

Land Registry

Landnet

October 2014

44

In this issue

Land
Registry's
customer
magazine



Welcome to *Landnet* 44.

The arrival of the millionth application through our electronic Document Registration Service (e-DRS) is a landmark in the progress of our electronic services.

Seventy-six per cent of applications to change the register are currently submitted electronically and the results returned the same way.

Now we're working to bring some of the benefits of e-services to customers who make applications by post. By scanning paper applications into our system when we receive them we will be able to process them more quickly and efficiently and return the results electronically.

These changes help us make our existing services as good as they can possibly be for customers. They also lay the foundations for the new digital services we are currently developing.

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Landnet can be made available in other formats on request. If you require *Landnet* in another format, please contact Customer Support by email customersupport@landregistry.gsi.gov.uk or on 0300 006 0411.

To receive a bulletin every time *Landnet* is published, please send your name, job title and email address to gavin.curry@landregistry.gsi.gov.uk

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E-DRS reaches million-application milestone

A landmark in our electronic services was reached this autumn when the millionth application was received through our [electronic Document Registration Service \(e-DRS\)](#).

The application was lodged by Dechert LLP. Real estate partner Bill Fryzer said the global law firm was very pleased to have helped Land Registry pass the milestone.

“To have achieved this in a relatively short period of time is not only a measure of the increasing activity in the property sector, but further evidence of how technology continues to bring improvements to the ways in which we work,” he said.

Part of our preparation for becoming a digital organisation is to identify and introduce more electronic elements to our existing systems, services and processes. Where we have introduced electronic elements they are proving more popular than their paper alternatives.

The 3,000 customers who use e-DRS are able to send us electronic applications to:

- register almost all transactions and interests relating to registered property

- register and extend leases for any registered property

whether the application affects the whole or part of a property.

In March we introduced a 50 per cent fee reduction for transfers of whole, charges of whole, transfers of charges and most fixed fee applications submitted using e-DRS.

We continue to look for improvements to e-DRS and are once again working with customers to identify these improvements. We recently updated some of the user screens and introduced complementary services to the portal, such as our new MapSearch service.

Operations Manager Shane Bartlett said: “The success of e-DRS is in no small part due to the hard work that customers have put into development and enhancement of the service and we’d like to take this opportunity to say thank you to everyone who has been involved.”

Not using e-DRS?

All you need is:

- a Land Registry portal account
- the ability to scan documents.

To sign up [visit our website](#) or contact your customer team.

Join our customer research pool

Our Customer & Market Insight Team is looking to recruit customers to join a research pool.

The aim is to create an accessible and responsive pool of business customers so we can obtain insight quickly on a variety of topics relevant to them.

It will be an ongoing commitment to enable us to request participation for various research projects.

The time commitment is difficult to predict but will involve meetings by telephone, face-to-face meetings, group discussions and email feedback. Customers can withdraw from the pool at any time.

All research is conducted in line with the Market Research Society code of conduct and the Data Protection Act.

If you are interested please contact Research Analyst Sandeep Klare at sandeep.klare@landregistry.gsi.gov.uk or on 0300 006 8951.

House Price Index consultation

In September we [issued an update](#) on our work on creating a single definitive UK House Price Index (HPI) with the other producers of official house price statistics.

This month the Office for National Statistics (ONS) published the result of that work, a [consultation document](#) outlining the proposal for the creation of a definitive HPI for the UK.

The consultation, which runs until Friday 12 December, will help us to understand what our customers need from a national index. We are hopeful the new index will be available in early 2016.

Over the next few weeks the departments involved will host a series of workshops to discuss the proposed changes and the impact they will have on existing consumers of HPI data. The workshops will be held in several locations around the UK and be open to all. More details will be available soon.

Queries about the consultation should, in the first instance, be directed to ONS.

Property search firm works with Land Registry on Local Land Charges proposals

Land Registry is committed to talking to everyone with an interest in our Local Land Charges proposals as the enabling legislation continues its passage through Parliament.

Most recently our Head of Corporate Legal Services Mike Westcott-Rudd spoke at the annual conference of the Council of Property Search Organisations (CoPSO).

CoPSO is a trade association for the property search industry. Its members provide a broad range of property search reports, undertaking more than two million searches each year.

Mike gave the conference delegates an overview of our proposals to become the sole registering authority for Local Land Charges in England and Wales and answered questions from the floor.

