


Creating solid foundations for the future



Annual Report
and Accounts
2021-22



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2021-22: the year in numbers



92.6% of registrations completed in 35 days (up 3.4% from 2020-21)



677,571 applications received (up 18% from 2020-21)



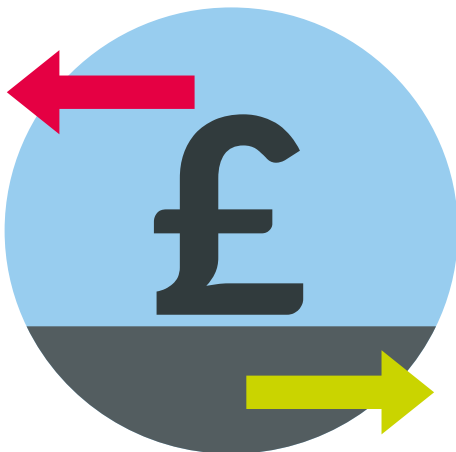
78% of land mass coverage by the three elements of: land mass registered, in progress and unlocked in sasines



87% progress towards achieving a functionally complete Land Register



Income £91.5 million (up £26.2 million from 2020-21)



Costs £81.5 million (down £1.7 million from 2020-21)



66% savings in paper usage (compared to previous usage)



No gender pay gap



Average number of persons employed 1,229 (down 1.8% from 2020-21)



Colleague engagement 66% (no change from 2020-21)



92% customer satisfaction score (up 2% from 2020-21)



Jennifer Henderson,
Keeper of the Registers of Scotland

Foreword

Registers of Scotland (RoS) has worked hard to respond to the challenges of the past two years. A key focus of 2021-22 has been leading the organisation in moving forward from the impact of COVID-19.

Our teams have continued to work towards delivering the benefits of a complete Land Register. We have also ensured that our strategy to clear our long-standing open casework is prioritised while keeping pace with market demand.

Thanks to the hard work of colleagues, we remain on target with despatch levels and our current goal to complete 60% of new applications within 35 days is being achieved.

We hope to further improve efficiency via provisions contained within new digital regulations, which will make digital submission the default route for the majority of registration applications. We are also investing resources to support a hybrid working environment. This has enabled colleagues to begin to return to the office in a safe and managed way and importantly, to best support our customers.

I am particularly pleased that by the end of this financial year I can, from a RoS business perspective, say that the worst of the impact of COVID is largely behind us. We continue to meet our planned delivery and quality targets and achieved a balanced financial position a year ahead of schedule including being able to provide a net contribution of £11.1 million to the Scottish Government. This illustrates that the financial shock to RoS presented by the housing market shut down at the start of COVID has been mitigated.

Digital transformation was always a key part of our long-term strategy, but we have built on the immediate progress that was necessitated by the pandemic. Particular highlights include launching the new 'Register Land and Property (RLP)' digital service – the next step on our journey to true end-to-end digital registration, moving forward with our cloud transition journey, and winning the Scottish Legal Technology award for our digital submission systems. This external recognition demonstrates that our digital developments are hitting the right notes in supporting our customers and that our innovations represent a genuine foundation on which our digital ambitions will be realised.

I am proud that this past year has also seen us prepare for the launch of our 21st register – the Register of Persons Holding a Controlled Interest in Land (RCI), mount a rapid response to the requirement to deliver in respect of the sanctions regime resulting from the Ukraine crisis, and reprioritise work to release colleagues to support service design work for the refugee situation. In addition, we have taken on new work to enable RoS to be ready to respond to the new register that will result from the UK Government's Economic Crime (Transparency and Enforcement) Act.



We continue to devote time to customer engagement, meeting regularly with the Law Society of Scotland Property Law Committee, hosting a well-attended 'Future of Conveyancing' conference with follow-up workshops on digital signatures, and running a customer/citizen focussed event to provide an opportunity to discuss our previous annual report and accounts. I am pleased that we have achieved our highest ever customer satisfaction score in our latest survey (92%) and am looking forward to the additional insights that will come from our recent move to the Institute of Customer Service excellence benchmarking survey.

Beyond the direct customers who use our services we have also ensured that we are building relationships with stakeholders who scrutinise our work. We have introduced a new Minister to the work of RoS, got a new parliamentary committee up to speed and hosted a series of breakfast briefings for new MSPs and MPs to ensure they know how RoS can help them to help their constituents.

Internally we have continued to shape our culture. I am delighted that the hard work of the last three years has paid off with the achievement of the Investors in People (IiP) Gold Award. The launch of our Equality, Diversity, and Inclusion (EDI) strategy and the work that has gone into setting up networks within RoS has also gained external recognition for the work we do to support carers within RoS.

We have made progress with making RoS a more sustainable organisation too. Our new sustainability and climate change strategy was published, signalling our approach of embedding sustainability in all our business processes.

However, I know there are clearly areas where more work is needed. Although business as usual performance has improved, we do still have far too much long-standing open casework and I will not be satisfied until it is gone. And while our Civil Service People Survey engagement scores have reached the Civil Service average, this is not good enough - if RoS is going to succeed in the future it needs to be an employer of choice for colleagues.

We recognise the importance of remaining future-focussed, so that our progress and successes today provide a springboard to our future. We have therefore also made time to focus on the 'beyond 2024' timescale, to define how we will deliver our core services in 2024 and design an approach to thinking through the potential new products and services for the future.

Over the last year, RoS has delivered across a wide portfolio of strategic objectives and laid a solid set of foundations to take us forward. Everything we do 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.

Jennifer Henderson
Chief Executive and Keeper of the Registers of Scotland*
13 September 2022

* From hereon in, the title used throughout the report will be 'the Keeper'.

Performance overview



Overview

Registers of Scotland (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.



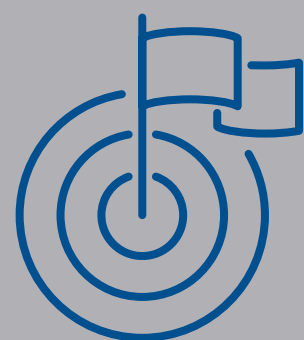
PURPOSE

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 2021-2026](#), we had the following four 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](#).




Complete Scotland’s Land Register by 2024 and provide transparent, accurate and impartial information for all.

Land Register Completion
Key result - Addresses that regularly transact to be on the Land Register by December 2024, with access to remaining ownership information from within General Register of Sasines made easily accessible. Publication of roadmap to achieve the target by September 2021.

Clear the arrear
Key result – Reduce all pre 2021 arrear cases by between 1000 and 1800 by June 2021. This range is based on the impacts that a fluctuating property market has on outputs.

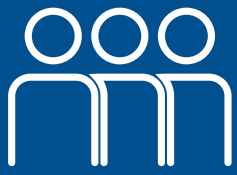
60% of new applications despatched within 35 days
Key result –Maintain an average of 60% or above for new applications despatched within 35 days until the end September 2021, with the results for Dealings, Transfers of Part and First Registrations being reported individually.

This target is based on the impact that a fluctuating property market has on outputs with the impact predicated to range between 50 and 70%.




Lead on the innovative provision of land and property data so that it is accessible and used to create value for Scotland’s people and economy.

Quality (applications) above 93%
Key result – Improve our data. Identify new products and data reports and offer more customers greater accessibility to the information we hold.



Invest in our people so they can support a professional flexible business that works at pace to deliver value and fulfils our Statutory Duty.

Achieve an employee engagement score of 66% or above
Key Result – To ensure sustainability and build a workforce of engaged employees that are experienced and forward looking.



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

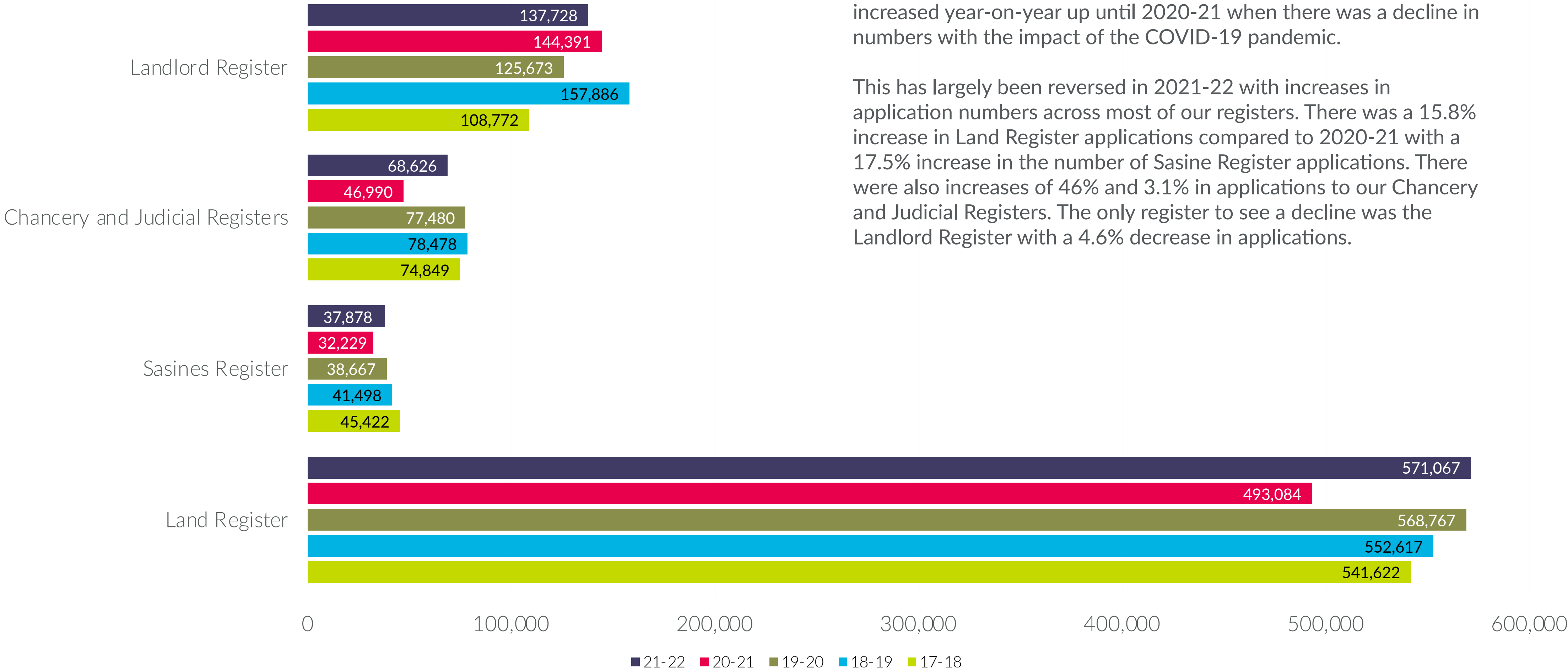
The Customer Satisfaction (CSAT) score to remain above 80%
Key Result – Faster, more secure and dynamic digital tools where appropriate.

To help us keep focussed on the right areas of our work and achieve our objectives, we have grouped our main activities and Key Performance Indicators (KPIs) under three themes – Do, Consolidate and Create.

Registration applications received 2017-2022

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 has largely been reversed in 2021-22 with increases in application numbers across most of our registers. There was a 15.8% increase in Land Register applications compared to 2020-21 with a 17.5% increase in the number of Sasine Register applications. There were also increases of 46% and 3.1% in applications to our Chancery and Judicial Registers. The only register to see a decline was the Landlord Register with a 4.6% decrease in applications.



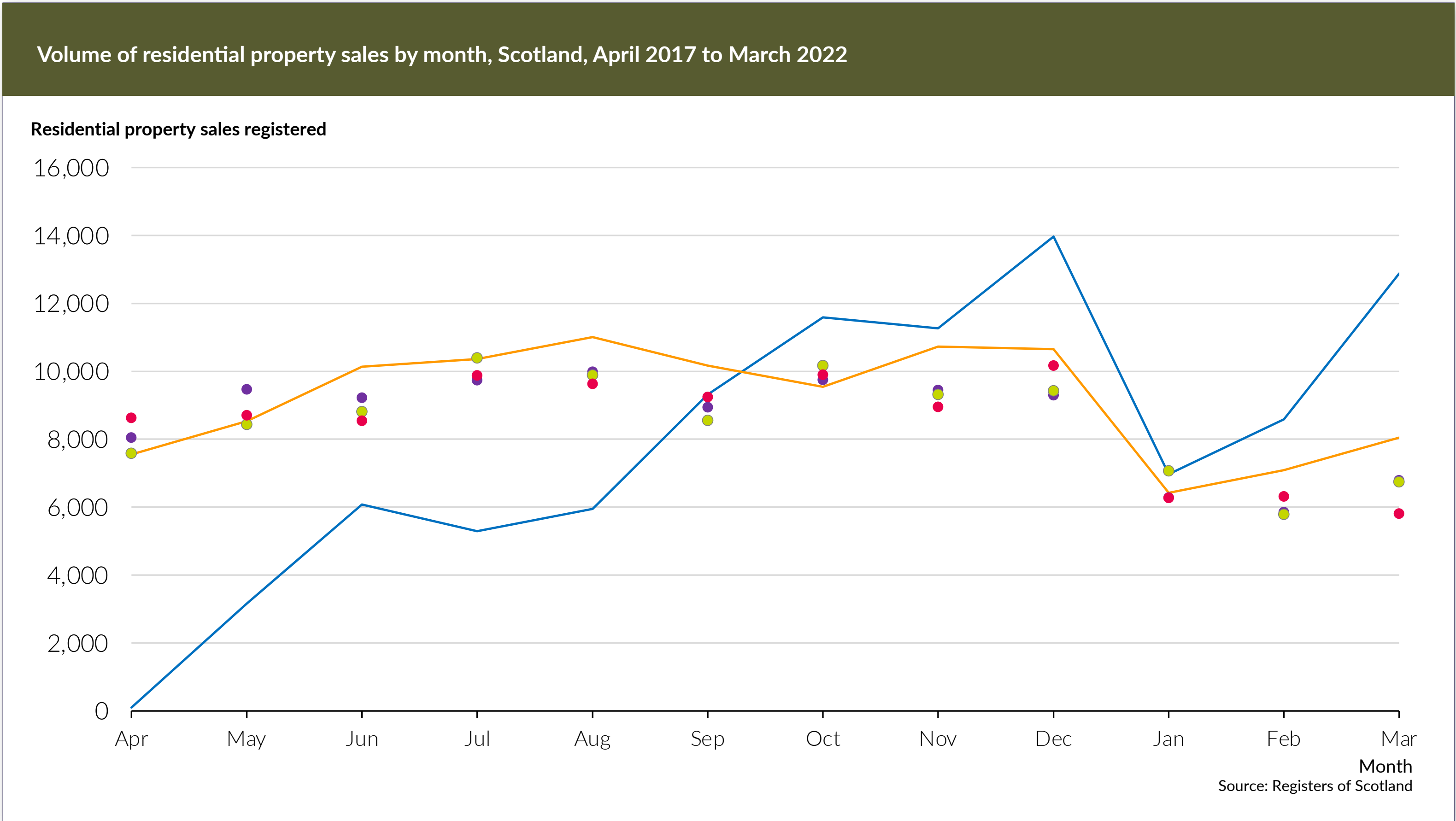
* This graph details the highest volume registers we hold. The figures for the Land Register and Sasines Register include advance notices received.

