Corrected oral evidence: Draft Registration of Overseas Entities Bill, HC 2009

Monday 11 March 2019
4.30 pm

Watch the meeting

Members present: Lord Faulks QC (The Chair); Peter Aldous MP; Baroness Barker; Emma Dent Coad MP; Lord Faulkner of Worcester; Lord Garnier QC; Lord Haworth; Mark Menzies MP; Mark Pawsey MP; Lloyd Russell-Moyle MP; Alison Thewliss MP.

Questions 13 - 22

Witnesses

I: Martin Swain, Director of Policy, Strategy and Planning, Companies House; Jennifer Henderson, Keeper of the Registers, Registers of Scotland; Jonathan McCoy, Deputy Registrar, Land Registers of Northern Ireland; Chris Pope OBE, Chief Operations Officer, HM Land Registry.

USE OF THE TRANSCRIPT

1. This is an corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.
Examination of Witnesses

Martin Swain, Jennifer Henderson, Jonathan McCoy and Chris Pope.

Q13 The Chair: Good afternoon, and thank you for attending this Committee session. The session will be recorded; it is webcast. There will be a proper note of it. You will be sent a copy of the transcript for any corrections if there has been any misrepresentation.

If you would like, each of you, briefly to introduce yourself and make an opening statement, that would be very helpful. You need not make it too long, because we will ask you some of the questions that we are interested in and I think you will have an idea of what we are going to ask you.

Martin Swain: I am director of policy, strategy and planning at Companies House. I have responsibility in Companies House for delivery of the legislative programme that comes from the UK Government.

Jonathan McCoy: I am the Deputy Registrar in Belfast, Northern Ireland. I am responsible for a legal team. I am also responsible for senior management of the Land Registry and innovation within it.

Jennifer Henderson: Good afternoon. I am Keeper of the Registers at Registers of Scotland, so I am responsible for the implementation of land registration in Scotland.

Chris Pope: Good afternoon. I am the chief operations officer at Her Majesty’s Land Registry, which covers both England and Wales. I am responsible for all registration services.

Q14 The Chair: Thank you very much. The first question will be directed mostly to you, Mr Swain, and is about the Companies House role in all this, which is a critical one. In particular, how will it be possible for Companies House to provide any form of verification that the information provided pursuant to this Bill is correct?

By way of background, you will be aware of the PSC register, which commenced in 2016, and that various problems—implausible details being provided to that register—have been identified. Although the Government have said that they intend to do various things to follow up matters, who will find out about the inadequacies, and what means are there? Is there anything that might be included in the Bill to give you more powers to do that? It is a long question, but I think you know what I am directing at.

Martin Swain: I will take the question in a few stages. The department and the Minister would probably be best placed to answer your question on verification. They have made a commitment to consult later in the year on reforms to Companies House. Companies House certainly agrees that there is a need for reform.

On the accuracy of the register when it comes in, our powers to verify the accuracy of the information are limited, but we work hard to ensure that
the information that we get is correct, working in relation to the legal framework that we have at this time. We are clear that we are limited in that respect. We invest heavily in integrity in Companies House. When we have data on the register, we work hard to ensure that it is correct. Where it is highlighted to us that it is not—

The Chair: Who highlights it to you?

Martin Swain: Other law enforcement bodies, civil society groups, members of the public—there is a variety of routes, depending on the nature of the breach of the correctness of the information. Where it is highlighted to us, we will take action, but again within the constructs of the legal framework that we have now.

The Chair: Are you saying essentially that, for the most part, it needs a third party to bring to your attention that some aspect of the information that you have recorded needs further investigation?

Martin Swain: The principle of the Companies Act is that information is properly delivered to us. If it is correct within the constructs of the Companies Act, it is the responsibility of the registrar to place that on the register. We do not have the power to check the accuracy at this time. The principle of the Companies Act is about proper delivery. If it is delivered in that way, we legally have to put it on the register. Through our own investigation, sometimes we will identify ourselves where we think information is incorrect and we will then refer that to other law enforcement bodies. If it is highlighted to us, we will take action.

