

Registers Update - Introduction to Automated Registration of Title to Land (ARTL)



In line with Government policy on the delivery of public services by electronic commerce, Registers of Scotland has been developing its registration and information services in order to provide greater accessibility and cost effectiveness. The development of the new automated registration of title to land system for the Land Register is an important project that will help achieve these objectives.

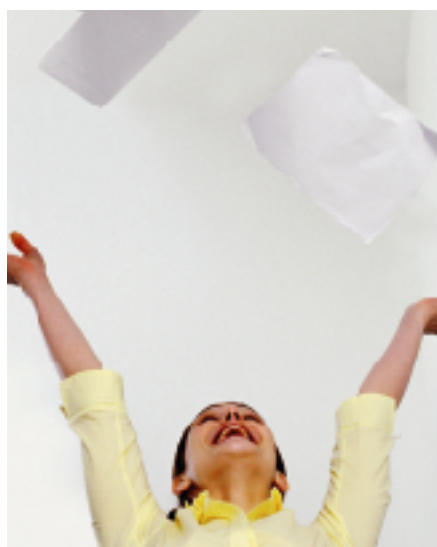
UPDATE: 16

This is the first in a series of Registers Updates on the progress of ARTL. Future Updates will keep you informed of progress leading up to the planned roll out of the system from late 2006.

The Land Register

The Land Register consists of individual title sheets for each property registered and is held on computer. Presently solicitors submit applications for registration of land and property in the Land Register by sending paper application forms, accompanied by paper deeds and other documents.

ARTL does not apply to applications for first registration in the Land Register or transfers of part. This is because these types of applications are inherently complex and do not lend themselves readily to the concept of paperless registration.



How The Process Will Work

The ARTL system will be available via the Internet. A PC with internet access and a digital certificate will be required. The type of digital certificate to be used with ARTL is currently being assessed. Further information on this will be provided in future Updates.

There will be no need for solicitors to have a specialist case management system in their office in order to use ARTL. However, as many firms do use case management systems it is intended that the ARTL system will be capable of interfacing with such systems in an open and standardised way.

Features of the system will include the introduction of digital deeds and application forms and the collection by the Keeper of Stamp Duty Land Tax on behalf of Her Majesty's Revenue and Customs. All of this requires some legislative change and the continued involvement of stakeholders.

The Concept of ARTL

ARTL will enable paper-free applications for registration for certain conveyancing transactions affecting properties already registered in the Land Register. These applications for registration are called "Dealings with Whole". These typically include:

- (1) any transaction by which the whole of the registered land or property is conveyed or assigned (a transfer of title); and
- (2) any transaction by which any charge in or over registered land is created or removed, e.g. standard securities and discharges, and local authority grants and charges.

Digital Deeds

Key to the process of automated registration is the concept of digital deeds which will replace paper deeds.

These digital deeds will be signed through the use of digital signatures. Generally, it is anticipated that digital execution will be carried out by solicitors acting on instructions from their clients.



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Digital Application Forms

ARTL will require solicitors who use the system to confirm on the digital application form the existence of supporting documentation (i.e. links in the title, evidence under the matrimonial Homes Act etc) rather than submitting the same to the Keeper for examination.

ARTL and Stamp Duty Land Tax

ARTL will enable a more efficient process for solicitors through joined-up Government with Her Majesty's Revenue and Customs (HMRC). Solicitors will be able to complete an electronic Land Transaction Return or electronic self-certificate as part of the ARTL process. The Keeper will also collect any stamp duty land tax that is due.

Stakeholder involvement

The continuing development of the ARTL system requires significant stakeholder engagement. Two stakeholder groups have been established, The External Stakeholder User Group which includes key stakeholders such as the Law Society of Scotland, the Scottish Law Agents Society, the WS Society, the Council of Mortgage Lenders, Her Majesty's Revenue and Customs; and The Institutional Lenders' Group which includes representation from major banks and building societies, which have a major interest in ARTL.

The Future

It is planned that rollout of the ARTL system will commence in late 2006.

ARTL Contacts

Further information on ARTL can be found at www.ros.gov.uk/artl and general enquiries can be directed to the ARTL Project Team on 0845 607 0167 or email: artl@ros.gov.uk.

This is the latest in a series of updates to keep you informed on the various aspects of Registers of Scotland's services, policies and procedures. More details can be found at www.ros.gov.uk/updates, or by contacting Customer Relations on 0131 200 3944.

Legislative Changes Required

The law on format, validity and evidential status of property deeds and Certificates of Title is contained in primary legislation that envisages physically signed or sealed documents. Legislative change is therefore necessary to ensure that digitally certified electronic deeds are legally equivalent to the paper documents that they will replace. The necessary changes to primary legislation will be made by statutory instrument under section 8 of the Electronic Communications Act 2000, which permits subordinate legislation to amend primary legislation for the purpose of enabling e-commerce. We will shortly be consulting upon the terms of the draft Order, following which it is intended to lay the instrument before the Scottish Parliament in early 2006.