To see all the registers we hold, visit ros.gov.uk.

Scotland's housing market in 2021-22

Scotland's housing market has been buoyant in 2021-22 with the graph below showing the number of monthly residential sales registered with RoS between April 2017 and March 2022.

Following the impact of COVID-19 through 2020, volumes in the last financial year have generally reverted back to monthly levels similar to those seen in the pre-COVID years 2017 to 2019, although with some months in 2021-22 seeing slightly higher levels of sales.



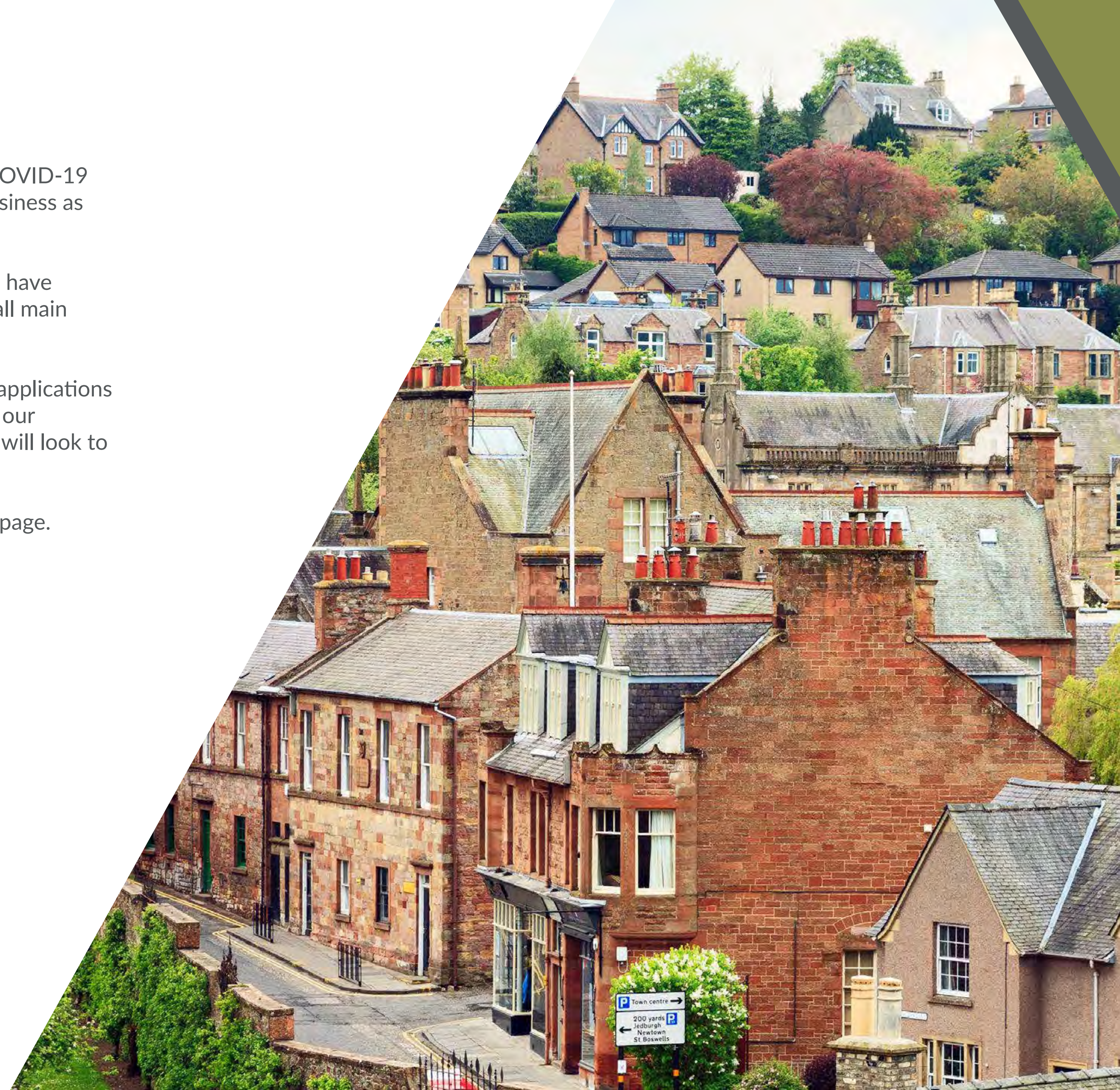
Our 2021-22

Despite the numerous challenges that have resulted from the COVID-19 pandemic, we have generally recovered well and returned to business as usual in 2021-22.

We have managed to remain on target with despatch levels and have achieved our goal to complete 60% of new applications across all main registration products within 35 days of receipt.

We have also achieved our targets on clearing pre-2021 cases, applications quality and customer satisfaction. While we have not increased our employee engagement score as hoped, we have equalled it and will look to improve this in the coming year.

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



Objective one: Complete Scotland’s Land Register by 2024

Our objective is to complete Scotland’s Land Register by 2024 and provide transparent, accurate and impartial information for all. We aim to do this by clearing pre-2021 registration cases which are within a stock of backlogged cases. We want to stabilise and then reduce this stock, through despatching 60% of new applications within 35 days.

Performance indicator	Score	Target	Progress
Clear pre-2021 cases	15,324	7,052	Ahead of target

60 per cent of applications despatched within 35 days			
Performance indicator	Score	Target	Progress
Dealing with Whole	88.8%	60%	Ahead of target
First Registration	67.7%	60%	Ahead of target
Transfer of Part	70%	60%	Ahead of target

Objective two: Lead on the innovative provision of land and property data

Our objective is to lead on the innovative provision of land and property data so that it is accessible and used to create value for Scotland’s people and economy. We aim to do this by ensuring we meet high quality targets regarding the data coming on to our registers.

To meet our applications quality target we will:

- improve our data
- identify new products and data reports
- offer customers greater accessibility to information we hold

Performance indicator	Score	Target	Progress
Applications quality	94.8%	93%	Ahead of target

Objective three: Develop and deliver digital improvements

Our objective is to develop and deliver digital improvements that support a sustainable business where the needs of our customers are exceeded. We aim to do this by providing faster, more secure and dynamic digital tools where appropriate.

Performance indicator	Score	Target	Progress
Customer Satisfaction	92%	80%	Ahead of target

Objective four: Invest in our people

Our objective is to invest in our people so they can support a professional flexible business that works at pace to deliver value and fulfils our Statutory Duty. We aim to do this through building a workforce of engaged employees that are experienced and forward looking.

Performance indicator	Score	Target	Progress
Improve employee engagement	66%	66%	On target

To ensure we continue to improve as an organisation, we regularly review our targets and have updated these for the next financial year.

First Registration - applications that trigger first registration into the Land Register

Transfer of Part - applications requiring the creation of a new title sheet where the land is already registered

Dealing with Whole - applications, or dealings, over the whole of registered plots

Risks, future-proofing and opportunity

We are continually reviewing and managing any risks which may affect our ability to meet our objectives.

We are now learning to live with the legacy of the pandemic's impact and what this means for us as an organisation in the future.

For example, Scotland's housing market has remained incredibly buoyant throughout 2021-22. This has resulted in high levels of application intakes and consequently affected our work programme to clear casework which has been taking far too long to complete. 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 the current market levels continue.

For more information on risks identified and how we are actively managing risk, please go to our Risk Management section on page [44](#).

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 2021-2026](#) with some specific examples outlined below.

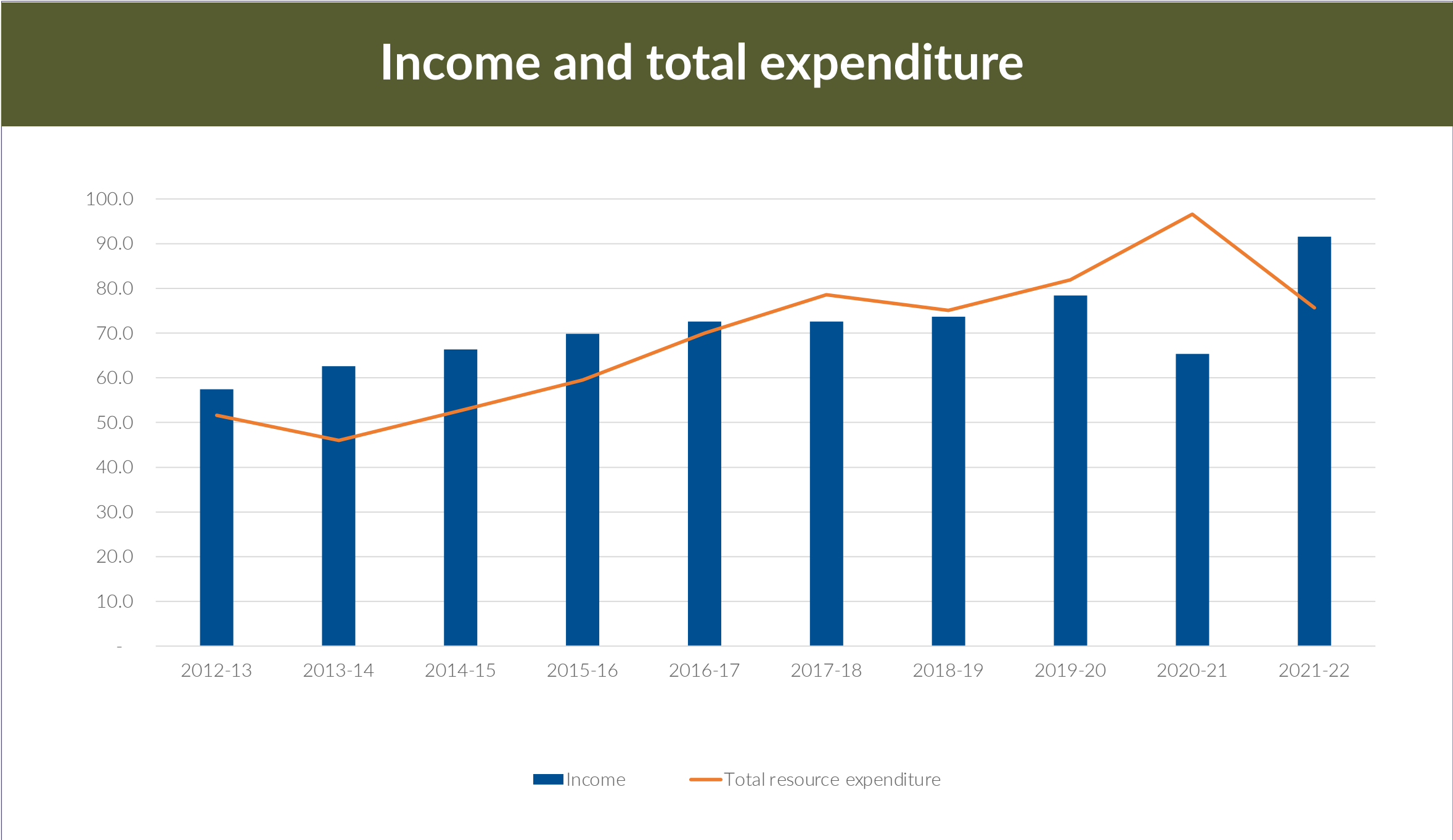
	National outcome	Our work
	Economy	We support Scotland’s residential property market transactions – worth an estimated £22.2 billion in 2021-22.
	Fair Work and Business	We are committed to implementing the Fair Work First approach and are proud to be one of the few public bodies which reports no gender 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 People’ accreditation from Investors in People (IiP) in recognition of progress made to create a supportive, engaging and performance focussed environment.
	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.
	Education	We have 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.
	International	We have provided digital assistance to the Scottish Government’s ‘Warm Scots Welcome’ initiative which is offering support to displaced Ukrainians arriving in Scotland.
	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 2021-22 by 40%, as the housing market recovered to pre-COVID levels, cash costs reduced by 2% while non cash costs had a year on year reduction of 143% due to less provisions being required for work in progress and indemnities. As shown in the graph opposite our income fully covered our expenditure (staff and administrative costs) in 2021-22.

