



Land Registry User Group

Minutes of Meeting

Date : Wednesday 23 September 2020
Time : 11.00 am
Venue : Ceremonies Room, Registries Building

Present: Nicholas Arculus, Land Registrar, (Chairman)
Stephen Castle, Corlett Bolton (SC) Edward Clague, Ag Registrar General
Carol Young, M&P (CY) (AgRG)
Juan Moore, IOMLS (JM) Graham Kirkpatrick, Dandara Group
James Kennaugh, Mann Benham (JK) (GK)
Paul Shimmin, AGC (PS) Alex Poole-Wilson, Cains, (APW)
Alex Mitchell, LVW Law Limited (AM) Nigel Lewney, Registries Manager
Martin Paterson, Bridson Halsall (MP) (NL)
Jenni Thomas, Dickinson Cruikshank
(JT)

Apologies:

Tracy McQuillan, AGC
Michael Crowe, IOM Finance Agency
Lauren Hide, IOM Finance Agency
Jeanette Caster, Mann Benham
Shona Quayle, Long & Humphrey (SQ)
Ray Marley, Callin Wild (RM)
Ruth Ledger, Pringle Law (RL)

1. Welcome, introduction and apologies.

The Chairman welcomed users to the fourth meeting of LRUG for 2020. Receipt of apologies was noted from those unable to attend.

2. The minutes of the meeting of 1 July 2020 were approved without comment.

The Chairman confirmed he would upload these minutes after this meeting.

3. Matters arising from meeting of 1 July 2020.

1) Manx Utility burdens.

The Chairman confirmed that consideration of various matters raised in relation to MU register entries remained with him to progress. A national state of emergency had intervened. The matter remained ON HOLD.

2) Green Island Polygons. The Chairman acknowledged the input of the members in last meetings full and open dialogue. The members of AGC had been unable to attend in July and so the Chairman and Nigel Lewney had taken a similar presentation to them in Chambers. The Chairman relayed that AGC conveyancers had also thought more should be done to ensure the replacement symbology/methodology for Green Island Polygons was sufficiently clear. The Land Registry had yet to formulate a response but would do so.

3) Treasury fee waiver expires 25 September 2020. The Chairman reminded members that applications for extension for the time for compulsory registration in Form 99 where the delay was caused by Covid-19 disruption had been granted a fee waive by the Treasury. This will expire on 25 September.

4. Land Registry Update:

(a) Workflow statistics

NL reported that as at close of business on the 22 September 2020, the Land Registry had 824 applications of which 118 were out awaiting advocate's approval.

In terms of the age profile of the outstanding applications, NL provided the following breakdown:

- 2016 - 1
- 2017 - 2
- 2018 - 2
- 2019 - 177, 33 of which are awaiting advocate's approval
- 2020 - 642, 85 of which are awaiting advocate's approval

NL added that 214 applications had been received so far in September, this making 2,153 in total in 2020 so far.

Of the 214 applications received in September, 52 were first registration applications whereas 94 related to Transfers of Whole of registered land. By comparison, so far in 2020 571 applications for first registration had been received compared to 578 Transfers of Whole.

NL mentioned that the Deeds Registry had also been very busy recently, adding that prior to the Online Deeds and Probate Service going live at the end of January 2020 the number of deeds requisitioned at the public counter was on average 30 per day. NL reported that since the start of August, on average 42 deeds a day have been purchased online with approximately a further 10 a day being requisitioned at the counter. NL explained that when deeds are requisitioned at the counter, Registry staff now index and scan the document onto the Online Service before filing it away again.

NL added that the option to request deeds to be added to the online system appears to be working well, approximately 15 a day being requested in this manner.

(b) Workload

The Land Registry have allocated a back office team to address the age profile of applications. At the last meeting the Registrar had been asked to report on the age profile of applications. He agreed to circulate figures in these minutes.

Age profiles: Note -818 is the total number of applications in this report.

