Percentage of Total	Of those who responded
Strongly Agree	34	5 %	6 %
Agree	88	14%	16 %
No opinion	20	3%	4%
Disagree	90	15%	16 %
Strongly Disagree	320	51%	58 %
No answer	75	12%	

An overwhelming majority of respondents disagreed or strongly disagreed with the stated perception that the current services would benefit from reform. Many stated that the stated perception was not supported by any evidence and that, in general, satisfaction levels for current LLC services are good or better and that there is no real need or desire for wholesale change. Many pointed to improvements that many LAs have made to their LLC services in recent years.

Many stated that the customer research that LR undertook through Synovate in 2011 and Ipsos Mori in 2013 supported this view. Others referred to satisfaction with the current service being evidenced by more recent LA research and Local Land Charges Institute Questionnaires.

Many of those that disagreed or strongly disagreed actually stated that enhancements to the current services may be possible, with some saying said that some local authorities had not been investing to improve their LLC services recently as a direct result of the proposed LR future involvement, on the basis that any investment would not be justified if the services were transferred to LR.

Other respondents felt that funding should be provided to enable any local authorities that it is felt need to improve their service to do so, and that this would be a much more cost effective way of achieving reform than implementing the consultation proposals. Others felt more generally that the service should remain with local authorities and that financial investment would fund full digitisation of their services.

Others stated that legislation would be a more appropriate and cost effective means of achieving the desired improvements to fees, format and turnaround times.

Many felt that LR lack the valuable local knowledge and expertise that local authorities have, both in terms of the current services and any reform and that this will be lost if LR provide the service. Many pointed out that the reform proposed would threaten local authority jobs and also jobs in the private sector.

Of those that disagreed or strongly disagreed with the stated perception, as in several other questions in Part 2 of the Consultation, many respondents referred to the splitting of the LLC1 search from the CON29 enquiries, stating that this would fragment the service and create an additional layer of bureaucracy, as it will still be necessary to apply to local authorities for the CON29 and that it would not achieve the intended consistencies in response times.

Many felt that this would result in an inferior service than that currently available and that LR

had decided not to proceed with the full service as initially intended because it had realised how complex it would be to standardise the whole system. Many felt that in doing this, LR had decided to undertake the LLC1 service only as these are easier to turnaround quickly.

An LA said *“The perception of the Land Registry that the current service would benefit from reform are not supported by any fact based evidence within their consultation or supporting documents. The Land Registry state within their impact assessment that they have visited 150 local authorities, but have not provided any evidence from these visits to support their “perception” of the services currently offered. There is room for improvement within all services, however we do not consider that the Land Registry’s proposals are justified by evidence or by any offered improvement to the current services available.”*

A private individual said *“Other than a standardised fee, the service we receive a from the Local Authority is second to none - it is comprehensive, thorough and provided by people with an excellent local knowledge”*

Another LA said *“Every service can be enhanced and look at ways to improve. However, we believe there is nothing wrong with the current process for the Local Land Charges Register as can be shown by the results of the local authority customer survey carried out last year. 67% of customers would prefer the service to remain with the local authority 84% were satisfied/ very satisfied with the current service provided The majority were concerned that should the local authority no longer be responsible (sic) there would be a lack of local knowledge that would lead to errors. This is seen as the easier and less time consuming part of the Local Authority Search that the majority of Local Authorities are able to respond to in a very short period of time. It is the Con29 element that has input (sic) from several services and County Councils that is the time consuming area.”*

Another private individual said *“Your surveys have indicated that on the whole the clients are satisfied with the service. Your stated perception is subjective as all services have room for improvement. The only reasons LA’s have not been investing in their services recently is due to this consultation (sic), they cannot justify spending public money that potentially will benefit the HMLR with no costs being returned to the LA.”*

Another LA said *“The Local Land Charges service is seen by most conveyancing professionals as being the LLC1 and CON29. The LLC1 can be prepared quickly whereas the results of the CON29 enquiries take more time to research. As Land Registry are proposing to only process searches of the Local Land Charges Register (LLC1) and leave the CON29 enquiries to local authorities to answer, conveyancers will still be relying on local authorities and as such, the response times will vary. Land Registry perceives there is a problem but this perception is subjective. Their proposed solution does nothing to address the problem but will only exacerbate it In abandoning its original proposal to provide the CON29 service itself, Land Registry has obviously recognised the complexity of standardising all the necessary local authority data in a digital format.”*

Another LA suggested that a more centralised function could be achieved in a different way, saying *“It is acknowledged that a central ordering point and uniformity of service would benefit the user of the service. However this could be done by forming an umbrella organisation where information is supplied by the local authority (who are the local experts). Currently organisations applying for Local Land Charges Searches spend time researching/navigating the application process for each authority (which varies from Council to Council). Having a single application form would simplify the process. Additionally searches are produced differently by each authority and this could be standardised too and the level of information supplied varies so a standard uniformity would be beneficial.”*

Another said *“Do not agree with the 'stated perception' as it appears to have been overstated. However, it is true that some Council's underperform and the service would benefit from improvement to provide a universal service across England and Wales. This could be achieved by a far lighter legislative change, referring to a statutory fee, standard forms across all software providers and national target times. Individual failing Councils could be taken to task.”*

Those who felt the system did not need reform also mentioned:

- risks with proposed reform
- why fix something that isn't broken
- local authorities are more responsive to customer needs
- insufficient detail in the consultation
- it is not the LLC search that delays the conveyancing process
- proposals are too wide ranging
- question is designed to garner support for proposals
- less support for reform identified in findings of 2013 research compared to 2011

Those that agreed with the stated perception pointed to current services being inefficient, inconsistent and expensive and said that improvements were required.

A private individual said *“My recent experience has shown me how disjointed and expensive these processes currently are”*

A conveyancer said *“Conveyancers spend a great deal of time contacting individual authorities for details of search fees and thereafter chasing for search responses. It would be useful to have a central system and one fee and a dedicated team for each firm (similar to our current customer teams in the LR) but only if it works!”*

Another said *“Very very slow. In reality our clients wouldn't have an issue with the expense if it did not hold up their transaction and was done efficiently. You also cannot chase the local authority.”*

Several thought that reform to provide a centralised service would be beneficial. A property professional said *“A centralised Local Land Charges Register would be beneficial to distributors (private enterprise search providers), professionals (conveyancers) and citizens (homebuyers). Attempts to achieve this go back to the mid-eighties when a private consortium "Central Land Charges" and run right the way through to "SearchFlow" and the "National Land Information Service". (A property professional)*

Whilst some respondents strongly agreed with the stated perception that the current services would benefit from reform, some of those also thought that the consultation proposals would not produce the desired improvements and that improvements could be achieved in other ways:

An LA said *“..... does agree that that the services would benefit from reform, but not in the way proposed by Land Registry for the reasons outlined below:*

- *The service that the Land Registry is proposing to provide is a greatly reduced service than that currently being offered by local authorities. It is entirely unnecessary to spend £26M on making wholesale changes to a service that will in no way address the perceived issues with standardisation and digitisation of the existing service provision.*
- *The standardisation of fees, search response format, turnaround times and service could all be addressed through a Statutory Instrument and supporting guidance which could be*

achieved at a much lower cost to the taxpayer. The proposal to transfer the service to Land Registry when other feasible options exist is wholly unnecessary.

- The digitisation of registers and associated datasets could be successfully achieved by local authorities if they were supported through funding. Funding for this would be likely to be less than the implementation of the Land Registry proposals – for example, the £5.4M earmarked by the Land Registry in page 11 of the risk assessment for digitisation of records between 2013/14 – 2015/16 would equate to over £15,000 for each local authority, which would greatly enhance local capacity to transform the service. Going on from this, where local authorities are failing to provide an adequate service they could be taken to task individually.

Another LA added a caveat to their comments, referring to the proposals for reform excluding the CON29 enquiries, with one solicitor or other conveyance saying “I strongly agree that the current LLC service would benefit from reform. However, this should not be considered in isolation without also embracing the CON29R/O enquiry forms. It is very rarely the case that any solicitor makes only an LLC1 search. This search is almost always accompanied by at least CON29R enquiries (plus CON29O in appropriate cases)”

Another LA felt that improvement should be made to the charging regime, saying “The Local Land Charges Act 1975 need bringing up to date. The parts of the register should be condensed into just a single part. The charging regulations need amending and the government need to give definitive guidance as to what LLC sections can and can't charge for and reduce the amount of complaints that are being dealt with by the Information Commissioner. The statutory fee should be introduced. All of these changes can be made without the Land Registry's proposals.”

Those in favour also mentioned:

- service varies between authorities and is expensive
- standardisation helpful to users
- possibility of utilising existing services, such as NLIS, to improve services

Question 9. Do you think Land Registry has considered all feasible options?

Response	Number	Percentage of Total	Of those who responded
Yes	35	5 %	6 %
No	512	82 %	94%
No answer	80	13%	

Respondents were almost unanimous in answering ‘No’ to this question, with the majority stating that LR had been quick to dismiss all options other than the preferred option referred to in the Consultation and that no real consideration had been given to any of the other options and that LR had been too dismissive of them. Many also felt that the preferred option referred to in the Consultation would not produce the standard, centralised service proposed.

An LA said “It is clear from the options included in the consultation document and the more detailed description of the options considered in the impact assessment, that at no time have the Land Registry seriously considered any other option than their preferred option of taking over the LLCR from local authorities. It does not appear that any serious

consideration has been given to supplying the "full" search service of an LLC1 and Con29 despite this clearly being the only option that was considered as acceptable by the overwhelming majority of respondents in both the MORI and Synovate research reports.

No information has been made available with regards to the consultation events held with personal search companies, local authority software suppliers and other stakeholders, however the "consultation" with this local authority consisted of the Land Registry compiling a database of information on how our register is held, how many searches we receive, how many staff we employ etc., at no time was there any discussion on our views on different ways of providing the service.

The Land Registry's policy objectives will not be met by their preferred option as outlined because:-

1. The Land Registry's preferred option would not "end the current postcode lottery" as the search of the LLCR is only part of the search reply, therefore the cost of the con29 search would need to be added to the LLCR search which would vary with each different search provider, therefore creating a search provider lottery.

2. The Land Registry's preferred option would not standardise or improve processing times as the full search is made up of two parts, the LLC1 and Con29, both of which are required in the property transaction, therefore the proposal to separate these parts of the search may well result in extending the processing time.

3. Maintain quality and integrity of data - as the majority of the data on the LLCR is held by local authorities it seems reasonable to consider that they are best placed to ensure the integrity of the data. Creating more links in the chain will in our opinion result in unacceptable errors being created in the data.

4. The LLCR results are currently standardised as the register is held in 12 parts with each entry listed under the relevant part of the register whether the data is held digitally or manually. The reference to the different format in results referred to in the MORI and Synovate research reports relate to the Con29 part of the search, which under this proposal would still be produced by the local authorities and personal search companies and not the Land Registry, thus would still not be held in a standardised format.

Some said that the research referred to in the Consultation showed that a full service, to include CON29 enquiries, was the only acceptable option and that it was inappropriate to separate the LLC1 search from the CON29 enquiries because this would lead to a fragmented and inferior service.

An LA said "Land Registry appears dismissive of the symbiotic nature of the Local Land Charge service and the CON29, and how one cross-references the other. Completely splitting the two will disrupt the flow of information and Land Registry has not adequately given consideration to the consequences of such a split. One of Land Registry's policy objectives is to 'maintain quality and integrity of data'. Lack of due consideration to the CON29 is dismissive of this objective.

Land Registry states that they would not be responsible for validating applications/entries to the Land Charges Register. This raises the question of ownership of errors, and subsequent liability claims. This introduces an unnecessary layer of red tape to potentially wronged customers."

An individual, expressing a view as a conveyancing professional said "You have not considered that the LLC forms part of a larger search which is submitted by LLC1 and

Con29 (often supported by Con290). Separately CON29DW is submitted to a water authority. The options do not include the Land Registry taking in the response to the CON29 form. This is information held by the local authority. If the Local Authority were provided with a form LLC in isolation it would probably be responding quicker than if the form CON29 is submitted simultaneously. CON29 causes delays and the local authorities withhold the LLC response whilst collating the information from their relative departments to deal with this. The response of the LLC is in isolation of limited use. The Registry sending this back would hardly improve the conveyancing process without the provision of an improved CON29 system.”

Many of the respondents that answered ‘No’ suggested alternative options, including the option of the service continuing with LAs. One LA said “Whilst LR have considered a range of options it is unclear whether the option for the service to be retained with the local authority has been explored – if charges were set nationally and deadlines imposed a similar service could be attained by leaving the service with the local authorities. Access to information could be provided through a central hub/portal nationally. LR need to consider the loss of revenue for local authorities within their feasibility study.

A private individual suggested another option “It would be much cheaper and easier to improve the last few Local Authorities who provide a slow and expensive service. Personal Search Companies have the ability to provide Local Land Charges information to the general public within hours or often minutes should the artificial obstacles put in place by some Local Authorities be removed. If Land Registry had considered these options I do not think they would have proceeded with the option of them becoming involved in the supply of Land Charges Information.”

Another LA said “The suggested approach is a single model for all authorities. We are not aware that alternative options have been considered or explored. The evidence from customers shows that wholesale change is not warranted. The complexity of records held across authorities appears to be underestimated and there appears to be a lack of detailed information available about the proposals to improve Local Authority records through digitisation and its consequential funding. Other feasible options appear to have been dismissed by HMLR without adequate explanation, even though they would appear to be more cost effective.”

A private individual said “LR seem to have been thorough in their investigations but we have not seen a full evaluation of the considerations and do not understand how the current proposal aligns with the options proposed. As set out in the consultation the current proposal does not represent a viable Land Charges Register Search solution.