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 Government Finance 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 £7.1 million (£4.1 million resource and £3.0 million capital) which was then revised down as income projections improved through the year with recovery of the housing market. Capital DEL budget was revised upwards during the year to support the development of new registers on behalf of the Scottish Government.



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 £0.1 million (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)	7,473	9,075	1,602
Resource (DEL)	5,429	(7,302)	(12,731)
Total DEL	12,902	1,773	(11,129)
Annually Managed Expenditure (AME)	8,092	(6,268)	(14,360)
Total Expenditure/ (Contribution)	20,994	(4,495)	(25,489)

In 2021-22, our income from all registers was £91.5 million (£83.0 million and £8.5 million from statutory and non-statutory respectively). The operating expenditure was £93.3 million (£84.2 million resource DEL and £9.1 million capital DEL) including depreciation and amortisation compared to the total DEL 2021-22 budget of £12.9 million. This resulted in a DEL contribution of £11.1 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 2021-22 shown opposite, reflects the costs associated with our day-to-day activities and investments to improve our business.

Financial Performance	Notes*	2021-2022 £'m	2020-2021 £'m
Continued operations income	SoCNE	91.5	65.3
Costs (cash & non-cash)	SoCNE	(80.5)	(101.2)
Net interest charges	SoCF	(0.1)	(0.1)
Change to General Funding	SoCNE	10.9	(36.0)
Capital expenditure	SoCF	6.5	3.5
Costs comprised:			
Cash Costs			
Staff costs	SoCNE	67.5	68.5
Restructuring costs	SoCNE	(0.0)	0.1
Administrative costs	SoCNE	14.0	14.6
Total Cash Costs		81.5	83.2
Non-Cash Costs			
Amortisation, depreciation and impairment	SoCNE	4.9	4.6
Work in Progress	4	(5.6)	13.1
Indemnity	4	(0.3)	0.3
Total Non-Cash Costs		(1.0)	17.9

*Statement of comprehensive net income and expenditure' and 'Statement of cash flows'

Performance analysis

Our corporate plan for 2021-26 identified priorities across the themes of Do, Consolidate and Create.

As outlined below, our performance analysis for 2021-22 will broadly follow these same themes while incorporating some wider aspects too.





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 2021-22, we received 677,571 applications for registration. In terms of all the work that we despatched – including advance notices - 92.6% 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 good 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 over the last year 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. It involves three key activities:

1. Functional completion

A functionally complete Land Register is one that provides the maximum benefit to the citizen. It will be ‘functionally complete’ when the majority of land and property that transacts regularly is on the register, providing citizens with the benefits that this registered status brings. We currently estimate that there are around 2.5 million addresses in Scotland that are likely to transact. This is our functional completion target.

2. Improving turnaround time and visibility of work in progress

As outlined on page [13](#), our aim is to stabilise then reduce the volume of our stock through despatching the majority of new applications within a reliable and consistent timeframe. This is currently set at 35 days to match our advance notice period. We are working hard to boost the volume of First Registration transactions that are completed within this timeframe.

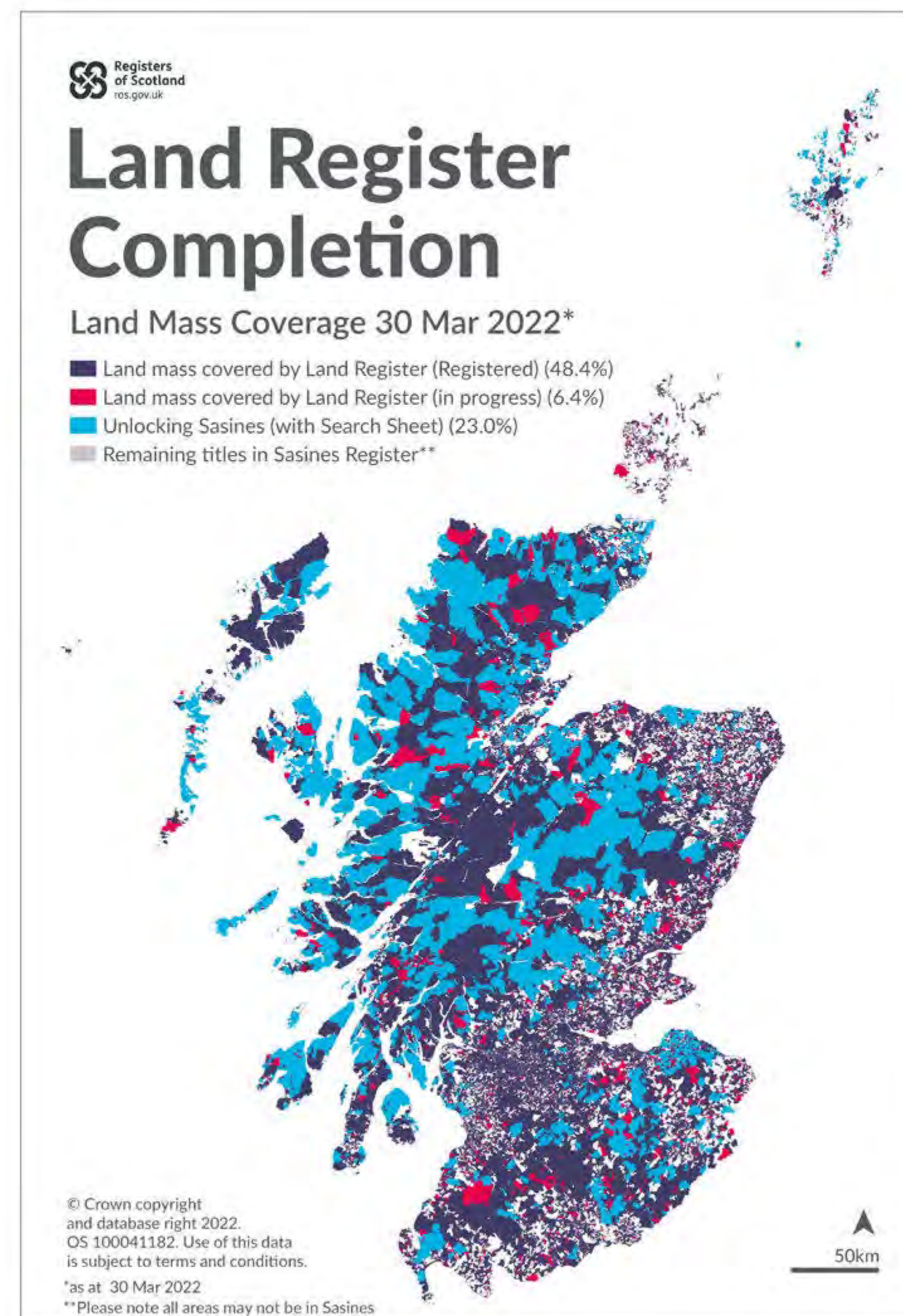
As we further increase our capacity over time, this will offer certainty to customers that transactions will be quick and efficient regardless of whether their property is on the Land Register already or is moving over for the first time. Where there is increased complexity, a characteristic of what will come on in longer time frames, we will work with customers to identify a suitable turnaround time. We will also continue to complete registration of older cases as quickly as possible, prioritising those cases where customers need them to be expedited.

3. Unlocking Sasines

Over the last year we have made significant progress in our approach to making data held within the General Register of Sasines more accessible and, as a result, speeding up the process for us to be able to provide, at a high level, answers to the question of ‘Who owns Scotland?’.

We have done this 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. By end of March 2022, this approach has allowed us to identify just over 23% of Scotland’s land mass.

Across all of our efforts we have reached an estimated 78% of land mass coverage by the three elements of land mass registered, in progress and unlocked in sasines; and made almost 87% progress towards achieving a functionally complete land register. We are committed to publishing more on our progress towards completion going forward and have introduced a dedicated page for this on our [website](#).



Registration in 2021-22

Last year our registration work was impacted by the changes to application processes and ways of working which needed to be rolled out in response to the COVID-19 pandemic. Although the impacts continue to be felt in some areas, this year we have been able to return to our key area of focus within registration, which is ensuring that all applications are completed accurately and as quickly as possible. For the majority of our applications, we are successfully meeting that goal.

However, we recognise that there continue to be applications in the Land Register which are not being processed sufficiently quickly. Whilst our no rejection beyond three months policy and expedite service – as outlined further below – are helping to mitigate the effects of the delays in those cases, we remain strongly committed to completing them as quickly as possible.

In parallel, we want to ensure that we maintain and improve the rate at which we are processing new cases.

Create Year	Applications Received	Status		Percentage	
		Complete	Open	Complete	Open
2022	75,867	66,678	9,189	88%	12%
2021	380,205	339,982	40,223	89%	11%
2020	302,253	275,249	27,004	91%	9%
2019	393,947	368,795	25,152	94%	6%
2018	370,010	350,725	19,285	95%	5%
2017	379,604	374,747	4,857	99%	1%
Grand Total	1,901,886	1,776,176	125,710	93%	7%

The table above shows the applications relating to transfers of property (dispositions) for recent years. It illustrates that we are making progress across the board in completing cases, particularly those that are older, with 93% of cases now being complete.

Our approach to delivering on this ambition is simple and we have made good progress against it this year. We are continuing to increase our operational capacity by recruiting and training additional registration caseworkers. We are also streamlining and improving the application process for customers, meaning we can [reuse application data more easily at registration](#)

[stage](#). This makes things quicker and less susceptible to transcription errors.

We are rolling out new and improved tools to registration staff too, both for mapping and for populating title sheets, and we are increasing the rate of automation in the parts of the registration process where it is suitable. All of this taken together allows us to process applications more quickly, and therefore to process more applications overall.

We are also tackling the problem from both ends. We have registration teams focussed on completing new applications and other teams focussed on older - and typically

more complex - applications. While the improvements set out above will typically impact new and more straightforward applications, this will help us to complete these at the same rate but with fewer people. This means we can retrain some of our caseworkers to increase the speed at which we are processing the older cases, releasing the capacity we need to clear all the open cases.

We remain committed to providing an efficient [Expedite Request Service](#). This means we can continue to meet our customers' needs completing applications out of turn in specific urgent circumstances, whilst simultaneously working to clear the stock. Use of this service has increased, following a dip in 2020-21. During 2021-22 we received 2,441 requests with 1,192 meeting the criteria and being expedited. This represents a very small percentage of the overall number of cases that we are currently processing. We changed the way we report on older

cases this year, focussing on reducing pre-2021 cases overall. Our current stock levels can be found on [our website](#).

This year we have also introduced new mapping tooling which has allowed us to take a step closer to retiring legacy systems and in the long term should realise efficiencies in our process. Our [Development Plan Approval](#) service now has approximately 460 participating developers and is continuing to work with stakeholders to process developments more efficiently.





Consolidate

Digital

The digital submission services offered by RoS since the pandemic began have continued to be underpinned by emergency Coronavirus legislation, which has now been extended to a final deadline of 30 September 2022.

To ensure that digital submission remains possible after this date, we have been working closely with Scottish Government colleagues to place the necessary ongoing emergency provisions on a permanent statutory footing. A [Bill](#) was introduced in January 2022 and makes provision on a wide range of policy topics where COVID-19 has had an impact.

Alongside the Bill itself, we also introduced associated secondary legislation ([The Registers of Scotland \(Digital Registration etc.\) Regulations 2022](#)) which will make digital submission the default submission route for Land Register and sasine applications (subject to limited exceptions) and will enable the registration of electronic documents in the Register of Deeds and Probative Writs. These regulations, which have already been approved by Parliament, will come into force in October this year.

In this reporting period, we consolidated digital submissions by introducing the new [Register Land and Property](#) (RLP) service as the next phase towards digital registration. Launched in June 2021, over 150 firms had signed up to use this within two months. By the end of March 2022, RLP was capable of supporting approximately 40% of all registrable applications.

RLP has the following key features:

- a dashboard for customers to manage cases
- reuse and pre-population of application information
- visualisation of application and advance notice status

We promoted this and future plans for the service at the [‘Future of Conveyancing’](#) virtual conference held in June 2021. Attended by over 300 participants, they heard from international speakers as well as details on our plans at RoS. We have subsequently been running a [proof of concept](#) for digital registration. This involves working with solicitors who either expressed interest in participating after the conference or at later webinars (five in total). The outcomes from this will influence plans for the next financial year and beyond.

Our work in new submission services was recognised at both the [Operational Delivery \(ODP\) Awards 2022](#) and last year’s [Scottish Legal Awards](#) where we won awards for the creation of our digital submissions systems. Due to our digital expertise, we were also approached by the Scottish Government to loan digital colleagues to support the [‘Warm Scots Welcome’](#) initiative - a programme to plan, coordinate and oversee helping refugees come to Scotland following the Ukraine crisis. The need was to design appropriate digital systems to map the journey for refugees from visa application to arrival to being matched with the right accommodation in Scotland. As RoS has these skills in house, we very quickly spun up a team to help.

Turning from applications submitted to the Land Register, we sought to introduce new ways to access information from our registers. In October 2021, the first information Application Programming Interface (API) was issued, enabling programmatic access to the Register of Inhibitions. In the next financial year, our aim is to build on this with further information APIs.

A significant enabling factor in improving our digital services is that we have started to move our registers and relevant data to the cloud. During the last year, over 56 million deeds and images were migrated and categorised as part of the [RoS Cloud Strategy](#) with 40% of our digital estate now being hosted on our strategic cloud platforms.

This has empowered and accelerated:

- The enablement of highly effective remote and hybrid working through modernised digital workplace collaboration capabilities
- The creation of our first entirely [cloud natively hosted Registers](#) (the Register of Judgments and Register of Inhibitions), reducing our time to develop cloud-based registers by around half
- Significantly enhanced resilience and security capabilities, resulting in an increase in service availability targets and reduced risk profile
- Significantly reduced like for like our costs of hosting digital products

This work has also enabled the first release of capability for customers to self-serve Sasine and Register of Deeds documents. For the first time, our customers have been able to purchase and view deeds immediately at the point of access. Our work to move registration to the cloud was shortlisted for the Transformation Award at this year's [Operational Delivery \(ODP\) Awards](#).

