

JOINT CONSULTATIVE COMMITTEE

MINUTE OF MEETING HELD ON 6 OCTOBER 2010 IN MEADOWBANK HOUSE, GLASGOW

Present:

Law Society of Scotland:

Anne Boyd
Lionel Most
John Scott
Janette Wilson
John McNeil

Registers of Scotland:

Catriona Hardman (Chair)
Sandy McNeil
John King
Ian Moffatt
Kenny Crawford

Julie Mitchell (Secretary)

Welcome and apologies

1. Catriona Hardman opened the meeting and welcomed everyone. Apologies were received from The Keeper and Scott Wortley. Catriona noted that the Keeper was attending a meeting with GRoS and NAS regarding a possible merger as part of the Scottish Government's Simplification of Public Bodies Review.

Minutes of last meeting

2. The minute of the meeting held on 9 June 2010 was considered. Janette Wilson indicated that she had some concerns as to the overall accuracy of the minute as some of the Law Society representatives comments appeared to be quoted out of context. She suggested that the minute be more neutral and balanced in future. Catriona noted these concerns.

Actions arising from the previous meeting

3. Updates to actions arising from the previous meeting were noted as follows:

Reminders to general email addresses

3.1 John King advised that at the same time as a requisition/return letter is issued we also now issue an email message to the solicitor to advise of the requisition/rejection. This happens only where the solicitor provides an email contact address on the application form. Solicitors are advised to ensure their email address is current. If solicitors wish to use a general email address this should be narrated on the application form.

Conveyancing Committee members to be invited to the RoS Forum with Lloyds in the autumn.

3.2 John King noted that work on the Lloyds/RoS Forum for solicitors who represent developers/builders was ongoing and further information would be forwarded when available. John Scott had been invited to a preliminary meeting to agree aims, objectives and to set the agenda. The intention is to hold the first meeting before the end of the year.

Form 4 acknowledgements to the Solicitors for Secured Creditors

3.3 John King noted that the electronic casebag back office system development had been paused to ensure that the system, originally scoped 6 years ago, was still the system RoS needed going forward and would deliver the benefits originally envisaged. He acknowledged that it would be early in 2011 before this review was complete. The updated form of acknowledgement is dependant on the new technology and consequently it will not be made available in the near future. The Committee noted that RoS now received little feedback on the issue. The Law Society members noted that they would discuss the matter at the Conveyancing Committee later that day and consider whether or not any guidance should be issued to their members. It was agreed any such guidance would be discussed with RoS. Lionel Most noted that he had sight of a letter where the Law Society were said to be content with the current style of acknowledgement; he asked that such statements be stopped. This was agreed.

Action: *John King to prepare a communication for staff to give to customers on Form 4 acknowledgements.*

Action: *Law Society to discuss and consider need for communication to their members.*

The Committee queried whether RoS had a preference with regard to physical receipt of these cases, particularly whether receipt in separate packages was an issue.

Action: *John King to check with teams and report back to committee.*

Progress on Customer Facing Teams

3.4 John King explained that three solicitor firms were involved in the pilot. Feedback has been positive. The intention was to add two more teams. A full review of the process would be undertaken at the end of the year, when a report would be provided to the JCC.

Action: *John King to report back once the review of customer facing teams was completed and findings were available.*

Action: *Secretariat to add to the Agenda of the first JCC of 2011.*

Land Register Bill progress (JCC2010/10/02)

4. Sandy McNeil advised the Committee that RoS had commenced a public consultation on the draft Land Registration (Scotland) Bill. This was launched on 7 September and will run for 12 weeks until 30 November.

Fee Review progress (oral)

5. Catriona Hardman informed the committee that Laura Petrie, John King and herself had met with the SG Minister Mr Mather the day before in connection with the fee review consultation. He was content with the results of the consultation and agreed that preparations for a new fee order could now proceed.

RoS has decided to drop the proposal for a fee for constitutive deeds containing real burdens on the basis of the number of negative responses to the proposal and accepts that some of the arguments presented against the measure have merit. However, all other proposed fees covered by the consultation will be introduced. The Minister had shown considerable interest in the number of rejections RoS had to deal with and was supportive of a fee being introduced for rejections.

It is intended that the amended fee order would take effect on 10 January and would include the VAT change which comes into force a few days earlier. RoS will bear the additional cost of the VAT increase prior to 10th January. This means that the profession would not have to deal with two changes to fees in a short period of time. An article would be submitted to the December Journal outlining the changes. In addition RoS was looking to make fee information more accessible on their website to assist practitioners.

The Law Society representatives were disappointed that not all of their comments had been taken forward but were encouraged that RoS had taken cognisance of their concerns regarding fee information on the RoS website. They advised that they would also be looking at ways to reducing rejections.

Kenny Crawford noted that going forward, RoS would hope to process more applications through ARTL, and this would help with rejections. ROS is also planning registration master classes. John Scott offered the assistance of the Law Society in the organising of these and in any other way they could reduce rejection rates.

Action: *Kenny to send the Direct Debit uptake figures to John Scott.*

Catriona noted that with regard to the rejection fee, 21,000 applications were rejected last year. Under the new fee structure this could potentially generate income for RoS in the region of £600,000. She pointed out, however, that this income would still not cover the cost to ROS of managing that level of rejections.

