The Conveyancing Association (CA) endorses the principles that underpin this protocol but recognises that each transaction must be judged on its own merits. In some cases established working practices, system limitations and the instructions of a client or lender may prevent the adoption of the protocol in full. Within these acknowledged limitations the CA commends the adoption of the protocol to its members as an opportunity to improve client satisfaction and shorten transaction times.

This protocol is intended to:
- Deliver a robust and efficient conveyancing service through the co-operation of all parties within the transaction.
- Complement both the Conveyancing Association’s Pledges and the Conveyancing Quality Scheme (CQS).
- Be read in conjunction with the CA Cyber Protocol which is available upon application, or other cyber security advice available.

NB The CA does not intend the Protocol to conflict with any regulatory or Law Society guidance but if any such conflict is apparent the demands of the latter prevail.

<table>
<thead>
<tr>
<th>Issue Addressed</th>
<th>Agreed Practice</th>
<th>Practice Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 Delays in the transaction</td>
<td>Improved Communication</td>
<td>Best practice is to make an initial introductory call to the client, thereafter the first choice for all correspondence for all parties (where appropriate), is electronic via encrypted email.¹ Bank details should be sent to the client by post at the beginning of the transaction to avoid interception by fraudsters.² Work with the other lawyer, responding promptly to communication in a co-operative manner.³ Protracted email exchanges over complex issues, which are unresolved by the first round of enquiry, can be avoided by discussion over the phone. Ensure that your General Data Protection Regulations disclosure advises your client that you will keep the other lawyer and estate agent updated on the progress of any linked transaction and maintain such updates throughout the transaction.⁴</td>
</tr>
</tbody>
</table>

¹ Electronic Communications Act 2000 Part II Clause 7 states that information delivered by email from a known source is considered electronically signed and admissible in legal proceedings.
² CA Cyber Protocol
³ CQS Protocol: General Obligations 5, 6 & 8.
⁴ CQS Protocol: General Obligations 7 Stage A: Instructions 4 & 5 & Stage B Pre-Exchange:26 Stage C: Prior to Exchange of contracts 43
Work on a regular, diarised, file review cycle to ensure that no outstanding issues are left un-progressed.

Where there is no assigned fee earner, it is recommended that firms maintain a monitored, and published, generic email address for conveyancing; which can be used on Memoranda of Sale and correspondence before a fee earner has been appointed.

This will enable the transition of initial communication by email and allocated internally upon receipt of Instructions.

<table>
<thead>
<tr>
<th>1.1 Delays in the transaction</th>
<th>Monies on Account</th>
<th>Collect monies on account from clients at the earliest opportunity.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2 Delays in the transaction</td>
<td>Covering Staff Absences</td>
<td>Ensure proper arrangements are made for cover for staff absences. Email and voicemail accounts should be monitored during staff absences.</td>
</tr>
<tr>
<td>1.3 Delays in the transaction</td>
<td>Obtain Identity Verification upon instruction.</td>
<td>As part of the Due Diligence process, and as good customer service, the Law Firm should consider accepting evidence of Identity from a trusted third party in accordance with the principles of reliance or agency set out in clause 39(7) of the Money Laundering Regulations 2017 and in line with the Law Firm’s risk assessment of the transaction and the client. To help protect the firm and a buyer from fraud you should use an electronic anti money laundering check which can identify potentially fraudulent use of identity. To help avoid seller ID fraud, staff should be aware of indicators of high risk properties eg high value, with a sole owner, no mortgage, payments outside of the UK or where the seller’s address is not the property address. In these cases additional checks should be undertaken to ensure the seller is genuine.</td>
</tr>
</tbody>
</table>