Among the audience was Matt Joy, Sales & Marketing Director for Conveyancing Data Services.

Matt has surprised some of his peers in the property search industry by expressing support for Land Registry's proposals – but it's on the proviso they don't pass what he sees as a damaging 'tipping point'.

"Currently we have 348 different councils who are all very different in the way we are able to access their datasets," said Matt, whose company is among the top five national property search compilers.

"If Land Registry digitises those datasets it would mean our search agents who are currently driving up and down the country burning fuel, using mobile phones and getting parking tickets would be able to work from home.

"Turnaround times would be cut down drastically, the cost of searches would be cut down drastically and the environment would benefit at the same time."

Matt is working with Land Registry and the Department for Business, Innovation and Skills. A vital part of that work begins with the impact assessment on the private search market.

He believes that solicitors, conveyancers and home buyers and sellers would be the ultimate beneficiaries of our proposals.

"The local search is often the last thing a solicitor gets when it should be the first," said Matt. "That's because of the cost involved in producing it. They will hold off doing a local authority search in case the deal falls through."

The tipping point which Matt fears is if and when Land Registry starts to sell searches itself and offer a wider range of searches.

"Saying Land Registry will be a 'one-stop shop' for searches creates the impression that ultimately it will sell everything that a solicitor could want," he said. "The vast majority of solicitors already have a relationship with Land Registry so they would buy it all from Land Registry.

"That is when it becomes damaging to my business and our industry and that's why we decided we would work with Land Registry.

Matt Joy of Conveyancing Data Services

"If Land Registry stops before that tipping point it would be beneficial to our business, our customers and ultimately home buyers and sellers across England and Wales. The project would get our support rather than our resistance. More and more of my colleagues can see the benefits of it.

"I have been reassured a number of times that this project won't cross that tipping point. We have got involved to keep ourselves informed and also to get my and my industry's point of view across."

Land Registry's position is that we will provide access to the Local Land Charges data to personal search companies and ensure that obligations under the Environmental Information Regulations 2004 are met.

We will ensure that we comply with the Competition Act 1988 that prevents organisations from distorting, restricting or preventing competition.



How to help us speed up applications

The property market continues to show growth and for many of our customers this means more work. Of course this also means that Land Registry's intake of work is rising too.

We take a great deal of pride in our customer service and our people are working incredibly hard to keep pace with our intakes. However there are ways that you can help to make things move along more quickly.

- 1 Remember that substantive applications always have priority. This means that unless there is a problem with the application which prevents registration, it is guaranteed to be processed.
- 2 You can help to make the process quicker by submitting applications using our [electronic Document Registration Service \(e-DRS\)](#) which provides downloadable proof of lodgement and priority.

- 3 When collecting information about a property you can also use our free [MapSearch](#) service to quickly:
 - establish whether the land or property is registered
 - view the location of registered land or property
 - obtain title numbers, details of freehold or leasehold tenure and other registered interests
 - view the location of pending applications.
- 4 If an application becomes urgent, or is holding up a following transaction, you can contact us about it and we'll see whether there is anything we can do to expedite it. However we do ask if you can limit these to cases where there is a specific issue or pressing need.

Our new '0300' phone numbers

You can now use our new '0300' numbers for Customer Support and other services.

- Customer Support: 0300 006 0411
- Customer Support for Welsh speakers: 0300 006 0422
- Bankruptcy enquiries: 0300 006 6107
- Commercial Services team: 0300 006 0478

Our former '08' numbers for these services will be withdrawn very shortly.

Scanning paper applications

In Landnet 43 we reported that we planned to start electronically scanning paper applications at the beginning of the registration process.

Scanning has now begun for some applications and their associated documents. It enables us to handle the applications more flexibly and efficiently as electronic applications, making it much easier to direct the applications to the best places to process them and provide electronic results to the customer.

First registrations however will not be scanned. They will continue to be processed as paper applications by the four offices now handling all first registrations.

As a result of the change all postal applications are now being redirected to our scanning centre, which may mean they take up to a day longer to reach us.

You can ensure your postal applications retain daylight priority by applying for the appropriate protection, such as an official search. If you need to confirm that we have received your postal application, you can make a free daylight enquiry in the portal.