Further migration activity took place in the approach to spatial data with the migration of 1.9 million titles onto the cloud-hosted cadastral map with the final set of counties being migrated in March 2022. Benefits of this activity are the continued sustainability of this valuable national dataset, better in-house mapping processes, and future opportunities to share spatial



data more readily with customers. We have presented on this work to land registries across the rest of Europe; this will provide opportunities to work with customers to identify benefits and use of interrogable spatial data beyond anything previously provided by RoS. Our mapping work was also recognised at the [2022 Geography in Government Awards](#) where we won the Operational Delivery Award.

Our policy team has continued to work closely with Scottish Government colleagues on a new Registers of Scotland Information and Access Order to be laid in Parliament in May 2022. This Order makes provision for digital extracts from the Register of Deeds in the Books of Council and Session, and the registration of electronic documents signed by way of Qualified Electronic Signatures from 1 October 2022. The Order will clarify the provision for extracts relative to the General Register of Sasines too, bringing them into line with the Land Register and Register of Deeds in the Books of Council and Session.

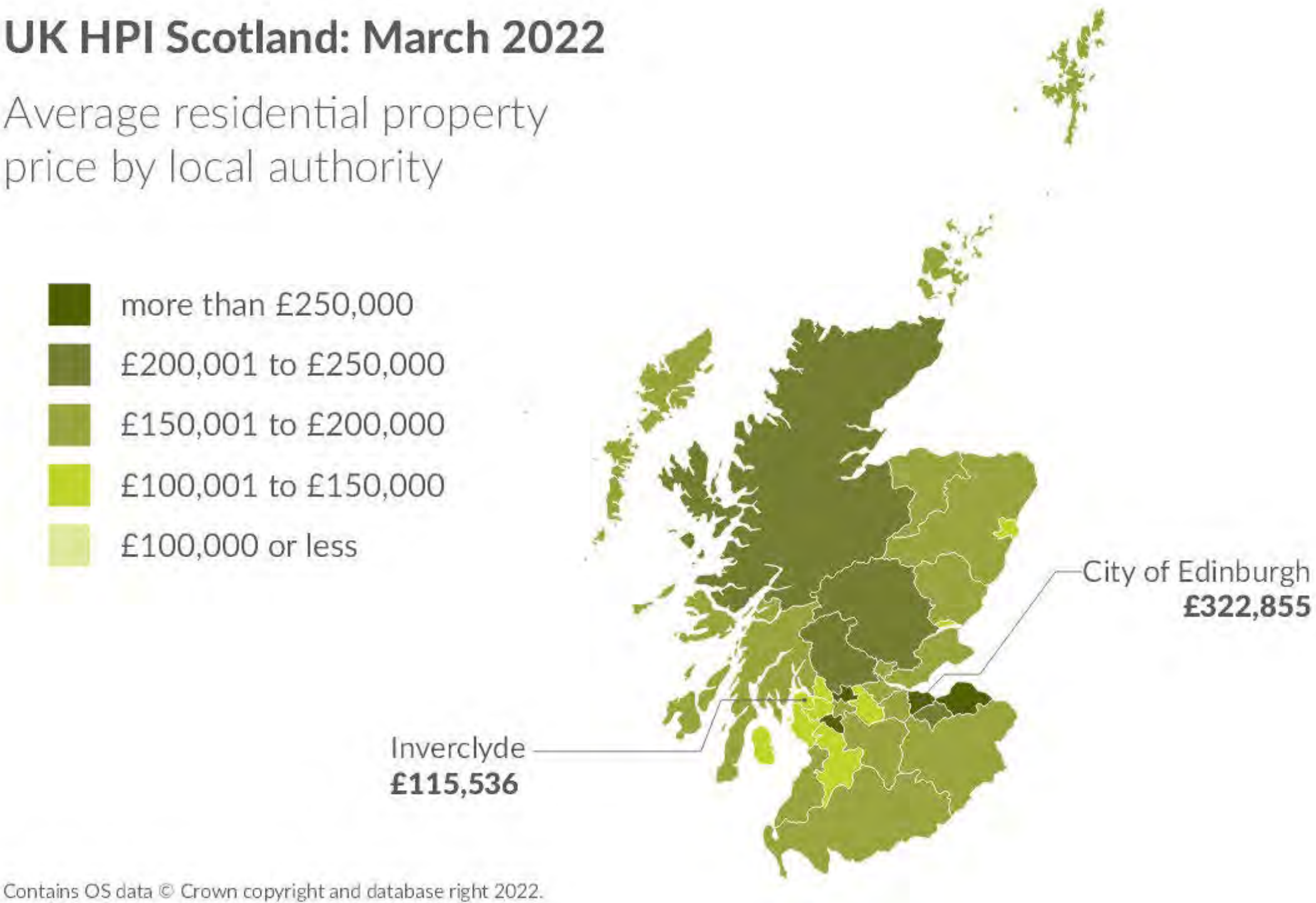
Data

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 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 2022 and highlights the average residential property price by local authority.

UK HPI Scotland: March 2022

Average residential property price by local authority



We published our annual [Property Market Report](#) in June 2021 and our [Land and Property Titles by Country of Origin Report](#) in March 2022. To improve accessibility, we introduced an [infographic](#) to summarise our Property Market Report and published the Land and Property Titles by Country of Origin Report in HTML format.

This year the latter report and accompanying dataset were of particular significance in relation to UK Government sanctions against individuals and entities connected to the Russian regime. As well as producing these outputs, we have worked closely with other departments across the Scottish Government and the UK Government, as well as the Law Society of Scotland, to ensure that the sanctions regime is effective regarding land in Scotland.

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. We have also completed a review of the licensing that supports our data products and services and will be introducing updated licences in 2022.

We continue to strengthen our data product capabilities with our centralised data warehouse providing managed access to structured data and enhanced data governance. There has been a focus on automating data reports and extracts too, looking at opportunities to standardise and add value to our data.





Create

New registers

Over the course of 2021-22 in consultation with our stakeholders and customers, we developed, tested and finalised the build, and guidance materials, to accompany the [Register of Persons Holding a Controlled Interest in Land](#) (RCI).

A statutory register created for the purpose of increasing public transparency of individuals who have control over decision-making in relation to land in Scotland, [RCI went live for submissions on 1 April 2022](#). It is free to make an entry in this register and to search it.

We have also continued to work closely with the Scottish Government to develop two new registers which will be established under the provisions of the [Moveable Transactions \(Scotland\) Bill](#), namely the Register of Assignations and the Register of Statutory Pledges.

The Register of Assignations will allow details of assignments of claims to payment to be registered and the Register of Statutory Pledges will make it possible to register a new type of security (the 'Statutory Pledge') over moveable property such as vehicles or intellectual property to raise finance. Both registers will be publicly searchable.

Once implemented, these new registers will modernise moveable transaction law in Scotland, making these types of commercial transactions more efficient, less expensive and less complicated than they currently are. They will also open up greater access to finance for individuals and businesses.

A RoS project team has been established to design and build these new registers. This team will work closely with the Scottish Government and other stakeholders and customers to ensure that the design of these new registers meets the policy intent behind the Bill, and also to assist with the formulation of the detailed accompanying regulations which will be required to support implementation of the Bill.

We have continued to work closely with colleagues in the UK Government too to support the development of the UK Register of Overseas Entities, the policy intention of which is to combat money laundering and achieve greater transparency in the UK property market. The legislation which provides for the establishment of this new register, to be hosted and maintained by Companies House, was introduced in March 2022 as part of the [Economic Crime \(Transparency and Enforcement\) Act 2022](#).

This legislation 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. RoS are working closely with UK Government colleagues and Companies House to implement this scheme.

Geovation Scotland – supporting start-ups

As custodian of vitally important national datasets, we have a duty to ensure their benefit is maximised. In 2019, we launched [Geovation Scotland](#) in partnership with Ordnance Survey (OS). This innovative project supports Scottish-based start-ups who identify how RoS data, combined with other geospatial and property data, can be used to solve problems and deliver value to businesses in Scotland.

Recruitment of the programme's third cohort took place in September 2021 and a further [three start-up companies](#) were successfully recruited, working across ecology, student accommodation and property pricing.

To date, Geovation Scotland has supported 13 start-up companies through both the accelerator and connected entrepreneur-in-residence programme. The companies working with Geovation Scotland have raised over £600k in additional funding and investment and have created 17 full-time jobs in addition to the start-up founders themselves.



GEOVATION SCOTLAND



Making it happen

Working with our customers

Our customer service and property information teams have had an extremely busy year, supporting our customers during a buoyant property market.

Email is growing as the preferred channel used to contact us and we received 25% more emails this year, with the main reason for contact being for registration process advice. This is embedding the change we saw last year and reflects the shift in people's working patterns and arrangements.

Despite a 26% increase in enquiries (calls are up by 1% on last year), our customer service team has responded to 77% of enquiries within two working days, benefiting from process improvements and investment in our telephony system. Contact levels from citizens, rather than conveyancing professionals, has risen again and we continue to work on making our services and information as accessible to them as possible. Two-thirds of citizen customers contact us by phone, whilst the majority of business customers contact us by email.

Our [ScotLIS](#) service remains popular as it enables members of the public and registered business account holders to explore the Land Register on a map and find information on land and property in Scotland. Over the past year, customers have downloaded more than 850,000 titles through the service and they have made good use of our connected ScotLIS enquiry support service too.

We introduced a new and clearer fee structure for property information requests this year across both our statutory and non-statutory services. More complex requests are now charged at a higher rate to reflect them requiring specialist staff to find the ownership information. This has seen these types of requests reduce by 58% and has allowed us to reduce our backlog from 58 days to an average of 12 days.

An advancement for our most popular service - copy deeds - was the launch of a private beta in March 2022 that allows business customers to search for, and download, sasine copy deeds. Although in the very early stages this has many benefits for our customers and is a significant step further down the self-service road allowing us to give instant access to our registers at times that suit our customers.

During this financial year we continued to capture our customer satisfaction score via a short survey issued to our Top 100 customers each quarter and Top 400 customers once a year. We had a benchmark set for this Customer Satisfaction Score of 80% and the last survey we ran returned a satisfaction score of 92%.

While we are, of course, very pleased to have received such a high score and recognition from our customers, the survey is short and consequently limited in what it can tell us. We have therefore been working with the Institute of Customer Service to move across to their much more in-depth Business Benchmarking Survey, which is used by public and private sector organisations across the UK. This not only allows us to directly compare ourselves to similar organisations but to build a huge resource of customer data on which to identify and base our priorities for improvements.

We have now run a pilot survey using the new approach and have followed that with one across our Top 400 customers.

That survey has been used to set our benchmark and we received a score of 77.3. The average score for national public sector bodies with the new benchmark approach is 76.9. Customers are given the choice of 1 – 10 when scoring how satisfied they are and this more granular score will show our progress more clearly than the previous simple five-point scale and a total percentage of satisfaction. However, this new benchmark score is measured in a completely different way to our previous survey approach and so the two scores cannot be directly compared against one another.

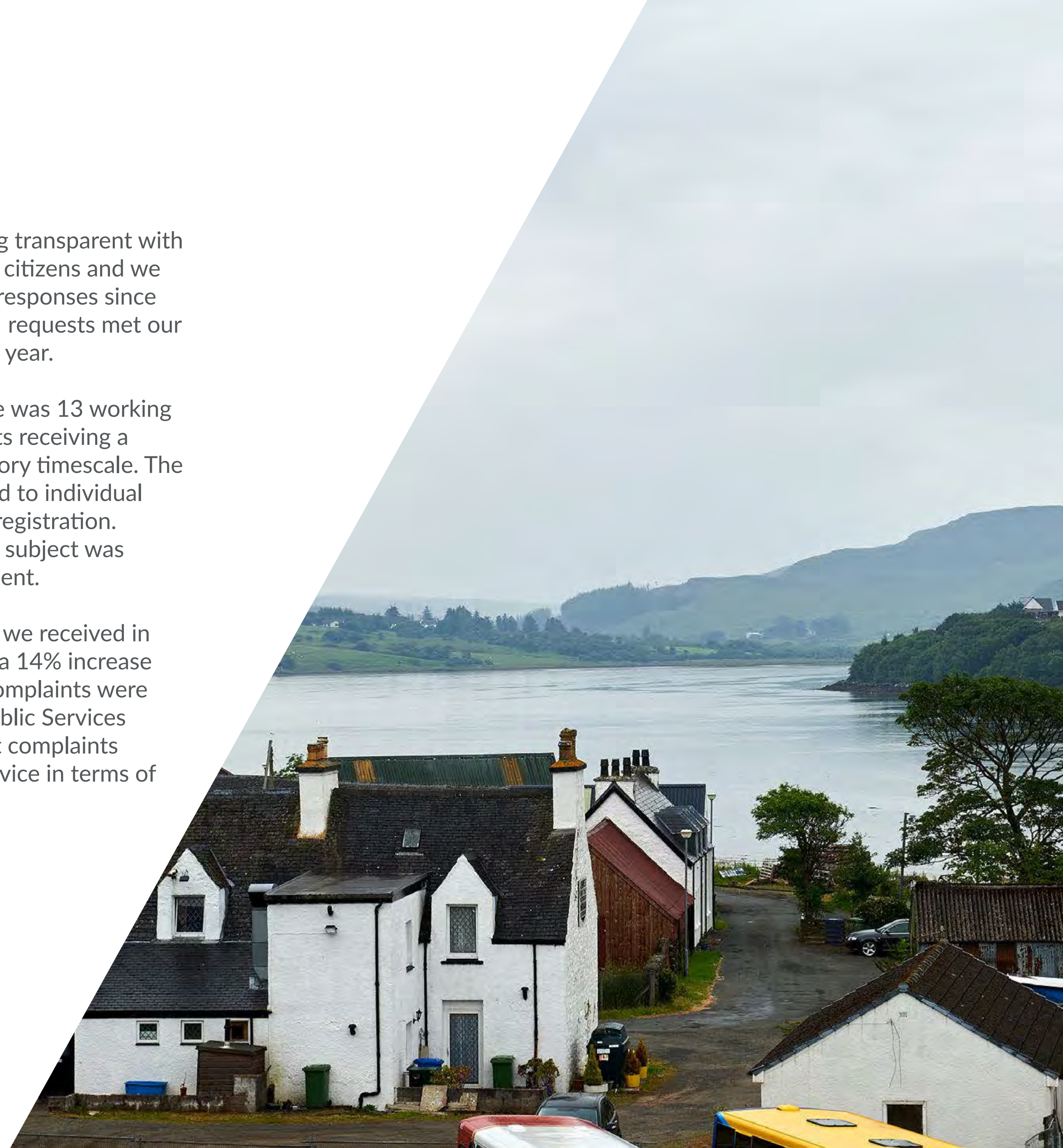
We have strengthened our process to better protect our colleagues in the rare instances of unacceptable behaviour from customers. The use of call recordings and routing of customer enquiries to the right individuals has assisted in dealing with these instances more effectively.