The proposal will not provide any cost savings. The local authority will still be responsible for notifying the LR of changes and as this will also include liability for compensation, the collation of “notices” this will still require local authority management. Whilst this can, and should be automated, this consultation avoids the issue of data capture within the local authority and for those who have not got digitally held information there will be an ongoing cost in providing notifications to LR.

Additionally LAs will not be receiving the LLC1 revenue to support this service so this will be an increased cost to them.”

Other respondents thought it would be beneficial for LR to work in partnership with local authorities to share their best practice and local knowledge: “Collaborative/partnerships with LA’s could be a possible option. Those that have shown best practise, know their customers, created electronic registers and progressed the service could be utilised as local hubs for Land Registry, building on the work already undertaken, whilst sharing local

knowledge. (An LA)

Another said *“The LR have considered taking over LLC service but it seems that they have not considered working alongside the experienced LAs (sic); where the LR could assist the LAs. The Government should consider supporting LAs where local knowledge is extremely important as opposed to a centralised system where the LR have no specialised knowledge. The option of LR acting as a “hub” may work with the LAs still undertaking all the work on the LLC and processing the result of the search through LR, with the LA retaining the fee for the work undertaken. This would be less confusing to the customer than the present proposal of LR undertaking the LLC and the LA undertaking the CON29!”*

Other respondents supported the legislative enforcement option; a private individual said *“Land Registry appear to have considered a number of options, however the obvious solution which they don’t mention would be to change legislation relating to price, introduce KPI’s relating to turnaround, ensure all local authorities provide registrations in a similar format, all to reveal registrations over the same time frame and the Law Society to work with local authorities to provide a standard format of replies to apply to Con 2”*

Respondents that answered ‘No’ also mentioned:

- Levels of satisfaction with the current services being high
- The research in the consultation not supporting the preferred option
- The effect on private sector search companies/competition
- The need for wider consultation and engagement
- LR taking over the service to generate income and expand its business base
- The option of moving to a central access once all local authorities have digitised their databases
- Setting fees centrally, as was previously the case
- Land Registry ignoring consumer views and needs
- The option of LR acting as a gateway to local authorities
- The prototype referred to in the Consultation involved too few local authorities
- The potential risks to the housing market if a centralised system/service was to fail
- Previous problems with Government IT initiatives

Only 35 respondents agreed that LR had considered all feasible options.

An LA respondent, who thought that all feasible options had been considered, said that this did not mean that the correct option had been chosen, saying *“They probably have considered all of the feasible options. This does not make their preferred choice, i.e. taking over the LLC service, the correct option. Don’t try and mend something that isn’t broken.”*

A private individual expressing a view as a conveyancing professional said *“The option of continuing with the current system is not acceptable to conveyancers who need speedy responses to local land charges searches.”*

An LA said *“Given the extent of this consultation it appears to have considered all options available to it.”*

Question 10. Do you agree that the definition of a Local Land Charge requires simplification?

Response	Number	Percentage of Total	Of those who responded
Yes	52	8%	10%
No	491	78%	90%
No answer	83	14%	

Currently LLCs are defined in sections 1 & 2 of the act by a series of inclusions and exclusions. We had asked whether it would be a good idea to amend this definition.

We received some, generally lukewarm, support, of the nature that it is a good idea but not essential. Those who supported the proposal cited the benefits of simplification, believing that results would be easier to understand if there was one register instead of 12 sub-registers. However some did point out it didn't require the Land Registry's intervention to achieve this.

"Possibly, but in the main, the issue is with the mechanics and processes, not with the underlying principle." (Private Individual)

"Yes. The Local Land Charges rules are difficult for many to understand. Simplifying the register from 12 parts into a single part would make things easier to understand for the public." (Private Individual)

However the majority of respondents did not see any need to change. A large number of local authorities said their customers had never raised it as a problem and they find the current definition a simple concept to apply, therefore they questioned whether there was any benefit to be derived from doing this. Others said education not simplification was the answer.

It was also suggested that this was an issue better left to the Law Society and the conveyancing industry or the Law Commission. Others thought the Registry was trying to make its work easier or were "dumbing down". Many respondents made a link with the proposal in question 12 for a 15 year limit. One suggestion was that all that needed to change was to apply plain English principles.

It was suggested that splitting the register makes it easier for conveyancers to interpret results, and not to do so would result in compliance costs.

"The proposal to simplify the definition would appear to be aimed towards assisting the Land Registry to establish its national Local Land Charges Register, rather than to provide the fullest possible information to buyers." (Local Authority)

"We have encountered no practical difficulties in relation to the definition or the operation of any of the exclusions. The general lack of litigation in relation to sections 1 and 2 suggests that simplification is unnecessary." (Local Authority)

"There is a possibility of diluting the content of the LLC1 which would not be acceptable to conveyancers." (Private Individual)

"The Local Land Charges Register is split into different parts to enable the conveyancer to quickly decipher the results of the search. The Land Registry's proposals to introduce a single part to the register will place an extra burden on conveyancers as they have to interpret the results." (Local Authority)

A number of respondents urged us to tread carefully to avoid unintended consequences. For example, changing the definition may inadvertently create new classes of LLCs which might blight properties.

“The definition of a Local Land Charge, as it currently stands, is widely understood by the professionals who work in this area. There is a wealth of knowledge and experience, as well as publications, available to assist with interpretation. The definition is comprehensive and avoids generalisation. It would be very difficult to simplify this in such a way as to avoid creating new classes of LLCs. There has never been any indication that professionals in this field feel any need to simplify the definition. In the more recent past, legislation has tended to indicate the intention to create a Local Land Charge, where this exists, and has simplified the question of what is and what is not a Local Land Charge in many instances.” (Local Authority)

“The purpose of the LLC1 is to capture an important set of relevant risks associated with the property, and we believe that the current definition is well established and does this effectively. We would be concerned at any simplification which might overlook potential future risks to property ownership.” (Large Business)

“No, we do not believe there is any reason for a revision of the definition. This has never been previously raised as an issue. The current definition is perfectly clear and is understood by all those that use the service - solicitors, conveyancers and private search companies. The definition does not require simplification or 'dumbing down' and one might question the motives of such a suggestion by the Land Registry.” (Local Authority)

“It is unclear from the consultation what the purpose of this would be. The simplification of bringing the parts of the register together has not been raised previously. It is thought that to change this there would need to be a significant legislation. The current system works well. How would such a proposed change benefit the customer, and why is it necessary?” (Local Authority)

The representative bodies were divided on the issue. Such as The Society for Licensed Conveyancers, CILEX, COPSO, IPSA, Local Land Charges Institute, Property Codes Compliance Board, Land Data and the Liverpool Law Society who saw no need for change.

We received mostly qualified support for the proposal from the Devon and Somerset, Worcestershire and Bedford Law Societies, the Solicitors Sole Practitioners Group, the Institute for Historic Buildings and the Information Commissioner.

Question 11. Do you agree that sections 3, 4 and 5 of Local Land Charges Act 1975 should be amended as proposed?

Response	Number	Percentage of Total	Of those who responded
Strongly Agree	6	1%	1%
Agree	18	3%	3%
No opinion	27	4%	5%
Disagree	67	11%	12%
Strongly Disagree	428	68%	78%
No answer	81	13%	

This question asked whether respondents agreed that the LLCA 1975 should be amended to enable LR to become the sole registering authority for all LLCs in England and Wales and for additional powers to be included to publish information, provide advice and consult, where appropriate.

An overwhelming majority were against the proposal, with most saying that the registration function should stay with LAs because they have local knowledge and expertise and are the originating authority in the majority of cases. Many thought it was inappropriate to split the also thought that the proposals would lead to an inferior service compared to the current service.

An LA said *"It would lead to the provision of a fragmented and inefficient service compared to what is currently achieved by the majority of existing providers."*

Another said *"It is difficult to see how the LR could improve on the current service, specifically in regard to quality, accuracy and accountability. Rather what the LR is proposing is likely to result in a poorer service, which will only result in LAs having to deal with more enquiries querying LR replies - the 15 year cut off is a particular failing. As such this would only slow the conveyance process down."*

An LA said *"We believe that the function should stay with local authorities that have not just the expertise in this area of legislation, but also local knowledge of the land/property a charge relates to and the time frame it needs to be registered for"*

Others said that the 'local' aspect was also important in relation to the current ease of public access to LLC information at local authority offices. Another local authority said *"The local authorities should be left as the statutory keepers of the LLC register. This enables the public to access the registers at their local council building and if for example they want to query a planning registration they can consult a planner at the same time. The Land Registry's offices are few and far between making them difficult to access for many, and if there was a query with a registration this would probably require a further visit to a local authority to discuss the query."*

Other respondents felt that the mechanics of the search service were reasons for LAs to remain as registering authorities. A local authority said *"Local Authorities are best placed to continue undertaking these functions. The majority of the information that is currently held on the LLCR is information that originates within the local authority who at present are also the registering authority. This information is spread across the whole spectrum of the authority and it is the local land charge service who identifies and locates all relevant information for registration. An in depth understanding of the information held on the register is required to ensure that when producing LLC1 searches that the information is correct. To solely rely on originating authorities to inform you when charges need removing is not sufficient to ensure that the register is correct."*

Others felt that the proposals would create a fragmented service that would not improve turnaround times for searches and the fact that LR would not be responsible for validating applications/entries created risk. An LA said *"The Land Registry states that it will not be responsible for validating entries onto the Local Land Charges Register this poses a risk to potential purchasers and/or vendors where properties could be blighted due to inaccurate entries being revealed on the register"*

A private individual agreed, saying *"Local authorities create the entries on the register so it does not make sense for some other body to become the registering authority. In 8.2 of the consultation it states, '(LR) will not be responsible for validating applications/entries to the LLCR'. How can a body be a registering authority without taking on the responsibility of"*

validation? Also it appears that LR will pass on any queries to LAs regarding entries revealed on searches so the register should stay with LAs.”

Others pointed out what they thought were other potential issues with the proposals. A private individual said “The Local Authority is the originating authority of data and knows what is required to be registered in the various parts of the register. This should remain the responsibility of the LA as they are the experts. Land Registry want all data to be cleansed by the LA before it is sent to them, therefore the staff would still be required at the Local Authority. Currently Local Authorities work under EIR so are entitled to charge a fee for the service provided. If the fee was transferred (sic) to LR the Local Authority would be out of pocket, something they cannot afford.”

One private individual felt that centralisation of the service would require the amendments proposed, but felt that the timing of the change around digitisation of data was important: “The centralisation of the LLC service would necessitate the amendments broadly as proposed. However the timing of this change must account for the requirement to capture the data. Until the Registers have been digitised the responsibility will need to remain with the Local Authorities and the service must not be diminished as a direct result of these amendments. Authorising LR to be the only Registering body is justified only if the entire Register is maintained.

If these changes are to be considered provision must also include the ability for the LA to challenge the Registration or non registration of a charge.”

From those in favour there were few additional comments, though one LA did say “Without this change LR would not be able to become the registering authority. Times have changed and in the modern world centralised one stop shops provide standardisation, quality of service and known deliverables to timescales. This should speed up the house buying process.

Another respondent said “One point of contact for this information - how can that be wrong?”

Another said “Changes to allow LR to become sole registering authority will enable the provision of a single channel for obtaining LLC1 results. This will improve the efficiency of the service to property sector and ultimately the public. One of the major inefficiencies that exist in the current system are that not all Local Land Charge records held by Local Authorities are in digital format. Even for those that are held digitally the quality and currency varies greatly.

As sole registering authority LR will be able to provide access to an entirely digital register which will lead to improvements in the ease by which the register is accessed, searched and reported on.

The inclusion of powers to publish information could also open up opportunities for added value products/services. It could lead to the development of innovative application areas for this data by the private sector and for the benefit of all. Publishing information where appropriate aligns to other Government initiatives such as Open Data where making data available for re-use across government and private sector can provide benefit to the wider UK economy.”

Question 12 Do you agree that Land Registry will provide Local Land Charge searches for a limited period going back 15 years?

Response	Number	Percentage of Total	Of those who responded
Yes	20	3%	4%
No	535	86%	96%
Not Sure	0	0%	0%
No answer	72	11%	

Respondents were almost unanimous in answering 'No' to this question. The vast majority pointed out that LLCs may bind a purchaser beyond a 15 year period. Many pointed out the risks that would face a purchaser if a 15 year period was implemented. Many also thought that the proposal showed LR's lack of understanding of the service.

"This is completely pointless as purchasers will still be bound by land charges prior to that. If the period proposed was 50 years the risk that a prior charge existed capable of being enforced that would be detrimental to a client might be considered small enough to manage but 15 years is no use at all" (A solicitor or other conveyancer)

Many LAs and other bodies provided data on the number of entries that would not be revealed by a search covering only a 15 year period.

English Heritage said:

"English Heritage is surprised and disappointed that it was not consulted in the preparation of the consultation document, Land Registry: Wider Powers and Local Land Charges. Whilst we do not wish to give a response to the majority of the questions in the document we are very concerned about the proposal in Question 12 that the Land Registry intend to provide Local Land Charge (LLC) search information for a limited period of only 15 years from the date of search. The proposal appears to be that the Land Registry will record, in digital, form, for the purposes of electronic searching, the last 15 years worth of Local Authority records but nothing is said as to the treatment of LLCs older than 15 years nor how a search at the Land Registry in place of the relevant Local Authority will result in an accurate return of historic LLCs.

There is no information given on why this period was chosen. Although it does not appear that there is a proposal that older LLCs will become defunct there is no information on how precisely it is intended that any interested party may become aware of them.

