STATUTORY INSTRUMENTS

2021 No. 1226

The Land Registration Fee Order 2021

PART 1

General

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Land Registration Fee Order 2021 and shall come into force on 31st January 2022.

(2) In this Order—

"the Act" means the Land Registration Act 2002,

"CLRA" means the Commonhold and Leasehold Reform Act 2002(1),

"charge" includes a sub-charge,

"common parts" has the same meaning as in section 25 of the CLRA,

"a commonhold" has the same meaning as in section 1 of the CLRA,

"commonhold association" has the same meaning as in section 34 of the CLRA,

"commonhold community statement" has the same meaning as in section 31 of the CLRA,

"commonhold land" has the same meaning as in section 1 of the CLRA,

"commonhold unit" has the same meaning as in section 11 of the CLRA,

"developer" has the same meaning as in section 58 of the CLRA,

"electronic means" means electronically in accordance with a notice given under Schedule 2 to the rules,

"large scale application" has the same meaning as in article 6(1)(b),

"monetary consideration" means a consideration in money or money's worth, other than a nominal consideration or a consideration consisting solely of a covenant to pay money owing under a mortgage,

"permitted means" means permitted under the rules,

"profit" means a profit a prendre in gross,

"the rules" means the Land Registration Rules 2003(2) and a rule referred to by number means the rule so numbered in the rules,

"Scale 1" means Scale 1 in Schedule 1,

"Scale 2" means Scale 2 in Schedule 2,

"scale fee" means a fee payable in accordance with a scale set out in Schedule 1 or Schedule 2,

⁽**1**) 2002 c. 15.

⁽²⁾ S.I. 2003/1417; relevant amending instruments are S.I. 2005/1766, 2005/1982, 2008/1750, 2008/1919, 2009/1996, 2011/1410, 2018/70 and 2020/425.

"scale fee application" means an application which attracts a scale fee, or which would attract such a fee but for the operation of article 6,

"share", in relation to land, means an interest in that land under a trust of land,

"surrender" includes a surrender not made by deed,

"voluntary application" means an application for first registration (other than for the registration of title to a rentcharge, a franchise, a profit or mines and minerals held apart from the surface) which is not made wholly or in part pursuant to section 4 of the Act (when title must be registered).

(3) Expressions used in this Order have, unless the contrary intention appears, the meaning which they bear in the rules.

PART 2

Scale Fees

Applications for first registration and applications for registration of a lease

2.—(1) Subject to paragraphs (2) and (5) and article 6 (large scale applications), the fee for an application for first registration of an estate in land is payable under the second column of Scale 1 on the value of the estate in land comprised in the application assessed under article 7.

(2) Subject to paragraph (5) and article 6 (large scale applications), the fee for an application by the original lessee or the original lessee's personal representative for the registration of title to a lease, or for an application for the registration of the grant of a lease, is payable under the second column of Scale 1—

- (a) where there is no premium and no rent, on the value of the lease assessed under article 7, subject to a minimum fee of £45,
- (b) where there is a premium and no rent, on the premium, or
- (c) where there is rent, on an amount equal to the sum of the premium (if any) and the rent.
- (3) The fee for an application for the first registration of a rentcharge is £40.

(4) The fee for an application for the first registration of a franchise or a profit is payable under the second column of Scale 1 on the value of the franchise or the profit assessed under article 7.

(5) The fee for a voluntary application which is not a large scale application is payable under the third column of Scale 1 on the value of the estate in land comprised in the application assessed under article 7.

- (6) For the purposes of paragraph (2)—
 - (a) a peppercorn rent or other rent having no money value, and rent that cannot be quantified in money at the date of the application, are to be treated as no rent, and
 - (b) where the rent reserved by the lease varies or can be varied, it is to be treated as being the largest amount of annual rent the lease may reserve in the first five years of its term, or in any year where the term is less than five years.
- (7) In paragraph (2)—
 - (a) "lease" means—
 - (i) a term of years absolute, or
 - (ii) a lease of a franchise, profit or manor if the grant of the lease is a registrable disposition,

- (b) "premium" means the amount or value of any monetary consideration given by the lessee as part of the same transaction in which a lease is granted by way of premium or otherwise, but, where a registered leasehold estate of substantially the same land is surrendered on the grant of a new lease, the premium for the new lease shall not include the value of the surrendered lease,
- (c) "rent" means the amount or value of the annual rent, or the amount or value of the rent for the term if the lease is for a term of less than one year.

Transfers of registered estates for monetary consideration, etc.

