Dear Ms Hillier

Accounting Officer Memorandum: Local Land Charges (LLC) Programme

Thank you for your letter dated 4 February 2019 to Graham Farrant. Graham Farrant has now left HM Land Registry and I am the Acting Chief Executive and Chief Land Registrar, so am replying and have Accounting Officer responsibility.

We have been considering the possible consequences following ONS’s decision to reclassify HMLR for national accounts purposes (for us to become part of central government rather than a public non-financial corporation). We are working collaboratively with Cabinet Office, HM Treasury, BEIS and UKGI colleagues. Following these conversations, the Chief Secretary to the Treasury has within the last few days confirmed that HMLR should continue to operate as a trading fund until the start of the 2020/21 financial year and that we should take the necessary steps in the meantime to revoke the relevant trading fund Order. We do not yet have confirmation about our administrative classification after this date.

As we expect to remain a trading fund until the end of 2019/20 we will continue, subject to Ministerial approval, to deliver phase 1 of the programme from accumulated reserves. This will equate to a spend of £15m over the 2018/19 and 2019/20 financial years. Roll out of the LLC programme beyond phase 1 will be dependent on the 2019 Spending Review. The programme will, through the Spending Review, be assessed alongside other government priorities, taking account of its value for money and wider economic benefits. Our learning from phase 1, including on costs of migration, take-up rates and delivery risks, will inform the business case for future phases.

Yours sincerely

Mike Harlow
Acting Chief Executive and Chief Land Registrar