

Impact Assessment, The Home Office

Title: Offensive Weapons Act 2019

IA No: HO0338

RPC Reference No: N/A

Other departments or agencies: Ministry of Justice

Date: 12 October 2020

Stage: Enactment

Intervention: Domestic

Measure: Primary legislation

Enquiries:

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RPC Opinion: Not Applicable

Business Impact Target: Non qualifying provision

Cost of Preferred (or more likely) Option (in 2019 prices)

Net Present Social Value NPSV (£m)	-138	Business Net Present Value BNPV (£m)	-22	Net cost to business per year EANDCB (£m)	2.2
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What is the problem under consideration? Why is government intervention necessary?

The Act responds to an increase in serious violence involving knives, firearms and corrosive substances. Offences involving knives increased by 71 per cent between 2014 and 2018, offences involving firearms increased by 27 per cent between 2013/14 and 2018/19, and it is estimated that there were 619 corrosive attacks in the year ending March 2020 in England and Wales. The Government therefore needs new primary legislation to provide the police with the powers required to tackle offences involving knives/offensive weapons, corrosives and firearms, and to respond to public concerns over incidents of serious violence.

What are the policy objectives and the intended effects?

The objectives of this legislation are to protect public safety by providing the police and the wider criminal justice system (CJS) with the powers that are required to tackle serious violence, and to limit the availability of knives, corrosive substances and firearms that may be used in violent crime.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 1 – **Do nothing.**

Option 2 – **Introduce a set of legislative proposals:**

- As part of a wider package of measures to tackle knife crime.
- As part of the action plan to restrict access to corrosive products and strengthen the enforcement response to people who are carrying acid and other corrosives.
- To prohibit the supply and possession of bump stocks and certain rapid-fire rifles through the exercise of the Secretary of State's powers under section 5 of the Firearms Act 1968.

Main assumptions/sensitivities and economic/analytical risks

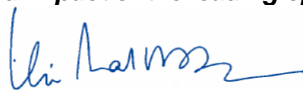
Discount rate (%)

3.5

The analysis of some costs and benefits is based on consultation responses, which may not be representative of the whole population. The restrictions to online knife delivery are not assumed to result in a decrease in sales but some customers may no longer purchase knives online due to the increase in inconvenience. Costs to the CJS of newly created offences have been estimated using an existing proxy offence, which in practice may have different costs. There is uncertainty around KCPO numbers and breach rates during the pilot, and corrosive testing kit costs.

Will the policy be reviewed? It will **be reviewed**. If applicable, set review date: 05/2023

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.



Signed by the responsible Minister: _____

Date: _____

5 January 2022

Summary: Analysis & Evidence

Policy Option 1

Description:

FULL ECONOMIC ASSESSMENT

Year(s):	Price Base	2018	PV Base	2020	Appraisal	10	Transition	1
Estimate of Net Present Social Value NPSV (£m)						Estimate of BNPV (£m)		
Low:	-97	High:	-186	Best:	-136	Best BNPV	-21	

COSTS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	15	87	102	12	28
High	42	159	201	23	18
Best Estimate	26	119	145	16	23

Description and scale of key monetised costs by 'main affected groups'

Costs are estimated to be about £62 million (all present value over 10 years) to individuals for increased delivery and surrendering offensive weapons. Trading Standards (TS) may incur a net enforcement cost after clawback of about £10 million. Businesses will surrender their stock of Rapid-Fire Rifles, and face familiarisation costs and TS clawback, estimated at about £23 million. Other costs include: £33 million to the CJS for additional prosecutions, an estimated £11 million to central government for compensation and police handling of Knife Crime Prevention Orders (KCPO), testing corrosives and arrests of about £5 million.

Other key non-monetised costs by 'main affected groups'

Police costs for arresting individuals possessing corrosives in a public place, and arresting retailers selling corrosives to those under 18 years of age. Potential costs on businesses selling knives online through lost revenue, due to restrictions on delivery to private addresses.

BENEFITS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	5	0	5	1	1
High	15	0	15	2	3
Best Estimate	9	0	9	1	2

Description and scale of key monetised benefits by 'main affected groups'

There may be a £2 million benefit to business, and a £7 million benefit to customers in the first year only due to compensation for surrendering offensive weapons and firearms.

Other key non-monetised benefits by 'main affected groups'

Public safety benefits in the form of reduced incidents of serious violence are anticipated. Using breakeven analysis, to have a net benefit to society, five homicides per year would need to be prevented. This is based on the net costs of the total policy in NPSV terms.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:										
Cost, £m	2.3	Benefit, £m	0.2	Net, £m	2.1					
Score for Business Impact Target (qualifying provisions only) £m:					N/A					
Is this measure likely to impact on trade and investment?					N					
Are any of these organisations in scope?			Micro	Y	Small	Y	Medium	Y	Large	Y
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)					Traded:	N/A	Non-Traded:	N/A		

PEOPLE AND SPECIFIC IMPACTS ASSESSMENT (Option 1)

Are all relevant Specific Impacts included?	Y	Are there any impacts on particular groups?	Y
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Evidence Base (for summary sheets)

A. Strategic Overview

A.1 Background

Knives and offensive weapons

The knife provisions set out in the Offensive Weapons Act (2019) respond to significant public and parliamentary concern about increases in knife crime. Offences involving knives/sharp instruments increased by 7 per cent annually and offences for the possession of articles with a blade or point increased by 17 per cent¹ annually up to the year ending September 2019. This rise has occurred since 2014 and continued in the most recent data, with a 6 per cent annual increase in the number of offences involving knives or sharp instruments in the year ending March 2020². Homicides also rose by about 30 per cent between year to March 2014 and year to March 2019, with 259 homicides involving a knife or sharp instrument in the latter year.³ In the Serious Violence Strategy, the Government has identified the need to strengthen primary legislation, to provide the police with more powers to address this issue.

Corrosives

The use of acid and other corrosive substances as a weapon is a crime that can inflict serious harm and life-changing injuries, and the evidence suggests that these offences increased up to a peak in 2017, with 619 corrosive attacks in the year ending March 2020 in England and Wales⁴. Recent evidence suggests that the number has fallen since then. For example, the number of attacks in London has declined from 487 in the year to July 2017 to 234 in the year to July 2020⁵.

In January 2018, the Government launched a set of voluntary commitments with retailers to restrict the sale of products that contain harmful levels of acid or other corrosive substances and prohibit sales to those who are under 18 years of age. There is a desire by retailers who are signing up for these commitments for there to be a statutory position on these measures.

Following a jointly hosted Home Office and National Police Chiefs' Council (NPCC) event in July 2017, the Government announced an action plan to tackle the use of acid and other corrosives in violent attacks, which is based on ensuring effective support for victims and survivors, effective policing, ensuring that relevant legislation is understood and consistently applied, and working with retailers to restrict access to acid and other harmful corrosive products. As part of this action plan, the Government identified the need to strengthen primary legislation by providing the police and trading standards with more powers to prevent corrosive substance attacks. This action plan is now being delivered as part of the Government's Serious Violence Strategy.

Firearms

Concerns have been raised by the police and the National Crime Agency (NCA) about the legal ownership of rapid firing rifles, as they are currently available to those with an appropriate firearm licence and may pose an excessive risk to public safety. Between 1 April 2018 and 31 March 2019,

¹ Crime in England and Wales: year ending September 2019 -

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingseptember2019#knife-or-sharp-instrument-offences>

² Crime in England and Wales: year ending March 2020 -

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

³ Homicide in England and Wales: year ending March 2019:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/homicideinenglandandwales/yearendingmarch2019#what-were-the-most-common-methods-of-killing>. Appendix table 1 'Number of offences currently recorded as homicide' also used and available at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/appendixtableshomicideinenglandandwales>

⁴ Crime in England and Wales: year ending March 2020 . See:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

⁵ MOPAC dashboard available at: <https://www.london.gov.uk/what-we-do/mayors-office-policing-and-crime-mopac/data-and-statistics/weapon-enabled-crime-dashboard>

there were 136 hospital admissions for assault by a firearm⁶. Concerns have been raised regarding the potential risk of these weapons falling into the hands of those wanting to cause serious risk to life, such as the incidents which occurred in Las Vegas in the United States in October 2017, where 58 people were killed and more than 800 were injured. The Government has therefore identified the need to introduce stricter controls on the ownership of these weapons, to prevent their use in serious violence.

A.2 Groups Affected

There will be a number of groups impacted by the set of new laws including:

- The police.
- Trading Standards.
- Criminal Justice System (CJS) agencies - Crown Prosecution Service (CPS), the Courts (HMCTS), prisons and probation service, (HMPPS), and Legal Aid (LA). A Justice Impact Test (JIT) has been done to estimate the impact to the CJS from this policy.
- Central government.
- Businesses that sell knives, corrosive products or rifles in scope of the new legislation.
- Individuals who own knives/offensive weapons or rifles in scope the new legislation.
- The general public, who are affected by changes in public safety.

A previous version of this Final IA was published on 22 May 2018⁷. Since then the policy proposals within the IA have changed. The updated estimates for Trading Standards for online sales of corrosives show a reduction in cost from the previous analysis, by being able to clawback some of the costs and charge businesses for guidance. There have also been additions to the previous policy measures. The introduction of Knife Crime Prevention Orders (KCPOs), as well as adding new offences around threatening with a knife in private, the prohibition of cyclone knives and a more detailed breakdown of rifle figures, see policy 11 of the appraisal section (section E).

A.3 Consultation

Within Government

All government departments received the consultation proposals as part of the Home Affairs Committee clearance process. Analysts in the Ministry of Justice (MoJ) provided comments on the consultation impact assessment regarding the estimated costs of introducing new offences and have since provided updated cost estimates for this impact assessment.

Public Consultation

The Offensive Weapons Act (2019) was subject to a public consultation from the 14th of October to the 9th of December 2018 and received 10,712 responses. The consultation received responses from a variety of organisations including legal organisations, firearms organisations, knife organisations, sport/historic organisations, trade organisations and retailers (see Annex 5 for a full list). The questionnaire is also reproduced in Annex 5 and there is a summary of the consultation responses.

The consultation responses have been considered during the drafting of the Act. The consultation responses showed some opposition to the policy prohibiting the delivery of knives to residential addresses, with small businesses, in particular expressing concerns that this would lead to the loss

⁶ Hospital Episode Statistics (HES), NHS Digital. In answer to a parliamentary question on 23 January 2020 See: <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-questions-answers/?page=1&max=20&questiontype=AllQuestions&house=commons%2Clords&member=1447&keywords=corrosive%2Cattacks>

⁷https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/717684/Impact_Assessment.pdf

of sales. Following these concerns, exemptions were introduced to exclude knives and swords acquired for sporting purposes and re-enactment activities, as well as those purchased on a 'made to order' basis.

The proposals on corrosives were generally supported, with 84 per cent of responses favouring the ban on sales to those under 18 years of age and 67 per cent supporting the offence for possession of corrosives in a public place. The proposals around the prohibition of high muzzle energy firearms was strongly opposed, with 78 per cent of respondents opposed to the introduction of such measures. High muzzle firearms were subsequently removed from the bill. The Government response to the consultation provides more information on the consultation responses⁸.

B. Rationale for intervention.

Knives and offensive weapons

1) Strengthening of age verification

Evidence from online test purchase operations conducted over the last decade, when online shopping has become increasingly common, shows that the majority of sampled online retailers failed to have effective age verification procedures. The failure rate for test online purchases of knives has not significantly improved over this period.

Trading Standards conducted two online test purchase operations in 2008 and 2009, which showed that 80 per cent of the retailers sampled (58 of 72) would sell to a person under 18 years of age. A test purchase operation commissioned by the Home Office, which was conducted in 2014, showed that 69 per cent of retailers (18 of out of 26 retailers tested) failed the test. These results contrast with test purchases carried out in shops, where the large majority of knives sales comply with the law. In the national police week of action against knives under 'Operation Sceptre' in October 2016, there were 391 test purchases of knives in shops. Of these, 80 per cent (313) passed and 20 per cent (78) failed.

To improve the enforcement of age controls, the Home Office worked with twelve major retailers⁹ and the British Retail Consortium to agree a set of voluntary commitments on responsible sales of knives in March 2016. A further five major retailers¹⁰ have since joined, with the commitments covering sales online and in shops. Despite these voluntary commitments, the age verification of online knives sales has not shown significant improvement, with a test purchase operation by Trading Standards and the Metropolitan Police in December 2016 showing that 72 per cent of retailers (15 out of 21 retailers) failed to verify the age of the purchaser at the point of accepting the order. Only 19 per cent (4 out of 21 retailers) went on to require further evidence of age and refused the sale when the evidence was not produced. To improve these outcomes, the Government has therefore introduced legislation that will place more stringent controls on online sellers of knives. The Government, as part of the Serious Violence Strategy, is supporting Trading Standards if they decide to prosecute a seller who has sold knives to a person under 18 years of age. As part of this work, in 2018/19, 128 online purchases have been attempted with 41 per cent failing and selling to a person under 18 years of age. This compares with a 13 per cent fail rate in sales conducted face to face in the same period. These figures further illustrate the point that age verification on online sales of knives is not robust enough and show that that the measures introduced in the Act are needed.

2) Possession of offensive weapons in private

There are already controls on some specific offensive weapons, including certain types of knives, which are listed in the Criminal Justice Act 1988 (Offensive Weapons) Order 1988 and Section 1 of the Restriction of Offensive Weapons Act 1959. These are weapons that have been considered by

⁸ Consultation on new legislation on offensive and dangerous weapons. See: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/717673/SUMMARY_OF_CONSULTATION_RESPONSES.pdf

⁹ Tesco, eBay UK, Lidl UK, Amazon UK, Wilko, Argos, Asda, Poundland, Morrisons, Sainsbury's, John Lewis and Waitrose.

¹⁰ Boots, the Co-op, B&Q, Aldi and TKMaxx

Parliament to be especially dangerous, and it is therefore an offence to sell, manufacture, hire, loan or gift these weapons. This offence is in addition to the general offences of possessing a knife or offensive weapon in public or school grounds.

However, it is not currently an offence for an individual to possess offensive weapons within their private property. This means that if the police find an offensive weapon within someone's home, they can only take action against the owner if the weapon is considered evidence related to a criminal investigation. Given the recent increases in crimes involving knives and offensive weapons, the Government seeks to introduce greater controls on these weapons by creating an offence of possessing an offensive weapon in private.

3) Possession of articles with a blade or point and offensive weapons in further education institutions

The Offensive Weapons Act 1996 amended the Criminal Justice Act 1988 to introduce an offence of having an article with a blade or point or an offensive weapon on school premises. The definition of school premises though does not cover institutions within the further education sector, such as sixth form colleges. The Offensive Weapons Act (2019) therefore amends the legislation to extend the possession offence to include further education institutions in England and Wales.

4) Threatening with an article with a blade or point or an offensive weapon

The offence of threatening with an article with a blade or point or an offensive weapon (set out in section 139AA of the Criminal Justice Act 1988) currently requires the prosecution to prove that the defendant threatened another person with the weapon "*in such a way that there is an immediate risk of serious physical harm to that other person*". This Act strengthens the law to make prosecutions of anyone threatening another person with a knife easier.

5) Threatening with a knife in private

It is an offence to threaten someone with an offensive weapon in private but the most likely offences to be used in such circumstances, such as common assault, do not attract the same penalties for an offence of threatening in public. During the course of the Bill concerns were raised that this gap in sentencing powers may have amounted to a gap in the law.

This Act therefore creates a specific and separate offence of threatening with a corrosive substance, bladed or pointed article or an offensive weapon in private.

Under the new provisions, it would be an offence for a person to unlawfully and intentionally threaten another person with a corrosive substance, a bladed or pointed article or an offensive weapon in a way that there is an immediate risk of serious physical harm to that person.

The offence would apply in any private place which for bladed and pointed articles and offensive weapons means; anywhere other than a public place or school or further education premises – where it is already an offence. For corrosive substances a private place means anywhere other than a public place – so it would become an offence to threaten someone with a corrosive on educational premises for example.

The new offence provides for a maximum penalty of four years, in line with the maximum penalty for the public offence and is considerably more than the current six months maximum for a threat that amounts to common assault.

6) Updating the definition of flick knives

The Government has concluded that the current legislative definition in Great Britain of flick knives in the Restriction of Offensive Weapons Act 1959 is outdated as it refers to the mechanism that activates the blade being in the handle and does not capture new designs. This Act has therefore amended the definition to ensure it captures those knives which have a blade that opens automatically 'from the closed position to fully opened position' or 'from a partially opened positions

to a fully opened position' by manual pressure applied to a button, spring or other device in or attached to the knife.

7) Introduction of Knife Crime Prevention Orders

Hospital data and MoJ cautions/convictions show that knife possession and use has risen particularly quickly since 2014. There is therefore a rationale for a prevention order to enable the police and other agencies to enforce controls upon those who are at risk of becoming involved with knife crime.

The current possible tools that the police have at their disposal, Gang Injunctions (GIs) and Criminal Behaviour Orders (CBO) are not adequate to deliver the objectives of KCPOs. This is because they either require a previous conviction, or require the subject to be part of, or affiliated to, a gang. By the time an individual meets the criteria for one of these orders, early intervention is no longer possible.

Moreover, Community Protection Notices (CPNs) also can only be applied to those over 16 years of age, which negates one of the objectives of KCPOs: to protect vulnerable young people. One of the aims of KCPOs is to be a tool for early intervention to prevent the criminalisation of vulnerable young people.

Before they can be rolled out nationally KCPOs will be subject to a pilot. After this pilot a report will be laid in Parliament before a full roll out can be commenced.

8) Prohibition on Cyclone Knives

An amendment is to add what are known as cyclone knives to the list of prohibited items covered by sections 141 of the Criminal Justice Act 1988. These knives have two or more sharpened helicoidal cutting edges along the length of the blade and can cause very serious harm if used as a weapon. This will mean that they cannot be sold, manufactured, imported or possessed in private. Cyclone knives are designed and manufactured in a way that has no purpose other than to cause injury.

Corrosives

9) Making it an offence to sell products with certain corrosive substances to those under 18 years of age

Given the evidence on the increasing use of acid and other corrosive substances as a weapon, the Government is restricting the availability of these substances to those under 18 years of age by making it an offence to sell products containing certain corrosive substances to this age group.

10) Making it an offence to possess a corrosive substance in a public place

There is already an existing offence under section 1 of the Prevention of Crime Act 1953 in respect of possessing an offensive weapon in a public place, which may apply if a person is found in possession of a corrosive substance. However, to prove the corrosive substance is an offensive weapon it must be shown that the person in possession of the substance, intended to cause injury. To strengthen the police's ability to tackle the use of corrosives as an offensive weapon, the Government is making it an offence to possess a corrosive substance in a public place.

Firearms

11) Prohibiting rapid firing rifles and devices known as bump stocks under section 5 of the Firearms Act 1968

Rapid firing rifles can currently be held by civilians in possession of the correct firearms certificate. While these certificates stipulate various safeguards against theft and misuse, ownership by civilians creates a risk of these weapons getting into the hands of either criminals or terrorists, and these weapons have the potential to be hazardous to public safety.

'Bump stocks' are attachments that enable a semi-automatic rifle to fire at a faster rate. Rapid firing rifles, such as a Manually Actuated Release System (MARS) rifle can discharge rounds at a much faster rate than conventional bolt-action rifles due to their firing system and are therefore closer to self-loading rifles which are currently prohibited for civilian ownership. The fire rate of these rifles means that they are capable of large amounts of casualties or damage within a very short period of time.

Given the potential risk to public safety from these firearms and bump stocks, the Government has acted to prohibit their ownership.

C. Policy objective

The main objectives of this legislation are to protect public safety by providing the police and the wider criminal justice system with the powers required to tackle serious violence, and to limit the availability of knives, corrosive substances and firearms to be used in violent offences.

D. Options considered and implementation.

OPTION 0 – Do Nothing

A do-nothing option would lead to no costs to businesses, the public, law enforcement or the Criminal Justice System (CJS), however this option would lead to no benefits and would not meet the Government's objective on reducing serious violence.

This approach would not help to prevent harmful corrosive products and substances being sold to individuals under 18 years of age nor prevent these harmful products or substances from being misused as a weapon.

