



Response form: consultation on moving Land Registry operations to the private sector

The consultation is available at: <http://www.gov.uk/government/consultations/land-registry-moving-operations-to-the-private-sector>

The closing date for responses is 26 May 2016.

Please return completed forms to:

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If you want information, including personal data, that you provide to be treated in confidence, please explain to us what information you would like to be treated as confidential and why you regard the information as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

I want my response to be treated as confidential

Comments:

Questions

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	Respondent type
<input checked="" type="checkbox"/>	Business representative organisation/trade body

	Respondent type
<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
<input type="checkbox"/>	Local government
<input type="checkbox"/>	Medium business (50 to 250 staff)
<input type="checkbox"/>	Micro business (up to 9 staff)
<input type="checkbox"/>	Small business (10 to 49 staff)
<input type="checkbox"/>	Trade union or staff association
<input type="checkbox"/>	Other (please describe)

1. Do you agree that the ownership of the Registers should remain in government?

Yes No Not sure

Comments:

NAEA agrees that the ownership of the Registers should remain in government. The Land Registry plays an important role in the UK's property market and we do not want to see unnecessary changes jeopardise the service to home buyers and secure lending, which the current procedures allow.

2. What steps should government take and what safeguards should it put in place to ensure continued and improved access to high-quality and reliable Land Registry data?

Comments:

Whilst we understand that the Registers will remain in public ownership, if Land Registry operations were to move to the private sector, the NAEA is uncertain how accountable this provider would be. For instance, would they be subject to Freedom of Information requests? We also have concerns about the data being monetised and whether it would be sold on to third parties.

The Land Registry holds the records of land and property ownership in England and Wales. If Land Registry operations move to the private sector we are concerned about

transparency. We would like to see safeguards put in place to protect against any possible conflicts of interests. For instance, if the land registration of a property owned by a company was connected to the private sector operator of the Land Registry.

3. How could government use this opportunity to improve the quality and accessibility of data produced by Land Registry for all sectors of the economy?

Comments:

On Page 11 of the Consultation Document it says, ‘the next stage of the transformation is to move to a truly digital organisation.’ However, an explanation has not been provided as to why the Government cannot digitalise the Land Registry. Furthermore, we have concerns that not all users will be able to access the service fully because broadband still needs to be dramatically improved in some rural locations.

NAEA would like ensures that rules will be in place for the release of additional data. We believe that foreign companies who want to buy land or property in England and Wales should have to provide beneficial ownership information or declare that there are no people with significant control. This is important for estate agents because we know that members often report difficulties in determining the (ultimate) beneficial owner when a property is owned by a trust or corporate entity, particularly when it is a non-UK trust or company.

Under Money Laundering Regulations there is no legal requirement for the ultimate owners of property to be publically available in the Land Registry. The Land Registry only lists legal owners, such as UK companies and entities registered in tax havens. NAEA is pleased that the UK Government has decided to extend the public register of beneficial ownership to foreign companies purchasing property in the UK. However, we also believe that the Land Register must be able to distinguish between residential and commercial properties in order to make it easier for estate agents to verify and ascertain information on the seller as well as the buyer. Under private sector operations would this change be possible?

4. On what basis should government manage the relationship with a privately owned Land Registry to ensure Land Registry meets, as far as is reasonable, the data quality and availability requirements of all stakeholders?

Comments:

NAEA is concerned about the future independence of the land registry if operations move to the private sector. The housing sector has trust and confidence in the current service provided by the Land Registry because the data is accurate. We would not like to see a private sector operator acting on commercial rather than public interests.

5. Do you agree that the suggested safeguards should be included in any model?

Yes No Not sure

Comments:

NAEA would like to see further details about the suggested safeguards across all options. For instance, as outlined on Page 19 of the Consultation Document, we would like further details about who would be the group of individuals with an understanding of land registration that would remain in government to ensure the private operator delivers against its commitments? We would also like to know what would happen if these people left?

6. Are there any other safeguards that you think should be included?

Yes No Not sure

Comments:

We do not have anything further to add other than what we said in our response to Question 5.

7. Do you agree with the preferred option?

Yes No Not sure

Comments:

Please refer back to our responses to Questions 1 and 2 as to why NAEA is concerned about the preferred option. Essentially, we have reservations about moving Land Registry operations to the private sector because it will replace the existing service and how it currently functions.

In addition, we would argue that the Land Registry is vital to housing supply and home ownership. We believe that the open data currently provided by the Land Registry will become increasingly important for governments and local authorities in relation to the planning of new housing developments. The UK has a housing shortage and the Land Registry must be able to continue to provide valuable information in order to help improve the planning system and contribute to speeding up the housebuilding process.

8. What are your reasons for your answer to question 7?

Comments:

Apart from what we have said already we are also concerned about the day-to-day operations and interactions between the Government as owner of Registers and a private sector operator for the Land Registry under the preferred option. For instance, what insurance has been put in place that the data will remain accessible if the private sector operator goes bust and is unable to operate? Or that there are additional costs that have not been accounted for.

9. Do you think an alternative model would be better and why?

Yes No Not sure

Comments:

The alternative model that we would like to see is to keep the status quo. NAEA acknowledges that the Government's preferred plan is to move Land Registry operations to the private sector. However, we would caution against the Government's view that private investment will bring in expert skills. The impartiality and expertise of specialised staff at the Land Registry is what makes the service so valuable and respected; we would not like this to be compromised.

10. Are there other key costs and benefits that you think we might have missed?

Yes No Not sure

Comments:

We have nothing further to add.

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

Comments:

The format to respond is very good and the ten questions has allowed our answers to be succinct.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply

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 No

BIS/15/165/RF