The Chair: You said, “Sometimes we ourselves”. Can you give the Committee an idea of the process whereby you might yourselves become aware of these things?

Martin Swain: Where we have identified suspicious activity with a company, we have processes in place in our integrity unit to identify individuals or companies that we have already flagged to another agency. We would automatically look to flag. We are looking to develop within Companies House that ability to identify risk, but I reiterate that we have to operate within the legal framework that we have now.

The Chair: The legal framework is something that we could perhaps recommend be changed. Do you feel that you could do a better job if more scope were provided by the legal framework?

Martin Swain: It is a matter for the Committee to make a recommendation to the Government, but we are clear that we support and are working closely with BEIS on the potential reform of Companies House.

Lord Garnier: To follow up on what Lord Faulks just asked you, perhaps I may paraphrase what you have said: that your agency is essentially a recorder of information provided by other people.
**Martin Swain:** We are a register of the information, yes.

**Lord Garnier:** So long as the informant, overseas entity or any other body that provides you with information fills in the form in the right way, you cannot interrogate the truth or otherwise of the information inside the relevant box.

**Martin Swain:** That is right.

**Lord Garnier:** How many times in, say, the past year has somebody highlighted to you that something is untruthful in a PSC entry or even a general companies entry?

**Martin Swain:** I would not want to try to put a figure on it today, but if it helps the Committee I will get that information to you.

**Lord Garnier:** That would be helpful. Thank you.

**Lloyd Russell-Moyle MP:** You mentioned that if something was highlighted to you, you could take some limited action. Can you explain what that limited action is? If someone highlights a manifest lie or if someone has registered Donald Duck, what can you do? Do you take it down yourselves rather than just referring it?

**Martin Swain:** We would act within the legal framework that we operate in. If, for example, somebody is appointed a director of a company and it is clear that they are not related to it, and if that is highlighted to us by somebody else or by the individual, we can contact that individual and start a process whereby we notify the company that we had received notice that that person was not a director. If they do not provide evidence within 28 days, we can remove that director from the register.

There are things that we can do within our current powers. We also work closely with other enforcement agencies, so where we may not necessarily have a power ourselves we highlight to others.

**Lloyd Russell-Moyle MP:** Are you able to issue any fines along that process, or is it just about removing things from the register or putting things on it?

**Martin Swain:** There are certain things that we can fine people for, such as late-filing penalties.

**Lloyd Russell-Moyle MP:** What about false filing?

**Martin Swain:** I think it would depend on the offence. Perhaps I can provide more detail to the Committee on it.

**Alison Thewliss MP:** To pick up on my colleague’s question, for Scottish limited partnerships there is an enforcement regime and fines can be issued. How many fines have been issued to those who have not filed the proper information for SLPs?
*Martin Swain:* Again, I do not have that precise information, but I am happy to write.

*The Chair:* The PSC has now been in operation for something like two and a half years. Have you learned lessons from that in relation to the various points that have been made, for example by Global Witness, about the anomalies and obvious nonsenses?

*Martin Swain:* As an organisation, Companies House is learning from implementing legislation. In implementing the DROE Bill, we would like to learn from lessons in previous legislation, SLPs being one and the PSC regime being another.

**Q15**

*Baroness Barker:* In addition to what you have already said, including about the work of the integrity unit, it will be important that you identify suspicious activity and have mechanisms in place to deal with it. Can you tell us a bit about how you see that working under the Bill?

*Martin Swain:* We already have fairly well-worked avenues to identify suspicious activity to other enforcement agencies, so that is already in place and we would look to replicate it. Increasingly we want to make use of digital technology, where we can use digital systems and increase the number of people using them, so that we can use that data potentially to flag much more quickly when we can see suspicious activity and, where necessary, refer that to other enforcement agencies.