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5 CQS Protocol: General Obligations 12
6 CQS Protocol: Stage A: Instructions 2
| 1.4 Delays in the transaction | Obtain evidence of source of funds early | In line with the Law Firm’s risk assessment, establish source of funds at the earliest possible stage advising that information relating to gifts or loans will be reported to the lender\(^7\) and that the buyer should include this information on their mortgage application.\(^8\) Highlight that further evidence of source of funds might be required at a later stage. |
| 1.5 Delays in the transaction | Collecting Deposits | Request the deposit monies at the earliest appropriate opportunity once anti money laundering checks have been completed. Additionally this can reduce the risk of misdirection of deposit monies by fraudsters. |
| 1.6 Delays in the transaction | Defects in Title | Significant delay is caused in debating the responsibility for perfecting defects in title. This can be avoided where it is assumed that the seller is responsible for their title and would not expect to receive full market value for a genuine defective title. Any other ‘potential’ defects are a matter for negotiation between the parties. |
| 1.7 Delays in the transaction | Pre-Sale Preparation | If the commercial decision of the Law Firm is to prepare pre-sale packs, it is recommended that the following should be included.  
• Official Entries\(^9\)  
• Title Plan  
• Seller Information Forms  
• Establishing cost and location of Landlord/Management company information.  
• All documents held by the client  
• Relevant Title Documents from the Land Registry rather than wait for a ‘deeds package’ eg Transfers, conveyances and leases referred to as containing rights, reservations, covenants etc  
• Provisional redemption figures\(^10\)  
• Required permissions and consents which exist for alterations and obtain copies\(^11\)  

Upon receipt, all documentation should be checked through by the seller’s conveyancer to |

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\(^7\) UK Finance (UKF) Mortgage Lender’s Handbook Part 1: 5.13.1  
\(^8\) CQS Protocol: Stage A: Instructions 7  
\(^9\) CQS Protocol: Stage A: Instructions 8  
\(^10\) CQS Protocol: Stage A: Instructions 7  
\(^11\) CQS Protocol: Stage A: Instructions 9
| 1.8 Delays in the Transaction | Issue of Contract Pack | At the earliest opportunity, to issue a contract pack to the buyer’s lawyer, to include as a minimum:-  
- The latest edition of the Standard Conditions of Sale, without amendment, save for transaction specific amendments.\(^{12}\)  
- Official Entries and Plan.  
- All downloadable title documents held at the Land Registry.  
- A draft Transfer\(^{13}\) (with the buyer’s details and price left blank if necessary). Any required clauses will in the main be a requirement of the seller. Duplicate Transfers are acceptable to the Land Registry and the buyer’s lawyer can add any required joint ownership clauses, however care should be taken to ensure that the agreed form of wording is executed and provided on Completion;\(^{14}\) and  
- Replies to Requisitions on Title.  
- The Certificate required by a restriction registered at Land Registry under Form RQ Where the contract pack is issued by email, so long as the recipient is expecting the contract pack for that transaction and has up to date security software, this should be accepted after the appropriate virus check without the need for a hard copy of the documentation to be requested. |
| 1.9 Delays in the Transaction | Leasehold Enquiries | Avoid delays by advising the client that payment will be required by the Lease Administrator for providing the information required by the buyer’s lawyer.  
Request that referrers and estate agents encourage sellers to make contact with the Lease Administrator at the point of marketing to establish the cost and procedure to obtain the information. |

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\(^{12}\) CQS Protocol: Stage B: Pre-Exchange: 24  
\(^{13}\) CQS Protocol: Stage B: Pre-Exchange: 24  
\(^{14}\) The Land Registry’s eDRS acceptance of scanned copies of the documents mean that the Seller’s Lawyer can email the scanned copy of the dated document to the Buyers conveyancer with their undertaking that it is a true copy of the original.
## 1.10 Delays in the Transaction

<table>
<thead>
<tr>
<th>Obtaining Signed Contract at the Earliest Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>The seller’s lawyer may leave the buyer’s details blank on the draft contract so that the buyer’s lawyer may fill those in by hand and be confirmed on Exchange of Contracts, if necessary. This enables both the buyer and the seller’s lawyer to report to the client early⁵ and request that their client sign the contract prior to final approval which the lawyers will do on their behalf, initialling any agreed amendments as agent for their client with their verbal or emailed authority.⁶</td>
</tr>
</tbody>
</table>

