



## 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:

Lizzie Dixon  
1 Victoria Street  
London  
SW1H 0ET

Tel: 0207 215 4749

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

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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  not confidential

Comments:

## Questions

Name: MR GRAEME JONES  
Organisation (if applicable): OPENMINDEDLY.COM  
Address: 1 MAPLE CLOSE, ONCHAN IM3 3JS

	<b>Respondent type</b>
<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
<input type="checkbox"/>	Local government
<input type="checkbox"/>	Medium business (50 to 250 staff)
x	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?**

x Yes                       No                       Not sure

Comments:

### **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:

doc/1: "reduce national debt and encourage economic growth through investment"

doc/4: “Any proceeds received by the Government could then be used to pay down debt or enable other investment”

state prioritised options with defined ratios between national debt repayment and investment in economic development on the asset sale net proceeds

**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:

doc/14: “The Bankruptcy Register records bankruptcy proceedings”

A specific commitment to support a consolidated gazette and feed / meta data / open data.

**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:

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

Yes                       No                      x Not sure

Comments:

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

Yes                       No                       Not sure

Comments:

doc/23

It is not clear what is open and what is closed. A full data catalogue with mapped open data commitments to whole datasets and specific data within datasets is required.

doc/other

Perhaps a statutory or non-statutory clearance service could review and/or regulate chargeable options on bulk open data, closed data and multi-dataset open data insights within an open data by default policy similar to the HMRC non-statutory clearance service:

<https://www.gov.uk/guidance/non-statutory-clearance-service-guidance>

doc/other:

An increasing percentage of buyers and sellers would benefit from foreign language services but I am not familiar with any services. Perhaps a requirement to develop or to allow external innovation could be explored, particularly on any chargeable data.

**7. Do you agree with the preferred option?**

Yes                       No                       Not sure

Comments:

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

Comments:

doc/other:

It seems too early in the digital transformation and public commentary to know the full value likely to be received from a full asset sale without a detailed breakdown of estimated values and ranges in the public consultation. It seems certain though that potential exists to significantly and rapidly increase stakeholder / shareholder value.

The National Air Traffic Services privatisation included a retained 49% equity stake.

Other comments elsewhere in my response itemise some of my shortlisted opportunities to significantly increase return on investment to progress open data projects but equally valuation that could offset the assumption on lower frontloaded net proceeds from stated variants such as a mutual joint venture.

doc/12: “facilitates one of the most active property and mortgage markets in the world”

It is unclear whether or not a private operator would be allowed or would be encouraged to indirectly leverage -- distinctly different from direct transactions on a foreign national register -- a foreign land and property register (it could be politically sensitive between two government national registers excluding something like tied aid funding in a country strategy) if all interested parties agree to be legally bound by smart contract technology.

doc/48-doc/51:

It is unclear whether or not the state-backed guarantee, even in a shared risk reconfiguration, would include indirect transactions linked to foreign registers.

doc/79: “probably by way of an Employee Benefit Trust rather than individual shares” .... “This can help align owners and staff interests, although it typically works best where the service delivery model is not subject to transformational change. It would, however, most likely lead to a reduction in the upfront receipt to the Exchequer as Government would be selling less of the company.”

Share allocations are typically individually vested over 1 to 5 years to accelerate innovation, to retain specialists, to leverage expertise rather than prompt redundancy and early retirement, etc.

Share allocations could also be made as an income stream to an open data advisory group and/or statutory regulator.

doc/other:

Previous privatisations included a large number of shareholders that inevitably increased scrutiny. A trade sale to a single buyer appears to be implied but a trade sale to a consortium, a leveraged management buyout or social enterprise are not specifically stated.

There is no mention of an equity crowdfunding option to maximise net asset sale proceeds via minimised fees, particularly if the equity crowdfunding details included any agreements or progress reports on discussions with foreign land and property registers. It would be likely to boost economic development in the crowdfunding segment in the UK too.

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

Yes                       No                      x Not sure

Comments:

doc/other:

It is unclear whether or not crowdlending the capital required to accelerate digital transformation and innovation and economic development rather than sale has been considered at all and the relevance to a deferred maximised valuation with full or part net asset sale proceeds.

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

x Yes                       No                       Not sure

Comments:

doc/13: “The Land Register is a government-owned register setting out the ownership of land and property in England and Wales, of which 87% is registered”

There is some commentary about 15% over capacity at the Land Registry perhaps due to peaks and troughs in the housing market.

A requirement to register the remaining 13% of land and property within a fixed timescale such as 2 or 3 years could help with any over capacity issue and/or help maximise asset sale proceeds based on estimated transactions.

The unregistered land and property could even receive a share allocation to prompt registration before the flotation date to accelerate towards total registration.

doc/13: “As the single, authoritative record of ownership, and on behalf of the Crown, it guarantees title to registered estates and interests in land. ”

There is no position stated on a preferred option or contractual requirement to use blockchain technology. The most interest recently in land and property registry processes and systems has been in decentralised public or private registers and therefore a contractual requirement to use blockchain technology is likely to maximise economic development (multiplier effect via open data and other data).

A private operator, a regulator, a trade union, one or more professional bodies and one or more trade associations could all operate a node.

doc/other:

It is unclear if the land registry already requires or allows land and/or property purchase options to be registered or if there are any government plans. It would be a significant factor in any bid.

doc/other:

A process amendment should include a “first advertised price” by the owner if relevant and each agent to complement and to supplement the “price paid”.

It could support new policy insights and/or data markets.

doc/52:

To support economic development and to reflect the data / document / search / analysis overheads, in either a parliamentary fees order or regulator controlled fees environment, the fees could be restructured with lower fees for new properties with limited history and for online registration.

**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:

doc/other:

Perhaps an independent body such as the National Audit Office could investigate the business case options and assumptions and arguably unfair mechanisms such as clawbacks.

doc/13:

The beneficial ownership public register announced at the anti-corruption summit in London on 12th May 2016 is undermined without a policy and strategy to progress total registration.

doc/other: "The Land Registry is currently an organisation of 4578 staff, based in 14 offices in England and Wales"

Previous digital transformations have rationalised sites sometimes down to 1 site. It is unclear if any bidder would acquire and retain public sector locations or leverage existing private sector sites.

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 Yes    No

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

**BIS/15/165/RF**