*Baroness Barker:* Will you need further powers under this legislation to take that on?

*Martin Swain:* I do not think we would need primary powers to create the digital systems. It is different when it comes to the action that we could take as Companies House, because we would still default to our existing powers, but we can create the digital systems that would capture the information and the data.

We would then have to look at the legal issues in sharing that, because there are issues about sharing certain data with other agencies, but again there are ways in which we can do that with agencies that it is specified in law we can share information with.

*Baroness Barker:* Presumably that can happen under the Proceeds of Crime Act.

*The Chair:* That leads neatly on to broadening the questions to the panel.

**Q16**

*Lord Garnier:* I will address this question to all four of you, although if you think that another witness has already answered it, please do not feel the need to repeat the answer.

Would I be right in thinking that the Companies House register and the Land Registry are essentially huge and sophisticated filing systems containing information about companies and land holdings?
**Chris Pope:** You could summarise it that way, yes.

**Lord Garnier:** As we were discussing with Mr Swain a moment ago, they are not interrogators of the information, they are simply receivers of it and under a duty to put it in a place where people can look at it.

**Chris Pope:** In Her Majesty’s Land Registry, we certainly look at the information that is presented to us.

**Lord Garnier:** Do you have any ability, either in resource or in legal power, to get back to the person who has provided you with the information and say, “This really doesn’t look quite straight to us”?

**Chris Pope:** Yes. In fact, in about 20% of applications that we receive we have to revert to our customers, who are mostly conveyancers or solicitors, either to ask for more information or to clarify technical issues relating to the registration itself, which might concern restrictions, covenants or easements on the title. There is a fairly high volume to and fro between the Land Registry and solicitors and conveyancers.

**Lord Garnier:** The high volume will inform how you take on this new work. Do you feel that the two agencies will need to interact a lot more than they perhaps do at the moment in order to ensure that the registration of overseas entities is properly done so that it is truthful and accurate and does not allow crooks to game the system?

**Chris Pope:** First, we think that the number of applications to the Land Registry for England and Wales will be relatively small—less than 1% of our annual number of applications—but we are designing a digital interface between Her Majesty’s Land Registry and Companies House that would automatically check that an overseas entity is registered with Companies House and provide the registration number, which would allow us to ensure that the registered restriction had been complied with on the title. It will be a two-way interface so that, for example, where an overseas entity wished to be removed from the register, we could confirm that they owned no other property when they declare that as part of this legislation.

**Lord Garnier:** Is this in design or is it modelled already?

**Chris Pope:** It is being designed, and we are in the advanced stages of being able to build it once we confirm exactly what we need to build.

**Jonathan McCoy:** From a registry point of view, there is obviously a big difference between us and Companies House. The Land Registry of Northern Ireland, and I believe the other registries, guarantee title, which effectively means that once we have a title registered in the Land Registry the Government essentially guarantee the ownership of that and any financial consequences that come out of wrongful acts.

Most of our focus at the minute is in relation to fraud, because fraud is where those compensation claims come in relation to our register. We
check and note suspicious activity, but it is from a point of view of protecting our register and our compensation fund.

**The Chair:** So you are concerned that you might be sued for getting something wrong.

**Jonathan McCoy:** I do not believe that the way in which the legislation is framed would lead to any liability in the registries. I think it is a case of us assisting Companies House and Companies House assisting BEIS.

**Jennifer Henderson:** We are in the same position as our colleagues. Registers of Scotland rejects a reasonable number of applications that we receive if they are not correct or if there is something that we are not happy with, and we are in the same position as Northern Ireland in relation to the payment of compensation if we have guaranteed title and it turns out not to be valid.