Applications over m months old, m	Number of applications
0	818
1	586
2	447
3	396
6	316
9	179
12	114
15	27
18	10 as below plus 2 with Registrar and 3 almost completing.
24	5 -as below plus 2 others (1 about to complete)
36	3 (hearings)

(c) User feedback

NL reported that the issues relating to the downtime of the Title Locator during this period had now been addressed. The Chairman stated his gratitude for members of the profession for identifying this. The error was a simple one and easily rectified but it was not reported to us as it should have been (by Govt's internal IT Section) that the daily update was not occurring. A system has now been put in place to avoid a repeat of this.

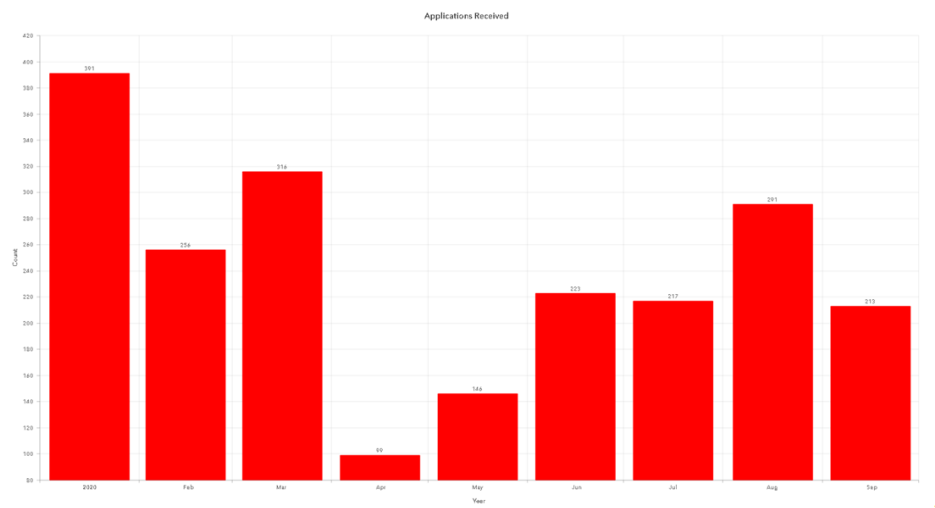
NL also reported on an error on the online search output relating to minutes that had also been addressed quickly. NL thanked users for raising issues like this quickly.

(d) Property market update from Members

Members reported a lively and continuing property market and an increase in instructions. Higher value houses seemed to be benefitting from a quicken market appetite, with members commenting that a large percentage of purchasers had been from off-Island and a number being cash buyers. The Chairman illustrated by reference to the graph showing the number of applications received by month this year that Land Registry

evidence didn't support the reported position of a return to normal market conditions or even an improvement yet. Members felt it was likely that the Land Registry would be experiencing a growing demand before Christmas.

Applications Received: 2020-Jan-Sept 22nd, 2152 in total. 642 remain active, 1510 have been processed.⁹



5. Request for transactional data made by Finance Isle of Man. (Lauren Hide).

Lauren Hide was prevented from attending due to illness. The Land Registrar introduced the topic by reference to the Department for Enterprise and the Department of Economic Affairs request for additional transactional data to address a perceived lag in data reaching the Land Registry. The CEO of the Law Society had circulated the request to his members.

The Acting Registrar General summed up that Government is looking for indicators relating to the state of the economy and is keen to have a greater insight into the state of the housing market and is looking to better understand the current state of the economy to ensure support is targeted where it can be most effective.

Those members present said that due to current workloads they did not have any spare capacity to obtain the information requested. Members suggested contacting Estate Agents for the information.

There were also concerns about client confidentiality although it was conceded that reporting could probably be conducted on an anonymised basis without breaking rules on client confidentiality. The Land Registrar commented that there would be ways to ensure this was observed - perhaps for example by organising reports through the Law Society.

The Land Registrar mentioned the concept that if there was a benefit to them doing so they would consider a report if it was in the client interest.

The Land Registrar mentioned the need to report home moves for the purposes of taxation and vehicle licencing and healthcare etc. Would it be attractive if this was centralised? The members of the panel referred to an existing obligation under the Rates Act which requires new buyers to notify Treasury of a change of address.

