

WYRE FOREST DISTRICT COUNCIL

CABINET

23rd February 2006

Voluntary Registration Of Title To All Council Land And Buildings At Land Registry

AN OPEN ITEM	
COMMUNITY STRATEGY THEME	
CORPORATE PLAN THEME:	Improving Corporacy & Performance
KEY PRIORITY:	Financial and Asset Management
STRATEGY:	Improving Corporacy and performance
CABINET MEMBER:	Councillor J-P Campion
RESPONSIBLE OFFICER:	Head of Legal & Democratic Services
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1. PURPOSE OF REPORT

- 1.1 To advise the Cabinet of the Council's intention to voluntarily register its land and property portfolio with the Land Registry and seek delegated authority for officers to agree minor adjustments to the boundaries of Council owned land should it prove necessary.

2. RECOMMENDATION

The Cabinet is asked to **DECIDE** that:-

- 2.1 **The Head of Legal & Democratic Services will undertake the voluntary registration of all land in the Council's ownership, the project to commence in April 2006**
- 2.2 **Authority be delegated to the Head of Legal & Democratic Services in consultation with the Cabinet Member and the Head of Cultural, Leisure and Commercial Services to authorise minor adjustments to boundaries which would either decrease or increase the Council's land holdings as necessary.**
- 2.3 **Any major discrepancies in the boundaries which may result in the loss of a substantial portion of land (or will affect the Council undertaking their current activities) be reported to Cabinet. Any discrepancy involving land in excess of 150 sq. metres will be regarded as a major discrepancy.**

3. BACKGROUND

- 3.1 The majority of the Council's land and property is not registered at the Land Registry

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- 3.2 The Council's Deeds are mostly large bundles of very old (and increasingly illegible) Deeds which contain very old and often damaged plans. A large number of the Council's Deeds were damaged in a flood in 1955 while stored by Kidderminster Borough Council at Kidderminster Town Hall. These Deeds are almost or completely unreadable.
- 3.3 In the future e-conveyancing will become compulsory and this will require the wholesale compulsory registration of all land. In order to prepare for such a system, the Land Registry is offering an assistance to Councils whereby it will offer to place staff in the Council's offices, to help assemble the title Deeds and prepare the Land Registry application for registration with assistance from Legal and Terrier staff.
- 3.4 The Council will also save revenue expenditure in the longer term as a reduced registration fee is payable under this project. For example, a large parcel of land valued between £200,000 and £500,000 would usually cost £165 to register, whereas under this project, the cost would be only £7.50. Therefore whilst there will be time resource implications now the budgetary savings for the Council in the long term, were compulsory registration of land to be introduced, will be significant.
- 3.5 There may be instances where the Council has no 'paper' title but has occupied small areas of land for more than 12 years and accordingly could claim title to it. Conversely, adjoining owners may have encroached on the Council's land to a small degree, which may be easier to remove from the Council's title rather than pursue a lengthy claim. Such issues would need to be dealt with swiftly and Cabinet is requested to delegate power to the Head of Legal & Democratic Services in consultation with the Head of Cultural, Leisure & Commercial Services. Where there are any major discrepancies in the boundaries which may result in the loss of a substantial portion of land or will affect the Council undertaking their current activities, then this will be reported to Cabinet. A portion of land in excess of 150 sq. mtrs will be regarded as a major discrepancy.
- 3.6 Registration of title will be of significant benefit when dealing with adverse possession claims by and against the Council in future. Claims of this type may increase as and when compulsory registration is required.
- 3.7 Registration will include approximately 200 parcels at varying degrees of complexity.

4. KEY ISSUES

- 4.1 The benefits to the Council of voluntarily registering its property portfolio at this stage are :-
- a. The Council will have certainty of title, particularly where the title Deeds are flood-damaged. In such cases, many queries can be received during a transaction as to the integrity of the title, and often third parties are refusing to proceed unless the title is first registered at the Land Registry. This causes a lot of delay whilst queries are resolved and/or the title registered. Indemnity Insurance may also be required by a purchaser the cost of which would be recoverable from the Council generally in excess of £1000.

- b. Transactions will be speeded up, as queries on a difficult unregistered title will be reduced to a minimum.
- c. Financially, the very large reduction in the present Land Registry application fee is a big incentive. The Council would be forced to register at some time in the future, at which time these incentives would not be available.
- d. The Council's Terrier system of recording the Council's landholdings, and the extent of the property owned, will be greatly improved by greater certainty of boundaries.
- e. Savings on storage space. Registered title comprises only a few pages of A4 paper, whereas unregistered Deeds can comprise several bulky packages.

5. FINANCIAL IMPLICATIONS

- 5.1 There is only a small outlay in connection with the project. A budget of £1,500 has been identified and will be split 50/50 between Legal and Democratic Services and Cultural, Leisure and Commercial Services. If the Council does not take advantage of the incentives currently on offer from the Land Registry, at some point in the future it may have to find large registration fees and possibly additional staff to deal with the large volume of additional work which will be needed for registration.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 Implementation of this project will involve a large input in terms of time and expertise from staff in Legal and Democratic Services and Cultural, Leisure and Commercial Services but it is considered the long-term benefits to the Council outweigh this short-term increase in workload.

7. RISK MANAGEMENT

- 7.1 Registration of title to all the Council's land will assist in managing the risk of future adverse possession claims.

8. CONCLUSIONS

- 8.1 There are clear financial and operational advantages to the Council in voluntary registration of title. The Cabinet is therefore requested to approve the actions as set out in this report.

9. CONSULTEES

- 9.1 Head of Cultural, Leisure & Commercial Services.

10. Background Papers

- 10.1 Land Registry Voluntary Registration Scheme.