In respect of possession in a public place of corrosives or other offensive weapons this option would not ease the burdens on the police and Crown Prosecution Service (CPS) in having to prove that the individual is carrying a corrosive substance or weapon in public to cause harm to others.

Under section 1 of the Prevention of Crime Act 1953, it is an offence to have an offensive weapon in a public place. It is possible for an acid or other corrosive substance to fall within the definition of an "offensive weapon". However, for an offence to be committed it is necessary for the police and prosecution to prove that the person is carrying the substance with intent to cause injury. Without this new offence there would be no onus on the person carrying the corrosive to prove that they had good reason for having it. This is similar to the current knife possession offence.

Similarly, there is already legislation around possession of an offensive weapon in public. Not considering prohibiting these types of weapon from ownership in private provides a loophole that makes it harder for law enforcement to keep these types of weapons off the streets and protect the public.

Not considering legislation around certain rapid firing rifles and bump stocks would not address the public safety risk that exists from allowing civilian use of these rifles and the potential for them to fall into the hands of criminals or terrorists. It does not meet the Government's objective.

OPTION 1 – Preferred option and implementation plan

Knives and offensive weapons

- 1) Strengthening the prohibition of sale online to those under 18 years of age and banning delivery to residential addresses**

Introduce conditions for using the legal defence of having taken suitable precautions and exercised due diligence to avoid selling knives to a person under 18 years of age. The Act sets out three elements that must be met by the seller to be able to rely on a defence that they have taken reasonable precautions and exercised all due diligence. This includes the seller to have in place a system to operate age verification; when dispatching the article, the package was clearly marked to show that it contained a knife or bladed article and that it was not to be handed over to a person under 18 years of age; and that they have put in place arrangements with any delivery company acting on their behalf not to hand the items over to a person under 18 years of age.

It will be a criminal offence for delivery companies where sellers are based outside of the UK, to deliver a bladed article to a person under 18 years of age, if the delivery company has entered into a specific arrangement to deliver the items and they know that they are delivering bladed articles.

2) Possession of offensive weapons in private

Legislate to make it an offence to possess in private an offensive weapon listed under section 141 of the Criminal Justice Act 1988 and a dangerous weapon listed under the Restriction of Offensive Weapons Act 1959. There will be planned statutory exemptions for the possession of weapons for sporting, artistic, religious or cultural reasons, exemptions which already apply to possession in public places.

3) Possession of articles with blade or point and offensive weapons in further education institutions

Legislate to expand the offence of having an article with a blade or point or an offensive weapon on school premises to the further education sector.

4) Threatening with an article with a blade or point or an offensive weapon

Legislate so that the offence is made if the victim fears that he/she would be likely to suffer physical harm, instead of the offence being made if there is an immediate risk of serious physical harm to that other person.

5) Threatening with a knife in private

Legislate to make it an offence to threaten someone with a knife in private location.

6) Updating the definition of flick knives

The current legislative definition of flick knives in the Restriction of Offensive Weapons Act 1959 refers to the mechanism that activates the blade being in the handle. The Act amends the definition to ensure that modern designs, such as those which rely on a spring assisted mechanism or assisted opening to quickly deploy the blade, also fall under the statutory definition of a flick knife. This will be done by amending the definition of a flick knife in section 1(1) (a) of the Restriction of Offensive Weapons Act 1959.

7) Introduction of Knife Crime Prevention Orders (KCPOs)

Legislate so that KCPOs can be issued by the magistrates' courts to enable the police and other agencies to enforce controls upon those who are at risk of becoming involved with knife crime. A KCPO can last up to two years, but it is up to the court to decide the length of the KCPO.

8) Prohibition on Cyclone Knives

Legislate a complete ban on the manufacture, import, sale, hire, offer for sale or hire, possession, etc on all weapons known as Cyclone knives.

Corrosives

9) Making it an offence to sell products with certain corrosive substances to those under 18 years of age

Make it an offence to sell products with certain corrosive substances to individuals under 18 years of age. This is aimed at products that contain levels of acid and other corrosive substances that inflict serious harm and life changing injuries if used as weapons. The three elements in place for a seller to be able to rely on the defence that they have taken all reasonable precautions and exercised all due diligence not to sell to someone under 18 years of age, will be replicated from those set out under the knife legislation on online sales to those under 18 years of age.

Retailers could commit a criminal offence if they sold a product containing harmful levels of acid or other corrosive substances to a person under 18 years of age. This would also apply to online sales. This offence is modelled on existing legislation in place for knives. Similar to the legislation in relation to the sale of knives, it will be a defence to show that the accused believed the purchaser to be over 18 years of age or no reasonable person could have suspected from the purchaser's appearance that they were under 18 years of age.

10) Making it an offence to possess a corrosive substance in a public place

Legislate to make it an offence to possess an acid or other corrosive substance in a public place without good reason. Currently under section 1 of the Prevention of Crime Act 1953, it is an offence to have an offensive weapon in a public place. It is possible for an acid or other corrosive substance to fall within the definition of an "offensive weapon". However, for an offence to be committed it is necessary for the police and prosecution to prove that the person is carrying the substance with intent to cause injury. This new offence would place the onus on the person carrying the corrosive to prove that they had good reason or lawful authority for having it. This is similar to the current knife possession offence. As part of this change, existing stop and search powers will be extended under Police and Criminal Evidence Act 1984 (PACE) to enable the police to stop and search people for corrosives in a public place.

Firearms

11) Prohibiting rapid firing rifles and devices known as bump stocks under section 5 of the Firearms Act 1968

The Act will prohibit rapid firing rifles and Bump Stocks under section 5 of the Firearms Act 1968. This will remove the availability of these firearms for civilian sale and purchase, rental, loan or use.

E. Appraisal.

General assumptions and data

The main assumptions used in this impact assessment (IA) are listed below and are explained in further detail in the costs and benefits section. In this section, all costs and benefits are in constant 2018 prices unless stated. Set up costs that are outlined in this IA are only the transition costs. Any Present Value (PV) costs mentioned in the ongoing cost section will be recurring costs for the 10 year appraisal period. Paragraphs 181 to 185 show aggregated figures in present value terms over 10 years (present value base year = 2020). The assumptions for costs related to the Ministry of Justice (MoJ) are detailed in Annex 1. A further breakdown of costs to MoJ can be found in Annex 2.

Knives and offensive weapons

1. There are between one million and two million online sales of knives in the UK per year.¹¹
2. It is estimated that customers who purchase knives online currently pay £3.39 for delivery on average. This has been estimated by assuming that 46 per cent of customers who purchase orders worth under £50 use standard second class delivery (at a cost of £2.85), and 54 per cent of customers who purchase orders worth over £50 use recorded delivery (at a cost of £3.85).
3. The average customer spends 30 minutes collecting their knife delivery from a collection point.
4. The additional costs of age verification to couriers, will be passed on to the customer, who will pay an increased fee for delivery of a knife bought online.
5. Strengthening age verification for the knives purchased online results in a 50 per cent increase in the number of proceedings for selling a knife to someone under 18 years of age.
6. Approximately 0.9 per cent of searches of private property for drugs will result in a find of offensive weapons.¹²
7. Surrender arrangements for knives/offensive weapons will cost between £200,000 and £300,000 based on estimates provided by police forces on the cost of past surrender arrangements.
8. The cost of compensation for knives and offensive weapons which are surrendered is difficult to estimate given there is limited data which indicates the volume of these weapons in the public domain that are likely to be brought forward to be surrendered and subsequently claimed for. An estimation by policy experts is £300,000, but this may be higher.
9. Approximately 50 per cent of offences are proceeded against.¹³
10. The changes to the offence of threatening with an article with a blade or point or an offensive weapon results in a 10 per cent increase in the number of cases convicted.

Knife Crime Prevention Orders

11. The proportions of Habitual Knife Carriers (HKC) in each risk-rating group within the Metropolitan Police Service (MPS) jurisdiction are; High-risk = 14 per cent, Medium-risk = 33 per cent and Low-risk = 53 per cent.
12. KCPOs will be issued to around 80 per cent of High-risk and 30 per cent of Medium-risk habitual knife carriers who remain in that category for a year, as suggested by the MPS and National Police Chiefs Council (NPCC) in their consultation response
13. Feedback from a legal expert estimates that on average one court sitting day (6 hours) will be required per KCPO application. This is assumed to be the mid-estimate, with a low and high estimate of 0.5 and 1.5 sitting days.
14. If the KCPO is appealed, then there will be an additional hearing. It is assumed that there is only half a court sitting day (3 hours).
15. KCPOs will be rolled out as part of a pilot lasting 16 months in the Metropolitan Police Force area. KCPOs can only be issued within the first 14 months and will remain valid for the final two months.
16. A decision on possible national roll out will be taken following an evaluation report on the success of the pilot. This document only assesses the pilot.

¹¹ Home Office consultation on the Offensive Weapons Bill

¹² Based on Police Scotland data <http://www.scotland.police.uk/about-us/police-scotland/stop-and-search/stop-and-search-data-publication/>. There is no equivalent figure for England and Wales, so this is the best available proxy.

¹³ Uses the police recorded crime volumes and the volumes of those proceeded against from the December 2016 Criminal Justice Statistics Quarterly publication: <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2016>

Corrosives

17. The Home Office has received estimations by two trading standards authorities (TS)¹⁴ on the costs of conducting TS operations for the sale of corrosives. These include:
- a) The cost of training staff to conduct these new operations, costing £3,000 per authority in the first year.
 - b) The cost to generate business guidance on the new regulations, costing £800 nationally in the first year.
 - c) The cost to conduct a series of target advice visits to businesses estimated to cost between £1,500 and £4,000 per authority in the first year with a best estimate of £2,750 per authority.
 - d) The cost to handle complaints and FOI requests arising from the conduct of the operations costing £400 per authority per year.
 - e) The cost to conduct the test purchases themselves costing between approximately between £5,100 and £5,700 per authority per year.
 - f) The cost to follow up on test purchase operations, notifying businesses of success and updating TS records costing £900 per authority per year.
 - g) The cost to investigate those businesses who fail the test purchasing operation costing between approximately £600 and £700 per authority per year.
 - h) The cost to handle initial budget allocation and project coordination costing £1,250 per authority during the first year of the policy.
 - i) The cost to manage the recruitment of voluntary mystery shoppers to conduct the operation costing £1,500 per authority per year.
 - j) The prosecution cost to TS when there is a guilty plea as a result of their investigation costing £1,000 per case. The costs for non-guilty pleas are reported as being variable.
 - k) Trading Standards are able to clawback some of these costs from businesses. The clawback rate is estimated to be between 48 and 88 per cent with a midpoint of 68 per cent¹⁵.
18. From business population estimates¹⁶, the number of people working in small retail enterprises (less than 50 staff) is approximately 723,000.
19. The figure of 723,000 was multiplied by 1.5 per cent. 1.5 per cent is approximately the proportion of manufacturing employees working in the manufacturing of chemicals sectors¹⁷. This produced an estimate of approximately 11,000 employees affected by the policy.
20. From business population estimates¹⁸, the number of medium and large retail enterprises in the UK is 2,130. This figure was multiplied by 5 per cent to produce an estimate of the number of businesses affected by the policy. The figure of 5 per cent was used as that is the proportion of businesses in the manufacturing sector that manufacture chemicals¹⁹. This produced an estimate of approximately 107 businesses.
21. The average reading speed of a person reading in English is 200²⁰ words per minute. Thus, it will take approximately three minutes for someone to read the guidance on the policy.

¹⁴ Estimations provided by London and Staffordshire.

¹⁵ Extension of Primary Authority Impact Assessment (28 June 2013) Page 13:

http://www.legislation.gov.uk/ukia/2013/139/pdfs/ukia_20130139_en.pdf

¹⁶ Business population estimates, 2018: Table 7. Available at: <https://www.gov.uk/government/statistics/business-population-estimates-2018>

¹⁷ Business population estimates, 2018: Table 5 and Table 7. Available at: <https://www.gov.uk/government/statistics/business-population-estimates-2018> SOC Codes used for the chemical manufacturing sectors: 201,202,204,205,239,272.

¹⁸ Business population estimates, 2018: Table 5 and Table 7. Available at: <https://www.gov.uk/government/statistics/business-population-estimates-2018> SOC Codes used for the chemical manufacturing sectors: 201,202,204,205,239,272.

¹⁹ Business population estimates, 2018: Table 5 and Table 7. Available at: <https://www.gov.uk/government/statistics/business-population-estimates-2018> SOC Codes used for the chemical manufacturing sectors: 201,202,204,205,239,272.

²⁰ <http://readingsoft.com/>.

22. The median wage for sales assistants and retail cashiers is £8.33 per hour²¹.
23. Non-wage labour costs are assumed to be equivalent to 18 per cent of wage costs²², so total labour costs for sales assistants and retail cashiers is £9.83 per hour.
24. It is assumed that there are 342 trading standards authorities in England and Wales as the 32 London local authorities operate joint enforcement.
25. There were around 619 corrosive attacks per year in the year ending March 2020 in England and Wales²³.
26. There were 14,000 arrests of knife possession in England and Wales in the year to March 2017.
27. There were 34,703 arrests for attacks involving a knife in England and Wales in the year to March 2017.
28. In the absence of data, the ratio of corrosives possession offences to corrosive attacks has been estimated using the ratio of the closest proxy offences: knife possession and knife attacks.
29. The cost of a serious wounding is estimated at being approximately £2.1 million, based on the revised economic and social costs of crime²⁴ and updated to 2018 prices.

Firearms

30. The assumptions for this analysis have been developed using data provided by respondents to the consultation, for example from registered firearms dealers, and using input from industry experts.
31. Based on midpoints of data provided by the NRA and the rifle importer, the total number of MARS rifles in the UK is assumed to be 700, and their average value is assumed to be £3,000.
32. There are 541 lever release rifles which may be identifiable as rapid fire rifles, on the National Firearms Licensing Management System. However, input from industry suggests that the sole UK-based, manufacturer of these type of rifles has sold 2,000 of these in the UK.
33. This gives a mid-estimate of about 1,270 lever release rifles. The Southern Gun Company website shows lever release rifles ranging in price from £2,000 to £4,000.
34. It is assumed that the whole supply chain for RFRs will be affected.
35. Ancillary equipment designed for unique use with the prohibited firearm may also be claimed for. It is difficult to estimate the cost of compensating such equipment given there is limited data which indicates both the type of equipment and volume of such equipment which may be claimed for in support of the prohibited firearm. An estimation by policy experts is £1,500,000, but this may be lower or higher.
36. The Home Office plans to introduce the compensation arrangements in due course. These arrangements are required to be set out in secondary legislation. This means that compensation estimates may be refined during this process.
37. It is assumed that it takes approximately three minutes for RFDs to read the guidance issued on rapid firing rifles, and it is assumed that they earn an average of £10.03 per hour²⁵.

²¹ Annual Survey of Hours and Earnings. Table 14.5, code 711. Available at <https://www.ons.gov.uk/file?uri=/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digit2010ashetable14/2017provisional/table142017provisional.zip>

²² UK share of non-wage costs (%), Euro stat, Code: lc_lci_lev , http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lc_lci_lev&lang=en

²³ Crime in England and Wales year ending March 2020. See: <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

²⁴ Revisions made to the multipliers and unit costs of crime used in the Integrated Offender Management Value for Money Toolkit. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/118042/IOM-phase2-costs-multipliers.pdf

²⁵ Annual Survey of Hours and Earnings. Available at: [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digit2010ashetable14/SOC Table 14.5, Code: 7129 - Sales related occupations n.e.c. , Median overall hourly earnings.](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digit2010ashetable14/SOC%20Table%2014.5,%20Code:%207129%20-%20Sales%20related%20occupations%20n.e.c.,%20Median%20overall%20hourly%20earnings)

38. Non-wage labour costs are assumed to be equivalent to 18 per cent of wage costs²⁶, so total labour costs for registered firearms dealers is £11.84 per hour.
39. Based on advice from industry experts, it is assumed that between 70 and 200 MARS shooters would use a rifle range per month, and that they would pay between £40 and £60 per session.
40. The cost of a homicide is estimated at being approximately £3.2 million, based on the revised economic and social costs of crime²⁷.
41. The appraisal period for this IA is 10 years, and the transition period is one year.

Knives and offensive weapons

1) STRENGTHENING OF AGE VERIFICATION

COSTS

Set-up costs

Businesses

42. Under the Offensive Weapons Act (2019), online knife sellers using the legal defence of having taken suitable precautions and exercised due diligence to avoid selling knives to a person under 18 years of age would have to meet the following conditions: robust age checks online, suitably labelled parcels and arranged age checks at the point of delivery. Retailers who sell knives online are already required to ensure that suitable age checks are in place and that their products are suitably labelled, so these conditions do not impose any new regulatory requirements. However, there is currently no requirement for businesses to ensure that age verification checks are in place at the point of delivery, so there are likely to be costs associated with this condition.
43. The new conditions mean that the sellers will be able to deliver to residential premises only if they have an arrangement with a delivery company to ensure that the item will not be handed to a person under 18 years of age. Alternatively, knives will have to be delivered to non-residential locations where age-verification can take place. This will likely increase the overall delivery costs for customers purchasing knives online. The couriers with such an agreement with sellers will assume (corporate) responsibility and will be liable to an unlimited fine in the case of a breach.
44. The total volume of online knife sales has been estimated in this IA, using data from consultation responses. Businesses from a range of sectors responded to the consultation, covering outdoor activities, specialist cutlery, specialist knife collectors and hunting knives, as well as responses from industry associations. Approximately 100 online knife sellers provided valid data relating to their online sales of knives, with total sales of around one million items and total turnover of £22 million across all responses²⁸.
45. There is no official data on the total number of knives sold online, so it is not known whether this is an accurate reflection of the total market. There may be a significant number of businesses who did not respond to the consultation, and there may also be overlaps between consultation responses, as some industry associations responded on behalf of their members. Despite the consultation only asking for responses related to knives, there is some concern that a number of businesses referred instead to all the bladed products they sold. The total sales from the consultation responses (one million items) has therefore been taken as a lower bound estimate of the total size of the market,

²⁶ UK share of non-wage costs (%), Euro stat, Code: lc_lci_lev , http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lc_lci_lev&lang=en

²⁷ The economic and social costs of crime: second edition. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf

²⁸ Consultation on new legislation on offensive and dangerous weapons. See: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/717673/SUMMARY_OF_CONSULTATION_RESPONSES.pdf

while an estimate of two million sales has been taken as the upper bound estimate, under the assumption that the consultation responses reflected only half of the total market.

Ongoing costs

Customers

Collection points

46. It is assumed that the additional costs of providing age verification on the door faced by couriers, will be passed on to the customer, who will pay an increased fee for delivery of knives bought online.
47. It is estimated that customers who purchase knives online currently pay £3.39 for delivery on average. This has been estimated by assuming that customers who purchase orders worth under £50 use standard second class delivery (at a cost of £2.85²⁹), and customers who purchase orders worth over £50 use recorded delivery (at a cost of £3.85). Based on the consultation responses, 46 per cent of online knife orders are worth under £50, with the remaining 54 per cent worth over £50. The assumed cost for delivery to a collection point is between £4.99 (for a 3-5-day delivery) and £5.69 per order (for a 2-day delivery), based on online quotes³⁰, which costs between £1.60 and £2.30 more than the current price of delivery with a midpoint of £1.95.
48. To estimate the increased inconvenience costs to customers from having to travel to collection points, it is assumed that the average customer spends 30 minutes collecting their delivery (for example, 20 minutes to travel to and from the collection point, and 10 minutes to queue and pick up the package). In practice, it may take some customers significantly less time to collect their deliveries, if their collection point is located in a place which they already visiting, for example at a local supermarket or petrol station. Using an average value of leisure time of £5.09 per hour in 2018 prices³¹, the 30 minutes of time spent collecting each online delivery is valued at £2.54.
49. Summing the costs outlined in paragraph 47 and paragraph 48, due to collection points, for each knife sold online, this policy may cost customers and additional £4.49 (£1.95 + £2.54), with a lower bound of £4.14 (£1.60 + £2.54) and an upper bound of £4.84 (£2.30 + £2.54).