3.—(1) Subject to paragraphs (2) to (6) and article 6 (large scale applications), the fee for an application for the registration of—

- (a) a transfer of a registered estate for monetary consideration,
- (b) a transfer for the purpose of giving effect to a disposition for monetary consideration of a share in a registered estate, or
- (c) a surrender of a registered leasehold estate for monetary consideration, other than a surrender to which paragraph (3) of Schedule 4 applies,

is payable under the second column of Scale 1 on the amount or value of the consideration.

(2) Paragraph (1) shall not apply if the application is for the registration of a transfer of a registered estate made pursuant to an order of the Court under the Matrimonial Causes Act 1973(3) or the Civil Partnership Act 2004(4).

- (3) Where an application under paragraph (1) is—
 - (a) for the registration of a transfer, or a surrender, of the whole of a registered title, and
 - (b) delivered by electronic means,

the fee for the application is payable under the fourth column of Scale 1 on the amount or value of the consideration.

(4) Where a sale and sub-sale of a registered estate are made by separate deeds of transfer, a separate fee is payable for each deed of transfer.

(5) Where a single deed of transfer gives effect to a sale and a sub-sale of the same registered estate, a single fee is payable on the greater of the monetary consideration given by the purchaser and the monetary consideration given by the sub-purchaser.

(6) Other than where paragraph (5) applies, where a single deed of transfer contains transfers made by different transferors or to different transferees, a separate fee is payable for each of the transfers.

Transfers of registered estates otherwise than for monetary consideration, etc.

4.—(1) Subject to paragraphs (2), (3) and (4) and article 6 (large scale applications), the fee for an application for the registration of—

- (a) a transfer of a registered estate otherwise than for monetary consideration,
- (b) a surrender of a registered leasehold estate otherwise than for monetary consideration,
- (c) a transfer of a registered estate by operation of law on death or bankruptcy of an individual proprietor,
- (d) an assent of a registered estate (including a vesting assent),

⁽**3**) 1973 c. 18.

⁽**4**) 2004 c. 33.

- (e) an appropriation of a registered estate,
- (f) a vesting order or declaration to which section 27(5) of the Act applies, or
- (g) a transfer of a registered estate made pursuant to an order of the Court under the Matrimonial Causes Act 1973 or the Civil Partnership Act 2004,

is payable under the second column of Scale 2 on the value of the registered estate which is the subject of the application assessed under article 7.

(2) Subject to paragraphs (3) and (4), where a transfer referred to in paragraph (1) is for the purpose of giving effect to the disposition of a share in a registered estate, the fee for an application for its registration is payable under the second column of Scale 2 on the value of that share assessed under article 7.

- (3) Where an application under paragraphs (1) or (2) is—
 - (a) for the registration of a disposition of the whole of a registered title, and
 - (b) delivered by electronic means,

the fee for the application is payable under the third column of Scale 2 on the value of the registered estate or share (as the case may be) assessed under article 7.

(4) Where a single deed of transfer contains transfers made by different transferors or to different transferees, a separate fee is payable for each of the transfers.

Charges of registered estates or registered charges and transfers of charges

5.—(1) Subject to paragraphs (2), (3), (4) and (8) and article 6 (large scale applications), the fee for an application for the registration of a charge is payable under the second column of Scale 2 on the amount of the charge assessed under article 8.

(2) No fee is payable for an application to register a charge delivered with or before the completion of either a scale fee application or an application to which paragraph (18) in Part 1 of Schedule 3 applies ("the primary application") that will result in the chargor being registered as proprietor of the registered estate included in the charge unless—

- (a) the charge includes a registered estate which is not included in the primary application, where paragraph (4) applies, or
- (b) the primary application is a voluntary application, in which case this paragraph shall apply only if the application to register the charge accompanies the primary application.

(3) No fee is payable for an application to register a charge where the charge was by a predecessor in title of the applicant and the application is delivered with, or before the completion of, an application for first registration of the estate included in the charge.

(4) Where a charge also includes a registered estate which is not included in the primary application ("the additional property") any fee payable under Scale 2 is to be assessed on an amount calculated as follows—

 $\frac{Value \text{ of the additional property}}{Value \text{ of all the property included in the charge}} \times Amount secured by the charge}$

(5) Subject to paragraph (8) and article 6 (large scale applications), the fee for an application for the registration of—

- (a) a transfer of a registered charge for monetary consideration, or
- (b) a transfer for the purpose of giving effect to a disposition for monetary consideration of a share in a registered charge,

is payable under the second column of Scale 2 on the amount or value of the consideration.

