Land Registration
- Management -

John Manthorpe
former Chief Land Registrar and Chief Executive
HM Land Registry- England and Wales
In this session:

- Why land registration matters
- Land Registration in action
- Financing Land Registration
- Managing the Land Registry
- Performance Measurement
Why Land Registration matters
LAND AS THE SOURCE OF ALL WEALTH AND DEVELOPMENT

FINANCED PUBLIC SERVICES

SOCIAL STABILITY

ECONOMIC GROWTH

PRODUCTIVE AND SUSTAINABLE DEVELOPMENT

DEVELOPMENT OF LAND AND MORTGAGE MARKETS

SYSTEMS OF LAND TAXATION

SECURITY OF TENURE

SYSTEMS OF LAND TRANSFER

LAND PLANNING

VALUATION BASED ON LAND MARKETS

REGISTRATION OF LAND RIGHTS

LAND USE RECORDING

NATIONAL MAPPING

LAND
Why Governments should support land registration

It is important that governments developing land registration systems accept that funding during the early years is a real investment in the development of the wider economy.

Registered titles are the bankable assets of the country which progressively draw in investment.

They build the confidence of businesses and citizens so that they can participate in the development and economy of the country.
LAND REGISTRATION - PROTECTING MORTGAGES AND FACILITATING OWNERSHIP

- INVESTS IN THE MARKET
- BANK OR OTHER LENDER
- SAVINGS
- INTEREST
- MORTGAGES
- REPAYMENTS
- INVESTOR
- BORROWER - BUYER
- LAND REGISTRY
- LAND and PROPERTY

PROTECTS LOAN BY REGISTRATION
PROTECTS OWNERSHIP BY REGISTRATION

Money In
Money Out

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Land Registration in action
LEGAL INTERESTS OR RIGHTS IN LAND

- Owner in occupation (freehold or leasehold)
- Owner not in occupation (freehold or leasehold)
- Rights attached to and enjoyed by adjoining properties
- Lenders (mortgagees)
- Rights of third parties not in occupation
Activity and Change - The Land Market

Holders of Rights

Rights

Land and Property

Steady Change through time

Rapid change

Very slow change
Creating new rights in land

- Search of land register*
- Agreement
- Purchase, Loan or other right
- Contract
- Adjudication*
- Registration*
- Updated Land Register*

* Indicates a step in the process of creating new rights in land.
Financing Land Registration
HOW TO FINANCE LAND TITLING
AND LAND REGISTRATION

Alternative approaches:

• *Financed by Government*

• *Financed in part by external aid*

• *Financed by customers fees*

• *Some combination of these*
Financing – preferred development path

- **Ultimate aim:** self financing with all costs met by fees from those using registration services

- **Start point:** Government (with external aid where available) finances the building of the national land register through first registration – either systematic or sporadic

- **Registrations and enquiries on existing registered titles to be financed by fees paid by users.**

- **Progressively fee income from users on a developed land register could finance all Land Registry expenditure.**
Financing Land Registration in England and Wales

- All costs are met by fees paid by customers
- Although it is a Government Agency it operates like a private company with commercial accounts.
- Financial performance is measured externally and reported annually \((\text{cost per application} - \text{fee per application})\)
- The Land Registry is able to carry over surplus income from one year to the next, it can invest, borrow and maintain cash reserves.
- It is independently audited on its costs and efficiency and its management of its finances
Financing Land Registration

**Government Funding (pre 1993)**

- FEE INCOME
- LAND REGISTRY
- Ministry of Finance
  - Surrendered
  - Annual funding
- EXPENDITURE

**Trading Fund Status (from 1993)**

- FEE INCOME
  - LAND REGISTRY
  - Ministry of Finance
    - Return on Capital (3.5%)
- EXPENDITURE
  - Investment in Agency

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## Land Registry Annual Account
(Illustrative example only)

**Fee Income**

<table>
<thead>
<tr>
<th>Service</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registrations</td>
<td>300</td>
</tr>
<tr>
<td>Services and Enquiries</td>
<td>120</td>
</tr>
</tbody>
</table>

**Expenditure**

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>280</td>
</tr>
<tr>
<td>Buildings</td>
<td>40</td>
</tr>
<tr>
<td>Computing</td>
<td>20</td>
</tr>
<tr>
<td>Administration</td>
<td>40</td>
</tr>
<tr>
<td>Indemnity payments</td>
<td>2</td>
</tr>
<tr>
<td>Return on Capital</td>
<td>5</td>
</tr>
<tr>
<td>New developments</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>407</td>
</tr>
</tbody>
</table>