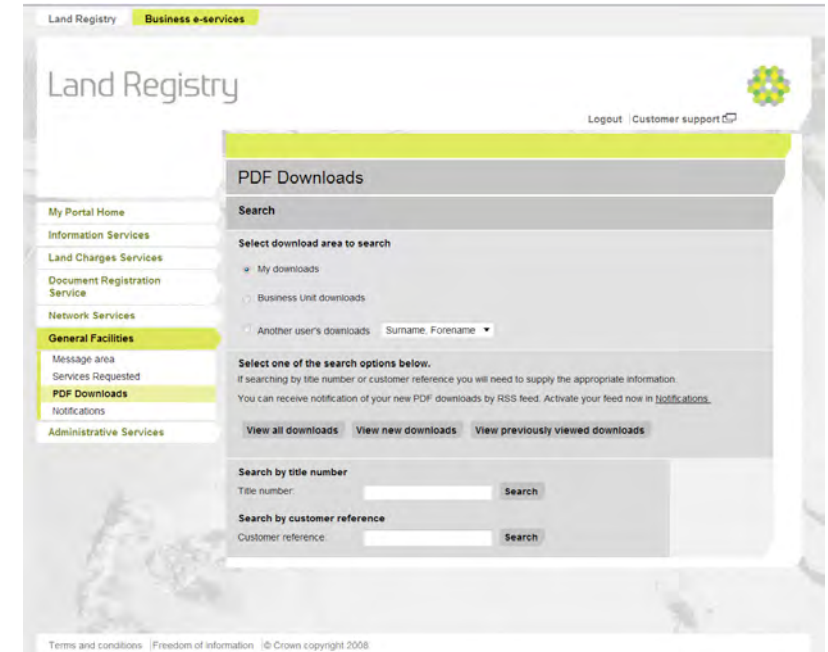
There are electronic alternatives for nearly everything customers do with us by post. You can:

- ensure your application arrives with us instantly by lodging it through the electronic Document Registration Service (e-DRS)
- make nearly all Information Services applications through the portal or Business Gateway
- find certain property details with MapSearch
- lodge letters and correspondence with us through email.

Changes to the portal

To support the new process we have been working with a range of customers to build a new PDF download area on [the portal](#) for launch this winter.

The version we are currently testing allows portal users to view all application results for their organisation or to filter by a particular individual. Individuals who send applications through e-DRS will continue to receive the result in their own personal PDF downloads area.



The test version enables access to any completed application lodged via e-DRS, Information Services or Network Services as well as any completed application lodged by post when:

- the application relates to a property already registered with us
- you supply a valid key number with the application
- any associated title plans are no larger than A3
- the application does not include any explanatory or supplementary plans.

If we cannot upload a posted application to the PDF download area, the completed results will come to you in the post as they do now.

While these changes will improve our existing services, they also lay the foundations for new services we are developing from the ground up with our customers' needs at their core.

We will keep you up to date on progress on the new download area in *Landnet* and via [our blog](#).

Property Alert proves popular in fraud fight



Alasdair Lewis, Director of Legal Services

Our early warning property fraud service Property Alert has been going strong since it was launched in March. So far more than 16,000 accounts have been created with more than 25,000 properties being monitored.

Alasdair Lewis, Director of Legal Services, said Land Registry was pleased about the sign-up rate but wanted more people to benefit.

“We introduced Property Alert to help people protect their most valuable asset – their home,” he said.

“We’re glad it has proved so popular. However, there are still many homeowners who are unaware of the risk of property fraud and how to protect themselves so we are asking people to help us spread the word.”

We recently created a short [video](#) which explains what property fraud is, who is most at risk and what they can do to protect themselves.

Please share this and the advice below with your clients so they understand the issue and know what steps they can take to help protect themselves.

How does Property Alert work?

- Customers set up a free online account at www.gov.uk/propertyfraud.
- They are able to monitor up to 10 properties. Email alerts are sent when we receive an application to change the register as well as for official searches. The customer can then judge whether or not the activity is suspicious and whether they should seek further advice.
- People who are not online can sign up by calling 0300 006 0478.

Which properties are most likely to be at risk?

- Rented properties. For example, where the landlord lives elsewhere, a tenant might try to mortgage or sell the property without the landlord’s knowledge.
- Empty properties, such as where the owner lives abroad or is in a care home.
- Where there are family disputes. For example, in a relationship breakdown someone could try to mortgage a property without their partner knowing.
- Properties without a mortgage.

How else can people protect their property?

