Opinion: EANDCB Validation

Origin: Domestic

RPC reference number: RPC-4113-DEFRA-MMO





Marine Management Organisation (MMO) Monitoring marine licensing returns

RPC rating: validated

Description of proposal

The MMO has implemented a digital system for management of "licence returns" which marine operators are required to send to the MMO to confirm that licensed works are proceeding according to the terms of the licence. This replaces an earlier paper-based system.

Impacts of proposal

The change affects around 4,500 operators in principle; in practice around 400-500 new licences are issued each year, of which around 100 will require a return.

Based on discussions with operators and on ASHE data, the MMO assumes that operators will save around three hours of staff time at £23.30 per hour as a result of not having to manage paper-based applications (net of any additional costs of familiarisation with the system). It therefore estimates a total annual saving to business of £7,269 per annum.

It also estimates cost savings to the MMO, which will be passed on to business through fee reductions, at £29,328.

Quality of submission

The submission is generally clear and proportionate to the limited scale of the measure; in response to the RPC's Initial Review Notice (IRN), the MMO has drawn on discussions with businesses to estimate time savings for businesses as a result of using the new system.

The EANDCB still includes reductions in fees as a result of efficiencies realised by the MMO in using the new system for processing returns. As we noted in our IRN, these are non-qualifying for the purposes of the Business Impact Target and should be excluded from the EANDCB. However, their inclusion does not affect the rounded EANDCB, and so the RPC is able to validate the EANDCB (of zero) presented.

Date of issue: 02 August 2017

www.gov.uk/rpc

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Date of implementation: March 2016

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	£0
Business net present value	£0

RPC assessment¹

Classification	Qualifying regulatory provision
EANDCB – RPC validated	£0
Business impact target score	£0

Michael Gibbons CBE, Chairman

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¹ For reporting purposes, the RPC validates EANDCB and BIT figures to the nearest £100,000