



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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Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes. Please see [section 4](#) of the consultation for further information.

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 type="checkbox"/>	Business representative organisation/trade body
<input type="checkbox"/>	Central government
X	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

Comments:

We agree that ownership of the Registers should remain in government. This is public data, and should be publically owned and regulated. Trust and stability are vital to the operation of the Land Registry and the markets and services that rely upon it, for example housing and conveyancing. These would be best maintained by a long term commitment from the government to own and manage the registers for the public good.

There is no obvious reason to privatise either ownership of or access to the registers. The Government has invested in improving the system demonstrating that the public sector is able to invest in and adopt new technology where necessary. These recent improvements mean that shareholders will not be able to see early returns by improving efficiency, making it more likely that increased profits will be sought by increasing prices for services and access to data.

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:

To ensure high quality and reliable Land Registry data, the government should maintain public control of registration process, data storage, and management, and release records as open data as far as this is possible.

The registration process, data storage and management should remain within the public sector in order to ensure it remains transparent, its management is subject to Freedom of Information regulations, and it is managed for the broadest possible public benefit rather than being subject to exploitation for narrow private interests.

Our preferred approach to improving both access to, and reliability of, the data would be to make as much of the Land Registry's data as possible 'open' data, and that the Government should focus on reducing the cost and technical barriers to access rather than privatising and restricting it.

Increased scrutiny by a wider range of data users would help to ensure accuracy. (An example of this is the release of data on [300,000 UK bus stops](#). OpenStreetMap volunteers corrected the locations of 18,000 of them, which led to improvements in the official data). At Shared Assets we work with communities across the U.K. with an interest in how land in their neighbourhoods can be used to create sustainable local economies, livelihoods and improve wellbeing. The activities of hundreds of such groups, including Neighbourhood Forums and Civic Societies as well as land-based social enterprises, using data to solve immediate local issues and take more control over their day to day lives, would contribute to ensuring the quality of data is maintained.

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:

As discussed in more detail in the response to Q9, and as highlighted by the Competition and Marketing Authority, much of the potential value of public data (as much as £7.2bn annually) derives from the innovative re-use of public information, by app developers and other product and service providers, in digital products that benefit consumers, improve productivity, and support economic growth. Such third party uses also help to identify and fill gaps, and link data with other datasets to create new information and opportunities for new types of analysis.

This innovative reuse is best supported by opening access to Land Registry data rather than by privatising it.

As well as driving innovation in the use of data the opening of Land Registry data has the potential to drive innovation in the use of land itself. At Shared Assets we work with community and social enterprises across the UK managing woodlands, parks, farms and other land in both public and private ownership. As part of a current land data project, undertaken as part of our policy work, we have consulted with a number of these groups for whom the existing charges are already a large disincentive to access Land Registry data. Even the existing, relatively small search fee, was seen as a major barrier to accessing this information, especially given that groups would often need to pay for multiple records. Any increases to the charges would further reduce access for these groups. On the other hand, most groups reported that if ownership information was available for free, it would certainly be amongst their most frequently accessed and useful sources of information. (See covering letter).

We also work with organisations involved in other aspects of local economic and social development, using the community rights introduced the Localism Act to secure ownership of buildings and develop Neighbourhood Plans. Improving access to data would enable communities to take greater control over their local areas, enabling the creation of new jobs, homes and opportunities for local people, and enabling them to create better places.

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:

It should not. The Government's role should be as present but with the removal of search fees and other barriers in order to ensure that as much of the Land Registry's data as possible is made accessible for third party use and innovation.

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

No

Comments:

We disagree with the proposal to privatise. We would argue against the creation of a natural monopoly with the ability to commercially exploit public data, and the introduction of commercial considerations into how that data is used. Retaining a public Land Registry will mean the proposed safeguards will not be required. We believe it would be impossible to fully safeguard against conflicts of interest if privatisation were to go ahead.

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

Yes

Comments:

If the privatisation does go ahead we would support the Competition and Markets Authority suggestion that an [independent economic regulator](#) should be appointed to ensure proper in depth scrutiny.

7. Do you agree with the preferred option?

No

Comments:

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

Comments:

We believe that privatising the management of the Land Registry is a bad idea for the following reasons:

- The services provided by the Land Registry are currently well run, it is trusted, and it makes a surplus that is returned to the public purse.
- Sale would result in short term revenue raising at the cost of long term loss of access, loss of opportunity and loss of long term financial returns to the public purse. In 2014 and 2015 it generated a surplus and paid a dividend to the Treasury of £26.6 million and £19.1 million respectively as well as 2 special dividends of £100 million each. A [recent report](#) by the New Economics Foundation estimates that “within 25 years the Government and the taxpayer would be worse off, as the value of the sacrificed surpluses will have exceeded the value of money received from the sale”.
- Any private contractor will want a long contract, resulting in a loss of democratic control for that period and loss of freedom to use the data for other public purposes.