English Heritage is particularly concerned because the status of heritage assets such as scheduled monuments, listed buildings and conservation areas are all recorded as LLCs. On the assumption that the year 2000 will be the first cut off date for the 15 year search period we should like to draw the following examples to the Land Registry's attention:*

- a) 18,281 of the presently designated 19,851 scheduled monuments were designated before 2000,*
- b) 367,982 of the presently designated 376,645 listed building entries were designated before 2000,*
- c) there are over 9,800 conservation areas now and in 2000 approximately 8,500. Conservation areas have been estimated to contain over 1m households in total. In addition, some conservation areas have Article 4 Directions restricting some forms of Permitted Development, and these are also recorded as land charges.*

An LA said *“The Land Registry state in their consultation document that they have undertaken extensive research with local authorities, personal search companies, customers and software suppliers”, however to suggest a limit of 15 years clearly shows a fundamental lack of understanding of local land charges and the importance of the information shown in Local Authority Searches and the impact this limit would have on purchasers of properties. The sole purpose of the LLCR is to hold information on obligations which are enforceable on successive owners, by suggesting to digitise and reveal in searches going back for 15 years only will result in purchasers being totally unaware of many of these obligations. For example, should this proposal go ahead, Council has in excess of 200 Listed Buildings none of which would be revealed in an official search of the register, we have 10 conservation areas, only 4 would be revealed and we currently have 89 Section 106 agreements on the register, half of which would be removed under this proposal. This suggestion will also put extra burden on local authorities with solicitors making separate enquiries direct to local authorities looking for information going back further than the 15 years, which will also result in prolonging the conveyancing process therefore not meeting one of the Land Registry’s stated policies.*

Other respondents questioned the reasons for the period of 15 years being included in the consultation.

An LA said *“The full history can be informative and instructive when considering a house purchase, and to limit the response to an arbitrary figure simply makes Land Registry appear both lazy and greedy - they want the money but not to provide a full and proper service”*

An individual expressing a view as a conveyancing professional suggested a longer period *“I understand the reasons for limiting the period, but a 20 year period is more consistent with the Conveyancing Protocol”*

Only a very small minority of respondents agreed with the proposal.

“Local authority archive and historical records are mostly uncomputerised, so going back any further would be likely to be a huge amount of work for limited benefit to customers.” (A private individual)

An individual expressing a view as a conveyancing professional said: *“This is enough for most things and the Land Registry will need to liaise with the Council of Mortgage Lender’s Handbook and the Law Society for agreement that 15 years is best practice, so that solicitors are not held to the current liability which is not time limited.”*

Only two local authorities answered ‘Yes’ to this question, and one of those said *“However there needs to be provision for searchers who require more than this.”*

Question 13 Do you agree that sections 8 and 9 of the Local Land Charges Act 1975 should be amended as proposed?

Response	Number	Percentage of Total	Of those who responded
Strongly Agree	0	0%	0%
Agree	25	4%	5%
No opinion	37	6%	7%

Disagree	72	11%	13%
Strongly Disagree	400	64%	75%
No answer	93	15%	

This question asked whether respondents agreed with the proposal that sections 8 and 9 of the LLCA 1975 should be re-drafted under one section to cover both personal and official searches of the LLCR and should include detail relating to the following:

- applications for official searches and requests for personal searches to be submitted electronically to LR;
- searches to be for the whole of the LLCR for the relevant property and there would no longer be a register in 12 parts as this would avoid difficulties in determining under which part a charge should be registered and remove the need for searches of part of the register, and that the register would be held digitally; and
- arrangements for search facilities in compliance with EIR 2004 requirements

An overwhelming majority of respondents disagreed or strongly disagreed with the proposals.

Most thought that it was important to allow and provide for other methods of delivery, according to consumer choice. Many felt that this was important because some parties do not have access to the internet and many would prefer not to use electronic channels.

An LA said *“We feel that your proposals would be unfair and contrary to the whole movement towards open/unrestricted access to public information. It remains to be seen whether a national on-line system for personal searches would mean that information made available in this way, met the test of being “publicly available and easily accessible” to applicants in Regulation 6(1)(b) of the EIR’s. Authorities may face arguments from personal search companies that the requirements of Regulation 6 mean they are obliged to continue providing personal search facilities at their premises in the usual way, particularly if authorities are under a continuing duty to maintain, update etc. the register. Plainly, if authorities were required to do this, then staff resources would continue to be needed for this.”*

“Not everyone has access to the internet or wants access to the internet. A choice should be given for those that prefer to submit searches by post.”

Others that were against the proposal for electronic submission only, were also against the proposal for the reduction from a 12 part register to a single register. An individual expressing a view as a conveyancing professional said *“Applications should be capable of being submitted in paper. There is no reason why a search should be compulsory in electronic form. For what purpose are the 12 parts of the register being merged, other than a lack of understanding of what should go where. If the registry do not understand this they should not be taking on this role.”*

An LA who thought that the proposal to reduce the parts of the register from 12 to 1 was because it would be easier for LR said *“Whilst the majority of searches this council receives are delivered electronically (over 75%) we must be careful to allow other methods of access. A small proportion of our customers have yet to enter the electronic age and we would be unwilling to exclude any minority and are mindful not to create a ‘digital divide’ which disenfranchises any group. We must also be careful not to alienate any group with disabilities and other methods of access other than electronic must remain open. A full and concise equality impact assesment (sic) would need to be undertaken if this proposal would be implemented (sic).*

I see no justification for merging the parts of the local land charges register other than it would make it easier to compile should the Land Registry takeover.”

A private individual, also referring to the proposal to provide a citizen electronic access referred to in the Consultation, said *“Limiting access to electronic systems only could exclude the public and small conveyancers. Even the Land Registry, in its self-contradictory Impact Assessment, acknowledges this. In para 8.2. it says “Land Registry Portal Accounts... ..would be a pre-requisite for making search applications.” In para 8.5 it says “Although we hope to ultimately remove the option to apply for LLC1 searches on paper, it would not be done before some kind of citizen electronic access becomes available.” No timescale is given for this.*

The rationale given for the proposal to reduce the Local Land Charges Register from 12 parts to one is very flimsy. It appears to reflect a desire to mould the Register to Land Registry practices rather than provide a better service to customers.”

Many respondents questioned whether LR would be capable of running the proposed service and that they thought the service should remain with local authorities. One said *“LR must produce much more robust proof that they have a full grasp of LLC and the search process, and that they are able to produce a bespoke IT solution. Furthermore, they must provide assurance that they can process the large volume of transactions daily, before any changes to the LLCA 1975 can be entertained. However, it would be better to develop the system as is, rather than spend a vast amount of money developing a system for which there is no need or appetite.”*

Another LA which felt that the service should remain with them said *“Alternatively review, consult and consider repealing the entire 1975 Act and Rules and replace with a new Act, although local authorities are best placed to continue undertaking these functions. There is no evidence of dissatisfaction (sic) with local authority provision of LLC1 and Con29 searches, and maintenance of the Local Land Charges register”*

Others referred to competition and other issues:

“This question cannot be properly framed without legal opinion and empirical evidence as to its effect, which must include how EIR access will work with the PSI Re-use regime to ensure competition. I believe that HMLR has sought the opinion of OPSI and that it is suppressing this advice.” (An individual expressing a view as a conveyancing professional)

“Again this question shows a total lack of understanding regarding European Information Regulations (EIR), and the provision to allow inspection of the data free of charge by Land Registry.” (A private individual)

Only a small minority agreed with the proposals in this question:

“Assuming the register is on a database and only accessible online and is managed from a single central LR office facilities need to be available for personal searches. In practice in the past these have been needed for urgent transactions and provided the online facility is always working and is not disrupted for instance by a power cut there should be no need for this type of search. The problem of those without access to computers affects personal searches but presumably arrangements can be made for them to visit some local centre.” (An individual expressing a view as a conveyancing professional)

“The proposals do indicate that accessing information will be a more straightforward process, which will make it easier for applicants to exercise their rights under the EIR. Where information is currently made freely available by inspection, the Land Registry should ensure that the capability is not limited by any amendments.”

“There is definitely a need to simplify the registrations, although surely agents will continue to burden local authorities with EIR requests for data concerning registerable items and CON29 information. This is not dependant on LR performing the service, but could take place as part of a local reform.” (A local authority)

“This will help conveyancing to be more efficient”

An LA that agreed with this proposal made it clear that they were only in part agreement *“Agree in part, The end user/client all require a 'standard' result so we agree in part. But it won't be delivered for the whole of the local land charges search. The consumer should be able to dictate in what format they receive their results”*

Question 14 Should Land Registry take over the Local Land Charge registration functions of Local Authorities?

Response	Number	Percentage of Total	Of those who responded
Yes	29	5%	5%
No	520	83%	95%
No answer	78	12%	

Respondents were almost unanimous in answering ‘No’ to this question, with many feeling that it would lead to a poorer service in general and many citing concerns over the loss of local knowledge, fragmenting the service, job losses and local authority costs as their reasons for not supporting the proposals for LR to take over the LLC registration functions of LAs.

“We have concerns as to how Land Registry will amass the knowledge required to determine registrations and when registrations can be cancelled or amended. This function is a highly technical one carried out by trained and experienced LA officers with essential local knowledge, and Land Registry have stated no LA staff will be taken on by Land Registry, thereby ensuring that gap in local knowledge cannot be bridged. In addition, as originating authorities producing the vast majority registrations, LAs will have to maintain a database of notifications to enable accurate updates and amendments to the LLCR. This effectively would require the creation and maintenance of a duplicate register in each and every LA, managed by a team who currently carry out the official search, but with no income to cover the cost of that role. Costs and resource for such a function would have to be funded by the taxpayer if not subsidised by CON29 fees. The Local Land Charges function should accordingly remain with LAs.” (A local authority)

Another LA suggested that more efficient improvements could be achieved by targeting under-performing local authorities, saying *“The Council believes that the proposed takeover would lead to the provision of a less efficient and fragmented service that would be costly to maintain and less reliable compared to the level of service currently provided by the vast majority of existing service providers. Should there be individual under-performing authorities (sic) they should be individually targeted so as to encourage and instigate improvements where necessary at significantly less cost than the solution proposed by LR (eg as under-performing Local Planning Authorities are).*

The Council considers that the proposals will lead to a poorer and possibly more expensive service for members of the public and businesses that are involved in the purchase of property.

Members of the public/solicitors/search businesses would have to approach two organisations that would invariably result in delay, frustration, error and ambiguity.”

Others felt that the proposals could lead to a monopoly and posed a threat to the housing market and wider economy. A local authority said “Local Authorities in the vast majority of cases are the originating authority for Local Land Charge Registrations. It would be pointless to separate the originating and registering authorities. This leads to a fragmented service and is of no use to the customer. This would produce a detrimental effect to the housing market and downturn in the economy”

“No - it is not their remit.

The service may be cheaper initially due to economies of scale, but the monopoly which would result if the Land Registry was the cheapest provider would be unwelcome. The problems associated with monopolies would result - including the ability of the Land Registry (albeit unintentionally) to effectively smother and prevent future long term development of any services - lack of diversity within the market.” (An individual expressing a view as a conveyancing professional)

With regard to potential job losses, a private individual said “There is nothing to be gained nor any advantages of moving the LLC function to the LR. It works as it is, why the need to change it, when all those involved in producing the searches and receiving the searches - are satisfied with the current service.

It is not broken and does not require fixing. Why change something when there is no need too - and also making hundreds of local authority staff unemployed - many who have been working in Local Land Charges within local authority for many years. Local Land Charges is a specialised subject. The people who understand the subject are producing a service that works for both the solicitor, consumer and private search companies. The research clearly shows this.”

An LA said “There is nothing to be gained from separating the function of originating authority and registration authority which is currently the case with the vast majority of registrations.

The evidence base is very cautious about the impact it may have on private business and encourages the stance that it may in fact enhance and support the public sector in expanding. The impact assessment acknowledges redundancies in public sector at a potential cost of £5million based on an ‘estimation’ of 850 staff and at least half of these actually made redundant. We would urge you to consider the legitimacy of making these redundancies for a proposal without a sound evidence base but is based on a lot of assumptions and the actual cost and impact has not been devised sufficiently.”

Many said that the research LR undertook prior to the consultation did not show any need or desire for the registration authority and originating authority functions to be split. A private individual said “No, there is nothing to be gained from separating the function of originating authority and registration authority. Once again what does the customer want

There is no evidence from customers that this is welcomed –

Land Registry carried out research in 2011 which found:

Strong support for Land Registry to provide LLC1 and CON29 searches

Both services needed to be offered together

Overall satisfaction with current service provider was high

A Government backed guarantee didn’t automatically give Land Registry an advantage

In 2011 there was no suggestion that Land Registry would not provide both services

Land Registry carried out further research in 2013 which found:

Search process relatively simple with few significant frustrations

There is mild support for the proposal but a large minority are sitting on the fence

Satisfaction is high for current provider so there is no overwhelming desire to change

There is concern that local expertise will be lost

A fundamental question was omitted from both surveys - would you support this proposal if the Land Registry were to supply the LLC1 only??

The local authority owns the data and should remain with the local authority.

The proposal is for the Land Registry to build a new register, which will be updated by Local Authority staff either directly, or via a form sent to Land Registry. This would add another layer to the existing process!

Others referred to enquires that local authorities would receive and that this meant that proposed improved efficiencies would not be realised. An LA said *"LAs will still remain the main originator of information. Any follow-on queries raised from revealing information on a search will have to be referred to the originator of the info, i.e. the LA. This deems Land Registry a superfluous middle-man agency - and runs counter to their original efficiency strategy."*

A private individual felt that if LR is able to cancel entries, there would be inconsistency between the LLCR and the information held on local authority registers *"There are no advantages to separating the function of originating authority and registration authority, which is currently the case for the vast majority of entries on the register.*

The consultation document states at 8.2.5 "LR should have a power to cancel or amend entries of its own volition where it deems it appropriate." They will be removing entries from the register without the authorisation from the originating authority. This will surely lead to inconsistencies in the data being held against the originating authorities' registers. The CON29 responses may not match the register which will cause confusion for Solicitors."

