



LOWES

Register of Persons Holding a Controlled Interest in Land (RCI) FAQs

What is the RCI Register for?

The purpose of the new register is to improve transparency about land ownership by making information about those who have a controlling interest in land publicly available, even if they are not necessarily registered as the owner of the land.

How did the RCI Register come about?

The Land Reform (Scotland) Act 2016 required Scottish Ministers to make regulations for a new public register holding information about persons with controlling interests in relation to land.

Where is the RCI Register held?

The RCI register is held by the Registers of Scotland.

Why was the RCI Register deemed necessary?

If someone wanted to contact an owner or tenant about a piece of land, they could try to find this information from the land register or sasines register. This will give details of the owner or tenant of the land but not details of who can significantly influence or control their decisions about that land. RCI will help by showing those that influence or make decisions about land and property and their contact address.

What are the timescales?

The RCI register became operational on 1 April 2022, and is free to submit to and to search. The two-year grace period during which time penalties for failure to comply will not be charged comes to an end on 31 March 2024.

What happens if the required information is not submitted to the RCI Register?

It is a criminal offence, punishable by a fine of up to £5,000, to fail to provide the required information to the RCI, or to provide false or misleading information.

Will I have to make an entry into the RCI?

You only need to make an entry in the RCI if you own land in Scotland or hold land in Scotland under a lease for more than 20 years and:

- there is an individual or entity who has significant influence or control over decisions about what you do with the land (e.g. a contractual arrangement such as an option agreement); or
- you are in a partnership where not all partners are registered as owners; or
- you hold the property in trust for someone else (e.g. where not all trustees are registered as owners); or
- you hold the property for an unincorporated association, such as a sports club or village hall; or
- you are an overseas entity in which someone holds a 25% or more controlling interest; and
- you are not exempt.

If you satisfy these criteria you will be known as a 'recorded person' and you will need to provide information about your 'associates' who influence or control what you do with the land in the RCI.

What information needs to be submitted to the RCI Register?

Details need to be submitted about:

- The owner/tenant of the property, including their name, address, the capacity in which they hold the property (e.g. as trustee) and (if applicable) who they hold the property for (i.e. the name of any partnership, trust or unincorporated body)
- The land/property, including the address (or if there is no postal address, a description and the approximate location and size of the property) and any title number, and
- The associate, including their name and address, their date of birth if an individual (although this will not be published), and the date their association with the owner/tenant started (i.e. the date they were brought into the partnership).

Does RCI just affect land?

No the definition of “land” includes buildings and other structures.

What does a “controlling interest” mean?

Someone who can influence decisions concerning the land or property in relation to the disposal, changing use, leasing, securing the property to a lender or directing the activities of the owner.

Are any ownership types exempt?

Those who are subject to other transparency regimes, are not subject to the RCI. This includes some charities, UK companies, Limited Liability Partnerships, Scottish Limited Partnerships, and public bodies, however, these entities may still need to register in the RCI if they are an associate.

Will my Solicitor automatically submit an application on my behalf?

No. It is the responsibility of the owner/tenant of the property to comply with their duties under the RCI.

Will agricultural tenancies under the Agricultural Holdings (Scotland) Acts 1991 and 2003 be caught by the RCI Regulations?

Most agricultural tenants will not constitute recorded persons and will not require to disclose information under the RCI Regulations.

A farm is held jointly between a husband and wife as individuals and they farm the land in partnership. Does this trigger the RCI?

No, but if the husband and wife were to bring another person into their farming partnership – both husband and wife would need to register that new partner as an associate for RCI purposes.

What are the timescales for the ongoing maintenance of the RCI?

Any changes to any information about the associate, owner or tenant, or controlled interest must be updated to the RCI within 60 days.

How do you make a submission to the RCI

This is done online, on a Registers of Scotland RCI webpage. Submission to the RCI can be done by the owner/tenant of the property, or it can be done by an agent on their behalf (e.g. their solicitor).

Where can I get more information on the RCI?

The Registers of Scotland has guidance, as well as an online support tool for those assessing whether to make an entry in the RCI. If you are unsure, legal guidance should be sought. Lows would be delighted to assist you with providing that advice.

If you require further information contact us at Lows on 01856 873151