

Unregistered land

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Peter Williams looks at the issues surrounding unregistered land and the pros and cons of registration

•I have discovered that the land that my client is planning to buy is unregistered. Does this matter?

•In a word, no. It simply demonstrates that the land has not changed hands for some considerable time. The land will need to be registered at the [Land Registry](#) after your client has completed the purchase, but unless there are complex mapping issues, this should be a simple administrative task that the client's solicitors will carry out as a matter of course.

Why is some land unregistered?

Traditionally, ownership of land in England and Wales was proved by producing title deeds showing that the person who claimed to be the seller had owned it for the period laid down by statute. This period is currently 15 years, so when buying unregistered land, a buyer expects to see copies of title documents that form an unbroken chain dating back at least this far.

However, proving ownership of land in this way is inefficient. It requires solicitors to look back at the title deeds every time there is a change of owner. For this reason, registration had been recommended by a Royal Commission on Registration of Title as long ago as 1857. Although registration was first introduced in 1875, it was at that time a voluntary process, and it was not until nearly 1900 that registration was made compulsory. Even then this was only the case in various London boroughs, but it was gradually extended, borough by borough, until the whole country became an area of compulsory registration in 1990.

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Initially, land only needed to be registered after it had been bought, but since 1998, registration is also necessary when land changes hands after the death of an owner. This means that all unregistered land now owned by individuals will become registered within, or just beyond, the lifetime of the current owners at the very latest.

Nevertheless, some land will remain unregistered because it changes hands very rarely; this includes land owned by companies, the government itself, local authorities, universities and colleges, livery companies and the armed services. It is possible for such organisations as well as individuals to register land holdings voluntarily, but this can be time-consuming and few have bothered to do so. The Land Registry said in 2015 that about 14% of England and

Wales, by area, is still not registered.

What are the pros and cons of registration?

The main advantage of registered land is that title is guaranteed by the state. If it should turn out that the register is not accurate, then the Land Registry will in most cases pay compensation, so anyone buying land can rely on the register.

Furthermore, land that is registered is simpler to buy and sell because most, although not all, the necessary information is in one place, and can be obtained online in a matter of minutes. Title deeds can no longer get mislaid, and it is now rarely possible for squatters to acquire title to registered land by adverse possession.

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Another advantage ? or disadvantage, depending on your point of view ? is that the information in the land register is publicly available. Anyone is entitled to look at it to see who owns land, and what interests affect it. The register even shows the price at which the land last changed hands.

But where there is information, then there will inevitably be misuse of that information. Fraudulent transactions of registered land are increasing. It is only too easy for a fraudster to assume the identity of a landowner to sell the land to an unsuspecting buyer. The Land Registry relies on the vigilance of solicitors and surveyors to prevent this. Where such a transaction occurs, the Land Registry will compensate either the genuine owner who has been defrauded, or the buyer, depending on the circumstances.

Currently the register shows only the identity of the legal owner, so it is possible to conceal beneficial ownership behind a company that has been set up in a country where secrecy is still assured; however, the government has recently consulted on introducing a requirement for true beneficial ownership to be shown on the register in such circumstances. Should this happen, it will be of interest to a great many law enforcement agencies around the world.

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Further information

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