Many others felt that LR should not have authority to cancel and amend entries at all. *"The Local Authorities should retain this function including having the sole right to cancel/amend entries. If the Land Registry registers the entries, the relevant Local Authority will have to check what information the Land Registry has included in the register, which will give rise to a duplication of effort.*

The Land Registry should not have any right to cancel/amend an entry." (A private individual)

Some respondents referred to the prototype for the service, and felt that its limited scope and results were reason for concern.

"I don't believe that the very limited scope of the prototype has provided conclusive proof that they are able to either produce a valid IT solution, or produce the volume of searches which would be required. Also, the results they have produced had a high level of errors due to the fact that they did not quality check the data. As a result, I do not believe that they have a sufficient understanding of either the volume or complexity of the task which would result in a disastrous failure." (Other)

Only 29 respondents said 'Yes' to this question. Of those, most did not provide additional comments, but a minority did.

"This proposal offers many benefits to the end user. Most noticeably holding the LLCR in electronic form. Centralisation of the register will make standardisation of data easier to achieve. It is however important that Local Authorities continue to own the raw data. Local Authorities are the experts of the data required to inform local land charges and it's important that this expertise is not lost. LR will need to make the application to register a charge easy to use so that the information flow between originating and registering authority is efficient and complete." (Other)

"The ICO supports the principle of having LLC information held centrally and made easily accessible. These changes should contribute to that aim." (Information Commissioner's Office)

The Institute of Historic Building Conservation added a reservation to their positive response, saying *“It makes sense that the service should be run as an entity. But we have a major reservation. We are concerned to understand that new registrations of land charges may take weeks to accomplish. For some registrations, such as new conservation areas which affect many properties, the risk of searches missing the relevant data because of slowness of registration process is heightened. For these and others, such as the listing of buildings, there is potential for significant civil and criminal penalties to be incurred unwittingly if registrations are slow. We wish to see the process taken over under a service specification which follows current best practice and registers new land charges within very short timescales.”*

Question 15 Can you suggest other areas that could be considered under the proposed protocols?

Many responses to this question were comments about the proposals in the consultation generally, rather than suggestions for other areas to be covered under the proposed protocols. In these, respondents reiterated comments made in response to other questions, including those relating to question 14, that the services should remain with LAs.

Some respondents expressed the view that the wording of the question indicated that LR intends to proceed with the proposals irrespective of the consultation responses. Others felt that LR should concentrate on core registration services rather than assuming responsibility for local land charge searches. Others said there was insufficient information in the consultation document to be able to respond and some suggested that the future of LR should be decided before any comment could be made.

Suggestions for other areas for consideration included some matters that would fall under wider powers (coal searches, copy documents, fixtures and fittings information). Other suggestions for consideration were as follows:

- sanctions for any LR failings
- transitional arrangements during digitisation
- guaranteed response times
- LR to indemnify local authorities for errors
- method and format of search responses
- notice of registrations
- loss of income/costs for local authorities/cost sharing
- issues with separate Service Level Agreements with local authorities
- rights for LAs to inspect the LLCR without charge and for unrestricted access to transactional data

Question 16. Do you agree that a record of appropriate dates relating to the creation of a Local Land Charge will be required in order that Land Registry can accurately maintain a Local Land Charges Register?

Response	Number	Percentage of Total	Of those who responded
----------	--------	---------------------	------------------------

Yes	329	53%	63%
No	196	31%	37%
No answer	102	16%	

A majority of respondents agreed that a record of appropriate dates will be required in order that LR can accurately maintain a LLCR.

Most thought that it was a vital prerequisite to the service and that it would follow existing good practice and many were surprised that the question was included in the consultation at all. Many pointed out that there would be risks involved if a record of appropriate dates was not included. Most of answers in the affirmative were short answers referring to the current practice.

Many also stated that although they agreed with the point made in the question, they did not agree with LR maintaining a register as proposed.

Of those that answered yes, a local authority said *“This is currently the case and for example allows searchers to know whether an apparent breach occurred before or after the charge became effective. If the date is removed conveyancers will have to make additional enquiries putting more cost onto purchasers and local authorities.”*

Another LA said *“This requirement is essential given that the failure to register the charge, and / or disclose, it does not affect the enforceability of it. Compliance with the requirements set out in section 10 of the Land Charges Act 1975 (compensation for non-registration or defective official search certificate) would not be possible without the appropriate dates being recorded.”*

Another said *“How could there not be. How could they be enforced without knowing the date they came into effect”*

Another LA thought that the question indicated a lack of LR understanding *“This is a key component of the land charge and follows existing good practice as this information is always currently provided. If not conveyancers would end up contacting Local Authorities for this information and copy documents. The mere fact the question has been raised illustrates the lack of understanding within LR of the fundamental issues the proposals give rise to.”*

One LA provided details of what they thought should be included *“Only the date of receipt and date of registration is needed. This follows existing (sic) good practice”*

Another said *“You only need record one date in the LLC register i.e. the date that the local land charge was registered. If the recording of any other dates assists the process than that would seem appropriate to record.”*

One respondent qualified their answer by saying that the consultation contained insufficient information as to how the record of dates would function.

Generally, those replying ‘No’ to this question did not agree with the consultation proposals at all, whilst others thought the question indicated that the proposals would be implemented in any event.

“The fact that this question is even being posed is worrying in itself.” (Another property

professional)

“We agree that the appropriate dates should be recorded, but not that the Land Registry should maintain the LLCR. Why would consideration be given to not recording these dates? This is simply a cost cutting exercise, and or, a method of making the transfer to HMLR simpler.” (A local authority)

“again this proposal provide less information than the current LA LLCR therefore would be another retrograde step and less information provided to the customer. Many of these proposals are geared for the LR needs and not the customer who has a right to expect improved information provision.” (A local authority)

“Regardless of which stage in the data gathering process the Land Registry were to become involved there remains a total dependency on Local authorities to supply data. The Land Registry speaks to service level agreements, but does not detail how these will be enforced. Simply signing an agreement which is imposed on Local Authorities does not mean it will be complied with.” (A private individual)

“Not required as LR should remain ‘as is’ and the ‘Stay the same’ question should be part of the Consultation process” (Another property professional)

Question 17. Do you agree that Land Registry should retain the option to insure against claims and provide compensation when a claim is valid?

Response	Number	Percentage of Total	Of those who responded
Yes	312	50%	61%
No	203	32%	39%
No answer	112	18%	

Many respondents were in favour stating that it is and should be standard good practice of insuring against claims and to provide compensation when a claim is valid, but some thought LR was certainly going to need it!

“You are already looking at covering your selves because you would not do the job properly”

“The existing good practice should continue, however indemnity insurance should not be relied on at the cost of an inferior service.”

A search provider replied “Absolutely. Unless there is to be a government indemnity for all elements of the new register (including errors or omissions caused by a local authority) there must be insurance to cover all losses potentially incurred by a person or business where there is an error or omission in the record, or an error in the selection transmission of information required for a search report. The cost of this does not appear to have been considered.

PSG has been insuring the reports that they supply for many years for the benefit of consumers and their legal representatives.”

However some respondents did query whether responsibility should remain with the originating authorities, for example:

“This raises the problem of errors. As the question points out, the present law is that a LLC is valid even if not registered but a person who suffers loss from an error can claim compensation. Most often failure to register is the fault of the LA who would therefore still have to arrange indemnity cover. If the LLCR simply reacts to information provided by LAs its exposure would be limited. However if it is proposed that the LR should have power to cancel of its own volition as suggested in 8.2.5 greater cover is needed.”

Question 18 Do you think an electronic process and providing digital information through a single registering authority will provide business with tangible benefits by being able to make LLC1 search applications by a method other than paper?

Response	Number	Percentage of Total	Of those who responded
Yes	83	13%	20%
No	332	53%	80%
No answer	212	34%	

A significant majority of respondents to this question answered ‘No’, and many others did not answer the question at all. Most of those that answered no said that electronic services were already available, with many referring to existing service providers and LR’s lack of understanding of the market.

An LA said “This service is sufficiently provided now. All local authorities accept searches through the NLIS portal and many accept searches by email or other electronic methods. However some customers still prefer to submit paper searches and should be given the choice to do so. A member of the public may choose to submit their own search and will not want to go to the trouble of setting up on line accounts in order to submit a search when they may not use the service ever again.”

Another respondent said that in light of existing services, the proposal was not an enhancement, especially when taking into account the resultant need to undertake separate CON29 enquiries *“Customers can already apply for LLC1 data electronically through the NLIS hub, so Land Registry is not justified in claiming such a function as an enhancement. More so when Land Registry acting as a single registering authority for the LLC1 means that customers have to make a new and separate application for the balance of the Con29 data from the Local Authority.*

Land Registry should also be aware of the significant proportion of the conveyancing market that value their personal relationship with their local authority and also prefer to make paper applications. This is a significant proportion of the market that would be disenfranchised by this proposal.” (Other)

“This suggests that the current market hasn’t been assessed correctly. At the moment we make LLC1 search applications available to all our clients for all Local Authorities electronically. Not one of our clients have to apply via paper.

Pretty much all search companies offer this and there is also the NLIS Hub which was built specifically for this reason.

However, it is also worth bearing in mind that approximately 20% of our orders are not received via our online service. Our online service is completely free so this shows that a lot of solicitors still like to work traditionally and would not like to be forced to do things online.”

(An individual expressing a view as a conveyancing professional)

“The market already accesses LLC1 searches using methods other than paper. Land Registry might wish to look again at what actually happens in the industry.

There is also an assumption that all Land Registry clients operate in a digital world which patently they don't. How will the Land Registry serve those clients that wish to continue ordering in paper form and receiving search results in paper form? Or is it the Land Registry's intention to dictate to its customers how they should conduct their business? and, of course, the Government has such a wonderful reputation and untarnished history in the delivery of computerised records - look at patient records in the NHS for example - flawless. I don't think so.....!" (Another property professional)

Other respondents thought that it would be more cost effective to extend existing good practice across LAs, rather than LR undertake the functions. An LA said *"These benefits already exist in many Local Authorities, including Pendle. Some Local Authorities (eg Wakefield) already provide a completely paperless service, following substantial investment over many years in IT systems for Local Land Charges. Perhaps it might be more cost effective to extend the good practice from those authorities across local government in general rather than seeking to establish an entirely new system operated by the Land Registry."*

Others felt that consumer choice should be a consideration, along with the potential for IT system downtimes and risks associated with the proposals. A private individual said *"Most councils already offer this service. Despite this there are still customers who would rather submit paper searches. After all computer systems do suffer periods of downtime. Also the number of instances of computer hackers attacking systems is increasing an (sic) hardly a day goes by without a new attack appearing in the news. The Land Registry would be a more tempting target than an individual local authority."*

Only 83 respondents answered 'Yes' to this question.

Of the respondents who saw benefits from the proposals, one said *"There are many benefits to be had through this approach. A single registering authority who are centrally holding a digital register will be able to dramatically improve upon the variations in Local Land Charge Searches that currently exists across the many Local Authorities. Standardisation of data, price and timescales will help speed up the conveyancing process for all stakeholders involved. Standardisation and digitisation of the register will improve the quality of the information. Tangible benefits will be achieved through cost savings in only having to maintain one register and in cutting out the inefficiencies in paper based registers that currently exist.*

The process by which the register is; accessed, updated and viewed needs to be straightforward and easy to use. It needs to be simple so that people can see the benefits of such an approach over the current method and want to make use of it."

(Other)

A conservation stakeholder said *"Electronic processes must be the way forward, and hybrid systems only add to costs. Some users may be disadvantaged but new initiatives in public administration cannot be based on maximum accessibility. If there are parallel procedures required to meet accessibility targets, these should be of the helpline variety."*

"Yes, there are clear cost-savings to a digital model, both for the customer and, I imagine, for the LR." (A private individual)

Another private individual thought that a more cautious approach was required, saying *"But don't expect it to happen overnight, and learn the lessons from other large-scale computing failures. Do the analysis carefully, and do the implementation piecemeal rather than all at once."*

"The tangible benefits will not be limited to business." (Other)

Some of the respondents who answered 'Yes' made similar points to some of the 'No' responses relating to consumer choice and existing services.

"Yes as currently provided by, for example NLIS. However under current legislation a paper alternative exists and this is preferred by some users. Choice must continue to be provided so as not to disadvantage some customers." (A local authority)

"This is key to the efficient delivery of the Service. A Search of the Register should be able to be undertaken in real-time. Software providers have promoted the use of electronic searches for a number of years and this should be encouraged. This proposal does not enhance the service already provided by the incumbent software providers. However to only provide an electronic service is discriminatory."
(A private individual)

Comments were also provided by some of the respondents who provided no specific answer to the question. The majority of these also referred to existing services.

"There are a numerous electronic submission channels already in place which all work very well. This proposal would add nothing to the services that are already available. If anything, it would cause more confusion." (A local authority)

Unison said *"UNISON agrees that centralisation of records could lead to economies of scale. But at present, local authorities use a range of different systems which may not be compatible with each other. Combining them may mean data has to be re-entered. This would be a costly process, and one which could involve data being entered inaccurately or becoming corrupted."*

Given that there will be one system provider for the new database, that provider would have a monopoly when the contract comes to be re-let. Can the Land Registry provide assurances that this will be considered as part of any future tendering process, so that the incumbent monopoly provider doesn't have an in-built advantage?"

"Sefton agree that there will be benefits in the provision of digital information although electronic submissions have been in place for many years. A single method for requests would be a benefit although this would not necessarily require a single registering authority."
(A local authority)

Question 19. Do you think you will need to make changes to your internal processes to make LLC1 search applications through LR channels?