- Privatisation effectively removes the potential for open data, data innovation and the resultant potential benefits for society and the economy.
- Privatisation will reduce transparency currently afforded by Freedom of Information regulations, and democratic accountability for the use of, and access to, critical public information.

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

Yes

Comments:

The Government should retain public ownership and management of the registers, and continue the work that has already begun to remove the barriers to making as much of the data held by the Land Registry open data as possible. It could retain charges for registration and other fees, but remove them for searches. This would retain the existing benefits of a popular service, whilst greatly increasing accessibility at the expense of a very small proportion of the total revenue. Search fees are estimated to provide only 6% of the Land Registry's income, so these could be dropped and the service would still make a profit.

Opening up, rather than privatising access to Land Registry data would:

- Drive third party innovation - both in data use and land use:

The data could be used in a whole new way if it was further opened up. Currently use is generally restricted to individual record accesses due to cost concerns. Developers licenses are extremely expensive. If access to the data is opened it would allow whole new ways of analysing and building on it.

Address the housing and access to land crises by making it easier to identify, acquire and develop land. This is especially true for new entrants without the resources to commit to building up their own information sources.

Enable new, community led and common good land uses to develop, driving innovation in land use that creates local social, economic and environmental benefits.

- Promote economic growth:

The Government's own [Open Data Strategy](#) states that: "Economic Growth is the priority of the Department and we recognise that open data has an important role to play. Open data contributes directly through the economic opportunities it creates and through its role in delivering the reforms we are introducing. Whilst it is difficult to cite an exact figure because this is an emerging market, there have been a number of reports published on the value of open data to the economy. A Deloitte report (published May 2013) for example cites £1.8bn of direct benefits, £6.8bn of indirect benefits and a clear potential for significant development."

Further research [from the ODI](#) recently suggested that open data could contribute 0.5% of GDP a year in economic value.

New community and social enterprise land uses (including the management of woodlands, parks and farmland) are creating jobs and training opportunities and creating local markets and supply chains for produce and renewable resources such as

woodfuel. Improved access to land data will drive the new and emerging forms of common good land use and support the development of sustainable local economies.

- Give more power to communities:

Communities have a right to know who owns the land around them, and the application of this right shouldn't be dependent on ability to pay. We are seeing a rapid growth in interest from communities in the management of their woodlands, parks and food growing land. Frequently they are being asked to undertake new responsibilities by local authorities who are no longer able to manage these important assets themselves. However creating long term viable community land management businesses requires more than just taking over existing Council services. They frequently need to be delivering other services, and managing additional land and buildings in order to develop a sustainable business model. Easier access to land and property ownership data would make it easier for new and developing community enterprises working on limited resources to develop new sustainable management models for local land and assets.

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

Yes

Comments:

Over time we are seeing the increasing value of public data as 'infrastructure' that needs strategic management rather than as a commodity to be traded. The strategic management of such infrastructure is a legitimate role of the state. Technological, environmental, social and political changes may require changes to the way data is gathered, handled and used that will not be profitable in the short or medium term and require strategic investment that would not be attractive to shareholders. If we consider data as critical national infrastructure we should ensure that it is managed in the long term public interest rather than the short term interests of shareholders.

The greatest assets of the Land Registry, it's perceived impartiality and the trust in which it is held, are unquantifiable in financial terms but are critical to the functioning of the market. Land and housing markets are both currently dysfunctional resulting in both a housing and farming crisis. Better functioning of the market requires both sides to have better quality information available to them. Privatisation risks doing the opposite with unforeseeable damage to the land and property markets.

Land ownership data underpins a number of other vital functions such as the planning system. In order to improve the planning system, and to develop Neighbourhood Plans, local people need to understand who owns what in their area.

The rationale for privatisation provided by the Government has a narrow focus on the impacts on the housing market, but, as well as failing to factor in the potential economic benefits of innovation in the handling of land data, the consultation fails to acknowledge the potential value of other land uses. Shared Assets works with organisations delivering social, economic and environmental benefits to their local communities through the management of land. They create jobs, provide training and education opportunities, support people's physical and mental health and wellbeing, produce food and fuel and mitigate against the effects of climate change. For them land has a value over and above its commodity price in a market, and they are often delivering a significant social return on any financial investment.

However one of their main barriers they face is access to land, and finding out who owns land is one of the primary issues they face in securing that access. Opening, rather than privatising, access to Land Registry data has the potential to deliver a far wider range of benefits than those considered by this consultation, both in terms of innovation in use of the data and in terms of innovation in use of the land itself. (See cover letter)

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:

In summary the Land Registry is successful, popular and trusted; it is crucial to the property market and self-financing; the uncertainty of the outcomes of privatisation with regard to access to data and the functioning of the service, for which there is no mandate either with the public or with the property professions, put at risk a sensitive area of state registration of land.

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 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

BIS/15/165/RF