In 2021-22, we received and responded to 106 Freedom of Information (FOI) requests which is higher than last year but in keeping with previous years.

We are committed to being transparent with colleagues, customers and citizens and we have been publishing FOI responses since October 2021. Twelve FOI requests met our criteria for publication this year.

The average response time was 13 working days with 100% of requests receiving a response within the statutory timescale. The majority of requests related to individual titles and applications for registration. The second most frequent subject was expenditure and procurement.

The number of complaints we received in 2021-22 was 89, which is a 14% increase from 78 in 2020-21. No complaints were referred to the Scottish Public Services Ombudsman (SPSO). Most complaints related to the speed of service in terms of applications in our stock.



Islands (Scotland) Act 2018

As one of the relevant authorities listed in the Islands (Scotland) Act 2018, the Keeper is under 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](#).

Stakeholder engagement

Over the last year, we continued to offer a very successful events programme:

- Over 3,000 attendees participated at over 85 RoS virtual events in 2021-2022
- On average our customers rated our events at 4.3 out of 5
- Over 95% of survey respondents are 'Likely' or 'Very Likely' to attend a future event
- 100% of survey respondents would recommend their event to a colleague
- We maintained an attendance rate of over 79% across the year

Moving to an entirely virtual events programme in this period allowed the team the capacity to increase the variety of webinars offered. A refreshed programme based on customer feedback was delivered using a new platform, Microsoft Teams. This was accompanied by the introduction of a dedicated events newsletter, which now reaches over 1,200 customers, as well as more targeted social media campaigns to keep customers informed.

To support the new and returning intake of MSPs following the May 2021 parliamentary elections, we provided a targeted introduction pack to RoS, informing parliamentarians how we can support them in the role and their constituency work. We also ran Breakfast Briefings as an opportunity to meet with the Keeper and our Head of Customer Services to hear more about RoS and ask any questions. Research conducted at the end of 2021 found that the majority of MSPs were not only aware of the work that we are doing, but also believe that RoS is effective in fulfilling its key functions.

We correspond regularly with MSPs and MPs in relation to questions from their constituents. In 2021-22, we received and responded to 68 enquiries from MSPs, 11 enquiries from MPs, two letters from parliamentary committees and two Parliamentary Questions.

In June 2021, we ran the '[Future of Conveyancing](#)' virtual conference on behalf of the conveyancing industry. Over the course of two mornings, the event provided insight and discussion with international speakers and subject matter experts. The conference was attended by 325 stakeholders from around Scotland, well above the target of 200. It was very well reviewed and has generated a number of follow-up actions and events. Attendees from the event have also gone on to support our digital registration proof of concept as outlined on page [23](#).

On 30 September 2021, we hosted our first [live launch event](#) for our [annual report and accounts 2020-21](#). The Keeper was joined by Accountable Officer Janet Egdell, and Non-Executive Director and Chair of our Audit and Risk Committee Andrew Harvey.

This event was open to members of the public as well as professional customers. It was an opportunity to reflect on the last year and to receive questions and feedback from stakeholders. It was also accompanied by a Twitter Q&A direct with the Keeper.

September 2021 also saw a number of university outreach events targeting new lawyers taking place. The events comprised a range of practical educational videos which were produced to support their course work as well as evening events with our customer relationship managers who were available to take them through our services and answer any questions.



Our people

We are proud to have been awarded the gold level 'We Invest in People' accreditation from [Investors in People \(IiP\)](#) in recognition of the progress made to create a supportive, engaging and performance focussed environment. Our engagement action plan, shaped through direct input from colleagues via the annual [Civil Service People Survey](#) (CSPS) and IiP feedback, has also ensured we have continued to prioritise what matters most for our colleagues.

A significant emphasis has continued to be placed on wellbeing with a range of focussed support, including wellbeing sessions, menopause support, a mental health first aider programme, Calm App provision, the employee assistance programme, and a 'Your Wellbeing' resource centre.

Being a skilled, capable and innovative organisation has shaped our approach to development and in addition to a range of technical and behavioural training, our Management Development Programme has continued. We also rolled-out a Leadership Development Programme for senior leaders and launched the first Grow Our Own programme, recruiting roles for the future skills we need in service design, product management, digital and data. This programme looks to re-skill and re-train existing colleagues to allow them to develop critical skills through participation in tailored training programmes.

We continued to support Graduate Apprenticeships too with three colleagues joining the Business Management programme at Napier University in September 2021, and four additional colleagues continuing with Data Science and Cyber Security degrees.

Throughout 2021-22, a range of communication channels were used to ensure colleagues had access to relevant information and updates including our annual 'Big Picture' internal engagement event where the RoS strategy is shared and discussed. In addition, monthly all-colleague webinars gave colleagues the opportunity to interact and ask questions as well as bi-monthly Team Leader sessions led by our Executive Management Team (EMT).

In late 2021 and early 2022, we carried out a very successful recruitment campaign sourcing more than 67 Administrative Officers for various teams across the organisation. By adapting the application review process to a fully anonymised online test and hosting a candidate webinar, we improved the diversity of candidates at all stages of the process. This equated to a 3% increase in candidates with a disability being offered a role and a 7% increase in job offers to people with a minority ethnic background, compared to the 2019 Administrative Officer recruitment campaign. The quality of candidates was so high, we were able to create a reserve pool of candidates and share reserve candidates with another civil service department.

We are committed to implementing the [Fair Work First approach](#) and have made good progress towards this. We are a Scottish Living Wage accredited employer and do not use zero hours contracts in any circumstance. 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 the public sector and the wider civil service.

Our partnership with the Public and Commercial Services Union (PCS) is a key mechanism for effective employee relations. We remain dedicated to investing in and developing our collaboration with our trade union partners, in order to develop stronger working relations and improve our approach based on the [Fair Work Framework](#). For the second year in a row the EMT used the [Fair Work Employer Support Tool](#) to assess our progress. Across the five dimensions of Employee Voice, Opportunity, Security, Fulfilment and Respect we have maintained a strong position that recognises RoS as a Fair Work employer.



Through our Partnership meetings, PCS engage regularly with our EMT and teams across the organisation. These meetings provide a space to discuss new, emerging and changing strategic issues from across the organisation. 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 socio-economic disadvantage. In 2021-22, we published one Fairer Scotland statement relating to the Registers of Scotland (Digital Registration etc.) Regulations 2022.

Equality, Diversity and Inclusion

As a public service we believe we can provide better service if we are representative of the population we serve; and as an employer we want to be an employer of choice, attracting and retaining the best and widest possible pool of talent. We want our colleagues to feel supported and included at work, able to give their very best to the organisation in serving the citizens of Scotland. For these reasons we continually strive to develop our [equality, diversity and inclusion \(EDI\)](#) as an organisation.

We have an EDI steering group and EDI colleague forum that agree outcomes and oversee actions in line with our EDI strategy. The actions were prioritised in consultation with our existing colleague-driven networks (LGBT+, Carers', and Neurodiversity). We received our 'Engaged' level accreditation from Carer Positive in Scotland in 2021-22 which assesses how well employers support employees who are also carers. Our most recent [Equalities mainstreaming report](#) was published in April 2021.



We launched an internal campaign to encourage colleagues to complete their diversity information on our HR system. This allows the EDI steering group to plan activity based on the characteristics within our workforce, and helps ensure we are representative of all colleagues, while introducing meaningful changes.

We delivered bullying and harassment training for both colleagues and managers, active bystander training, and the embedding of the internal 'BeRoS' campaign launched which focussed on being respectful, observant and supportive.

An Equality Impact Assessment (EqIA) project was initiated to agree a framework within RoS to address the EqIA requirements and the embedding of the approach will continue into the next year. A number of EqIAs have been completed with awareness being raised through organisation-wide communications to educate all colleagues on the purpose and value of equality and inclusion.

RoS was accepted to the [Young Person's Guarantee](#) which aims to connect 16-24 year olds in Scotland to opportunities via partnership between organisations and young people and a plan is being developed to support these outcomes during the next financial year.

We have also introduced new reporting mechanisms to allow us to report on disability and ethnicity pay gaps this year. Our current mean disability pay gap is 5.69% with a median of 0% and our current ethnicity pay gap is 13.56% with a median of 6.93%.

We know that we are underrepresented in terms of employees with disabilities and from ethnic minority backgrounds and want to change this. We have therefore put in place actions to lay the foundations to make this happen – for example, our EDI work and recent recruitment campaign for Administrative Officers as outlined on page [33](#).

Hybrid working

Colleagues have continued to be supported to work well remotely with equipment, toolkits and information being made available. A small number of office-dependent workers were joined by early returner colleagues this year with the aim to improve their environment or wellbeing through access to our premises in Edinburgh or Glasgow. This was prior to our buildings being fully reopened to all colleagues by the end of the financial year. In addition, a range of experiments have also taken place to gather information to better understand what future working at RoS might look like, moving from office-centric to people-centric working.

In May 2021, we embarked on our People and Workspace project. Its aim was to transition the organisation from a remote working environment by identifying hybrid options, enabling our colleagues to perform at their best and continuing to deliver the highest quality of service for our customers.

Through the project, we:

- Ensured the office environment and technology was fit for purpose in a hybrid working world
- Created the conditions to increase the performance of our workforce by giving colleagues the choice in how, where, and when they work without impacting business needs or our customer service
- Agreed the purpose of office working through a set of Hybrid Working Principles
- Informed key decisions for the future of RoS estates

Our Health and Safety Report for 2021-22 showed that accidents/incidents and near misses within our buildings during this period were zero. There were also no reported cases of COVID-19 being contracted by colleagues whilst in our offices and no positive cases have been recorded as RoS being the transmission point since the partial reopening of our offices for essential workers in June 2020.

Creating solid foundations for the future

During the last year climate change was given a worldwide platform with [COP26](#) taking place in Glasgow. It aimed to unite the world to tackle climate change and accelerate the goals of the Paris Agreement. This year RoS made strong commitments to climate change and mitigation.

In response to the climate emergency and zero emission commitments of the Scottish Government, we published a [Sustainability & Climate Change Strategy 2021-26](#) in September 2021. The strategy commits to meeting net zero emissions by 2045 with a 75% reduction in our carbon footprint by 2030. Work under the strategy commenced in early 2022 with a net zero feasibility study taking place. The results of this study will identify priorities and key projects to meet our goals.


For most of 2021-22, staff primarily remained working from home. Due to this, water and waste in our offices and staff travel remained lower than normal. In addition, energy efficiency improvement projects took place including LED lighting installations and switching from gas to electric air conditioning units which led to further reductions. We are also proactively working with other parts of the public sector to share space in our two offices, to reduce our collective carbon footprint.

In line with our Sustainability & Climate Change Strategy, we began to extend our boundary to take responsibility for measuring and reducing our indirect emissions. This year we captured a full home working emissions dataset and included it into our footprint.

Overall, the addition of the standardised indirect emissions from colleagues' homes has outweighed the reductions in direct emissions from our offices, so we have seen a slight increase in our emissions with 823 tonnes of CO2 emitted. In the coming year, we will survey colleagues to obtain a more accurate measure of actual indirect emissions from home.

The aim to be a digital business accelerated during the pandemic and was a positive consequence which supported our climate change goals. It has led to significant reductions in our paper usage which have remained at a low level throughout this year, with savings of 66% in comparison to the level of paper quantity previously used. In our efforts to reduce waste heading to landfill, we have also worked with Kinross Wooden Products Company and charities to either repurpose or reuse over 700 items of furniture that were no longer required in our offices.

