EXPLANATORY MEMORANDUM TO

THE FINANCIAL SERVICES ACT 2012 (CONSEQUENTIAL AMENDMENTS) ORDER 2014

2014 No. 2371

1. This explanatory memorandum has been prepared by HM Treasury and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

2.1 This instrument provides for consequential amendments required to the Land Registration Rules 2003 in connection with the Financial Services Act 2012 ("the 2012 Act").

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Context

4.1 This instrument is being made by the Treasury in exercise of the powers conferred by sections 115(2) and 118 of the 2012 Act, which received Royal Assent on 19 December 2012. It amends form CIT, contained in Schedule 1 to the Land Registration Rules 2003 (relating to applications to the Land Registration in connection with court proceedings, insolvency and tax liability), to reflect the new regulators of financial services established by the Financial Services Act 2012.

5. Territorial Extent and Application

5.1 This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

As this instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The Financial Services Act 2012 provided for the reform of financial regulation in the UK. It abolished the Financial Services Authority (FSA), and established new financial services regulators in its place, namely: :

- the Prudential Regulation Authority, a micro-prudential regulator to regulate firms that manage complex risks on their balance sheets; and
- , the Financial Conduct Authority, to regulate conduct in financial services and markets.

7.2 It also gave the Bank of England regulatory and enforcement functions in relation to registered clearing houses.

7.3 This Order amends Certificate Q in Form CIT, which sets out the certificate which must be given by a financial services regulator wishing to obtain, confidentially, information held by the Land Registry, for the purpose of investigations in connection with court proceedings, insolvency and tax liability. The Order replaces references to the Financial Services Agency with references to the Prudential Regulation Authority, the Financial Conduct Authority and the Bank of England and their officials.

8. Consultation outcome

8.1 Due to the minor and technical nature of the instrument, and in line with common practice for secondary legislation that make consequential amendments, it has not been consulted on.

9. Guidance

9.1 None.

10. Impact

10.1 This instrument does not have any impact on business, charities or voluntary bodies or the public sector.

10.2 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The Order does not apply to small business.

12. Monitoring & review

12.1 HM Treasury will monitor the practical effects of this instrument to ensure it continues to meet the policy aims.

13. Contact

13.1 Daniel Poxon at HM Treasury (Tel: 0207 270 6534 or email: daniel.poxon@hmtreasury.gsi.gov.uk) can answer any queries regarding the instrument.