Residential deliveries

50. It is likely that there may be an increase in the cost of delivering knives to a residential address. This increase will probably be driven by the cost of age verification and the increased risk due to increased legal liability. To estimate the cost of age verification, a cost from UPS is used as a proxy. This is used because UPS are one of a very few delivery services in UK which currently offers a delivery service add-on for age-verification which requires an adult signature. This add-on costs £2.50³². It is difficult to estimate the cost increase due to increased legal liability risk, instead £2.50 is used as the lower bound of the estimated cost, with £3.75 and £5.00 as the central and upper bound estimates respectively.
51. It is difficult to accurately estimate the proportion of knives which may be delivered to residential addresses as opposed to collection points. Comparing the cost of picking up a knife at a collection point, £4.49 (monetary and inconvenience) with the additional residential delivery charge (£3.75), it is likely that at least half of deliveries will be delivered to collection points as this is a cheaper option. Consumers may be more likely to have knives delivered to their residential addresses for more expensive knives.

²⁹ <https://www.royalmail.com/personal/sending-parcels/>

³⁰ [Collect Plus](#)

³¹ <https://www.gov.uk/government/publications/webtag-tag-data-book-december-2017>

³² <https://www.ups.com/gb/en/shipping/zones-and-rates/value-added.page?>

52. Research shows that only 20 per cent of consumers would be willing to pay £3 to £4 for the convenience of specifying a time slot for deliveries to their houses³³. Assuming that the alternative would be for the consumers to have to go a collection point (or a courier depot), or to remain in their property for a long period of time to await a non-specified delivery time (also giving up their own time), this proportion is used as a proxy for the percentage of people who would be willing to pay £3 to £4 to have a knife delivered to their house as opposed to give up their time to go to a collection point. The lower bound was set at 20 per cent, whilst 50 per cent is used for the upper bound, giving a mid-estimate of 35 per cent of deliveries being to residential addresses.
53. Responses from the consultation suggests that the top 35 per cent of knives sold online costs around £75 or more. Whilst there are many factors that will affect the proportion of knives that will be delivered to residential addresses, not just the cost of the knife, it is a reasonable approximation that most knives costing £75 or more will likely be delivered to residential addresses.
54. In the lower bound estimate, one million knives are sold per year, 20 per cent which are delivered to residential addresses, costing £0.5 million - at £2.50 each, and 80 per cent to collection points, costing £3.3 million – at £4.14 each. This gives a total lower bound cost estimate of £3.8 million. This has a PV of £32.8 million over 10 years. In the upper bound estimate, two million knives are sold, 50 per cent which are delivered to residential addresses, costing £5 million – at £5.00 each, and 50 per cent are delivered to collection points, costing £4.8 million - at £4.84 each. This gives a total upper bound cost estimate of £9.8 million. This has a PV of £84.7 million over 10 years. In the mid-estimate, one and a half million knives are sold per year, 35 per cent which are delivered to residential addresses, costing approximately £2 million - at £3.75 each, and 65 per cent delivered to collection points, costing £4.4 million – at £4.49 each. This has a PV of £54.6 million over 10 years.

Businesses

55. This policy could result in a cost to business through a loss of sales if customers decide not to purchase knives online as a result of the increased cost, in the case of home delivery, or increased cost and inconvenience in the case of a collection centre. It is unlikely that there will be a significant impact on sales, given the nature and cost of these purchases. Based on responses to the consultation, the majority of customers pay over £50 per sale for knives bought online, as many of these purchases are specialist or one-off items, such as collectors' knives or outdoor/non-domestic knives. For a £50 order, the additional delivery costs are estimated to be approximately £3.75, in the cases of delivery to residential properties, £1.95 in the case of delivery collection points (not including the inconvenience cost of going to the collection point). In both cases, this represents approximately an extra 5 per cent on the overall purchase price, which is unlikely to cause customers to no longer purchase the item, particularly if it is a one-off purchase. Customers are most likely to no longer purchase an item online if an alternative is available in-store, and in this case, there is no overall reduction in knife sales, but a transfer of sales from online to in-store.
56. This policy could deter some couriers' companies from accepting business agreements that include delivering knives, due to not wanting to carry the legal risk of being liable if an employee driver delivers a knife to an under-age person, against company policy. It was not possible to quantify this cost.
57. There will be a cost to negotiating contracts and reaching an agreement between sellers and couriers, however, this is assumed to be part of the normal day-to-day costs of the businesses as it was prior to this legislation and thus is not included as a cost in this analysis.

Trading Standards

58. Trading Standards (TS) conduct test purchases on knives to check compliance with the law, so test purchase operations will now need to cover delivery collection points. This is not expected to significantly increase costs given that collection points are located within premises such as supermarkets and petrol stations, which already sell age-restricted products and would therefore be subject to test purchase operations. Test operations at residential addresses will also need to be

³³ https://www.imrg.org/uploads/media/report_download/0001/01/85552752bc6e9605f3e060cc8e254c0330481a49.pdf?st

carried out. An increase in test purchase operations of knives retailers has already been committed to in the Serious Violence Strategy³⁴ and includes support for TS to undertake prosecutions of retailers who sell knives to those under 18 years of age, including online retailers. The Act also provides investigatory powers for local authorities in relation to enforcement of sales of bladed articles (and corrosives). This provision was included in response to requests from Trading Standards to have these powers and enhance their existing ability to enforce the legislation.

Police

59. There may also be increased police activity, as they support test purchase operations and pursue prosecutions. However, an increase in test purchase activity and prosecutions relating to knives retailers has already been announced in the Serious Violence Strategy, so this Act is unlikely to result in a significant additional increase in police activity.

Ministry of Justice Agencies

60. The policy may result in an increased likelihood of prosecution of businesses as they will no longer be able to rely on the legal defence of having taken suitable precautions and exercised due diligence to avoid selling knives to a person under 18 years of age if they do not ensure the conditions are met. Alternatively, there may be a fall in prosecutions, if this policy limits accessibility to knives for those under 18 years of age, and therefore leads to a reduction in offences by this group. Therefore, this policy may result in an increase or a decrease in demands on the CJS.
61. A conservative estimate of the impact on the CJS has been produced by assuming that this policy results in a 50 per cent increase in the number of proceedings for selling a knife to someone under 18 years of age. In 2016 there were 24 such proceedings, so an additional 12 proceedings could result in a total cost of approximately £43,000 per year to the MoJ (a PV of £0.4 million over 10 years), assuming a cost of £3,568³⁵ per proceeding. Details on all cost assumptions and risks relating to MoJ agencies are detailed in Annex 1 and 2.

2) POSSESSION OF OFFENSIVE WEAPONS IN PRIVATE

COSTS

Set-up costs

Police

62. A ban on the private possession of offensive weapons means that where the police identify offensive weapons within a private location, they will now be required to charge the individual with an offence unless a defence applies. It is considered unlikely that the police would use the new offence as a basis to organise a significant amount of new search warrants for offensive weapons, given the significant police activity that already takes place to target habitual knife carriers, for example, through Operation Sceptre.
63. There will also be costs to the police from providing individuals with the opportunity to surrender their offensive weapon, for those who were legitimately holding them prior to the offence's introduction. Police forces have provided an average estimated cost of approximately £8,000 per force to run a full amnesty, equating to a total cost of approximately £0.3 million across all forces in the first year as an upper bound estimate. As a lower bound estimate, if police forces relied only on a media

³⁴ Serious Violence Strategy. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/698009/serious-violence-strategy.pdf

³⁵ See Annex 1

campaign and using existing surrender bins, then the cost would be approximately £0.2 million in the first year. The midpoint of these two figures (£0.25 million in the first year) is taken as the mid-estimate.

Individuals surrendering offensive weapons

64. Individuals that legitimately own weapons in scope of the offence are likely to surrender their weapon and incur a cost equal to its value. They will be compensated for doing so, which is addressed in the benefits section. The amount of compensation provided is assumed to be equal to the value of the weapon. The compensation will apply to flick knives and gravity knives in scope of the Restriction of Offensive Weapons Act 1959, if they were acquired before the Act was introduced, offensive weapons in scope of the secondary legislation under Section 141 of the Criminal Justice Act 1988 if they were acquired before the Act was introduced, and items that will be in scope of the new definition of a flick knife.
65. It has not been legal to purchase most of these weapons for several decades and the planned statutory exemptions (which already apply to possession in public places), the number of weapons eligible for compensation is likely to be small, although a precise figure is not available. Taking account of these uncertainties, the Home Office has estimated that the total amount of compensation required is likely to be in the region of approximately £0.2 million, which is expected to only be a cost within the first year. This estimation only includes knives and excludes an estimated £10,000 compensation for Cyclone Knives.

Central government

66. As previously described, individuals surrendering their offensive weapons will be compensated by the Home Office. It is estimated that this compensation is likely to be in the region of approximately £0.2 million in the first year³⁶.

Ongoing costs

Police

67. The police are likely to make use of this offence when offensive weapons are identified during a search of a private property for other items, such as controlled drugs. The likelihood of this occurring can be estimated using data on the items found during stop and searches. Based on Police Scotland data³⁷, an average of approximately 0.9 per cent of stop and searches for controlled drugs resulted in a find of offensive weapons. In over half of these cases, other illicit items (such as drugs, firearms or cash) were also found. There were approximately 6,900 applications for drug-related search warrants in 2017, so it is estimated that 0.9 per cent of these searches would result in a find of offensive weapons, producing a total of 62 additional proceedings per year. The cost to the police of these additional offences are thought to be negligible, given that they take place during existing stop and search activity, and given that other illicit items are assumed to be found in over half of these cases.

Ministry of Justice Agencies

68. This offence may lead to an increase in the number of proceedings as the police find offensive weapons in private property when they execute search warrants. As previously described, it is

³⁶ Only includes knives and includes an estimated £0.1 million compensation for Cyclone Knives. For corrosives and firearms, see the respective sections of this impact assessment.

³⁷ Stop and Search data publication:

<http://www.scotland.police.uk/about-us/police-scotland/stop-and-search/stop-and-search-data-publication/>

estimated that this may lead to an additional 62 proceedings per year. The estimated cost to the CJS per case proceeded against is approximately £3,160³⁸, based on the costs for the existing offence of possession of offensive weapons without lawful authority or reasonable excuse. This may result in a total cost of approximately £0.2 million per year (PV of £1.7 million over 10 years). This is a conservative estimate, as this policy may also cause a reduction in the number of proceedings, as the surrender of offensive weapons may lead to a decrease in the number of offences where these weapons are used.

3) POSSESSION OF ARTICLES WITH A BLADE OR POINT AND OFFENSIVE WEAPONS IN FURTHER EDUCATION INSTITUTIONS

COSTS

Ongoing costs

Police

69. Expanding the offence of having an article with a blade/point or an offensive weapon on school premises to the further education sector will impose new burdens on the police, when they are called out to further education institutions for these offences. The number of additional offences resulting from this change has been estimated by scaling up the current number of offences in schools by the percentage of additional organisations that have been brought into scope.
70. There was a total of 24,281 schools in England in 2017³⁹, compared to a total of 325 further education colleges⁴⁰, so expanding the offence to further education institutions results in an additional 1.3 per cent organisations being in scope of the offence. Multiplying this percentage by the 134 proceedings for possession in schools in 2016 results in an estimated increase of two offences per year.
71. The estimated time it takes for a police force to investigate a knife possession incident is approximately 11 hours⁴¹, based on data provided by a police force. Using the cost for an hour of constable time of approximately £38⁴², the total cost of investigating an incident is approximately £400. The total cost to the police of expanding this offence is therefore approximately £800 per year (PV of £7,000 over 10 years).

³⁸ See Annex table A1.1

³⁹ Schools, Pupils and their Characteristics. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/650547/SFR28_2017_Main_Text.pdf

⁴⁰ College Key Facts, 2016/17. See: <https://indd.adobe.com/view/2ecfd04e-047c-49cc-91d3-18f9bdb9ca73>

⁴¹ Mid-point from Home Office internal estimates used: <http://www.parliament.uk/documents/impact-assessments/IA14-21G.pdf>

⁴² Home Office internal estimates on police hourly costs. Hourly cost for Sergeant and below, includes salary, expenses, regional allowance, training and employer contributions to pension and national insurance. The estimates were calculated using the Annualised Survey of Hours Earnings (ASHE), Chartered Institute of Public Finance and Accounting (CIPFA) Police Actuals and The National Police Chiefs Council (NPCC) Mutual Aid Rates. Estimates use the latest figures available for the various inputs.

Ministry of Justice Agencies

72. Expanding this offence will generate new demands on the CJS, as additional proceedings are processed. It is estimated that there will be one additional proceeding per year, given that there are two additional offences per year, and it is estimated that approximately 50 per cent of recorded crimes are proceeded against⁴³. The estimated cost to the CJS per case is approximately £1,530 (PV of £13,000 over 10 years).

4) THREATENING WITH AN ARTICLE WITH A BLADE OR POINT OR AN OFFENSIVE WEAPON

COSTS

Ongoing costs

Ministry of Justice Agencies

73. Removing the element of subjectivity on the part of the person threatened and replacing it with a fear element may lead to an increase in the proportion of defendants that are convicted. In the absence of evidence, it has been assumed that this change results in a 10 per cent increase in the number of convictions. This results in an additional increase of eight prison places, which result in an increased cost to the CJS of approximately £192,000 annually (PV of £1.7 million over 10 years), based on an estimated cost per prison place of approximately £24,000⁴⁴.

5) THREATENING WITH AN OFFENSIVE WEAPON IN A PRIVATE PLACE

COSTS

Ongoing costs

Ministry of Justice Agencies

74. Whilst it is not currently a specific offence to threaten somebody with an article with a blade or point whilst in a private place, the Act is currently recordable as a crime under several other offences, depending on the circumstances of the Act. Presuming no actual physical assault takes place the Act of threatening with a knife in a private place can currently be recorded under the offences: common assault, affray, public order offence, aggravated burglary, threat to kill, stalking, harassment⁴⁵. Most of the crimes recorded under the new offence will be transfers from the categories above. It is assumed that the new law will not create a significant volume of completely new crimes, if any.
75. It is difficult to provide an accurate estimate of the number of offences that will be recorded under the new offence. No reliable single data source was found that identifies crimes involving a knife and the type of location (private/public). Whilst, the Home Office Knife Crime Open Data tables provide reliable national data on offences involving a knife or sharp instrument. The Home Office Data Hub (a record level dataset of crimes recorded by the police in England and Wales) and hospital data provides details on offences involving knives but does not identify the type of location. Given the lack of data, the below estimates of the number of offences are the Home Office's best but still remain highly uncertain. This is reflected by the wide range between the low and high estimates.

⁴³ Uses the police recorded crime volumes and the volumes of those proceeded against from the December 2016 Criminal Justice Statistics Quarterly publication: <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2016>

⁴⁴ See Annexes

⁴⁵ List is not exhaustive. List of offences was a result of discussions with crime experts in the Home Office.

76. As previously mentioned, threatening with a knife in a private place offences are currently likely to be recorded as alternative offences⁴⁶. Under the Offensive Weapons Act (2019), threatening with a knife in a private place will carry a maximum sentence of four years. Incidences which are currently recorded as 'Threats to kill' or 'Aggravated burglary' will therefore not be transferred to the new offence as the new offence carries a lower maximum sentence. These two offences are omitted from the analysis below. In the year 2017/18 'Assaults without injury' accounted for about 80 per cent of the offences listed in paragraph 74. Subsequently, in the absence of data to suggest otherwise, it is assumed that the majority of 'Threatening with a knife in a private place' offences are currently being recorded as 'Assault without injury' cases⁴⁷.
77. The offences involving knives or sharp instruments collection covers 'Assault with injury' and 'Assault with intent to cause serious harm'⁴⁸ offences that involve a knife. In the financial year 2017/18, there were 19,292⁴⁹ of these offences recorded by the police in England and Wales. This represents around four per cent of the total 'Assault with injury' and 'Assault with intent to cause serious harm'⁵⁰ (508,446). This is in comparison to analysis conducted on data from the Home Office Data Hub (HODH) on 'Assault without injury' offences from the MPS that were flagged as involving a knife. This analysis showed that about two per cent of 'Assaults without injury offences', involved a knife⁵¹.
78. There are no known reliable records for the number of 'Assaults without injury'⁵² that involve a knife. If a similar percentage of 'Assaults without injury' involve a knife as of 'Assaults with injury' that involve a knife, then it is estimated that around 21,380 'Assaults without injury' took place in 2017/18. This equivalent to four per cent of the number of 'Assaults without injury' (534,502). If, instead of 4 per cent, the proportion is similar to the two per cent found in the analysis of HODH then it is estimated that around 10,690 'Assaults without injury' took place in 2017/18.
79. Analysis from the Crime Survey for England and Wales (CSEW)⁵³ shows that around 22 per cent⁵⁴ of violent incidents⁵⁵ happen around the home⁵⁶. Assuming that a similar percentage of 'Assaults without injury' offences involving a knife take place in a private place, the upper bound figure from paragraph 78 provides an estimate of about 4,700 'Assaults without injury' involving a knife in a private place (22 per cent of 21,380). The lower bound figure from paragraph 78 gives an estimate of about 2,350. For the final estimate the midpoint is used, which is 3,528 'Assaults without injury' involving a knife in a private place per year. Given that the 'around the home' categorisation also includes a nearby street to home, this is likely to be a slight over-estimate.
80. During the year 2017/18, 17 per cent of 'Threaten with a blade or sharply pointed article in a public place' offences were assigned the outcome charge/summons⁵⁷. Applying the same proportion suggests that there will about 590 charges of the new offence, with a lower and upper bound estimate of 395 and 785 respectively. The unit costs for the offence of 'threatening with a knife in public', £7,750⁵⁸, are used as a proxy for the unit cost for 'Threatening with a knife in private'. To calculate the new cost to the CJS generated on by this legislation, the unit cost of an 'Assault without injury' offence, £2,500 must be subtracted from the unit cost of 'Threatening with a knife in private', £7,750. This gives an incremental increase in costs to the CJS of £5,250 per offence of 'Threatening with a knife in private'. The difference in cost is driven by higher court costs as the new offence will be triable either way, which means that some cases will be trialled in a Crown Court, which costs more

⁴⁶ Presuming no actual physical assault takes place the act of threatening with a knife in a private place can currently be recorded under the offences: common assault, affray, public order offence, aggravated burglary, threat to kill, stalking, harassment. This list is not exhaustive.

⁴⁷ In other words, it is assumed that incidents of threatening with a knife at the moment are not significantly disproportionately recorded under any offence code

⁴⁸ Offence codes: 5D, 8N, 8P, 8S

⁴⁹ Knife crime open data year ending March 2009 onwards. Available at: <https://www.gov.uk/government/statistics/police-recorded-crime-open-data-tables>

⁵⁰ Crime in England and Wales: Appendix tables, Table A4. Available at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/previousReleases>

⁵¹ This may be underreported as the knife flag field in the HODH is not mandatory for cases of assault without injury.

⁵² Offence codes: 104, 105A, 105B

⁵³ The nature of violent crime in England and Wales: year ending March 2017, Table 6. Available at:

<https://www.ons.gov.uk/releases/thenatureofviolentcrimeinenglandandwalesyearendingmarch2017>

⁵⁴ 533 occurred around the home out of 2355 incidents.

⁵⁵ Violent incidents comprise wounding, assault with minor injury and assault without injury

⁵⁶ Includes home premises, whether inside/outside or garage/shed, home car park or nearby street to home.

⁵⁷ Police Recorded Crime Database

⁵⁸ See Annex Tables 1 and 2 for MoJ Unit costs

than a magistrates' court to run⁵⁹. In addition, the new offence will have higher prison costs as it also carries a higher maximum sentence of four years, compared to 'Assault without injury', maximum which is six months.

81. Taking the incremental increase in costs to the CJS of £5,250 and multiplying it by estimated number of yearly cases of offences charged with 'Threatening with a knife in private', 590 gives an annual cost between £2.1 million and £4.1 million with a midpoint of £3.1 million. (PV over 10 years of between £17.9 million and £35.5 million with a mid-point of £26.7 million).

6) UPDATING THE DEFINITION OF FLICK KNIVES

COSTS

Ongoing costs

82. Currently flick knives are already illegal and cannot be manufactured, imported, sold or hired in the UK. The change in legislation seeks to expand the legislation to close a loophole around the definition of a flick knife and to capture a wider range of designs that may mimic the way a flick knife operates. As this is a pre-emptive change the current number of knives in scope of this loophole is not thought to be significant, and therefore no significant costs are expected.