Post-meeting information supplied by GK -The Rating and Valuation Act 1953

69A Notification of change in occupier

Any person who without reasonable excuse fails, within 28 days of the day on which he begins to be the occupier of a rated property, to notify the rating authority in writing of –

(a) his name and address, and

(b) the description of the property in question,

shall be guilty of an offence and liable on summary conviction to a fine not exceeding £500.

Members *already* make this report and could be invited to submit non-compulsory information if an online tool was built which benefitted their clients.

Rates

Since Rates should be notified of transactions within 28 days and have a usual set of information relating to rateable values that would allow at least some appreciable statistics of transaction volumes and values. The information should be broadly comprehensive and up-to-date to within 28 days -many reports are made earlier. An online reporting tool would make it easier for Advocates to fire off their reports on the actual day of completion.

Land Registry data

The Land Registrar discussed that the 3 month delay in data referred to by Lauren in her communication to the profession owed its history to the time period for compulsory first registration. The Land Registrar reminded advocates that this is the **deadline** for making applications rather than being the recommended period and that a prudent advocate would submit applications as rapidly as possible. There was no comparable deadline in registered conveyancing, the assumption being that registration will be effected as soon as possible and certainly within a priority period. There was a discussion of the use of priority applications and a similar protection that could be gained by the use of cautions against registration. Generally, a Land Registry would expect to have a reasonable appreciation in advance of likely transactions because a prudent conveyancer would perform priority searches. The Land Registrar was reminded that when the Land Registry system was first created the systems could not accommodate Priority Searches in the manner that was perhaps anticipated and that the Registrar had told advocates not to make applications for priority searches. The Registrar states that this was no longer the case. The Registrar when he was

a practicing conveyancer had performed priority applications routinely and felt confident it would be regarded as a basic requirement for a prudent advocate if any loss resulted from a failure to obtain priority protection. The Land Registrar expressed a view that the UK Finance Mortgage Lender's Handbook for Conveyancers seemed not to require a priority search to be conducted in insular conveyancing practice. GK comment that his interpretation was that the Handbook did in fact require priority searches to be performed where necessary and he too felt that it would be a necessity for a prudent conveyancer in most circumstances.

APW raised that a longer priority period would be advantageous. The Land Registry said that priority can already be renewed and that 30 days ought to be enough, but that if an increase (which would require a rule change) would encourage uptake of this service then he would consider it.

Action: The Land Registrar will produce a statement of practice relating to how to perform priority searches in the Land Registry. Visibility of priority search outputs on the TitleLocator to be confirmed.

6. **Land Registry Systems updates.**
 - 1) **Online search and purchase progress and demonstration. Client account referencing?**
 - 2) **Searching Deed indices online.**

6.1 Online search and purchase progress and demonstration. Client account referencing?

Colin Falconer provided Members with a good demonstration of how the next iteration of online service development would appear. From the TitleLocator product users would be able to purchase office copies. The proposals were viewed favourably and the TitleLocator itself was seen as a very useful product. CF explained there was a delay as some data was in word and rtf format and the Registry had said it did not want electronic outputs to be in these format. Three core points were discussed:

1. More layers to be added to the TitleLocator. The County Series maps layers were really useful. Woods Atlas and the PROW map layers were also recommended as the logical next layers.
2. Historic Office Copies. CF asked if these were necessary. Members felt they should be purchasable. CF explained that they would appear in exactly the same format as current office copies ie without any "Historic Copy" watermarking. The Land Registrar explained he was unwilling to allow this - notwithstanding that this is the format currently outputted in paper copy. Members agreed that it created an environment for fraud if historic copies were indistinguishable from current copies. But if it was expensive it was possible to proceed without this.