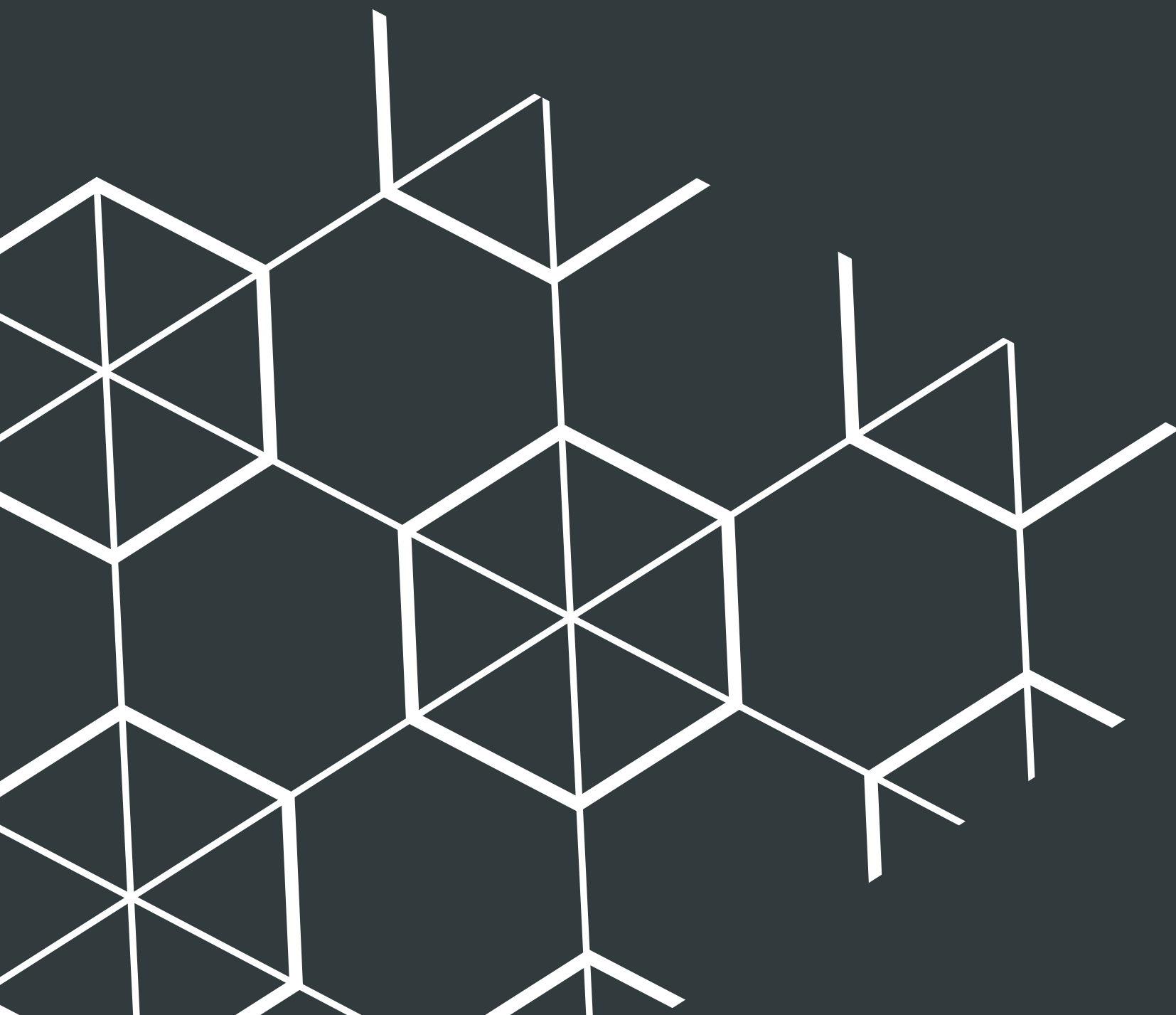
Our Sustainability team has continued to successfully engage with our staff to raise awareness of the importance of climate change and the additional mental and physical benefits of enjoying our local environments. This includes educational blogs and online workshops in partnership with Home Energy Scotland and Zero Waste Scotland, 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.



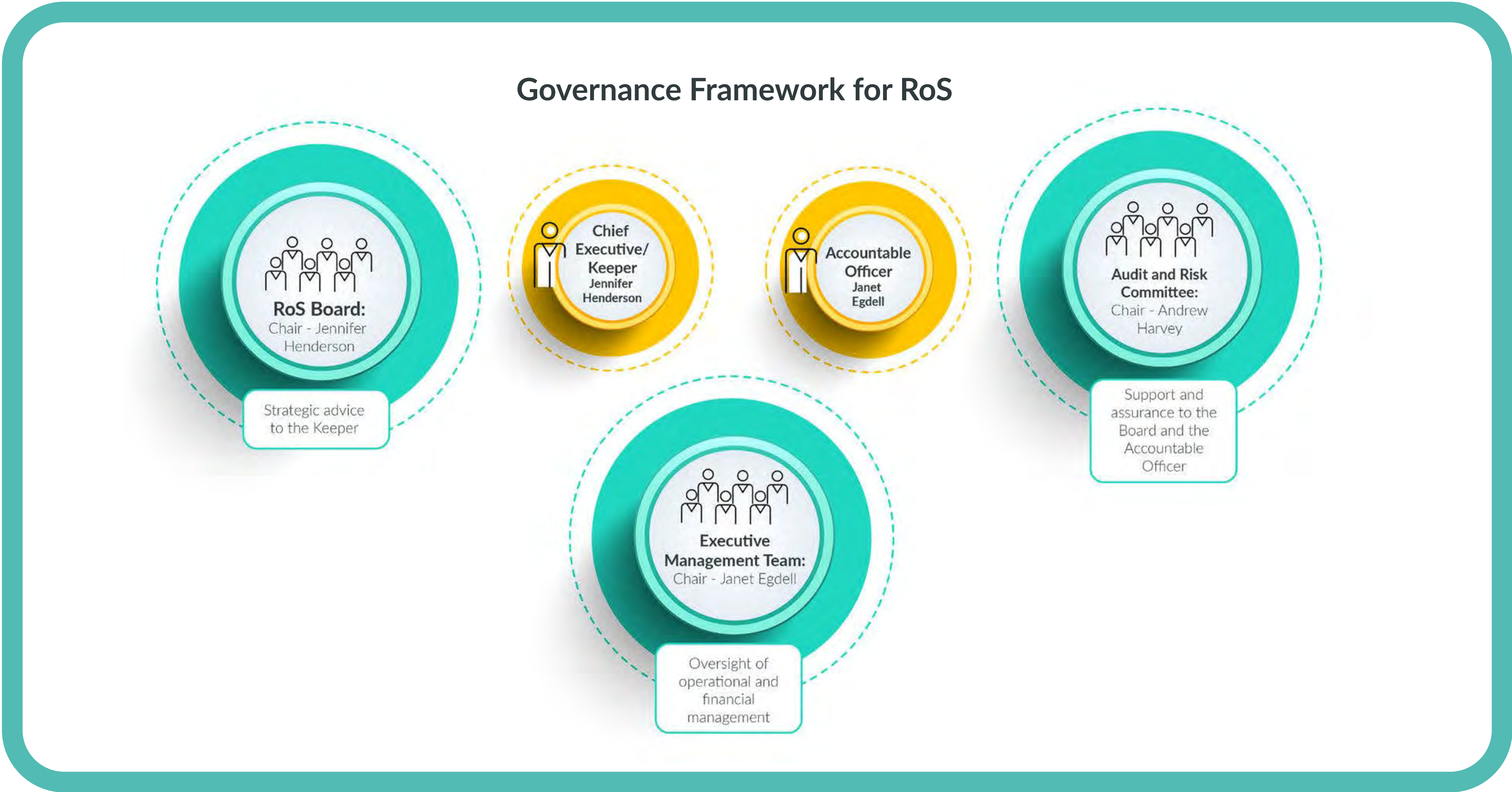
Janet Egdell

Accountable Officer
13 September 2022

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 45](#).

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 the 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 Permanent Secretary to the Scottish Government has appointed Janet Egdell as 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 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 Audit Scotland auditors are 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 Accountable Officer confirms that the annual report and accounts as a whole is fair, balanced and understandable and that she 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 [07](#).

A [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 carries out 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 2021 to 31 March 2022 from all Executive Directors, and there were no significant issues raised.

RoS Board

The 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 2021-22, the board consisted of five Executives and five Non-Executive Directors. The Non-Executive Directors provide an external, independent perspective on RoS' work. The board formally met on four occasions during 2021-22. 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 the board. The committee monitors how RoS delivers against the strategic objectives. It monitors the corporate governance arrangements in place and considers the exposure to financial risks including fraud.

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 RoS systems of internal control and challenges to the successful achievement of our corporate objectives. ARC reviews the reports from that programme, monitoring outcomes and actions to completion.

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

Details of ARC membership during 2021-22 can be found on our [website](#). In line with the HM Treasury code of good practice on corporate governance, 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, their 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 AO 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 bimonthly, 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 sub-committees: 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 Interest

A register of interest of advisory board members and the management team is held by RoS and reviewed annually. This is published on our website.

Risk management

RoS has a robust enterprise risk management framework, 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 corporate key risk register, with operational risk registers in each directorate and for the People and Workplace project, supporting our move to hybrid working. RoS 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 test controls for each key risk.

Our risk management framework exists to evaluate the extent and nature of these risks and 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 financial and non-financial risk management. Key risks are reviewed in alignment with the annual review of strategic objectives. New and emerging risks are also agreed and 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 monthly EMT Corporate Governance meeting and is noted by ARC 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 2021-22, we actively managed risk relating to:

- Our financial health to ensure that RoS became a net contributor to Scottish Government budgets in 2021-22 and beyond;
- 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;
- RoS 2024 and beyond – exploring RoS opportunities post Land Register Completion;
- In response to the war in Ukraine, we put in place checks on registrations by individuals subject to UK Government sanctions, and reviewed all contracts and digital systems for additional threats;
- Ongoing - adjustments to the changing landscape of the COVID-19 pandemic and as the economy recovers; embedding digital and collaborative ways of working and communicating with colleagues, customers, and stakeholders.

Through 2021-22 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), delegated function of EMT, with outputs from IAG reporting to the AO as Senior Information Risk Owner (SIRO). 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 as SIRO, advising on incident notification and reporting in line with the Information Commissioner's guidance. During the year 2021-22 no incidents were reported to the ICO.

Fraud

Instances of registration fraud remains 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. Annual reports on these were considered by ARC and formed part of the assurance process. We introduced additional anti-fraud measures applicable to applications submitted by 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.

We maintain a hospitality and gifts register, which is updated regularly and published on our [website](#).

We produce annual reports on fraud and bribery which are considered by the audit and risk committee and this forms part of the annual assurance process.

The 2021-22 report confirms that there was one instance of fraud or bribery identified or detected.

During the financial year it was identified unbeknown to RoS that counterfeit / refurbished IT hardware had been purchased from an approved Crown Commercial Services supplier in the financial year 2015-16. This was identified by the manufacturer when an update of the service contract of these goods was under negotiation and the counterfeit goods were immediately returned to the manufacturer for investigation. These goods were fully depreciated and had a netbook value of nil in the 2021-22 accounts and a profit on disposal of £30k received in the form of compensation from the manufacturer is included within SoCNE of the annual accounts. RoS has taken the necessary steps to ensure information security and governance was not compromised as a result of this hardware.

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'.

I am 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 2021-22.

Internal audit

Internal audit (IA) provides additional assurance to the AO. IA was outsourced to the Scottish Government Directorate of Internal Audit and Assurance (SGDIAA) in 2021-22. SGDIAA works to the Public Sector Internal Audit Standards, as well as to their own internal technical and client service standards. SGDIAA completed 3 assurance reviews and 1 advisory review. Individual reports are provided for each review and the detailed findings, recommendations, and agreed management responses are reported to ARC. The assurance and advisory reviews were, the RoS Management

development programme, Data Management (use, storage, and governance) and Business Continuity planning and the A-Z Policies advisory review.

The RoS Management development audit identified weaknesses in the risk, governance and/or control procedures in place although these were not significant in nature to impact the system of internal controls. Reporting mechanisms have been established within the business to ensure adequate and timely information is communicated to the EMT and governance boards.

The Data Management risks identified within governance and/or control procedures were not deemed to be significant in nature. A progress plan specifically relating to Data Licenses and reducing potential risks around data management and storage has been implemented.

The Business Continuity audit identified high and medium priority recommendations. The audit evaluated the controls in place to manage the risk surrounding the business continuity arrangements, following the significant digital enhancements and hybrid working arrangements in response to the COVID-19 pandemic. The audit findings concluded a lack of overarching strategy and underpinning policy within RoS which may lead to unclear direction and a potential risk of partial or full service failure if the business continuity plans were to be implemented. A BCP strategy and policy has been implemented resulting in enhanced governance and reporting.

The SGDIAA annual assurance report provided an overall assurance opinion of 'reasonable' for 2021-22. The findings demonstrated that RoS has a robust and mature governance structure, risk management approach and assurance framework, and identified opportunities for improvement. SGDIAA's assurance opinion was derived from, but not limited to assurance activities they conducted through 2021-22 but also RoS' overarching assurance landscape.

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 within RoS (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 (Audit Scotland) in their 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 Audit Scotland. The other sections of the Remuneration and staff report are reviewed by Audit Scotland 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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Jennifer Henderson Keeper and Chief Executive	85-90	85-90	18	70	105-110	155-160
Janet Egdell Accountable Officer	80-85	80-85	12	75	95-100	155-160
Billy Harkness Corporate Services Director	85-90	85-90	14	50	100-105	135-140
Kenny Crawford Business Development Director	80-85	80-85	14	52	95-100	130-135
Chris Kerr Registration and Policy Director	80-85	80-85	31	31	110-115	110-115
Andrew Harvey Non-Executive Director	5-10	5-10	0	0	5-10	5-10
Andrew Miller Non-Executive Director	5-10	0-5	0	0	0-5	0-5
Elaine Melrose Non-Executive Director	5-10	0-5	0	0	0-5	0-5
Mhairi Kennedy Non-Executive Director	0-5	0-5	0	0	0-5	0-5
Asim Muhammad Non-Executive Director	0-5	0-5	0	0	0-5	0-5
Deepa Mann-Kler* Non-Executive Director to 30/09/2021	5-10	5-10	0	0	5-10	5-10

*Actual was 0-5 comparative to prior shown.