(6) Subject to paragraph (8) and article 6 (large scale applications), the fee for an application for the registration of the transfer of a registered charge otherwise than for monetary consideration is payable under the second column of Scale 2 on—

- (a) the amount secured by the registered charge at the time of the transfer, or
- (b) where the transfer relates to more than one charge, the aggregate of the amounts secured by the registered charges at the time of the transfer.

(7) Subject to paragraph (8) and article 6 (large scale applications), the fee for an application for the registration of a transfer for the purpose of giving effect to a disposition otherwise than for monetary consideration of a share in a registered charge is payable under the second column of Scale 2 on—

- (a) the proportionate part of the amount secured by the registered charge at the time of the transfer, or
- (b) where the transfer relates to more than one charge, the proportionate part of the aggregate of the amounts secured by the registered charges at the time of the transfer.
- (8) Where an application under paragraphs (1), (5), (6) or (7) is—
 - (a) for the registration of a charge of the whole of a registered title or a transfer of a charge, and
 - (b) delivered by electronic means,

the fee for the application is payable under the third column of Scale 2 on the value of the charge or transfer assessed under paragraphs (1), (5), (6) or (7), as the case may be.

Large scale applications

6.—(1) In this article—

- (a) "land unit" means—
 - (i) the land registered under a single title number other than, in the case of an application to register a charge, any estate under any title number which is included in a primary application within the meaning of article 5(2), or
 - (ii) on a first registration application, a separate area of land not adjoining any other unregistered land affected by the same application,
- (b) "large scale application" means a scale fee application which relates to 20 or more land units, other than an application to register a disposition by the developer affecting the whole or part of the freehold estate in land which has been registered as a freehold estate in commonhold land, or a low value application,
- (c) "low value application" means a scale fee application, other than an application for first registration, where the value of the land or the amount of the charge to which it relates (as the case may be) does not exceed £30,000.
- (2) Subject to paragraphs (3) and (4), the fee for a large scale application is the greater of—
 - (a) the scale fee applicable to the application, and
 - (b) a fee calculated on the following basis-
 - (i) where the application relates to not more than 500 land units, £10 for each land unit, or
 - (ii) where the application relates to more than 500 land units, £5,000 plus £5 for each land unit in excess of 500.
- (3) If a large scale application is a voluntary application—

- (a) where sub-paragraph (a) of paragraph (2) applies, the fee is payable under the third column of Scale 1 on the value of the estate in land comprised in the application assessed under article 7, and
- (b) where sub-paragraph (b) of paragraph (2) applies, the fee is reduced by twenty five per cent and, if the resulting figure is not a multiple of £5, rounded down to the nearest multiple of £5.

(4) The maximum fee payable for a large scale application for first registration is $\pounds 40,000$ unless the application is a voluntary application, in which case the maximum fee is $\pounds 30,000$.

PART 3

Valuation

Valuation (first registration and registered estates)

7.—(1) Subject to paragraph (2), the value of the estate in land, franchise, profit or manor is the maximum amount for which it could be sold in the open market free from any charge—

- (a) at the date immediately before the surrender in the case of a surrender, and
- (b) at the date of the application in any other case.

(2) For the purposes of article 4(1) and (2), where the transfer takes effect subject to an existing charge on the registered estate, the value of the registered estate is as in paragraph (1) less the amount secured by the existing charge at the time of the transfer.

(3) As evidence of the amounts referred to in paragraphs (1) and (2), the registrar may require a written statement signed by the applicant or the applicant's conveyancer or by any other person who, in the registrar's opinion, is competent to make the statement.

(4) For the purposes of article 4(2), the value of the share is the proportionate part of the value of the registered estate assessed in accordance with paragraphs (1) and (2).

(5) Where a transfer falling within article 4(2) takes effect subject to an existing charge on the share disposed of but not on the registered estate, the value of the share is its value as in paragraph (4) less the amount secured by the existing charge at the time of the transfer.

- (6) Where an application for first registration is made on—
 - (a) the purchase of a leasehold estate by the reversioner,
 - (b) the purchase of a reversion by the leaseholder, or
 - (c) any other like occasion,

and an unregistered interest is determined, the value of the estate is the combined value of the reversionary and determined interests assessed in accordance with paragraph (1).