3. Client account referencing. CF explained that the Land Registrar had raised a concern that the payment methodology in both the Online system for the Deeds Registry and the proposed online purchase system for the Land Registry was devoid of any facility enabling advocates to enter client references so that they could reconcile disbursements to client a/c or overheads to office. The Land Registrar explained that there would be a significant cost to reconfiguring the whole of the Government's online services platform. Members explained that they had devised internal solutions to this weakness in the Government system. Members felt that for their purposes they would be able to cope without the development of a solution to this shortcoming,

6.2 Searching Deed indices online.

During the emergency closure of the Registries building to users, the Land Registry had been able to continue providing all of its statutory services often in innovative ways. The TitleLocator had formed part of this. The Deed Registry had been unable to provide its services in making available the Grantor and Grantee indices. Deeds scanned back to around 1982 were already indexed and could be searched on the new online service but the prohibition on allowing access to the building had rendered Grantor and Grantee indices searches impossible. Into this void the Registry staff had been providing remote assistance in searching the Indices when advocates were able to provide details of the parties and parishes etc. Having recognised this gap in what could be delivered remotely, the Registry are now building a page that will allow members to view reproductions of the Grantor/Grantee books online. A beta was demonstrated to members by the Land Registrar and this received popular support and a useful additional tool.

Members asked if it would be the Grantor **and** Grantee indices. The Chairman said that initially it would be done back to 1981 in the Grantor indices as this would allow the removal of a number of books from the public counter area. Thereafter the scanning work -which is a considerable undertaking, would be undertaken in a parish by parish order, starting with Onchan then Braddan then German then Michael then Lezayre (unless Members had alternative suggestions). Once the Grantor books had been done then the Grantee books could be done. Members thought that order sounded appropriate and would look forward to developments.

7. Requests for searches of the Deed indices to be performed by Registry staff to be suspended.

In this brief item the Land Registrar explained that as a consequence of the high workloads in the Land Registry the current solution of Registry staff performing searching of the Grantor/Grantee indices would be suspended from the end of the September 2020 as the Land Registry no longer had the capacity to continue providing this service.

8. Applications including Appurtenance and Burdens. Electronic Appendices F and G including definitions. Members reminded of PD02/2006 requiring definitions to be submitted within the Appendices. Do applicants require greater clarification?

The Land Registrar returned to this item from the July meeting. There had been no improvement in the standard of some submissions. The Land Registrar stressed that the Land Registry relies on the quality of submissions from applicants. If applications require requisitions this inevitably causes delays. In some cases the Land Registry were effectively having to revert to applicants with detailed commentary on the applicability of Burdens or Appurtenances and engaging in lengthy dialogues when requisitions or Registrar advice on quite simple legal principles was not heeded. Inevitably this leads to those applications taking longer to progress specifically and has a knock on effect across the general workload of the service.

The CEO of IOMLS suggested this was a training need and could be added to broader discussions about advocate training and professional development. CY recalled that Mr Carnson had previously provided a workshop to clerks on the completion of this forms. The Chairman offered to recommence these courses if there was a demand for them.

The Chairman also raised the issue of the next practice of issuing draft office copies before committing the title to live on the register. This is an opportunity to make final corrections to spellings and/or the ability of the applicant to see that all those things that have been applied for have been noted. Members should not expect to be amending applications at that date by, for example, including mortgage applications that had been overlooked. SC said that Registration Officers were declining to make minor changes without payment of a rectification fee. LR undertook to investigate this. NL asked SC if this related to requests for changes during the period between 'draft' and committal to the Register. SC confirmed it was not, in his case the minor errors having been spotted after the draft office copy had been approved and the Title committed to the Register. LR confirmed that rectifications to the register must be made in the formal way and that we could not be expected to make changes to the legal record without formalities being complied with.

Action: Land Registrar to prepare statement relating to the type of changes that can be made during the "advocate verification" stage.

Action: The Land Registrar to review for guidance notes if available and contact IOMLS to offer training.

9. Future agenda items and any other business.

AM requested in July that Official Copies relating to Leases be reviewed. The Land Registrar will review and add this to the agenda.

AOB APW asked about “Provisional Plans”. LR explained that this was the process used to award title where the Register Map was not up-to-date. The intention is, now the new system is operational, to move “provisional titles” to “open titles”. There is a procedure in the legislation for doing so. At present this is on hold on account of other demands offset against limited resources.

There was also a discussion about titles being transferred without inhibitions being removed. The Land Registrar said that this clearly not what ought to be happening although this could be done by consent. The Registrar invited examples to be submitted to him for investigation.

10. Date and time of next meeting 16 December 2020 at 11 am.

Draft 2020-09-30