

Building momentum for the future

Annual Report
and Accounts

2022-23



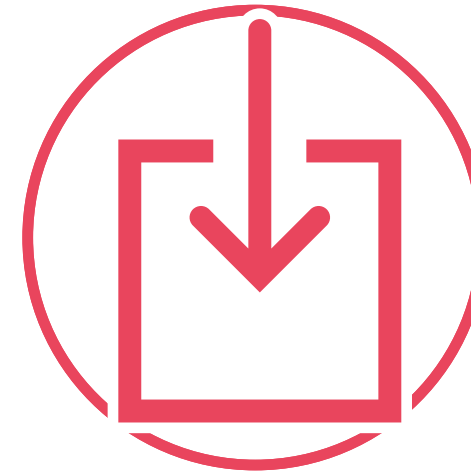
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2022-23: the year in numbers



90.5% Registration completed within 35 days (+3.9% compared to 2021-22)



637,984 Number of applications received (-5.8% compared to 2021-22)



90.1% (+12.1% compared to 2021-22) of land mass coverage by the three elements of: land mass registered (51%), in progress (5.8%) and unlocked in Sasines (33.3%)



87% progress towards achieving a functionally complete Land Register



Income £92.6 million (up £1.1m from 2021-22)



Costs £90.6 million (up £9.1 million from 2021-22)



2,932 reams of paper used (up from 2792 2021-22)



No gender pay gap as in 2021/22



Average number of persons employed 1,278 (up 4% from 2021-22)



Colleague engagement 65% (-1% change from 2021-22)



Customer satisfaction Index of 79.7 for professionals and 87.8 for citizens - above the UK public sector average of 75.1*

*During 2022-23 we transitioned to measure our customer satisfaction via the Institute of Customer Services. As different methodologies were used in the calculation of the new index no direct comparison can be made with previous results.



**Jennifer Henderson,
Keeper of the Registers of
Scotland**

Foreword

When I reflect on what we have achieved as an organisation over the last year I am confident that we are making steady progress towards providing the quality service we aspire to.

The hard work of Registers of Scotland (RoS) colleagues over the course of the year means that most customers now experience a faster, more accurate, service from us. These improvements have undoubtedly supported our improved customer satisfaction scores, but even with a customer satisfaction score that sits above the public sector benchmark, I am acutely aware that there is much more to be done to ensure all our customers receive the best possible service from RoS.

Our progress, over the course of the year, in clearing open casework provides reassurance that we have the right strategy in place, that our progress is sustainable and that we will achieve our ambition that all customers receive a consistently excellent service over the course of our [Corporate Plan](#).

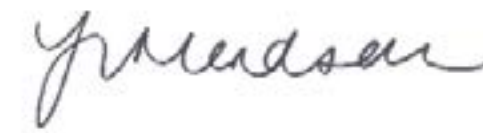
Delivering digital solutions and continuous improvement activities are at the heart of enabling us to work more efficiently, but they also enable us to deliver a more effective service by making it easier for our customers to access our services. For example, our Self-Serve Copy Deeds from the Sasines Register (launched in May 2022) gave business customers the ability to access copy deeds at point of purchase for the very first time. Further improvements to our Register Land and Property service simplified the process to register deeds by enabling the creation of a case that links advance notices, applications, and submissions. In October 2022, the Registers of Scotland (Digital Registration, etc.) Regulations 2022 came into effect and enabled the registration of ‘born digital’ electronic documents in the Register of Deeds for our customers.

Our ability to deliver relies on the commitment and engagement of our colleagues. In our most recent Civil Service People Survey the engagement score recorded a slight decline but within the details of the survey there was evidence to show that the actions we are taking based on feedback from the survey are making a positive difference to colleagues. The survey also highlighted that there is more to do to help colleagues understand our future direction and to build their confidence in the decisions we are making to change the organisation for the future, and work is already underway to address this.

In relation to our [Investors in People](#) accreditation, we retained our ‘We Invest in People’ gold accreditation, demonstrating continuous improvement, and we were awarded the gold level for ‘We Invest in Wellbeing’. As part of our commitment to colleagues we established a hybrid working approach that works for the business and colleagues, and our [Equity, Diversity and Inclusion \(EDI\) strategy](#) has moved forward this year with our [Carer Positive](#) accreditation, Inclusive Language Guide, Employee Passports, and our partnership with [Career Ready Scotland](#).

Importantly we have continued to underpin our activities with a solid financial foundation, ensuring that we cover our costs with the income we generate. We have also engaged with the public service reform agenda, looking at how we can continue to play our part as an effective corporate citizen in the public service landscape in Scotland – supporting wider public service improvement and greater value for money.

Everything we have delivered, and everything that we are still working on, is underpinned by the dedication of our colleagues, and the support of our customers, partners, and stakeholders. I would like to thank everyone who has contributed to our progress, and I am looking forward to continuing to work with you all to build on this in the year ahead.



DocuSigned by:
Jennifer Henderson
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Jennifer Henderson
Chief Executive and Keeper of the Registers of Scotland*
12 September 2023



Performance overview



Overview

RoS is responsible for managing public registers of land, property and other legal documents in Scotland. We are a [non-ministerial office](#) and part of the Scottish administration. Our work secures people's rights in land and property and helps to underpin the Scottish economy.



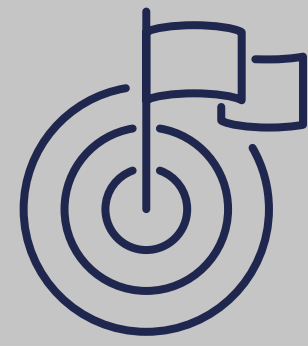
PURPOSE

To support the Scottish economy for the benefit of the people of Scotland.



VISION

To be a digital registration and information business trusted for our integrity.



STATUTORY DUTY

The Keeper compiles and maintains the **public registers** for which she is statutorily responsible and makes the information they contain publicly accessible. She achieves this through our customer and online services and by investing in improvements to these such as the ScotLIS service.



VALUES

Impartial – we act without bias in our dealings with our customers, stakeholders and each other, keeping information secure and presenting it accurately.

Forward Thinking – we must always add value for the public of Scotland, finding better ways to deliver what they and the Scottish economy need, whilst developing skills and opportunities for our staff.

Customer Focussed – we strive to understand what our customers need and why, so that we can design our processes and services for them.

Professional – we recognise that customers need us to be skilled, efficient, effective and to work with pace, passion and pride.

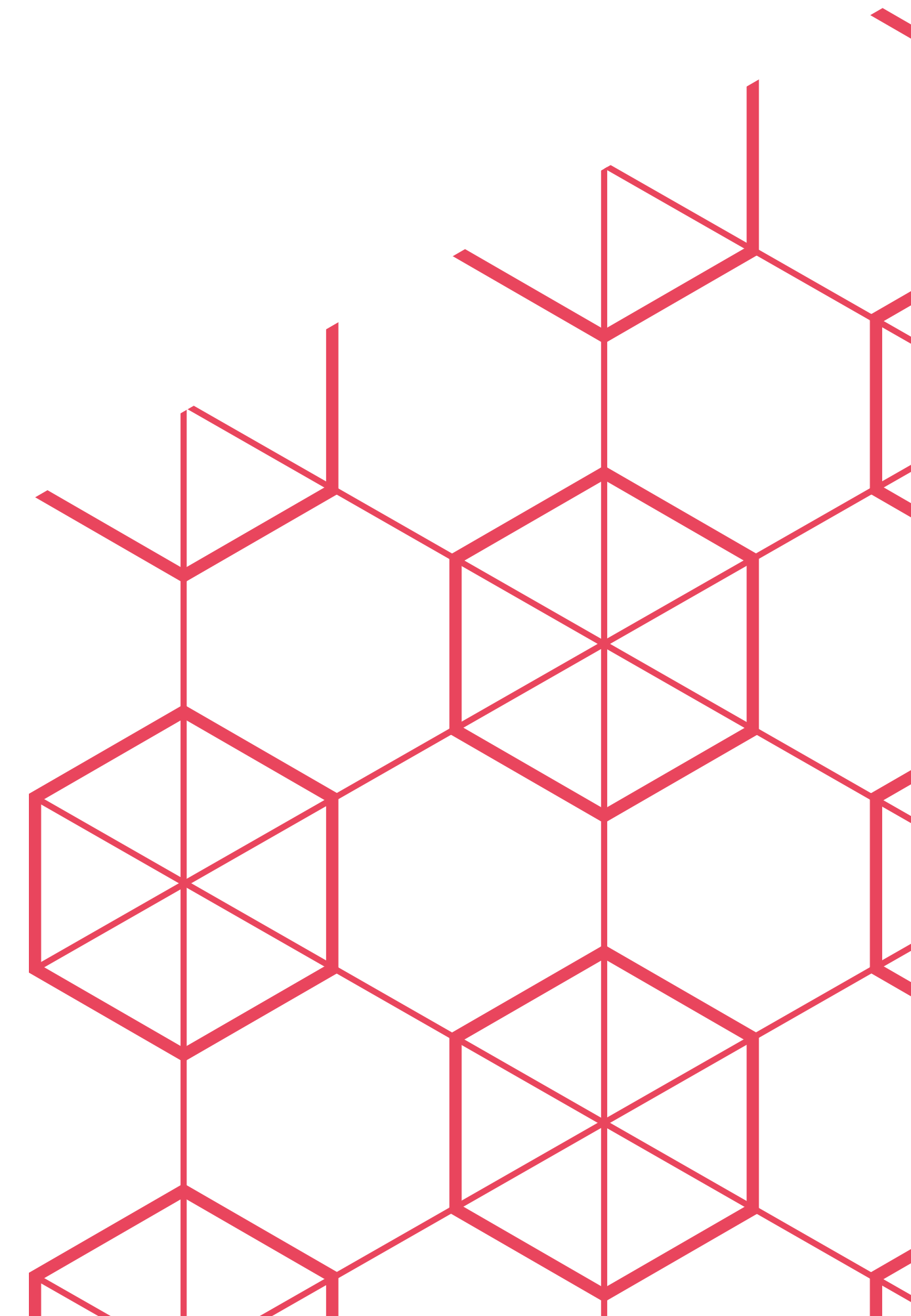
Statement of purpose and activities

PRINCIPAL ACTIVITIES

RoS maintains public registers in Scotland with two of our main registers relating to land ownership: the General Register of Sasines and the Land Register of Scotland.

The General Register of Sasines dates back to 1617 and is a register of deeds for heritable property in Scotland. It was the first national deed register of its kind in the world and inspired the creation of similar registers across the globe.

The Land Register of Scotland is gradually replacing the General Register of Sasines. It was established by the Land Registration (Scotland) Act 1979 and is now provided for by the Land Registration etc. (Scotland) Act 2012. The Land Register is a state-guaranteed register of title to land, which contains a title sheet for each registered plot of land, showing ownership details as well as any encumbrances, which affect the land. The Land Register also has a map (known as the Cadastral Map) which shows the boundaries of each registered property against the Ordnance Survey map.



WIDER ACTIVITIES

The other registers in our care perform important functions and help underpin the Scottish economy. These include the Crofting Register, the Register of Sites of Special Scientific Interest and the Register of Community Interests in Land.

We maintain the Chancery and Judicial Registers, comprised of nine registers, in addition to the three that make up the Books of Council and Session. These registers play important roles in various aspects of Scottish life, from the conveyancing process to debt enforcement through to being the final stage in the process of Royal Assent for Acts of the Scottish Parliament. We also manage the Landlord and Letting Agent Registers in partnership with both the Scottish Government and local authorities.

On 1 April 2022, we launched our 21st register - the Register of Persons Holding a Controlled Interest in Land (RCI) which holds a record of people who have control over decision making related to land in Scotland.

More information on our registers, and how they support the people and economy of Scotland, can be found on our [website](#).



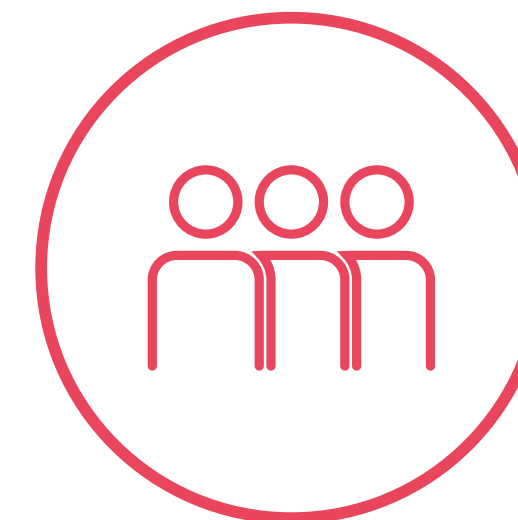
Our objectives

As set out in our [corporate plan for 2022-2027](#), we had the following strategic objectives; each driving core business requirements and ambitions. Some of the initial key results were updated through the year as set out on our [website](#).



Strategic Objective 1:

Deliver the benefits of a completed land register



Strategic Objective 4:

Inspire our people to adapt, grow and innovate to empower a thriving, and inclusive organisation



Strategic Objective 2:

Deliver more benefits to Scotland by providing innovative and accessible land and property data



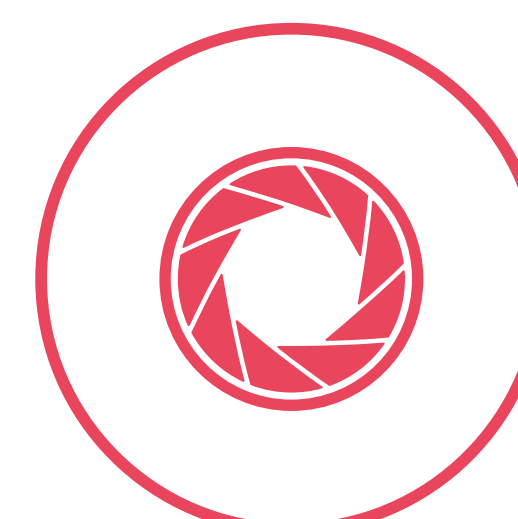
Strategic Objective 5:

Be an effective and efficient delivery organisation



Strategic Objective 3:

Develop and deliver digital improvements that support a sustainable business where the needs of our customers are fully satisfied



Strategic Objective 6:

Be a future focused organisation

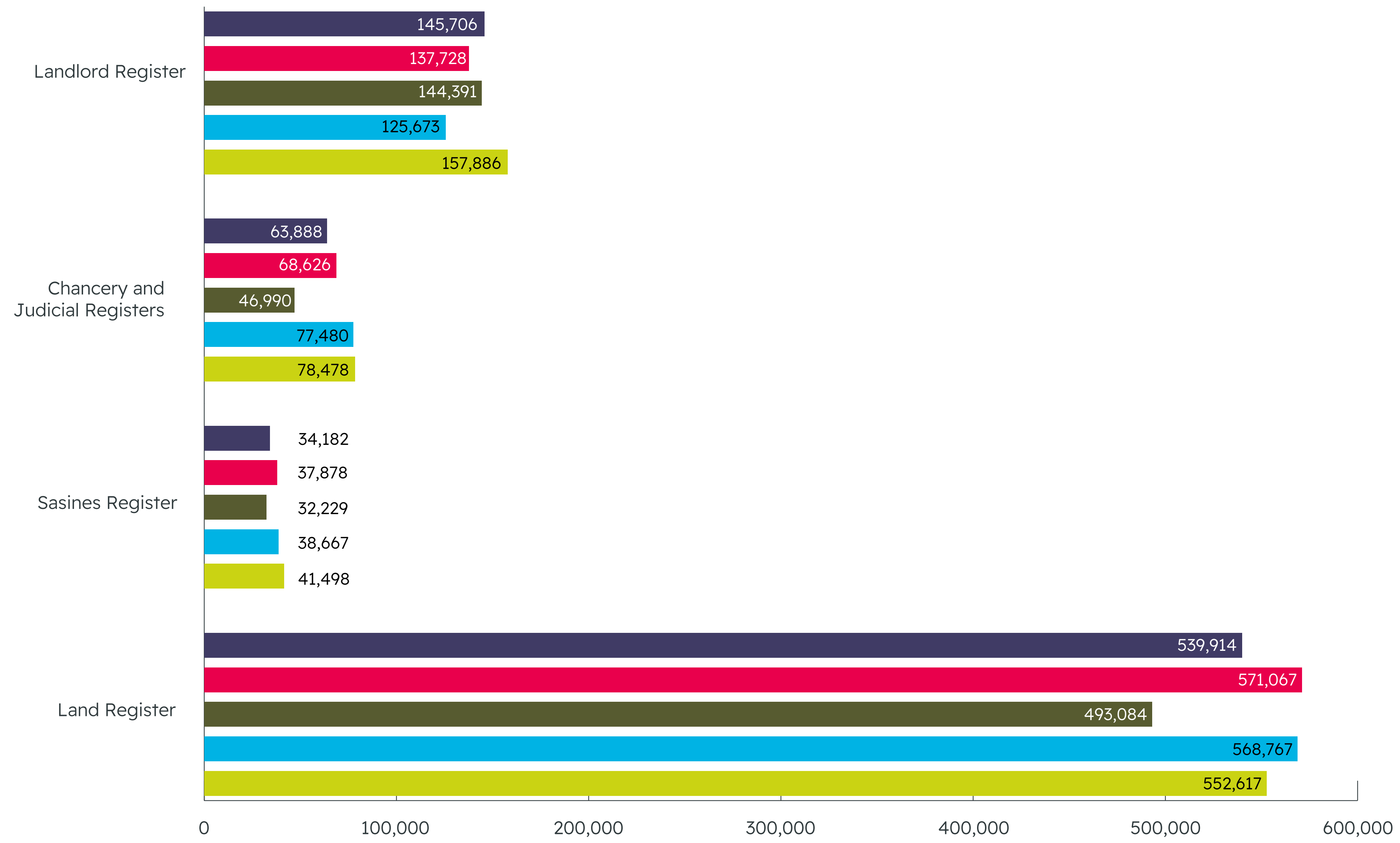
REGISTRATION APPLICATIONS RECEIVED 2018-2023

FINANCIAL YEAR	TOTAL APPLICATIONS	LAND REGISTER INCLUDING ADVANCE NOTICE	SASINES INCLUDING ADVANCE NOTICE	CHANCERY AND JUDICIAL REGISTER
2018-19	672,593	552,617	41,498	78,478
2019-20	684,914	568,767	38,667	77,480
2020-21	572,303	493,084	32,229	46,990
2021-22	677,571	571,067	37,878	68,626
2022-23	637,984	539,914	34,182	63,888

Across the past five years, registration applications have generally increased year-on-year up until 2020-21 when there was a decline in numbers with the impact of the COVID-19 pandemic.

This trend has changed in 2022-23 with lower application numbers recorded across most of our registers. There was a 5.5% decrease in Land Register applications compared to 2021-22 and a 9.8% decrease in the number of Sasine Register applications. There was also a decrease of 6.9% in applications to our Chancery and Judicial Registers. RoS has no control over application numbers which reflect activity in the property market.

The only register not to see a decrease was the Landlord Register with a 5.8% increase in applications.

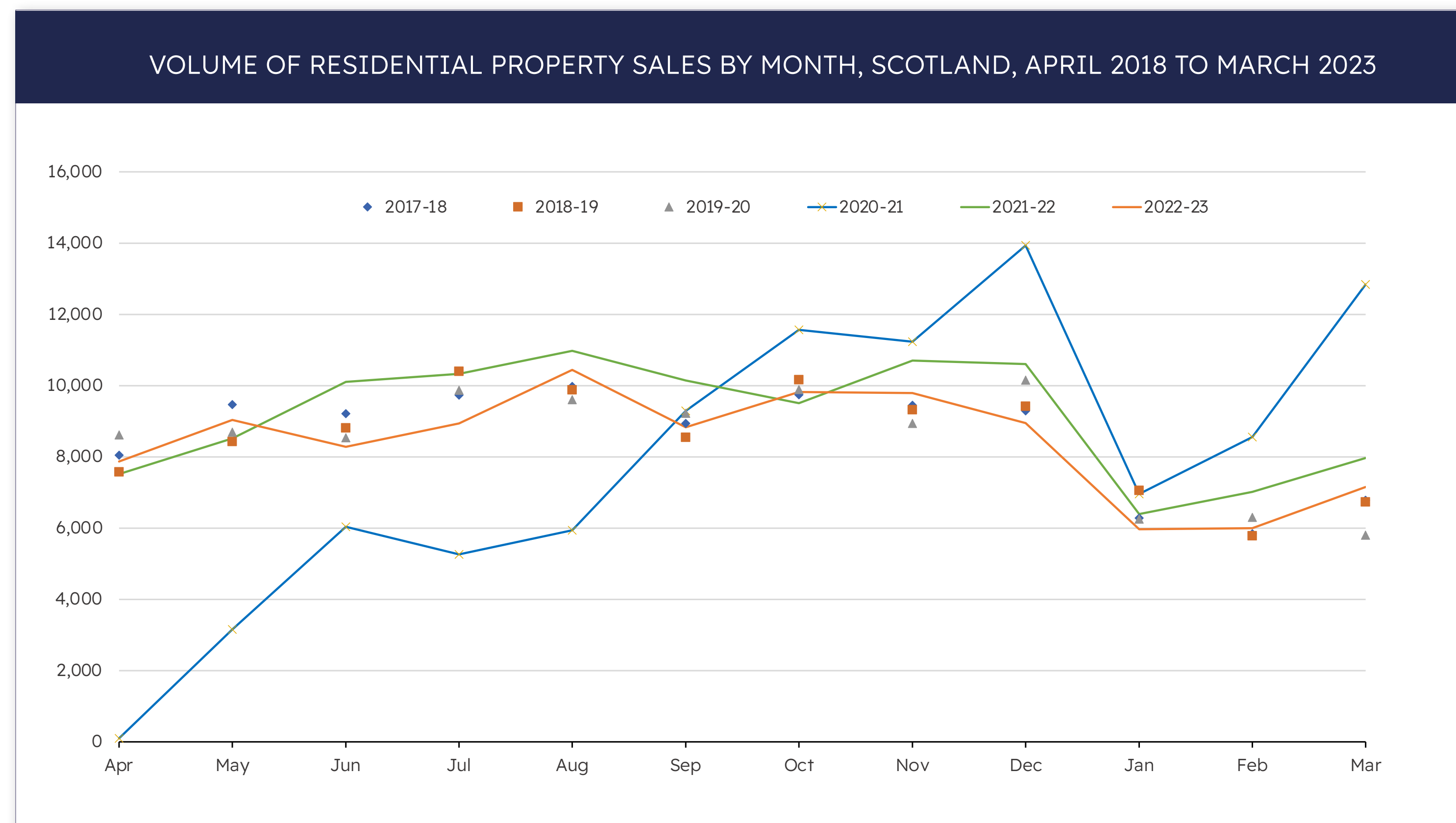


■ 22-23 ■ 21-22 ■ 20-21 ■ 19-20 ■ 18-19

* This graph details the highest volume registers we hold. The figures for the Land Register and Sasines Register include advance notices received. To see all the registers we hold, visit ros.gov.uk.

SCOTLAND'S HOUSING MARKET IN 2022-23

Scotland's housing market activity in 2022-23 has been broadly in line with our predictions, with the graph below showing the number of monthly residential sales registered with RoS between April 2018 and March 2023.