Valuation (charges)

8.—(1) On an application for registration of a charge, the amount of the charge is—

- (a) where the charge secures a fixed amount, that amount,
- (b) where the charge secures further advances and the maximum amount that can be advanced or owed at any one time is limited, that amount,
- (c) where the charge secures further advances and the total amount that can be advanced or owed at any one time is not limited, the value of the property charged,

- (d) where the charge is by way of additional or substituted security or by way of guarantee, an amount equal to the lesser of—
 - (i) the amount secured or guaranteed, and
 - (ii) the value of the property charged, or
- (e) where the charge secures an obligation or liability which is contingent upon the happening of a future event ("the obligation"), and is not a charge to which sub-paragraph (d) applies, an amount equal to—
 - (i) the maximum amount or value of the obligation, or
 - (ii) if that maximum amount is greater than the value of the property charged, or is not limited by the charge, or cannot be calculated at the time of the application, the value of the property charged.

(2) Where a charge of a kind referred to in paragraph (1)(a) or (1)(b) is secured on unregistered land or other property as well as on a registered estate or registered charge, the fee is payable on an amount calculated as follows—

 $\frac{Value of the registered estate or registered charge}{Value of all the property charged} \times Amount of the charge$

(3) Where one deed contains two or more charges made by the same chargor to secure the same debt, the deed is to be treated as a single charge, and the fee for registration of the charge is payable on the lesser of—

- (a) the amount of the whole debt, and
- (b) an amount equal to the value of the property charged.

(4) Where one deed contains two or more charges to secure the same debt not made by the same chargor, the deed is to be treated as a separate single charge by each of the chargors and a separate fee is payable for registration of the charge by each chargor on the lesser of—

- (a) the amount of the whole debt, and
- (b) an amount equal to the value of the property charged by that chargor.

(5) In this article "value of the property charged" means the value of the registered estate or the amount of the registered charge or charges affected by the application to register the charge, less the amount secured by any prior registered charges.

PART 4

Fixed Fees and Exemptions

Fixed fees

9.—(1) Subject to paragraph (2) and to article 10, the fees for the applications specified in Schedule 3 shall be those set out in that Schedule.

(2) Where an application is one specified in paragraphs (1), (2) or (9) in Part 1 of Schedule 3 affecting the whole or part of the freehold estate in land which has been registered as a freehold estate in commonhold land registered in the name of the developer under more than one title number, the fee is to be assessed as if the application affects only one title.

Exemptions

10. No fee is payable for any of the applications and services specified in Schedule 4.

PART 5

General and Administrative Provisions

Cost of surveys, advertisements and special enquiries

11. The applicant is to meet the costs of any survey, advertisement or other special enquiry that the registrar requires to be made or published in dealing with an application.

Applications not otherwise referred to

12. The fee payable for an application in respect of which no other fee is payable under this Order is—

- (a) £20 where the application is delivered by electronic means, and
- (b) £40 where the application is delivered by other permitted means.

Method of payment

13.—(1) Where the amount of the fee payable for an application is immediately quantifiable, the fee must be paid on delivery of the application.

(2) Where the amount of the fee payable for an application is not immediately quantifiable, the applicant must pay the sum of $\pounds 40$ towards the fee when the application is delivered and must lodge at the same time an undertaking to pay on demand the balance of the fee due, if any.

- (3) Where an application is delivered by electronic means—
 - (a) if the relevant notice under Schedule 2 to the rules requires the person delivering the application to have entered into an agreement referred to in paragraph (7), the fee must be paid by direct debit, and
 - (b) in all other cases, the fee must be paid by credit or debit card.

(4) Where an application is made by personal delivery or made orally, in accordance with a notice given under Schedule 2 to the rules, the fee must be paid by direct debit, credit or debit card, cheque or postal order crossed and made payable to HM Land Registry, or in cash.

(5) Where an application is made by telephone, in accordance with a notice given under Schedule 2 to the rules, the fee must be paid by credit or debit card.

(6) Where an application is made otherwise than as described in paragraphs (3), (4) and (5), the fee must be paid by direct debit or cheque or postal order crossed and made payable to HM Land Registry.

(7) In this article, reference to "direct debit" means direct debit to such bank account of the land registry as the registrar may from time to time direct in accordance with an agreement between the registrar and the person delivering the application.

Revocation

14. The Land Registration Fee Order 2013(5) is revoked.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Signed by the authority of the Secretary of State

Callanan Parliamentary Under Secretary of State Department for Business, Energy and Industrial Strategy

26th October 2021

We consent

Rebecca Harris James Morris Two of the Lord Commissioners of Her Majesty's Treasury

1st November 2021