

Registers Update - Variable Direct Debit - Introduction of Service



UPDATE: 17

Since April 2004, Registers of Scotland has been piloting variable direct debit for the pre-payment of Land and Sasine registration fees. Those who participated in the pilot confirmed that they had realised substantial benefits from the use of variable direct debit and stated their intention to continue using this particular method of payment in future.

In light of the successful completion of the pilot, variable direct debit will be made available to all firms of solicitors from 31 October 2005.

Solicitors can continue to pay by cheque if that particular method of payment is more appropriate to their specific business requirements. However, we hope that by introducing an electronic method of payment for registration fees, we will be providing a range of payment options that will satisfy the individual needs of all firms of solicitors in future.

Benefits of Direct Debit

Approximately 12% of all applications to the Land Register are rejected at Intake. The majority of these 40,000 applications are rejected due to issues with the payment of fees, ranging from insufficient funds to incomplete, erroneous or missing cheques. Aside from the costs incurred in checking and returning applications, and the extra work involved in re-submitting an application for registration, the all-important date of registration can also be delayed. The use of direct debit significantly reduces such issues and presents opportunities for substantial savings to both Registers of Scotland and solicitors. Customer service is also enhanced as more applications are given effect to on the day of receipt.

Another major benefit relates to the introduction of Automated Registration of Title to Land (ARTL). The electronic transfer of registration fees and Stamp Duty Land Tax will form an integral aspect of an ARTL transaction. Firms that adopt direct debit as a payment methodology would have developed well-established electronic payment procedures that will ensure a smoother transition to ARTL when rollout commences by late 2006.

Direct Debit Procedure

Firms of solicitors who choose to use variable direct debit as a means of paying for registration fees will be issued with a new FAS account number to be used solely for direct debit transactions. The existing FAS number should continue to be used for cheque payment transactions.

Specially printed e-Payment envelopes should be used to submit applications for registration where payment is by direct debit. These envelopes are available free of charge from Customer Relations.



An e-mail address must be set up in order to receive account statements from Registers of Scotland. The solicitor's client reference for each deed submitted to the relevant register will be listed on these statements to enable easy reconciliation of client accounts.

Direct Debit Transactions

Day 1 - Application for registration is given effect to by Registers of Scotland

Day 2 - All financial details and client references confirmed by Registers of Scotland

Day 3 - Statement of Day 1 transactions is e-mailed to the submitting firm of solicitors and a BACS request sent to the bank.



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REGISTERS OF SCOTLAND
Executive Agency
Information about Scotland's land & property



Upon receipt of an application for registration, the submitting firm of solicitors will always be contacted where there is a difference of more than £200 in the quoted fee and that assessed by Registers of Scotland. For differences less than £200, we will automatically apply our assessment of the fee and give immediate effect to the application on the appropriate Register.

We will investigate any queries on a particular statement as soon as it is drawn to our attention. However, the full amount of the fee on the issued statement will be drawn from the bank account and any refund due issued as quickly as possible.

Guaranteed refund in the event of an error

The Direct Debit Guarantee provides additional assurance to the customer in that any funds debited in error will be immediately refunded by the bank.



Further Information

Solicitors interested in taking advantage of variable direct debit should contact Customer Relations at the address below. Customer Relations will send out an information pack with full details of the terms and conditions of the direct debit scheme and the relevant application forms and instructions.

Customer Relations
Registers of Scotland
Erskine House
68 Queen Street
Edinburgh EH2 4NF
LP 50 Edinburgh 5,
DX 550906 Edinburgh 9
Tel: 0131 200 3944
Fax: 0131 479 3688
e-mail: customer.relations@ros.gov.uk

On receipt of a request to join the Direct Debit service. The application will be processed and the Direct Debit instruction forwarded to your Bank. Within 10 working days a member of the Keeper's staff will contact you to confirm that the Direct Debit instruction has been set up and agree a suitable start date.

This is the latest in a series of updates to keep you informed on the various aspects of Registers of Scotland's services, policies and procedures. More details can be found at www.ros.gov.uk/updates, or by contacting Customer Relations on 0131 200 3944.

Law Society of Scotland

The Law Society of Scotland's Guarantee Fund Committee has considered the question of payment for services such as land registration fees by variable direct debit. The committee acknowledge that variable direct debit is a robust and secure means of payment.

The Committee has issued guidance that the principal client bank account should never be subject to variable direct debits. A separate account should be opened from which to operate such payments. This will reduce the risk of an error causing a shortage on the client bank account and assist in the ease of reconciling the account.

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