Our 2022-23

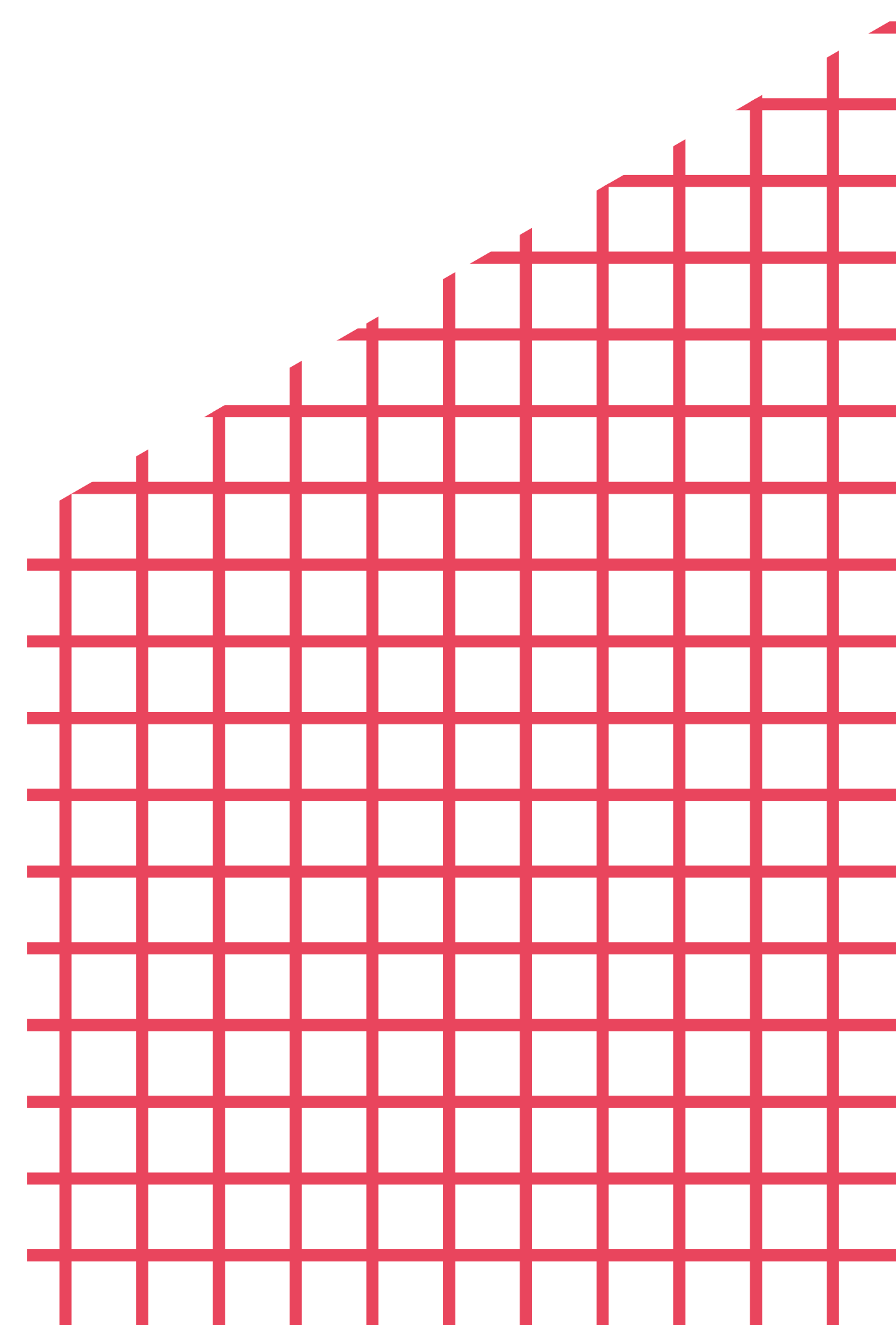
During 2022-23, RoS continued to make progress in clearing longstanding open casework.

Generally, Scotland's housing market activity has been broadly within our predictions. We received fewer Land Register applications in 2022-23 and we remained on target with despatch levels, despatching 90.5% of new applications across all main registration products within 35 days of receipt.

Our customer satisfaction scores have improved and we met our targets on clearing pre-2022 applications and application quality.

While we have not increased our employee engagement score as hoped, detailed colleague feedback has been collated and work is underway to address the feedback from last year's civil service people survey.

Our performance against our objectives is outlined on the next page.



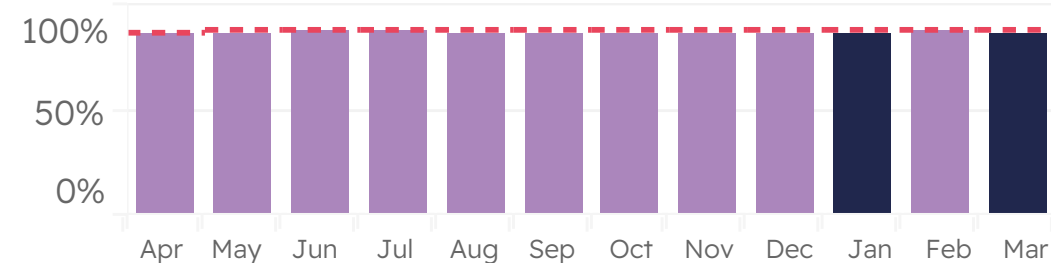


Strategic Objective 1: Deliver the benefits of a completed land register

REGISTER ALL ADDRESSES AS PART OF A FUNCTIONALLY COMPLETE LAND REGISTER

86.9%

March 2023
Aim: 88.0%



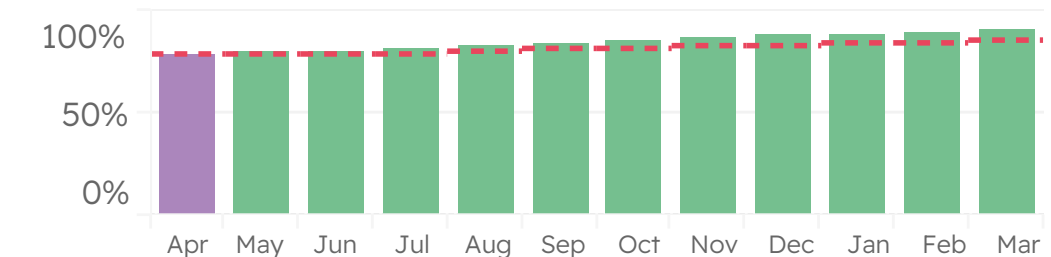
Frequency: Monthly

Key Result: Add to the Land Register the majority of addresses that transact regularly.

IDENTIFY OWNERSHIP OF SCOTLAND'S LAND MASS

90.1%

March 2023
Aim: 85.0%



Frequency: Monthly

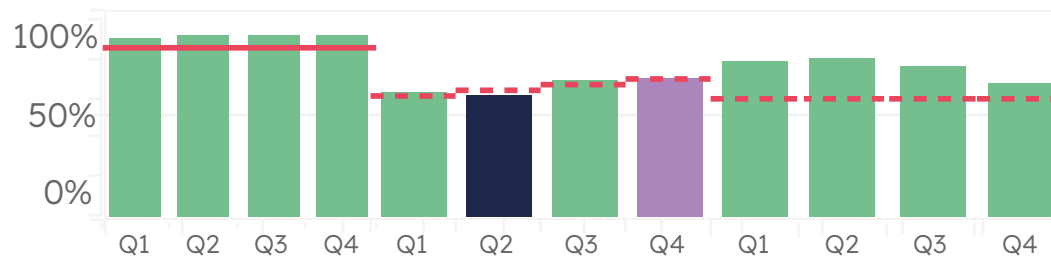
Key Result: Answer the question, "Who owns Scotland?", which will be of benefit to all who live here.

DESPATCH AS MANY APPLICATIONS AS POSSIBLE WITHIN 35 DAYS

DW: **93.1%**
Aim: 85.0%

FR: **74.7%**
Aim: 74.0%

TP: **68.7%**
Aim: 65.0%



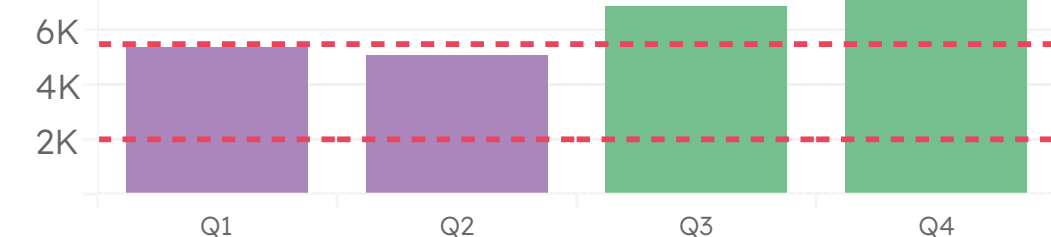
Frequency: Quarterly

Key Result: Stabilise then reduce the stock through despatching as many applications as possible within 35 days.

CLEAR BETWEEN 2,000 AND 5,500 PRE-2022 CASES IN EACH QUARTER

7,295

Q4 Aim between 2,000 and 5,500 cases



Frequency: Quarterly

Key Result: Improve customer confidence by clearing the Pre-2022 cases.

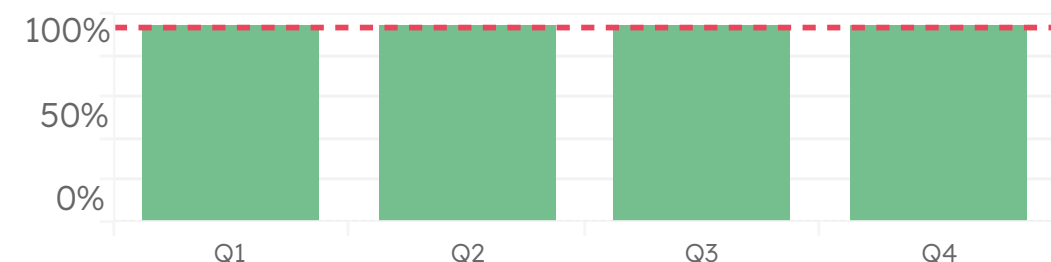


Strategic Objective 2: Deliver more benefits to Scotland by providing innovative and accessible land and property data

QUALITY (APPLICATIONS) TO BE ABOVE 93%

94.9%

Q4 Aim: 93%

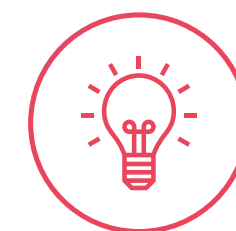


Frequency: Quarterly

Key Result: Improve our data. Identify new products and data reports, and offer more customers greater accessibility to the information we hold.

Key

- ahead of target
- on target
- less than 3 months behind target
- more than 3 months behind target
- - - target

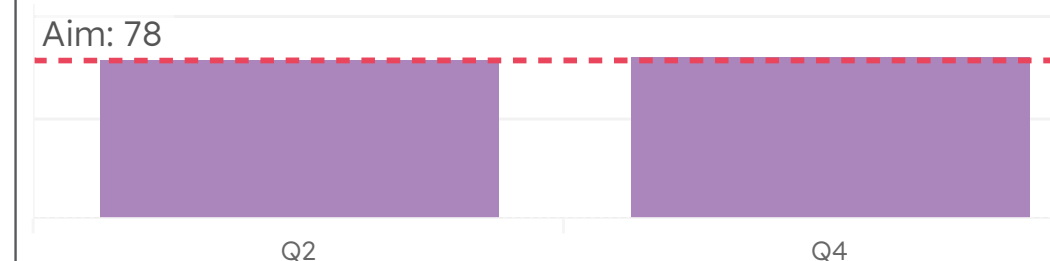


Strategic Objective 3: Develop and deliver digital improvements that support a sustainable business where the needs of our customers are fully satisfied

THE CUSTOMER SATISFACTION INDEX (CSAT SCORE TO CONSISTENTLY BE ABOVE 78)

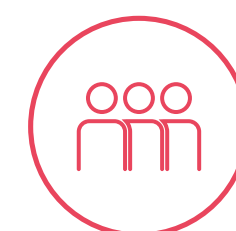
79.7

Q4 Aim: 78



Frequency: Biannually (First SAT result will be available at end of Q2)

Key Result: Faster, more secure and dynamic digital tools where appropriate.

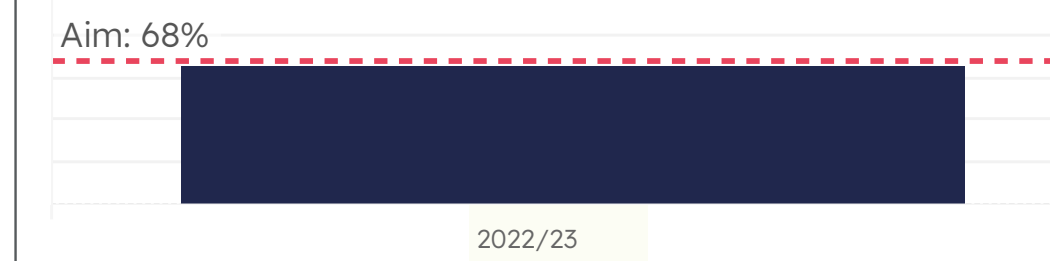


Strategic Objective 4: Inspire our people to adapt, grow and innovate to empower a thriving, and inclusive organisation

IMPROVE OVERALL EMPLOYEE ENGAGEMENT FROM 68% BY MARCH 2023

65%

Q3 Aim: 68%



Frequency: Annually Result will be available at end of Q3)

Key Result: To ensure sustainability and build a workforce of enabled employees that are experienced and forward looking

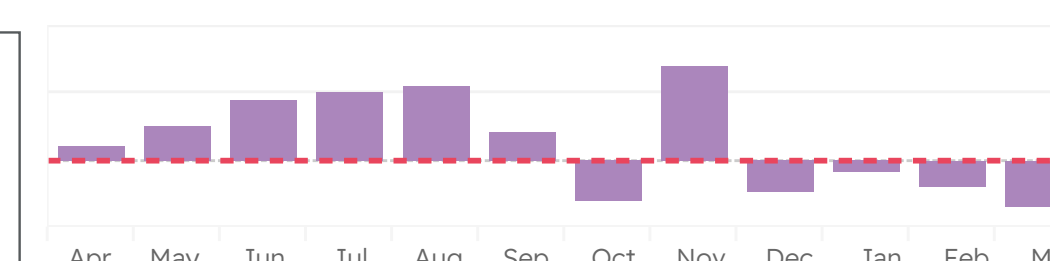


Strategic Objective 5: Be an effective and efficient, future-focused delivery organisation

ROS WILL MAINTAIN A BREAK-EVEN FINANCIAL POSITION

Achieved

Aim: £0.0m



Frequency: Monthly

Key Result: RoS will maintain a break-even financial position, subject to the property market not experiencing a significant reduction

SO6: There were no specific KPIs attached to this objective but the objective was met during FY 22/23.

RISKS, FUTURE-PROOFING AND OPPORTUNITY

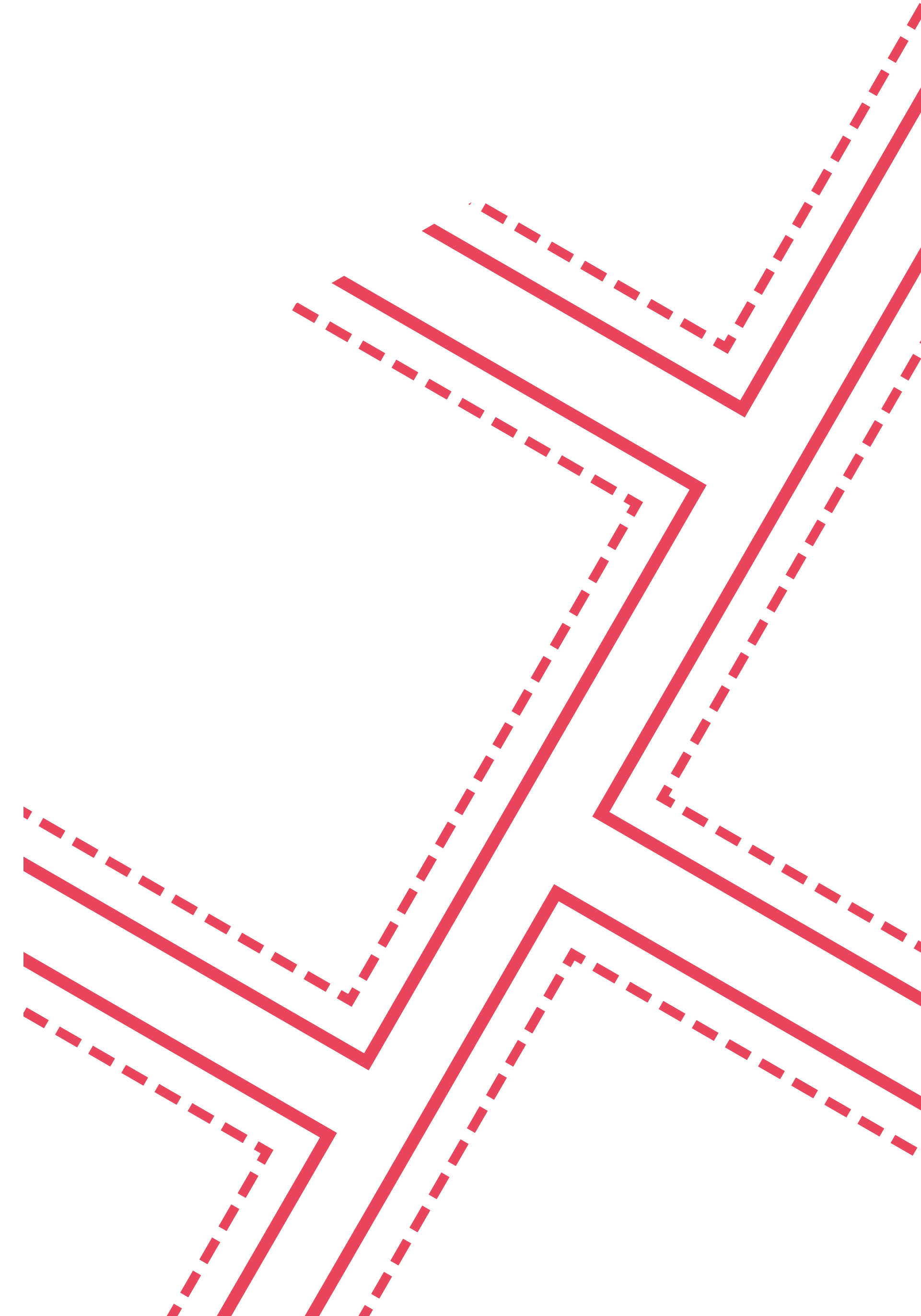
We continually review and manage any risks which may affect our ability to meet our objectives.

For more information on risks identified and how we are actively managing risk, please go to our Risk Management section on page [40](#).

We recognise the risk of making decisions today that inhibit our ability to pursue longer term opportunities and a vision for RoS beyond 2024.

For example, Scotland's housing market has remained buoyant throughout 2022-23. This has resulted in high levels of application intakes and consequently affected our programme to clear open casework. While we're working hard to improve this with recent recruitment and making the most of digital improvements and hybrid working it will remain challenging if current market levels continue. The threat of not completing the Land Register by 2024 has been mitigated by our twin track approach of functional completion for addresses that regularly transact and unlocking information on 'Who owns Scotland?' from the General Register of Sasines.

The Executive Management Team (EMT) and Board recognise the importance of ensuring that appropriate consideration is given to the longer-term opportunities for the organisation. We will continue to adapt to ensure we achieve the best outcomes possible for our customers, colleagues and the economy of Scotland.



OUR CONTRIBUTION TO THE NATIONAL PERFORMANCE FRAMEWORK

As part of the Scottish administration, our strategic objectives and KPIs reflect our public task and support the Scottish Government's [National Performance Framework](#) and connected [National Outcomes](#).

The National Performance Framework is Scotland's wellbeing framework. It reflects the issues that affect people in Scotland now as well as for future generations.

A graphic detailing how our work helps to deliver the National Outcomes can be found in our [Corporate plan 2022-2027](#) with some specific examples outlined below.

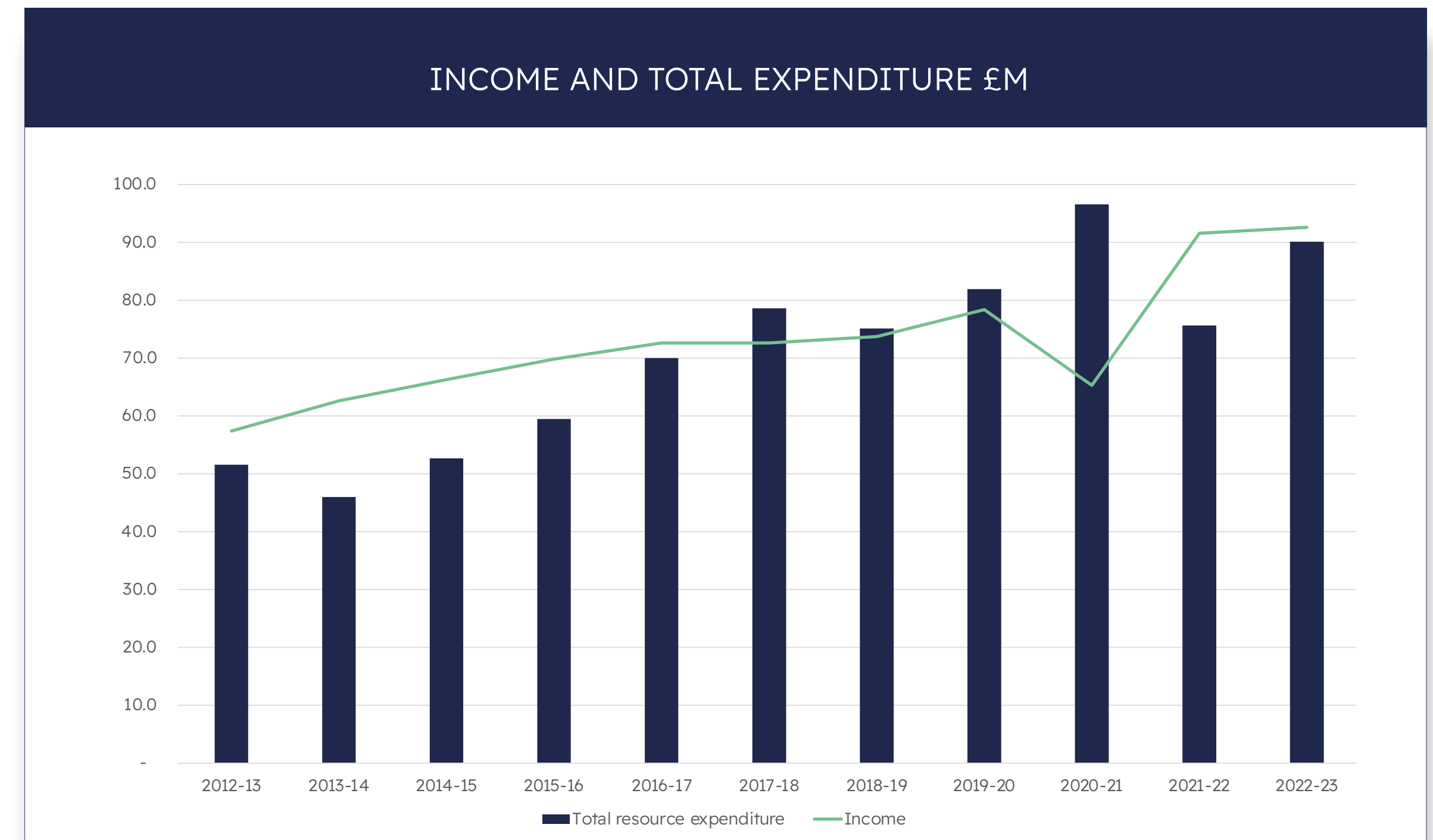
NATIONAL OUTCOME	OUR WORK
 Economy	We support Scotland's residential property market transactions – worth an estimated £21.9 billion in 2022-23.
 Fair Work and Business	We are committed to implementing the Fair Work First approach and are proud to be one of the few public bodies which reports no gender pay gap. We have also introduced new reporting mechanisms regarding other pay gaps.
 Human Rights	The continued roll out of our digital services is helping to improve the overall quality of public services.
 Health	We have been awarded the gold level 'We Invest in Wellbeing' accreditation from Investors in People (IiP) in recognition of our significant support and investment in the physical, social and psychological wellbeing of colleagues.
 Communities	We are following progress on the Scottish Government's 'Housing to 2040' strategy to monitor any impacts and opportunities to assist the government to deliver its goals. We also run a Community Benefits Group for colleagues to help them support their local communities.
 Education	We introduced a 'Grow Our Own' programme to re-skill and re-train existing colleagues to allow them to develop digital skills through participation in tailored training programmes, the programme has been renewed for its second year.
 International	We have continued to engage regularly with other international land registries and other mapping organisations to exchange information, share best practice and learn from their experiences.
 Environment	In response to the climate emergency and zero emission commitments of the Scottish Government, we are committed to reaching net zero emissions by 2045 as outlined in our Sustainability & Climate Change Strategy 2021-26 .

Financial performance

Our income increased in 2022-23 by 1.1% to £92.6m, cash costs increased by 11% to £90.6m and non cash costs increased by 607% to £4.6m, due to less provisions being required for work in progress as we return to pre-COVID levels. As shown in the graph to the right, our income fully covered our expenditure (staff and administrative costs) in 2022-23

Financial performance is monitored throughout the year and reported to our Board and Audit and Risk Committee on a routine basis. As a non-ministerial office of the Scottish Government, our expenditure forms a section within the Scottish Finance and Economy Portfolio.

The Scottish Parliament approves funds to the Scottish Government and related bodies at the start of the year with revisions in October and January. The Scottish Parliament approved an initial resource departmental expenditure limit (DEL) budget for RoS of £8.5 million (£6.0 million resource and £2.5 million capital). Capital DEL budget was revised upwards during the year to support the development of new registers on behalf of the Scottish Government.



*Non-cash costs exclude amortisation, depreciation and impairment cost

Additional budget cover for Annually Managed Expenditure (AME) to cover non-cash costs, such as potential changes to provisions and impairments, was received in the financial year. A comparison of our outturn compared to the final budget from the Scottish Government is detailed below. The table does not include notional charges of £0.06m (see Note 20 in the Notes to the Accounts for more detail).