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 2021-22 was £85,000-£90,000 (2020-21: £85,000-£90,000), a 0% increase from the previous financial year. The median remuneration of the workforce was £30,841 (2020-21: £30,084), an average increase of 3% from the previous financial year. In 2021-22, nil (2020-2021: nil) member of staff received remuneration in excess of the highest-paid director. Remuneration ranged from £2,000 to £90,000 (2020-21: £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 2020-21 to 2021-22 across the percentiles is owing to increases in staffing within our operational and corporate functions.

Total Pay Ratio	2021-22	2020-21
25th percentile	3.49	3.63
50th percentile	2.84	2.91
75th percentile	2.32	2.38

The table below 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.

	2021-22	2020-21
	£'	£'
Median director base salary	87,500	87,500
Median director pay and benefits	87,500	87,500
Colleagues salary		
25th percentile	25,052	24,127
50th percentile	30,841	30,084
75th percentile	37,706	36,780
Colleagues total pay & benefits		
25th percentile	25,052	24,127
50th percentile	30,841	30,084
75th percentile	37,706	36,780

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 2021-22 is consistent with the pay, reward and progression policies.

The 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 31/3/22 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/22	CETV at 31/3/21	Real increase in CETV (see page 53)	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Jennifer Henderson Keeper and Chief Executive	30 to 35 plus a lump sum of 65 to 70	0 to 2.5 plus a lump sum of 0	562	526	4	0
Janet Egdell Accountable Officer	45 to 50 plus a lump sum of 0	0 to 2.5 plus a lump sum of 0	791	747	1	0
Billy Harkness Corporate Services Director	40 to 45 plus a lump sum of 115 to 120	0 to 2.5 plus a lump sum of 0	994	934	3	0
Kenny Crawford Business Development Director	40 to 45 plus a lump sum of 110 to 115	0 to 2.5 plus a lump sum of 0	938	881	3	0
Chris Kerr Registration and Policy Director	15to 20 plus a lump sum of 0	0 to 2.5 plus a lump sum of 0	175	155	11	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 2021-22, RoS' contributions of £10,102,411 were payable to the Principal Civil Service Pension Scheme (PCSPS) (2020-21: £9,667,481) at one of four rates in the range 26.6% to 30.3% of pensionable pay (2020-21: 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 2021-22 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 2021-22, employer contributions of £69,180 (2020-21: £64,455) were paid to the appointed stakeholder pension provider – Legal & General. Employer contributions are age-related and ranged from 8% and 14.75% (2020-21: 8% and 14.75%).

RoS also match employee contributions up to 3.0% of pensionable earnings. In addition, RoS contributions of £196 in 2021-22 (2020-2021: £187), 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 £7,231 (2020-21: £6,805). 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 2021-22 or 2020-21.

Staff numbers and costs by permanent and other (Audited*)

During 2021-22, the average number of full-time equivalent (FTE) staff employed was 1,229 (2020-21: 1,252). The average agency/contingent workers FTE was 120 (2020-21: 127) and were primarily to support the digital requirements of updating legacy IT systems and new registers. Fixed term contracts reduced to 0 FTE (2020-21: 4).

Staff Costs	2022	2021
	£'000	£'000
Administration costs		
Wages and Salaries	38,824	38,123
Social Security costs	3,879	3,593
Other Pension costs	10,100	9,732
Inward Secondments	47	101
Agency Staff costs	15,429	16,744
Other Staff costs	178	168
Total administration staff costs	67,457	68,461
Restructuring costs	(1)	126
Net costs	67,456	68,587

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 Gender Ratio
2021-22	50.4%	49.6%	2.2%	11.5%	2:3
2020-21	50%	50%	2.2%	12%	2:3

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

Sickness absence

Our sickness absence has increased since 2020-21 due to the ongoing impact of COVID-19. 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
2021-22	7,970	4,317	3,653	6.87
2020-21	5,860	2,855	3,005	5.16

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 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](#).

Parliamentary accountability and audit report

Significant matters

The following significant issues have been identified during the year:

Financial Risk Management

Fees and charges

RoS income of £91.5 million for 2021-22 relates to £83.0 million from statutory fees and £8.5m non-statutory fees (2020-21: £65.3 million income, £55.0 million from statutory fees and £10.3 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 £9.0 million for 2021-22 (2020-21: £31.8 million) and are detailed in note 16 in addition to losses within the Sasines process and indemnity provision of £0.5 million (2020-21: £0.3 million).

As at 31 March 2022, RoS has contingent liabilities in relation to potential future indemnity payments that are not yet quantifiable. Quantifiable indemnities are noted at 12.3.

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. This is notably lower than the prior year as volumes in the financial year

have generally reverted back to monthly levels similar to those seen in the pre-COVID years 2017 to 2019. The shortfall in fee income on these transactions is offset by surpluses on other registrations (see note 16).

Our accounting policy is to recognise costs of FR and TP registrations based on normal levels of activity, the costs of these for the comparative years 2020-21 are based on the last quarter of 2020-21 and are summarised in note 16 of the annual accounts.

Fraud

During the financial year it was identified unbeknown to RoS that counterfeit / refurbished IT hardware had been purchased from an approved Crown Commercial Services supplier in the financial year 2015-16. This was identified by the manufacturer when an update of the service contract of these goods was under negotiation and the counterfeit goods were immediately returned to the manufacturer for investigation. These goods were fully depreciated and had a netbook value of nil in the 2021-22 accounts and a profit on disposal of £30k received in the form of compensation from the manufacturer is included within the SoCNE of the annual accounts. RoS has taken the necessary steps to ensure information security and governance was not compromised as a result of this hardware.



Janet Egdell

Accountable Officer
13 September 2022

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

I have audited the financial statements in the annual report and accounts of Registers of Scotland for the year ended 31 March 2022 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 a statement of 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 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2022 and of its net outturn for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2021/22 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

I conducted my 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. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 20 January 2021. The period of total uninterrupted appointment is two years. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I 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 I have performed, I 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, I 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

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my 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

My 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 my 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. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the body is complying with that framework;
- identifying which laws and regulations are significant in the context of the body;
- assessing 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.

The extent to which my 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 my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my 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 my responsibilities to detect material misstatements in the financial statements in respect of irregularities, I am 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

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited part of the Remuneration and Staff Report has 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 part of the Remuneration and Staff Report.

My 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 my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I 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 my 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

I am required by the Auditor General for Scotland to report to you if, in my opinion:

adequate accounting records have not been kept; or

the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or

I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my 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 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.



Carole Grant CPFA
Audit Director
Audit Scotland
4th Floor,
South Suite,
The Athenaeum Building,
8 Nelson Mandela Place,
Glasgow G2 1BT

13 September 2022

Annual accounts 2021-22



Statement of comprehensive income and expenditure for the year ended 31 March 2022

		2022	2021
	Note	£'000	£'000
Income - continuing operations	2	91,548	65,319
Staff costs	3	(67,457)	(68,461)
Administrative costs	4	(8,190)	(27,974)
Operating loss		15,901	(31,116)
Proceeds on disposal of non-current assets		48	0
Interest payable	13	(131)	(140)
Amortisation and depreciation	5 & 6	(4,460)	(4,419)
Impairment of non-current assets	5 & 6	(424)	(183)
Restructuring costs	3	1	(126)
Retained surplus/(loss) for the financial year		10,935	(35,984)
Gain/(loss) on revaluation of property, plant and equipment	5	854	390
Net Outturn		11,789	(35,594)

Statement of financial position as at 31 March 2022

		2022	2021
		£'000	£'000
Non-current assets	Note		
Property, plant and equipment	5	13,054	13,757
Intangible assets	6	7,624	4,456
Receivables due after one year	9	29	29
Total non-current assets		20,707	18,242
Current assets			
Inventories	8	346	692
Trade and other receivables	9	4,255	5,335
Cash and cash equivalents	10	10,766	19,019
Total current assets		15,367	25,046
Total assets		36,074	43,288
Current liabilities			
Trade and other payables falling due within one year	11	45,046	40,771
Provisions for liabilities and charges	12	9,518	16,457
Total current liabilities		54,564	57,228
Non-current liabilities			
Trade and other payables falling due over one year	11	249	340
Provisions for liabilities and charges	12	750	0
Total non-current liabilities		999	340
Total liabilities		55,563	57,568
Net assets		(19,489)	(14,280)
Taxpayers Equity			
Capital Loan	13	1,434	1,541
General Fund	SoCTE	(27,272)	(21,316)
Revaluation Reserve	SoCTE	6,349	5,495
Total taxpayers equity		(19,489)	(14,280)

The Accountable Officer authorised these financial statements for issue on 13 September 2022

Janet Egdell

Janet Egdell

Accountable Officer
13 September 2022

Statement of cash flows for the year ended 31 March 2022

		2022	2021
		£'000	£'000
Cash flows from operating activities	Notes		
Net operating profit (loss)	SoCNE	10,935	(35,984)
Proceeds from disposal of property, plant and equipment	SoCNE	(48)	0
Adjustments for non cash transactions			
Amortisation and depreciation	5 & 6	4,460	4,419
Impairment or disposal of non-current assets	5 & 6	424	183
Interest payable	13	131	140
External audit Notional charge	SoCTE	109	0
Movements in working capital			
(Increase)/Decrease in trade and other receivables	9	1,080	431
Increase/(Decrease) in trade and other payables	11	4,752	2,716
(Increase)/Decrease in inventories	8	346	(200)
Increase/(Decrease) in provisions	12	(6,189)	13,422
Net cash flow from operating activities		16,000	(14,873)
Cash flows from investing activities		£'000	£'000
Purchase of property, plant and equipment	5	(509)	(1,355)
Purchase of property, plant and equipment accrual adjustment		(369)	522
Purchase of intangible assets	6	(5,986)	(2,150)
Purchase of intangible assets accrual adjustment		(195)	194
Proceeds from disposal of property, plant and equipment	SoCNE	48	0
Interest receivable accrual movement		0	1
Interest payable	13	(131)	(140)
Interest payable prepayment movement		(4)	(4)
Net cash flow from investing activities		(7,146)	(2,932)
Cash flows from financing activities			
Repayment of loans from NLF	13	(107)	(106)
Transfers to/from Scottish Consolidated Fund (SCF)	SoCTE	(17,000)	15,862
Net cash flow from financing		(17,107)	15,756
Net increase(decrease) in cash and cash equivalents		(8,253)	(2,049)
Cash and cash equivalents at beginning of period	10	19,019	21,068
Cash and cash equivalents at end of period	10	10,766	19,019

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

Statement of changes in taxpayers' equity

	General Fund	Capital Loan	Retained Profits	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2020	0	1,647	(1,194)	5,106	5,559
Net operating profit/(loss) for the year			(35,984)		(35,984)
Transfer to/(from) General fund	(37,178)		37,178		0
Capital Loan repayments in period		(106)			(106)
Net gain/(loss) on revaluation of property				389	389
Auditors' remuneration*	0				0
Parliamentary funding drawn down/(contribution)	15,862				15,862
Balance at 31 March 2021	(21,316)	1,541	0	5,495	(14,280)
Net operating profit/(loss) for the 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	0	6,349	(19,489)

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

1. Accounting Policies

1.1 Statement of Accounting Policies

These financial statements have been prepared in accordance with the principle and disclosure requirements of the Government Financial Reporting Manual (FReM) for 2021-22, 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 (reproduced at page 90). Generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union, International Financial Reporting Interpretation Committee (IFRIC) Interpretations and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The particular accounting policies adopted by RoS are described below. They have been applied consistently in dealing with items considered material in relation 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

RoS is an income generating non-ministerial office (NMO) of the Scottish Government and is funded by Scottish Government. 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 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 as determined by the relevant accounting standard.

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. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Note 5 - Property, plant and equipment
- Note 6 - Intangible assets
- Note 8 - Inventories
- Note 11 - Fees received in advance
- Note 12 - Provision for liabilities and charges

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 and in the intervening years the retail price index is applied to provide a desktop valuation. The next three yearly valuation will be carried out on the 31 March 2024.

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, with annual indexation considerations for the years in between. 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
- Computer Equipment 3 to 5 years
- Office Equipment 5 years
- Buildings 20 years (see note 5)
- Leased 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.

RoS develops specialist in-house IT systems, and applies IAS 38 *Intangible Assets*. All costs eligible to be defined as development expenditure, including directly related staff costs, are capitalised and held as assets under development. 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 exposed to interest rate risk or currency risk as all material assets and liabilities are denominated in sterling.

1.11 Operating leases

An operating lease is a lease other than a finance lease. Rentals payable in respect of operating leases are charged to the statement of comprehensive income and expenditure on a straight-line basis over the term of the lease.

RoS has not applied IFRS 16 in the year 2021-22 as the standard was not effective yet for public bodies.

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 but 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.

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. Performance payments are recognised only when there is a legal or constructive obligation to pay them and the costs can be reliably estimated.

RoS offers voluntary exit schemes in line with Scottish Government guidelines. Termination benefits are recognised when it can be demonstrated that there is an irreversible agreement to terminate the employment of employee(s) before the scheme’s retirement date, or as a result of an offer to encourage voluntary redundancy.

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.

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, 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 registration services and non-statutory services, these are regularly reviewed to allocate resources to the segments and assess their performance.

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 2021-22.

1.22 Accounting standards issued but not yet effective

All International Financial Reporting Standards, Interpretations and Amendments to published standards effective at 31 March 2022 have been adopted where applicable to RoS.