## 1.11 Delays to the Transaction

<table>
<thead>
<tr>
<th>Avoiding Delays on Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employ the Conveyancer’s Code for Completion to enable funds to be transmitted the day before Completion. If unable to use the Code, request client and lender monies to arrive at least the day before Completion and check with the sender, in advance, to ensure that they will be sent. Set up telegraphic transfers the day before Completion when in funds, to go first thing on the day of Completion, as appropriate.</td>
</tr>
</tbody>
</table>

## 2.0 Additional Enquiries

<table>
<thead>
<tr>
<th>Avoiding Unnecessary Additional Enquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limit all additional enquiries to those relating to title or required by your client.⁷ Seller’s lawyers may refuse to answer Additional Enquiries which do not relate to the title, are not property specific or appear to be “standard” and have not been raised on the instructions of the buyer or lender. Buyer’s lawyers should avoid requesting unnecessary documentation eg Blanket Tree Preservation orders, FENSA or CERTAS, Cavity Wall Insulation or Gas Safe Certificates revealed by the Local Search unless the nature of the transaction or the lender requires it. Prior to raising an enquiry relating to an entry revealed by the Local Search, check whether sufficient information is freely available on the Local Authority’s portal in the first instance.</td>
</tr>
</tbody>
</table>

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⁵ CQS Protocol: Stage B: Pre-Exchange: 33
⁶ CQS Protocol: Stage B: Pre-Exchange: 38
⁷ CQS Protocol: Stage B: Pre-Exchange: 32
| **2.1 Additional Enquiries** | Providing Relevant Documentation on Request | Assisting the buyer’s lawyer wherever possible by advising the seller that they are required to provide, at their own expense, documents which will be required by the buyer. For example, s.106 Planning Act Agreements of any age, Road and Sewer Adoption Agreements where a road or sewer is unadopted etc.\(^{18}\) |
| **2.2 Additional Enquiries** | Providing Full Replies to Enquiries | Review and augment replies given by the seller to ensure that all appropriate information is given to the buyer’s lawyer at the earliest stage and to ensure that the seller is not vulnerable to a later claim of mistake or negligence.\(^{19}\) |
| **2.3 Additional Enquiries** | Avoiding Leasehold Delays | Use agreed standard Leasehold Property Enquiries (LPE1) which should be sent to all relevant parties involved in the Lease administration at the earliest opportunity.\(^{19}\) |
|  |  | Ring the contact given for the Lease Administrator at the earliest opportunity to establish their requirements and to check whether there are other parties who will also need to provide information, eg a Resident’s Association. |
| **2.4 Additional Enquiries** | Preventing Last Minute Enquiries | Raise enquiries at the earliest possible stage, to prevent delays to exchange. |
|  |  | Issues arise where activities are delegated to inexperienced staff. Whilst the delegation of work is the commercial decision of the member, delays can be avoided by implementing a Supervisor review of the files at regular stages of the transaction to identify issues that may require additional enquiry at the earliest stage possible, rather than on the final review prior to exchange. |
| **2.5 Additional Enquiries** | Proportionality of retentions | Having advised the client appropriately rely upon the provisions within the Standard Conditions of Sale rather than requesting retentions of less than £200. |
| **3.0 Post Completion** | Land Registry Requisitions | So far as required by the terms of the Contract and covenants for title, the seller’s lawyer should assist the buyer’s lawyer with Land Registry Requisitions in a co-operative and timely fashion. |

\(^{18}\) UKF Handbook s.5.5.4  
\(^{19}\) Legal Ombudsman: recommendations on advising the client.  
\(^{19}\) CQS Protocol: Stage A: Instructions 12
Dealing with Issues with Extensions & Alterations

The following is not exhaustive and each transaction should be judged on its own merits and with due consideration to any other statutory requirements e.g. Conservation Areas, Article 4 Directions, Listed Buildings etc.