BENEFITS

Individuals surrendering offensive weapons

83. As previously described, individuals surrendering their offensive weapons will receive a benefit through the compensation provided by the Home Office, which is estimated to be in the region of approximately £0.2 million. The benefit will be fully realised in the first year.

Public safety

84. The introduction of these new measures to limit the availability of knives and offensive weapons may reduce their possession and their use in offences. Similarly, changes to the burden of proof required for the prosecution of threatening with a knife may act as a deterrent as the risk of receiving a sentence increases. However, these benefits cannot be quantified due to the level of uncertainty around how many offences will be avoided.
85. A breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the net costs of the policy package on knives. See paragraph 123.

7) INTRODUCTION OF KNIFE CRIME PREVENTION ORDERS (KCPOS)

COSTS

Ongoing costs

86. To calculate the cost of KCPOs it is necessary to estimate the number that will be issued per month over the pilot period. KCPOs are intended to be issued to persons matching either of the following criteria:

⁵⁹ See appendices for details.

- a) Habitual Knife Carriers (HKCs): Any person over the age of 12 years for whom the court is satisfied on the balance of probabilities that the police have evidence that they have carried a knife as a weapon on two or more occasions since the pilot began.
- b) Suspects Released Under Investigation (RUI) for knife crime (primarily robbery) who feel undeterred to carry weapons and commit other crimes pending process of criminal proceedings.

Habitual knife carriers

- 87. The MPS provided data on the numbers of people designated as HKCs between May 2018 and October 2018. The MPS currently have 1,100 HKCs, 750 of whom are not incarcerated.
- 88. Habitual knife carriers are divided into high, medium and low risk and individuals can shift between these categories over time. In order to predict how many HKCs would be in scope for a KCPO, two different groups of HKCs were modelled. First, the stock of HKCs. These are individuals who are currently in the MPS' system. Second, the flow of HKCs, these are individuals who will become HKCs and move between different categories.
- 89. Table 1 summarises the MPS data in relation to high risk cases. At the beginning of the six-month period 118 HKCs were categorised as high risk. This is the stock. During the period, nine people who were not HKCs previously became high risk HKCs. Seven people who were high risk stopped being HKCs. A total of 21 individuals were upgraded from medium or low risk to high risk and 46 moved in the opposite direction. The 30 individuals who became high risk HKCs are defined as the flow. These changes meant that at the end of the period there were 95 high risk HKCs.

Table 1: The stock and flow of high risk habitual knife carriers in the MPS over a six-month period, flow volume, percentages and net change, May-October 2018.

	Flow	(%)
Start	118	100
Inflows (new high risk HKCs)	9	8
Outflows (no longer HKCs)	7	6
Net change	+2	+2
Upgrade to high risk	21	18
Downgraded from high risk	46	39
Net change	-25	-21
No change	65	55
End	95	81

Source: Metropolitan Police, May – October 2018.

- 90. This data was used to model the stock and flow of high risk HKCs over 14 months. The same percentage changes were assumed to occur in each 6 months of the policy. This reduced the total number of high risk HKCs from 118 to 95 (81% multiplied by 118) in the first six months, and then 95 to 76 (81% multiplied by 95). It was assumed the total inflows and outflows were spread equally across the 6 months. An identical method was used to do the same for medium risk cases.

Table 2: Monthly stock and flow of high risk habitual knife carriers over pilot period, 2018.

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14
HKCs start	118						95						76	
HKCs end	114	110	107	103	99	95	92	89	86	83	80	76	74	72
Inflows	5	5	5	5	5	5	4	4	4	4	4	4	3	3
Outflows	9	9	9	9	9	9	7	7	7	7	7	7	6	6

Source: Home Office internal estimates. 2018 volumes.

- 91. In order to predict how many of these HKCs would get a KCPO, two effects, moving in different directions, were modelled.

- a) The likelihood of receiving a KCPO before the end of the pilot. This decreases over time as the amount of time left until the end of the pilot falls.

This is modelled using the MPS estimate that 80 per cent of HKCs who stay in high risk for a year or more and 30 per cent of those who stay in medium risk for a year or more are given KCPOs. The probability of receiving a KCPO falls linearly for each month that passes during the 14-month pilot period.

- b) The likelihood of an HKC remaining in that group until the end of the pilot. This increases over time, as the amount of time left until the end the pilot falls.

Using Table 1, it was assumed that there is a 55% chance of a high risk HKC staying as high risk for 6 months. The probability of staying high risk for 12 months is therefore 30%.⁶⁰ It was assumed that an HKC would not inflow and outflow in the same month, meaning the probability of remaining an HKC for the final month was 100 per cent. The probability of remaining a high risk HKC increases linearly between these three points (6 months, 12 months and the final month of the pilot).

92. Using these assumptions, Table 3 was constructed. This shows the likelihood of each receiving a KCPO. The 118 stock of high risk HKCs fall into the first column of numbers as they have over 12 months left until the end of the pilot. The value of 128 is reached as it includes the first two months of inflowing HKCs (see Table 2). The remainder of this row should match the “inflows” row in Table 2. The actual chance of a KCPO is calculated by multiplying a) and b) above. As shown in Table 3, the majority of KCPOs will fall to those who are currently HKC. As the number of people arriving as HKCs falls over time, so will the number of KCPOs they are issued with.

Table 3: Likelihood of receiving a KCPO based on how many high risk habitual knife carriers will remain high risk.

Full months until pilot ends	12	11	10	9	8	7	6	5	4	3	2	1	0
HKCs in scope (Table 2)	128	5	5	5	5	4	4	4	4	4	4	3	3
a) Chance of KCPO (%)	80	74	68	62	55	49	43	37	31	25	18	12	6
b) Chance of staying as high risk (%)	30	34	39	43	47	51	55	63	70	78	85	93	100
Actual chance of KCPO (%)	24	25	26	26	26	25	24	23	22	19	16	11	6
Monthly KCPOs	31	1.3	1.3	1.3	1.3	1.0	1.0	0.9	0.9	0.8	0.6	0.4	0.2
Cumulative total KCPOs	31	32	34	35	36	37	38	39	40	41	41	42	42

Source: Home Office internal estimates. 2018 volumes.

93. As shown in Table 3, it is estimated that there will be approximately 42 KCPOs issued to high risk HKCs during the 14 month period. The same method was followed for medium risk HKCs and estimated that approximately 35 would be issued over the 14 months of the policy.
94. There is significant uncertainty surrounding the number of KCPOs that will be issued. For example, it is not yet known how many applications the courts will approve, or what effect KCPO pilot could have on the number of HKCs. In order to reach a low estimate, the number of KCPOs issued was halved. Therefore in the low scenario of 39 KCPOs (21 to High risk HKCs and 18 to Medium risk HKCs) will be issued. In order to reach a high estimate, it was assumed that the police focus on the stock of high risk HKCs. In this scenario it was assumed the police issued a KCPO to all the 118 high risk HKCs currently known to them, and then issued KCPOs in the same way as estimated in the central scenario thereafter. It was also assumed that double the number of medium risk HKCs were issued with a KCPO. This leads to a total number of 201 KCPOs issued, of which 131 went to high risk HKCs and 70 went to medium risk HKCs.

Suspects Released Under Investigation

95. To estimate this annual population for the Metropolitan police area, the national volume of knife possession arrests (54,387) is multiplied by the percentage of those released under investigation

⁶⁰ This is the equivalent to staying for 6 months twice and calculated by 55 per cent multiplied by 55 per cent (from Table 1).

(25 per cent).⁶¹ This gives an estimate of about 13,597. Multiplying this by 31⁶² per cent, which is the proportion of national knife crime that the MPS accounts for, this gives a figure of 4,215. Due to lack of data, it is then assumed a rate of between 0.1 per cent and 1 per cent of these would have KCPOs sought against them. This results in an annual estimate of about 4 to 42 KCPOs, with a mid-point estimate of 23. Unlike the other populations, it is assumed that this number is the same per year. Uprating this to 14 months gives an estimate of 5 to 49 KCPOs (central estimate 27). Table 4 summarises the estimated number of KCPOs issued over the 14 months pilot period.

Table 4: Estimated Number of KCPOs to be issued over the 14 months.

Populations	Year 1	Year 2	Total
HKCs	41	1	42
MKCs	33	2	35
RUIs	23	4	27
Total	98	6	104

Source: Home Office internal estimates. 2018 volumes. Totals may not sum due to rounding.

96. Table 4 shows that an estimated 104 KCPOs will be issued over the pilot period, though with a front-loaded profile. This equates to approximately 98 new KCPOs issued in year one and an additional six in the second year⁶³. Combining paragraphs 94 and 95, in the low scenario 43 KCPOs are issued (21 to High risk HKCs, 18 to Medium risk HKCs and 5 to those RUI). In the high scenario, 251 KCPOs are issued (131 to High risk HKCs, 70 to Medium risk HKCs, and 49 to those RUI).
97. The figures have been sense-checked by looking at available data/information from other protection orders. The available data is sparse, meaning that assumptions about overlaps and stocks/flow have had to be made. However, it is not believed that these numbers are under-estimated for the following reasons:
- The police will have other tools at their disposals including Gang Injunctions (GIs), Criminal Behaviour Orders and Community Protection Notices. KCPOs will not be used as complements but substitutes.
 - Approximately 48 GIs per year were issued between 2011 and 2014. The estimates above suggest that numbers of KCPOs issued will be more than three times higher compared to the number of gang injunctions.
 - Reviews of other protection orders and consultation by the Home Office has shown that the complex process involved with applying for court orders has generally led to the police making less applications than initially intended.

Police

98. Based on evidence for Gang Injunctions (GIs), it is assumed that the police will need to spend time applying for KCPOs and gathering evidence in preparation for a hearing. The process involves file preparation, liaising with the Directorate of Legal Services, collecting the cheque for the court fee, travel to and from court and the time spent in court. This process is assumed to take 80 hours of police time per KCPO, which is based on feedback from seven Ending Gang Youth Violence (EGYV) areas about how long it takes to prepare for a GI hearing. Given the total per hour cost of a Police Constable of £38⁶⁴, this gives a police cost of £3,040 per KCPO, with a lower bound of £1,520 and an upper bound of £4,940.

⁶¹ This is a College of Policing estimate for the proportion of those released under investigation

⁶² Offences involving knives and sharp instruments open data year ending March 2009 onwards, total offences used for the financial year of 2018/19, all knife offences included, and no forces excluded. Available at: <https://www.gov.uk/government/statistics/police-recorded-crime-open-data-tables>

⁶³ Second year consists of the last 2 months of the pilot period

⁶⁴ Home Office internal estimates on police hourly costs. Hourly cost for Sergeant and below, includes salary, expenses, regional allowance, training and employer contributions to pension and national insurance. The estimates were calculated using the Annualised Survey of Hours Earnings (ASHE), Chartered Institute of Public Finance and Accounting (CIPFA) Police Actuals and The National Police Chiefs Council (NPCC) Mutual Aid Rates. Estimates use the latest figures available for the various inputs.

99. The MPS have commissioned an external evaluation for the KCPO pilot. The cost of this evaluation is uncertain and so the Government wide estimate for the average cost of an evaluation has been used. This is done by taking between 7 and 10 per cent of the total police cost per year is taken, with a mid-point of 9 per cent. This increases the police cost to £3,310 per KCPO, with a lower bound of £1,630 and an upper bound of £5,430.
100. Multiplying the police unit cost by the estimated number of KCPOs for the pilot from paragraph 96 and the evaluation cost, gives an estimated total cost between £0.1 million and £1.4 million with a midpoint of £0.3 million. (PV over 14 months assuming the first 12 fall into the first year of this policy).

Criminal justice system

KCPO Applications

101. **Court Costs:** As per the Offensive Weapons Act 2019, KCPOs will be applied for in magistrates' court. A sitting day in a magistrates' court is estimated to cost approximately £1,100. Given that an average of one sitting day is required for a court hearing (see paragraph 13) the total cost of the court hearings on application is £1,100 per KCPO issued, with a lower bound of £600 and an upper bound of £1,700.
102. **Legal Aid:** As a proxy, legal aid costs used in the gang injunction IA (2014) are used in this IA.⁶⁵ This estimated legal aid costs using around 20 closed cases. Of these cases, the average cost to the legal aid agency was £6,600, which is uprated to approximately £7,100 in 2018 prices. This includes the cost of an appeal where a ruling is contested. This figure provides only an approximation of costs for KCPOs as it is based on a small number of cases for which there is considerable variation (£400- £18,000) in the cost per case.
103. **Appeals and review hearings:** It is expected that there will be some appeals against KCPOs and that there will also be some review hearings. For appeals, the data from GIs are used as a proxy. The consultation conducted for the GI IA (2014) received feedback from EGYV areas to suggest that six out of 108 gang injunctions were contested, and so the best estimate assumes an appeal rate of six per cent. There is uncertainty around this and so the upper bound scenario assumes an appeal rate of 10 per cent and the lower bound scenario assumes an appeal rate of two per cent. This represents the proportion of KCPO cases for which the additional costs of an additional court hearing case and legal aid are applied. In sum, each appealed case will cost the CJS approximately £550 due to the cost of court trials (for half of a sitting day). Since it is estimated that only 6 per cent of cases will be appealed against, on average, the appeals will add £33 to the unit cost of a KCPO - low and high estimates of £11 and £55 respectively. For review hearings, it is assumed that there will be between 0.75 and 1.5 review hearings per KCPO (central estimate 1 review hearing). It is also estimated that these review hearings will last from 0.5 to 1.5 court sitting days (central estimate). The number of court sitting days per KCPO as a result of review hearings is therefore between 0.4 and 2.3 (mid-estimate of 1). This is multiplied by the low, medium and high cost of a sitting day, as outlined in paragraph 101 to work out the unit cost per KCPO. Review hearings therefore have an approximate cost of £1,100 per KCPO, with low and high estimates of £200 and £3,700 respectively.
104. Summing the court costs (£600 - £1,700)⁶⁶, legal aid (£7,100), cost of appeal (£33) and review hearings (£200 - £3,700) gives the total estimated cost to the CJS of issuing a KCPO. This gives an estimated cost to the CJS of between £7,800 and £12,500 with a midpoint of £9,300 per KCPO.
105. Adding the police unit costs from paragraph 99 to the unit CJS costs from paragraph 104 gives a unit cost of a KCPO (not accounting for a breach). This is estimated to be between approximately £9,450 and £17,900 with a central estimate of £12,600.

KCPO Breaches

⁶⁵ Gang Injunction Impact Assessment:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/317529/2014-06-03_signed_IA_Gang_injunctions.pdf

⁶⁶ See paragraph 101.

106. **Breach rate:** It is not clear what the breach rate of KCPOs will be however we can use the breach rate for Gang Injunctions (GI) as a proxy. Of the 25 (out of the 33) EGYV areas who responded to the voluntary data request about gang injunctions from the Home Office, responses show that from January 2011 to January 2014, 49 individuals breached their GIs. This provides an estimated breach rate of 45 per cent. It is worth noting that the breach rate for an Anti-Social Behaviour Order (ASBO), was higher, around 58 per cent⁶⁷. Subsequently, the lower estimate factors in a breach rate of 45 per cent, the high estimate a breach rate of 58 per cent and the main estimate the mid-point - 52 per cent. Multiplying these percentages by the average estimated number of KCPOs issued for the KCPO pilot (104), gives a total breach estimate of between 47 and 60, with a mid-point of 54.
107. To calculate the cost to the CJS, the number of prosecutions for breaching a KCPO must be estimated. Paragraph 106 provides estimates for breaches of ASBOs or GIs. These numbers do not include cases which were prosecuted but resulted in absolute discharge⁶⁸. 'Table A2.1, Offences used in MoJ Cost calculations' in Annex 2 shows that only around one per cent of the prosecutions for Breach of CBO offences resulted in absolute discharge. Including these, gives an estimate of cases to be prosecuted between 52 and 67, with a mid-point of 60. These numbers are then multiplied by the CJS unit cost of a breach of a CBO, £3,500, which is used as a proxy for the CJS unit cost of a breach of a KCPO⁶⁹. This gives a unit breach cost between approximately £1,600 and £2,000, with a mid estimate of £1,800.
108. **Total Unit costs:** Thus, total unit cost for a KCPO is approximately £14,400. This comprises of £3,300 of police costs, £1,100 court costs, £7,100 for legal aid, £33 for appeals, £1,100 for review hearings and £1,800 for breaches (the cost of a breach to the CJS, £3,500, multiplied by the breach rate, 52 per cent). The lower bound estimate is approximately £11,000. This comprises of £1,600 of police costs, £600 court costs, £7,100 for legal aid, £11 for appeals, £200 for review hearings and £1,600 for breaches (the cost of a breach to the CJS, £3,500, multiplied by the (low estimate of the) breach rate, 45 per cent). The upper bound estimate is approximately £19,900. This comprises of £5,400 of police costs, £1,700 court costs, £7,100 for legal aid, £55 for appeals, £3,700 for review hearings and £2,000 for breaches (the cost of a breach to the CJS, £3,500, multiplied by the high estimate of the breach rate (58 per cent)). Table 5 illustrates these unit costs, broken down by police and CJS application and breach costs.

Table 5: Police, CJS and total unit costs, £.

Unit costs	Low	Mid	High
Police	£1,600	£3,300	£5,400
CJS - application	£7,600	£8,200	£8,800
CJS - Breach	£1,600	£1,800	£2,000
CJS – Review hearing	£200	£1,100	£3,700
CJS total	£9,400	£11,100	£14,500
All Costs	£11,000	£14,400	£19,900

Source: Home Office internal estimates. 2018 prices rounded to the nearest £100. Breach cost already includes breach rate.

109. **Total costs:** It is estimated that over the pilot, 43 to 251 (central estimate 104) KCPOs will be issued. Given the unit cost of £11,000 to £19,900 (central estimate £14,400) per KCPO, calculated above, the estimated total cost is between £0.5 million and £5.0 million, with a mid-estimate of £1.5 million.⁷⁰ The present value over 10 years rounds to the same due to the short duration of the pilot. This breaks down into £0.3 million in police costs and £1.2 million in CJS costs (mid-point estimates PV over 10 years). Table 6 illustrates these cost breakdowns.

⁶⁷ The breach rate of Criminal Behaviour Orders would have also been a suitable proxy; however, no such data could be obtained at the time of this analysis.

⁶⁸ See Annex 3 - Glossary

⁶⁹ See Table A2.2 in annexes

⁷⁰ The application and breach costs of a KCPO for CJS occur in the same year.

Table 6: Police, CJS and total PV costs over 10 years, £ million.

Total costs	Low	Mid	High
Police	£0.07	£0.34	£1.36
CJS total	£0.41	£1.15	£3.63
All Costs	£0.48	£1.50	£4.99

Source: Home Office internal estimates. 2018 prices rounded to the nearest £10,000. Breach cost already includes breach rate.

110. Due to there being uncertainty around the number of KCPOs that will be issued during the pilot and the breach rate of the KCPOs, a sensitivity analysis in the risk section (Section G) has been conducted to reflect the impact these factors will have on the total cost to Police and CJS.

BENEFITS⁷¹

111. The main benefit of this policy is the prevention of knife-related offences that may result from intervening (via KCPOs) with individuals who might otherwise have gone on to become involved in more serious knife offending. Because KCPOs are a new intervention it is not possible to accurately estimate the number of crimes that would be prevented by the introduction of this measure.
112. However, there is reasonably good international evidence that GIs – a similar measure aimed at a similar group – have been effective, although the UK evidence base is quite limited. The literature review indicates that there is only one small robust study, which was done in Merseyside⁷². The study found that offending reduced by 70 per cent in 36 individuals after three years of receiving gang injunctions. Similar reductions were not seen in control individuals, suggesting that the injunctions caused the effect. While the authors could not rule out that those individuals might have reduced their offending anyway, their overall conclusion was that GIs are an effective tool for policing.
113. This is in line with the most robust US study on GIs, done in Los Angeles. Using two methods for creating robust control groups, the author concluded that:

“The analysis indicates that, in the first year after the injunctions are imposed, they lead the level of violent crime to decrease by 5–10 per cent.”