**Surplus/Deficit**

| Surplus/Deficit              | 13  |

**Notes:**

- Number of registrations = 6 million (Av fee £50 per registration)
- Number of Services and Enquiries 20 Million (Av fee £6)
- Capital Value of Assets = £100m
- Rate of Return to Ministry of Finance = 5%
- Cash Reserve at beginning of year: £80m – at end of year: £93m
Managing the Land Registry
Chief Land Registrar’s Perspective

- Government Legislation
- Customer requirements
- Staff expectations
- Management concerns
- Ministers Targets and Objectives
- Financial authorities
- Government Policies
EXECUTIVE AGENCIES – The characteristics

- **RECOGNIZE DISTINCTION BETWEEN POLICY’ AND DELIVERY OF SERVICE**
- **ESTABLISH EXECUTIVE AGENCIES FOR THOSE PART OF DEPARTMENTS IN THE BUSINESS OF DELIVERING SERVICES TO THE PUBLIC**
- **SET CLEAR TARGETS AND OBJECTIVES**
- **ESTABLISH EFFECTIVE PERFORMANCE MEASUREMENT SYSTEMS**
- **PROVIDE MANAGEMENT FREEDOMS**
- **ENSURE CLEAR LINES OF ACCOUNTABILITY**
- **MONITOR AND PUBLISH AGENCY’S RESULTS**
- **ENCOURAGE AND REWARD IMPROVED PERFORMANCE**
PRIORITIES FOR A DEVELOPING LAND REGISTRY

1. Develop the organisational structure

2. Progressively introduce communication technology and computerised systems so as to improve the efficiency and services

3. Develop and implement customer service policies to meet the requirements of all those who rely on the Land Registry

4. Ensure a programme of continuous specialist training and development for staff

5. Contribute to the development of the land law and the land registration system to meet the emerging needs the country’s evolving society and economy.

6. Maintain trust in the system.
ENGAGING WITH THE CUSTOMER

Professional Customer Liaison Groups

With Notaries/Lawyers Surveyors Lenders Local Government

Customer Enquiry Services

Personal – Telephone - Web based

Customer Surveys

Periodic questionnaire - results published

Explanatory Leaflets

Free - relating to all procedures and on Web site

Newsletters

For customers and staff – new developments
Chief Land Registrar’s Perspective II

Customer Satisfaction

- Improved productivity
- Faster service
- Enhanced business

Developing system

- Improved quality
- Motivated staff
- Well rewarded staff

Enhanced business

Well rewarded staff

Motivated staff

Improved quality

Faster service

Improved productivity
Performance Measurement
AGENCY MANAGEMENT INFORMATION SYSTEM
Comparing Performance
. . . . . through Time and by Office and Team

AGENCY

DISTRICT

TEAM

Quality

Speed

Cost

Week  Month  Year

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The Range of Performance Targets and Measures

<table>
<thead>
<tr>
<th>Category</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EFFICIENCY</strong></td>
<td><em>Cost per unit in cash terms</em></td>
</tr>
<tr>
<td></td>
<td><em>Cost per unit in real terms</em></td>
</tr>
<tr>
<td><strong>SPEED</strong></td>
<td><em>Percentage of applications received within target</em></td>
</tr>
<tr>
<td><strong>ACCURACY</strong></td>
<td><em>Percentage of applications processed free of error</em></td>
</tr>
<tr>
<td><strong>CUSTOMER</strong></td>
<td><em>Percentage of customers satisfied (or very satisfied)</em></td>
</tr>
<tr>
<td><strong>SATISFACTION</strong></td>
<td><em>With A) Speed B) Accuracy and C) Cost</em></td>
</tr>
<tr>
<td><strong>DEVELOPMENTAL</strong></td>
<td><em>Measured progress in the implementation of any project against target</em></td>
</tr>
<tr>
<td><strong>FEES</strong></td>
<td><em>Achieving lowest fee levels against target</em></td>
</tr>
</tbody>
</table>

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# APPLICATION VOLUME AND MIX
CONVERTED TO STANDARD WEIGHTING

<table>
<thead>
<tr>
<th>APPLICATIONS</th>
<th>UNIT VALUE</th>
<th>UNIT WORKLOAD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First registrations</strong></td>
<td>4000</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>Sale of part of a title</strong></td>
<td>1000</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Sale of whole of a title</strong></td>
<td>8000</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Enquiries</strong></td>
<td>16000</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>29000</td>
<td>***</td>
</tr>
</tbody>
</table>

Enables comparisons to be made between any mix of application volume between regional offices or through time.
Management Ratios and Performance Measures

- **APPLICATIONS RECEIVED**
  - Fees per application
- **APPLICATIONS COMPLETED**
  - Output per staff employed
- **STAFF EMPLOYED**
  - Average cost per head of staff
- **EXPENDITURE**
  - Financial surplus or deficit
- **FEES RECEIVED**
  - Cost per application

**Work in hand (speed)**
Thank You

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