Planning Permission

- Works requiring planning permission which was not obtained and which were carried out within the last 12 months – require either a regularisation certificate or bespoke indemnity insurance, as appropriate to the client’s needs and requirements.
- Without required planning permission but there is evidence work was completed over 4 years ago without concealment (unless there is a change of use involved then 10 years is required) – no further action
- Without required planning permission work completed over 12 months ago but less than 4 years - obtain indemnity insurance on purchase or advise the client to supply indemnity insurance on sale.
- Planning permission revealed by search without conditions – no further action
- Planning permission revealed by search with conditions and the Local Authority have not recorded satisfaction of the condition then you should obtain copy whatever the age of the consent unless evidence is available of the breach of the conditions occurring over 10 years ago and the condition is not an ongoing condition such as removal of permitted development rights which should be advised to the client to avoid future breach.
- If the consent is more than 20 years old the buyer’s lawyer should obtain it direct from the appropriate planning authority.

In all cases where planning permission was not obtained, the lawyer should advise their client and the valuer that permission was not obtained and that the valuer should confirm that it is structurally sound and value the

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20 UKF Handbook s.5.5.1
21 ss124-7 Localism Act 2011
22 Planning Act 1990 states that work completed over 4 years ago is unenforceable and immunity for breach of condition or change of use after 10 years. NB you should ask the seller to confirm that the work was not concealed as in the case of Welwyn Hatfield Council v. SSCLG [2010] EWCA Civ 26 & R. (Fidler) v. SSCLG - [2011] EWCA Civ 1159
23 Specialist indemnity insurance would be required for works completed less than 12 months ago which might affect due to the increased chance of enforcement actions by the Local Authority.
24 Planning Permission granted without conditions, so long as it’s Subject Title is sufficient to identify the alteration is relates to, will reveal nothing further of use. Lack of sufficient description should be resolved by a call for confirmation to the Local Authority.
property on the basis that no Local Authority consents were obtained in respect of the work.

Buildings Regulations

- Pre-1985\(^{25}\) no action required as the Local Authorities were not compelled to keep records until the advent of the Building Act 1984.
- Works carried out post 1985 and a Building Regulations Completion Certificate is revealed by your search – no further action
- Works carried out post 1984 but over 10 years ago and no Building Regulations Completion Certificate is revealed by your search; advise the client and lender of lack of availability of a Completion Certificate, the issues that arise if they wish to undertake additional works, and to check with Valuer/Surveyor as to the safety and structural integrity of the alteration. Consider the need for an indemnity insurance policy at the buyer’s cost only if you consider there is a material risk of enforcement action being taken.\(^{26}\)
- Non-structural works carried out over 12 months ago and within the last 10 years and no Building Regulations Completion Certificate is revealed by your search; advise the client and lender of lack of availability of a Completion Certificate, the issues that arise if they wish to undertake additional works and to check with Valuer/Surveyor as to the safety and structural integrity of the alteration. Consider the need for an indemnity insurance policy at the buyer’s cost only if you consider there is a material risk of enforcement action being taken.\(^{27}\)
- Structural works carried out over 12 months ago and within the last 10 years and no Building Regulations Completion Certificate is revealed by your search; advise the client and lender of lack of availability of a Completion Certificate, the issues that arise if they wish to undertake additional works and to check with Valuer/Surveyor as to the safety and structural integrity of the alteration. Recommend

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\(^{25}\) The Buildings Act 1984 was the first time that the Authority was required to keep records of Buildings Regulations, there would be nothing in the public interest to support an application for an injunction under s.36(6) of the Buildings Act 1984 However, the structural integrity of the alteration should be verified in all cases.

Cottingham v Attey Bower Jones 2000

\(^{26}\) UKF Handbook 5.5.1: … “If there is evidence of such a breach or matter but in your professional judgment there is no reasonable prospect of enforcement action and, following reasonable enquiries, you are satisfied that the title is good and marketable and you can provide an unqualified certificate of title, we will not insist on indemnity insurance and you may proceed.”

