Opinion: final stage EANCB validation

Origin: domestic

RPC reference number: RPC-3366-DCMS

Date of implementation: 2017



# Minor amendments to the Wireless Telegraphy Act Department for Culture, Media and Sport

**RPC rating: validated** 

## **Description of proposal**

Presently, Ofcom are required to retain seized property for 12 months after the conclusion of proceedings against owners, with the majority of seizures relating to illegally used equipment for which no owner comes forward. The proposal will reduce the standard retention period to six months.

There is currently a maximum six month time limit after the commission of an offence during which information can be laid or a complaint made before a magistrates' court. As a result of the time needed to test equipment or complete investigations, Ofcom is limited in its ability effectively to enforce some aspects of the WTA.

The proposal will introduce two minor amendments to the Wireless Telegraphy Act (WTA). These would reduce the length of time Ofcom would be required to retain seized property prior to disposal, and to relax the limits on Ofcom's ability to bring cases to magistrates' courts to the shorter of three years after the offence was committed and one year after the prosecutor has sufficient knowledge of the commission of the offence.

## Impacts of proposal

The proposal is expected to have a very limited effect on business. Only one case out of 3,152 proceedings in the last five years involved a return of equipment to the business after the proposed shorter retention period. The Department expects any costs to business to therefore be negligible. The proposed change to the time limit for bringing cases to magistrates' courts is not expected to result in any costs for compliant businesses.

The RPC validates the estimated equivalent annual net cost to business (EANCB) of zero for reporting purposes. The proposal is a qualifying regulatory provision that will be reported under the business impact target.

# **Quality of submission**

The information in the IA is sufficient to support the estimated EANCB of zero when reported to the nearest £100,000. There are, however, a number of areas in which

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the published IA should be improved. In particular, the IA should provide more information on how the two elements of the proposal interact. The intended effect of the first measure (shortened retention time) would appear to be undermined if the second measure (longer time to commence proceedings) is implemented. The IA currently says "The policy intention is to reduce ... storage costs by reducing the standard retention period from 12 months to 6 months, so that the time Ofcom is required to store the property when proceedings are not initiated is a maximum of 12 months". However, the proposed extension to the length of time to bring a case would appear to have the potential to extend the time Ofcom may be required to store property by a longer period. As a result of the extended time period for proceedings, the two elements of the proposal could result in a net increase in the time Ofcom will be required to store property. In any case, the IA should explain how changes to the time in which proceedings may be brought affects the point at which the time limit for disposal of equipment starts. In particular, the IA should consider the extent to which the two measures taken together could compound the delay faced by compliant businesses getting their equipment back. The IA should also assess the proportion of additional cases likely to be heard by magistrates as a result of the time limit changes, and provide an assessment of the extent to which the defendant is found to be not quilty in these additional cases. The delay associated with these additional proceedings would represent an increased burden on compliant defendants, some of whom may be businesses.

The IA should also indicate the potential scale of the benefits to Ofcom, for example by providing information on the scale of the costs associated with the storage of equipment.

### **Departmental assessment**

Classification	Qualifying regulatory provision (IN)
Equivalent annual net cost to business (EANCB)	Zero
Business net present value	Zero
Societal net present value	Zero

#### **RPC** assessment

	Classification	Qualifying regulatory provision (IN)	
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EANCB – RPC validated <sup>1</sup>	Zero
Business Impact Target (BIT) Score <sup>1</sup>	Zero
Small and micro business assessment	Not required (low cost regulation)

Michael Gibbons CBE, Chairman

<sup>&</sup>lt;sup>1</sup> For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.