Response	Number	Percentage of Total	Of those who responded
Yes	177	28%	47%
No	197	32%	53%
No answer	253	40%	

Responses to this question were more evenly split than most, with a slight majority stating that they would not have to make changes to their internal processes to make LLC1 searches through LR channels. A significant number of respondents did not answer the

question.

Of those that said they would have to make changes, many felt that they would be significant and that there were risks associated with the proposals, especially in relation to costs to local authorities and the loss of local knowledge and expertise. Other local authority responses said that the investment they had made in their systems in recent years would be lost and that the impact on resources would be significant.

“This would present a major change to the way we operate. I don't believe that the authority would continue to offer a dedicated team of staff if our income was reduced - which it inevitably would be. Expertise would be lost and the resulting information provided to Land Registry could be less reliable than is currently the case.

We would also face an increased level of follow-up enquiries for which no charge could be made as the information is covered by EIR regulations. If charges could be made for the subsequent enquiries, where would the benefit to the consumer be?” (A local authority)

“Clearly, systems would have to be put in place to ensure that the Land Registry was notified of all Local Land Charges which need to be registered, in view of the consequences under the protocol for the local authority of a failure to do so. This would be difficult at a time of reducing staff numbers and budgets.” (A local authority)

“At the moment we have a local land charges IT system that is linked to each departments information, all information for the whole authority is stored on a central system. Unless land registry is going to have a local land charges system that is capable of being linked to every differing council central system, they will need to rely on the individual departments sending information when it is available. This will lead to many complications and many opportunities for human error, the Local Authority will not be able to guarantee that Land Registry will receive every piece of information, it will be an impossible request to put into any service level agreement when you are dealing with so many pieces of information. Land Registry have already stated that they will not finance any staff to ensure information is correct and sent in a timely fashion, this will mean extra expense for the local authority with less income. The staff within departments will have no understanding of the importance of this information as they will be concentrating on their main priorities for example, planning permissions, environmental grants, enforcement notices, tree preservation orders.” (A local authority)

“Yes. This proposal would also mean discarding current publicly funded IT systems which perform satisfactorily, whilst committing millions of pounds to a major IT project whose success is far from assured and the need for which is unproven.” (A local authority)

Responses from other parties stated that the proposals would require significant changes and that there would be resultant delays and additional costs.

A private individual said *“Every private sector search provider would have to make process and system changes to accommodate the Land Registry proposals. Searches would become a two stage process with information sought from both the LR and the local authority. This would in many cases cause delays and additional cost. From the local authority perspective there will be varying work required to automate Search applications (Notifications) to LR channels. All Authorities will need to amend processes for routing Search requests to LR and also to provide LLC notices to LR. Additionally any Register entries that are not currently in electronic format will need to be captured or sent to LR for digitisation, or a process put in place for notices to be sent to LR. There is no indication in the proposal on how this would be achieved, what information is required if the source information is paper based, on maps or as text, on a GIS or as electronic data in the back office. Additionally the proposal does not indicate how this is to be paid for.”*

(individual)

An individual expressing a view as a conveyancing professional said *“we will need to separate our local search applications into two parts. We will have to find the entries revealed in the charges register from a combination of providers. We will have to seek interpretation on those charges from both the local authority (as the enforcer) and the Registry as the register holder. All you are doing is making the process harder.”*

Another property professional said *“..... would have to make process and system changes which would incur significant financial investment. In addition the conveyancing profession as a whole would have to make significant investment to accommodate the Land Registry proposals.*

As with the previous question the question seems to assume that all stakeholders require digital access; there is no provision for alternatives”

Another property professional agreed that significant change would be required, and said they had encountered problems with previous integrations with LR, saying *“..... has a long established local search hub with links to all 348 Local Authorities, providing an efficient, fully electronic service to a significant proportion of the property market as one of the top four search companies (based on Land Registry statistics). also supports the leading personal search companies to offer a fixed priced, standard format alternative to the Council search.*

On a daily basis over 1000 local search requests are handled and most are returned to our customers within 7 working days. Therefore, the proposed change would require significant change to our current processes, including investment in further IT integration with the Land Registry.

It is fair to say that past integrations with LR have not been completed without significant problems and have resulted in suffering commercial disadvantage.

Land Registry would have to adopt a far more flexible and consultative approach that recognises different commercial needs and constant change when defining any integration schema(s).”

Of those that answered ‘No’ to this question, some felt that there was insufficient information in the consultation to establish the scale of changes required

“Significant changes would be required in terms of providing information to the LR and using it as a channel. These have not been explored and in the absence of this information the consultation is very premature as no idea of the scale of change and the likely costs is to hand to help support any business case.” (A local authority)

“We feel that there is insufficient information from Land Registry relating to how the project will be administered and consequent processes to comment on the impact to Local Authorities.” (An LA)

Some felt more strongly, with many private individuals saying *“No, as we will are not likely to exist - HMLR Market Research IPSOS MORI 2013 confirms the impact on intermediaries is likely to be significant – and the least likely to survive are regional/local PSCs. That users of PSCs and intermediaries are more open to switching to Land Registry and goes on to conclude that the key concern of the intermediaries market is that the new approach will result in a monopoly and put them out of business.”*

An individual expressing a view as a conveyancing professional said *“these proposals will be likely to destroy my business by creating a monopoly.”*

A private individual said *“HMLR market research states that the least likely to survive would*

be the regional/local personal search companies (PSC's). Personally speaking, to steal someone's business with no area for competition is, I believe, Commercial theft. I felt this in 2010 when the HIP's were suspended and no compensation was given to these businesses affected/destroyed. The unprofessional proposal is ridiculous."

Another private individual felt that no changes would be required if LR listened to the consultation responses *"I won't have to if you actually listen to your consultation responses and don't go ahead with these changes."*

Some respondents that answered 'No' to the question went on to explain that changes would be required, one saying *"It is the case that virtually every private sector search provider would have to make process and system changes to accommodate the Land Registry proposals. In addition the conveyancing profession as a whole would have to make significant investment to accommodate the Land Registry proposals. The cost of this does not appear to have been considered by the Land Registry."*

Question 20. Has Land Registry correctly assessed the impact of its proposals on members of the public and businesses? Do you consider that Land Registry has missed or under-estimated any substantive impacts? If so, what are the nature and scale of these impacts?

At the consultation stage it is rare for all the impacts to be known or fully costed. This is why we asked this question.

Impact assessments examine the costs and benefits of options, and in particular government's preferred option. Since it contains the rationale for government intervention, it is not surprising that many respondents answered in detail and some comments were highly critical.

"The assessment is at best incompetent, the evidence base is deceptive; it is also littered with mistakes and inconsistencies." (Representative Body)

"I believe that they have not correctly assessed anything." (Private Individual)

"In my opinion, some of the assertions made by Land Registry are not only misleading but are also inaccurate. Feedback being reported in favour of changes, does not appear to represent the majority of the public or the organisations currently involved in this sector" (Private Individual)

There were many helpful comments about the Impact Assessment, which have caused us to make amendments. A number of costs were identified, some of which we had not fully considered. As a result new costings have been incorporated into the Impact Assessment.

Where possible the Impact Assessment was amended to reflect the views expressed by consultees.

The main impact assessment related themes that were raised in response to question 20 of the consultation document are set out below. Inevitably when trying to categorise discursive comments, an element of interpretation is necessary.

Costs associated with the 15 year rule (226 responses)

We received many detailed responses of the costs involved both locally and nationally. We would particularly like to commend the responses from Barnsley, Dartford, East Devon, Gateshead, Hastings, Plymouth and South Somerset Councils, as well as English Heritage. They all gave detailed statistics which enabled us to fully assess the impacts and decide not to proceed on this proposal. Their replies were a model that others could do well to follow when commenting on Impact Assessments.

“English Heritage is particularly concerned because the status of heritage assets such as scheduled monuments, listed buildings and conservation areas are all recorded as LLCs. On the assumption that the year 2000 will be the first cut off date for the 15 year search period we should like to draw the following examples to the Land Registry's attention:*

- a) 18,281 of the presently designated 19,851 scheduled monuments were designated before 2000,*
- b) 367,982 of the presently designated 376,645 listed building entries were designated before 2000,*
- c) there are over 9,800 conservation areas now and in 2000 approximately 8,500. Conservation areas have been estimated to contain over 1m households in total. In addition, some conservation areas have Article 4 Directions restricting some forms of Permitted Development, and these are also recorded as land charges.*

It is important that potential owners are alerted to the status of a heritage asset as this will affect the development potential of the property.

It is essential that owners are aware of the status of their property as executing unauthorised works to a scheduled monument or a listed building carry the risk of criminal liability.

It is essential that the existence and extent of a conservation area is known so that owners are aware of the need to apply for consent for demolition of an unlisted building in the area and to notify the Local Authority of works to trees.

English Heritage therefore considers the proposal for 15 year cut off period to be flawed and dangerous and is interested to see what proposals the Land Registry has to ensure that all relevant LLCs, both recent and historic, are revealed to anyone interested in a particular property.”

“The full history can be informative and instructive when considering a house purchase, and to limit the response to an arbitrary figure simply makes Land Registry appear both lazy and greedy - they want the money but not to provide a full and proper service” (Private Individual)

Splitting the CON29 and LLC1 service (220 responses)

About 92% of local searches are combined LLC1/CON29 searches. Very many respondents pointed out that there would be costs to customers if they have to order LLC1 searches from LR while having to go to LAs for the CON29 search.

“The proposed takeover of the Local Land Charges function is likely to lead to a more fragmented service, which has the potential to be more costly than the current system. The early proposals were to include all services (the LLC1 and CON29) and to produce a central register. The current proposals would not result in such a central register.” (CILEX)

“The proposals are regressive. Formerly land charges registers were maintained by county and district/borough councils and 2 searches were required in each case. The transfer of functions to district/borough have only reduced the burden on those carrying out searches. The proposed reform whereby searches are carried out at the LR and CON 29 information

is obtained from local authorities effectively returns to the previously discredited 2 search practice.” (Local Authority)

Many respondents said they could not see any benefits in splitting the service in two.

“NO They haven’t considered the full impact of this idea. How can splitting up the current system be better. The present system means that a minimum of 2 sets of information are required in order to get the information that is needed in order to make an informed decision. By splitting the system - it means you would have to apply to Land Registry for the LLC1 information and then have to apply to the Council for the CON29R Information and any CON290 information - how can this make the system easier or better when there will be two sets of information to feed into a system - two applications to make - you may well get LLC1 information back from Land Registry in a few hours but then still have to wait for the Councils information or vice a versa - how can that possibly improve the way the system is going to work.” (Private Individual)

“Leads to a more fragmented service with LLC and CON29 separate, not customer friendly.” (Local Authority)

Many LAs also explained how the CON29 and LLC1 service is integrated at their end. Often the two will be dealt with together. Therefore they said it was less efficient

“Land Registry does not appear to appreciate that processing Local Authority searches cannot readily be split into separate activities. Information on the Local Land Charges Register may start as a CON29 answer, become a Local Land Charges Register entry and then revert to a CON29 answer. Local Authorities work on both parts of a search at the same time, comparing and checking the information on both before sending a single combined reply.” (Local Authority)

It was suggested that our benefits relate to offering the CON29 service as well, while the costs solely relate to LLC1 searches. We can confirm that this is not the case.

“The Land Registry has not properly assessed the impact of splitting the LLC1 and Con29. Local Authorities will be declaring the same information in the Con29 as the register searches conducted by the Land Registry. This is likely to result in conflicting information being provided which will result in additional enquires being raised, this will delay the conveyancing process and reduce trust in official searches.” (Private Individual)

“This impact will also be exacerbated by the decision to avoid the need to supply CON29 information as part of the LLC service. The idea of doing so was clearly rejected on the basis of the cost and complexity involved in obtaining and supplying CON29 information. Customers will still need to approach two different organisations for information. They will also lose the positive impact of any improvement in speed of price made by LR on the LLC1 part of the search, given that they will need to await search results of their CON29 search before proceeding with a transaction. It is also unclear whether LAs having been deprived of the statutory duty to supply LLC1 search information, will take the decision to abandon the provision of CON29 responses (which is not a statutory duty) as this will not be cost-effective or necessary under the new regime.” (Local Authority)

Effects on business of PSCs (131 responses)

A lot of respondents expressed concerns about the effect the proposals would have on the business of personal search companies. This includes the two organisations which represent the bulk of the profession. Many people wrote to support their trade associations on this point. Some of the comments did imply that it is not so much what is proposed now,

that is LLC1 searches, but a future world in which it is feared the Land Registry would offer CON29 searches as well.

It was also pointed out that if PSCs were to fail, there would be a loss to the government from VAT and Corporation Tax paid by the companies. This was costed by IPSA at £17.64m.

“The impact on the private search industry is grossly understated given the implicit assumption that by extension the Land Registry intends to supply a complete Con29 direct to the conveyancer.” (Council of Property Search Organisations)

“I have no doubt this would put me out of business and I have staff who have mortgages to pay and children to feed. As the proposal do not actually improve anything and have been conceived from extremely dubious ‘evidence’ – which has been found to be lacking in the first instance in any case), I know that Land Registry have underestimated (or simply do not care) about me, my staff and quite frankly whether or not these proposals will actually improve anything. And they won’t. Hundreds of small and micro firms will be lost, and of course thousands of jobs for the creation of a government controlled monopoly.....”
(Property Professional)

“Personal Search Companies, despite the promised open access portals, will struggle to compete with LR envisaged price forecasts, further open competition issues.” (An LA)

“The impact of the proposal will eventually result in the decimation of an innovative, competitive search industry. Hundreds of small and micro firms will be lost, and of course thousands of jobs with no discernable benefit to the consumer” (Private Individual)

“Taking away the critical mass of the Local Search will severely reduce the economies of scale the PSCs currently employ, increasing costs and creating a barrier to competition, ultimately ending in micro, small and medium sized enterprises (“MSME”) closures.... the day a tick box is available on the HMLR web platform is the day the PSCs will cease to get any orders, along with the Local Search will go all the other associated packaged searches and over 1000 jobs will be lost, add this to the 425 predicted in LAs and approaching 1500 jobs will be lost, potentially costing government benefits payments of £101m per annum”
(Independent Personal Search Agents)

“I think it has either through incompetence or deceit failed to point out the relevant impact on the industry as this would lead to many enforced redundancies and businesses unable to continue due to the reduction in their business levels.” (Private Individual)

Risks to housing market, in particular because of a national register (122 responses)

There were a lot of concerns raised about the risk to the national housing market if all local land charges were held on one national database. Respondents felt the whole market could grind to a halt if the system went down, which would be far worse than at present where any problem would be isolated to one authority.

