

## **JOINT CONSULTATIVE COMMITTEE**

### **MINUTE OF MEETING HELD ON 19 NOVEMBER 2008 IN MEADOWBANK HOUSE BOARDROOM**

Present:

Law Society of Scotland:  
John McNeil  
Lionel Most  
James Ness  
John Scott  
Janette Wilson

Registers of Scotland:  
James Meldrum, Keeper (Chairman)  
Sheenagh Adams  
John King  
Diana Fraser (Secretary)

#### **Opening remarks and apologies**

1. The Keeper opened the meeting and thanked members for their attendance. He thanked James Ness who was attending the meeting for the final time for his major contribution to the Committee work wished him well in his new role. He welcomed John Scott, who would be replacing James Ness, to his first meeting of the JCC.
2. Apologies for absence were received from Bruce Beveridge and Scott Wortley. On behalf of the Committee the Keeper expressed congratulations to Scott Wortley and best wishes to Bruce Beveridge.

#### **Minutes of last meeting**

3. The minute of the meeting held on 18 June was approved subject to the following amendments.

Paragraph 23 - amended to read:

23. Mr Wortley noted that the BERR website indicated a commencement date of October 2009 for the legislation relating to the relevant Companies Acts.

Janette Wilson was added to the list of attendees.

#### **Matters Arising:**

- **Review of the Land Registration (Scotland) Act 1979**

4. The Keeper advised that two meetings had recently taken place with Professor Gretton to talk through the emerging tranches of the draft Bill. He noted that drafting was proceeding and that the draft Bill was still due to be presented to the Government in spring 2009 although he suggested that this was a rather tight timeframe. The Keeper explained that he had made it clear to the Commission it was vital that the financial and, if appropriate economic consequences of the Bill were fully addressed before its terms were finalised.

5. Following discussion on an increasing number of sophisticated conveyancing related frauds James Ness explained that he had asked the Commission to look at a mechanism to replace the solicitor's letter of obligation. He noted that although he had not suggested the use of priority notices there did not appear to be any viable alternative, and these were widely used in other jurisdictions.

**Action: John King and James Ness to organise joint discussion on fraud issues.**

• **Automated Registration of Title to Land**

6. Sheenagh Adams provided the Committee with an update in respect of the current position with ARTL. She reported that at week 38 of the current financial year about 7,500 applications had been passed through the ARTL system during 2008-2009. She explained that RoS had set some targets in relation to ARTL:

- to double the proportion of DWs transactions being processed through ARTL with the current position, 4% of DWs, to be increased to 8% by 31 March 2009;
- to have sufficient lenders templates to allow a minimum of 50% of the available mortgage transactions to be processed via ARTL;
- to have the top 3 by volume conveyancers signed up to and using ARTL for 80% of ARTL compatible transactions by 31 March 2009;
- to confirm % of ARTL transactions against total DW volumes for *Your Conveyancer* and achieve same levels for ELPG and Glasgow partnership group by 31 March 2009.

7. The Keeper noted that the roll out of ARTL was proceeding and a Ministerial inauguration would be considered once some further volumes had been passed through the system.

• **Corporate Plan - Voluntary Registration of Church of Scotland glebe land**

8. Sheenagh Adams explained that RoS's David Lange had met with Janette Wilson to discuss the voluntary registration of Church of Scotland glebe land. Janette noted that it had been a very constructive meeting and she expected that it would provide a very good project as RoS would be able to deal with the work at its own pace. She noted that the glebe land totalled about 30,000 acres.

• **Register of Floating Charges - update from BERR**

9. John King remarked that there was now more uncertainty surrounding the Register of Floating Charges than there had been at the last meeting. The main concern related to the need for double registration with Companies House and also the Scottish Register of Floating Charges. He noted that the provisional view from the Scottish Government was that this issue could be addressed by amending legislation.

It was expected that the Scottish Government would report back on this issue by the end of 2008 or the beginning of 2009.

10. John King explained that the need to address this had provided time to investigate possible eSolutions. James Ness suggested that it would be useful for he and John to touch base regarding the possible eSolutions.

**Action: James Ness and John King to discuss the possible eSolutions in respect of the Register of Floating Charges.**

- **Interim Plotting of Land Register titles**

11. John King provided an update in relation to the interim plotting of Land Register titles which had been briefly discussed at the last meeting. He explained that RoS does not plot titles until a map has been provided by Ordnance Survey. However this often results in delays in producing title plans. He noted that a number of options had been discussed and investigated since the last meeting but there was no ready solution to the problem.