\(^{27}\) UKF Handbook 5.5.1: … “If there is evidence of such a breach or matter but in your professional judgment there is no reasonable prospect of enforcement action and, following reasonable enquiries, you are satisfied that the title is good and marketable and you can provide an unqualified certificate of title, we will not insist on indemnity insurance and you may proceed.”
indemnity insurance against enforcement at the seller’s cost.\textsuperscript{29}

\textit{In all cases where Buildings Regulations was not obtained, the lawyer should advise their client and the surveyor that Local Authority consent was not obtained for the work and that the surveyor/valuer should confirm that it is structurally sound and value the property on this basis.}

<table>
<thead>
<tr>
<th>4.1 Technical Issues</th>
<th>Missing Restrictive Covenants</th>
<th>Missing Pre-1925 documents containing restrictive covenants.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Advise the client of the lack of knowledge and that there may be a risk of enforcement should the covenantee establish a material breach. Advise as to the availability of indemnity insurance at the buyers cost.\textsuperscript{29}</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Missing Post-1925 documents containing restrictive covenants</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ If the document containing the covenants is dated before the date of first registration, a Land Charges Search against the original covenantor may reveal that the covenants were not protected by a D(II) registration. In which case the Land Registry should remove reference to the covenants for the Charges Register, upon application\textsuperscript{30}; otherwise</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ If the Seller can confirm that no material changes have been undertaken to the property or to the use of the property within the last 20 years and no enforcement action is being taken or threatened\textsuperscript{31}; consider the need for an indemnity insurance policy at the buyer’s cost only if you consider there is a material risk and a suitable policy is available to mitigate the risk; otherwise</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ If the Seller is unable to confirm whether there have been changes of external structure or use within the last 20 years consider the need for an indemnity insurance policy at the seller’s cost if you consider there is a material risk and a suitable policy is available to mitigate the risk; otherwise</td>
</tr>
</tbody>
</table>

\textsuperscript{28} The Local Authority has rights to serve a Stop or Enforcement notice within 12 months under s.36(4) of the Buildings Act 1984

\textsuperscript{29} Privity of Contract & Estate “a Burden cannot pass with the land unless an indemnity has been given”. The Doctrine of Notice: Where a covenant is registered it will still bind.

\textsuperscript{30} Land Charges Act 1972 Charges of classes C(iv) & D are void against a purchaser for money or monies worth if not registered.

\textsuperscript{31} UKF handbook Part 1 5.11.2 following the decision in Hepworth –v- Pickles 1900 “an open and uninterrupted breach over 20 years creates an implied waiver”.

\textsuperscript{3rd Edition 2018 9}
<table>
<thead>
<tr>
<th>Known Restrictive Covenants</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>▪ If changes have been made to the property within the last 20 years e.g. external structural alterations or additions, or change of use, advise the seller that they have a defective title which requires indemnity insurance.</td>
<td></td>
</tr>
</tbody>
</table>

**Breach of a known Restrictive Covenants carried out within the 20 years without consent or waiver of the covenant and where it is explicit that the breach of the covenant binds successors in title**

| ▪ Breach over 12 months old: a defective title indemnity insurance should be supplied by the seller. |
| ▪ Breach under 12 months either obtain a bespoke indemnity insurance policy or require retrospective consent at the seller’s expense. |

**Breach of a known Restrictive Covenant where the breach of the covenant does not bind successors in title** or the breach was carried out over 20 years ago

No further action required, provided the seller confirms no enforcement action is being taken or threatened

<table>
<thead>
<tr>
<th>4.2 Technical Issues</th>
<th>Short Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease under 85 years left to run but over 70 years and acceptable to the lender: the risk and cost associated with short Leases should be reported to the client and their instructions taken to ensure that they understand the potential additional costs on sale or remortgage.</td>
<td></td>
</tr>
<tr>
<td>Lease under 70 years left to run: Lease Extension required at the seller’s expense. A fully advised cash buyer of course has the option to instruct their lawyer to proceed without a Lease Extension.</td>
<td></td>
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</tbody>
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32 CQS Protocol: Stage A: Instructions 10
33 Powell v. Hemsley, 1909, 1 Ch. 680, 2 Ch. 252
34 It is assumed that the Seller is selling at full value and therefore should perfect any defect in title at their expense.
35 Powell v. Hemsley, 1909, 1 Ch. 680, 2 Ch. 252
36 UKF handbook Part 1 5.11.2 following the decision in Hepworth –v- Pickles 1900 “an open and uninterrupted breach over 20 years creates an implied waiver”.
37 Legal Ombudsman advice on common complaints indicates & CQS Protocol: Stage A: Instructions 13 36 UKF Handbook Part 2 – the majority of High Street lenders require 70 years minimum term NB Kent Reliance require 75 and New Life Mortgages 80 National Counties, Coventry & Godiva 80 years for lifetime mortgages
5.1 Improving Communication with Lender