**The Chair:** Have you been consulted about any secondary legislation that might be necessary?

**Chris Pope:** Yes. We have been working very closely with BEIS officials to look at the secondary legislation that would be required to support the primary legislation. In Land Registry, a number of our forms and processes are prescribed in secondary legislation, so those will need amending. There are also one or two other specific rules in the Land Registration Rules 2003 that would need altering, in particular to take account of being able to register the unique ID number of the overseas entity.

**The Chair:** As far as Northern Ireland, Scotland and Companies House are concerned, do you feel that you have been involved in any potential secondary legislation?

**Jennifer Henderson:** From a Scotland point of view, discussions are ongoing about whether a legislative consent Motion will be needed in relation to changes that would be made to my powers. We have been closely involved with BEIS and other colleagues in all those discussions.

**Q17 The Chair:** There is a view, which was expressed during the consultation, that there might be some delays in registration and that this could have some impact on the property market generally. Do any of you have views on that, if you feel that it is within your expertise?

**Martin Swain:** At Companies House, we have a lot of very good, recent experience of developing digital services. We would look to implement the same kind of systems as we have for company incorporation, where digital transactions are generally completed within 24 hours but quite often can be as quick as 10 minutes.

The other thing that we would do when the Bill comes in and the register goes live is consider customer demand—whether they want same-day service. The issue there is that, in mirroring company incorporation, the fee increases. In essence, we are building that capability into our
thinking. The idea behind the register to digital is to drive as much traffic as possible, so we are looking at completion within 24 hours.

**Lloyd Russell-Moyle MP:** Except in Scotland, my understanding is that the Bill envisages putting a marker on entries in the land register preventing overseas owners from making dispositions, unless they have complied with the Bill’s requirements. In the view of Northern Ireland and HM Land Registry—I have a follow-up for Scotland—is this an effective enforcement mechanism to stop dispositions of land?

**Chris Pope:** It is an effective mechanism to stop the registration of dispositions of land. It will not in and of itself—this is probably what your question pointed at—prevent the sale going through. However, with a restriction on the registered title, it should be completely apparent to any prospective purchaser that the current owner is subject to this legislation. Therefore, as part of the due diligence process pre completion and pre contract, the buyer’s agent will need to ensure that the seller—in this case an overseas entity—was compliant with the legislation.

**The Chair:** What will the entry actually look like? What would it say?

**Chris Pope:** We are still working on exactly what it would say, but it would be something along the lines of, “No disposition may be made of this title without evidence that the current proprietor is compliant with this legislation.”

**Lloyd Russell-Moyle MP:** Just so I am clear on the legal status, if the sale or disposition went ahead but was not then registered with the Land Registry, who would be the legal owner of that land?

**Chris Pope:** The existing proprietor.

**Jonathan McCoy:** In Northern Ireland, under the legislation the registration gives the transfer of title; it is what gives effect to the written transfer. Therefore, conveyancers are obviously keen to make sure that it is registered. In the same way as colleagues have indicated, the transaction would go through. Most transactions are backed by finance, and the person financing that transaction would expect the registration to be completed quickly and efficiently and the documents returned to them.

**Lloyd Russell-Moyle MP:** Are the foreign entities that you see mostly backed by finance, or is it cash payments?

**Chris Pope:** Purchase or sale?

**Lloyd Russell-Moyle MP:** Purchase. My assumption would be that most foreign entities are not backed by finance; they are backed by cash assets or cash liquidity that they have themselves. Therefore, that is a stop itself, but I am not the expert.

**Chris Pope:** If a purchase was financed by a legal person out of their own financial capability, whether as an individual or a company, no
charge would be registered. In this case, the overseas entity would have to comply with the legislation to be registered and a restriction would be applied on the register at that time, but if the seller was a private individual who had a mortgage, the mortgage charge would be removed as part of that registration transaction.

**Lloyd Russell-Moyle MP:** In Scotland, will third-party purchasers be sufficiently protected? We have heard how in England they will not be able to be registered and therefore the position is clear, but in Scotland it will be slightly different.

