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## Changes to Information Service Applications

### Department for Business, Energy & Industrial Strategy – Land Registry

RPC rating: **validated**

#### Description of proposal

The BIT assessment discusses two changes to the Land Registry's (LR's) information handling process:

1. Withdrawal of fax facilities – since 14 September 2015, customers can no longer lodge applications by fax. To mitigate the impacts of this change, LR has allowed applications for historical copies of the register to be submitted by email as well as via its portal.
2. Changes to the process governing provision of copies of the register – in the past when LR received an application for official copies of the register while these were in the process of being updated or corrected, LR would contact customers and ask whether they would like to wait until all pending updates have been processed or receive a backdated copy not including all the updates. Under the new arrangement, LR will automatically issue a backdated copy of the register.

#### Impacts of proposal

##### Withdrawal of fax facilities

LR estimates that up to 36,000 businesses have been affected by its decision to refuse to receive applications by fax. They include solicitors, licensed conveyancers, legal executives, notaries and other paralegals. In practice, the number affected is likely to be much smaller, as only a few applications were being submitted by fax when these changes came into force.

The assessment estimates that businesses will have incurred total familiarisation costs of £56,000 as a result of the changes. This reflects the length of the document published on the website (286 words), an assumed average reading speed of 75 words per minute, hourly pay for conveyancers of £24.51 and an assumption of 100% compliance.

Assuming that 140 applications were received every day by fax and that on average it took 2 minutes longer to send documents using a fax than to send them

electronically, the on-going process saving has been estimated at £29,000 per annum.

Customers who apply for historical copies by email will have to pay a £3 e-lodgement fee instead of a standard £7 fee. This will lead to an annual saving to business of £35,000.

#### Changes to the process governing provision of copies of the register

LR estimates that a significant majority of customers (94% of an average of 15 applications per day) requested a backdated copy of the register entry when offered the choice. Therefore, the change would mean that a small proportion of businesses receive copies that they don't need. This will lead to an estimated cost to business of £700 per annum based on 15 applications received each day.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of -£0.1 million. This will be a qualifying regulatory provision that will score under the Business Impact Target.

### **Quality of submission**

This is a clear and concise BIT assessment. It discusses the costs and benefits of the policy and presents information in an accessible way. The length and the level of detail of the assessment are appropriate for a measure of this size.

The benefit related to the withdrawal of fax services might be overestimated as the difference between the time needed to use email and a modern fax machine can be even smaller than 2 minutes. However, this won't have a material impact on the EANDCB figure.

The assessment should have also discussed potential positive impacts on businesses of the change to the process of issuing register copies while a correction is pending. LR estimates the negative impact on those customers who need an up-to-date copy and thus have to apply again but fails to consider a benefit to all businesses who would no longer have to contact LR to receive a backdated copy. Any potential process savings to LR should also have been discussed. However, we do not expect these impacts to change the estimated EANDCB figure materially.

### **Departmental assessment**

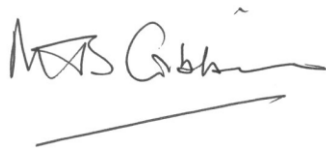
Classification	Qualifying regulatory provision (OUT)
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Equivalent annual net cost to business (EANCB)	-£0.1million
Business net present value	£0.5 million

### RPC assessment

Classification	Qualifying regulatory provision (OUT)
EANCB – RPC validated <sup>1</sup>	-£0.1 million
Business Impact Target (BIT) Score <sup>1</sup>	-£0.5 million



**Michael Gibbons CBE**, Chairman

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