There is a new accounting standard which has been issued but not yet applied. This standard is considered relevant to RoS and the anticipated impact on the annual accounts is as follows:

- IFRS 16 – Leases In light of COVID-19 pressures, HM Treasury and the Financial Reporting Advisory Board (FRAB) have decided that IFRS 16 implementation in the public sector will be deferred to April 2022. This standard will now be mandatory in the public sector for accounting periods commencing on or after 1 April 2022. The adoption of this standard will affect RoS as a lessee of the SVP Building, Motor Vehicles and Equipment. The new standard provides a single lessee accounting model, eliminating the distinction between operating and finance leases.

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 commercial 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.

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

2021			
	Statutory	Non-statutory	Total
	£'000	£'000	£'000
Income	55,045	10,274	65,319
Staff costs	(61,322)	(7,139)	(68,461)
Administrative costs	(26,128)	(1,846)	(27,974)
Operating surplus	(32,405)	1,289	(31,116)

2.1 Income from continuing operations

	2022	2021
	£'000	£'000
Statutory fees		
First Registrations	8,989	5,693
Transfers of Part	7,162	4,678
Dealings with Whole	62,432	42,137
Sasines	1,723	509
Chancery and Judicial Registers	1,902	1,063
Other statutory income	790	965
	82,998	55,045
Non-statutory fees		
ScotLIS and Customer Services	4,280	3,534
Reports and other income (including recoveries)	4,270	4,130
Coronavirus Job Retention Scheme Income	0	2,610
	8,550	10,274
	91,548	65,319

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).

Coronavirus Job Retention Scheme income is the allowable percentage of the costs of retaining staff during the period they were not digitally enabled to be able to work remotely under the Coronavirus Job Retention Scheme.

3. Staff Costs

	2022	2021
	£'000	£'000
Administration Costs		
Wages and salaries	37,824	38,123
Social security costs	3,879	3,593
Other pension costs	10,100	9,732
Inward secondments	47	101
Agency staff costs	15,429	16,744
Other staff costs	178	168
Total administration staff costs	67,457	68,461
Restructuring costs	(1)	126
Total net costs	67,456	68,587

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

Average number of persons employed

	2022	2021
Average number of persons employed		
Registration	689	737
Corporate Services (including Business Development and Information)	415	378
Total	1,104	1,115
Temporary contracts	120	127
Fixed term contract	0	4
Secondees in	1	2
Secondees out	4	5
	1,229	1,252

4. Administrative costs

	2022	2021
	£'000	£'000
Note		
Staff-related costs		
Travel and subsistence expenses	2	0
Staff training	628	329
Other staff costs	271	171
Supplies and services		
Catering	41	87
Security	405	405
Equipment and services	6,929	7,292
General administrative expenditure	631	648
Services from Ordnance Survey	428	356
Copy deeds/quick copies	0	0
Professional fees	1,300	1,815
Bank charges	15	16
Indemnity and legal costs	606	365
Internal audit	40	40
Accommodation and utilities		
Estate charges	802	783
Operating leases - rents	467	418
Repairs, maintenance and minor works	669	1,098
Utilities	277	296
Environmental services	468	462
Non-cash items		
External Audit	55	54
Movement in work in progress	8	(5,588)
Movement in provision for indemnity	12	(256)
Movement in provision for dilapidations	12	0
	8,190	27,974

5. Property, Plant and Equipment

5.1 Cost or valuation

	Land freehold	Buildings freehold	Information technology	Plant and machinery	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation						
At 1 April 2021	2,140	10,794	10,148	335	0	23,417
Additions	0	295	214	0	0	509
Transfers In/(Out)	0	0	0	0	0	0
Revaluation in year	192	697	0	0	0	889
Impairment	0	(295)	0	0	0	(295)
Disposals	0	0	(3,522)	(10)	0	(3,532)
At 31 March 2022	2,332	11,491	6,840	325	0	20,988
Depreciation						
At 1 April 2021	0	2,099	7,235	326	0	9,660
Charged in year	0	545	1,222	5	0	1,771
Backlog depreciation	0	35	0	0	0	35
Impairment	0	0	0	0	0	0
Revaluation in year	0	0	0	0	0	0
Disposals	0	0	(3,522)	(10)	0	(3,532)
At 31 March 2022	0	2,679	4,935	320	0	7,934
NBV at 31 March 2022	2,332	8,812	1,905	5	0	13,054
NBV at 31 March 2021	2,140	8,695	2,913	9	0	13,757
Analysis of asset financing						
Owned	2,332	8,812	1,905	5	0	13,054
Finance Leased	0	0	0	0	0	0
NBV at 31 March 2022	2,332	8,812	1,905	5	0	13,054

5.2 Cost or valuation

	Land freehold	Buildings freehold	Information technology	Plant and machinery	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation						
At 1 April 2020	2,140	10,403	11,642	455	174	24,814
Additions	0	0	740	0	615	1,355
Transfers In/(Out)	0	0	789	0	(789)	0
Revaluation in year	0	391	0	0	0	391
Impairment	0	0	0	0	0	0
Disposals	0	0	(3,023)	(120)	0	(3,143)
At 31 March 2021	2,140	10,794	10,148	335	0	23,417
Depreciation						
At 1 April 2020	0	1,553	9,154	440	0	11,147
Charged in year	0	544	1,104	5	0	1,653
Backlog depreciation	0	2	0	0	0	2
Impairment	0	0	0	0	0	0
Revaluation in year	0	0	0	1	0	1
Disposals	0	0	(3,023)	(120)	0	(3,143)
At 31 March 2021	0	2,099	7,235	326	0	9,660
NBV at 31 March 2021	2,140	8,695	2,913	9	0	13,757
NBV at 31 March 2020	2,140	8,850	2,488	15	174	13,667
Analysis of asset financing						
Owned	2,140	8,695	2,913	9	0	13,757
Finance Leased	0	0	0	0	0	0
NBV at 31 March 2021	2,140	8,695	2,913	9	0	13,757

5.3 Freehold 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 and in the intervening years the retail price index is applied to provide a desktop valuation. The next three yearly valuation will be carried out at the 31 March 2024. Land and buildings were revalued by the District Valuer Services (DVS) at £9.9 million as at 31 March 2021. 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. as a result of the incidence of COVID-19. RoS will closely monitor external indicators which may result in these assets being impaired in 2022-23.

6. Intangible assets

6.1 Cost or valuation

	Assets under development	Software	Computer licences	Total
	£'000	£'000	£'000	£'000
Cost or Valuation				
at 01/04/2021	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 1/04/2021	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

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 1 April 2020	1,477	26,759	444	28,680
Additions	808	998	344	2,150
Reclassification	(868)	868	0	0
Impairment	(183)	0	0	(183)
Disposals	0	(328)	(15)	(343)
At 31 March 2021	1,234	28,297	773	30,304
Amortisation				
At 1 April 2020	0	23,291	136	23,427
Charged in year	0	2,752	12	2,764
Reclassification	0	0	0	0
Impairment	0	0	0	0
Disposals	0	(328)	(15)	(343)
At 31 March 2021	0	25,715	133	25,848
NBV at 31 March 2021	1,234	2,582	640	4,456
NBV at 31 March 2020	1,477	3,468	308	5,253

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

Software includes ScotLIS and the Cadastral Map which had an NBV of £0.3m and £1.1m respectively at 31 March 2022.

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 not therefore 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 (note 13).

8. Inventories

	2022	2021
	£'000	£'000
Work in progress	346	692
The movement in work in progress (see note 4 above) is made up of:		
	2022	2021
	£'000	£'000
Increase/(Decrease) in Asset balances	(346)	200
(Increase)/Decrease in provision	5,934	(13,278)
	5,588	(13,078)

9. Trade receivables and other current assets

	2022	2021
	£'000	£'000
Amounts falling due within one year:		
Trade receivables and accrued income	1,019	1,075
Less: Impairment for receivables	(94)	(41)
	925	1,034
Other receivables	118	627
Prepayments	3,212	3,674
Total receivable within one year	4,255	5,335
The above is further analysed as:		
Other central government bodies	48	527
Local authorities	28	27
NHS bodies	1	0
Bodies external to government	4,177	4,781
	4,255	5,335
Amounts falling due after more than one year:		
Other receivables - Subrogation	29	29

10. Cash and cash equivalents

	2022	2021
	£'000	£'000
Balance at 1 April	19,019	21,068
Net change in cash and cash equivalent balances	(8,253)	(2,049)
Balance at 31 March	10,766	19,019

The following balances at 31 March were held at:		
Government Banking System	9,117	15,828
Commercial banks and cash in hand	1,649	3,191
Balance at 31 March	10,766	19,019

11. Trade payables and other current liabilities

	2022	2021
	£'000	£'000
Amounts falling due within one year:		
Trade payables and accruals	4,266	5,683
Other payables	79	40
Other taxation and social security	1,006	974
VAT/CIS	114	198
Fees received in advance	39,474	33,770
NLF loans	107	106
Total due within one year	45,046	40,771
Amounts falling due over one year:		
Trade payables	249	340
	45,295	41,111
The above is further analysed as:		
Other central government bodies	2,150	1,474
Local authorities	410	411
NHS bodies	83	77
Bodies external to government	42,652	39,149
Balance at 31 March	45,295	41,111

12. Provisions for liabilities and charges

12.1 Schedules

	Early retirement	Indemnities	Work in progress	Dilapidations	Total
	£'000	£'000	£'000	£'000	£'000
At 1 April 2020	117	541	1,627	750	3,035
Additional provision made	0	523	13,278	0	13,801
Revaluation of provision	0	0	0	0	0
Amounts incurred and charged against provision	(116)	(203)	0	0	(319)
Unused amounts reversed	(1)	(59)	0	0	(60)
At 31 March 2021	0	802	14,905	750	16,457
Additional provision made	0	593	0	0	593
Revaluation of provision	0	100	(5,934)	0	(5,834)
Amounts incurred and charged against provision	0	(579)	0	0	(579)
Unused amounts reversed	0	(369)	0	0	(369)
At 31 March 2022	0	547	8,971	750	10,268
Analysis of total provisions:					
At 31 March 2021					
Current	0	802	14,905	750	16,457
Non-current	0	0	0	0	0
	0	802	14,905	750	16,457
At 31 March 2022					
Current	0	547	8,971	0	9,518
Non-current	0	0	0	750	750
	0	547	8,971	750	10,268

12.2 Early retirement

This provision relates to future pension costs up to normal retirement age for employees who retired early under the Principal Civil Service Pension Scheme; no further costs are expected.

12.3 Indemnities

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

12.4 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. This is notably higher than previous years owing to the global pandemic as colleagues were digitally enabled. The shortfall in fee income on these transactions is offset by surpluses on other registrations (see note 16).

12.5 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 2022 (2021: £0.1m).

Repayments of the capital loan are as follows:

	2022	2021
	£'000	£'000
Between one and two years	107	106
Between two and five years	319	319
In more than five years	1,008	1,116
	1,434	1,541

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:

	2022	2021
	£'000	£'000
Property, plant and equipment	3	60
Intangible assets	0	0



15. Commitments under leases

Operating Leases

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

Obligations under operating leases comprise:

	2022	2021
	£'000	£'000
Buildings:		
Not later than one year	561	519
Later than one year and not later than five years	1,587	1,948
Later than five years	0	0
	2,148	2,467
Other:		
Not later than one year	47	76
Later than one year and not later than five	0	0
Later than five years	0	0
	47	76

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

From 01/04/2022 RoS will apply IFRS 16 to operating leases. As a result of the application on the inception RoS will recognise a Right of Use asset of £1.8 million and a liability of £1.7 million in the Statement of Financial Position and depreciation of £0.5 million and interest of £0.01 million.

16. Losses

RoS settled 133 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 £0.5 million (2020-21: 148 claims, £0.3 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	2022	2021
	£'000s	£'000s
Opening FR WIP provision	(8,389)	0
Closing FR WIP provision	(5,511)	(8,389)
Change in provision	2,878	(8,389)
Cost of FR registrations	(20,714)	(17,720)
FR Income	8,989	5,693
Loss	(8,847)	(20,416)

From TP registration process	2022	2021
	£000s	£000s
Opening TP WIP provision	(6,517)	(1,627)
Closing TP WIP provision	(3,461)	(6,517)
Change in provision	3,056	(4,890)
Cost of TP registrations	(10,300)	(11,178)
TP Income	7,162	4,678
Loss	(82)	(11,390)

17. Contingent liabilities

As at 31 March 2022, 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 2020-21, 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 2022 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 16 – Leases

The FReM, issued by HM Treasury, interprets and adapts IFRS 16 for the public sector context in several ways. IFRS 16, as adapted and interpreted by the FReM, was to be effective from 1 April 2020, however, in light of COVID-19 pressures, HM Treasury and the Financial Reporting Advisory Board (FRAB) have decided that IFRS 16 implementation will be deferred until 1 April 2022. While the impact on the financial statements has yet to be fully determined, lease obligations (£2.1 million at 31 March 2022, as disclosed in Note 15) will be recognised as right of use assets at 1 April 2022.

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:

	2021-22	2020-21
	£'000	£'000
Statutory audit services	55	54
Total auditor’s remuneration	55	54

The audit fee is a notional charge, as notified to us by our auditors, 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) 2021-22

Annual Reporting Return:

Name of Relevant Authority: Keeper of the Registers of Scotland

Reporting Period: 01 April 2021 to 31 March 2022

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 Climate Change Strategy 2021; and (2) the Registers of Scotland (Digital Registration, etc.) Regulations 2022. Both are published on the RoS website.

Registers of Scotland has also provided contribution to the Scottish Governments' ICIA on the Coronavirus (Recovery and Reform) (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%	1
1-50%	4
51%-99%	2
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	£67,457,204
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.18%

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?

9.0%	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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