**Jennifer Henderson:** We will not place a note on the face of the title sheet; that is not a concept that we have in Scotland. The way the law works in Scotland is that restriction on sale or registration arises as a matter of law. Solicitors in Scotland are used to the idea that they need to go to other places to check whether anything is inhibiting the property transaction.

For example, we keep a separate register of inhibitions for things like bankruptcy, and we have a very active search community that does all that legal due diligence to support solicitors. If an overseas entity is selling, whether they are appropriately registered or exempt will just be another thing we envisage being checked as part of that process before a purchaser is advised to go ahead.

It will be completely clear on the face of the title sheet that an overseas entity is the current owner of the property. We think that will trigger with no issue the solicitor or the searcher following up and checking that the right legal basis for them to transact on the property is in place.

**The Chair:** So you go for a search at Companies House.

**Jennifer Henderson:** Yes.

**Peter Aldous MP:** My first question is very much directed to you, Ms Henderson, and is about the situation in Scotland and how this draft legislation ties in with the Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) (Scotland) Regulations. I would be grateful if you could give us an overview of this to see how they tie in with each other.

**Jennifer Henderson:** The register of controlling interests currently going through its scrutiny process, assuming it comes in as planned, will be a register of persons who hold a controlling interest in land—not just overseas entities but any kind of trust and so on.

I know that Ministers have agreed that we should avoid double reporting if we can, so there is certainly an aspiration that if this register covers overseas interests they will not be then included in the Scottish register that comes in. Again, that would just mean extra places that solicitors and searchers needed to check.
It is also worth saying that the Register of Controlling Interests in Land is for a very different purpose: it is to enable people to find out who owns land in Scotland and who controls it. It is not for the same purpose as this register.

**Peter Aldous MP:** I may have misheard you, but you emphasised “if they can” as if there might be some doubt as to whether the two will be able to complement each other.

**Jennifer Henderson:** Until they are both in and we can see that what is covered in this register meets what the Scottish Parliament wants in the register of controlling interests, we cannot be absolutely sure that it will be covered, but certainly the aspiration is to avoid double reporting if we possibly can.

**Peter Aldous MP:** So you are happy that the two pieces of legislation complement each other.

**Jennifer Henderson:** Absolutely.

**Peter Aldous MP:** And are you happy that they are also fully transparent together.

**Jennifer Henderson:** I believe so.

**Q19 Peter Aldous MP:** My next question is opened up to everyone. The draft Bill would require overseas entities owning land in Scotland, England and Wales to register their beneficial ownership information if they registered ownership of that land after 1999 for England and Wales and 2015 for Scotland; I do not think there is yet a position for Northern Ireland. I am interested in all your perspectives. Do you have any information that could help to identify overseas entities that registered before those dates?

**Chris Pope:** Simply, yes, we do. The issue is the extent to which we can be confident that we have a sufficient view of entities that were registered as owners prior to—in the case of England and Wales—1 January 1999, which is when we required overseas companies to provide the territory of incorporation as part of their registration process. We can carry out a number of data trawls looking further back, but our level of confidence in that data set is much lower; we have a very high level of confidence about those who have registered since 1 January 1999.

There is also the question of what value that would be. If this is about tackling money laundering, how long do you want to hang on to your property in the UK to launder your money?

**The Chair:** So you have some information that would help, but you are not sure how much it will really help in the long run.

**Chris Pope:** We are not sure how comprehensive that view is.
**Peter Aldous MP:** So from your perspective—what I think is the sasine tradition—is there more information in Scotland?

**Jennifer Henderson:** There could be, but we are in the same position as HMLR. After the Land Registration Act 2012 came in on 8 December 2014, it was mandatory for overseas entities to declare their country of origin. Prior to that, it was not mandatory, so we could have an incomplete dataset. We would have some data, but we would not be sure that it was complete.

**Jonathan McCoy:** From a Northern Ireland point of view, we are in that situation. There is currently no obligation for an entity to declare its country of incorporation.