- Make sure their property is registered. If they become an innocent victim of fraud and suffer financial loss as a consequence, they may be compensated
- Once registered, ensure we have up-to-date contact details so we can reach them easily. They can have up to three addresses in the register including an email address and/or an address abroad.
- Make a request to have a restriction entered requiring a solicitor or conveyancer to certify they are satisfied that the person selling or mortgaging the property is the true owner.

We have our own fraud detection measures which are constantly reviewed. One of our lawyers has told the story of [how we helped secure convictions in a £30 million mortgage fraud scam](#).

Property Alert has meanwhile been [shortlisted for a second award](#).

Restrictions and leasehold titles: new guidance

Following a review we have changed our practice to reduce problems that can be created by restrictions on leasehold registered titles, such as when:

- the restriction calls for the consent or certificate of a particular named lessor or management company, and that lessor or management company has changed
- the lessor or management company required to give the consent or certificate under the terms of the restriction has been dissolved.

We believe we can reduce the circumstances in which restrictions on leasehold properties cause these problems by:

- simplifying the process for cancellation or disapplication, where the lessor or the management company has changed or has been dissolved, and
- providing guidance to lessors, lessees and conveyancers that help them to apply for a form of restriction that will not create difficulties if the lessor or management company changes.

Please see our [new supplement](#) to Practice Guide 19 – *Notices, restrictions and the protection of third party interests in the register* which contains points to consider when applying for a leasehold restriction and provides guidance as to which restriction to apply for.

It recommends a restriction in standard Form PP which can be completed so it does not require the certificate of a named lessor or managing agent. This should avoid unnecessary requisitions in future should, for example, the managing agent change.

The supplement also contains guidance for complying with leasehold restrictions, applying to cancel or disapply them and how to deal with circumstances where obtaining the consent of a management company proves difficult, such as where the company has been dissolved.

Project Team Leader David Linn said: “We carried out extensive stakeholder engagement ahead of this change of practice and the response from those who replied was very positive.

“By streamlining our process this change is designed to benefit our customers as well as Land Registry and will reduce unnecessary requisitions and subsequent delays for our customers in future.”

The information in the supplement guide does not apply to cancelling

such restrictions on freehold titles, because the burden of freehold positive covenants does not run with the land and there are no equivalent provisions to those contained in the Landlord and Tenant (Covenant) Act 1995.



Creating leasehold title plans: change of practice

From 20 October we have changed the way we create title plans for the majority of leasehold registrations that involve a floor level, such as a flat.

As with all leasehold titles, the register and title plan must be read in conjunction with the lease to understand the agreement made between the original parties.

Most leases lodged for registration contain high quality digitally drawn plans that show the precise layout details of the demised properties at large scales, such as 1/100.

We are unable to produce title plans that reflect such intricacies on Ordnance Survey map extracts at much smaller scales. Therefore

the red edging on the tenant's title plan may show only the outline of the building as published on the large-scale Ordnance Survey map.

Where other areas outside of the building are included in the lease, such as parking spaces, these will continue to be shown on the tenant's title plan by red edging or other suitable reference.

On larger leasehold developments an extent for the lease being registered will be recorded on the landlord's title plan.

The graphics alongside show the extents of the flats and underground parking spaces recorded on the landlord's title plan.

By adopting this approach it will be easier to understand the position of all of the leases out of a registered title in relation to each other.

There will be exceptions to this practice change, such as those applications lodged to register a lease where part of the area demised does not fall within the red edging on the landlord's title plan.

We are also changing the wording of entry number 1 in the property register. This will now confirm the property description and also refer to the lease, details of which are

also contained within the same register. An example entry is:

"The leasehold land demised by the lease referred to below which lies within the area shown edged red on the plan of the above title filed at Land Registry and comprising the ground floor flat being 26 Regents House, Richmond Road, Cowgarth and parking space (CK3 8RN)."

Our previous mapping practice for leasehold titles was based on the Land Registration Act 1925 when leases and their plans were not as accessible as they are today.

The purpose of the title plan is to support the property description in the register by providing a pictorial representation and identifying the general extent of the land in a registered title.

All title plans show general boundaries unless the line of the boundary is shown as having been determined under section 60 of the Land Registration Act 2002.





Letters of limitation for leases and transfers of part

From Monday 17 November we will be changing the way you are informed about limitations to the registered extent of land contained in applications to substantively register leases and transfers of part.