	FINAL BUDGET £'000	ACTUAL OUTTURN £'000	OVER/ (UNDERSPEND) £'000
Capital Departmental Expenditure limit (DEL)	4,537	4,650	113
Resource (DEL)	6,506	2,922	(3,584)
Total DEL	11,043	7,572	(3,471)
Annually Managed Expenditure (AME)	2,022	(262)	(2,284)
Total Expenditure/ (Contribution)	13,065	7,310	(5,755)

In 2022-23, our income from all registers was £92.6 million (£88.0 million and £4.6 million from statutory and non-statutory respectively). The operating expenditure was £100.3 million (£95.6 million resource DEL and £4.7 million capital DEL) including depreciation and amortisation compared to the total DEL 2022-23 budget of £11.0 million. This resulted in a DEL contribution of £3.4 million to the Scottish Government.

Expenditure that does not meet the criteria for capitalisation under IFRS is disclosed as capital for budgeting when the recognition criteria of ESA10 is met resulting in an increase in capital and a reduction in expenditure compared to the financial statement assertions.



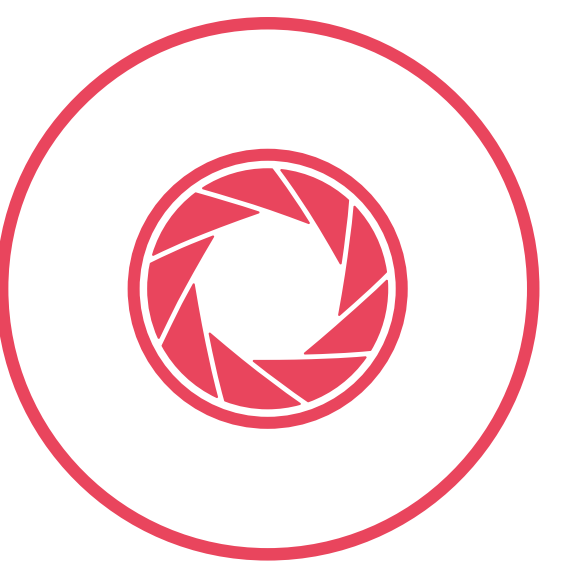
Our financial performance for 2022-23, shown opposite, reflects the costs associated with our day-to-day activities and investments to improve our business.

FINANCIAL PERFORMANCE	NOTES	2022-2023 £'M	2021-2022 £'M
Continued operations income	SoCNE	92.6	91.5
Costs (cash & non-cash)	SoCNE	(95.2)	(80.6)
Net interest charges	SOCF	(0.1)	(0.1)
Change to General Funding	SoCNE	(2.7)	(10.9)
Capital expenditure	SOCF	3.1	6.5
Costs comprised:			
Cash Costs			
Staff costs	SoCNE	(76.6)	(67.5)
Administrative costs	SoCNE	(13.8)	(14.0)
Total Cash Costs		(90.4)	(81.5)
Non-Cash Costs			
Amortisation, depreciation and impairment	SoCNE	(4.9)	(4.9)
External audit	Note 20	(0.1)	(0.1)
Work in Progress	SoCNE	0.2	5.6
Indemnity	SoCNE	0.1	0.3
Provision for dilapidations		(0.1)	0.0
Operating leases - interest	SOCF	0.0	0.0
Total Non Cash Costs		(4.8)	0.9

Performance Analysis

Our [Corporate Plan for 2022-27](#) identified priorities across six strategic objectives.

As outlined below, our performance analysis for 2022-23 will broadly follow these same themes while incorporating some wider aspects too.

 SO1	 SO2	 SO3	 SO4	 SO5	 SO6
Land Register Completion	New registers	Digital	Colleague Engagement & Hybrid Working	Working with our customers	Sustainability
Unlocking Sasines	Geovation Scotland	Data	Our People	Stakeholder Engagement	Future Vision
Registration in 2022-23			Equity, Diversity and Inclusion	Islands Scotland Act 2018	

SO1: Deliver the benefits of a completed Land Register

As a registration and information business, we have a statutory duty to maintain the registers we are responsible for and to process applications to those registers. Our core function remains the processing of applications for land registration and in 2022-23, we received 637,984 applications for registration. In terms of all the work that we despatched – including advance notices - 90.5% was completed within 35 working days.

LAND REGISTER COMPLETION

Land Registration commenced on the Land Register in Scotland in 1981. In 2014, Scottish Ministers invited RoS to accelerate its completion with a target date of 2024 to support the land reform agenda.

The intention behind a completed Land Register is to deliver two key benefits:

- Quick and efficient land and property transactions
- Data and insight to improve transparency and better answer the question ‘who owns Scotland?’

While we have made progress, our ability to complete the Land Register relies on many factors, including submissions from customers. The scale of the challenge remains significant.

We have therefore evolved our approach to look at how we can best use our resources to achieve these two key benefits whilst also providing better value to the public purse. While the longer-term goal will continue to be 100% completion, this means that we can continue to meet customer needs now.

Through key activities in the last year, we are able to realise the benefits of a completed Land Register by increasing the accessibility and transparency of 90.1% total land mass in Scotland. This is a combination of land in the land register, current casework in progress and data that we have unlocked through the Unlocking Sasines work.

We continue to monitor our performance against a functionally complete Land Register. This means that the land and property in Scotland which is likely to transact regularly is on the Land Register, therefore citizens will benefit from quicker and faster transactions. To calculate this, we remove land such as social housing and large land estates which rarely or may never sell. The 100% target is land and property which is likely to transact, 87% of such land and property is registered.

We are committed to publishing our progress towards completion, this can be accessed by a dedicated page on our [website](#).

UNLOCKING SASINES

We continue to make progress by using spatial data to ‘unlock’ the historic information in the Sasine Register. This means that we can link Sasine property search sheets to a map for the first time, making it visually more helpful and accessible. This is a way of showing indicative ownership extents of Sasines titles which will help to fill in current gaps in the Land Register. In the last year we have unlocked a further 10.31% of land in the Sasines taking the total at the end of March 2023 to be 33.31% of Scotland’s land mass.

Work to identify how we can provide the Unlocking Sasines data in a meaningful and accessible way to customers is complete, and the roll-out plan will form part of our work in 2023-24.

REGISTRATION IN 2022-23

We continue to make progress towards delivering the benefits of a completed Land Register. This objective centres on our core business function of processing applications for land registration. Our aim is to complete these applications efficiently and accurately. Over the last year intake levels of applications have seen a decrease. We received 635,680 applications in 2022-23, compared to 674,975 in 2021-22. Of the applications received in 2022-23, 90% are complete.

We are realising benefits from continuous improvements to processes. This has given us confidence to increase our Key Performance Indicators across our main Registration products. In 2021-22, our target was to complete 60% of applications for all main products within 35 working days. Strong past performance against this measure has enabled us to raise these targets.

Our new Key Performance Indicator measures are:

KEY PERFORMANCE INDICATOR AREA	SCORE	TARGET	PROGRESS
Dealing with Whole	93.3%	85%	Ahead of target
First Registration	77.1%	75%	Ahead of target
Transfer of Part	65.4%	65%	Ahead of target
Clear between 2,000 and 5,500 pre-2022 cases in each quarter	Q1 - 5,390 Q2 - 5,053 Q3 - 6,862 Q4 - 7,295	Between 2,000 and 5,500 cases per quarter	Q1 - on target Q2 - on target Q3 - ahead of target Q4 - ahead of target

When we look at our applications overall, 90.5% of these were processed within 35 working days. We measure against a 35-day period to align with our Advance Notice period to give our customers confidence.

Improvements in the following areas are supporting us in delivering this objective:

- we have increased cross-team collaborative working to optimise workflow and utilise skills in the most effective way for processing applications quickly
- we continue to cross-train our caseworkers to enable a flexible approach in focussing our efforts to priority areas
- we continue to develop technology advancements to reduce process steps in registering applications and move away from the use of legacy systems
- we have introduced new ways of working that mean we are supporting teams working across different registration products in the best way possible to overcome the challenges that are unique to each area

Although we have made improvements to our turnaround times, we recognise there is more to be done to successfully deliver for all our customers.

One of our key areas of focus remains the reduction of the amount of longstanding open casework, by reducing the level of pre-2022 cases overall. Currently 113,491 pre-2022 cases remain across our products. While a case remaining open carries minimal risk to our customers, we strive to reduce the number of cases in this category as part of our commitment to providing an efficient service. Overall, our total current stock level is 136,949.

We recognise that some customers have an urgent need for an application to be processed out of turn. Our [Expedite Request Service](#) has remained an important area of focus this year and our approach to processing these cases has been improved. This has enhanced our ability to balance this work alongside our commitments to reducing pre-2022 stock and increasing the rate at which we process new applications. We have a specific set of criteria that a customer must meet to make use of this service, this ensures we can keep this service working efficiently for those who need it most.

During 2022-23 our Expedite Service received 2,706 requests. Of these requests, 2,095 met the criteria and were expedited. Unsuccessful expedite requests are followed up and appropriate support offered to the customer.

SO2: Deliver more benefits to Scotland by providing innovative and accessible land and property data

RCI

On 1 April 2022, we launched our 21st register - [the Register of Persons Holding a Controlled Interest in Land \(RCI\)](#) which holds a record of people who have control over decision making related to land in Scotland. Created for the purpose of increasing public transparency, it is free to make an entry in this [register](#) and to search it. Entries in the register are publicly searchable 30 days from submission.

Over the course of 2022-23, in consultation with our stakeholders and customers, we have continued to make enhancements to the RCI service and guidance materials to help support them through the process.

The transitional period to register before offence provisions for non-compliance take effect was extended by 12 months to 1 April 2024 by approval of the Scottish Parliament on 16 March 2023. The Scottish Government and RoS will work together to continue to raise awareness and help support stakeholders through the process during the extended transitional period.

ROE

On 01 August 2022, Companies House launched its new [UK Register of Overseas Entities \(ROE\)](#).

Throughout 2022-23 we have continued to work closely with colleagues in the UK Government and Companies House to support the development of the UK Register of Overseas Entities and implement this scheme, the policy intention of which is to combat money laundering and achieve greater transparency in the UK property market.

The legislation underpinning this register, the [Economic Crime \(Transparency and Enforcement\) Act 2022](#), places a duty on overseas entities to disclose their beneficial owners to this register before they are able to deal with land and buildings in the UK. Registration in the Land Register of Scotland will not be permitted unless registration with Companies House has taken place.

We continue to work with Scottish Government and UK Government officials on any land registration implications of the Economic Crime and Corporate Transparency Bill, around potential changes to the operation of the Register of Overseas Entities.

GEOVATION SCOTLAND

[Geovation Scotland](#) exists to accelerate innovation in land, property and location technology in the Scottish market.

Companies participating in our accelerator programme receive a small amount of equity-free grant funding and the equivalent of over £100k of benefits, including workshops, coaching, office space and access to data from Ordnance Survey and RoS to help grow their businesses.

Recruitment of the programme's fourth cohort took place in 2022, offering support to companies working across air quality, sustainable homes and the redevelopment of vacant buildings.

To date, Geovation Scotland has supported 17 start-up companies through both our accelerator and entrepreneur-in-residence programmes. The companies working with Geovation Scotland have raised over £1.6 million in additional funding and investment and have created 61 full-time jobs in addition to the start-up founders themselves.



SO3: Develop and deliver digital improvements that support a sustainable business where the needs of our customers are fully satisfied

DIGITAL

Self-serve copy deeds

RoS introduced 'self-service' copy deeds from the Sasine Register in May 2022 with copy deeds from the Books of Council and Session (BCS) following in June 2022. Business customers now have direct access to copy deeds at point of purchase for the first time. 82% of all copy deeds requested for both registers have been self-served, representing 45% of all copy deeds issued by RoS. Underpinning this new service was the enabling activity that saw the categorisation and migration of 57.5 million images as part of RoS' wider cloud document archiving strategy.

RLP improvements

[Register Land and Property](#) (RLP) simplifies the process to register deeds by enabling the creation of a case that links advance notices, applications and submissions. It now supports:

- 100+ deed types
- Paper and digital discharges of standard securities
- Case creation for draft titles

As of March 2023, RLP is capable of supporting 85% of all applications to the Land Register. 50% of supported applications are now being submitted via RLP, representing 43% of the total volume of applications received.

[ELECTRONIC DOCUMENTS IN THE REGISTER OF DEEDS \(ROD\)](#)

The RoS Digital Registration Etc. Regulations 2022 came into effect for the purposes of allowing 'born digital' deeds to be recorded in the RoD on 1 October 2022. Documents of this type, such as missives, are signed by qualified electronic signature that, unlike the traditional pen and ink equivalent, carries self-proving status. Upon registration of this type of document, a digital extract is issued to customers containing a digital seal and digital certificate provided by RoS to guarantee authenticity, carrying the same legal standing as the traditional paper-based extracts.

This work follows the RoS Digital Submission Consultation (that took place in December 2020-February 2021) in which 96% of respondents answered in favour of enabling the registration of electronic documents in this Register.

Decommission of DMS – Managing spatial data

This year saw the final set of land register titles migrate from our 30-year-old mapping system (DMS – digital mapping system) to our new spatial data infrastructure. With the retirement of the DMS, the migration of data from the DMS and our new web-based mapping tools we now have an infrastructure fit for the modern age. In essence, this work has seen us move the entirety of Scotland’s Land Register to a new, sustainable, digital platform. Almost two million registered titles and nearly seven million data entities have now been migrated into a new data structure.

Cloud

In line with the Scottish Government Digital Strategy, RoS digital services are underpinned by cloud enabled services. Approximately 40% of the RoS digital ecosystem is now hosted on cloud services. Prior to cloud adoption, RoS developed a comprehensive cloud strategy, with two strategic drivers:

Driver 1. Business value and risk reduction through agility and innovation.

Driver 2. Longer term cost efficiency and sustainability.

The above drivers are underpinned by four core principles by which all cloud adoption must adhere:

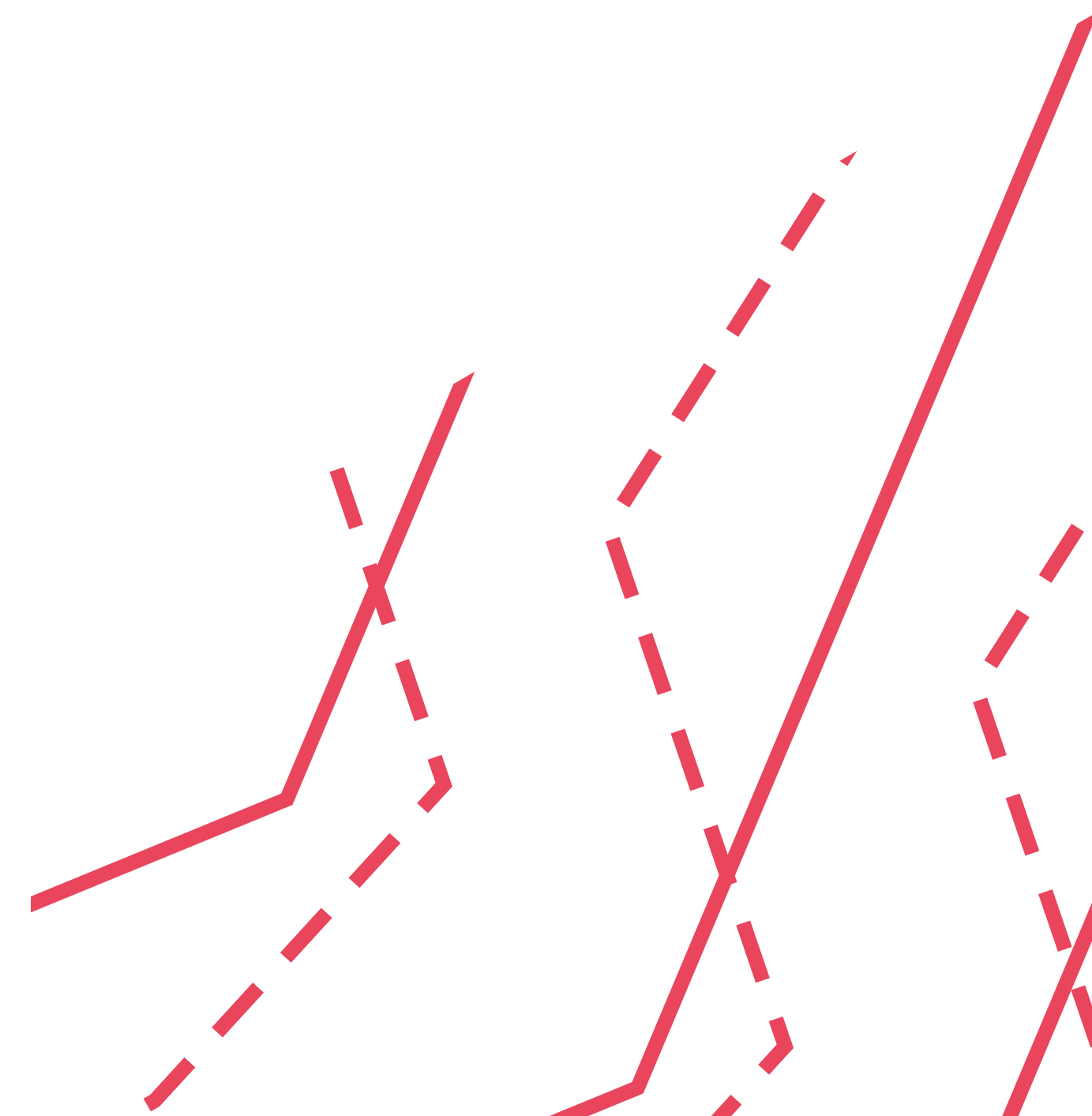
Principle 1	Agility	Accelerate the realisation of business and customer value, by empowering our software engineering
Principle 2	Safety	To increase the resilience and security of our digital estate
Principle 3	Simplification	To reduce the heterogeneity of our digital estate
Principle 4	Cost	Reduce the overall lifetime cost of ownership of our digital products

Since its inception, cloud technology has been used to underpin services such as our copy deeds service, the refactoring of several legacy registers (e.g., Register of Inhibitions, Register of Judgements, Register of Deeds) and the hosting of our Scotland’s Land Information Service, SCOTLIS.

The time to technically deliver working software has been significantly accelerated by cloud. For example, the rapid provision of our award-winning Digital Submission Service which supported the Scottish property market during the Covid crisis, was built upon leading-edge cloud services.

Cloud “Software as a Service” COTS has been used to sustain our digital workplace, which has empowered our ability to embrace home and hybrid working.

RoS will continue to leverage the power of the cloud to underpin its corporate objectives. Careful governance and assurance of the ongoing journey will ensure value realisation in line with the core drivers and principles outlined within our strategy.



DATA

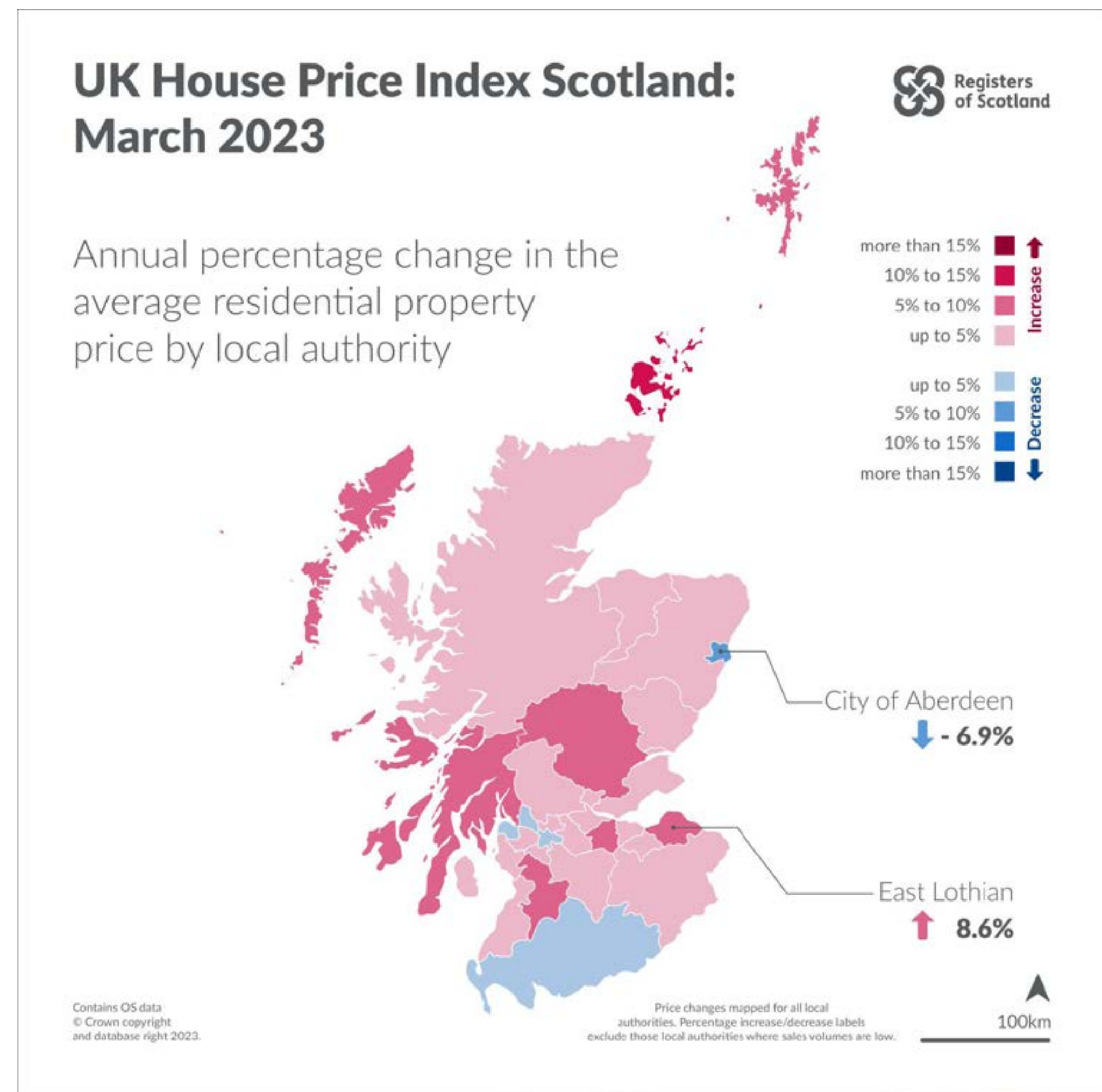
As a producer of official statistics, we provide data and analysis to support society’s need for information on the Scottish land and property market. The information provided is used to improve decision making, stimulate research, and inform debate both in the public and private sectors.

RoS data is used to produce the monthly UK House Price Index (HPI) through collaboration with the Office of National Statistics, HM Land Registry (the England and Wales land registry) and Land & Property Services Northern Ireland. This provides valuable information on average house prices in Scotland, placed in the context of house price changes across the UK. The graphic opposite is taken from the UK HPI Scotland in March 2023 and highlights the average residential property price by local authority.

We published our annual [Property Market Report](#) in June 2022 and our [Land and property titles in Scotland by Location of Owner at Time of Purchase Report](#) in March 2023.

We continue to publish the European INSPIRE (Infrastructure for spatial information in Europe) Directive dataset quarterly. It is published under an Open Government Licence for increased reusability. Throughout 2021-22, our data work included statistical analysis, Geographic Information Systems (GIS) development, business analytics, data architecture and infrastructure development. Following a review of the licensing that supports our data products and services we have introduced updated licences across all products and began the roll out process to existing customers in 2022-23.

We continue to strengthen our data product capabilities with our centralised data warehouse providing managed access to structured data and enhanced data governance.



SO4: Inspire our people to adapt, grow and innovate to empower a thriving, and inclusive organisation

COLLEAGUE ENGAGEMENT & HYBRID WORKING

Connecting Colleagues with the Corporate Plan

Throughout the year we continued to deliver colleague engagement activities to connect, engage and align colleagues within our new hybrid working environment. Regular webinars kept colleagues up to speed with progress against our strategic objectives and allowed for feedback and discussion. Topics included customer insights, hybrid working, colleague engagement, wellbeing, and progress of our Corporate Plan and colleagues' role in delivering this. The Executive Management Team ran 'The Wee Picture' event which focussed on progress against our strategic objectives. Colleagues were invited to share their thoughts on how we could accelerate or further improve our delivery, their understanding of the Corporate Plan and what further support they need to deliver more efficiently now and in the future.

Hybrid Working

This year we have remained focussed on evolving hybrid working in RoS. We empowered colleagues to Explore, Experiment, Evaluate and Evolve how, where and when they work to deliver the best days' work for RoS. Culture and workspace mission teams were set up to scope, design, test and implement hybrid approaches. We also made the following improvements to support hybrid working:

- Our offices, located in Edinburgh and Glasgow, were made available to all colleagues and we have seen office use increase with colleagues attending for individual work, team sessions and cross-function workshops.
- We extensively consulted on and published our hybrid working policy
- A new induction and onboarding approach was developed to better support colleagues joining in a hybrid environment
- We developed a team ways of working framework to help teams agree how to work together to best deliver within hybrid working
- We launched an on-site concierge service to help organise and set up office events to improve team collaboration, performance and connectedness
- We created a "Tech Bar" to enable colleagues to get in-person support from IT

OUR PEOPLE

We were awarded the gold level 'We Invest in Wellbeing' accreditation from Investors in People (IiP), recognising our investment in the physical, social and psychological wellbeing of colleagues.