| Post Valuation Queries | Check the relevant section of the Lender’s Handbook prior to referring the issue to the lender. Where possible utilise the CA standard referral form to ensure that all information is laid out efficiently and to provide advice to the lender. Where the guidance in the Lender’s Handbook is ambiguous, highlight this to the lender in your query so that they can review and improve their wording. |

| Certificate of Title | Provide your contact details on the Certificate of Title so that where their processes allow, the lender can acknowledge safe receipt and confirm that monies are set up for completion. Do not send covering letters with your Certificate of Title as these are scanned and dealt with separately by some lenders so can delay confirmation that monies are set up for completion. Do not send the hard copy of a faxed Certificate of Title for the same reason unless it is required by the lender. |

6.1 Leasehold

| Applications for Information or Consent | Highlight to Lease Administrators the need for reasonable administration charges. An unreasonable fee for the provision of a consent where consent cannot be unreasonably withheld means the leaseholder can proceed without the consent. |

6.2 Leasehold

| Deed of Covenant | Where there is no Management Company a Deed of Covenant is a void document under the Landlord & Tenant (Covenants) Act 1995. (L&T(C)A95) Where there is a Management Company and the “demise” does not include the shared amenities then a Deed of Covenant may be required due to the wording of clause 12 of the L&T(C)A95. A fee for a Deed of Covenant should not be unreasonable. |

38 Commonhold & Leasehold Reform Act 2002 Para 1 Schedule 11
39 Proxima GR Properties Ltd v Dr Thomas D McGhee [2014] UKUT 0059 (LC)
40 Spencer Wade v Orchidbase Ltd [2014]
6.3 Leasehold

### Rent Review Clauses

Check any rent review clauses upon receipt of the lease to ensure that they are reasonable and acceptable to a mortgage lender during the full term of the mortgage.

Where there are complicated calculations you should run the calculation for any rent reviews during the following 50 years and report the likely increases to the client and, if they appear to be outside of the norm, report to the lender.

Any onerous term should be reported to the client and the Lender with an explanation as to what this will mean to them.

On new build leases any escalating ground rents outside of the norm should be negotiated with reference to the current lending policy adopted by major lenders such as Nationwide. E.g. minimum term of 125 years for a flat and 250 for a house, no newbuild leasehold houses where there are no shared amenities and rent reviews must be reasonable and not cause the rent to be above the Housing Act 1988 level e.g. £250 for outside London and £1,000 within London, during the mortgage term.

7. Fraud Avoidance

### General

Implement the CA Cyber Protocol.

7. Fraud Avoidance

### Seller ID Fraud

Identify any property which is high risk and apply enhanced due diligence to establish that the known information about the owner corresponds with the person with whom you are dealing.\(^{41}\)

High risk property would include:

- Vacant or tenanted
- High value
- Un-mortgaged
- Where the seller does not occupy
- The seller is a sole owner
- The seller has owned it for some time

7. Fraud Avoidance

### Protecting the sale proceeds

Verify the account to which the proceeds of sale will be sent whether that is to a seller’s conveyancer or the seller’s personal bank account.

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\(^{41}\) P & P Property Limited v OWC LLP and Crownvent Ltd t/a Winkworth [2016] EWHC 2276, Purrusings v A’Court & Co (a firm) & Anor [2016] EWHC 789 (Ch)