12. John noted that estate plans potentially offered a good solution to the problem. However developers frequently changed their plans. He advised that a meeting with the Scottish Property Federation had identified a number of problems that arise for both developers and RoS with estate plans. He noted that the Scottish Property Federation would be arranging a meeting with Royal Institute of Chartered Surveyors and RoS and he or Bruce Beveridge would report back to the next meeting.

**Action: John King or Bruce Beveridge to report back on developments with the interim plotting of Land Register titles.**

13. James Ness reported that he had a very useful meeting with Ian Langlands of the Rural Faculty Board and Mike Traynor regarding the use of estate plans. He explained that Mike would be reporting back to RoS on the matters discussed at the meeting.

- **Keeper's Registration Results**

14. The Keeper explained that the effect of the credit crunch was beginning to become apparent at RoS. He noted that the intake figures for FRs and TPs were down substantially and that the figures for DWs were also down although not as drastically. He commented that Sasines figures were holding up suggesting that the re-mortgaging market was still active.

15. The Keeper explained that RoS finances were viable and stable. However due to the decrease in the volume of work being received the financial efficiency of RoS was being adversely affected.

16. The Keeper noted that the slowdown in intakes had provided an opportunity to tackle the older complex casework and progress with the target was proceeding well. However, he explained that the target was still challenging due to the mismatch of casework and skills although this was being addressed.

- **Applications for Registration: Requisition and Rejection**

17. John King presented a paper on the volume of requisitions being made by RoS and explained the reasons for these. He noted that applications were often submitted without all the relevant supporting documentation which then had to be requisitioned. On some occasions there was just cause for solicitors doing this in that all the relevant documents were not yet available. However a worrying number of solicitors knowingly submitted applications without all relevant documents even when these were available.

18. James Ness explained that the facility did exist for RoS to complain to the Law Society about any unprofessional practices by solicitors.

19. Lionel Most suggested that it would be helpful if RoS offered a service for copying deeds rather than sending the originals back to the solicitor and holding up the registration process. Sheenagh Adams explained that this was a service already provided for a small fee. Sheenagh agreed to provide Lionel with further detail on this service.

**Action: Sheenagh Adams to provide Lionel Most with further detail on the deed copying services provided by RoS.**

20. Lionel queried the position in relation to a non domino titles. He noted that it was very difficult to gain such titles for genuine reasons and that the Keeper's policy, as appeared on the website, was put very shortly. John King explained that all such applications would be dealt with by one team in the future. This would ensure a consistent approach was applied to all applications.

21. The Keeper noted that the proposal as set out in the paper to publish an article in the Law Society Journal was a good idea. The Committee agreed that as the proposed article on the top ten reasons for rejection at intake had not yet been published it would be useful to combine the two articles. James Ness explained that the Journal would be due to go to press in ten days, therefore he would work with John King to produce an article.

**Action: James Ness and John King to collaborate and produce an article for the next edition of the Journal.**

- **Land Register Application Forms**

22. John King introduced a short paper and explained that the proposal was to remove the concession that had allowed discharges to be submitted and accepted for registration without an application form when it was accompanied by the application to register the purchaser's interest. All deeds for registration would need to be accompanied by an application form to allow for the successful upfront scanning of applications. The Committee agreed that this change in procedure was warranted. However they noted that the change should be communicated as soon as possible. It was suggested that more than one channel should be used to communicate the change.

Sheenagh Adams suggested that John King and Chris Dempsey should look at ways to communicate this change in procedure.

**Action: John King and Chris Dempsey to look at different ways of communicating the change.**

- **PISCES**

23. The Keeper introduced the paper for information on PISCES. He explained that its purpose was to provide an update with developments in PISCES and make the JCC aware of the current position.

- **AOB**

24. The Committee watched the recent edition of business focus which had been shown to all members of staff in RoS.

25. The Committee agreed that following the February meeting of the JCC in Edinburgh the next meeting should be held in Glasgow.

- **Date of next meeting**

26. The Keeper thanked the members for their attendance and noted that the next meeting of the JCC was due to take place on 5 February 2009 in Meadowbank House.

## **REGISTERS OF SCOTLAND**

November 2008