We retained gold level 'We Invest in People' in our interim assessment recognising the actions we took to maintain a supportive, engaging and performance focussed environment.

Our engagement action plan, shaped through direct input from colleagues via the annual [Civil Service People Survey](#), our wellbeing survey and IiP feedback, has also ensured we have continued to prioritise what matters most for our colleagues.

Our Leadership Development Programme has provided coaching and tools to equip our leaders to deliver transformational change. Our Management Essentials programme has supported new line managers to become more effective more quickly, and our general people manager sessions, workshops and drop-in sessions have been available for managers to gain advice and support to help drive performance and change within RoS. We launched our first Grow Our Own programme offering opportunities for colleagues to develop new skills in critical roles.

We are committed to implementing the Fair Work First approach and have made progress towards this. We are a Scottish Living Wage accredited employer and do not use zero hours contracts. We follow the 'no compulsory redundancy' approach of Scottish Government and where roles are likely to reduce in number, we provide opportunity for reskilling, and support colleagues to apply for roles in other parts of RoS, the public sector and the wider civil service.

We remain dedicated to investing in and developing our collaboration with our trade union partners, to develop stronger working relations and improve our approach based on the Fair Work Framework. Through our Partnership meetings and involvement in a number of project boards, the Public and Commercial Services Union (PCS) engages regularly with our EMT and teams across the organisation. These meetings provide opportunities to discuss new, emerging and changing strategic issues. To ensure open communication and foster understanding, the non-executive members of our Board meet PCS colleagues at least annually. We also comply with the Fairer Scotland duty which is set out in Part One of the Equality Act 2010, so when making strategic decisions, we actively consider how we can reduce inequalities of outcome caused by socioeconomic disadvantage.

EQUITY, DIVERSITY AND INCLUSION

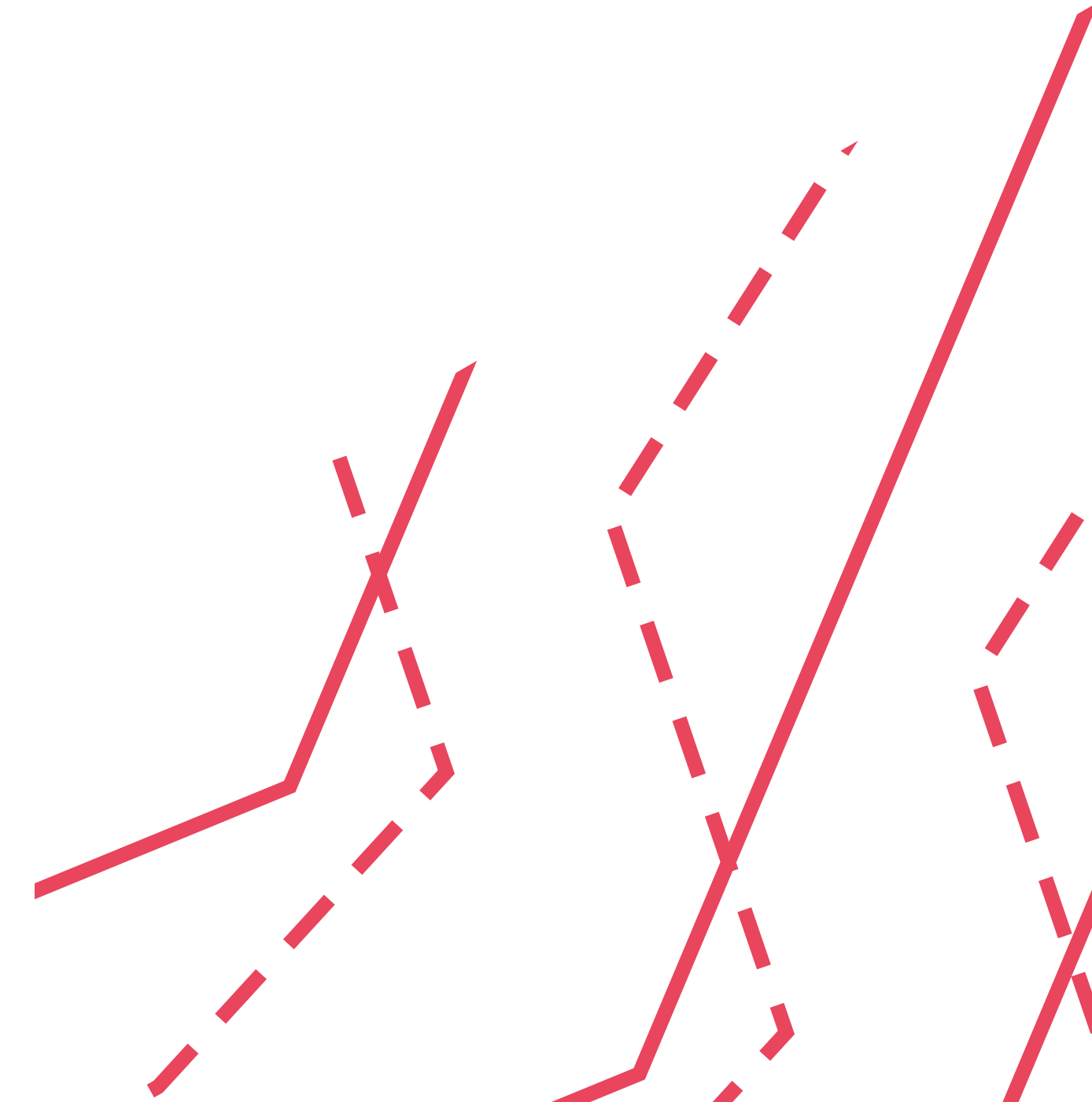
We have committed to meaningful, long-term change to achieve our goal of real and sustainable equity, diversity and inclusion (EDI) in RoS. Our actions and outcomes are agreed and overseen by our EDI Steering Group and EDI Colleague Forum, supported by our colleague-led networks (Carers, LGBT+ and Neurodiversity).

Our recently published Equality & Diversity Mainstreaming Report 2023 outlines our progress and opportunities for continuous improvement in relation to EDI. Over the past year, we completed our work to mainstream three of the four outcomes we set in 2021:

- We progressed activities in support of our EDI action plan, ensuring alignment with our EDI strategy
- We supported colleagues to establish and embed equality networks and developed a new framework for Equality Impact Assessments, including a range of tools and guidance
- We shared a wide range of communications on EDI matters, covering all protected characteristics. Through these we raised awareness, celebrated diversity and signposted colleagues to resources

Our Mainstreaming Report includes more information on specific activity. This includes our work with Career Ready as well as the development of an Inclusive Language Guide, Employee Passport, and a new process to make it easier for colleagues to request specialist equipment.

Our fourth outcome from 2021, relating to improving our collection and use of EDI data, has been carried forward for 2023 to 2025.



SO5: Be an effective and efficient delivery organisation

WORKING WITH OUR CUSTOMERS

Our customer base continues to evolve with over 100,000 customer contacts during 2022-23 with around a third from citizens and two thirds from professionals. The introduction of the new Register of Persons Holding a Controlled Interest in Land (RCI) has also attracted customers from new sectors and RoS has welcomed the opportunity to support them in making entries into the new register.

We continue to see our professional customers use email as their channel of choice to contact us, with email enquiries increasing by over 20% during 2022-23. Of these, the main reason for contact continues to be for advice about the registration process. The main reason for the increase in email use has been attributed to remote working, with customers working more flexibly than ever before including the times that they work.

During the year, we also recognised an opportunity to strengthen our language support service offering for customers. This offers customers the opportunity to have their enquiry dealt with in their first language. This service has been well received and demonstrates our commitment to delivering inclusive services for customers.

As part of our customer insight work we formally changed our approach to how we measure customer satisfaction. We have now transitioned to the Institute of Customer Service Business Benchmarking Survey. This allows us to directly compare our performance with similar organisations. It also gives us access to an excellent range of tools, research and services that will support our programme of improving our customers' experience wherever and however they interact with us.

The new survey allows customers to choose a rating of between one and ten when scoring how satisfied that they are, and this more granular score will show our progress more clearly than the previous five-point scale.

The survey also focuses on overall customer experience, customer ethos, complaint handling, ethics and emotional connection.

In our spring survey of over 535 citizen and professional customers, their scores gave us a Customer Satisfaction Index score of 87.8 and 79.7 respectively. This result is above the public sector benchmark of 75.1 and we can see that our customers are benefiting from the improvements that we have put in place to support them. The in-depth survey continues to help us identify areas for improvement and we are committed to prioritising these in the coming financial year.

The number of complaints we received in 2022-23 was 93, which is a 4.5% increase from 89 in 2021-22. Only one complaint was referred to the Scottish Public Services Ombudsman and RoS is working with the SPSO and the customer to resolve this matter. The majority of complaints remain about speed of service.

FREEDOM OF INFORMATION (FOI) 2022-23

We are committed to being transparent with colleagues, customers and citizens and we have been publishing FOI responses since October 2021.

- 25 FOI requests met our criteria for publication this year
- We responded to 100% of requests within the statutory timescales
- FOI requests received 2022-23: 101 (compared to 106 in 2021-22)
- Average response time: 13 working days (statutory timescale is 20 working days or fewer)

EFFICIENCY AND EFFECTIVENESS

This year, RoS maintained financial self-sustainable position and has delivered above a breakeven position which enabled us to again contribute to the Scottish Government Consolidated Fund. Cost management continues to be a priority for RoS, and we work hard further to improve our abilities to tightly control costs and deliver value for money. We deploy our staff time and financial resources to the greatest extent possible to deliver and support our income generating activities that underpin the delivery of our strategic objectives.

To evidence this, in 2022-23, we delivered efficiencies on planned spend across all cost categories and we have reflected those savings when we set our budgets for 2023-24. Total cash costs of £90.6m (2021-22 £81.5m) were incurred. Costs increased year on year, due to inflationary pressures and the impact of the public sector pay award. However, the expenditure was aligned to budget (£90.2m) which was set at a level to achieve a challenging efficiency savings target, which was delivered as a result of a strong financial control environment and value for money principles underpinning spend decisions that enabled efficiencies to be captured despite the additional deliverables that we have achieved in 2022-23.

RoS embeds processes to ensure a value for money culture throughout the organisation. We have a robust procurement process with qualified staff ensuring adherence to public sector procurement rules. RoS has strong financial governance with annual budgeting and regular reforecasting undertaken along with production of monthly management accounts. These processes all helped deliver the stretched expenditure budget for the year.

Efficient management of expenditure also allowed RoS to maintain its compliance with Scottish Government's target prompt payment of authorised invoices within ten days. In the financial year 2022-23 we paid 93% of valid invoices in ten days or fewer and 99% within 30 days.

PROCUREMENT

Sharing our services and resources within the public sector allows economy of scale cost and efficiency savings. In addition we continue to support small to medium enterprises through the government procurement framework which supports the economy and efficiencies [Procurement Report](#).

STAKEHOLDER ENGAGEMENT

Customers and stakeholders are at the heart of everything we do at RoS. In this last financial year our programme of engagement has continued to develop and increase its reach.

As part of our commitment to transparency we have introduced a new performance section of our [website](#). The pages are updated monthly and are intended to make it easier for stakeholders to track performance across a wide range of metrics such as open casework and delivering the benefits of a completed Land Register.

We have also taken a more strategic approach to our webinar and events programme. This has made it more targeted, more efficient to run and increased the volume of easy to access self-serve information available to customers.

- Over 3000 people attended our virtual events in 2022-23
- Average customer rating of 4.4/5 (increase from FY 2021-22)
- 96% of attendees thought attending the event increased their knowledge
- 2770 YouTube video views - increase of 133% on last year

Despite offering a more targeted suite of webinars we managed to increase attendee numbers at events, with the average rate being 107 per webinar. This was achieved by improved pre-event marketing and aligning frequency and timing to suit our customer's needs. This has meant that we achieved good stakeholder reach and allowed us to maintain overall attendance levels for our webinars when compared to a higher volume of events last year. This is significant when we consider the fact that, since COVID-19 restrictions ended, the industry has seen a marked decline in attendance of online only events.

We have also expanded on the volume of self-serve webinars and videos which are available on YouTube. This approach enables customers to view the information at a time and place which is suitable for them. They can also return to recordings to refresh their knowledge and understanding at any time and with the recent addition of recording chapters, searching within the content has become much easier.

We have increased our average customer rating from last year. 96% of attendees said by participating in our webinars they had increased their knowledge of the topic presented.

We have continued to work closely with parliamentarians and to demonstrate our accountability to the Scottish Parliament. On 7 September 2022 the Keeper and Registration and Policy Director, appeared before the Economy and Fair Work Committee to give an account of our progress throughout the year. The Keeper was also invited before the Delegated Powers and Law Reform Committee in October to participate in the legislative scrutiny of the Moveable Transactions (Scotland) Bill and to outline RoS' role in the development of the upcoming new registers. Outwith parliamentary appearances, RoS continued to inform and engage through monthly Committee updates as well as the quarterly parliamentary newsletter and bi-annual Parliamentary virtual breakfast briefings.

ISLANDS (SCOTLAND) ACT 2018

As one of the relevant authorities listed in the Islands (Scotland) Act 2018, the Keeper has a statutory duty to have regard to island communities in carrying out her functions. This includes the preparation of an Island Communities Impact Assessment (ICIA) in relation to a policy, strategy, or service which, in the Keeper's opinion, is likely to have an effect on an island community which is significantly different from its effect on other communities.

The ICIA consideration and decision-making process has been incorporated into RoS' business processes, project planning and assurance checklists. Once prepared, an ICIA will be published on our website. The Keeper is also under a duty to publish information about the steps RoS has taken to comply with Section 7 of the Act during a reporting period. A reporting period is any period determined by the Keeper of up to a maximum of one year. The publication of the annual reporting duty will be through our annual report and accounts and is attached this year as Appendix Two.

SO6: Be a future focused organisation

BECOMING A MORE SUSTAINABLE ORGANISATION

2022-23 was the first full year of delivering on RoS' [Sustainability and Climate Change Strategy](#) (SCCS).

In line with the SCCS commitment of achieving net zero emissions by 2045, a Winter Heating Strategy was introduced in early 2023 to lessen heating demand at our Edinburgh office during the colder months; the temperature of occupied wings was reduced by two degrees, and some wings were closed with their temperature being reduced further. Gas usage figures from the first full month (February 2023), indicate success with a 40% reduction recorded in relation to average February usage in the previous three years.

An ongoing LED lighting project has also supported RoS' move to net zero; this is expected to save approximately 70,000 kWh per year, with associated annual cost savings of approximately £35,000. A successful funding application was also submitted to support the extension of LED lighting across the building in 2023-24, and work was undertaken to investigate the feasibility of linking the new lighting to the building energy management system to maximise energy efficiency capabilities.

The benefits of these interventions are reflected in our carbon footprint for 2022-23, which is 814 tonnes of CO₂; this is 9 tonnes lower than last year's figure.

RoS-wide research was undertaken during 2022-23 to help ensure that the recording of our carbon footprint is comprehensive and accurate. The Workplace Emissions Survey was conducted to establish the carbon emissions associated with home working and travel to work. Analysis began on the survey results during 2022-23 and will be concluded in the coming year.

An ongoing partnership with Kinross Wooden Products Company allowed RoS to manage surplus furniture with minimal environmental impacts and significant social and economic benefits.

Significant savings were also achieved in relation to end-of-life IT equipment; through our ongoing partnership with Restore Technology, over 5,000 kg of equipment was re-used or recycled during 2022-23.

Our Sustainability team has continued to successfully engage with our staff to raise awareness of the importance of climate change and the additional mental and physical benefits of enjoying our local environments. This includes the publication of a nature guide, educational blogs, promotion of national campaigns (such as Bike Week, Pollinator Week and World Environment Day) and online workshops in partnership with Home Energy Scotland and Zero Waste Scotland and Keep Scotland Beautiful covering topics such as energy and water savings, climate change conversations and food waste. We also have an active Environmental Working Group and a Sustainability Forum.

Through all [Corporate Social Responsibility](#) related activities in 2022-23, we have sought to make a positive contribution in the workplace and to the society in which we operate. This included ensuring that our strategies continue to be environmentally and socially responsible, that we have a positive impact on communities, and that we take a proactive approach to sustainable development.

RISK, FUTURE VISION AND DEVELOPMENT WORK

We are continually reviewing any risks which may affect our ability to meet our objectives. In particular, there is a risk that a downturn in the property market might affect the financial health of the business. We continue to manage a number of risks around completing the Land Register, information management and resilience. For more information on risks identified and how we are actively managing risk, please go to our Risk Management section on page [40](#)

As we get closer to realising our vision of being a digital registration and information business trusted for our integrity, we have been thinking about the steps beyond this and how we'll achieve our future driven goals.

Fundamentally, we want to be an organisation that delivers the best public service for the people of Scotland. Our digital tools, an efficient streamlined registration process, and wider access to our information are all part of achieving this ambition.

Looking ahead, we must be ready to respond to new customer requirements to ensure our services remain current and impactful. The opportunities to expand our services for existing customers and offer the latest services to new customers, are all on the horizon, as are the possibilities that emerging technology, such as artificial intelligence (AI), could offer to further transform our services.

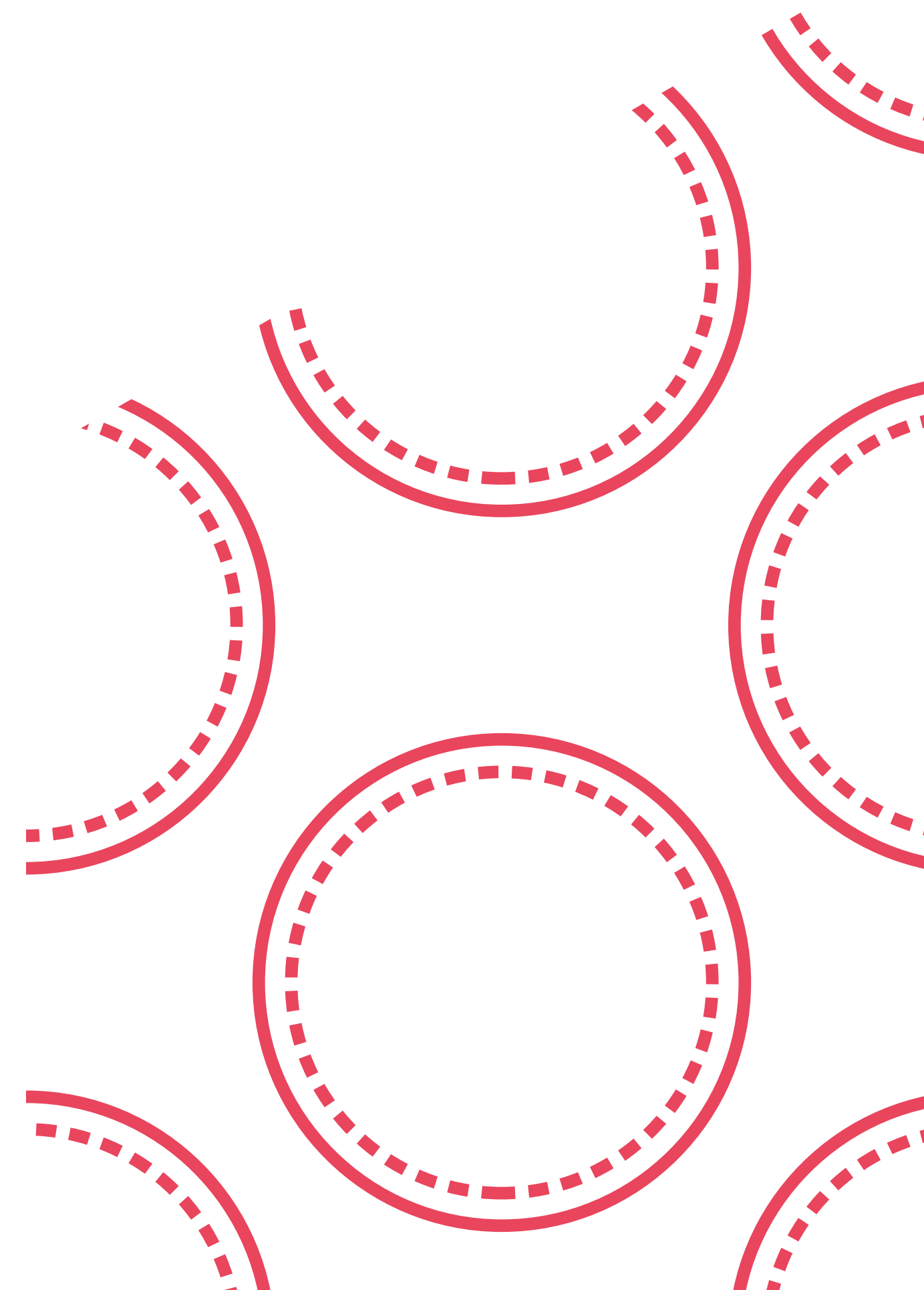
We have started work to develop a roadmap of activities that will ensure we can continue to deliver the most effective, efficient and relevant public service for our customers of the future, and that we play our part in supporting the public service reform agenda within Scotland.