With certified copies of deeds now being lodged in support of the vast majority of applications (in line with the document handling practice [introduced at the end of June](#)), no copy of the transfer or lease will now be returned upon completion of a registration where the extent has been limited.

You will receive a copy of the letter explaining the limitation and the plan showing the extent of the land excluded from registration. Ideally these documents should be kept with the original transfer or lease in order to explain why the registered extent differs from the extent depicted in the plan to the deed.

A copy of the letter of limitation and explanatory plan will be attached to the version of the deed that is retained by Land Registry, which can then be requested as an official copy via the usual channels.

This retained version is the version that will be relied upon for registration purposes, regardless of the existence of any original.

17.11.14

Applying for official copies: a guide for conveyancers

As we [reported in Landnet 43](#), we have been centralising the processing of pre-registration services such as official copies to single offices.

More than 64 per cent of official copy applications received through the Land Registry portal are now automatically processed and delivered directly to customers within minutes or sometimes seconds.

The other 36 per cent require some form of manual input which may result in your request taking slightly longer and in some cases several days.

In July 2008 we started scanning documents and correspondence relating to casework applications.

All documents from before this date are retained in paper files held off site in a central location and managed by a third-party provider. This means we don't always have instant access to the files which may result in your request taking slightly longer to process.

We understand that you as a customer will be faced with a number of options when ordering official copies electronically.

Our algorithm overleaf is designed to help you better understand the options available to you so you can get the best out of our systems.

Our hints and tips, including examples of applications which unfortunately result in cancellation, will also help you when placing your orders.

Hints and tips

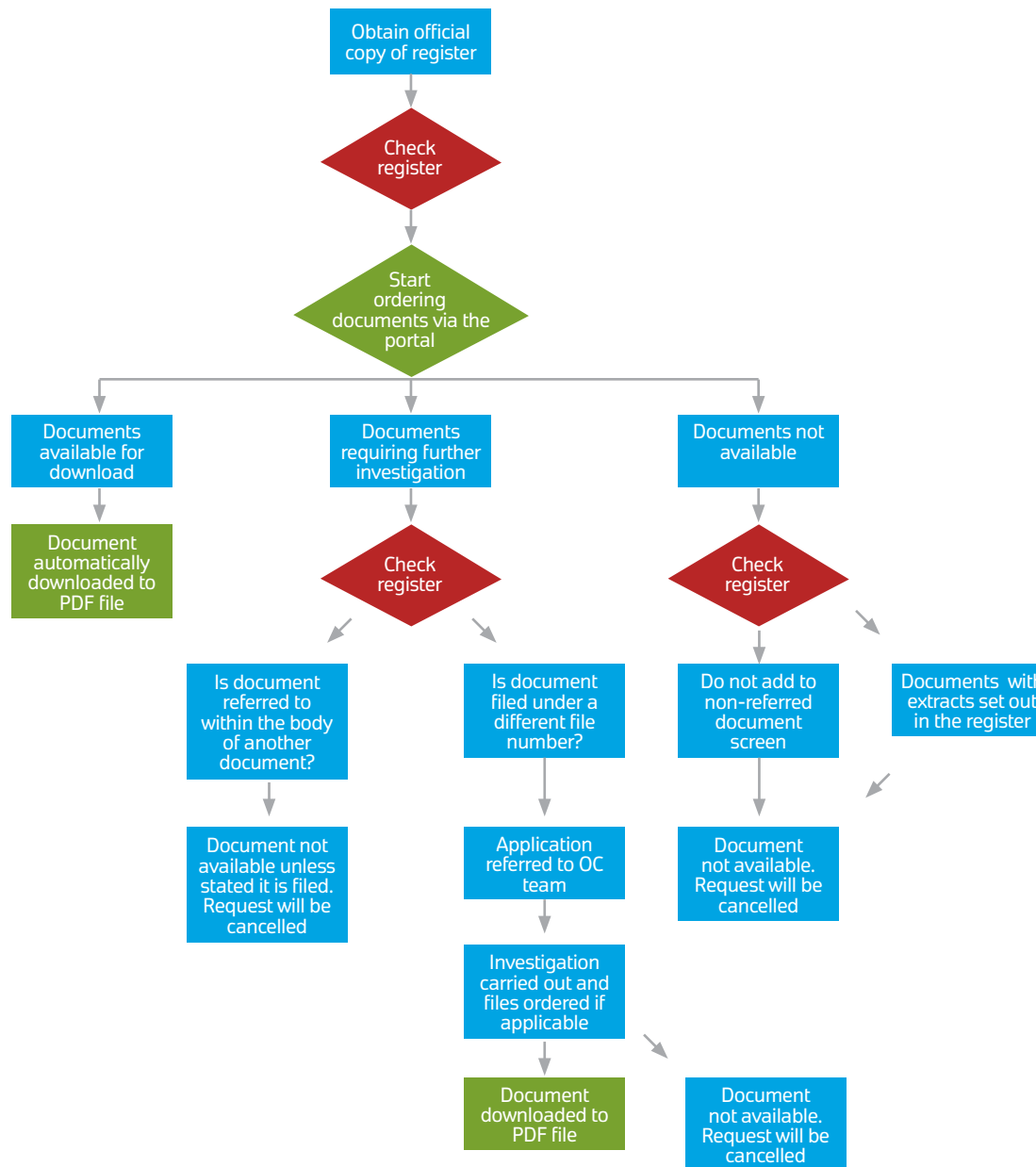
1. If you have an entry in the register which relates to more than one lease (sometimes for the same date), you may find that the portal system only provides an option for one document. You will need to order the documents as separate deeds using the 'add to non-referred documents' screen where you can provide further information such as flat number, garage or entry number in the register.
2. If you require more than one document you will need a separate request for each item. Please do not list documents required in the 'Further Information' field as the system allows for only one item to be electronically issued per request.
3. When entering any information in the 'Further Information' field please remember to look at the register and use the NOTE-descriptor such as Abstract or Conveyance filed as this may be different from the type of deed in the entry.
4. Leases registered pre-1967 are rarely available. The policy at that time did not allow for us to retain leases and most were returned to the customer.
5. If the document you require is referred to within the body of another deed in the register the document will be available only if there is a specific NOTE stating it is filed.
6. If the document is filed under a different title number it will be referred to the official copies team for further investigation. If the file does not hold any further information the application will be cancelled.
7. If the document is not available on the portal system please check the register further. If extracts of the document are set out in the register, no document will be available unless there is a specific NOTE stating that a copy is filed. Please do not add the document to the non-referred section as the application will be cancelled.
8. If you have received a letter stating that the document cannot be located or no document is held by Land

