



## Department for Business, Innovation & Skills

### Introduction of a Land Registry service delivery company: Consultation response form

This consultation response form is available electronically on the consultation page:  
[www.gov.uk/government/consultations/land-registry-new-service-delivery-company](http://www.gov.uk/government/consultations/land-registry-new-service-delivery-company)

Alternatively, this form can be submitted by email or by letter to:

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Email: [bis.lr.consultation@bis.gsi.gov.uk](mailto:bis.lr.consultation@bis.gsi.gov.uk)

This closing date for this consultation is **20 March 2014**.

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

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Please tick the box from the list below that best describes you as a respondent. This allows views to be presented by group type.

<input type="checkbox"/>	Business representative organisation/trade body
<input type="checkbox"/>	Central government
<input type="checkbox"/>	Charity or social enterprise
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Large business (over 250 staff)
<input type="checkbox"/>	Legal representative

	Local Government
	Medium business (50 to 250 staff)
	Micro business (up to 9 staff)
	Small business (10 to 49 staff)
	Trade union or staff association
<b>x</b>	Law Firm (83 partners and 337 staff)

### Question 1

Do you agree that by creating a more delivery-focused organisation at arms length from Government, Land Registry will be able to carry out its operations more efficiently and effectively for its customers?

**No**

Comments:

1. Land Registry (which is answerable to Parliament through the Department for Business Innovation and Skills) currently controls the issue of Land Registry forms which are produced under the Land Registration Rules 2003. The content of these forms have a considerable impact on land law because they impose requirements and responsibilities on conveyancers. The requirements relating to evidence of identity are an example. Although the OCLR would remain on the Rules Committee, it is not stated that the private delivery company would have no responsibility for production of forms or be unable to influence the content of the Land Registration Rules. Question 11 indicates that it might, and if it does, this is essentially undemocratic.
2. It is not clear from the consultation document how the indemnity currently provided by Land Registry will continue in respect of the delivery company. If ultimate responsibility for indemnity is with Land Registry it could result in it being liable for the acts and omissions of the delivery company over which it has no control. This could result in major additional expense to the taxpayer and will not encourage proper discharge of its functions by the delivery company.
3. When making objections or complaints the customer will have to deal with an additional layer of complaints handlers, in the form of the delivery company, before the matter can reach a final determination. This will not lead to efficiency or effectiveness.
4. At the moment Land Registry has a statutory duty to keep the register under the Land Registration Act 2002 which is reinforced by the indemnity. A delivery company outside its control to which it outsources this function will not be subject to such a statutory duty. There is a real danger that such a company would not appoint appropriate staff or maintain sufficiently high standards which would result in loss of confidence in the land registration system.

5. There is a risk that there could be a conflict of interest between the independent delivery company and its obligation to OCLR under the delivery contract. Situations could arise, particularly in respect of land owned by such a company or transactions in which it is involved, where its interests conflict with the proper keeping of the register. The independence of Land Registry and its staff is a key factor in maintaining public confidence. Nothing is said about how this would be addressed.
6. The prevalence of fraud in the land registration system makes it increasingly important that Land Registry maintains and raises its standards of delivery and remains fully responsible to the public for them. Outsourcing in other industries has seen delivery standards fall and the title to English and Welsh real estate (which is worth billions of pounds) should not be put at risk in that manner.

## Question 2

Do you agree that the OCLR should retain exclusive responsibility for the functions set out in paragraph 49?

Yes

Comments:

See above re lack of independence of delivery company and the Land Registration Rules.

## Question 3

Are there additional functions that should be retained in the OCLR? Please explain what and why.

Comments:

The outsourcing of Land Registry functions to a delivery company carries significant risks. See answers to question 1. All existing functions should remain with Land Registry

## Question 4

What are your views in respect of the proposals for shared functions set out in paragraphs 50-51?

Comments:

The outsourcing of Land Registry functions to a delivery company carries significant risks. See answers to question 1. All existing functions should remain with Land Registry.

### Question 5

What are your views on the proposed approach to service delivery company functions in paragraph 52?

Comments:

Disagree that Land Registry functions are administrative. They require careful application of land law on which title to land is dependent.

The outsourcing of Land Registry functions to a delivery company carries significant risks. See answers to question 1. All existing functions should remain with Land Registry.

### Question 6

Do you agree that the overall design provides the right checks and balances to protect the integrity of the Register and safeguard the provision of indemnities and state title guarantee? If not, please state your reasons why not.

No

Comments: See answers to question 1.

### Question 7

Would you be comfortable with non-civil servants processing land registration information provided they do so within the framework set out by the OCLR through the service contract? If not, please explain your reasons why not.

☐ No

Comments: See answers to question 1.

### Question 8

Are there any situations, other than those set out in this consultation, in which you would want to see an escalation process to the OCLR? Please explain what and why.

Comments:

The responsibility for the land registration system should remain within government and should not be outsourced.

### Question 9

Do you agree with the proposed approach for handling complaints, as set out in paragraph 56? If not, please explain your reasons why not.

☐ No

Comments:

The existence of the delivery company creates an extra layer of complaints handlers for the customer to negotiate which will add to the time and expense incurred before resolution.

### Question 10

Do you agree with the escalation process set out for objections in paragraph 56? If not, please state your reasons why not.

☐ Yes

☐ No

☐ Not sure

Comments:

A private monopoly company should have no part in review of its own acts or omissions in the event of an objection.

### Question 11

Do you think the Rule Committee should include a representative from the service delivery company? Please explain why or why not.

No

Comments:

A private monopoly company should not be involved in setting legislation. See above.

### Question 12

The Data Protection Act will protect personal data that is provided to the service delivery company. Would you like to see any protections beyond this, and if so please explain what and why?

Yes

Comments:

A private limited company should not have access to personal data as it is open to misuse/ conflicts.

### Question 13

What are your views on the proposed system for safeguarding customer service issues and the continued role of the Independent Complaints Reviewer?

Comments:

Generally consider the proposals present a grave threat to standards of delivery. The existing system should remain.

### Question 14

Do you think there is a difference between the opportunities and risks depending on whether operational control over the service delivery company is entrusted to Government or a private sector company? If yes, what?

No

Comments: Although on the face of it there would be greater public protection if the delivery company remains operationally controlled by the government, there is little point in setting up the company unless the ultimate intention is to privatise it. Once it comes into existence, that is always the risk.

### Question 15

Do you think there is a difference between the opportunities or risks depending on whether the service delivery company is owned by the Government or a private sector company or both? If yes, please explain your reasons.

No

Comments:

Although on the face of it there would be greater public protection if the delivery company remains owned by the government, there is little point in setting up the company unless the ultimate intention is to privatise it. Once it comes into existence, that is always the risk.

### Question 16

What do you think are the constraints and dependencies for Land Registry's successful delivery of the business strategy?

Comments:

The business strategy is irrelevant in the context of the prevalence of land registration fraud which will give rise to increasing indemnity liabilities.

### Question 17

Do you have any other comments on the proposals contained in this consultation?

Comments:

The sale proceeds from the privatisation of the delivery company will be dwarfed by claims on the indemnity fund if this proposal goes ahead.

### Question 18

Do you have any other comments that might aid the consultation process as a whole? Please use this space for any general comments you may have. Comments on the layout of this consultation would also be welcome.

Comments

Thank you for your views on this consultation. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply x ☐

At BIS we carry out our research on many different topics and consultations. As your views are valuable to us, would it be okay if we were to contact you again from time to time either for research or to send through consultation documents?

☐ Yes                      x ☐ No



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