DocuSigned by:
Chris Kerr
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Christopher Kerr

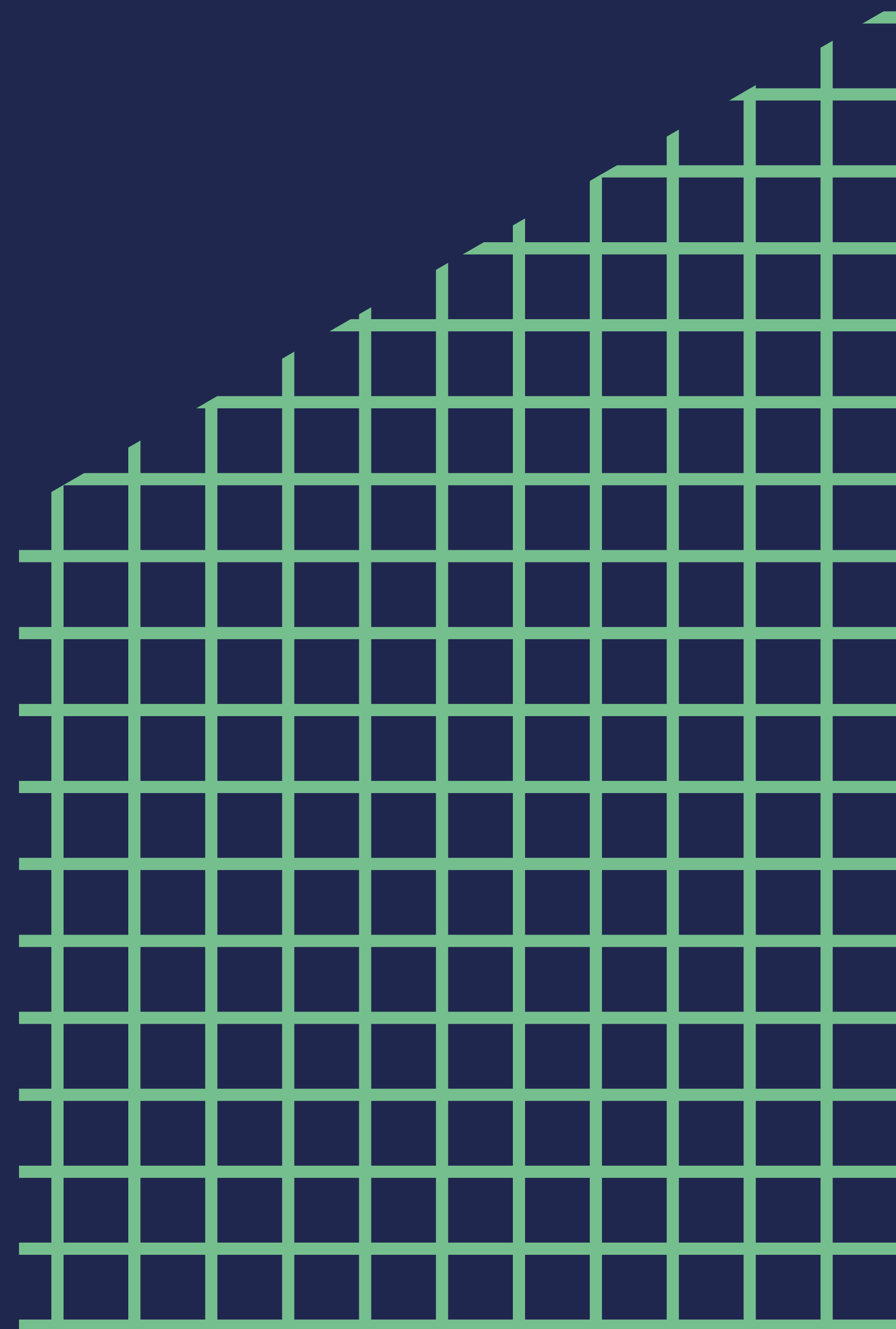
Accountable Officer

12 September 2023

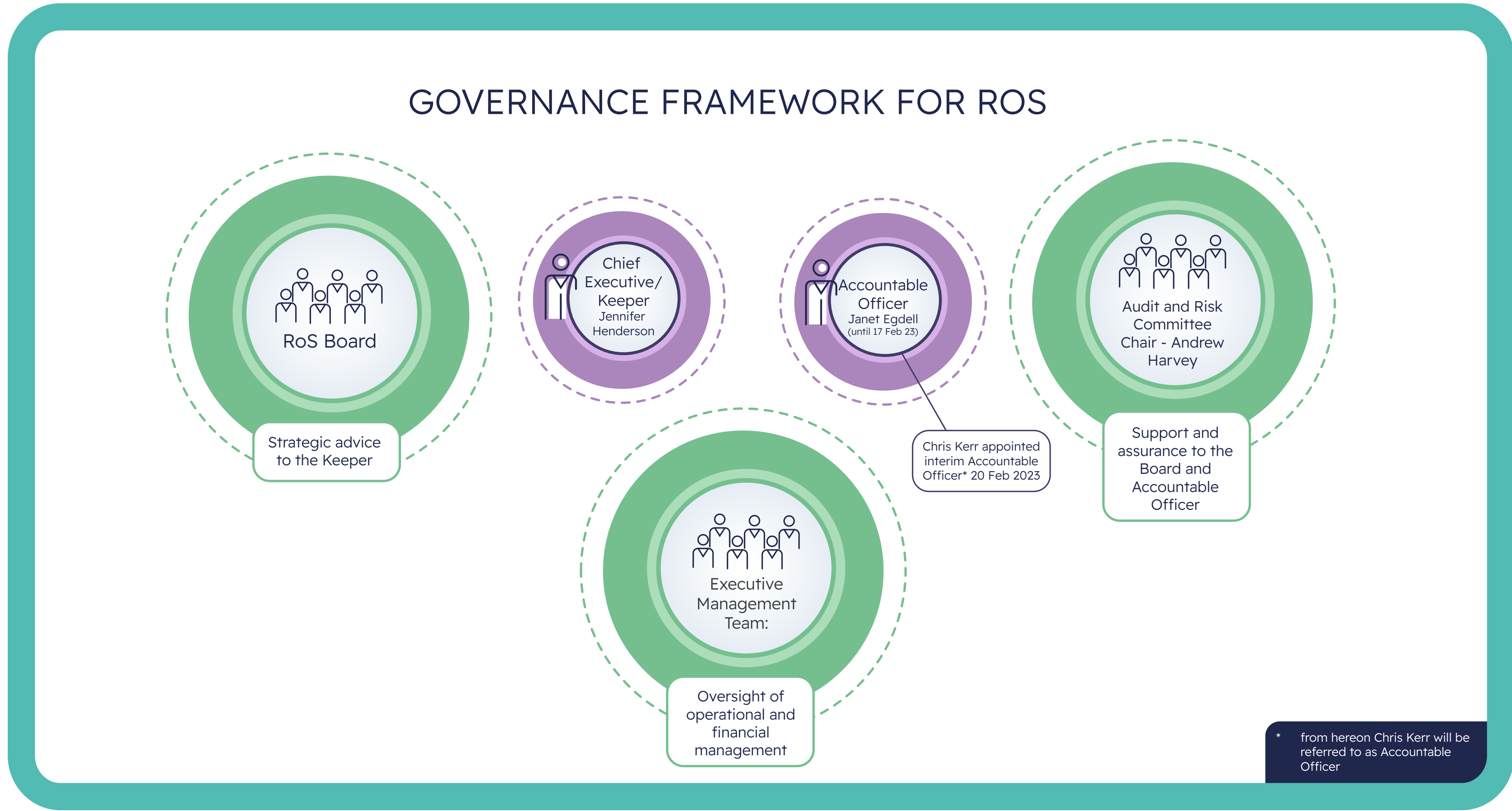




Accountability report



Corporate Governance report



Biographies for our Board, and Audit and Risk Committee Members can be found on our [website](#).

A register of interest of advisory board members and the management team is held by RoS and reviewed annually. The register is published on our website. Information on personal data related incidents where these have been formally reported are disclosed on [page 41](#).

STATEMENT OF THE KEEPER'S AND ACCOUNTABLE OFFICER'S RESPONSIBILITIES

Under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000, Scottish Ministers have directed RoS to prepare for each financial year a statement of accounts in the form and, on the basis, set out in the Accounts Direction in [Appendix One](#).

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of RoS, its income and expenditure, Statement of Financial Position, and cash flows for the financial year.

The Keeper is responsible for the statutory functions placed upon her in relation to the operation of the various public registers for which she is responsible. The Keeper is responsible for:

- achieving such financial objectives as may be determined by Scottish Ministers from time to time;
- the preparation for each financial year of accounts of expenditure incurred in the fulfilment of the Keeper's functions and income received;
- arranging for an audit of the annual accounts by auditors appointed by the Auditor General in the appropriate time period; and
- by agreement with Scottish Ministers, arranging for publication of the accounts after these have been laid before Parliament.

Section 70 of the Scotland Act 1998 requires Scottish legislation to provide for members of staff of the Scottish Administration to be designated as answerable to the Scottish Parliament in respect of expenditure and receipts – known as Accountable Officers (AOs). As a statutory office holder, the Keeper is not part of the staff of the Scottish Administration and as such cannot be designated as the Accountable Officer (AO).

In preparing the accounts, the AO is required to comply with the Financial Reporting Manual (FReM) and to:

- observe the accounts direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable

accounting policies on a consistent basis;

- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that RoS will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced, and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced, and understandable.

STATEMENT OF THE DISCLOSURE OF INFORMATION TO AUDITORS

The responsibilities of an AO, including for the propriety and regularity of the public finances for which the AO is answerable, for keeping proper records and for safeguarding RoS' assets, are set out in in the [Memorandum to Accountable Officers](#) within the Scottish Public Finance Manual (SPFM).

The Permanent Secretary to the Scottish Government appoints the Accountable Officer (AO) for RoS. The responsibilities of an AO, including for the propriety and regularity of the public finances for which the AO is answerable, for keeping proper records and for safeguarding RoS' assets, are set out in in the Memorandum to Accountable Officers within the Scottish Public Finance Manual (SPFM).

The AO has responsibility for maintaining a sound system of internal control that supports the achievement of RoS' policies, aims and objectives.

The AO is accountable to the Scottish Parliament for the propriety and regularity of RoS' finances and for the economical, efficient, and effective use of the resources placed at its disposal.

As the AO, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Deloitte LLP, RoS' external auditor, is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

ACCOUNTABLE OFFICER'S CONFIRMATION

The AO confirms that the annual report and accounts as a whole is fair, balanced, and understandable and that he takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced, and understandable.

SCOPE OF RESPONSIBILITY

RoS is a non-ministerial office within the Scottish administration. Information about the principal tasks and duties that RoS performs are set out in the 'statement of purpose and activities' section on page [7](#).

Registers of Scotland [Framework document](#) sets out the role and responsibilities of the Keeper and Scottish Ministers, and the respective roles and responsibilities of other key stakeholders.

GOVERNANCE STATEMENT

The [governance statement](#) outlines and evaluates the governance, risk management and internal control arrangements in place during the year.

In summary, I am satisfied that, overall, RoS is operating in accordance with Scottish Government and HM Treasury guidance, that the governance structure, risk management and system of internal control used within the organisation contributes substantially to the achievement of our overall objectives.

GOVERNANCE FRAMEWORK

The governance framework comprises the range of systems, processes, culture, and values used to direct RoS. It is designed to give assurance that the organisation performs its duties and responsibilities using the highest standards of effective internal control and risk management. RoS internal controls and risk management approach is in accordance with Scottish Government and HM Treasury guidance and best practice.

The AO is provided with assurance from the RoS Board, the Executive Management Team (EMT), and the Audit and Risk Committee (ARC) and by independent Non-Executive Directors, that a system of internal controls and proactive risk management is in place, along with a programme of internal audit assurance reviews.

INTERNAL CONTROL ASSESSMENT

The system of internal control is designed to manage rather than eliminate risks that RoS might encounter in achieving aims and objectives. It is subject to continuous review and is modified as necessary to reflect changes in corporate objectives and the assessment of risk as it applies to the organisation, to ensure that risks and controls are managed effectively, efficiently, and economically.

As AO, I am supported by the Executive Directors and their reports in managing and maintaining a robust system of internal control. I secure considerable assurance from the controls they apply in the day-to-day execution of their duties.

Towards the end of each financial year, I ask the Executive Directors to formally certify that the controls in their areas have operated properly and effectively for the entire period under review and up to the date of approval of the annual report and accounts. Executive Directors seek similar assurance from their Senior Leadership Team.

I can confirm that I have received Certificates of Assurance covering the period 1 April 2022 to 31 March 2023 from all Executive Directors, and there were no significant issues raised.

ROS BOARD

RoS Board is chaired by the Keeper. It acts in an advisory capacity to provide strategic advice to the Keeper. Its main responsibilities are:

- setting and communicating RoS' vision and values;
- setting strategy and objectives for RoS, ensuring that the necessary financial, human, IT and physical resources are in place to deliver them;
- setting a framework of prudent and effective controls that enables risk to be assessed and managed; and
- monitoring and improving RoS' performance.

During 2022-23, the Board membership consisted of five Executive Directors and five Non-Executive Directors. The Board's Non-Executive Directors provide:

- an independent, external perspective on RoS' work;
- constructive challenge;
- specific expertise and input to discussions and development of strategy.

The Board formally met on four occasions during 2022-23. Our Board members and minutes of the meetings can be found on our website. The Board is supported by the Audit and Risk Committee and the Executive Management Team.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (ARC) provides independent, informed support and assurance to the AO and Board, in monitoring corporate governance arrangements, risk management, value for money, and control systems we have in place.

In consultation with the AO and other Executive Directors, ARC commissions an annual programme of work from RoS' internal auditors. The programme is risk-based, focussing on our systems of internal control, and challenges to achievement of corporate objectives. The Committee reviews the reports from that programme; and actively monitor outcomes and improvement opportunities to completion.

RoS' assurance framework provides an overview of the assurance processes and procedures in place for our wide range of key risks with oversight provided by ARC.

ARC provides an Annual Report to the AO and Board summarising the work of the committee in the year, along with outcomes from its annual effectiveness review.

Details of ARC membership during 2022-23 can be found on our website. In line with the Scottish Government Audit and Assurance Committee Handbook, at least one ARC member has recent, relevant financial experience.

The ARC has considered the Annual Report and Accounts and I have taken account of, and confidence from, its comments and observations prior to signing this governance statement and other parts of the Annual Report and Accounts.

THE EXECUTIVE MANAGEMENT TEAM (EMT)

The EMT is chaired by the Keeper and oversees the operational and financial management of RoS on a day to-day basis. The Keeper and all Executive Directors are members. The EMT meet twice monthly, alternately as an EMT Investment Board and an EMT Corporate Governance Group and convene quarterly to review performance.

To fulfil its responsibilities the EMT is supported by the following subcommittees: Information Assurance Group, Policy and Practice Group, Business Portfolio Board, Service Alignment Team, Strategic Workforce Planning Group, Environmental Management Group, and Information Security Group.

REGISTER OF INTERESTS

A register of interests of Board members is held by RoS and reviewed annually. This is published on our website.

RISK MANAGEMENT

RoS has a robust approach to enterprise risk management. Managing risk as an integral part of our system of internal control using risk management principles set out in the SPFM. RoS' risk management policy is approved annually by the EMT. Strategic risks are captured and monitored through the key risk register, with operational risk registers in each directorate. The risk registers articulate the control measures in place to ensure risk is managed within acceptable tolerances of RoS' risk appetite. Our assurance framework outlines the range of assurance activities in place to assess controls for each key risk.

Our risk management framework exists to evaluate the extent and nature of these risks, with escalation through our corporate governance structure to EMT and the Board as required. The Board, ARC and EMT hold an annual workshop where potential risks to our corporate plan and strategic objectives are considered. This workshop includes consideration of risk appetite. The results inform our risk profile and overall approach to risk management. Key risks are reviewed in alignment with the annual review of strategic objectives.

New and emerging risks are assigned to key risk owners during this review.

Our key risk register operates as a 'live' register and is reviewed and approved as a standing item at the EMT Corporate Governance meeting and is discussed by ARC and the Board quarterly. The key risk register currently includes risks which may affect RoS' financial health and operational capacity, our mandatory obligations, customers, or public trust in the registers.

During 2022-23, we actively managed risk relating to:

- the financial sustainability and health to ensure that RoS maintains a breakeven position;
- Land Register completion by 2024, mitigating this threat through our pivot to a twin track approach of functional completion of the Land Register for addresses that regularly transact and unlocking information on 'Who owns Scotland?' from the General Register of Sasines. Focus is now on realising the benefits of Land Register Completion.
- Future Business Model – exploring RoS opportunities to enhance existing services and products and develop new ones.
- Product Sustainability: our ability to safely maintain and develop our technical products and platforms by addressing technical debt.

Through 2022-23 we continued to prioritise and focus on the wellbeing of colleagues, with measures in place to address and support changing circumstances, and impact on people, objectives, and performance. We continued to seek opportunities to support and develop our people; to acquire the skills, competencies, understanding, and behaviours needed to deliver a professional flexible business that works at pace to deliver value and fulfil our public task, but also in building resilience, supporting, and developing mental and physical wellbeing, and mental health awareness.

We regularly reviewed how risks of a downturn in the housing market and the impact of individual investment decisions might affect the longer-term financial health of the business.

INFORMATION MANAGEMENT

Information is our core business and, therefore, we recognise the importance of information risk management and information assurance and are committed to continuous improvement in this area.

This area is overseen by the Information Assurance Group (IAG), a delegated function of EMT, with outputs from IAG reporting to the Senior Information Risk Owner (SIRO) and AO. IAG also receives advice and reports from our Information Security Group (ISG). We have controls in place to monitor, detect, and protect our information systems with robust procedures for investigating and reporting through our information assurance and risk management structures.

I am content that RoS information security protocols are managed effectively, with corrective actions implemented timeously.

DATA RELATED INCIDENTS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE (ICO)

RoS has a dedicated Information Governance service, made up of subject matter experts and led by our Data Protection Officer. This service supports the AO and SIRO, advising on incident notification and reporting in line with the Information Commissioner's guidance. During the year 2022-23 no incidents were reported to the ICO.

FRAUD

Instances of registration fraud remain low with no court determinations in relation to fraud received by the Keeper in the last 12 months. We reviewed and updated our policies and procedures on fraud, whistleblowing, and hospitality. We introduced additional anti-fraud measures for applications submitted by and on behalf of individuals. We continue to work collaboratively with other bodies including Scottish Government, the Law Society of Scotland, Police Scotland, the Crown Office and Procurator Fiscal Service and other land registries to prevent and detect registration fraud.

Annual reports on fraud and bribery are considered by ARC and this forms part of the annual assurance process. The 2022-23 report confirms that there were no instances of fraud or bribery identified or detected.

Hospitality and gifts registers are updated regularly and published on our [website](#).

WHISTLEBLOWING

Under section 43F of the Employment Rights Act 1996, whistle-blowers may qualify for employment protections if they disclose information to a 'prescribed person'.

Billy Harkness, RoS Corporate Director, is the prescribed person for RoS. The AO has a responsibility to report annually on the actions taken with respect to workers' disclosures, and the impact that has had under the Prescribed Persons (Reports on Disclosures of Information) Regulations 2017.

I can confirm that I received no workers' disclosures during 2022-23. There was one case raised by someone external to RoS that related to a third-party supplier contract. The complaint was formally handed over to the supplier who undertook their own investigation. Some changes were made to the supplier's standard operating procedures because of the complaint..

INTERNAL AUDIT

Internal audit (IA) provides additional assurance to the AO. Our IA activities are delivered by the Scottish Government Directorate of Internal Audit and Assurance (SGDIAA). SGDIAA works to the Public Sector Internal Audit Standards, as well as to its own internal technical and client service standards.

In 2022-23 SGDIAA completed the following assurance reviews:

- Grow Our Own - a review of RoS Grow Our Own pilot
- Procurement: system and processes - (Purchase to Pay)
- Management Information
- Information Security Risk Management
- Absence management

Individual reports were provided for each review; with detailed findings, recommendations, and agreed management responses reported to ARC.

The Grow Our Own assurance review identified weaknesses in the risk, governance and/or control procedures in place but these were not of a significant nature. The overall assurance rating was reasonable, noting that the concept of Grow Our Own clearly contributes to RoS strategic and corporate objectives. Improvements have made to our governance documents to ensure reporting and decision-making routes are clearly defined and identified.

An overall assurance rating of reasonable was noted for the Procurement (Purchase to pay) review. The review identified that some improvements were required to enhance the adequacy and effectiveness of procedures, reporting one high priority and several medium priority recommendations.

Process improvements were immediately implemented to address the high priority recommendation. A holistic, end-to-end review of purchase to pay processes was undertaken to maximise the efficacy of the control environment and clarify roles and responsibilities.

The Information Security Risk Management assurance review had an assurance rating of reasonable and noted that, at the aggregated wider level, RoS maintains a regular cadence of Information Security Risk Management and reporting within clear and defined governance structures. However, at an operational level, improvements were required to enhance the adequacy and effectiveness of procedures. We have implemented a robust improvement plan to address the risks highlighted in the report.

The Management Information review reported an assurance rating of substantial. Internal audit found no issues with the process and controls around the production and distribution of RoS Management Information, either internally or externally. There was one medium priority recommendation. This action was fully addressed by the annual review process conducted in March 2023.

The Absence Management review also received a substantial assurance rating, noting a clear and well documented policy and procedure for absence management and reporting across RoS. The review highlighted a few areas for improvement. RoS management team has an action plan in place to address the points raised.

SGDIAA also completed two advisory reviews in 2022-23:

- Equality Diversity and Inclusion, and
- RoS approach to hybrid working.

As AO, I received Management letters outlining the findings and outcomes for each of these reviews.

The SGDIAA annual assurance report provided an overall assurance opinion of 'reasonable' for 2022-23. The findings demonstrate that RoS has a robust and mature governance structure, risk management approach and assurance framework, and identified opportunities for improvement in our internal control environment. SGDIAA's assurance opinion was derived from, but not limited to its knowledge of our overarching risk and assurance landscape and the assurance activities it conducted through 2022-23.

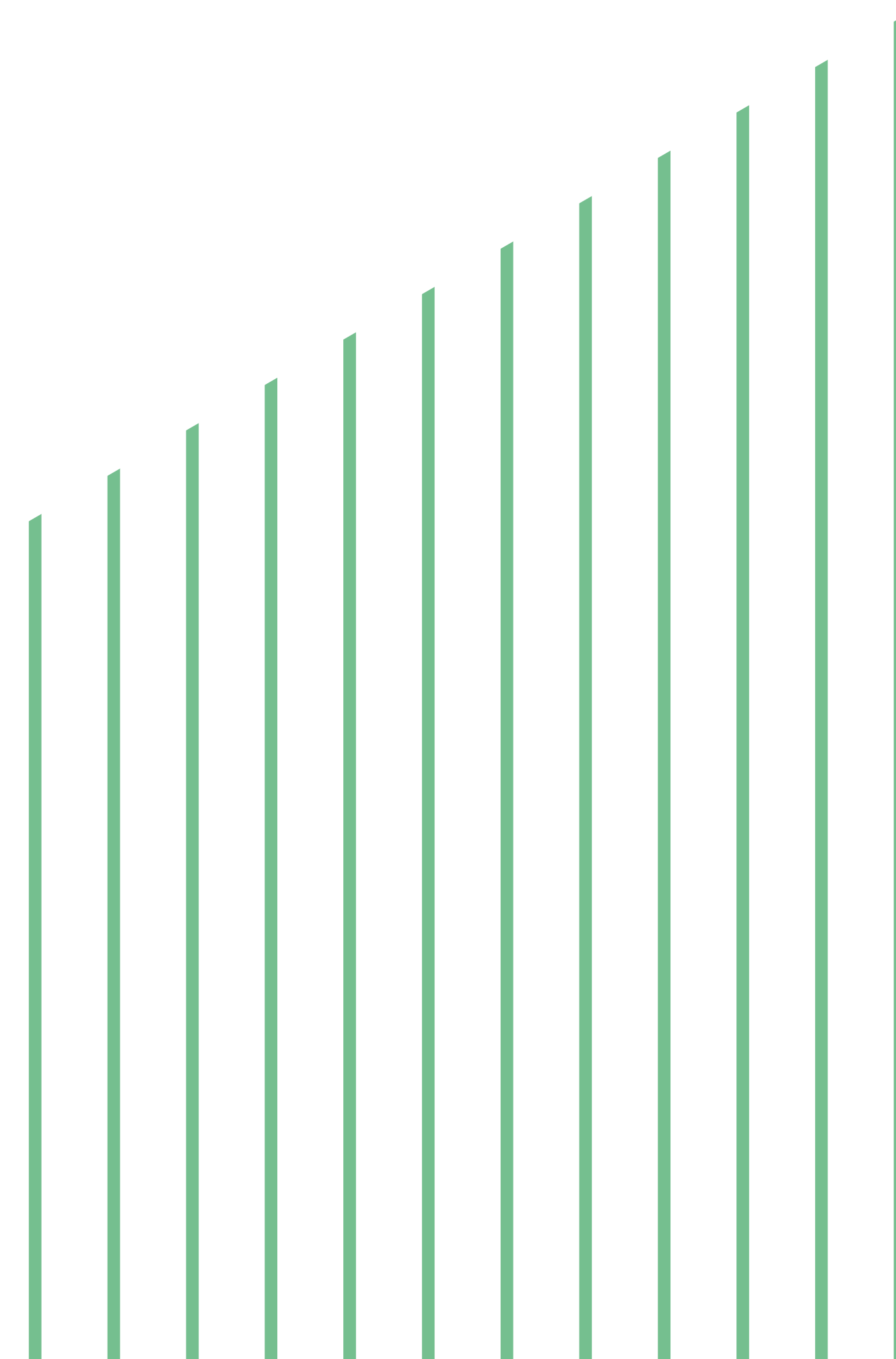
REVIEW OF EFFECTIVENESS

As AO, I have responsibility for reviewing the ongoing effectiveness of the system of internal control and risk management arrangements. My review has been informed by the outputs from:

- *the Executive Directors (both in an individual capacity and as a collective group operating as the EMT);*
- *the RoS Board;*
- *the Audit and Risk Committee;*
- *the work of Internal Audit;*
- *comments made by our external auditors (Deloitte LLP) in its management letters and reports; and*
- *other reviews and studies that are undertaken by third parties from time to time.*

Based on the above and my own knowledge of the organisation, I am satisfied that during the year under review, the overall control environment within RoS operated effectively and supported the organisation in meeting its aims and objectives.

There are no significant matters arising from my review.



Remuneration and staff report

The sections marked (Audited*) in this Remuneration and staff report are subject to a separate opinion by Deloitte LLP. The other sections of the Remuneration and staff report are reviewed by Deloitte LLP and covered by the wider conclusions.

APPOINTMENTS AND REMUNERATION POLICY

Civil service appointments are made in accordance with the Civil Service Commission's recruitment principles. These require appointments to be made on merit, on the basis of fair and open competition, but also include the circumstances when appointments may otherwise be made.

The Executive Directors of the RoS board hold appointments which are open-ended (i.e. not fixed term). Non-Executive Directors are appointed on a fixed term basis.

The rules for termination are set out in the Civil Service management code. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service compensation scheme.

Further information on the work of the Civil Service Commission can be found on their [website](#).

RoS, like other parts of the Scottish Government and the rest of the UK Civil Service, has a policy of no mandatory retirement age for its senior civil servants and other staff, in line with the implementation of the Equality Act 2010. For pension details, see page [52](#).

REMUNERATION POLICY

The remuneration of substantive senior civil servants employed by RoS (i.e. the Keeper and the Accountable Officer) is determined by the Scottish Government and set in accordance with the civil service management code available at civilservice.gov.uk and with independent advice from the Senior Salaries Review Body (SSRB).

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the government's departmental expenditure limits; and
- the government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body can be found at [Office of Manpower Economics](#).

The remuneration of the other Executive Members of the RoS Board is governed by the overall pay policy for RoS staff. It has to be agreed with the Scottish Government within the guidelines set by Scottish Ministers.