cont'd

Registry we will have already carried out a full investigation. Please do not reapply as the application will be cancelled without looking any further.

We are constantly striving to improve the portal system to assist you with your applications. We are currently working on improving the availability of documents and increasing the MB size of documents that we can issue electronically.

If you have any queries regarding the service please contact your customer team in the first instance. If you have any large applications or bulk applications of more than 300 documents please contact your customer team in advance. They will help manage the lodgement of the application to suit the needs of both parties.



Practice guides

You can find the latest versions of all our [practice guides](#) on our website.

Section 11.2 of [Practice Guide 4 – Adverse possession of registered land](#) has been amended to provide further information on encroachment by a tenant.

Section 9 of [Practice Guide 10 – Index map: official search](#) has been amended to describe when we will issue a plan with a search of the index map (SIM) result.

[Practice Guide 19A – Restrictions and leasehold properties](#) is a new guide to restrictions on registered leasehold titles and what to do when complying with a restriction causes difficulties.

Practice guides [19](#), [28](#), [35](#), [41 Supplement 3](#) and [64](#) have been amended as a result of the publication of [Practice Guide 19A](#).

Section 10 of [Practice Guide 40, supplement 2 – Preparing plans for Land Registry applications](#) has been updated to clarify our criteria for acceptance of deeds containing multiple plans when using the electronic Document Registration Service.

Section 4.1 of [Practice Guide 43 – Applications in connection with court proceedings, insolvency and tax liability](#) has been amended as a result of the Financial Services Act 2012 (Consequential Amendments) Order 2014. Section 9 has been amended as a result of the Public Bodies (Merger of the Director of Public Prosecutions and the Director of Revenue and Customs Prosecutions) Order 2014.

Annual Report and Accounts

Read our [2013/14 Annual Report and Accounts](#).

Independent Complaints Reviewer's annual report for 2013/14

Our [Independent Complaints Reviewer's annual report for 2013/14](#) describes how we responded to the issues upheld by our complaints reviewer.

Landnet archive

Read [past issues of Landnet](#).