For others the concerns were wider. They thought the upheaval from the changes would badly affect the housing market and the wider UK economy.

“There has been a failure to assess the impact of the proposals on the housing market and the wider economy. Should something go wrong with the LR proposed model it could potentially affect transactions in all of England and Wales, whereas if something goes wrong within the LA the impact is much less far reaching.” (Local Authority)

“Neither the implementation Plan nor the Impact Assessment include details of what would happen if Land Registry, using technology that it has not even started to build, were to suffer a failure in its systems which rendered it unable to provide the service for which it would have become a monopoly provider.” (Local Authority)

“Once the Land Registry system is up and running it will be entirely reliant on the robustness of the IT systems involved. Any failure of those systems would be detrimental to the public and businesses as the ability to carry out an actual personal search would no longer exist with a paperless system.” (Local Authority)

“The Housing Market will be affected badly by these proposals. This has not been considered and neither has the effect on the wider community” (Private Individual)

Potential job losses (107 responses)

Many respondents expressed concerns that jobs would be put at risk by the proposals, both at Local Authorities and Personal Search Companies. It was suggested that the Land Registry’s figures of the number of staff working in LLC sections of local authorities may be flawed. There was also questions about whether TUPE (Transfer of Undertakings Protection of Employment) provisions will apply.

Many customers of local authorities raised concerns for the staff working there, in particular the Law Society gave very strong support for existing staff, saying how much they are valued by conveyancers.

“The impact of redundancies should not, be underestimated. Making up to half of national LLC staff redundant would result in a loss of local expertise and corporate memory. Many LLC staff have worked in the field for several years and know their locality inside out. Such local knowledge is invaluable to conveyancing solicitors who may have queries following a LLC search. This in-depth expertise could not be easily rebuilt if it were lost, and such a loss would be serious for the wider property market.” (Law Society)

“The assumption that half of the existing LC staff will be re deployed by LAs does not reflect the current climate of job cuts.” (Local Authority)

“...we are aware that when LR were obtaining this information, the enquirers were unable to specify as to whether it was FTE staff purely in relation to the LLC1 function or all involved in the LC function across the LA. Therefore this data is likely to contain a mixture of FTE, making this data invalid.” (Local Authority)

“ It will however impact on both the Land Charges staff and private search companies with the closure of departments and companies leading to thousands of job losses. LR has deliberately avoided addressing the impact on private search companies.” (Private Individual)

“No, in answer to the first question. At meetings with local authorities and at other events, the Land Registry has repeatedly stated that the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) would not apply to such a transfer of service. At no stage has the Land Registry provided local authorities with a copy of any legal advice that it has received which supports this position. It would therefore appear that the Land Registry has not properly considered the impact of TUPE, and the impact of these proposals on local authority employees, and on that basis this consultation is fundamentally flawed.” (Local Authority)

“The LLC1 is not a significant part of the search process in time and resource. Therefore the

assumption that LLC services would shed 50% of staff is unrealistic. Especially in authorities that have streamlined process and are already at 1FTE or less.” (Local Authority)

No case for change (78 responses)

This point was often made in responses to other questions too. Many respondents said that they felt the current system worked fine and there was no need for change. To support this assertion, respondents said that LR’s own polling suggested that people were satisfied with the system as it is, and that any support related to a combined CON29/LLC1 service.

The Local Land Charges Institute ran their own poll, they have published the headline figures but to our knowledge not the methodology. They say 84% of LA customers are satisfied with the service and only 9% would support the current LR proposals.

Most representative bodies questioned whether there was a case for change.

“There is no market problem that requires solving. The LRAC catalyst appears to have been artificially manufactured. The Land Registry’s own research demonstrates the current system works well and has no impact on the performance of the residential property market.” (CoPSO)

“The research conducted by Land Registry does not demonstrate that there is a problem that needs to be resolved. As a result, the Law Society cannot see that there is a real and pressing need for change in this area especially where there are other steps that Land Registry could take to improve and de-risk the system. The current system, while it is not perfect, appears to operate satisfactorily for the majority of solicitors, lenders, lessees and buyers. Concerns about searches tend to stem from the obligations to use particular providers as part of referral arrangements rather than the obtaining of search results.” (Law Society)

“The Society considers that there is no market failure in respect of the provision of the LLC1 (or indeed the CON29). There is adequate competition and choice for conveyancers and it is extremely rare that any transaction is held up as a result of waiting for searches to be returned. The SLC representative on what was the Business User Group in June 2010 has no recollection of that group being the ‘driving force’ behind the Land Registry looking at the centralisation of either the LLC1 and/or the CON29” (Society for Licensed Conveyancers)

“Comments from practitioners suggest that the mismanagement of the LLC service has been overstated by the Land Registry.” (CILEX)

“Some of the key findings from the 2011 survey:-

“Customers would not accept just the LLC1 service (without Con29). It has to be the full service or nothing” (Local Council)

“Local Authorities provide a good service with high levels of customer satisfaction.... The Land Registry proposals are akin to taking a sledgehammer to crack a nut, entailing significant upheaval and service disruption...” (Local Land Charges Institute)

Risk of more errors (77 responses)

A number of respondents referred to the outcome of the prototype system we ran at 7 authorities. They believed that it showed that the Land Registry would make more errors than is currently the case by Local Authorities.

“The Land Registry has over estimated its ability to accurately carry out automated searches. The prototype revealed a 57% error rate [sic – we think 30% was meant] from the Land Registry produced searches against the Local Authority response. Some of the data gaps can be filled, but they will not be able to match the current error rate from Local Authorities which is less than 1%. As these searches will be less accurate than the searches currently produced this will result in further enquiries by solicitors to Local Authorities and the Land Registry. This will delay the search process and cause more work for businesses. These businesses and members of the public will also lose confidence in official searches. It could also drive purchasers down the insurance route which will again add costs.” (Private Individual)

Other respondents thought errors would increase for another reason, that LR would not check the results of searches before they are issued, which is what LAs do now.

“The veracity of the LLC1 search will be seriously compromised. Local Authorities will not provide the QA they do today. Conveyancers’ ability to rely on the LLC1 will be degraded.” (Property Professional)

Effects of competition, including risk of LR monopoly (72 responses)

Many respondents feared that the proposals would result in the Land Registry having a monopoly to the detriment of the market and the general public. It was pointed out that monopolies are sui generis usually inefficient.

Again some of the concerns related to a future where it is feared the Land Registry might offer CON29 searches as well.

“It seems politically incredible that the ... government proposes to turn back the clock to the 1940s and nationalisation of the free market by creating a dominant monopoly situation where the private sector contracts from above 40% market share to below 8%. History has proven that only disastrous results from following such policies.” (IPSA)

“No regard has been paid to the state monopoly that would be created by the Land Registry extending its service to the Con29. Further were the land Registry to be privatised in due course this would create a private sector monopoly which is clearly not in the public interest.” (Private Individual)

“HMLR are not fully aware of the pitfalls that lie ahead, but they will become market dominant and as a result they will push the price up to the consumer to make up for their inefficiencies. The consumer will lose and the tax payer will be also asked to prop up HMLR. I also believe that any private search company will have an excellent chance of an anti competitive claim being successful. HMLR through their misguided proposal will end up costing the tax payer a fortune.” (Private Individual)

“The impact of the creation of a monopolistic search provider that may be privatised in the future is not assessed from the consumer perspective.” (Property Professional)

“I think the Land Registry doesn’t give a damn about the impact of their proposals. This will create a monopoly, wiping out all competition. This will negatively impact on the current suppliers of property information and allow HMLR to set their own prices to the detriment of the consumer. Without competition there will be no check on the amount HMLR can charge and prices will rise.” (Private Individual)

“These proposals would impact negatively on the property market by removing competition

in speed, cost and accuracy. Without competition, prices rise and service becomes sloppy.”
(Private Individual)

Transitional and ongoing costs for local authorities (71 responses)

Many LAs pointed out to us that they will continue to incur costs that will no longer be recovered in the fee for LLC1s. The reply from the Local Government Association was particularly helpful in setting out the issues involved and this has been reflected in the updated Impact Assessment. These included updating the register, and dealing with enquiries.

It was further feared by many respondents that LAs might choose not to offer CON29 searches in future, as they are under no statutory obligation to do so.

“The proposal does not reflect the full costs to local authorities in the impact assessment for

- collating and supplying the data under given conditions and for maintaining a database which contains the information. Land charges fees currently cover this cost but once removed, resources will not be available any longer to cover the work*
- handling enquiries about land charges when the service has been abolished and local land charges staff have been made redundant.*
- additional costs arising from split services between CON29 and land charges*
- compensation for recent investment by local authorities into local land charges services, systems and digitisation of data.*
- full TUPE arrangements for staff redundancies.”* (Local Government Association)

“There must also be a risk that some LAs will close their Land Charges departments and walk away from offering a Con29 search. This would leave the market to the personal search sector and would remove competition and choice for customers. Over the longer term, the absence of competition & choice may lead to higher Con29 charges.” (Local Authority)

“All of this consumes resources, whether it be money or officer time. On the one hand LR suggest it will provide resources whilst on the other it will seek to amend the LLC Act 1975. If the LLC Act 1975 is amended then local authorities will be under a statutory obligation to supply the data to the LR i.e we will have to put the resources in place to fund the project. This when local authority budgets are under unprecedented pressure.” (Local Authority)

“Leaving Local Authorities with responsibility for data collection and notification to this new LR fails to recognise that this removes the ‘end-to-end’ view of the process, is likely to result in experienced staff leaving (which has already started to happen) and leaves the Local Authority with no revenue to support the resource requirements they still have. (Property Professional)

One council said their experience of digitisation leads them to believe that the costs of this in the impact assessment have been grossly underestimated.

“Estimated data capture and migration costs are based on only 7 LAs. This figure looks to be a gross underestimation based on previous experience of data capture at XXX. Assistance with calculation of figures has been offered by XXX but not accepted by LR.”
(Local Council)

Prefer alternative proposals (68 responses)

Many respondents thought the problems highlighted could be resolved without LR taking over and creating a national database, in essence Option 2 in the Impact Assessment.

There were concerns that the Impact Assessment had not dealt with any alternatives to the preferred option in any detail.

This included a number of the major representative bodies.

“As stated above, the Law Society shares many of the aspirations in the paper. We agree that it is desirable to reduce the time taken in the conveyancing process and for there to be greater consistency and reduced expense. We doubt, however, that the proposals in this paper will achieve this at least in the in the short to medium term and we believe there are other potential routes to achieving what is proposed at a lower cost.” (Law Society)

“The Council considers the LR has overstated the perceived problems within the Land Charges industry and any shortcomings that do exist could be overcome by directly addressing them with underperforming authorities which would be simpler and more cost effective.” (Local Authority)

“We believe that the Land Registry has made the case for Local Land Charge reform but not that it should be the sole registering organisation and provider of this information. Furthermore applications for alterations/rectification of the LLCR should be capable of being made by the public in the same fashion as Registers of title.” (Devon and Somerset Law Society)

“The Society is concerned that the Land Registry has not considered the value that working with local authority officials has for many of its members and that there is considerable knowledge and expertise that those officials possess which the Land Registry does not (and could not).” (Society for Licensed Conveyancers)

Costs to conveyancers and the general public (61 responses)

Most of these related to the disbenefits that respondents believed would occur if LLC1 and CON29 searches were split.

The way some searches are bought in bundles at a fixed price may mean savings will not be passed on to the public.

“Many solicitors gather searches from a provider at a set price, any reduction in fees created by the Land Registry’s involvement will merely increase the profit of the package provider and this fee reduction will not reach the solicitor or the house buying public.” (Local Authority)

“Any reduction in search costs for LLC1 (max £40) is unlikely to have significant benefit to the end customer because

a) average conveyancing costs are around £400-£800 and any saving of this scale would be lost in any small adjustment in conveyancing fees (e.g. inflation, hourly rate increases)

b) as searches will be processed automatically by LR, it is likely that conveyancers will have to spend more time reviewing 'raw' data provided in searches (particularly for sub-divided properties such as flats), the cost of which is likely to be passed on to customers.” (Local Authority)

No time savings (57 responses)

And it was pointed out by many that, as the CON29 search takes longer, there would be no time savings for customers at all.

“It is the CON29 that usually delays the process. The data to reply to these questions is

usually held across many departments of the council and requires responses from each of those departments to be completed. In our own example we have to ask our Environmental Health, Housing and Planning teams for responses internally and then go to our County for Highways responses and our neighbouring authority for Building Control. We do this electronically in a single back office system and our turn around time is currently 98% in five working days. So even if LR could respond within a few minutes, unless the CON29 is made wholly electronic as part of the same proposals, the customer would not receive their full search any quicker.” (Local Authority)

“The provision of searches is not the main delay in completion of the conveyancing process – for instance, the response to enquiries and the processing of mortgage redemption requests are far more significant.”

Concerns about possible privatisation of HMLR (44 responses)

Concurrent to this consultation was another consultation organised by the Department for Business, Innovation and Skills on the future of the Land Registry. Most of the options offered involved the privatisation or part- privatisation of the Registry. Many respondents made a link between the two and assumed that this was an attempt to make the Land Registry more attractive for a potential buyer.