Non-Executive Directors receive fees for attendance at regular RoS Board meetings. Fees are based on a daily rate at a level set out in Scottish Government guidance. Non-Executive Directors' expenses incurred as a result of undertaking RoS business are also reimbursed.

SALARY

The following sections provide details of the remuneration and pension interests of Board members. The monetary value of benefits in kind covers any additional benefits provided, benefits greater than £8k are treated by HMRC as a taxable emolument.

No bonus or benefit in kind payments were made.

SINGLE TOTAL FIGURE OF REMUNERATION (AUDITED*)

BOARD MEMBERS	SALARY £'000		PENSION BENEFITS £'000		TOTAL £'000	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
JENNIFER HENDERSON Keeper and Chief Executive	95-100	85-90	29	18	125-130	105-110
JANET EGDELL Accountable Officer to 19/02/2023	75-80	80-85	23	12	95-100	95-100
BILLY HARKNESS Corporate Services Director	90-95	85-90	27	14	115-120	100-105
KENNY CRAWFORD Business Development Director	80-85	80-85	25	14	105-110	95-100
CHRIS KERR Registration and Policy Director and Accountable Officer from 20/02/2023	80-85	80-85	25	31	110-115	110-115
ANDREW HARVEY Non-Executive Director	10-15	5-10	0	0	10-15	5-10
ANDREW MILLER Non-Executive Director	5-10	5-10	0	0	5-10	5-10
ELAINE MELROSE Non-Executive Director	5-10	5-10	0	0	5-10	5-10
MHAIRI KENNEDY Non-Executive Director	0-5	0-5	0	0	0-5	0-5
ASIM MUHAMMAD Non-Executive Director	5-10	0-5	0	0	5-10	0-5

* full year equivalent for people with part years service

FAIR PAY DISCLOSURE (AUDITED*)

Public sector bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and colleagues within the organisation. This allows comparability with Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 comparatives to the percentage change for the highest paid director and workforce as a whole and the ratio of the highest paid director to the interquartile ranges (25% and 75%) within the workforce.

The banded remuneration of the highest-paid director in RoS in the financial year 2022-23 was £95,000-100,000 (2021-22: £85,000-£90,000), a 11% increase from the previous financial year. The median remuneration of the workforce was £32,506 (2021-22: £30,841), an average increase of 5% from the previous financial year. In 2022-23, nil (2021-2022: nil) member of staff received remuneration in excess of the highest-paid director. Remuneration ranged from £3,000 to £100,000 (2021-22: £2,000 to £90,000).

The following table shows the ratio between the highest paid director and the lower, median and upper-quartile pay of our colleagues for the current and prior reporting period. The decrease in the ratio's from 2021-22 to 2022-23 across the percentiles is owing to increases in staffing within our operational and corporate functions.

TOTAL PAY RATIO	2022-23	2021-22
25th percentile	3.71	3.49
50th percentile	3.01	2.83
75th percentile	2.47	2.32

The table opposite sets out the base salary and total pay and benefit details of the highest paid director and the median remuneration of our colleagues at the 25th, 50th and 75th percentile.

The opposite pay percentiles do not include Agency staff. Agency staff are in a separate calculation with the data below providing the overview.

	2022-23	2021-22
	£'	£'
Highest director base salary	97,500	87,500
Highest director pay and benefits	97,500	87,500
COLLEAGUES SALARY		
25th percentile	26,405	25,052
50th percentile	32,506	30,841
75th percentile	39,591	37,706
COLLEAGUES TOTAL PAY & BENEFITS		
25th percentile	26,405	25,052
50th percentile	32,506	30,841
75th percentile	39,591	37,706

Total remuneration includes salary, non-consolidated performance-related pay and benefits in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The median pay ratio for the 2022-23 is consistent with the pay, reward and progression policies. Non-Executive Directors are not employees of the organisation, nor do they benefit from pension arrangements.

PENSION BENEFITS (AUDITED*)

	ACCRUED PENSION AT PENSION AGE AS AT 31/3/23 AND RELATED LUMP SUM	REAL INCREASE IN PENSION AND RELATED LUMP SUM AT PENSION AGE	CETV AT 31/3/23	CETV AT 31/3/22	REAL INCREASE IN CETV (SEE PAGE 49)	EMPLOYER CONTRIBUTION TO PARTNERSHIP PENSION ACCOUNT
	£'000	£'000	£'000	£'000	£'000	Nearest £100
JENNIFER HENDERSON Keeper and Chief Executive	35 to 40 plus a lump sum of 70 to 75	0 to 2.5 plus a lump sum of 0 to 2.5	654	562	24	0
BILLY HARKNESS Corporate Services Director	45 to 50 plus a lump sum of 120 to 125	0 plus a lump sum of 0	1088	994	-34	0
KENNY CRAWFORD Business Development Director	45 to 50 plus a lump sum of 115 to 120	0 plus a lump sum of 0	1026	938	-32	0
CHRIS KERR Registration and Policy Director and Accountable Officer from 20/02/2023	20 to 25	0 to 2.5	203	175	12	0
JANET EGDELL Accountable Officer to 19/02/2023	45 to 50	0	858	791	-19	0

CIVIL SERVICE PENSIONS

Pension benefits are provided through the civil service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member’s State Pension age (or 65 if higher).

From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (Nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, Nuvos and alpha are increased annually in line with pensions increase legislation.

An overview of each of the schemes can be found on the Civil Service Pension Scheme [website](#).

For 2022-23, RoS’ contributions of £10,818,949 were payable to the Principal Civil Service Pension Scheme (PCSPS) (2021-22: £10,102,411) at one of four rates in the range 26.6% to 30.3% of pensionable pay (2021-22: 26.6% to 30.3%), based on salary bands. The scheme actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. For 2022-23, employer contributions of £76,278 (2021-22: £69,180) were paid to the appointed stakeholder pension provider – Legal & General. Employer contributions are age-related and ranged from 8% and 14.75% (2021-22: 8% and 14.75%).

The schemes are accounted for as a defined contribution schemes under the multi-employer exemption permitted in IAS19 Employee Benefits. Liability for payment of future benefits is a charge on the PCSPS.

RoS also matches employee contributions up to 3.0% of pensionable earnings. In addition, RoS contributions of £208 in 2022-23 (2021-2022: £196), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the statement of financial position date were £7,706 (2021-22: £7,231). Contributions prepaid at that date were nil.

The accrued pension quoted is the pension members are entitled to receive when they reach pension age, or immediately on ceasing to be active members of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

CASH EQUIVALENT TRANSFER VALUES

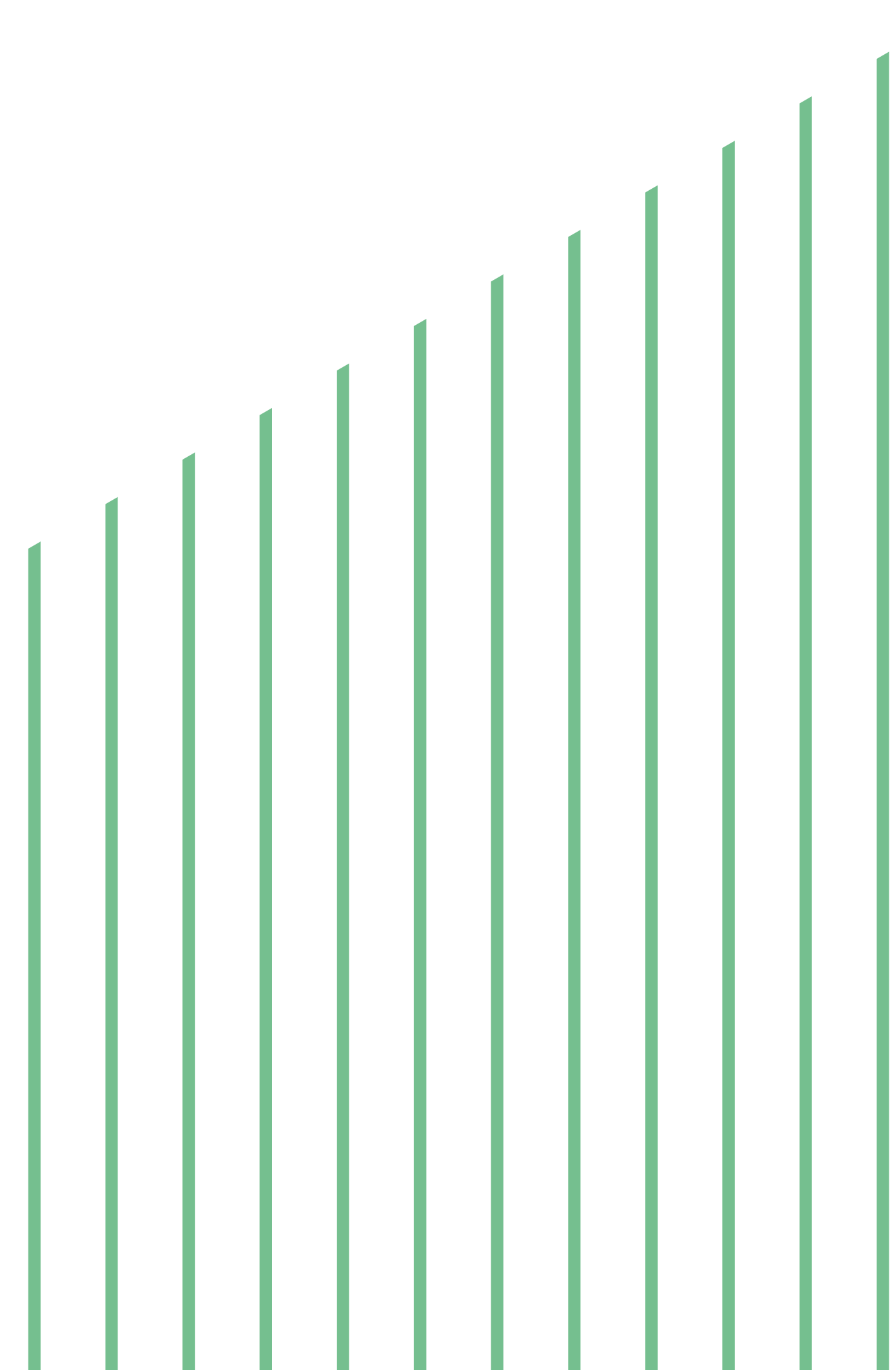
A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the civil service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from lifetime allowance tax, which may be due when pension benefits are taken.

REAL INCREASE IN CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



REPORTING OF CIVIL SERVICE AND OTHER COMPENSATION SCHEMES - EXIT PACKAGES (AUDITED*)

There were no exit packages or compulsory redundancies during 2022-23 or 2021-22.

STAFF NUMBERS AND COSTS BY PERMANENT AND OTHER (AUDITED*)

During 2022-23, the average number of full-time equivalent (FTE) staff employed was 1,278 (2021-22: 1,229). The average agency/contingent workers FTE was 140 (2021-22: 120) and were primarily to support the digital requirements of updating legacy IT systems and new registers. Fixed term contracts were 0 FTE (2021-22: 0).

STAFF TURNOVER (AUDITED*)

The employee turnover rate for 2022-23 is 5% (2021-22 4%). This figure can be broken down into 97% voluntarily and 3% non-voluntarily (2021-22 92% and 8%).

STAFF COSTS	2023	2022
Administration costs	£'000	£'000
Wages and Salaries	41,197	37,824
Social Security costs	4,452	3,879
Other Pension costs	10,895	10,100
Inward Secondments	117	47
Agency Staff costs	19,635	15,429
Other Staff costs	268	178
TOTAL ADMINISTRATION STAFF COSTS	76,564	67,457
Restructuring costs	0	(1)
NET COSTS	76,564	67,456

Restructuring costs include lump sum compensation payments and the provision of future annual compensation payments.

DIVERSITY PROFILE

The table below summaries the diversity profile:

CATEGORY	FEMALE	MALE	ETHNIC MINORITY	DISABLED	EMT RATIO
2022-23	51.5%	48.5%	1.9%	10.9%	2:3
2021-22	50.4%	49.6%	2.2%	11.5%	2:3

Our EMT gender ratio is Female/Male. Further equality information can be found in our most recent [Equalities Mainstreaming Report](#).

CATEGORY	FEMALE	MALE
ALL STAFF		
2022-23	51.5%	48.5%
2021-22	50.4%	49.6%
DIRECTORS		
2022-23	40.0%	60.0%
2021-22	40.0%	60.0%
SENIOR CIVIL SERVANTS		
2022-23	100%	0%
2021-22	100%	0%

SICKNESS ABSENCE

We continue to monitor this and have taken some positive steps to try and improve sickness absence including mental health support, occupational health provision and activities around wellbeing.

	TOTAL DAYS LOST	SHORT TERM DAYS LOST	LONG TERM DAYS LOST	ANNUAL AVERAGE WORKING DAYS LOST PER 1.00 FTE
2022-23	6,824	4,092	2,732	5.71
2021-22	7,970	4,317	3,653	6.87

POLICIES IN RELATION TO DISABLED PERSONS

The following RoS policies have guidance related to disability:

- diversity and equal opportunities
- dignity at work
- maximising attendance

As part of our ongoing policy review we continue to equality impact assess any revisions to existing policies and creation of new policies. We are committed to eliminating discrimination and encouraging diversity among our workforce. Our aim is that our workforce will be truly representative of the diverse communities we serve and each employee feels respected and able to give of their best. We aim to eliminate discrimination and unfair treatment on the grounds of irrelevant difference, including those nine characteristics protected by the law. Further information on Equality and Diversity can be found in our latest [Equalities Mainstreaming report](#).

PARTNERSHIP WORKING

We work in partnership with the Public and Commercial Services Union (PCS) to bring mutual benefits to RoS, staff and customers. In line with The Trade Union (Facility Time Publication Requirements) Regulations, we publish information relating to trade union facility time. For more information on this, go to [Appendix 3](#).

COLLEAGUE ENGAGEMENT SURVEY

RoS undertakes a full colleague engagement survey every year using the UK Civil Service People Survey . The last survey was completed by 81% of staff across the organisation. Our engagement score was 65% (2021-22 66%).

OFF PAYROLL APPOINTMENTS

The tables on the next page summarise the off payroll engagement appointments within RoS for those highly paid and/or senior off-payroll appointments (>£245 per day).

TABLE 1: HIGHLY PAID OFF-PAYROLL WORKER ENGAGEMENTS AS AT 31 MARCH 2023, EARNING £245 PER DAY OR GREATER.

	CORE DEPARTMENT	ARMS LENGTH BODIES (ALBS)	DEPARTMENTAL GROUP
NO. OF EXISTING ENGAGEMENTS AS OF 31 MARCH 2023	162	0	0
OF WHICH...		0	0
NO. THAT HAVE EXISTED FOR LESS THAN ONE YEAR AT TIME OF REPORTING.	55	0	0
NO. THAT HAVE EXISTED FOR BETWEEN ONE AND TWO YEARS AT TIME OF REPORTING.	31	0	0
NO. THAT HAVE EXISTED FOR BETWEEN TWO AND THREE YEARS AT TIME OF REPORTING.	7	0	0
NO. THAT HAVE EXISTED FOR BETWEEN THREE AND FOUR YEARS AT TIME OF REPORTING.	34	0	0
NO. THAT HAVE EXISTED FOR FOUR OR MORE YEARS AT TIME OF REPORTING.	35	0	0

TABLE 2: ALL HIGHLY PAID OFF-PAYROLL WORKERS ENGAGED AT ANY POINT DURING THE YEAR ENDED 31 MARCH 2023, EARNING £245 PER DAY OR GREATER.

	CORE DEPARTMENT	ALBS	DEPARTMENTAL GROUP
NO. OF NEW ENGAGEMENTS, BETWEEN 1 APRIL 2022 AND 31 MARCH 2023	55	0	0
OF WHICH...		0	0
NOT SUBJECT TO OFF-PAYROLL LEGISLATION	0	0	0
SUBJECT TO OFF-PAYROLL LEGISLATION AND DETERMINED AS IN-SCOPE OF IR35	10	0	0
SUBJECT TO OFF-PAYROLL LEGISLATION AND DETERMINED AS OUT-OF-SCOPE OF IR35	45	0	0
NO. OF ENGAGEMENTS REASSESSED FOR COMPLIANCE OR ASSURANCE PURPOSES DURING THE YEAR	0	0	0
OF WHICH: NO. OF ENGAGEMENTS THAT SAW A CHANGE TO IR35 STATUS FOLLOWING REVIEW.	0	0	0

Parliamentary accountability and audit report

SIGNIFICANT MATTERS

The following significant issues have been identified during the year:

FINANCIAL RISK MANAGEMENT

REGISTRATION LOSSES

RoS aims to achieve cost recovery over all transactions, within which more complex transactions incur a loss. This is to safeguard customers from the higher costs involved in registering on the Land Register for the first time.

Work in progress registrations involving the initial and more complex transactions in the Land Register cost more to undertake than the fee charged. A provision is recognised to represent the costs to completion less estimated fee income for such registrations in process at the year end. The shortfall in fee income on these transactions is offset by surpluses on other registrations (see note 16).

FEES AND CHARGES

RoS income of £92.6 million for 2022-23 relates to £88.0 million from statutory fees and £4.6m non-statutory fees (2021-22 £91.60 million income, £83.0 million from statutory fees and £8.6 million non-statutory fees respectively). Further information on these are in note 2.1.

As set out in note 1.3, RoS fee policy involves some complex, loss-making transactions. These losses were £16.6 million for 2022-23 (2021-22: £9.0 million) and are detailed in note 16 in addition to losses within the Sasines process and indemnity provision of £0.1 million (2021-22: £0.5 million).

As at 31 March 2023, RoS has contingent liabilities in relation to potential future indemnity payments that are not yet quantifiable. Quantifiable indemnities are noted at 12.3.

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Chris Kerr
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Christopher Kerr

Accountable Officer

12 September 2023



Independent auditor's report



Independent auditor's report

Independent auditor's report to Registers of Scotland, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

OPINION ON FINANCIAL STATEMENTS

We have audited the financial statements in the annual report and accounts of Registers of Scotland for the year ended 31 March 2023 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Income and Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2022/23 Government Financial Reporting Manual (the 2022/23 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2023 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2022/23 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

BASIS FOR OPINION

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN BASIS OF ACCOUNTING

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

RISKS OF MATERIAL MISSTATEMENT

We report in our Annual Audit Report the most significant assessed risks of material misstatement that We identified and our judgements thereon.

RESPONSIBILITIES OF THE ACCOUNTABLE OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Public Finance and Accountability (Scotland) Act 2000 and the Land Registration etc. (Scotland) Act 2012.
- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These include the Data Protection Act 2018 and relevant employment legislation.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the registration fee income. The risk is that the work in progress balance and provision at the year-end (where prepaid income is expected to be less than costs for incomplete case work) as well as the cut off of income recognised at the year-end is inaccurate. In response to this risk, we reviewed accounting treatment of the work in progress balance and provision against the relevant accounting standards, tested the work in progress balance and provision for accuracy and performed testing of a sample of income recognised around the year-end to assess the accuracy of the cut-off arrangements.

In common with audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulation described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;

- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

OPINION ON REGULARITY

In our opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and
- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

RESPONSIBILITIES FOR REGULARITY

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

REPORTING ON OTHER REQUIREMENTS

OPINION PRESCRIBED BY THE AUDITOR GENERAL FOR SCOTLAND ON AUDITED PART OF THE REMUNERATION AND STAFF REPORT

We have audited the parts of the Remuneration and Staff Report described as audited, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

OTHER INFORMATION

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work We have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and We do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

OPINIONS PRESCRIBED BY THE AUDITOR GENERAL FOR SCOTLAND ON PERFORMANCE REPORT AND GOVERNANCE STATEMENT

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

MATTERS ON WHICH I AM REQUIRED TO REPORT BY EXCEPTION

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- We have not received all the information and explanations We require for our audit.


We have nothing to report in respect of these matters.

CONCLUSIONS ON WIDER SCOPE RESPONSIBILITIES

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

USE OF OUR REPORT

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

DocuSigned by:

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Pat Kenny, CPFA (for and on behalf of Deloitte LLP)

110 Queen Street

Glasgow

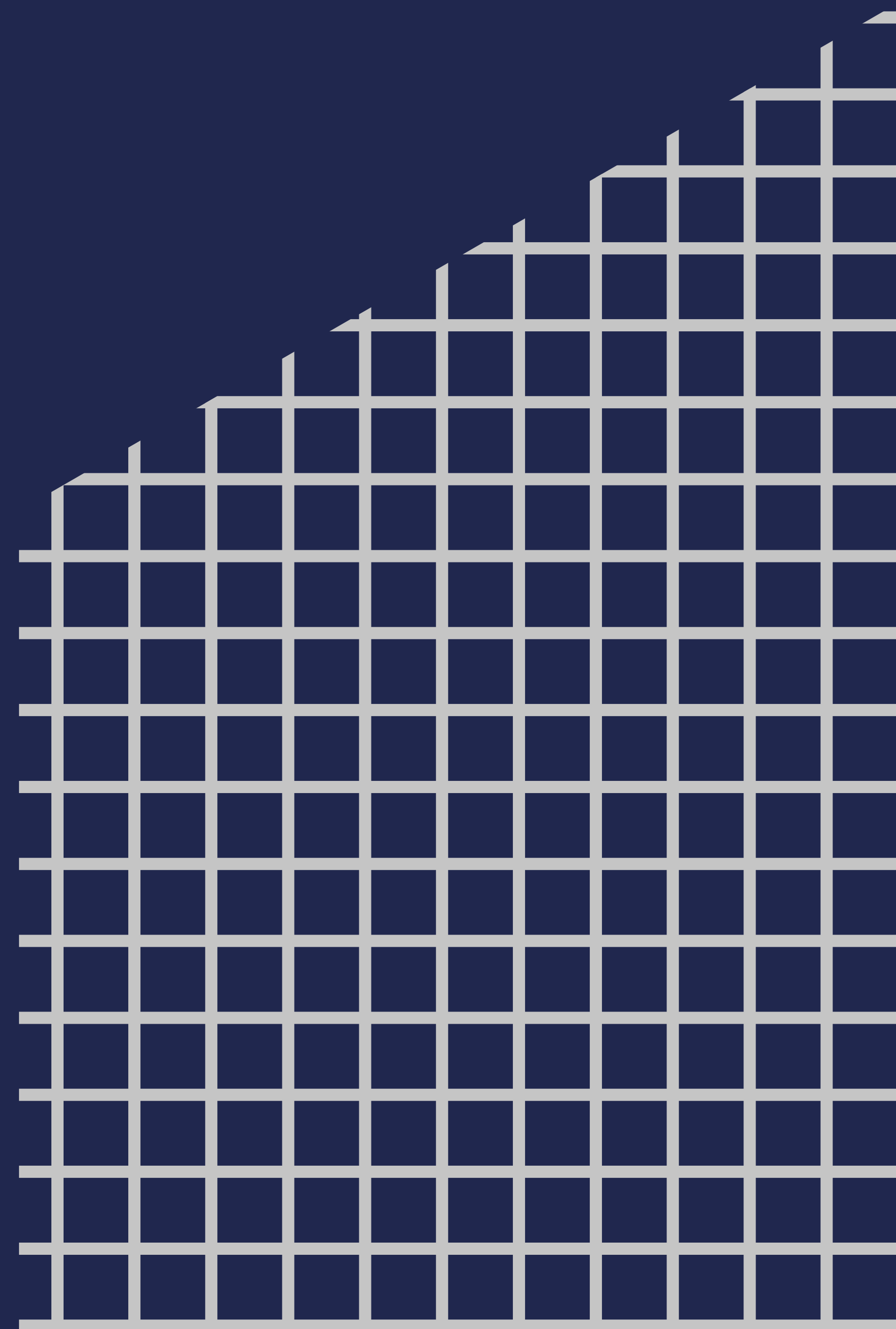
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United Kingdom

12 September 2023



Annual accounts 2022-23



STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Note	£'000	£'000
Income - continuing operations	2	92,598	91,548
Staff costs	3	(76,564)	(67,457)
Administrative costs	4	(13,717)	(8,190)
NET OPERATING SURPLUS / (LOSS)		2,317	15,901
Proceeds on disposal of non-current assets		(9)	48
Interest payable	13	(122)	(131)
Operating leases - interest	15	(38)	0
Amortisation and depreciation	5 & 6	(4,834)	(4,460)
Impairment of non-current assets	5 & 6	(31)	(424)
Restructuring costs	3	0	1
NET SURPLUS / (LOSS) FOR THE YEAR		(2,717)	10,935
Gain/(loss) on revaluation of property, plant and equipment	5	377	854
COMPREHENSIVE NET SURPLUS / (LOSS) FOR YEAR		(2,340)	11,789

The Accountable Officer authorised these financial statements for issue on

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Chris Kerr
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Christopher Kerr

