


|  |   |
|--|---|
|  <b>Regulatory Policy Committee</b>   | <b>Validation of the One-in, Two-out Status and the Net Direct Impact on Business</b> |
| <b>Validation Impact Assessment (IA)</b>   | Personalised Registrations (PR) Online  |
| <b>Lead Department/Agency</b>  | Department for Transport  |
| <b>IA Number</b>   |   |
| <b>Origin</b>  | Domestic  |
| <b>Expected date of implementation</b>   | April 2015 (SNR 9)  |
| <b>Date of Regulatory Triage Confirmation</b>  | N/A – red tape challenge  |
| <b>Date submitted to RPC</b>   | 23 October 2014   |
| <b>Date of RPC Validation</b>  | 19 November 2014  |
| <b>RPC reference</b>   | RPC14-FT-DFT-2245   |
| <b>Departmental Assessment</b>   |   |
| <b>One-in, Two-out status</b>  | <b>OUT</b>  |
| <b>Estimate of the Equivalent Annual Net Cost to Business (EANCB)</b>  | <b>-£5.35 million</b>   |
| <b>RPC assessment</b>  | <b>VALIDATED</b>  |
| <b>Summary RPC comments</b>  |   |
| <p>The validation IA is fit for purpose. The IA accurately assesses the likely net benefits of the proposal to business.</p> <p>The RPC is able to validate the net benefits to business of £5.35 million each year.</p>   |   |
| <b>Background (extracts from IA)</b>   |   |
| <p><b>What is the problem under consideration? Why is government intervention necessary?</b></p> <p><i>“PR transaction processes are overly burdensome to businesses and the general public. The only method available to retain or transfer a registration number is in writing. Application forms and supporting documents must be sent for processing to the DVLA involving costs and taking undue time. These burdens could be avoided if businesses and the public had access to electronic channels.</i></p> <p><i>In addition, customers must apply annually in writing and pay a fee for a</i></p> |   |

*retention extension if they do not assign a registration mark they hold to a car after a fixed point of time. This is deemed to be costly and burdensome and should be changed.”*

**What are the policy objectives and the intended effects?**

*“The objective is to simplify processes by providing an online facility for motorists and businesses to retain, assign and amend details. The development of an electronic channel will provide customers with the ability to transact without having to complete and send the relevant paper documentation to the DVLA. The electronic system will be able to allow a retention and either an immediate or delayed assignment within real time. In addition, the vast majority of customers will no longer be required to apply to extend a retention period where a mark is not assigned as the initial period will be extended to 10 years. The fee for this will also be removed.”*

**RPC comments**

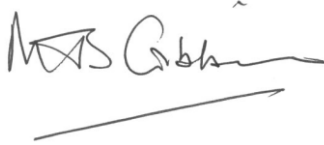
The Department proposes to provide an online facility for businesses and individuals to amend the details of personalised registrations for vehicles. The proposal will also extend the period for which registrations can be retained, reducing the burdens associated with renewals. The existing paper forms and processes will remain available for customers who wish to use them.

Based on evidence from a random sample of over 100,000 forms, the Department estimates that around 880,000 paper transactions relating to personalised registrations are submitted by business each year. The Department expects businesses to save nearly £6 million each year (in 2014 prices) from the reduced volume of applications for extensions, and nearly £1 million each year (in 2014 prices) from no longer needing to post paper forms. Individuals are expected to save similar amounts from the changes. The IA includes sufficient supporting information on the expected level of take up of the online service based on business use of comparable DVLA online processes. The modelling of the expected cost savings from reduced postage also appears comprehensive.

The IA should include the additional information provided by the Department on the historic volume of personalised registration transactions prior to publication. The Department should amend the IA to include the additional information comparing the online and paper forms. As the online form replicates the existing paper form, this information supports the Department’s assessment that there will be negligible familiarisation costs.

The IA says that this is a deregulatory proposal (an ‘OUT’) with an estimated equivalent annual net cost to business of - £5.35 million. This is consistent with the current Better Regulation Framework Manual (paragraph 1.9.11) and provides a robust assessment of the likely impacts of the proposal.

On this basis, the RPC is able to validate the EANCB of -£5.35 million for

|                |   |                                  |
|----------------|---|----------------------------------|
| OITO purposes. |   |                                  |
| <b>Signed</b>  |  | <b>Michael Gibbons, Chairman</b> |