“The sponsors of this proposal have either been misled or are knowingly misleading others into the creation of a Government sponsored local search monopoly with the covert intention of fattening up HMLR ready for privatisation and sale. Those that will lose are the consumer, the private search industry, property professionals, and staff at HMLR and LAs” (Private Individual)

“There appears to have been no consideration of the possibility that these proposals combined with the BIS consultation could create a state monopoly followed by a private monopoly, contrary to national and European principles of fair competition.” (Property Professional)

(14) Other

Some respondents were concerned that the LR prototype was insufficient evidence of our ability to run an LLC system.

“In October 2013 local authorities processed approximately 100,000 official and 50,000 personal searches. There are currently over 20,000,000 entries on local authorities’ Registers of Local Land Charges and in October 2013 these authorities made approximately 65,000 updates to their Registers. Land Registry has taken a year to develop a prototype which in four months from July 2013 has processed an average of 500 searches per month and “processed” 1,000 charges. These charges are generally of the simplest kind, affecting only one property each. Is this enough to base their case on? Could they cope with a property boom? There has been no like for like.....The LR pilot scheme ran for a period of 12 months however dual running was only achieved during the period September to November. During the dual running period the LR processed a total of 2000 searches from 7 authorities which appears to be very low when compared to the same period Sheffield alone carried out 2512 searches. I believe the LR has underestimated the difficulties involved and the pilot scheme has failed to prove that the LR will be able to meet service needs and requirements within the proposed time scales .” (Private Individual)

There were other concerns that people would be forced to do their searches electronically.

“The proposals are for an electronic service, but many Solicitors and Conveyancers still wish to submit Search requests manually and may not have the capability of doing otherwise.” (Private Individual)

As elsewhere respondents highlighted the benefits of the local knowledge of LA LLC staff . This was mentioned by both LA staff and their customers (see Law Society comment above).

“Land Registry has under-estimated the benefits of local experience and the knowledge of Land Charges Officers. Local Land Charges Officers are able to verify data on a daily basis because of their local experience and knowledge, and the public would lose out by receiving an automated response, which has not been verified.” (An LA)

Question 21. Do you think that any other approaches to improving the provision of Local Land Charge searches should be explored? If so what are these? What would be the comparative advantages and disadvantages of any such approaches?

The majority of responses to this question related to the impact of the proposals not being sufficiently assessed and therefore related more to Question 20 of the consultation. A significant number of other responses were comments about why they did not agree with the proposals for LR involvement in LLCs in general.

We received suggestions on how the service might be improved, but the majority suggested this should be without the consultation proposals being implemented.

The majority of respondents said that the LLC service should remain with local authorities, with many saying that there is no evidence to support the proposals for change outlined in the consultation and that there was no great consumer desire for change, stating that satisfaction levels with the existing service are good, as evidenced by the results of the research undertaken for the consultation.

A private individual said *“I don't really understand why there is any need to look at any approaches to improving the provision of local land charge searches when this whole concept of there being a problem has, if not been totally made up, certainly has been over exaggerated by the Land Registry so they can push ahead with this project regardless. I would suggest that should there be any real appetite to improve the current services on offer, that someone actually looks at and understand the current process as the Land Registry has made absolutely to attempt to do this at all and appears to have been able to write a report to present to government without having to include correct facts and figures.”*

Others stated that the proposals would not produce the intended benefit and that dividing the LLC1 searches from CON29 enquiries and splitting the originating and registering authorities is without merit or reason and is an indication of LR's lack of understanding of the function.

Many said that radical reform was not required and that local authorities should be resourced to develop their services, especially for those that have not yet digitised their records, or any that are perceived to be underperforming. An LA said *“It would be preferable to resource development of the Local Authority service. It would be more cost effective to assist those Local Authorities not yet computerised, to do so. This would have the added benefit of preserving local experience and knowledge which is highly valued by the conveyancing solicitors and adds real value to the quality of response product. These Land*

Registry proposals for the past 3 years have already had a detrimental effect on the development and enhancement of the electronic service by reason of the reluctance of software suppliers to invest in an uncertain future.”

Another LA said “Yes. The proposal for a national overhaul of this statutory function in order to improve pockets of inefficiency seems disproportionate, expensive and with no perceived benefits in a time when public funding is being reduced.

Gateshead Council believe that proposals to direct government resources to specific Local Authorities, who currently under perform in the Local Land Charges function, would prove more cost effective and therefore be more advantageous. Such an approach would inevitably result in improved services for these authorities without the need to radically reform the delivery of the Local Land Charges function which will have no positive impact on customers of those authorities that perform well and who are satisfied with the existing service.”

Many others referred to the loss of LA revenue if LR provides the function and that local authorities would still incur costs under the proposed service.

Many respondents commented that implementation of the consultation proposals would be anti-competitive and would have a negative impact on the housing market and wider economy, with several referring to the loss of private sector and LA jobs and others referring to the creation of a monopoly.

One respondent said “Land Registry does not appear to have fully assessed the impact of their proposals on the housing market or the wider economy, particularly on private sector Search providers or solicitors and conveyancers who do not want to change their current Search provider and may have direct links set up to that provider. There may be costs for solicitors and conveyancers who do not currently have the facility to submit Search requests electronically. The impact on members of the public could be vast if vital information is withheld or misinterpreted by Land Registry.

Central Government has funded the National Land Information Service as a government/private sector partnership, for regulated channels to submit and receive official Local Land Charges Searches from local authorities electronically. Land Registry proposals are duplicating this channel approach, but with a fragmented service.

If proposals are implemented, the project is not due for review until 2018. No impact assessment has been carried out should Land Registry fail to provide a successful or improvement service to their customers.

The impact on local authorities has also not been fully considered; particularly with regards to staffing, liability and the impact on source departments. Financial recompense has not been determined. It is also not clear how local authorities are supposed to fund the cleansing and validation of data for the transfer to Land Registry in the first instance. It has not been shown what impact there may be on the ability of local authorities to answer CON29 enquiries without the Local Land Charges Register.”

Respondents also referred to the loss of local experience, knowledge and expertise of local authority staff and said that successful local relationships between LAs and conveyancers and other property professionals, including PSCs, would be lost. Many also referred to the proposal that LR will not validate data and the effect this may have on the quality and integrity of the data required by consumers.

Some respondents felt that standardisation and other improvements would be better achieved by legislation, rather than by the consultation proposals and that this would not

require the same level investment as the proposals and avoid the risks associated with what they felt would be a fragmented service, which would still rely on the 348 LAs to update information and provide replies to CON29 enquiries. A local authority said *“We believe that the same level of potential benefits as set out in the consultation proposals could be delivered by legislating to impose required response times for local authorities, and by imposing a standard national scale of charges. This would avoid any of the risks associated with fragmenting and over complicating the service which we believe would arise from the consultation proposals.”*

Some respondents said that LR activity in this area prior to the consultation had had a negative effect on the development of current electronic services because software developers are reluctant to invest when they do not know what the future is. Others pointed out that previous investment by local authorities in IT systems would be lost.

Some respondents stated that LR should consider providing the whole service or nothing at all. A solicitor or other conveyance said *“You should go back to considering taking the whole service. If you cannot find a way to do that you should leave what is a pretty good system well alone.”*

Others felt that the implementation of the proposals would jeopardise LR’s existing good reputation.

Other respondents suggested software improvements, with one local authority saying *“The data held in LA LLC Registers is generally held electronically elsewhere in the authority although not specifically structured to meet the requirements of a Search. Standardisation of the requirements to compile the Register would enable a standard interface to be provided from the back office systems to the LR removing the necessity for LR to capture this information. This would facilitate LR resource availability to capture the elements of the Register that are typically not captured, e.g. TPO's. Proposals have been put forward by software providers that would meet all the objectives of the Land Registry proposals but these proposals have not been included in this consultation.”*

Other suggestions made included bringing the LLCA 1975 up to date, especially with regard to being definitive as to what can be charged for and what must be provided free of charge and reducing the register to a single part. The reduction of the registers into a single part is part of the consultation proposals, referred to in Question 13 of the consultation.

Question 22. Do you have any further comments relating to this part of the consultation?

The majority of responses to this question felt that the LLC service should remain with local authorities. Most suggested that financial resources should be provided to fund improvements within the existing service, rather than involve LR. Respondents also felt that LR lacked knowledge of the LLC service and underestimated the amount of work involved in creating a centralised register and cited satisfaction levels with the current service as evidencing the fact that there was little desire or need for change on the scale proposed.

As with other questions in the consultation, many also said that it would be wrong to separate the LLC1 CON29 searches and said that implementation of the proposals would lead to a fragmented and inferior service lacking local knowledge and involving public and private sector job losses.

An LA said “We do not believe that Land Registry have clear and concise knowledge of how the Local Land Charge service works. After three years of piloting a scheme, it is concerning that they have not been able to demonstrate full understanding of operational processes; the inter-dependence between the CON29 and the LLC1 being a prime example.

Local Authorities are already in a precarious position financially. The resources that it will take to transfer information from each LA to Land Registry would be vast, both in terms of staff knowledge and expertise, and IT input. Many Land Charges officers are already searching for other jobs, believing themselves to be high risk of redundancy; local knowledge and expertise is disappearing with them.

It appears Land Registry have continually changed their aims and objectives throughout their piloting scheme. Whilst they have perceived flaws in the existing service, they have been unable to provide adequate methods by which to improve. Indeed, many of their proposals will fragment the service thus creating more time-consuming tasks for the conveyancing community.

This Authority remains firmly against Land Registry’s proposals.”

Another LA said “Yes. If the existing resources in Local Authorities were to be developed so that all LAs were computerised this would satisfy the ‘Digital By Default’ agenda whilst retaining the benefits of local experience and knowledge which customers find highly beneficial. Such a move would also send a signal to the providers and developers of such software systems that this kind of application has a long term future thus encouraging them to continue to enhance their products.”

Another LA said “ Yes - consideration could be given to a national set fee, format and turnaround time for Local Authorities to respond to the LLC1 and CON29 form. This could be regulated by a Statutory Instrument.

Resourcing development of the Local Land Charges Service within local authorities - it would be more cost effective to assist LAs not yet computerised. This would have the advantage of preserving local experience and knowledge which conveyancing solicitors rely on.

Alternatively - a mandatory National Portal/Hub Land Registry option should be reconsidered. This would act as a One Stop Shop for submissions. LA's would then receive the LLC1/Con29R request and fees, extract data and compile the certificate. The response would then be electronically sent back to the Hub for collation with data requests. Local Authorities would then continue to maintain its LLC functions - maintain the LLC Register and provide responses to a combined Local Search.”

A private individual said “Land charges themselves are the best suited to carry out improving land charges searches. It is worth pointing out that both surveys of 2011 and 2013 suggested overall satisfaction was high and that any support for the Land Registry carrying out Land Charges searches was with both the LLC1 and CON29R being carried out together. It seems unlikely that initially splitting the LLC1 and CON29R into two separate searches carried out by two different bodies will in any way improve the service or lead to standardisation or a streamlined service. Local Authorities can implement improvements without splitting the search.”

Another LA said “This Council has an efficient and effective Local Land Charges service that processes search in 5-8 days, providing customers with a good quality service. The Council is greatly concerned that this proposal could result in a diminution of the quality of service to its customers, which the fracturing of the service would clearly represent. It is of great significance that Land Registry does not include any proposals to provide a CON29 service until some future unspecified time. There are efficiencies for the Council in having a dual role in serving the public, i.e. in the provision of both LLC Register and

CON29 information. These efficiencies would be lost if half the service were to be removed from the Council. Indeed, if the proposals for the reduced service is adopted it will add to the work of the conveyancers who will need to raise additional questions.

The Council is concerned that this proposal would have a negative impact on its current and future residents and businesses. It would remove what is a successful service and replace it with a worse and possibly more expensive service. The Council is concerned that the proposed split service would be of benefit neither to the Council nor to its customers. The Council believes that there are clear advantages in keeping Local Land Charges as a local service, provided by people working within the local community and with knowledge of that community.

The Council believes this is a poorly thought-through proposal which lacks proper supporting evidence and is accompanied by a severely deficient Impact Assessment. The proposal would lead to a more fragmented, more costly and less reliable service than that which already exists and could result in a poorer service for the property-buying public and the businesses that support them.

The Council wishes the letter of 29th January 2014 from LLCI to the Minister responsible for Land Registry to be taken into account as part of this response. Land Registry has already received a copy of the letter. It is also available at www.llci.org .”

Another LA suggested that standardisation would be easily achieved by legislation and that there has been a negative impact on the development of existing services due to the proposals “Localism is at the heart of Government policy as enshrined in the Localism Act 2011 it is about providing services locally and this proposal seems to go against those principles.

It would appear that the money this project is likely to cost could be better invested in assisting Local Authorities to computerise their records thus providing a more cost effective solution all round. This would have the benefit of preserving local experience and knowledge which is highly valued by our customers.

Standardisation could be achieved very easily in relation to fees and response times by legislation – fees used to be set nationally until they were deregulated. Penalties/special measures could be imposed on those authorities who do not meet the required performance standards.

As previously stated the Land Registry proposals appear to be using a sledgehammer to crack a nut.

Providing LLC searches locally retains the local knowledge and expertise/experience that is highly regarded by local solicitors and agents alike.

We also believe that the Land Registry proposals may have already had an impact on electronic development with IT software suppliers reluctant to invest in an uncertain future.”

Some respondents thought that the proposed service may fail and that there were obvious risks associated. One said “We are concerned that the reforms as proposed may well fail. They struggle to make a case for change and we fear the change they propose would stifle rather than encourage economic growth.