Accountable Officer

12 September 2023

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

		2023	2022
	Note	£'000	£'000
Non-current assets			
Property, plant and equipment	5	12,117	13,054
Right of Use Assets	5	3,648	0
Intangible assets	6	7,731	7,624
Receivables due after one year	9	26	29
TOTAL NON CURRENT ASSETS		23,522	20,707
Current assets			
Inventories	8	331	346
Trade and other receivables	9	4,813	4,255
Cash and cash equivalents	10	11,024	10,766
TOTAL CURRENT ASSETS		16,168	15,367
TOTAL ASSETS		39,690	36,074
Current liabilities			
Trade and other payables falling due within one year	11	46,225	45,046
IFRS 16 Liability	11	582	0
Provisions for liabilities and charges	12	9,146	9,518
TOTAL CURRENT LIABILITIES		55,953	54,564
Non-current liabilities			
Trade and other payables falling due over one year	11	0	249
IFRS 16 Liability	11	3,303	0
Provisions for liabilities and charges	12	814	750
TOTAL NON CURRENT LIABILITIES		4,117	999
TOTAL LIABILITIES		60,070	55,563
NET ASSETS LESS CURRENT (LIABILITIES)		(20,380)	(19,489)

		2023	2022
Taxpayers Equity			
Capital Loan	13	1,328	1,434
General Fund	SoCTE	(28,434)	(27,272)
Revaluation Reserve	SoCTE	6,726	6,349
TOTAL TAXPAYERS EQUITY		(20,380)	(19,489)

The notes on pages 68 to 87 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	£'000	£'000
NET OPERATING PROFIT (LOSS)	SoCNE	(2,717)	10,935
PROCEEDS FROM DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	SoCNE	9	(48)
interest payable	13	122	131
Adjustments for non cash transactions			
Amortisation and depreciation	5 & 6	4,834	4,460
Impairment or disposal of non-current assets	5 & 6	31	424
Interest payable		38	0
External audit Notional charge	SoCTE	55	109
MOVEMENTS IN WORKING CAPITAL			
(Increase)/Decrease in trade and other receivables	9	(555)	1,080
Increase/(Decrease) in trade and other payables	11	1,188	4,752
(Increase)/Decrease in inventories	8	15	346
Increase/(Decrease) in provisions	12	(308)	(6,189)
NET CASH FLOW FROM OPERATING ACTIVITIES		2,712	16,000
CASH FLOWS FROM INVESTING ACTIVITIES		£'000	£'000
Purchase of property, plant and equipment	5	(117)	(509)
Purchase of property, plant and equipment accrual adjustment		3	(369)
Purchase of intangible assets	6	(3,017)	(5,986)
Purchase of intangible assets accrual adjustment		0	(195)
Proceeds/(Payment) from disposal of property, plant and equipment	SoCNE	(9)	48
Interest payable	13	(122)	(131)
Interest payable prepayment movement		(4)	(4)
NET CASH FLOW FROM INVESTING ACTIVITIES		(3,266)	(7,146)

		2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES	Notes	£'000	£'000
Principle element of lease payments		(582)	0
Repayment of loans from NLF	13	(106)	(107)
Transfers (to)/from Scottish Consolidated Fund (SCF)	SoCTE	1,500	(17,000)
NET CASH FLOW FROM FINANCING		812	(17,107)
Net increase(decrease) in cash and cash equivalents		258	(8,253)
Cash and cash equivalents at beginning of period	10	10,766	19,019
Cash and cash equivalents at end of period	10	11,024	10,766

The notes on pages 68 to 87 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	GENERAL FUND	CAPITAL LOAN	REVALUATION RESERVE	TOTAL
	£'000	£'000	£'000	£'000
BALANCE AT 31 MARCH 2021	(21,316)	1,541	5,495	(14,280)
Comprehensive net surplus / (loss) for year	10,935			10,935
Capital Loan repayments in period		(107)		(107)
Net gain/(loss) on revaluation of property			854	854
Auditors' remuneration*	109			109
Parliamentary funding drawn down/(contribution)	(17,000)			(17,000)
BALANCE AT 31 MARCH 2022	(27,272)	1,434	6,349	(19,489)
Comprehensive net surplus / (loss) for year	(2,717)	0	0	(2,717)
Capital Loan repayments in period	0	(106)	0	(106)
Net gain/(loss) on revaluation of property	0	0	377	377
Auditors' remuneration	55	0	0	55
Parliamentary funding drawn down/(contribution)	1,500	0	0	1,500
BALANCE AT 31 MARCH 2023	(28,434)	1,328	6,726	(20,380)

RoS is a non-ministerial office (NMO) of the Scottish Government and is funded by Scottish Government and customer fees. The Scottish Government's estimates and forward plans include provision for RoS' continuation, which have been approved by Parliament

*The 2021-22 notional audit fee is the cumulative following reclassification in 2020-21.

1. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the principle and disclosure requirements of the Government Financial Reporting Manual (FReM) for 2022-23, published by HM Treasury and the Accounts Direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of ROS for the purpose of giving a true and fair view has been selected. The particular policies adopted by ROS are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The accounts are prepared using accounting policies and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard (IAS) 8: Accounting Policies, Changes in Accounting Estimates and Errors. Changes in accounting policies which do not give rise to prior year adjustments are reported in the relevant note.

1.2 GOING CONCERN BASIS

RoS is an income generating non-ministerial office (NMO) of the Scottish Government. RoS is partially funded by Scottish Government and accounted for as part of the Scottish Consolidated Fund held The Scottish Government's estimates and forward plans include provision for RoS' continuation, which have been approved by Parliament. There is no reason to believe that Scottish Government's sponsorship and future parliamentary approval will not be forthcoming. The accounts have been prepared on a going concern.

1.3 OPERATING INCOME, FEES AND CHARGES

Operating income, which excludes value added tax (VAT), represents the invoiced value of services supplied. RoS accounts for income in accordance with the recognition criteria set out in IFRS15 Revenue from Contracts with Customers. RoS operates a system of prepayment of registration fees, which are initially held as a creditor in the statement of financial position. Income is recognised when services are completed and transferred to the customer. An adjustment to prepaid registration work in progress (WIP) is made in accordance with IFRS9 Financial Instruments. From 8 December 2014, fees are set in accordance with sections 110(1), (2) and (3) of the Land Registration etc. (Scotland) Act 2012, which consider the expenses incurred by the Keeper in relation to the matters specified in section 110(3)(a) and (b) of that Act and the desirability of encouraging registering, recording and entering in any register under the management and control of the Keeper.

The income derived from services outwith the above are set in accordance with section 108(3) of the Land Registration etc. (Scotland) Act 2012.

Analysis of the income from the main fees charged appears in note 2.1. The fee policy considers income from all transactions, within which some complex transactions may incur a loss. Registrations involving the initial and more complex transactions in the Land Register cost more to undertake than the fee charged. The shortfall in fee income on these transactions is offset by surpluses on other registrations. The losses relating to these transactions are shown in note 16.

Full details of all fees and charges are available on the RoS website at www.ros.gov.uk.

1.4 ACCOUNTING CONVENTION

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment (PPE), intangible assets and, where material, current asset investments and inventories to fair value.

1.5 ESTIMATION TECHNIQUES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. RoS makes estimates and assumptions concerning the future. The resulting accounting estimates will not equal the related actual results.

RoS makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the financial statements within the next financial year are addressed below within the individual accounting policies and notes to the accounts.

The most significant estimates made by RoS relate to the property valuation and the sums recorded in provisions and contingent liabilities for indemnity claims and the provision for the costs associated to complete the sleeve of work of outstanding case work relating to work in progress (WIP) as at 31 March. The source of uncertainty arises from ongoing market conditions on property values which may fluctuate significantly, changes in progress and conditions arising from the indemnity claims and wider economic uncertainty on costs to complete the outstanding cases.

To assist with the estimates in valuing the property, RoS commission professionally qualified firms to undertake a full revaluation at three yearly intervals including performing desktop valuations during the intervening period. RoS engage the services of the Scottish Government Legal Directorate and other legal firms to assist in preparing estimates of potential liabilities for staff and potential indemnity claims from customers. There is a degree of judgement required in terms of allocation of costs to various products and processes when calculating the WIP provisions which is based on estimated time worked upon the products and processes. There are no other material judgements requiring disclosure.

1.6 VALUE ADDED TAX (VAT)

The majority of services provided by RoS fall outside the scope of Value Added Tax (VAT).

RoS can fully recover input VAT on certain contracted-out services; for other expenditure VAT is charged to the relevant expenditure category or included in the capitalised purchase costs of assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.7 PROPERTY, PLANT AND EQUIPMENT

Recognition

All PPE assets are accounted for as non-current assets unless they are deemed to be held-for-sale (see note below), and will be accounted for under IAS 16 Property, Plant and Equipment. Scottish Ministers hold the legal title or effective control over all land and buildings shown in the accounts. Assets classified as under construction and under development are recognised in the statement of financial position to the extent that money has been paid or a liability has been incurred.

Capitalisation

The minimum levels for capitalisation of a property, plant or equipment asset are; land and buildings £10,000; and equipment and vehicles £5,000. Information and Communications Technology (ICT) systems are capitalised where the pooled value exceeds £1,000. Substantial improvements to leasehold properties are also capitalised. Furniture, fixtures and fittings are treated as current expenditure and are not capitalised. Any assets valued below these thresholds will be treated as expenditure in the year of purchase.

Valuation

Scottish Ministers hold the legal title or effective control over all land and buildings shown in the accounts. Land and buildings are shown at fair value using open market value. A professional valuation is carried out at three yearly intervals with annual market analysis considerations in the intervening

years applied to provide a desktop valuation. The next three yearly valuation will be carried out on the 31 March 2026.

Depreciated historic cost has been used as a proxy for fair value of plant and equipment, computer and office equipment. Assets within these categories have short useful lives, low values, or both.

RoS commission a professionally qualified Royal Institute of Chartered Surveyors (RICS) accredited firm to undertake a three year rolling programme of valuations. The valuations are prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS valuation - Global Standards and RICS UK.

Depreciation

Land is considered to have an indefinite life and is not depreciated. Assets under construction are not depreciated. Provision for depreciation is made so as to write off the cost of fixed assets on a straight-line basis, over the expected useful lives of the assets concerned. The expected useful lives of assets are regularly and systematically reviewed to ensure that they genuinely reflect the actual replacement cycle of all assets. The expected useful lives are as follows:

- Plant and Machinery 5 years
- Information Technology 3 to 5 years
- Office Equipment 5 years
- Buildings 20 years (see note 5)
- Right of Use ("ROU") assets over term of lease

Plant and machinery, and office equipment for St Vincent Plaza, including infrastructure set-up costs, are depreciated over 10 years, as the lease for the building is 15 years with a breakpoint of 10 years. The fixed assets do not include the value of the various registers created and maintained by RoS, nor the records ancillary to them.

1.8 INTANGIBLE ASSETS

Intangible assets are valued on a historic cost basis and include assets under development, software and computer licences..

The minimum capitalisation level for an intangible asset is £5,000 regardless of whether the asset is acquired externally or internally generated and accounts for these under IAS 38 Intangible Assets.

RoS develops specialist in-house IT systems and products, and costs that meet the criteria of development expenditure, including directly related staff costs, are capitalised and held as assets under development. Research costs are expensed, not capitalised. Amortisation commences when the asset is available for use and is applied at rates calculated to expense the cost by equal instalments over the estimated useful life. Assets under development are not amortised.

1.9 IMPAIRMENT OF NON-CURRENT ASSETS

RoS carries out an annual review of non-current assets, applying IAS 36 Impairment of Assets. If an asset has suffered an impairment loss then a charge is recognised in the statement of comprehensive income and expenditure. If the asset is carried at a revalued amount, the impairment loss is treated as a revaluation decrease.

1.10 FINANCIAL INSTRUMENTS

IFRS 7 Financial Instruments: Disclosures requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

RoS relies primarily on income from statutory activities and has one small loan as detailed at note 13 and is therefore not exposed to any material liquidity risks.

RoS is not significantly exposed to currency risk as all material assets and liabilities are denominated in sterling.

1.11 LEASES

IFRS 16 Leases adoption by the UK public sector was deferred until 1 April 2022.

IFRS 16 requires that where a lease contract specifies the use of an identified asset and the lessee has the right to control the use of that identified asset, then the lessee is required to recognise the following on its statement of financial position:

- The right of use asset representing the lessee's right to use the underlying leased asset; and

The lease liability representing the lessee's obligation to make lease payments. This is measured at present value of unavoidable future lease payments, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HM Treasury discount rate.

Where recognition is required under IFRS 16, the lessee will also recognise depreciation of the right of use asset over the lease term and to split the lease liability into a principal portion and interest portion.

Where a lease contract is for a low value asset or has a term of less than 12 months, the recognition exemption will be applied and the lease payments will be accounted for as an expense.

IFRS 16 requires that transitional arrangements are highlighted. RoS adopted IFRS 16 retrospectively, without restating comparative balances and as a result the financial statements for 2021-22 reflect the previous accounting standard (IAS 17). No changes were made to the classification as leases of existing contracts, but any new contracts that RoS entered into from 1 April 2022 have been classified using IFRS 16 criteria. For leases previously treated as operating leases, we confirm that we:

- measured the liability at the present value of remaining payments (discounted using the HM Treasury rate for IFRS 16) and at an amount aligned to the liability (adjusted for any prepayments or accrued balances).
- Excluded leases that had terms of less than 12 months and used hindsight to assess the term remaining on leases.

1.12 PENSION COSTS

RoS employees are civil servants who are entitled to be members of the Principal Civil Service Pension Scheme (PCSPS) or the Civil Servant and Other Pension Scheme (CSOPS) – known as 'Alpha'. These are unfunded, multi-employer defined benefit schemes however RoS is unable to identify its share of the underlying assets and liabilities. The scheme is accounted for as a defined contribution scheme under the multi-employer exemption permitted in IAS 19 Employee Benefits. Liability for the payment of future benefits is a charge on the PCSPS or Alpha scheme. Separate scheme statements for the PCSPS or Alpha as a whole are published. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation at www.civilservicepensionscheme.org.uk. RoS cannot with any level of certainty provide estimated costs for future pension contributions, this is consistent with other public sector bodies..

Further pension details can be found in the remuneration report in the annual report section of this document.

1.13 EMPLOYEE BENEFITS

The cost of providing employee benefits is recognised in the period in which RoS receives services from its employees, rather than when it is paid or payable.

Short-term employee benefits are recognised as an expense in the period in which the employee renders the service. The cost of annual leave and flexible working time entitlement earned but not taken by employees at the end of the year is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following year.

1.14 INVENTORIES - WORK IN PROGRESS

Work in progress (WIP) is valued at the lower of cost or net realisable value. In determining net realisable value, if expected costs to completion exceed estimated fee income, a provision is established to cover the shortfall. In the case of work in progress, cost includes all direct expenditure and production overheads based on normal levels of activity. Costs are apportioned on the basis of per capita and working days.

1.15 TRADE RECEIVABLES

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for irrecoverable amounts. The carrying amount of trade receivables is deemed to be an approximation of fair value.

1.16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent cash in hand, cash held with the Government Banking Service and cash in commercial bank accounts.~

1.17 TRADE AND OTHER PAYABLES

Trade payables are stated at their nominal value. The carrying amount of trade payables is deemed to be an approximation for fair value. Registration fees received in advance are shown as creditors until completed, as stated in note 1.3 Operating income, fees and charges.

1.18 PROVISIONS AND CONTINGENT LIABILITIES

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognised in the statement of financial position when RoS has a present or legal or constructive obligation as a result of a past event, that can be reliably estimated and it is probable that an outflow of economic benefit will be required to settle the obligation. Where appropriate, this is supported by independent professional advice. Provisions are charged to the statement of comprehensive income and expenditure and recorded as liabilities in the statement of financial position.

1.19 CAPITAL GOVERNMENT GRANT

Government grants provided to finance the purchase of specific assets are recognised as income in the statement of comprehensive income and expenditure.

1.20 SEGMENTAL REPORTING

IFRS8 – Operating Segment Reporting, requires analysis of income and expenditure by principal business activities. There are two operating

segments to our business: statutory services and non-statutory services, these are regularly reviewed to allocate resources to the segments and assess their performance. Although revenue from RoS's non-statutory services segment is below the 10% quantitative threshold required for separate segmental reporting, information is still disclosed about this segment as distinction between the segments is considered useful to the end users of these financial statements.

Reporting on these segments is at note 2

1.21 EVENTS AFTER THE REPORTING PERIOD

Events after the Reporting Period are events that occur between the end of the reporting year and the date of the Annual Report and Accounts being authorised for issue. In accordance with IAS10 Events after the Reporting Period, events are either adjusting or non-adjusting.

Adjusting events are those that provide evidence of conditions that existed at the end of the reporting year. Non-adjusting events are those that are indicative of conditions arising after the reporting year.

No events have occurred after the reporting period which have had an effect on the Annual Report and Accounts for 2022-23.

1.22 ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

All International Financial Reporting Standards, Interpretations and Amendments to published standards effective at 31 March 2023 have been adopted where applicable to RoS.

2. OPERATING SEGMENTS

Operating segments International Financial Reporting Standard 8 (IFRS8) – Operating Segment Reporting, requires analysis of income and expenditure by principal business activities. There are two operating segments to our business: statutory registration services and non-statutory services. Detailed in the table opposite is the income from statutory fees and non-statutory fees, the cost of service and the net operating surplus/(deficit) for each segment. The staff costs and administrative costs are allocated with the service if directly identifiable or otherwise apportioned according to the income from each segment. More detail on the income for each segment is at note 2.1 and detail on the administrative costs is at note 4.

2023			
	STATUTORY	NON-STATUTORY	TOTAL
	£'000	£'000	£'000
Income	87,966	4,632	92,598
Staff costs	(72,637)	(3,927)	(76,564)
Administrative costs	(13,070)	(647)	(13,717)
OPERATING SURPLUS	2,259	58	2,317

2022			
	STATUTORY	NON-STATUTORY	TOTAL
	£'000	£'000	£'000
Income	82,998	8,550	91,548
Staff costs	(62,376)	(5,081)	(67,457)
Administrative costs	(6,964)	(1,226)	(8,190)
OPERATING SURPLUS	13,658	2,243	15,901

2.1 INCOME FROM CONTINUING OPERATIONS

	2023	2022 RESTATED
	£'000	£'000
Statutory fees		
First Registrations	9,291	8,989
Transfers of Part	9,520	7,162
Dealings with Whole	60,841	62,432
Sasines	1,293	1,723
Chancery and Judicial Registers	1,949	1,902
*ScotLIS	3,930	4,021
Other statutory income	1,142	790
	87,966	87,019
Non-statutory fees		
ScotLIS and Customer Services	256	259
Reports and other income (including recoveries)	4,376	4,270
Coronavirus Job Retention Scheme Income	4,632	4,529
	92,598	91,548

First Registration (FR) comprises the registration in the Land Register of a previously unregistered plot of land.

Transfers of Part (TP) comprises applications for registration of a deed that either (a) partly affects a registered title and requires the cadastral unit to be subdivided and a separate title sheet created (for example, a disposition of part of a cadastral unit); or (b) wholly affects a registered title yet creates a separate interest in that cadastral unit (for example, at least of a whole registered title).

Dealings with Whole (DW) comprises applications for registration of a deed that either (a) wholly affects a registered title (for example, a disposition of the whole property); or (b) partly affects a registered title but does not require the cadastral unit to be subdivided and a separate title sheet created (for example, a standard security over part of a cadastral unit).

Additional information regarding our fees for other services can be found on our [website](#).

*As part of the 2021/2022 fee review, searches conducted by a person through the Registers of Scotland online system were reclassified as Statutory.

3. STAFF COSTS

	2023	2022
	£'000	£'000
Administration Costs		
Wages and Salaries	41,197	37,824
Social Security costs	4,452	3,879
Other Pension costs	10,895	10,100
Inward secondments	117	47
Agency and Temp Staff costs	19,635	15,429
Other Staff Costs	268	178
TOTAL ADMINISTRATION STAFF COSTS	76,564	67,457
Restructuring costs	0	(1)
TOTAL NET COSTS	76,564	67,456

Restructuring costs include lump sum compensation payments and providing for future annual compensation payments.

AVERAGE NUMBER OF PERSONS EMPLOYED

	2023	2022
Average number of persons employed		
Registration	740	689
Corporate Services (including Business Development and Information)	394	415
TOTAL	1,134	1,104
Temporary contracts	140	120
Fixed term contract	0	0
Secondees in	2	1
Secondees out	2	4
	1,278	1,229

4. ADMINISTRATIVE COSTS

	2023	2022
Note	£'000	£'000
Staff-related costs		
Travel and subsistence expenses	32	2
Staff training	636	628
Other staff costs	435	271
Supplies and services		
Catering	45	41
Security	476	405
Equipment and services	7,509	6,929
General administrative expenditure	785	631
Services from Ordnance Survey	408	428
Copy deeds/quick copies	0	0
Professional fees	724	1,300
Bank charges	15	15
Indemnity and legal costs	260	606
Internal audit	40	40
Accommodation and utilities		
Estate charges	792	802
Operating leases - service charge	83	467
Repairs, maintenance and minor works	773	669
Utilities	397	277
Environmental services	545	468
Non-cash items		
External audit	20	55
Movement in work in progress	8	(5,588)
Movement in provision for indemnity	12	(256)
Movement in provision for dilapidations	12	0
	13,717	8,190

5. PROPERTY, PLANT AND EQUIPMENT

5.1 COST OR VALUATION

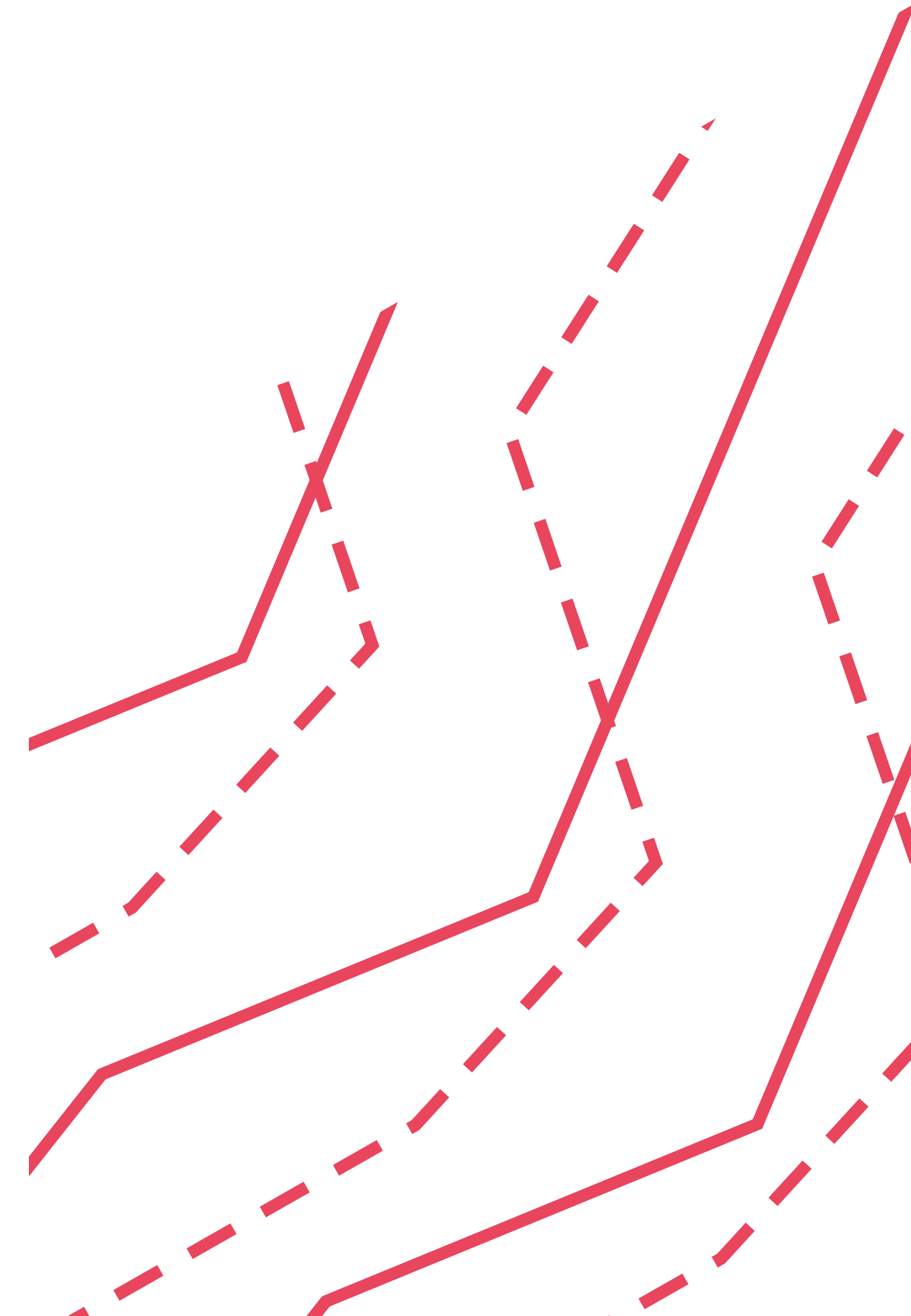
	LAND	BUILDINGS	INFORMATION TECHNOLOGY	PLANT & MACHINERY	ROU PROPERTY	ROU NON-PROPERTY	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation							
at 01 April 2022	2,332	11,491	6,840	325	0	0	20,988
Additions	0	0	117	0	3,623	549	4,289
Transfers In/(Out)	0	0	0	0	0	0	0
Revaluation in year	(115)	437	0	0	0	0	322
Impairment	0	0	(26)	0	0	0	(26)
Disposals	0	0	(1,851)	0	0	0	(1,851)
AT 31 MARCH 2023	2,217	11,928	5,080	325	3,623	549	23,722
Depreciation							
at 01 April 2022	0	2,679	4,935	320	0	0	7,934
Charged in year	0	497	905	3	410	114	1,929
Backlog depreciation	0	(55)	0	0	0	0	(55)
Impairment	0	0	0	0	0	0	0
Revaluation in year	0	0	0	0	0	0	0
Disposals	0	0	(1,851)	0	0	0	(1,851)
AT 31 MARCH 2023	0	3,121	3,989	323	410	114	7,957
NBV AT 31 MARCH 2023	2,217	8,807	1,091	2	3,213	435	15,765
NBV at 31 March 2022	2,332	8,812	1,905	5	0	0	13,054
Analysis of asset financing							
Owned	2,217	8,807	1,091	2	0	0	12,117
Under IFRS 16	0	0	0	0	3,213	435	3,648
Finance Leased	0	0	0	0	0	0	0
NBV AT 31 MARCH 2023	2,217	8,807	1,091	2	3,213	435	15,765