114. This reduction relates to the whole area, rather than for the individuals receiving the intervention which is probably why it is more modest than for the UK study. It is also worth noting that the US gang context is quite different from the UK. Another recent study tested ‘Exclusion Zone Orders’ (EZO) – a similar Danish intervention aimed at tackling gang crime, which barred a named individual from a particular area for up to three months at a time. Robust evaluation showed a moderate decrease in the number of offences in six out of seven targeted zones when the EZOs were in effect compared with matched control areas.

Public safety

115. These benefits cannot be quantified due to the uncertainty of how many such incidents may be prevented by the legislation. A breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the net costs of the policy package on knives, see paragraph 123.

⁷¹ Full references for this section can be found in Section L. Links to the references:

<https://link.springer.com/content/pdf/10.1007%2Fs41887-018-0031-5.pdf>

<https://link.springer.com/content/pdf/10.1007%2Fs41887-017-0015-x.pdf>

https://www.researchgate.net/profile/Jeffrey_Grogger/publication/24101083_The_Effects_of_Civil_Gang_Injunctions_on_Report ed_Violent_Crime_Evidence_from_Los_Angeles_County/links/0deec52cc3096042a8000000.pdf

⁷² See: <https://link.springer.com/content/pdf/10.1007%2Fs41887-017-0015-x.pdf>

8) PROHIBITION OF CYCLONE KNIVES

COSTS

116. Costs to retailers: There is currently a limited number of UK retailers of cyclone knives that the authorities are aware of. The police state there is little evidence of cyclone knives on UK streets. The knife has little purpose other than for collectors or for causing injury. For that reason, it is assumed that UK sales volumes are low. By comparison, zombie knives were reported far more frequently by police prior to their ban. Before they were banned the retail value of zombie knife sales was estimated at £104,000 per year⁷³. Based on the limited evidence from the police about the sparsity of Cyclone Knives relative to zombie knives and the lack of any other available data, it is assumed that the retail value of cyclone knife sales is no more than 10 per cent of Zombie Knife sales, prior to their ban, which is equivalent to about £10,000.
117. Retailers will be able to claim compensation for eligible cyclone knives, upon surrendering them to the police. The amount of compensation provided is assumed to be equal to the value of the item. It is assumed that retailers will have in stock no more than a year's worth of knives (sales), worth £10,000, which will be surrendered. As cyclone knives represent a very small proportion of all knives in the market, it is likely that consumers will switch to buying alternative knives in future years. Therefore, the effect on the market overall after year one will be negligible. The total cost is therefore £10,000 (PV over 10 years, because all costs are incurred in year one).
118. Costs to collectors: Those who buy and collect knives will forego the satisfaction that they would have experienced from buying more cyclone knives. This value has not been quantified.
119. Costs to Border Force (BF) and Her Majesty's Revenue and Customs (HMRC): These organisations will incur a cost through the time taken by staff to familiarise themselves with these regulations. There will be an enforcement cost, if confiscations occur. Because the prevalence of these knives is quite low, it is expected that this cost will be small, but greater than zero. The cost has not been quantified.
120. Costs to the police and the CJS: These organisations will incur a cost through the time taken by staff to familiarise themselves with these regulations. Additionally, if existing cyclone knife retailers choose to violate the ban on sale, there will be enforcement costs for the police, the Crown Prosecution Service (CPS), the HM Courts & Tribunals Service (HMCTS), Her Majesty's Prison and Probation Service (HMPPS) and the Legal Aid system. Because cyclone knife retailers have conventional, legal businesses which they would be unlikely to be willing to risk for the small additional profits attainable from cyclone knives, it is expected that compliance will be high, and the volume of offences, and therefore enforcement costs, would be low. These costs have not been quantified. It is possible that black-market retailers could start selling cyclone knives, which would lead to enforcement costs for the agencies mentioned above. These costs have not been quantified.

BENEFITS

121. The main benefit of this policy is the ongoing increase in public safety that may result from prevention of these knives becoming more widely used in violent incidents. It is not possible to accurately estimate the number of crimes that would be prevented by the introduction of this measure. However, for the purpose of comparison, the cost to society of a homicide is estimated to be £3.2 million⁷⁴. If one homicide were prevented as a result of this policy, the quantified benefits would be more than 37 times the cost. To state this in another way, if one homicide were prevented in 37 years as a result of this ban, the benefits would outweigh the costs.
122. Benefit to retailers: as previously described in the costs section, retailers will receive a benefit through the compensation provided by the Home Office, which may be paid for eligible claims of

⁷³ See: https://www.legislation.gov.uk/ukia/2016/182/pdfs/ukia_20160182_en.pdf

⁷⁴ The economic and social costs of crime Second edition - <https://www.gov.uk/government/publications/the-economic-and-social-costs-of-crime>

knives surrendered. This compensation is assumed to be equal to the loss of value. It is not clear how many cyclone knives will be surrendered and subsequent claims for compensation made; an estimation of less than £10,000. The total benefit is therefore £10,000 (PV over 10 years).

Knives Benefit

123. The total benefit from compensation for surrendered knives is £210,000 (PV over 10 years). It is difficult to estimate how many crimes will be prevented by the measures introduced by the policy package on knives. However, breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the net costs of the policy. For context, on average, there were 226 homicides where the method of killing was by a sharp instrument, per year between year ending March 2014 and year ending March 2019⁷⁵. Using an estimated cost to society per homicide of £3.2 million in 2018 prices⁷⁶, the legislation on knives would need to prevent fewer than four homicides per year in order to have a net benefit to society.

CORROSIVES

9) MAKING IT OFFENCE TO SELL PRODUCTS WITH CERTAIN CORROSIVE SUBSTANCES TO THOSE UNDER 18 YEARS OF AGE.

COSTS

Set-up costs

Trading Standards

124. Trading Standards will be responsible for the compliance and some of the subsequent enforcement of the policy. Following the consultation, the Home Office received additional estimates from Trading Standards. The Act also provides investigatory powers for local authorities in relation to enforcement of sales of corrosives. This provision was included in response to requests from Trading Standards to have these powers and enhance their existing ability to enforce the legislation.
125. Initial implementation of the age restriction will require TS to allocate budget and co-ordination, raise awareness of the new policy, train staff and provide advice to businesses on the new restrictions. Trading Standards from two local authorities have estimated that it would cost £7,000 per authority to cover the initial start-up costs of the policy, plus £800 to produce national guidance for businesses. Scaling the £7,000 by the number of local authorities in England and Wales (342) results in a national set-up cost of approximately £2.4 million in the first year of the policy⁷⁷. Trading Standards are able to clawback some of these costs from businesses. The clawback rate is estimated to be between 48 and 88 per cent⁷⁸. Taking the middle clawback rate of 68 per cent, which means Trading Standards will receive 68 per cent of their costs back from businesses, the set-up cost to Trading Standards is approximately £0.8 million in the first year of the policy⁷⁹. The total cost estimate is highly uncertain as it is based on only two respondents, so a range of 25 percentage points either side of the central cost has been estimated with a clawback rate of 88 and 48 per cent for the low and high estimates respectively. This provides a lower bound cost of £0.2 million and an upper bound cost of £1.6 million

⁷⁵ Homicide in England and Wales: year ending March 2019 Appendix table 7 'Offences currently recorded as homicide by a sharp instrument'. Available at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/appendixtableshomicideinenglandandwales>

⁷⁶ The economic and social costs of crime Second edition - <https://www.gov.uk/government/publications/the-economic-and-social-costs-of-crime>

⁷⁷ As this is a year one cost, it is also £2.4 million in PV terms.

⁷⁸ Extension of Primary Authority Impact Assessment (28 June 2013) Page 13: http://www.legislation.gov.uk/ukia/2013/139/pdfs/ukia_20130139_en.pdf

⁷⁹ As this is a year one cost, it is also £0.8 million in PV terms.

in the first year⁸⁰. Due to only getting two consultation responses on the costings to Trading Standards which might cause bias, as well as there being highly uncertain around the clawback figure, further analysis has been conducted in the risk section (Section G) to reflect the impact these changes will have on the total cost to Trading Standards.

Businesses

126. Retailers may face transition costs to familiarise themselves with the new policy. It is assumed that small businesses do not have an electronic system to flag age restricted products, so they will have to manually familiarise themselves with the products in question. It is assumed that the guidance that they will have to familiarise themselves with is approximately 600 words, and assuming an average reading speed of 200⁸¹ words per minute, it will take approximately three minutes for someone to read the guidance on the policy. Using the median hourly cost of sales assistants and retail cashiers of £9.83 per hour⁸², it will cost £0.49 per employee to familiarise themselves.
127. Based on business population estimates, the number of employees in small retail businesses (fewer than 50 employees) is approximately 723,000⁸³. Assuming that 1.5 per cent of all retail employees sell corrosives in scope of the policy, there are approximately 11,000 employees affected. Multiplying 11,000 employees by the £0.49 cost per employee results in a total familiarisation cost of £5,300.
128. Medium and large businesses (50 or more employees) are assumed to have electronic bar code scanning systems. There will therefore be no familiarisation cost to those employees, as the system will automatically flag items for age verification. However, there may be a cost to enter the items into the system so that they can be flagged. It is assumed that an employee takes two hours to complete, which costs £19.66 per business using the mean cost to business of retail staff of £9.83 per hour.
129. From business population estimates, the number of medium and large retail enterprises in the UK is 2,130. Assuming that 5 per cent of these companies sell corrosives in scope of the policy, there are approximately 107 medium and large businesses affected by the policy. Multiplying this by the £19.66 cost per business results in a total cost of approximately £2,100 in the first year.
130. It is assumed that businesses which currently sell corrosives are already selling other age-restricted products - for example, supermarkets will already sell alcohol and cigarettes and hardware stores are likely to sell solvents and knives. It is therefore assumed that their staff will already be trained in age-verification and will not require new training as a result of this policy.
131. It is assumed that this policy will not result in a loss of sales from those under 18 years of age who are legitimately purchasing corrosive substances, given the availability of alternative products not covered by this policy (for example, domestic cleaning products classed as an irritant), and the possibility that an adult could purchase the substance on behalf of a household.
132. Summing the set-up costs for small businesses (see paragraph 127) and the set-up costs from medium and large businesses (see paragraph 129) gives a total set-up cost of £7,400 (PV over 10 years). Retailers that have signed up to the voluntary commitments as a responsible seller should incur minimal further costs as a result of this legislative measure, which means that the costs of the policy to businesses may be over-estimated.
133. Due to the Trading Standard clawback, some Trading Standards costs will become a burden to businesses. Taking a central clawback rate of 68 per cent (see paragraph 125), the cost to businesses will be £1.6 million in the first year of this policy. An 88 per cent and a 48 per cent clawback rate gives a range of £1.4 million and £1.6 million in the first year of this policy.
134. Summing the set-up costs of £7,400 and the Trading Standards costs as above, provides a mid-estimate of approximately £1.6 million in the first year of this policy.

⁸⁰ Start-up costs are estimated to be between £1.8m and £3.0m (taking 25 percentage points either side of the central £2.4m estimate). Applying clawback rates of 88% and 48% respectively, gives figures of £0.2m (£1.8m * 0.12) and £1.6m (£3.0m * 0.52),

⁸¹ <http://www.readingsoft.com/>

⁸² <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digitsoc2010ashtable14> table 14.5, code 711

⁸³ <https://www.gov.uk/government/statistics/business-population-estimates-2018> Table 7

Consumers

135. The Act legislates that that the restrictions to the online sale of knives will also apply to corrosive substances. However, this is not expected to have any costs to retailers or customers, given the availability of alternative products for substances purchased by households (for example, domestic cleaning products which are irritants are not caught by the definition of corrosive product within the Act) and given that business customers will not be affected by this legislation.

Ongoing costs

Trading Standards

136. Trading Standards conduct regular test purchasing operations (involving recruiting mystery shoppers and follow-ups), investigations, prosecutions, and respond to complaints and FOI requests. Trading Standards from two local authorities estimated that these yearly running costs to tackle corrosives would be around £9,900 per authority. Scaling this by the number of local authorities in England and Wales (342) and the set up cost, results in a running cost to Trading Standards nationally of approximately £3.4 million per year. Adding a clawback rate of 68 per cent (see paragraph 125), gives an ongoing cost of approximately £1.1 million per year, which leads to a PV cost of £9.3 million over 10 years.

Businesses

137. Adding the 68 per cent clawback to Trading Standards (see paragraph 125), means some of these costs will be transferred to businesses. This will give an ongoing cost of approximately £2.3 million per year. This leads to a PV cost of £19.7 million over 10 years.

Police

138. Police forces may face an additional demand on their resources to enforce any prohibition on the sale of corrosives to those under 18 years of age, and they may face a reduction in demand if this policy prevents those under 18 years of age from obtaining corrosives for use in violent attacks. The cost of this depends on the volume of corrosives that are supplied to those under 18 years of age, the number of attacks prevented and the costs to police forces to enforce violations and investigate attacks. The responses to the consultation did not provide adequate information to estimate whether there would be an overall increase or decrease in the demand that the police may face as a result of this policy.

Criminal justice system

139. The introduction of a new offence may generate new demands on the CJS. In the absence of data on the costs of this new offence, the costs of the offence of selling a knife to someone under 18 years of age, has been used as a reasonable proxy. This offence was chosen given that it is from the same domain as the new offence, and it has the same maximum custodial sentence length of six months. Details on all MoJ cost assumptions and risks are given in Annex 2.
140. The estimated cost to the CJS per case proceeded against is approximately £3,568⁸⁴. It is assumed that given the lower prevalence of corrosive attacks, the sale of corrosives offence will only have half as many prosecutions as the mis-sale of knives offence. This will mean an increase of 12

⁸⁴ Estimated unit costs are weighted to take into account the route of a case through courts, and disposals. See Annex Table A1

prosecutions and thus a total CJS cost of approximately £43,000 per year (PV of £0.4 million over 10 years).

Stop and Search Powers

141. The stop and search provisions granted by this Act are not anticipated to have a large impact operationally. This is because the legislation is very specific in defining a corrosive substance as “a substance which is capable of burning human skin by corrosion” and the availability and purchase of such substances will be restricted by this legislation. This means there will be very few people in possession of such substances in public. The stop and search provisions which are made as part of this legislation require a police officer to have reasonable grounds to believe that someone is committing the offence of possessing a corrosive substance in a public place, before searching them. Given these factors, and the fact that the number of corrosive offences (619 in the year ending March 2020) are equivalent to about two per cent of the number of offences involving a knife or sharp instrument 39,818, it is estimated that the impact and cost of this provision will be negligible.
142. It is assumed that the stop and search powers will not have an additional cost to the police, as this is expected to be used, in limited circumstances as above, within normal operational policing. In other words, it is assumed that the time police spend on stop and search will be as a result of spending less time on other activities and would not require additional resources. No attempt to explicitly calculate the cost of stop and search powers on the CJS have been made. This is because, the cost is implicitly included in the estimations of the number of cases proceeded against in paragraph 140.

Delivery of corrosives to residential addresses

143. The Offensive Weapons Act 2019 makes it an offence for corrosives to be delivered to residential addresses. Corrosives will have to be bought in person in store where the buyer can verify that they are over 18 years of age. Alternatively, corrosives bought online can be delivered to collection points, where the buyer or their representative must verify that they are over 18 years of age before the purchased product can be collected or handed over. The Home Office does not currently have access to comprehensive data that can be easily used to accurately estimate the total value of products that will be affected by this policy, so it is not possible to monetise the cost of this policy. The policy impact on corrosives will differ to the impact on knives for several reasons.
144. Trading Standards will conduct test purchases on corrosives to check compliance with the law, so test purchase operations will need to cover delivery collection points. This is not expected to significantly increase costs given that collection points are located within premises such as supermarkets and petrol stations, which already sell age-restricted products and would therefore be subject to test purchase operations. Test operations at residential addresses will also need to be carried out.
145. Firstly, whilst the knife policy affects all knives ordered online, the corrosives legislation is very specific in defining a corrosive product as a substance listed in Schedule 1 of the Act or a product that is listed in the same Schedule that has a concentration higher than the limit listed for that substance⁸⁵. This means it is expected that the vast majority of household products will not be affected. These are products that contain particularly corrosive elements (hydrochloric acid, sulphuric acid, sodium hydroxide, and ammonium hydroxide amongst others) that are powerful enough to “burn human skin by corrosion” rather than being an “irritant” which would be the case of the vast majority of household products purchased over the counter or online. Corrosive products are commonly used where normal strength products would not do the task to hand such as high strength drain cleaners or unblockers, paint strippers, brick and patio cleaners and limescale removers. These would be more specialist purchase items, not the products that individuals would regularly and frequently purchase for general household chores.

⁸⁵ See: <http://www.legislation.gov.uk/ukpga/2019/17/schedule/1/enacted>

146. Secondly, consultation shows that 54 per cent of knives ordered online are worth over £50⁸⁶, while most household cleaning products containing corrosives are less than £10⁸⁷. This means that the additional cost of postage or delivery of products to a collection point is a larger percentage of the cost of the product. Subsequently, it is assumed that a larger proportion of people ordering corrosives online will begin to order them in-store than order them online and collect them at a collection point.
147. Due to the delivery costs and inconvenience of going to a collection point, it is likely that consumers will buy corrosives mostly in person in-store and will only shop online for corrosives if they are specialist products that cannot be purchased in-store or are more expensive products. This is because the delivery and inconvenience costs form a smaller percentage of the price of the more expensive product. Due to the lack of reliable data it is not possible to accurately estimate this impact.
148. This policy is likely to disproportionately affect online only businesses, particularly those for which the sale of corrosive products forms a large proportion of their business model. No data is available to quantify this.

BENEFITS

Trading Standards

149. Trading Standards will receive an economic transfer through the clawback rate and imposing some of the burden to businesses. The mid-estimate of the clawback rate is 68 per cent (see paragraph 125). There will be an initial benefit of £3.9 million in the first year, followed by £2.3 million per year for the remaining years of the appraisal period. This gives a total of £21.4 million PV over 10 years. This benefit is equivalent to the cost to businesses and has already been included in the Trading Standards cost estimates.
150. Local authorities that become primary authorities will benefit as they will be able to charge a fee for the service. The assured advice to businesses will help protect consumers. These benefits have not been monetised. The provisions introducing investigatory powers for local authorities will allow local authorities to expand their current powers and enforce more effectively the sales of knives legislation.

10) MAKING IT AN OFFENCE TO POSSESS A CORROSIVE SUBSTANCE IN A PUBLIC PLACE

COSTS

Set up costs

Police

151. Police may also receive additional training on how to properly test for corrosive substances. The NPCC lead for corrosive substance attacks has issued specialist forensic guidance to forces. Training will be needed for officers on the kits that test for corrosives, which will occur only in the first year of the policy. It is expected that road policing, neighbourhood policing and the firearms unit will need to undergo the training, which are a total of 22,339 officers⁸⁸. If it is assumed that it takes an average of two hours to train each officer, multiplied by a per hour cost of a Police Constable of £38⁸⁹, gives a total of £1.7 million in the first year. An upper bound of three hours and a lower bound of one hour training, gives a total cost of £2.5 million and £0.8 million respectively.

⁸⁶ Home Office consultation on the Offensive Weapons Bill

⁸⁷ A brief search on the Tesco Website at the time this analysis showed that the most expensive product in their household cleaning category was £8.