We have another issue in relation to the structure of the data in that it is held in our systems in an unstructured way. In the same way in which our colleagues cannot carry out that exercise pre-1999 and pre-2014, we are at the point where we currently do not do that. Obviously we aspire to get up and running in time for the Bill coming in, which is where the difference comes in, as well as the transition periods.

**Martin Swain:** We are very much dependent on the data and information that we get from the Land Registry. We will work closely with the land registries to build a system that responds to the data that we collect.

**The Chair:** You said quite clearly that the information may not be comprehensive. If you happened to know, or had a pretty strong suspicion, that someone should have registered, would it be helpful to have the power to investigate?

Does your pause mean that you are thinking hard about this?

**Chris Pope:** I am not sure that a power to investigate would necessarily add anything to our ability to identify overseas companies or entities that had purchased land prior to 1999.

**The Chair:** So you do not feel inhibited at the moment if you have enough information. You are saying that you do not need extra powers to do it.

**Chris Pope:** No.

**Lloyd Russell-Moyle MP:** Do you think it would be a problem if the Bill extended scope to registrations that might have been registered before, but for other reasons you have knowledge that they are overseas entities, because they voluntarily told you or for whatever reason? Would that be a problem for you?

**Chris Pope:** I do not think it would be a problem for us per se, but it might not be proportional to all overseas entities that could not be identified through the data checks that we carry out. The obvious thing to do, if we have an overseas entity that has been registered since January
1999, is to do a name search on the same name and then investigate. What we cannot do is guarantee that every overseas entity, or overseas company particularly, would be captured prior to 1999, because we cannot identify them all.

**Lloyd Russell-Moyle MP:** So proportionality would be a problem, but it could apply.

**Chris Pope:** If we could identify an overseas entity that purchased a property at any time and we had the power to enter a restriction, we could enter a restriction.

**Q20 Lord Haworth:** My question is about consistency. We are aware that there are differences between the land registries. Nevertheless, the Bill is overarching for the UK as a whole. Do you think that the Bill’s objectives will achieve consistency across the whole of the UK, or will responses of necessity be patchy and variable?

**Jonathan McCoy:** From the start, all the jurisdictions have worked very hard with BEIS to try to bring that point to bear. Their restriction is that the land law and the registration law are slightly different in each jurisdiction, but I believe that they have made very good endeavours to try to flatten those out as much as possible.

**Jennifer Henderson:** I agree. We cannot do a lot about the differences in land law, but within that we can obviously make sure that we are applying consistently.

**Chris Pope:** I agree. We are dealing with three distinct land-law systems, so the registration regimes differ. There has been sufficient flagging out to ensure that the legislation achieves the same effect across the UK.

**Q21 Emma Dent Coad MP:** There are going to be a lot of new things that you have to deal with, between Companies House, the land registries and the interaction between them. Do you feel that you will have the resources to deal with all the new issues that you will need to tackle, or do you think you may need additional resources? Clearly there is a lot of extra work to be done.

**Martin Swain:** There will no doubt be resource implications, but until we see the content of the final Bill it is difficult to assess that precisely. From a Companies House perspective, we would say that we have really good experience of developing digital services to underpin a register, notwithstanding that this is a completely new register—it is not a case of adapting the companies register or adding things to it; it is a whole new one.

We work on a cost-recovery basis, so we would charge fees to pay for the services that we provide. As I mentioned earlier, we would have to make some assessments of that, but it is just too early for us to be able to put a figure on it.
**Chris Pope:** From our perspective, it is probably helpful for the Committee to understand that a vast majority of registered titles already have a restriction on them, so we and the conveyancers are very used to dealing with them. Once the digital interface between us and Companies House is up and running, there will be virtually no resource impact of this legislation.