5.2 COST OR VALUATION

	LAND	BUILDINGS	INFORMATION TECHNOLOGY	PLANT & MACHINERY	ROU PROPERTY	ROU NON-PROPERTY	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation							
at 01 April 2021	2,140	10,794	10,148	335	0	0	23,417
Additions	0	295	214	0	0	0	509
Transfers In/(Out)	0	0	0	0	0	0	0
Revaluation in year	192	697	0	0	0	0	889
Impairment	0	(295)	0	0	0	0	(295)
Disposals	0	0	(3,522)	(10)	0	0	(3,532)
AT 31 MARCH 2022	2,332	11,491	6,840	325	0	0	20,988
Depreciation							
at 01 April 2021	0	2,099	7,235	326	0	0	9,660
Charged in year	0	545	1,222	4	0	0	1,771
Backlog depreciation	0	35	0	0	0	0	35
Impairment	0	0	0	0	0	0	0
Revaluation in year	0	0	0	0	0	0	0
Disposals	0	0	(3,522)	(10)	0	0	(3,532)
AT 31 MARCH 2022	0	2,679	4,935	320	0	0	7,934
NBV AT 31 MARCH 2022	2,332	8,812	1,905	5	0	0	13,054
NBV at 31 March 2021	2,140	8,695	2,913	9	0	0	13,757
Analysis of asset financing							
Owned	2,332	8,812	1,905	5	0	0	13,054
Finance Leased	0	0	0	0	0	0	0
NBV AT 31 MARCH 2022	2,332	8,812	1,905	5	0	0	13,054

5.3 LAND AND BUILDINGS

Land and buildings are shown at fair value using open market value. A professional valuation is carried out at three yearly intervals with annual market analysis considerations in the intervening years applied to provide a desktop valuation. The next three yearly valuation will be carried out at the 31 March 2026. Land and MBH buliding were revalued by the District Valuer Services (DVS) at £10.3 million as at 31 March 2023. The basis of valuation is current value in existing use. Formal inspections and valuations were carried out by the District Valuer Services (DVS), a division of the Valuations Office Agency. The valuations have been carried out by a Royal Institute of Chartered Surveyors (RICS) Registered Valuer and have been conducted in accordance with the RICS Valuation – Professional Standards 2014 UK Edition (revised April 2015). At the valuation date there has been no diminution identified in the public sector’s ongoing requirement for these operational assets nor reduction in their ongoing remaining economic service potential. Within buildings in Note 5.1 £0.7m (£0.8m 2021-22) relates to the SVP leased asset and these are included at depreciated costs.



6. INTANGIBLE ASSETS

6.1 COST OR VALUATION

	ASSETS UNDER DEVELOPMENT	SOFTWARE	COMPUTER LICENCES	TOTAL
	£'000	£'000	£'000	£'000
Cost or Valuation				
at 01 April 2022	1,092	28,612	3,576	33,280
Additions	1,044	1,394	579	3,017
Reclassification	(1,483)	1,483	0	0
Impairment	0	(4)	(1)	(5)
Disposals	0	(1,930)	(275)	(2,205)
AT 31 MARCH 2023	653	29,555	3,879	34,087
Amortisation				
at 01 April 2022	0	25,164	492	25,656
Charged in year	0	2,034	871	2,905
Reclassification	0	0	0	0
Impairment	0	0	0	0
Disposals	0	(1,930)	(275)	(2,205)
AT 31 MARCH 2023	0	25,268	1,088	26,356
NBV AT 31 MARCH 2023	653	4,287	2,791	7,731
NBV at 31 March 2022	1,092	3,448	3,084	7,624

Intangible assets comprise software and licences to enable the use of software developed by third parties.

6.2 COST OR VALUATION

	ASSETS UNDER DEVELOPMENT	SOFTWARE	COMPUTER LICENCES	TOTAL
	£'000	£'000	£'000	£'000
Cost or Valuation				
at 01 April 2021	1,234	28,297	773	30,304
Additions	1,608	1,518	2,860	5,986
Reclassification	(1,621)	1,621	0	0
Impairment	(129)	0	0	(129)
Disposals	0	(2,824)	(57)	(2,881)
AT 31 MARCH 2022	1,092	28,612	3,576	33,280
Amortisation				
at 01 April 2021	0	25,715	133	25,848
Charged in year	0	2,273	416	2,689
Reclassification	0	0	0	0
Impairment	0	0	0	0
Disposals	0	(2,824)	(57)	(2,881)
AT 31 MARCH 2022	0	25,164	492	25,656
NBV AT 31 MARCH 2022	1,092	3,448	3,084	7,624
NBV at 31 March 2021	1,234	2,582	640	4,456

Assets under development includes internally developed software which complement the improvement of our business.

Software includes the Cadastral Map and RCI which had an NBV of £1.0m and £0.9m respectively at 31 March 2023.

7. FINANCIAL INSTRUMENTS

RoS does not hold any complex financial instruments. The only financial instruments included in the accounts are receivables, cash and cash equivalents and payables (notes 9, 10 and 11). Trade and other receivables are recognised at fair value less any impairment for any amounts assessed as irrecoverable. An impairment of debt for irrecoverable amounts is made where there is evidence that the RoS will be unable to collect an amount due in accordance with agreed terms. Liabilities including trade and other payables are recognised at fair value.

CREDIT RISK

Credit risk is the risk of that a third party will default on its obligation. The maximum exposure to credit risk at the balance sheet date in relation to each class of financial asset is the carrying amount of those assets net of any impairment.

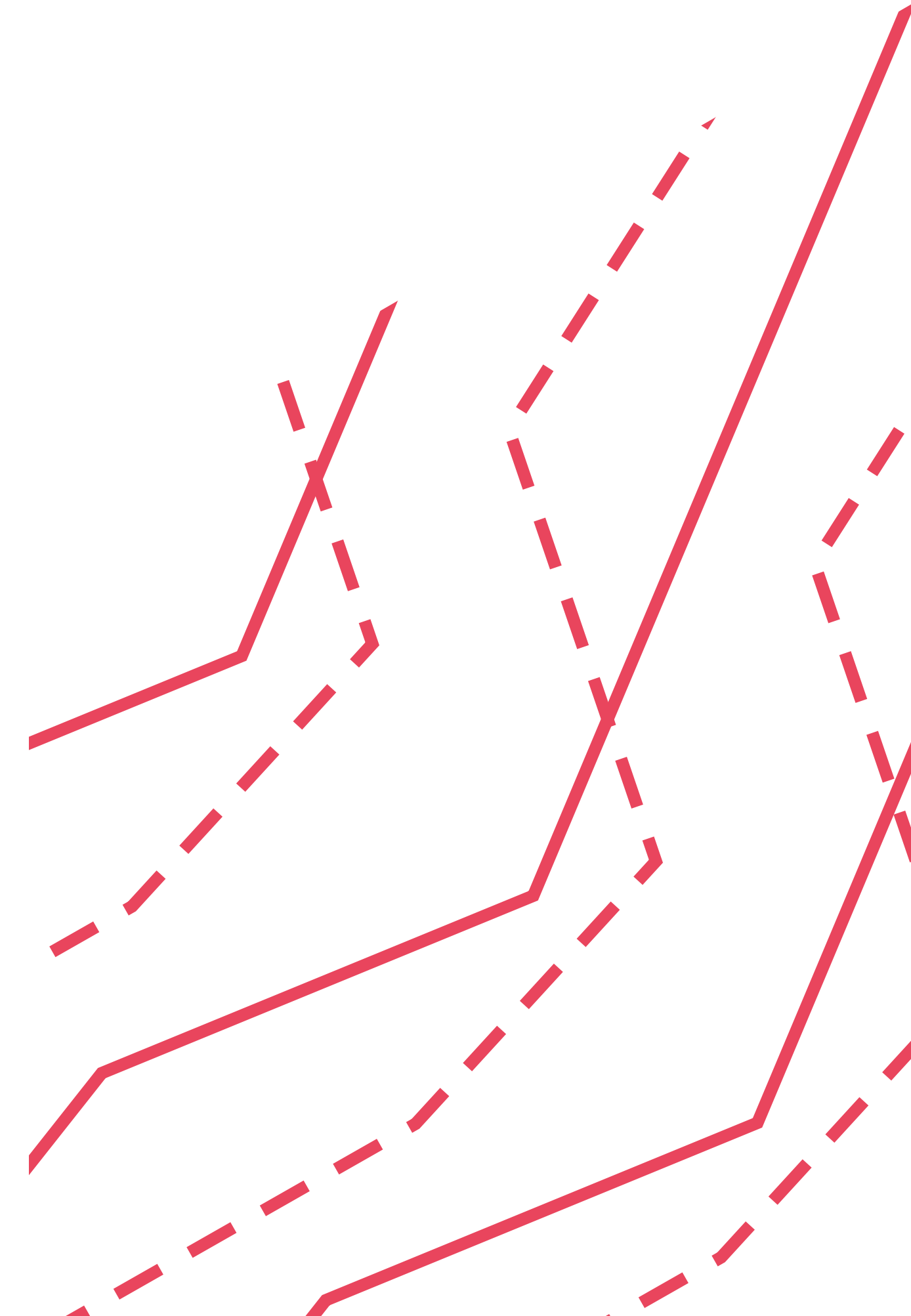
RoS is exposed to credit risk from its operating activities (primarily for trade and other receivables) but the level of risk is not deemed significant, as most of RoS' customers are either pre-paid or are on Direct Debit there are no significant balances that are past due.

LIQUIDITY RISK

Scottish Ministers make provision for the use of resources by RoS for revenue and capital purposes, in the Budget for each financial year. Resources and accruing resources may be used only for the purposes specified and up to the amounts specified in the budget; RoS has a small capital loan repayable over 40 years (note 13) but neither the balance or the repayments are considered significant. RoS is therefore not exposed to significant liquidity risks.

MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Changes in market interest rates influence the interest payable on borrowings the risk of which is not significant (note 13).



8. INVENTORIES

	2023	2022
	£'000	£'000
WORK IN PROGRESS	331	346

The movement in work in progress (see note 4 above) is made up of:

	2023	2022
	£'000	£'000
Increase/(Decrease) in Asset balances	(15)	(346)
(Increase)/Decrease in provision	253	5,934
	238	5,588

9. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

	2023	2022
	£'000	£'000

Amounts falling due within one year:

Trade receivables and accrued income	1,008	1,019
Less: Provision for bad debts	(78)	(94)
	930	925
Other receivables	397	118
Prepayments	3,486	3,212
TOTAL RECEIVABLE WITHIN ONE YEAR	4,813	4,255

The above is further analysed as:

Other central government bodies	110	49
Local authorities	26	28
NHS bodies	0	1
Bodies external to government	4,677	4,177
	4,813	4,255

Amounts falling due after more than one year:

OTHER RECEIVABLES - SUBROGATION	26	29
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10. CASH AND CASH EQUIVALENTS

	2023	2022
	£'000	£'000
Balance at 1 April	10,766	19,019
Net change in cash and cash equivalent balances	258	(8,253)
BALANCE AT 31 MARCH	11,024	10,766

The following balances at 31 March were held at:

Government Banking System	9,552	9,117
Commercial banks and cash in hand	1,472	1,649
BALANCE AT 31 MARCH	11,024	10,766

11. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2023	2022
	£'000	£'000

Amounts falling due within one year:

Trade payables and accruals	4,112	4,266
Other payables	8	79
IFRS 16 Liability	582	0
Other taxation and social security	1,050	1,006
VAT/CIS	97	114
Fees received in advance	40,852	39,474
NLF loans	106	107
TOTAL DUE WITHIN ONE YEAR	46,807	45,046

Amounts falling due over one year:

Trade payables	0	249
IFRS 16 Liability	3,303	0
TOTAL DUE OVER ONE YEAR	50,110	45,295

The above is further analysed as:

Other central government bodies	1,792	2,150
Local authorities	445	410
NHS bodies	89	83
Bodies external to government	47,784	42,652
BALANCE AT 31 MARCH	50,110	45,295

12. PROVISIONS FOR LIABILITIES AND CHARGES

12.1 SCHEDULES

	INDEMNITIES	WORK IN PROGRESS	DILAPIDATIONS	TOTAL
	£'000	£'000	£'000	£'000
at 01 April 2021	802	14,905	750	16,457
Additional provision made	593	0	0	593
Revaluation of provision	100	(5,934)	0	(5,834)
Amounts incurred and charged against provision	(579)	0	0	(579)
Unused amounts reversed	(369)	0	0	(369)
AT 31 MARCH 2022	547	8,971	750	10,268
Additional provision made	597	0	64	661
Revaluation of provision	99	(253)	0	(154)
Amounts incurred and charged against provision	(595)	0	0	(595)
Unused amounts reversed	(220)	0	0	(220)
AT 31 MARCH 2023	428	8,718	814	9,960

Analysis of total provisions:

AT 31 MARCH 2022				
Current	547	8,971	0	9,518
Non-current	0	0	750	750
	547	8,971	750	10,268
AT 31 MARCH 2023				
Current	428	8,718	0	9,146
Non-current	0	0	814	814
	428	8,718	814	9,960

12.2 INDEMNITIES

A provision for indemnity payments has been provided based upon a review of the outstanding claims and an estimate of the settlement values.

12.3 WORK IN PROGRESS

Registrations involving the initial and more complex transactions in the Land Register cost more to undertake than the fee charged. This provision represents the costs to completion less estimated fee income for such registrations in process at the year end.

12.4 DILAPIDATIONS

The dilapidation provision relates to the Saint Vincent Plaza leased property.

13. TAXPAYERS' EQUITY

13.1 CAPITAL LOAN

A 40 year capital loan was undertaken on 1 April 1996 when RoS was designated trading funding status. The value of the loan was £4.25 million, with an interest rate of 8.375 per cent. Interest payable to the National Loans Fund amounted to £0.1 million for the year to 31 March 2023 (March 2022: £0.1m).

Repayments of the capital loan are as follows:

	2023	2022
	£'000	£'000
Between one and two years	106	107
Between two and five years	319	319
In more than five years	903	1,008
	1,328	1,434
Interest payable to National Loans Fund	122	131

13.2 REVALUATION RESERVE

This reflects the movement in the revaluation of land and buildings as detailed in note 5.

14. CAPITAL COMMITMENTS

Contracted capital commitments at 31 March not otherwise included in these accounts:

	2023	2022
	£'000	£'000
Property, plant and equipment	85	3
Intangible assets	0	0

15. LEASES

OPERATING LEASES

Total future minimum lease payments under operating leases are given in the table below for each of the following periods:

	2023	2022
	£'000	£'000
Buildings:		
Not later than one year	467	561
Later than one year and not later than five years	1,869	1,587
Later than five years	1,245	0
Less interest element	(126)	0
	3,456	2,148
Other:		
Not later than one year	149	47
Later than one year and not later than five	282	0
Later than five years	6	0
Less interest element	(7)	0
	430	47

RoS is committed to an operating lease in St. Vincent Plaza, Glasgow until January 2026.

From 01/04/2022 RoS applied IFRS 16 to operating leases and RoU assets and corresponding liabilities are summarised in table 15.1.

15.1 IFRS 16 LEASE ACCOUNTING

RIGHT OF USE ASSETS	PROPERTY	EQUIPMENT	VEHICLE	TOTAL
	£'000	£'000	£'000	£'000
at 01 April 2022	3,623	397	0	4,020
New leases	0	115	15	130
Depreciation Expense	(410)	(112)	(2)	(524)
Revaluation	0	22	0	22
at 31 March 2023	3,213	422	13	3,648

The incremental borrowing rate used is 0.95% which is the [HM Treasury nominal rate for IFRS 16 leases](#).

16. LOSSES

RoS settled 113 claims for loss, either arising from errors made in the Sasine recording process or under the indemnity provisions of the Land Registration (Scotland) Act 1979 and the Land Registration (Scotland) Act 2012, at a cost of £0.2 million (2021-22: 133 claims, £0.5 million).

As noted at paragraph 1.3, RoS aims to achieve cost recovery over all transactions, within which more complex transactions incur a loss. This is to safeguard customers from the higher costs involved in registering on the Land Register for the first time.

FROM FR REGISTRATION PROCESS	2023	2022
	£'000s	£'000s
Opening FR WIP provision	(5,511)	(8,389)
Closing FR WIP provision	(6,027)	(5,511)
Change in provision	(516)	2,878
Cost of FR registrations	(20,433)	(20,714)
FR Income	9,290	8,989
(LOSS)/GAIN	(11,659)	(8,847)

FROM TP REGISTRATION PROCESS	2023	2022
	£000s	£000s
Opening TP WIP provision	(3,461)	(6,517)
Closing TP WIP provision	(2,692)	(3,461)
Change in provision	769	3,056
Cost of TP registrations	(15,158)	(10,300)
TP Income	9,520	7,162
(LOSS)/GAIN	(4,869)	(82)

17. CONTINGENT LIABILITIES

As at 31 March 2023, RoS has contingent liabilities in relation to potential future indemnity payments that are not yet quantifiable. There may be indemnity payments associated with the outcome of the criminal trial R v Edwin McLaren and Lorraine McLaren but these are not yet quantifiable.

18. RELATED PARTY TRANSACTIONS

In accordance with IAS 24 Related Party Disclosures, as interpreted by the FReM, the following information is provided on related party transactions. RoS is a non-ministerial office in the Scottish Administration; The Scottish Government, its departments and agencies are regarded as related parties with which RoS has various material transactions in the reporting period. In the period to 31 March balances with Scottish Government were £1.2m. In 2022-23, none of the Board Members, key management staff or other related parties has undertaken any material transactions with RoS.

19. ACCOUNTING STANDARDS ISSUED NOT YET EFFECTIVE

International Accounting Standard (IAS) 8 on Accounting Policies requires organisations to disclose details of any IFRS that has been issued but is not yet effective. At 31 March 2023 the following IFRS, none of which will be material to Registers of Scotland accounts, have been issued but are not effective as they are not yet applied in the Government Financial Reporting Manual (FReM):

IFRS 17 – Insurance Contracts

The implementation date for IFRS 17 is not yet confirmed and the impact has not yet been determined. The Financial Reporting Advisory Board are considering implementation of the standard in the public sector.

20. AUDITORS' REMUNERATION

The following charges have been included in the accounts:

	2023	2022
	£'000	£'000
Statutory audit services	55	55
Total auditor's remuneration	55	55

The audit fee is a notional charge, as notified to us by our auditors, via Audit Scotland.

21. EVENTS AFTER THE REPORTING PERIOD

In accordance with the requirements of IAS 10 Events after the reporting period, events after the statement of financial position date are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the independent auditor's report.

22. NON-ADJUSTING FEES AFTER THE REPORTING PERIOD

There are no non-adjusting events after the reporting period.



Appendices

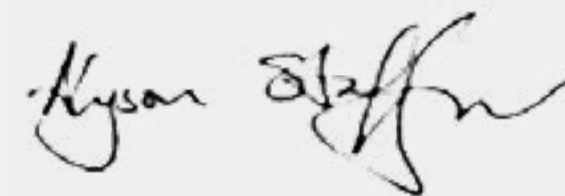


Appendix One:

REGISTERS OF SCOTLAND DIRECTION BY THE SCOTTISH MINISTERS

In accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000:

1. The statement of accounts for the financial year ended 31 March 2006 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
2. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses, and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
3. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 2 July 2004 is hereby revoked.



Alyson Stafford
Signed by the authority of the Scottish Ministers
Dated 17 January 2006

Appendix two: Registers of Scotland Island Communities Impact Assessment (ICIA) 2022-23

Annual Reporting Return:

Name of Relevant Authority: Keeper of the Registers of Scotland

Reporting Period: 01 April 2022 to 31 March 2023

Please describe how your organisation has had regard to island communities in carrying out its functions: When considering the development and delivery of a policy, strategy or service, the Keeper of the Registers of Scotland has incorporated the Island Communities Impact Assessment consideration and decision-making process into Registers of Scotland business processes, project planning and assurance checklists.

Please provide a list of policies, strategies or services for which your organisation has completed a Section 10 assessment ICIA: Registers of Scotland has completed two partial ICIA's for: (1) the Register of Persons Holding a Controlled Interest in Land; and (2) the Registers of Scotland (Information and Access, etc.) Miscellaneous Amendment Order 2022. Both are published on the [RoS website](#).

Registers of Scotland has also provided contribution to the Scottish Governments' ICIA on the Moveable Transactions (Scotland) Bill.

What other steps has your organisation taken for those policies for which an ICIA was not required (under the section 10(b)(ii) assessment): Full ICIA's were deemed not to be required for the Climate Change Strategy, and the Digital Registration Regulations, and it was considered that no adjustments were required for island communities.

Appendix three: Trade union facility time

Facility time generates benefits for employees, managers and the wider community from effective joint working between union representatives and employers.

A number of studies have shown that union workplaces tend to be safer and that trade unions help to promote skills and training in the workplace. Registers of Scotland recognises this through our support for trade union learning and equality initiatives.

The [NatCen study](#) highlighted four main benefits from the use of facility time.

- Provision of a ready-made structure for meaningful consultation and negotiation saves money and reassures members that their views are valued in decision-making.
- Facilitation of partnership working with trade unions improves workplace relations and the reputation of an employer as ‘a good place to work’.
- Earlier intervention in relation to complaints, grievances and disciplinary action prevents escalation into more serious problems and saves organisations (and taxpayers) money by reducing the impact on staff time and possible legal costs.
- Better communication during restructuring and redundancy processes improves understanding of decisions, minimises negative impacts and reduces the number of working days lost through industrial action.

The [Fair Work Convention](#) highlights these points through its ‘Effective voice’ principle. As they state: ‘It is clear from international evidence that employees and workers want a voice, not only to resolve problems and conflicts (which is important) but also to engage and participate constructively in organisations’.

On organisational change, they say: ‘There are many examples in Scotland and elsewhere of how collective voice through trade unions working with employers has addressed a wide range of organisational challenges and contributed to organisational improvements’.

It is the view of Registers of Scotland that facility time data legally required by the Trade Union (Facility Time Publication Requirements) Regulations 2017, should be set in the context of the vast benefits that facility time bring to the workforce and to the employer, as set out above. This is supported by the Scottish Government, the STUC and our affiliated trade unions.

TABLE 1: RELEVANT UNION OFFICIALS

What was the total number of your employees who were relevant union officials during the relevant period?

NUMBER OF EMPLOYEES WHO WERE RELEVANT UNION OFFICIALS DURING THE RELEVANT PERIOD	FULL-TIME EQUIVALENT EMPLOYEE NUMBER
7	2

TABLE 2: PERCENTAGE OF TIME SPENT ON FACILITY TIME

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

PERCENTAGE OF TIME	NUMBER OF EMPLOYEES
0%	0
1-50%	4
51%-99%	3
100%	0

TABLE 3: PERCENTAGE OF PAY BILL SPENT ON FACILITY TIME

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Provide the total cost of facility time	£118,482
Provide the total pay bill	£76,564,032
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.20%

TABLE 4: PAID TRADE UNION ACTIVITIES

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

23.8%	Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100
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Registration and Policy Director

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Keeper and Chief Executive

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Electronic Record and Signature Disclosure:

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In Person Signer Events

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Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
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