

New requisition letter for identity evidence

Department for Business, Energy & Industrial Strategy – Land Registry

RPC rating: validated

Description of proposal

This measure changes the Land Registry's (LR's) process for handling applications with missing identity information. As a result of the amendment customers are now asked to complete a separate identity form enclosed with the requisition letter, rather than resubmit the entire application.

Impacts of proposal

The Land Registry estimates that 36,000 businesses could be affected by the change. This includes solicitors, licensed conveyancers, legal executives, notaries and other paralegals.

This is a permissive change, as businesses are still offered the chance to complete a new application form should they wish to do so. No familiarisation costs were incurred, as the measure was not publicised.

The assessment estimates the time savings resulting from not having to resubmit the entire application.

Using a sample of requisition letters sent in November 2016 LR estimates that 24% of customers will use the new method of correcting incomplete applications. When extrapolated over 12 months this would give an annual total of approximately 6,600 cases. The assessment assumes that it would take 10 minutes longer to resubmit the whole application form as opposed to replying to a requisition letter under the new arrangement. On this basis, and using an hourly wage for conveyancers of £24.51 (Annual Survey of Hours and Earnings), the regulator estimates the annual saving to business to be £27,000.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of zero. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The BIT assessment provides an adequate level of analysis. It discusses the costs and benefits of the policy in sufficient detail and presents information in an accessible way.

There are a number of ways in which the analysis could have been clearer. For example, LR does not discuss whether there will be any cost related to the new method of updating information as it focuses on the time needed to complete the old form.

In addition, the assessment does not explain why only a relatively small sample (of 63 cases) was used to decide what proportion of businesses were likely to switch to the new method. However, given that impact of the measure is likely to be small, the analysis provided in the assessment is sufficient.

Departmental assessment

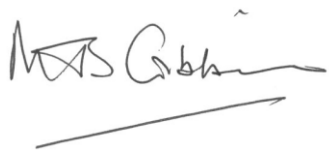
Classification	Qualifying regulatory provision (OUT)
Equivalent annual net cost to business (EANCB)	Zero
Business net present value	Zero

RPC assessment

Classification	Qualifying regulatory provision (OUT)
EANCB – RPC validated ¹	Zero
Business Impact Target (BIT) Score ¹	Zero

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

Opinion: EANDCB validation
Origin: domestic
RPC reference number: RPC-3688(1)-BEIS-LR
Date of implementation: 14 March 2016



Michael Gibbons CBE, Chairman