**Emma Dent Coad MP:** Any other comments on this aspect?

**Jennifer Henderson:** For us in Scotland, the number of organisations that will be caught by the legislation is quite small. We anticipate the resource implications being small once it is up and running. Obviously there will be some resource applications to get it up and running, such as providing Companies House with a list of companies that it needs to notify so that they know to register, and making some small IT changes.

As your colleague has asked already, we are gearing up to bring in the register of controlling interests, which is going to be broader, so we have already factored in the resource implications for that.

**The Chair:** You told the Committee that there have been good links between you and BEIS and that you have been consulted regularly. There are going to be some changes for those using the Land Registry and Companies House in future. Do any of you have particular plans as to how you will increase awareness of the people—who are mostly professionals, I take it—who will using your services, so they are aware of the obligations that the Bill will bring?

**Chris Pope:** Aside from telling the proprietors who will be caught by this and engaging with the conveyancing industry more broadly, we produce a number of practice guides that explain how conveyancing and land registration work in England and Wales, and we will be updating those. We will be putting more information on GOV.UK and using informal messages—email and other channels—to let them know the specifics of how this might impact on land registration.

**Jennifer Henderson:** From a Scotland point of view, because we have the register of controlling interests coming in, which has already been widely discussed in Scotland and the legal profession is well aware of it, we will be able to use the mechanisms that we already have open to share with people how they will need to comply with that to broaden out and explain how they will need to comply with this legislation too.

Those discussions are already under way and people are aware that this is coming because it has been discussed as part of the register of controlling interests legislation that is going through.

**Jonathan McCoy:** The Law Society is our main conduit. Our main client as a land registry is the legal profession, and we tend to issue directives and notices through the society.
**Martin Swain:** We are working closely with BEIS and the land registries to be able to notify those who are already affected by the register, and with professional networks to make sure that they are aware of the requirements.

**Emma Dent Coad MP:** While we are moving on to this new way of digitising existing information, is this an extension of software programmes that we already have, or are these in development?

**Martin Swain:** From outside Companies House, these are in development, but we will be looking to use our expertise.

**Emma Dent Coad MP:** They are a development of what already exists.

**Martin Swain:** Yes. We would look to use the expertise that we have to develop a new register. Sorry, I missed the first part of your question.

**Emma Dent Coad MP:** I am just worried about whether we already had the software in existence which these programmes are just an extension of, or whether they are still being developed.

**Chris Pope:** Apart from the interface, the systems are already in place. All we need to do is to add into our systems the new form of restriction, which would allow it to be applied by a caseworker on to the register. We deal with that all the time.

**Q22 The Chair:** Finally, unless the Committee has any further questions, can you all identify—I know that strictly speaking this is not your job, but using your own experience—any matters in the Bill that you thought would make your task easier or the policy objectives of the Bill more capable of realisation? If you cannot think of anything now, by all means come back to us in due course.

**Chris Pope:** There is one thing that we think might be helpful: whether transfers by operation of law should not be caught by the restriction—for example, a transfer as a result of a compulsory purchase order—and whether the Bill might be explicit about those particular issues. We have raised that with BEIS officials and are confident that they are thinking about it.

**Jennifer Henderson:** From a Scottish point of view, we are satisfied that the provisions in the draft Bill will work for Scottish land registration.

**Jonathan McCoy:** From our point of view, there is a minor point: whenever a company seeks to come off the register, there is an obligation on Companies House at that stage to come back to us and verify that that company longer holds any property. We see no real need for that additional check, and we do not see that the company would have any benefit in making that declaration falsely. If it were then to seek to deal with the property it would have to reregister, so you would assume that the company would do that only by mistake.

**Martin Swain:** I have nothing to add.
The Chair: Thank you all very much indeed for attending the Committee and giving your evidence. As I said at the outset, if there are further comments—I know Martin has further information that he will provide to the Committee—that would be very helpful. You can see that there are a number of aspects of interest to the Committee generally, and with your particular experience you may be able to provide us with further insight. Thank you very much for coming.