John Scott noted the Law Society shared RoS concerns regarding the level of rejections in terms of waste and risk management.

Anne Boyle thought that the rejection rate figures issued by RoS may still not be getting to the correct people in legal firms and suggested that they should, where possible, be sent to client complaints/relations partners.

Kenny Crawford thanked the committee for its comments and agreed he would work with the Law Society to build up an appropriate contact list.

Keeper's Registration Results (JCC2010/10/03)

6. John King spoke to this paper which reported on year to date results to 25 September 2010. He highlighted increased intakes most notably for Dealings with Whole but noted that Transfers of Part were down on the previous year. With regard to legacy casework, good progress was being made with First Registrations. There were 8600 arrear cases remaining and John was confident that RoS would have completed most, if not all, of those applications by the end of the financial year.

He noted that Transfers of Part were posing more of a problem due to incomplete builders' developments. Consideration was being given to some changes in practice to speed up this process. Registration Accuracy had shown some signs of improvement and this was down to recent steps taken to build in new quality measures through the process.

Kenny Crawford spoke to the Customer Service area of the report and explained that the results of the customer survey were still outstanding. He noted that the survey had undergone some fundamental changes this year in that the questions posed to customers were more meaningful. He hoped to have the results of the survey in the near future.

Accommodation Update

7. Catriona spoke to the note prepared by the Estates team and circulated to the Committee. Notes of interest from contractors were currently being reviewed by RoS and DTZ. ROS hopes to appoint a contractor in December.

ARTL

8. Kenny Crawford updated the committee on progress with ARTL. RoS is continuing to train and license firms to use ARTL and 150 firms (on the Lloyds panel) have been signed up and trained to date. A list of those firms who haven't contacted RoS has been forwarded to Lloyds who will contact them in connection with the deadlines for ARTL use.

John McNeil requested information on the number of DWs processed which are suitable for processing through ARTL. Kenny noted that work was

currently being done on this and that he would provide the committee with further information once this became available.

John Scott noted that at the Law Society road shows RoS had been recommending firms sign up for ARTL, particularly if they were on the Lloyds panel. Kenny thanked him for this and noted that 270 firms were on the panel but only 150 were currently signed up.

It was highlighted that doing part of an application on ARTL was not really feasible and solicitors may be better persuaded use ARTL when the entire application could be processed via ARTL.

It was noted that if some lenders themselves were not using ARTL that was a reputational risk for them. There appeared to be some instances where they were instructing their panel solicitors to use the system and yet were not using it themselves. John Scott noted that the Law Society had written with their concerns to the lenders.

Anne Boyd noted that the training provided by RoS Account Managers and their staff in her experience was excellent.

The Committee discussed the system issues with ARTL which had recently been experienced. Kenny Crawford acknowledged some issues but noted that the ARTL system had never experienced a complete outage. The major area of difficulty was solicitors being locked out of the system and requiring additional assistance from RoS Staff.

Feedback from Conveyancing Roadshows

9. Kenny Crawford noted that some changes had been made by RoS to their presentations at this year's Conveyancing roadshows and that these changes proved unsatisfactory. After the first two sessions the format was changed and this improved the quality of all the later sessions.

Ian Moffett noted that the venue chosen for the Edinburgh road show was not ideal but that the follow up roadshows had been good. He noted that Janahan Balasamburmanian had been particularly well received. The committee noted that overall attendance numbers had dropped at all the roadshows

Kenny noted and thanked the committee for all their feedback. In future, RoS would get its events manager, Celeste Wilson, to liaise closely with the Law Society for future events.

Stakeholder Forum

10. Catriona Hardman advised the committee that work on the stakeholder forum was ongoing. She agreed that the JCC would continue as an engagement forum between the Keeper and the Law Society although meeting frequency would reduce to twice a year with the agreement that

additional meetings could be convened if necessary. Catriona hoped an initial meeting of the Stakeholder forum would go ahead in November. Catriona asked the Law Society look to provide two representatives for this forum.

Action: *Catriona Hardman to issue the Law Society's invites to John Scott for forwarding.*

Janette Wilson requested a copy of the remit of the stakeholder group and agreed that the number of RoS representatives on the Conveyancing committee could also be reduced. RoS to consider.

Action: *Catriona Hardman to forward a copy of the stakeholder group's remit to the JCC and consider RoS representation on the Conveyancing Committee*

Any Other Business

11. Catriona Hardman updated the committee on other matters of importance.

- RoS Deputy Keeper (Service Delivery) would be retiring at the end of the year.
- Voluntary severance/retirement – RoS had made an offer to staff in line with the rest of the Scottish Government.

Sheenagh Adams, Keeper of the Registers of Scotland, joined the meeting.

The Keeper noted that she was doing an options appraisal regarding the amalgamation of RoS, NAS, and GROS which was due for completion in mid November. The Committee were assured that this was being done on the basis of no diminution of service in any of the departments concerned.

Details of the Next Meeting

12. The next meeting would be arranged for March 2011 with the date and venue to be confirmed.