⁸⁸ The sum of the officers outlined above from table F1. Available at: <https://www.gov.uk/government/statistics/police-workforce-england-and-wales-31-march-2019>

⁸⁹ Home Office internal estimates on police hourly costs. Hourly cost for Sergeant and below, includes salary, expenses, regional allowance, training and employer contributions to pension and national insurance. The estimates were calculated using the Annualised Survey of Hours

Ongoing costs

Police

152. The introduction of a new offence for corrosive possession will require the police to be able to identify corrosive substances. This requires that the police have capabilities to be able to test for corrosive substances. The Home Office and the National Police Chiefs' Council (NPCC) lead for corrosive attacks has commissioned the Centre for Applied Science and Technology (now the Defence Science and Technology Laboratory (Dstl) to explore the options available to enable street-based testing for corrosive substances, as identified in the Serious Violence Strategy⁹⁰. The work is still ongoing so it is not known what final approach to testing might be taken, so estimates of two possible approaches have been produced to provide indicative figures.
153. For example, the cost of using pH testing kits is used as a lower bound estimate, which cost approximately £50 per kit, based on estimates provided by the police. It is assumed that these kits would be placed into five response cars in each metropolitan borough/London borough/unitary authority/non-metropolitan district. Scaling up for the 363 such areas across England and Wales, the total estimated cost is approximately £0.1 million per year (PV of £0.8 million over 10).
154. The cost of sending off samples for forensic testing is considered as an upper bound estimate. It is estimated that there are around 619 in the year March 2020 in England and Wales⁹¹. Assuming a false test rate of 50 per cent, it is assumed that approximately 900 tests are conducted per year. Each test is assumed to cost £300, based on estimates provided the police, resulting in a total yearly cost of approximately £0.3 million (PV of £2.4 million over the 10 years of the policy).
155. The mid-point of these two estimates is approximately £0.2 million per year (PV of £1.6 million over the first 10 years of the policy), which is taken as the mid-estimate.
156. The police will also incur costs from detaining those who are arrested for possessing a corrosive. The number of corrosive attack offences (619 in the year ending March 2020) is multiplied by the ratio of knife attacks to knife possession offences (1:1.18), to estimate the total number of corrosive possession offences per year (730). This represents a 0.04 per cent increase in custody volumes, so this was multiplied by the gross revenue expenditure on custody from Police Objective Analysis⁹² data, resulting in an additional cost of approximately £0.1 million per year (PV of £1.1 million over 10 years). Adding this to the testing costs from paragraph 155 gives a total ongoing police cost of £2.7 million (PV over 10 years).
157. Due to there being uncertainty around the number of officers that will need to be trained on the corrosive kits, and the price of these kits, a sensitivity analysis in the risk section (Section G) has been conducted to reflect the impact these changes will have on the total cost to Police.

Criminal justice system

158. The introduction of a new offence will generate demands on the CJS. The Home Office does not have information on the volume of new prosecutions that this might incur, the department does have MoJ estimates of the CJS costs of a proxy offence of 'Having an article with blade or point in public place'. This offence is the basis of the possession offence that is being created so offers a good comparison point for costs. All of MoJ's assumptions and risks are presented in Annex 2.

Earnings (ASHE), Chartered Institute of Public Finance and Accounting (CIPFA) Police Actuals and The National Police Chiefs Council (NPCC) Mutual Aid Rates. Estimates use the latest figures available for the various inputs.

⁹⁰ The Serious Violence Strategy. Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/698009/serious-violence-strategy.pdf

⁹¹ Crime in England and Wales year ending March 2020. See:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

⁹² See: <http://www.cipfa.org/policy-and-guidance/publications/p/police-objective-analysis-estimates-201516>

159. The estimated cost per proceeding to the CJS is approximately £4,380. The volume of new cases that will be proceeded against is uncertain, but an estimate has been made by dividing the number of knife possession proceedings (7,360) by the ratio of knife attacks to corrosive attacks (39:1) and then by the ratio of knife attacks to proceedings for knife possession (5:1), resulting in an estimated 40 proceedings for corrosives possession. Multiplying this by £4,380 results in an estimated cost to the CJS of approximately £0.2 million per year (2018 prices) (PV of £1.5 million over 10 years)⁹³.

General public

160. There may be a non-monetised cost to the general public as they will have to consider if their transportation of corrosive products qualifies as “good reason” before taking them into a public place. There may be some instances where they are challenged on their possession. This may lead to minor emotional costs or loss of time.

BENEFITS

161. The introduction of the package of legislative measures is to reduce corrosive attacks. While it is not possible to estimate the number of attacks that may be prevented it is possible to provide an estimate of the number of corrosive related crimes that would need to be prevented to balance the costs of the policy using the published Costs of Crime⁹⁴ estimates. The estimated cost of ‘serious wounding’ is approximately £30,000 after up-rating to 2018 prices.

162. Corrosive attacks can result in serious wounding and their impacts are long lasting. Victims of a corrosive attack could face significant long-term emotional and physical affects, which would require both psychological support as well as physical treatment, such as scar management. To account for these additional costs, the cost of specialised healthcare for burns treatment relating to corrosive attacks has been collected from 13 treatment centres in England and Wales. This results in a cost of approximately £9,000 for treatment in a specialist unit. Not all corrosive attacks result in these kinds of injuries. A voluntary collection of data from police forces showed 48 per cent of corrosive attacks involved no injury or very minor injury. The treatment cost has been adjusted for this, so that only the attacks resulting in injury have this cost. Assuming the £9,000 acid burn cost is additional to the other costs for a serious wounding taken from the latest cost of crime estimates⁹⁵ (for example the emotional cost to the victim, the police costs and the costs to the Criminal Justice System), then the estimated total cost of a single corrosive attack is approximately £35,000⁹⁶. For the annual costs of both corrosive policies to equal the benefits there would have to be a reduction of around 125 corrosive attacks per year, from the current level of around 619 per year (year ending March 2020 in England and Wales⁹⁷).

FIREARMS

11) PROHIBITING RAPID FIRING RIFLES AND DEVICES KNOWN AS BUMP STOCKS UNDER SECTION 5 OF THE FIREARMS ACT 1968

COSTS

⁹³ Calculations as follows $7,360 / 39 = 189$, $189 / 5 = 38$, $38 * £4,380 = 165,317$, rounded to nearest 0.1 million is 0.2 million

⁹⁴ Cost of crime revisions: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118042/IOM-phase2-costs-multipliers.pdf

⁹⁵ The economic and social costs of crime second edition:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf

⁹⁶ This is given by taking the uprated cost of serious wounding from the published estimates and adding $£9,000 \times 0.52$.

⁹⁷ Crime in England and Wales year ending March 2020. See:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

Set-up costs

Registered firearms dealers

163. Registered firearms dealers (RFDs) will incur costs from these changes, as they will be required to surrender the affected rifles (although they will be compensated for doing so, which is quantified in the benefits section), they will lose profits from not being able to trade them in the future, and they will incur familiarisation costs in order to ensure they comply with the new legislation. The main rapid firing rifles affected by this legislation are Manually Actuated Release System (MARS) rifles and Lever release rifles, but there may be other types of rapid fire rifles that will also be affected.
164. Rapid fire rifles (RFR) can broadly be categorised into MARS rifles and Lever release rifles (LRR)⁹⁸. Based on consultation responses, the number of MARS rifles in the UK is assumed to be 700. There are 541 firearms identified as LRR on the National Firearms Licensing Management System. However, written evidence as part of the Offensive Weapons Bill indicates that the Southern Gun Company, the sole UK-based manufacturer of these type of rifles, has sold 2,000 of these in the UK. The mid-estimate of the number of this type of rapid fire rifle is formed by taking the mid-point of these numbers. This gives a mid-estimate of 1,270 LRR, a low estimate of 540 LRR and a high estimate of 2,000 LRR. Adding the estimate of 700 MARS rifles to the estimate of LRR gives a mid-estimate of 1,970 total RFRs, a low estimate of 1,240 RFRs and a high estimate of 2,700 RFRs. The average value of MARS rifles is assumed to be £3,000, this was reached by taking a mid-point between estimates provided by the National Rifle Association (NRA) and the main importer of MARS rifles. The Southern Gun company website shows lever release rifles ranging in price from £2,000 to £4,000. The mid-estimate (£3,000) of the value of rapid fire rifles is formed by taking the midpoint of these numbers.
165. Based on advice from industry experts, it is assumed that 10 per cent of RFR (low = 125, mid = 195, high = 270) are currently held by dealers, and the remaining 90 per cent are held by individuals (low = 1,115, mid = 1,775, high = 2,430). It is assumed that this split is the same for both MARS and LR rifles. This gives an estimate of 70 MARS rifles held by dealers and 630 held by individuals. It also gives an estimate of 55 to 200 LR rifles being held by dealers (mid-estimate = 125) and 485 to 1,800 being held by individuals (mid-estimate = 1,145). Multiplying the mid estimate of RFR (195) held by dealers by £3,000 gives an estimated (mid) total value of rapid firing rifles held by RFDs of £0.6 million. This consists of £0.2 million of MARS rifles (70 multiplied by £3,000) and £0.4 million of LRR cost (125 multiplied by £3,000). Multiplying the low estimate of RFR (125) held by dealers by £2,000 gives an estimated (low) total value of rapid firing rifles held by RFDs of £0.2 million. This consists of £0.1 million of MARS rifles (70 multiplied by £2,000) and £0.1 million of LR rifles (55 multiplied by £2,000). Multiplying the high estimates of RFR (270) held by dealers by £4,000 gives an estimated (high) total value of rapid firing rifles held by RFDs of £1.1 million. This consists of £0.3 million of MARS rifles (70 multiplied by £4,000) and £0.8 million of LR rifles (200 multiplied by £4,000).
166. RFDs may also have ancillary equipment which has sole and unique use in relation to prohibited firearms. It is difficult to estimate the costs of such equipment as there is no verified data. Written evidence as part of the Offensive Weapons Bill indicates that the Southern Gun Company (main supplier of the lever release rifles) have £2 million worth of ancillary equipment, which may be eligible for claiming compensation. This is used as the high estimate. 25 per cent and 50 per cent is subtracted to obtain the low and mid-estimates of £1.0 million and £1.5 million respectively. This is to reflect the high level of uncertainty and the potential upward bias from other consultation responses. The ratio of MARS to LR rifles in the medium estimate is used to estimate how the ancillary equipment is split between the two rifle types. It is estimated that there are 70 MARS rifles and 125 LR rifles in the mid-estimate. Therefore, of the £1.5 million of ancillary equipment in the mid-estimate, £1.0 million is expected to be associated with the LR rifles, and £0.5 million with the MARS rifles. In the low and high estimate there is still expected to be 70 MARS rifles, and so there is still expected to be £0.5 million of ancillary equipment associated with them. In the low estimate it is expected £0.5 million of ancillary equipment is associated with the LR rifle, and in the high estimate £1.5 million is expected.

⁹⁸ There may be other types or ways to categorise rapid fire rifles. This list is not intended to be exhaustive.

167. There will also be a cost to RFDs to familiarise themselves with the restrictions introduced by this policy. Previous updates to the law on the sale of antique firearms were distributed in information targeted towards the sellers and purchasers of these firearms. The information provided was approximately 600 words, which is assumed to be roughly equivalent to the guidance issued on the sale of rapid-fire rifles. It is assumed that it takes approximately 3 minutes to read the guidance, for each of the approximately 3,500 registered firearm dealers. The total hours spent reading the guidance is multiplied by the median hourly wage (£10.03)⁹⁹, to estimate the total familiarisation cost of approximately £1,755 in the first year.
168. Totalling the costs to RFD, it is estimated that due to this legislation on banning RFR, RFD will face costs between £1.2 million and £3.1 million with a mid-estimate of £2.1 million within the first year the legislation is implemented¹⁰⁰.

Individuals owning affected rifles

169. Individuals owning the affected rifles will incur costs from these changes, as they will be required to surrender them (although they will also be compensated for doing so, which is quantified in the benefits section).
170. As previously stated, the average value of RFRs is estimated at £3,000. Based on advice from industry experts, it is assumed that 90 per cent of RFRs are held by individuals (low = 1,117, mid = 1,774, high = 2,430). It is assumed that this split is the same for both MARS and LR rifles. This gives 630 MARS rifles being held by individuals and 485 to 1,800 (mid-estimate = 1,145) LR rifles being held by individuals. Multiplying the mid-estimate of RFR held by individuals (1,774) by £3,000 gives an estimated (mid) total value of rapid firing rifles held by individuals of £5.3 million. This consists of £1.9 million of MARs rifles (630 multiplied by £3,000) and £3.4 million of LRR cost (1,145 multiplied by £3,000). Multiplying the low estimate of RFR held by individuals (1,117) by £2,000 gives an estimated (low) total value of rapid firing rifles held by individuals of £2.2 million. This consists of £1.3 million of MARs rifles (630 multiplied by £2,000) and £1.0 million of LRR cost (485 multiplied by £2,000). Multiplying the high estimates of RFRs (2,430) held by dealers by £4,000 gives an estimated (high) total value of rapid firing rifles held by RFDs of £9.7 million. This consists of £2.5 million of MARs rifles (630 multiplied by £4,000) and £7.2 million of LRR cost (1,800 multiplied by £4,000).
171. Individuals may also have ancillary equipment which has a sole and unique use in relation to prohibited firearms which will also have to be surrendered. It is difficult to estimate the costs of this as there is no data to inform an estimate. On this basis, it is assumed that individuals will own ancillary equipment equal to RFDs. This gives an estimate of £1.5 million, with a low and high estimate of £1.0 million and £2.0 million respectively. These costs will be realised in the first year of the legislation. As the amount of ancillary equipment and the ratio of LR to MARS rifles is assumed to be the same for individuals and RFDs, the amount of ancillary equipment for each type of rifle is assumed to be the same for individuals and RFDs. It is estimated that £0.5 million of ancillary equipment is associated with the 630 individually held MARS rifles, and £0.5 to £1.5 million (mid-point £1.0m) of ancillary equipment is held by the owners of LR rifles.
172. Summing the costs to individuals, it is estimated that due to this legislation on banning RFR, individuals will face costs between £3.2 million and £11.7 million with a mid-estimate of £6.8 million within the first year the legislation is implemented¹⁰¹.

Central government

173. Government will incur costs through compensation payments to RFDs and individuals when they surrender their affected firearms. Compensation payments are assumed to be equal to the market

⁹⁹ Annual Survey of Hours and Earnings. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2017provisionaland2016revisedresults/relateddata>

¹⁰⁰ As this is a year one cost, it is also £2.1 million in PV terms.

¹⁰¹ As this is a year one cost, it is also £6.8 million in PV terms.

value of these firearms. These payments will be made in the first year of the implementation of this legislation. The compensation is estimated to total of between £4.5 million and £14.8 million for rapid fire rifles and ancillary equipment, with a mid-point of £8.9 million¹⁰². There will be costs for administering the compensation scheme that will cover Rapid Fire Rifles and the surrendering of Offensive Weapons in private. It is difficult to precisely calculate the costs for administering the scheme due to uncertainties surrounding the number of claimants. We have identified a nominal cost of £1m for administration and have estimated an additional £1m for contingencies. This contingency cost will cover the development of an IT database, communications and promotional activity. Summing the compensation costs and the administration costs, it is estimated that costs will be between £6.5 million and £16.8 million, with a mid-point of £10.9 million¹⁰³.

Police

174. There may be some small additional costs to police of collecting, transporting and destroying the surrendered firearms. It is assumed that this infrastructure and capability already exists and the small numbers of firearms in scope can be handled within normal operations, so this cost is assumed to be negligible.

Ongoing costs

Registered firearm dealers

175. It is estimated that RFRs account for about 0.1 per cent of the total stock of all guns legally owned in England and Wales or 0.6 per cent of all rifles in England and Wales. This has been calculated by dividing the estimated stock of RFRs in England and Wales (1,970, see paragraph 164) by the total stock of shotguns and firearms (1,927,217¹⁰⁴); and by the total number of rifles in England and Wales (346,054¹⁰⁵) respectively. Because RFRs constitute a very small proportion of the overall stock of firearms and shotguns and because consumers are likely to buy alternative guns rather than stop their shooting activities, our assessment is that overall cost to dealers will be negligible. However, analysis does show that there may be important effects on individual dealers. For example, the Southern Gun Company's main revenue arises from the production and sale of RFRs and ancillary equipment. If consumers switch to other guns then the effect on the gun market as a whole will be negligible, whilst the effect on that company would be very large.

Private rifle ranges

176. There may also be costs associated with loss of revenue from individuals using rapid fire rifles at shooting ranges. Advice from industry experts suggests that between 70 and 200 MARS shooters would use a rifle range per month, and that the cost of using a range would be between £40 and £80. However, industry experts suggest shooters often use several different rifles in the same session. This means that shooters are likely to continue to visit these ranges but would instead use a different firearm. The overall assessment is that any losses to rifle ranges will be negligible.

BENEFITS

¹⁰² As this is a year one cost, it is also £8.9 million in PV terms.

¹⁰³ As this is a year one cost, it is also £10.9 million in PV terms.

¹⁰⁴ Statistics on Firearm and Shotgun Certificates, England and Wales, Table 15. Available at: <https://www.gov.uk/government/statistics/statistics-on-firearm-and-shotgun-certificates-england-and-wales-april-2018-to-march-2019>

¹⁰⁵ Statistics on Firearm and Shotgun Certificates, England and Wales, Table 15. Available at: <https://www.gov.uk/government/statistics/statistics-on-firearm-and-shotgun-certificates-england-and-wales-april-2018-to-march-2019>

Registered firearms dealers

177. Registered firearms dealers will receive a benefit through the compensation provided if they surrender the affected firearms and make an eligible claim. Compensation payments are assumed to be equal to the market value of these firearms. These payments will be made in the first year of the implementation of this legislation and are assumed to be equal to the market value of the firearms which, as previously detailed, is a total of between £1.2 million and £3.1 million for rapid fire rifles and ancillary equipment, with a mid-point of £2.1 million¹⁰⁶.

Individuals owning affected rifles

178. Individuals owning the affected rifles may receive a benefit through the compensation provided when they surrender them. Compensation payments are assumed to be equal to the market value of these firearms. These payments will be made in the first year of the implementation of this legislation and are assumed to be equal to the market value of the firearms which, as previously detailed in paragraph 172, is a total of between £3.2 million and £11.7 million for rapid fire rifles and ancillary equipment, with a midpoint of £6.8 million¹⁰⁷.

Public safety

179. The penetration and fire rates of rapid fire rifles means that if they were used in a crime, there is a significant risk of more deaths or more serious injuries than if other more conventional types of weapon were to be used. These changes will therefore have a public safety benefit by reducing the risk of this situation arising. These benefits cannot be quantified due to the uncertainty of how many such incidents may be prevented by the legislation. For context, the affected rifles constituted less than 0.07 per cent of all registered rifles, and on average, there were 45 firearm-related homicides per year between 2004/2005 and 2014/2015.¹⁰⁸
180. However, breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the net costs of the firearms policy. Using an estimated cost to society per homicide of £3.2 million¹⁰⁹, and a total compensation cost of £4.5 to £14.8 million (mid-point £8.9m) the firearms legislation would need to prevent two to five (mid-estimate of 3) homicides over the 10 year period in order to have a net benefit to society¹¹⁰. This breakeven analysis can be broken down by rifle type. The total compensation cost of MARS rifles is estimated at £2.5 to 3.9 million (mid-point £3.2m) so the firearms legislation would need to prevent one to two homicides with this rifle in order to have a net benefit to society. The total compensation cost of LR rifles is estimated at £2.0 to 10.9 million (mid-point £5.7m) so the firearms legislation would need to prevent one to four (mid-estimate of two) homicides with this rifle in order to have a net benefit to society

Total costs and benefits, NPSV, BNPV and EANDCB

181. The concept of present value (PV) takes into account that a set sum of money is not as valuable to people at some point in the future as it would be today, reflecting in part, time preference and in part, an assumption that the economy is expected to grow over time. Therefore, the marginal utility of

¹⁰⁶ As this is a year one cost, it is also £2.1 million in PV terms.

¹⁰⁷ As this is a year one cost, it is also £2.1 million in PV terms.

¹⁰⁸ Homicide in England and Wales: year ending March 2018:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/homicideinenglandandwales/yearendingmarch2018>

¹⁰⁹ The economic and social costs of crime second edition:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf

¹¹⁰ This analysis is based upon undiscounted costs and does not consider that net present value is impacted by which year of the 10 the homicide is prevented.

each additional pound diminishes in the future. Future costs and benefits must be discounted in order to be comparable to today's costs and benefits. The Net Present Social Value (NPSV) of a policy is the present value of benefits minus the present value of costs and this is taken as the current monetary value of a policy option.

