

Draft Regulations laid before the Scottish Parliament under section 116(3)(g), (h) and (i) of the Land Registration etc. (Scotland) Act 2012, for approval by resolution of the Scottish Parliament.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2014 No.

LAND REGISTRATION

**The Land Register of Scotland (Rate of
Interest on Compensation) Regulations 2014**

Made - - - - 2014
Coming into force - - 8th December 2014

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 79(4), 84(7) and 95(4) of the Land Registration etc. (Scotland) Act 2012⁽¹⁾ and all other powers enabling them to do so.

In accordance with section 116(3)(g), (h) and (i) of that Act, a draft of these Regulations has been laid before and approved by resolution of the Scottish Parliament.

Citation and commencement

1. These Regulations may be cited as the Land Register of Scotland (Rate of Interest on Compensation) Regulations 2014 and come into force on 8th December 2014.

Interest

2.—(1) The rate of interest payable by virtue of sections 79(2), 84(5) and 95(2) of the Land Registration etc. (Scotland) Act 2012 is 1 per cent above the Bank of England base rate.

(2) In this regulation “Bank of England base rate” means—

- (a) except where sub-paragraph (b) applies, the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short term liquidity in the money markets; or
- (b) if an order under section 19 (reserve powers) of the Bank of England Act 1998⁽²⁾ is in force, any equivalent rate determined by the Treasury under that section.

(1) 2012 asp 5.
(2) 1998 c.11.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a Scottish Statutory Instrument: *The Land Register of Scotland (Rate of Interest on Compensation) Regulations 2014 No. 194*

St Andrew's House,
Edinburgh
Date

Name
Authorised to sign by the Scottish Ministers

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision as to the rate of interest to be applied to payments of compensation made by the Keeper of the Registers of Scotland under the Land Registration etc. (Scotland) Act 2012 (“the Act”).

Section 77 of the Act provides that the Keeper must pay compensation for loss incurred as a result of a breach of the Keeper’s warranty. Section 84 provides that the Keeper must pay compensation for loss incurred in consequence of an inaccuracy in the register and certain expenses incurred in securing rectification of the register. Section 94 provides that the Keeper must pay compensation for loss incurred as a result of the operation of Part 9 of the Act.

Sections 79, 84 and 95 make provision regarding the quantification of that compensation and confer upon the Scottish Ministers the power to set the rate of interest payable on that compensation.

Regulation 2 provides that the rate of interest payable is 1 per cent above the Bank of England base rate.

A business regulatory impact assessment has not been provided for this instrument as no impact on the private or voluntary sectors is foreseen.