Critically, such a failure would then mean that the security of a core UK data asset continues to be placed at risk and the UK information economy loses the potential boost of a liberalised dataset.

We would favour a less disruptive model that focussed on Land Registry's enabling role; utilised existing government assets and achieved the digitisation, and therefore the liberalisation of data without risking operational paralysis.

Land Registry should make clear its intent to firstly deliver and maintain a world class property registration service and secondly act as a vital catalyst for economic growth in the UK Information Economy.

In the context of this consultation, that means working with government, Local Authorities and the private sector to:

- enhance the data components of the property transfer process (digitise all Local Authority property records (not just LLC records) using (say) a 5 year levy on searches to fund a tendered digitisation project within Local Authorities).*
- improve data access by using existing government assets (ie NLIS) to help feed a single, virtual warehouse of property and transaction data managed by Land Registry and including the widest possible range of current Land Registry datasets.*
- confirm that Land Registry will not compete against the private sector in the delivery of retail products and services.*

In the wider context of the BIS consultation, this final point requires a legally enforceable commitment that would survive any transfer of ownership or responsibilities to the private sector.”

Other respondents felt that the proposals created the potential to create a monopoly. A private individual said *“The best improvement to the provision of Local Land Charge searches will come about through the current system because it is competitive. A competitive market breeds innovation whereas a Monopoly will breed stagnation and complacency”* (A private individual)

“Yes, improvement in the process is always welcome, however consideration MUST be made to the industry that already exists in the sector in a way that is complimentary and enhances the service rather than one that sets out to destroy many SME's” (Another property professional)

Other respondents made points about the nature and content of the consultation itself, with a local authority saying *“We believe that this consultation is inadequate and has not been undertaken in accordance with the Government's stated Consultation Principles. In particular, we believe the timing is wrong. We believe there ought to have been meaningful detailed formal engagement with local authorities before the proposals reached the current stage. The information published in relation to the proposals is inadequate to enable full and proper comment on the proposals. The time allowed for consultation is also inadequate - the Land Registry's website states that consultations will normally last for 12 weeks. It is not clear why a shorter period has been adopted in respect of such a significant change. We note and agree with the points made in the letter from the Local Land Charges Institute to the Minister for Business and Enterprise dated 29 January 2014. We believe that the points made in that letter require to be addressed prior to any decision to take forward the proposals which are the subject of this consultation.”*

An individual, expressing a view as a property professional, said *“Yes, but not by HMLR as they have proven to be resolute on manipulating and distorting the Impact Assessment facts, figures and evidence base to prove a ruinous business case at the expense of existing industry and the end user (consumers).”*

“This whole project should not have even reached the consultation stage. I would question how the Land Registry can consult on its own project. This whole process has not been open or transparent and it is obvious that this project will go ahead even if 100% of responses are against it.” (A private individual)

Other respondents raised the issue of local authority costs and the effect of EIR *“existing staff to meet the requirements of sending information to Land Registry, dealing with queries relating to data sent and protection of the local authority from liability claims, with either little or no income. Staff will also need to be retained to answer CON29 enquiries and it has not been shown what impact there may be on the local authorities' ability to these enquiries without the Local Land Charges Register. Land Registry do not appear to have fully assessed possible implications of the Environmental Information Regulations or Freedom of Information Act in respect of the information necessary to complete a Local Land Charges Search.”*

Some respondents provided additional suggestions, including consideration of:

- different types of CON29 for residential and commercial properties, and in respect of new and old properties
- the need for an independent review engaging local authorities and other stakeholders to identify other options to improve the service
- standardisation between local authorities
- a fast-track service for urgent enquiries
- a national League table of Local Authority performance, with higher performing authorities sharing their processes with the other authorities to help drive-up customer service and value for money across the board

4.4 Government response: Part 2 of the consultation – Local Land Charges

This section of the report sets out the Government's overall response to the replies to Part 2 of the consultation. Given the fact that:

- whilst some responses were made by reference to each of the individual consultation questions, others were made in a 'free format' without direct reference to individual questions,
- some responses were combined in relation to both parts of the consultation, and when read in conjunction, the combined responses gave rise to certain common themes,

the format of this report is to set out (within this section) a summary of those themes and, in relation to each one, the Government response. Where appropriate, details of individual responses have been set out within part 4.3 of this report.

Theme (1): *'There is no need to change the existing LLC system'*

Prior to the consultation, LR undertook extensive research and identified a lack of consistency and standardisation in the provision of LLC search results, including as to the format of search results, the speed of service and the fees charged. This currently creates issues for the conveyancing sector, particularly as LLC searches are undertaken as a matter of course within the vast majority of conveyancing transactions.

As a result of its investigations and the running of a prototype model, LR concluded that its proposals regarding LLCs would produce the following benefits:

- clear information
- improved access to electronic LLC data
- a single LLC registration authority
- LLC personal search facilities
- standard protocols
- a standardised format of LLC register and results
- transparency of costs

LR's proposal is to have an electronic LLC register and to provide electronic access. It is not intended to exclude citizens or conveyancers from accessing the system. Account will be taken of Governments Assisted Digital principles and the impacts arising out of the equality analysis.

Theme (2): *'Why is LR not proposing to incorporate the CON29 enquiries within its proposals?'*

Although LR appreciates that many conveyancers and other property professionals would prefer a model where the LR was a single point of contact for obtaining official local search results covering both LLCs and CON29 information, LR's current proposals relate only to LLCs. This is because the maintenance of the LLC register and the provision of official searches is a statutory function which can be effectively incorporated alongside LR's existing core functions and services. Government recognises LR's experience as a registration

authority which makes it suitable to take on the statutory function of holding and maintaining an LLC register. The provision of CON29 information is not a statutory function and will require further research and investigation.

In the meantime, it should be borne in mind that functions in relation to LLCs and the provision of CON29 information are already separate and distinct, so that LR's current proposals relating to LLCs will not alter this.

Theme (3): *'The division of responsibility between originating authorities and registering authorities is unnecessary and may give rise to problems'*

Although it is currently the case that LAs collectively have responsibility as both originating and registering authorities, these functions are already separate and distinct. This is reflected in the fact that in some instances, an LA may be the originating authority for a particular LLC, but not the registering authority for it; and vice versa. This distinction, between originating and registering authority, is already reflected in the LLCA 1975.

Under its LLC proposals, LR is proposing to take over responsibility only as the single registering authority. LAs will continue to have responsibility as originating authorities. As is currently the case, LAs will be the originating authorities for the vast majority of LLCs.

Theme (4): *'The 'local knowledge' provided by individual LAs under the current system will be lost if these proposals are implemented'*

As mentioned above, LAs will continue to be the originating authorities for the vast majority of LLCs, and their 'local knowledge' will therefore still be available. The need to look outside the register itself will therefore be reduced, and the need for 'local knowledge' will be correspondingly reduced. Service level protocols between LR and individual LAs will assist in ensuring the quality of data provided by LAs as originating authorities. The LLC registration system proposed by LR is intended to utilise only quality data.

In addition, there will be provision for LLC official searches to cover additional information (such as the existence of a Tree Preservation Order) on neighbouring land if sought, so that an official search need not be limited to a specific property only. Applicants for an official search can therefore obtain details of other relevant local data as required.

Theme (5): *'The implementation of the proposals will mean higher costs for LAs and end-users'*

As regards LAs, LR is undertaking a burdens assessment with the Department for Communities and Local Government to understand any burdens which LAs will incur as part of the data migration and also as part of the ongoing updates required to the LLCR so that those costs can be covered. Any financial impact will be considered as part of the burden assessment so that LR can understand its obligations towards LAs.

LR estimates suggest provision of a centralised electronic service should in fact reduce costs for end users.

Theme (6): *'The prototype model was not a success, so a new LLC register maintained by LR is not likely to succeed'*

LR's prototype was run in conjunction with a number of LAs which concluded in November 2013. A prototype is a learning tool to identify what a full system would need to achieve. The purpose of this was to prove the technology and digitisation of records and to test the effect on LR's business as a whole. It was to enable an accurate assessment of the feasibility of LR's proposals and was not intended to represent the precise model which would be used in the implementation of LR's proposals.

As with any prototype issues and problems were identified, and this reflects the nature and purpose of a prototype. It has enabled the lessons learned to be incorporated into LR's proposals, so that the scope for further issues and problems to arise when the proposals are implemented has been significantly reduced.

For example, the matching of data as between existing registers maintained by the LAs and the prototype was the subject of close scrutiny. The experience gained will now assist LR to resolve any issues, so that only high quality data is registered and maintained as part of the new system. Before migration it is intended to conduct a data cleansing exercise to ensure the accuracy of results issued by LR.

Theme (7): *'The LR's proposals, if implemented, will give rise to competition and monopoly issues'*

The keeping of the LLCR and the provision of LLC official searches are statutory functions. In this the LAs are not in competition with end-users and providers, including PSCs. It is not intended that, under the proposals, the role of LR would give rise to any competition or monopoly issues.

In particular, LR will only be taking over the role of LAs in relation to being the sole registering authority and provider of official searches. PSCs may therefore continue to provide unofficial searches, as they do now. They may also engage in such other services as may be appropriate in relation to LLCs and other data.

In addition, as with any market, that relating to LLCs needs to adapt and develop in a way that is beneficial for end-users and the property market in general.

LR engaged in dialogue with OFT (prior to OFT functions being transferred to other relevant bodies on 31 March 2014) in relation to potential LLCs competition and monopoly issues. This dialogue will be on-going.

Theme (8): *'Implementation of the LLC proposals should be deferred until the outcome of the consultation regarding the introduction of an LR service delivery company'*

The proposals in the consultation related to LR based on its current structure. The consultation published by BIS 'Introduction of a Land Registry service delivery company' (Consultation paper BIS/14/510) was a separate consultation.

The consultation on the delivery company relates to the best means of delivery of the LR Business Strategy including LLC services. The control and accountability for those services would not be affected and would remain with the CLR.

Theme (9): *'LR has given insufficient consideration to alternative options'*

Prior to the consultation, LR very carefully considered the various alternatives and options, and summarised its conclusions on these in the consultation document. LR remains of the view that its LLC proposals are the best option, in terms of achieving benefits for consumers and business and for the property market in general. The option also aligns with the Business Strategy and LR's experience as a registration authority. The background to the consultation is that, whilst LR remains committed to the continual improvement of its own services, its overall business strategy also proposes a wider role for LR in the property sector, in which it already plays a key role. The Government fully supports LR strategy and role.

Theme (10): *'LR has given insufficient consideration to the impact of its proposals within the Impact Assessment'*

A full Impact Assessment was prepared prior to the consultation and this has now been updated in the light of the responses to the consultation. The updated Impact Assessment has been published and is separately available.

LR considers that the updated Impact Assessment fully reflects the impact of its LLC proposals.

Theme (11): *'LR's proposal to limit the period covered by an official LLC search to 15 years will create problems'*

LR has taken account of the responses to the consultation and has decided not to pursue this element of its LLC proposals. The period covered by an official LLC search will not therefore be limited in this way.

Theme (12): *'LR's proposals will create problems with regard to guarantees and the payment of compensation under the LLC system'*

LR's proposals will not affect end-users in terms of the accuracy of data and the payment of compensation for errors in appropriate cases. Although the division of responsibility as between LAs (as originating authorities) and LR (as sole registering authority and provider of LLC official searches) will need to be clearly defined, this will be achieved through changes to the current legislation and the use of service level protocols as outlined in the consultation document.

Theme (13): *'LR has insufficient experience to enable it to undertake LLC services'*

LR has a long and distinguished history of public service. It is now very much at the centre of the conveyancing process, and the property market as a whole, within England and Wales. Customers have confidence in what LR does and this stems from its consistently high performance in the delivery of its existing services. This in turn gives reassurance that LR's performance in relation to LLC services will be equally high.

Theme (14): *'LR's proposal to amend the definition of an LLC in the LLCA 1975 will create problems'*

LR has taken account of the responses to the consultation and has decided not to pursue this element of its LLC proposals. The definition of an LLC search will not therefore be amended.

Theme (15): *'LRs LLC proposals do not comply with the EIR 2004'*

LR considers that the proposals do comply with the EIR 2004. It is intended that arrangements will be made so as to make the information contained within the new LLC register freely accessible for personal search purposes in accordance with the EIR 2004. LR has had dialogue with DEFRA and the Information Commissioners Office in this regard.

5. Conclusions

5.1 These proposals are set in the context of the Government's desire to build on the existing expertise of the LR and transform it into a leader in digitising land and property services and in the management and re-use of land and property data. This will be for the benefit of customers, the property market and the wider economy.

5.2 Government is grateful to all those individuals and organisations that have sent their views. As previously mentioned, the responses expressed a variety of views, many of which did not favour our proposals.

5.3 Account has been taken of all of the comments contained within the responses and as a result of the responses to the consultation, the following changes to the proposals have been made:

- The proposal to limit the period covered by an LLC official search to 15 years will not be implemented
- The proposal to simplify the definition of an LLC in the LLCA 1975 will not be implemented

5.4 After careful consideration, the Government has decided LR should proceed with the following proposals:

- That LR's current legal powers under the LRA 2002 be extended to enable it to engage in the provision of information and register services relating to land and other property, including the provision of consultancy and advisory services
- That LR should take over responsibility as the sole registering authority for LLCs to enable it to hold and maintain a composite LLCR for England and Wales and be the sole provider of LLC official search results. All charges for LLC will be set in full compliance with the guidance in HM Treasury's publication *Managing Public Money* to ensure proper Parliamentary oversight over fees.

6. Next steps

6.1 The Government will seek to take forward legislation to enable delivery of LLC services and extend CLR's powers to provide information and register services relating to land and other property, subject to Parliamentary time being available.

6.2 The Government acknowledges the areas of concern and responses set out in this report. LR will seek to work with main stakeholders as matters proceed and progress.