182. The NPSV of the costs and benefits of the Offensive Weapons Act (2019) is -£136 million (PV over 10 years). This is due to a cost of £145 million (PV) and a monetised benefit of £9 million (PV)¹¹¹.
183. Estimated Business Net Present Value (BNPV) is -£21.4 million. This is the present value of benefits to businesses (£2.1m) minus the present value of costs to businesses (£23.5m). The BNPV is driven by the TS transferring 68 per cent of their costs to businesses (see section 9 of the appraisal section); as well as the costs of surrendered banned weapons, for which businesses will be compensated and familiarisation costs.
184. The equivalent annual net direct cost to business (EANDCB) of this set of legislation is estimated to be £2.1 million. This is because there are estimated direct costs of £2.3 million and direct benefits of £0.2 million.
185. It is difficult to quantify the benefits, as it is difficult to estimate how many crimes will be prevented by the measures introduced by the Offensive Weapons Act 2019. However, breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the costs of the policy. For context, on average, there were 226 homicides, where the method of killing was by a sharp instrument, per year between 2013/14 and 2018/19¹¹². Using an estimated cost to society per homicide of £3.2 million in 2018 prices, this legislation would need to prevent five homicides per year in order to have a net benefit to society.

Table 7: Summary of NPSV and direct impact on business (equivalent annual), £ million, 2018 prices

Net Present Social Value , £ million			
Low:	-97	High:	-186
		Best Estimate	-136

Costs	Total Transition (constant price)	Years	Average Annual (excl. Transition, constant price)	Total Cost (present value)
Low	15	1	12	102
High	42		23	201
Best Estimate	26		16	145

Benefits	Total Transition (constant price)	Years	Average Annual (excl. Transition, constant price)	Total Benefit (present value)
Low	5		0	5
High	15		0	15
Best Estimate	9		0	9

Direct impact on business per year (Equivalent Annual or EANDCB) £million			
Costs:	2.3	Benefits:	0.2
		Net:	2.1

Source: Home Office, own estimates.

¹¹¹ See Annex 6 for a summary of the costs and benefits of this policy.

¹¹² <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/appendixtableshomicideinenglandandwales> Tables 6a and 6b

F. Proportionality.

186. A significant effort has gone into analysing the impact of the Offensive Weapons Act 2019. This is particularly due to the breadth of the Act and sensitivity and controversy of various elements of the legislation, for example, Knife Crime Prevention Orders and the firearms legislation. However, this has been a proportionate effort to consult, seek expert advice and develop robust estimates where possible to assess the potential impacts of these policy changes.

G. Risks.

187. There may be risks associated with the new offences being introduced on the prohibition of corrosive substances, as those wanting to access these items for use in violent crime may instead turn to other more accessible forms of weapons to cause harm. If, for example, more knives are used in place of corrosives the societal benefit of the policy may be reduced as knife crimes have a similarly high cost to society.
188. As mentioned in paragraph 125, there could be some uncertainty from the consultation responses for the Trading Standards costs, since there were only two responses received. So to take into consideration this uncertainty, Table 8 has been constructed below to show the impact on the total PV cost over 10 years for both businesses and Trading Standards, with costs ranging 50 per cent higher and lower than the current central estimate.

Table 8: Trading Standards total costs PV over 10 years, £million.

Cost variation (%)	Cost to businesses £m	Costs to Trading Standards £m
-50	10.7	5.0
0	21.3	10.0
+50	32.0	15.1

Source: Home Office, own calculations. All numbers to the nearest £100,000. Bold values are the central estimate, based on the central unit and evaluation cost estimate from the appraisal. A 68 per cent clawback is assumed here. Table 8 business cost excludes other business costs for this policy. The central cost for business for Tables 8 and 9 do not match.

189. As also mentioned in paragraph 125, there is also uncertainty over the clawback rate in which Trading Standards can impose some of the financial burden onto businesses. To account for this uncertainty, a sensitivity analysis has been conducted to check how the total PV costs over 10 years will change for both businesses and Trading Standards. See Table 9 for details.

Table 9: Business and Trading Standards total costs PV over 10 years with ranging clawback rates, £ million.

Clawback rate (%)	Cost to businesses, £m	Costs to Trading Standards, £m
30	9.42	21.97
40	12.56	18.83
48	15.07	16.32
50	15.70	15.70
60	18.83	12.56
68	21.35	10.05
70	21.97	9.42
80	25.11	6.28
88	27.62	3.77
90	28.25	3.14
100	31.39	0.00

Source: Home Office, own calculations. All numbers to the nearest £100,000. Bold clawback values are the low, central and high for sensitivity analysis, based on the central unit and evaluation cost estimate from the appraisal. Therefore, these low and high costs do not match the values in the Trading Standards section.

190. There are a number of uncertain variables in calculating costs for corrosive testing kits. However, the ranges for two variables: cost of the kit and number of officers requiring to be trained, are large. Sensitivity analysis has been conducted on these variables together, whilst holding the other variables constant. The variables held constant are firstly, the false positive testing cost (see section 10 of the appraisal section). The same methodology has been used between paragraphs 151 and 156. The training time required, the cost and required maintenance of the device, and the set-up costs, have all been held constant.
191. Table 10 shows the overall 10 year PV testing costs to the police for this policy with differing numbers of police officers to train and the differing cost of the testing kits¹¹³.

Table 10: Police testing costs, £ million, PV over 10 years with a range of police officer volumes and test kit costs.

Cost of a pH kit £	Number of Police officers to be trained									
	10,000	22,339	30,000	40,000	50,000	60,000	70,000	80,000	90,000	100,000
	Police testing costs £ million									
25	2.2	3.1	3.7	4.4	5.2	6.0	6.7	7.5	8.2	9.0
50	2.4	3.3	3.9	4.6	5.4	6.2	6.9	7.7	8.4	9.2
100	2.7	3.7	4.3	5.0	5.8	6.5	7.3	8.1	8.8	9.6
150	3.1	4.1	4.7	5.4	6.2	6.9	7.7	8.5	9.2	10.0
200	3.5	4.5	5.0	5.8	6.6	7.3	8.1	8.8	9.6	10.4
400	5.1	6.0	6.6	7.4	8.1	8.9	9.6	10.4	11.2	11.9
600	6.6	7.6	8.2	8.9	9.7	10.4	11.2	12.0	12.7	13.5
800	8.2	9.1	9.7	10.5	11.2	12.0	12.8	13.5	14.3	15.0
1,000	9.8	10.7	11.3	12.1	12.8	13.6	14.3	15.1	15.9	16.6

Source: Home Office, own calculations. Police testing costs to the nearest £100,000. Bold values are the central estimate.

192. For those weapons and firearms that will be prohibited, there is a risk that individuals may choose not to seek compensation but keep the weapon and/or firearm in their possession. This could result in the prohibited items still being publicly accessible, and a potential risk that they get into the hands of those wanting to inflict violence. Therefore, there is a risk that the policy will not achieve the hoped for reduction in societal costs from firearms crime.
193. The consultation responses are used to estimate a number of costs associated with the knife/offensive weapons and firearms elements of this policy. The data provided in these responses may not be an accurate reflection of the wider population, and the estimates are subject to significant uncertainty.
194. To estimate the number of new offences which may occur and their cost to the CJS, proxy offences have been chosen based on similar existing offences. For example, for the new offence relating to 'Threatening with An Offensive Weapon in A Private Place', the existing offence of having an article with blade or point in public place has been used for the associated charge rate. This is the best available proxy, but it is not clear how accurate the charge rate will be for the new offence. This may affect costs to the CJS. For example, the assumed charge rate is approximately 17 per cent (see paragraph 80). If the actual charge rate for the new offence turns out to be double (34%), then the yearly cost would also double to approximately £6.2 million. The total estimated yearly costs for the policies relating to knives is approximately £11 million. An additional £3.1 million would therefore increase the yearly costs for knives by just over 25 per cent.

¹¹³ The bold figures in the table are the numbers used for the mid-estimate of the police testing costs. This takes the mid-estimate set up cost from paragraph 151 and the mid-estimate ongoing cost from paragraph 156 in the main body of the appraisal section. This sensitivity analysis uses the assumption that all testing devices will require two hours of training, whereas the training times are one hour and three hours for the low and high estimates respectively in the main body of the IA (see paragraph 151). Therefore, the low and high estimates do not match the low and high estimates in the sensitivity analysis.

195. The estimate for the number of employees working in small retail businesses which sell corrosives is an assumption due to lack of appropriate data. The figure (11,000, see paragraph 127) of those who will require training is therefore subject to considerable uncertainty. If the number of employees doubles to approximately 22,000, then the familiarisation costs for small businesses would also double approximately from £5,500 to £11,000. However, this has a limited impact on the overall cost of the policies relating to corrosives, which are approximately £4.3 million per year.
196. KCPOs are a new tool and numbers issued are forecast on best available proxies. If these and/or the breach rate is higher, there is a risk of increased downstream economic impacts on the CJS. The assumed breach rate for KCPOs is approximately 52 per cent (see paragraph 106). If, for example, the actual breach rate for KCPOs turns out to be 70 per cent, then the total costs would increase by £0.1 million to approximately £1.6 million, a rise of about 5 per cent. However, the effect on the total cost for the policies relating to knives would be less than one per cent. This is because total KCPO costs, in present value terms, make up only an estimated two per cent of the total present value costs for policies relating to knives. See Table 11 for further details.

Table 11: KCPO breach rate (%), cost per KCPO (£) and total cost (£m) sensitivity analysis

KCPO Breach Rate (%)	Cost per KCPO (£)	Total PV Cost for KCPOs (£ million)
0	12,603	1.31
10	12,953	1.35
20	13,303	1.38
30	13,653	1.42
40	14,003	1.45
50	14,353	1.49
52	14,405	1.50
60	14,703	1.53
70	15,053	1.56
80	15,403	1.60
90	15,753	1.64
100	16,103	1.67

Source: Home Office, own calculations. A constant rate of one review hearing per KCPO is applied throughout as opposed to a range of rates, as in the appraisal section (E).

197. There is also uncertainty around the number of KCPOs that will be issued during the pilot, which will affect the CJS and police costs. A sensitivity analysis has been conducted to reflect the impact on the first year, second year and total PV costs to police and CJS when the number of KCPOs issued changes. Table 12 shows how the total police and CJS PV is impacted when the number of KCPOs changes.

Table 12: Total KCPO cost (PV) over the pilot period with a varying number of KCPOs issued, £ million.

KCPOs over 14 months	Year 1	Year 2	Total cost	PV (over 10 years)
26	0.35	0.02	0.37	0.37
43	0.60	0.03	0.63	0.62
52	0.71	0.04	0.75	0.75
78	1.06	0.07	1.12	1.12
104	1.41	0.09	1.50	1.50
156	2.12	0.13	2.25	2.24
208	2.82	0.18	3.00	2.99
251	3.45	0.16	3.61	3.60
260	3.53	0.22	3.75	3.74
312	4.23	0.26	4.50	4.49
364	4.94	0.31	5.25	5.24
416	5.64	0.35	6.00	5.98
468	6.35	0.40	6.75	6.73
520	7.05	0.44	7.50	7.48

Source: Home Office, own calculations. All numbers to the nearest £10,000. Bold KCPO values are the low, central and high for sensitivity, based on the central unit and evaluation cost estimate from the appraisal. Therefore, these low and high costs do not match the values in the KCPO section.

Knives and offensive weapons

198. The changes to online knives purchases may cause a loss of sales to online retailers if customers decide not to purchase knives online as a result of the increased cost and inconvenience.
199. There is a risk that a network of collection points may not be available, if an agreement with delivery companies to provide collection points cannot be reached. This could lead to increased inconvenience costs as buyers of knives online would have to travel further to collect their knife; or this could increase the demand for knives to be delivered to residential properties which could in turn, increase the cost of delivery.
200. The inconvenience (cost) to customers from collecting knives from collection points may be over-estimated, if their collection point is located in a place which they already visit, for example a local supermarket or petrol station.
201. The nature of the legislation may create an advantage for online knives retailers who have vertically integrated delivery services, as they will not have to engage in contract negotiations with a courier.
202. Individuals who are not willing to lose their offensive weapon may decide that they are at low risk of being investigated and so will retain it at the risk of being arrested and prosecuted for the offence. This could lead to an under-estimate of additional costs to the CJS.
203. It is currently assumed that there are few knives currently in existence that would be affected by the new definition of a flick-knife, and that this is therefore a pre-emptive policy change. There is a risk that a significant number of these flick-knives already exist in the UK, and that the costs of this policy have therefore been under-estimated.
204. The volume of online sale of knives has been estimated based on responses from the consultation. It has been assumed that the responses to the consultation capture at least half of the online market share. There is a risk that this assumption may prove to be an under-estimate and that the costs to consumers may therefore be under-estimated.
205. Some couriers may not be willing to carry the risk of criminal liability, and the risks of an unlimited fine for handing over a knife to a person under 18 years of age. This may disadvantage smaller manufacturers and retailers, as couriers may be prepared to take on the criminal liability for major retailers, where the commercial benefits outweigh the risks, but not for smaller retailers.

Corrosives

206. Trading Standards may incur higher costs where their cases result in non-guilty verdicts. These costs are variable depending on the nature of the case. An increase in potential cases might lead to a higher risk of non-guilty verdicts.
207. The cost to Trading Standards was estimated on the basis of scaling up the average costs from a sample of two Trading Standards departments. There is a risk that these may not be representative of the wider population. The true cost to Trading Standards may have been either under-estimated or over-estimated.
208. It is not known what form that the testing solution identified by DSTL will take, nor the details of its effectiveness or costs. The benefits have been estimated on the basis that the product will be available from the initiation of the policy, which is highly uncertain.
209. The cost of treatment for burns related to corrosive attacks has extreme outliers and it is possible that the type of offence that will be prevented will tend to cause more damage than is accounted for. This may mean that the cost of a corrosive attack is under-estimated.

Firearms

210. There is a risk that rapid fire rifles may depreciate in value over time, so that the estimated cost to the Government may be over-estimated.
211. There is a risk that the cost to RFDs in terms of future profits may be over-estimated, as individuals may decide to purchase other firearms instead of these rifles, meaning that there is no loss of sales for dealers.
212. There is a risk the costs to rifle ranges are over-estimated, as shooters may continue to shoot at these ranges using different weapons.
213. There are significant outliers in the value of rifles reported in the consultation, which may add additional costs to compensation. The cost of compensation may be higher if accessories that are specific to one of the surrendered rifles, are eligible for compensation during the surrender.

Additional risks

214. The public sector equality duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations in the course of developing policies and delivering services. In line with this duty, potential unintended consequences of the policy have been considered. Equality Impact Assessments (EIA) have been completed for KCPOs and all other provisions of the Act.
215. These assessments conclude that the KCPO policy could potentially have a disproportionate impact on those who are young, black and/or male. The preventative nature of KCPOs means they may be seen by issuing authorities more as a tool to help young people rather than adults, so it is likely young people will receive more KCPOs. Published knife and offensive weapons sentencing data was used to assess potential disproportionality. According to the most recent Ministry of Justice publication, 93 per cent of those sentenced for knife and offensive weapon offences in the year to March 2020 were male¹¹⁴. When looking at ethnicity, 70 per cent of offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences) were White, 18 per cent were Black and 7 per cent were Asian¹¹⁵. However, when looking

¹¹⁴ Pivot table analytical tool for previous knife and offensive weapon offences. Based off all offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences). Only offenders with a known ethnicity used. 17,792 of 19,190 (93%)

¹¹⁵ Pivot table analytical tool for previous knife and offensive weapon offences. Based off all offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences). All offenders used. 1,291 of 19,307 (7%) are Asian, 3,468 of 19,307 (18%) are Black, 13,580 of 19,307 (70%) are White, and 968 of 19,307 (5%) are Other or Unknown.

at rates, it is clear that Black people were disproportionately convicted or cautioned, with the rate being 186 per 100,000 for black individuals, 31 for Asian individuals, and 28 for White individuals¹¹⁶.

216. However, the EIA also notes that if KCPOs are effective in reducing NHS admissions for assault by sharp objects (one of the aims of the KCPO policy) the benefits will disproportionately affect these individuals too. Males, Black people and those aged 10-39 years are disproportionately admitted to hospital for assault by a sharp object.
217. KCPOs are intended as a preventative and protective measure. Individuals given a KCPO will be dealt with pre-conviction and diverted away from a life of crime before they impact on the prison service or even the wider justice system. Therefore, whilst KCPOs are likely to be applied in a higher proportion to young black males, the outcome is likely to be far more positive for the individuals themselves, the communities they come from and the wider society as a whole. Additional considerations as part of the EIA's for the whole act are detailed in Annex 8: Economic Impact Tests.

H. Direct costs and benefits to business calculations

218. This Act is estimated to have a benefit for businesses of £2 million (PV over 10 years) and a cost of £23 million (PV over 10 years). This gives a net benefit of -£21 million (PV over 10 years). For a summary of the costs and benefit see Table 7 and the detailed summary presented in Annex 7, Business Cost Benefit Summary.

I. Wider impacts

Small and micro-business assessment (SaMBA)

219. The Small Business Enterprise and Employment Act 2015 makes provision for a small and micro-business assessment (SaMBA) to be conducted.
220. Small and micro-businesses have not been excluded from the policy as the policy intent behind the measures in the Act around age restricted sales on what are everyday items – knives and corrosive products - would potentially be lost. To exempt some businesses because of their status could, potentially, leave a gap around ensuring proper controls on age restricted sales which could be exploited, and, for that reason, it is the case that age restrictions on these products need to apply to all businesses regardless of their size. In addition, such an exemption may also lead to larger businesses claiming unfair treatment.

Knives and offensive weapons

221. Of the seven policies in the knives/offensive weapons package, the restriction on online deliveries of knives is expected to have an impact on small and micro-business. These businesses will need to make arrangements for knives purchased online to be either delivered to collection points or to residential properties by a courier with who the seller has an agreement with, to carry age-verification on the door. The courier would carry legal liability for ensuring that knives are not delivered to a person under 18 years of age. Based on the data provided in the consultation responses, the large majority of businesses affected by this policy are likely to be small or micro-businesses. Approximately 96 per cent of knife retailers who responded to the consultation and fell into the scope of the policy reported a turnover of less than £1 million per year, with the remaining 4 per cent reporting a turnover between £1 million and £10 million over a similar time period.
222. As described in the Appraisal section, it is not expected that this policy will have a significant cost to business, as it is likely that customers will continue to purchase knives online, given that delivery to

¹¹⁶ Uses NOMIS 2011 Census data available at https://www.nomisweb.co.uk/census/2011/DC2101EW/view/2092957703?rows=c_sex&cols=c_ethpuk11.

collection points only has a small impact on the overall cost of the purchase. Therefore, it is not expected that this policy will have a significant cost for small or micro-businesses.

223. However, there is a risk that some couriers may not be willing to carry the risk of criminal liability, and the risks of an unlimited fine for handing over a knife to a person under 18 years of age. This may disadvantage smaller manufacturers and retailers, as couriers may be prepared to take on the criminal liability, for major retailers, where the commercial benefits outweigh the risks, but not for smaller retailers. It has not been possible to quantify this risk.
224. Cyclone knives contribute a small proportion of the knife market as outlined in the Appraisal section, however there is no clear evidence as to what type of businesses hold these knives. There is a chance that the prohibition will apply to the small and micro-businesses, meaning they will need to surrender these knives and lose out on potential revenue. The loss of sales has been calculated to be £10,000 in the first year of the policy, although this will be compensated by the Government. So, if there are small and micro-businesses in scope of this policy, any financial burden will be lifted from the compensation.

Corrosives

225. The policy on making it an offence to sell to those under 18 years of age may affect small and medium-sized businesses, such as specialist trade and hardware stores. It is estimated that there is a cost of £5,000 to small businesses, and a cost of £2,000 to medium and large businesses in the first year. These costs may be over-estimated given that some of these businesses may already be using age verification on a voluntary basis.
226. One response from a retail trade association indicated that the majority of their members tended to stock a very small range of cleaning products and that these contain corrosive substances below the thresholds where they could cause permanent injury to a person and below those set out in the Poisons Act 1972, which provides a legal framework for controlling sales of explosives precursors and poisons.
227. Due to Trading Standards being able to clawback some of their costs as outlined in the Appraisal section, this in turn becomes a burden to businesses. If it is assumed that 70 per cent of the corrosive market consists of medium and large businesses and 30 per cent are small businesses, then it is estimated there is a cost of £14.9 million and £6.4 million respectively (PV over 10 years).

