

EXPLANATORY MEMORANDUM TO
Land Registration (Amendment) Rules (Northern Ireland) 2011

SR 2011 No. 141

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Finance and Personnel to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under section 85 of the Land Registration Act (Northern Ireland) 1970 and is subject to the negative resolution procedure.
- 1.3. The rule is due to come into operation on 3rd October 2011.

2. Purpose

- 2.1. The Department of Finance and Personnel (the Department), as the Department responsible for the Land Registry of Northern Ireland, proposes to make changes to the Land Registration Rules (Northern Ireland) 1994 in order to facilitate electronic applications for registering transactions in land. These changes relate to Land Registry procedures and follow on from the amendments to the Land Registration Act (NI) 1970 referred to in the Land Registration (Electronic Communications) Order (Northern Ireland) 2011.

3. Background

- 3.1. This rule will amend the existing Land Registration Rules (Northern Ireland) 1994 in order to make it possible to communicate electronically with the Title Register which is already in electronic form.
- 3.2. It will prescribe revised forms to be used for applications for first registration with a qualified title and a possessory title.
- 3.3. It will permit the Land Registry to issue Land Certificates and Certificates of Charge as electronic documents unless customers request paper versions.

4. Matters of Special Interest to the Finance and Personnel Committee

- 4.1. Electronic registration, which will be facilitated by this rule, will be introduced on a voluntary basis and no one will be under any compunction to use it. It will lead eventually to cheaper, faster and more accurate registrations and statutory provision is already in place which will allow Land Registry to reduce the fees it charges for electronic registrations.
- 4.2. The amendments which this rule will bring about will have little effect on the citizen who is buying or selling a property but it will change how solicitors and lenders interact with Land Registry and this is why training is being provided to solicitor firms in particular who already conduct their business using electronic means.

5. Consultation

- 5.1. A 12 week consultation exercise was carried out from 10 August 2009 to 30 October 2009 on the proposal to make this rule in order to facilitate the

introduction of electronic registration. It was carried out with solicitors, lenders, other stakeholders and central and local government.

5.2. A report on the responses received was published in January 2010. It reveals the proposal is generally favoured and there is acceptance that the electronic registration which it will facilitate, will reduce registration fees and help Land Registry to achieve an even quicker throughput of registration applications.

6. Position in Great Britain

6.1. The rule will bring Land Registry into line with other land registries in the United Kingdom and the Republic of Ireland which already provide, or are in the process of providing, some form of electronic registration.

7. Equality Impact

7.1. While it is confirmed that consideration was given to compliance with section 75 of the Northern Ireland Act 1998, an impact assessment was not carried out because the proposal was subjected to a Policy Screening exercise which revealed that an impact assessment was not necessary. The findings of this Policy Screening exercise were published as an annex to the public consultation document which was issued in August 2009.

8. Regulatory Impact

8.1. A Regulatory Impact Assessment was carried out. It shows that these proposals will not impose any new regulatory burdens or penalties given the use of the new electronic facility will be entirely voluntary and given that no additional regulatory burden will be imposed on those who opt to continue to use the current paper-based system. The rule will enable the Land Registry to lower some registration fees and provide a quicker service to its customers.

9. Financial Implications

9.1. This rule will enable Land Registry to introduce a new electronic means of doing business with its customers. It intends to recover the hardware and software costs and all other on-going costs of providing this new service by means of the fees it charges for registrations.

9.2. It will also mean that Land Registry will require less storage space for documents and there is a possibility that fewer staff will be required for the purposes of filing and retrieving documents.

10. Section 24 of the Northern Ireland Act 1998

10.1. The rule, if approved, complies with section 24 in that it is not incompatible with any of the Convention rights or with Community law and it does not discriminate against a person or class of person on the grounds of religious belief or political opinion; nor does it modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

11. EU Implications

11.1. Not applicable.

12. Additional Information

12.1. Not applicable.