Firearms

228. This policy will affect small and micro-businesses, as most registered firearms dealers are likely to fall within this classification. As dealers may be compensated for any rifles that they surrender, the main costs for small and micro-businesses from this policy will be an estimated £1,755 in familiarisation costs.
229. Because RFR constitute a very small proportion of the overall stock of firearms and shotguns and because consumers are likely to buy alternative guns rather than stop their shooting activities, our assessment is that overall cost to dealers will be negligible.

Family test

230. The introduction of the Family Test was announced by the Prime Minister in August 2014. The objective of the test is to introduce an explicit family perspective to the policy making process and ensure that potential impacts on family relationships and functioning are made explicit and recognised in the process of developing new policy.

Knives and offensive weapons

231. These knife and offensive weapon policies outlined in the Appraisal section are designed to reduce the high knife crime across England and Wales. Offences involving knives/sharp instruments increased by 7 per cent and offences for the possession of articles with a blade or point increased by 17 per cent¹¹⁷.
232. In 2019, 37 per cent of knife and offensive weapons offenders get immediate custody and 94 per cent of these were adults¹¹⁸. The average length of custodial sentences given to adults also increased from 6.3 months in 2009 to 8.2 months in 2019¹¹⁹. If these adults are a parent or a prominent member of the family, then the separation from the family can also put strain in family relations. So, if the number of these adults who go into immediate custody decreases, then family relationships may also improve in this way.
233. Stricter age verification for online deliveries for knives will restrict the ability for children under 18 to acquire a knife. As a result, these children may be less involved in serious violence. The MoJ doesn't provide any marital or family status for knife offences, but for context, 4,451 of the individuals sentenced for knife/offensive weapons offences are children aged between 10 and 17 years old¹²⁰. The number of juveniles convicted or cautioned has increased by 2 per cent in the last year¹²¹. The proportion of first time knife and offensive weapon offenders is currently at 83 per cent for juveniles¹²². Even though juveniles only account for 20 per cent of total sentences, children aged between 16 and 17 year olds are the highest at 118 sentences per 100,000 of the population¹²³. This inevitably puts strain within the family dynamic, which is what the stricter age verification and introduction of KCPOs are designed to reduce these offence figures. Therefore, if the policy is successful, there can be an indirect impact and improvement in family relations, particularly between children and the parents.
234. Lastly, NHS hospitals in England recorded a rise in admissions for treatment when someone has been assaulted with a sharp instrument, from a recent low of 3,590 in the year to March 2015, to a high of 5,069 in the year to March 2019¹²⁴. Homicides have also risen by about 30 per cent since 2014 and there were 259 homicides involving a knife or sharp instrument in the year ending March 2019.¹²⁵ Emotional trauma and bereavement that develop as a result, will put further strain within the family, so more of these can be avoided if these policies help to reduce knife crime overall.

¹¹⁷ Crime in England and Wales: year ending September 2019 -

[er2019#knife-or-sharp-instrument-offences](https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingseptemb
<a href=)

¹¹⁸ Main tables- Table 1 and 2 'Knife and Offensive Weapon Sentencing Statistics, England and Wales – 2019', released by the Ministry of Justice, 12 March 2020. <https://www.gov.uk/government/statistics/knife-and-offensive-weapon-sentencing-statistics-january-to-march-2019>

¹¹⁹ Page 3, 'Knife and Offensive Weapon Sentencing Statistics, England and Wales – 2019', released by the Ministry of Justice, 12 March 2020.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871962/Knife_and_Offensive_Weapon_Sentencing_Pub_Q4_2019.pdf

¹²⁰ Main tables- Table 2 'Knife and Offensive Weapon Sentencing Statistics, England and Wales – 2019', released by the Ministry of Justice, 12 March 2020. <https://www.gov.uk/government/statistics/knife-and-offensive-weapon-sentencing-statistics-january-to-march-2019>

¹²¹ Page 2, 'Knife and Offensive Weapon Sentencing Statistics, England and Wales – 2019', released by the Ministry of Justice, 12 March 2020.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871962/Knife_and_Offensive_Weapon_Sentencing_Pub_Q4_2019.pdf

¹²² Page 4, 'Knife and Offensive Weapon Sentencing Statistics, England and Wales – 2019', released by the Ministry of Justice, 12 March 2020.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/871962/Knife_and_Offensive_Weapon_Sentencing_Pub_Q4_2019.pdf

¹²³ Pivot table <https://www.gov.uk/government/statistics/knife-and-offensive-weapon-sentencing-statistics-january-to-march-2019-and-population-estimates> and population estimates <https://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/age-groups/latest#download-the-data>. Total offences (15,472) include 5 unknown ages.

¹²⁴ 'Appendix table 22: All hospital admissions in NHS hospitals in England for assault with sharp objects, year ending March 2004 to year ending April 2019' in 'Offences involving the use of weapons, year ending March 2019 - Appendix Tables', released by the Office for National Statistics, 20 February 2020.

<https://www.ons.gov.uk/file?uri=%2fpeoplepopulationandcommunity%2fcrimeandjustice%2fdatasets%2foffencesinvolvingtheuseofweaponsdatatables%2fyearendingmarch2019/offencesinvolvingtheuseofweaponsyearendingmarch2019final.xlsx>

¹²⁵ Homicide in England and Wales: year ending March 2019:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/homicideinenglandandwales/yearendingmarch>

Firearms and corrosives

235. The use of acid and other corrosive substances as a weapon is a crime that can inflict serious harm and life-changing injuries, and the evidence suggests that these offences increased up to 2017, with 619 corrosive attacks in the year end March 2020 in England and Wales¹²⁶. Recent evidence suggests that the number has fallen since then. For example, London has gone from 377 attacks in the year to June 2017 to 211 in the year to June 2020¹²⁷.
236. There is no published data relating to corrosive offences that are broken down by age, however the benefits from the policies will be similar to the knife policies that less family members will be getting involved in serious violence and less emotional damage from injuries like these. As a result, this could improve family relations, potentially between partners and between parents and children.
237. Between 1 April 2018 and 31 March 2019, there were 136 hospital admissions for assault by a firearm¹²⁸. There were also 32 homicide victims killed by shooting in the year ending March 2019 (5 per cent of all homicides), four more than the previous year. Over the last decade, the proportion of homicide offences committed by shooting has fluctuated between four and nine per cent. The number of these offences is 18 per cent lower than a decade ago¹²⁹. There are no specific data on marital and family status for these offences, however the benefits upon the success of these policies will be similar as above.

J. Trade Impact.

238. This policy is not expected to have any impact on trade.

K. Monitoring and evaluation (PIR if necessary), enforcement principles.

239. The Government will implement the measures in the Offensive Weapons Act 2019 at the earliest opportunity. This would be to ensure that adequate time was given for those impacted by the new legislation to put in place the required, training, guidance and any other measures needed to ensure they fully adhere to the new legislation. No date has yet been set as further work must be carried out before implementation. A pilot scheme for KCPOs must be held before the KCPOs are introduced nationally. Consultation on statutory guidance on the measures around corrosives must also be carried out before the full implementation of the legislation. Compensation arrangements (for firearms and offensive weapons) are required to be laid out in regulations. As this is secondary legislation, these regulations will need to be laid and debated by Parliament, prior to being enacted.
240. The Government will work with police and business affected to ensure any changes are fully understood before commencement.
241. The impact of the measures in the Offensive Weapons Act 2019 will be monitored using feedback from the police, Trading Standards and through statistics relating to the prosecution of the new

2019#what-were-the-most-common-methods-of-killing. Appendix table 1 'Number of offences currently recorded as homicide' also used and available at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/appendixtableshomicideinenglandandwales>

¹²⁶ Crime in England and Wales year ending March 2020. See:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2020>

¹²⁷ MOPAC dashboard 12 month rolling totals. Available at: <https://www.london.gov.uk/what-we-do/mayors-office-policing-and-crime-mopac/data-and-statistics/weapon-enabled-crime-dashboard>

¹²⁸ Hospital Episode Statistics (HES), NHS Digital. In answer to a parliamentary question on 23 January 2020 See:

<https://www.parliament.uk/business/publications/written-questions-answers-statements/written-questions-answers/?page=1&max=20&questiontype=AllQuestions&house=commons%2Clords&member=1447&keywords=corrosive%2Cattacks>

¹²⁹ Available at:

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/homicideinenglandandwales/yearendingmarch2019#what-were-the-most-common-methods-of-killing>

offences in the Act. The Home Office will also keep under review the impact of the measures on business. The Act will be subject to post legislative scrutiny within five years of receiving Royal Assent.

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M. Annexes.

Annex 1 – MoJ proxy offence data, 2018

Table A1.1, MoJ proxy offence data, 2018, volume and costs (£)

Policy	Strengthening age verification	Making it an offence to possess in private certain offensive weapons	Extending the offence of possession of a knife in schools to further education institutions	Offence of threatening with a knife so the focus is the fear of serious injury	Offence of possessing corrosive substance in a public place without good excuse.
Proxy offence used to estimate CJS costs	Selling to a person under the age of 18 a knife or blade (Criminal Justice Act 1988, S.141A)	Possession of offensive weapons without lawful authority or reasonable excuse (Prevention of Crime Act, S.1)	Having an article with blade or point on school premises (Criminal Justice Act 1988, S.139A)	Threaten with blade/sharply pointed article in a public place (Criminal Justice Act 1988, S.139AA)	Having an article with blade or point in public place (s. 139 Criminal Justice Act 1988)
Estimated CJS cost per case (£)	3,568	3,160	1,529	7,748	4,384
Number of new offences	12	62	2	8	40

Source: MoJ provided data in 2016/17 prices. These have been inflated to 2017/18 prices. 2016 volumes

Annex 2 – MoJ proxy offence data for KCPOs and ‘threatening with an offensive weapon in a private place’

Table A2.1, Offences used in MoJ cost calculations,2020.

Legislation	Offence	Mode of trial	Max sentence
Criminal Justice Act 1988 s. 39	Common assault and Battery	Summary	6 months' imprisonment
Anti-social Behaviour, Crime and Policing Act 2014	Breach of a criminal behaviour order (CBO)	Either-way	5 years' imprisonment on indictment

Table A2.2: Proceedings data for offence in 2017

	Common assault	Breach of a CBO
Prosecutions	64,209	3,142
For trial at Crown Court	80	75
Convictions	45,591	2,792
Sentenced	45,866	2,763
Immediate Custody	6,336	937
Absolute discharge	143	39
Suspended sentence	5,980	340
Community sentence	19,149	432
Fine	6,858	662
Otherwise dealt with	566	259
ACSL (months)	2.9	2.3

Source: MoJ Criminal Justice System Statistics, 2017.

Table A2.3: Estimated unit costs for offences (2017/18 prices)

Agency	Common assault	Breach of a CBO
HMCTS	£200	£600
LAA	£200	£300
HM Prison Service	£300	£700
HM Probation Service	£1,700	£1,900
Total costs	£2,500	£3,500

Source: MoJ internal analysis, 2019. Figures may not sum due to rounding to nearest £100.

Annex 3 - Glossary

Cost per defendant: The cost per defendant is a cost per person proceeded against. It is a weighted cost that accounts for the proportion of defendants tried in the magistrates' and Crown Court, the proportion of offenders sentenced to each disposal and the average time those sentenced to a custodial sentence spent in prison. It tells you the average cost of a proceeding from the beginning of that proceeding to the end of the case (whether the offender is found guilty or not and accounting for the range of disposals possible).

Criminal justice system: The CJS encompasses the Crown Prosecution Service (CPS), Her Majesty's Courts and Tribunals Service (HMCTS), the Legal Aid Agency (LAA) and HM Prison and Probation Services (HMPPS)

Crown Court: Deals with the more serious, triable either way or indictable cases, for example murder, rape and serious fraud/theft. In the Crown Court, whether the defendant is found guilty or not guilty is decided by a jury.

Disposal: The end result of a trial at court. In this publication the disposals of interest are sentences, but other disposals are possible, for example where there is no finding of guilt and the defendant is acquitted.

Indictable-only: An offence that is triable only in the Crown Court; all proceedings will start in the magistrates' court but will be sent straight for trial in the Crown Court.

Magistrates' court: magistrates cannot normally order sentences of imprisonment that exceed six months (or 12 months for consecutive sentences), or fines exceeding £5,000. The magistrates' court deals with summary-only offences. Some cases are triable-either-way in either magistrates' courts or the Crown Court.

Proceeding: The start of legal action brought against somebody charged with committing a criminal offence.

Summary-only: An offence that is triable only in the magistrates' court; all proceedings will start and end in the magistrates' court.

Triable-either-way: An offence that is triable in either the magistrates' court or Crown Court. Some proceedings will start and end in the magistrates' court whereas others will start in the magistrates' court but end in the Crown Court. In triable-either-way cases, defendants can elect to stand trial in the Crown Court, or they can be sent for trial in the Crown Court because the offence is deemed serious enough.

Absolute discharge: No further action is taken, since either the offence was very minor, or the court considers that the experience has been enough of a deterrent. The offender will receive a criminal record.

Annex 4: MoJ Cost Assumptions and Risks

Assumption	Risks/limitations
<p>HMCTS costs</p> <p>HMCTS costs are calculated by applying an estimated cost per sitting day in the court to the estimated number of sitting days per trial.</p> <p>The estimated costs per sitting day in the magistrates' and Crown Court respectively are approximately £1,600 and £1,100 (to the nearest £100 in 2017/18 prices). The HMCTS costs are based on average judicial and staff costs coming from the jurisdictional costs model. <i>Source: HMCTS jurisdictional cost model</i></p> <p>A sitting day is assumed to be 5 hours in magistrates' courts and 4.5 in the Crown Court. We assume that proceedings involving multiple defendants occur concurrently. If proceedings occur separately then it is assumed that the cost per case is the cost per defendant.</p> <p>To generate the costs by offence categories, HMCTS timings data for each offence group were applied to court costs per sitting day. HMCTS timings data for the magistrates' courts come from the Activity based costing (ABC) model, the Timeliness Analysis Report (TAR) data set and the costing process. The costs are in 17/18 figures. The timings data for the Crown Court is derived from the Criminal Court Statistics Quarterly for January to March 2018. https://www.gov.uk/government/statistics/criminal-court-statistics-annual-january-to-march-2018</p>	<p>The average time figures which provide the information for the timings do not include any down time. This would lead to an underestimate in the court costing.</p> <p>Timings do not consider associated admin time related with listing a case for court hearings. This could mean that costings are an underestimate.</p> <p>The data which informed the timings data excludes cases where a bench warrant was issued, no plea recorded, indictment to lie on file, found unfit to plead, and other results. Committals for sentence exclude committals after breach, 'bring backs' and deferred sentences.</p> <p>HMCTS average costs per sitting day:</p> <p>HMCTS court costs used may be an underestimate as they include only judicial, staff, estates and other costs. Other key costs which inevitably impact on the cost of additional cases in the courts have not been considered; for example, juror costs.</p>
<p>Legal Aid costs</p> <p>We assume an eligibility rate in the magistrates' court of 50%. We assume an eligibility rate of 100% for cases in the Crown Court.</p> <p><i>Source: https://www.gov.uk/government/statistics/legal-aid-statistics-april-to-june-2018</i></p>	<p>Variance in the legal aid eligibility rate assumed for cases in the magistrates' courts would impact the costings.</p> <p>Assuming 100% eligibility for legal aid in the Crown Court carries several other risks. Firstly, an individual may refuse legal aid. Secondly, an individual may be required to contribute to legal aid costs. Lastly, the size of this contribution can vary.</p> <p>More than one defendant prosecuted per case and therefore more solicitors and barristers per case than assumed thus understating the actual cost.</p>
<p>HM Prison Costs</p> <ul style="list-style-type: none"> • We assume that each defendant will serve half their custodial sentence in prison and will be released on license for the remainder if sentenced for 2 years or more. • Those sentenced to under 2 years serve half their custodial sentence in prison, half on license and post-sentence supervision so that the supervision period totals 12 months. These changes were introduced by the Offender Rehabilitation Act 2014. • We assume a cost per year of housing prisoners of £24,000. <p><i>Source: HMPPS Annual Reports and Accounts 2017-18</i></p>	<ul style="list-style-type: none"> • There is a risk that the ASCL in 2018/19 will differ from that observed in 2017 which could affect the costs significantly. • Using the average cost over all prisons might be inaccurate as offenders could be allocated to more or less costly establishments.

HM Probation Service:

CRC costs

Probation costs are divided into the National Probation Service (NPS) and Community Rehabilitation Companies (CRCs). NPS manage high risk offenders and CRCs are private companies and third sector organisations that manage low and medium risk offenders.

NPS costs

Community Order (CO)/Suspended Sentence Order (SSO) sentence costs:

Proportion of offenders assumed to be allocated to NPS is presented above.

Source: MoJ (HMPPS) modelling

Post release licence costs:

For offenders who spend 12 months or less on licence:
Proportion of offenders assumed to be allocated to NPS is presented above.

Source: MoJ (HMPPS) modelling

The distribution between NPS and CRC for a specific offence category may not mirror the average distribution across all categories. The proportions of offenders managed by NPS/CRCs may be different to those assumed and costs could be higher or lower if more offenders are managed by NPS or CRCs, respectively.

Costs reflect delivery of the sentence to high-risk offenders by the National Probation Service (NPS).

Costs are indicative and reflect modelling of delivery by the NPS, not actual plans or operating models.

Custodial sentence costs include pre-release work.

Corporate service costs (e.g. HR, Finance) are not apportioned within unit costs.

Intervention purchase costs are apportioned in proportion to direct spend by sentence type.

There may also be costs to the NPS for production of pre-sentence reports to court and costs to prison, probation or through contracts such as Electronic Monitoring in relation to breach during the post-sentence supervision/licence period.

Annex 5.1: The main organisations that responded to the consultation

Legal organisations

Bar Council
Council of Circuit Judges
Criminal Bar Association
Scottish Courts and Tribunals Service
Crown Prosecution Service
The Law Society
The Council of Circuit Judges

Firearm organisations

International Gallery Rifle Federation
Cybershooters
Gun Trade Association
Firearms UK
National Rifle Association
Historic Breechloading Smallarms Association
United Kingdom Practical Shooting Association
Scottish Target Shooting
Fifty Calibre Shooters Association UK
British Association for Shooting and Conservation

Knife organisations

Cutlery and Allied Trades Research Association
Company of Cutlers
Victorinox
Savernake
Taylors Eye Witness Ltd
TOG Knives
Whitby & Co

Sport/historic organisations

Guild of Battlefield Guides
Heritage Arms Study Group
British Aikido Board
Historical European Martial Arts and Classical
Swordmanship (HEMACS) GB
HEMACS Scotland
Company of Chivalry
Battlefield History TV
Vintage Arms Association
National Museum Directors' Council
British Kendo Association
World War 2 Living History Associations
National Army Museum
JC Militaria Ltd
Regimentals Ltd
Barrington Swords
Sporting Wholesale Ltd

Government/law enforcement organisations

Police Scotland
Hackney Council
Chartered Trading Standards Institute
Association of Chief Trading Standards Officers
London Trading Standards
North East Trading Standards
Trading Standards South West
Local Government Association
NABIS (National Ballistics Intelligence Service)
Youth Justice Board

Trade organisations/retailers

Internet Manufacturers and Retail Group
Association of Convenience Stores
UK Cleaning Products Industry Association
British Retail Consortium
Chemical Business Association
British Independent Retailers Association
Ocado Retail Limited
CO-OP society

Other organisations

The Chris Cave Foundation
Ben Kinsella Trust
Redthread
British Deer Society
Centre for Social Justice
Association of Colleges
Countryside Alliance
Digital Policy Alliance
Standing Committee for Youth Justice
Hermes delivery
Cornwall College

Annex 5.2: Consultation questions and summary

Summary

The total number of responses received was 10,712. Approximately 60 per cent of the responses were on the firearms proposals and 30 per cent of the responses dealt with the online knife sales proposal. Not all responses provided a response against all proposals, with some only commenting on those that were relevant to them. 9,482 were received online, 980 by e-mail and 250 by post. Approximately 20 per cent of the responses to the consultation were from organisations with the remainder being from individuals. A large majority were from respondents in England and about 5 per cent were from Scotland and Wales.

87 per cent of those responses received online who responded to the question opposed the prohibition on possessing certain offensive weapons in private. The main concerns focused on those individuals that held items in private that were for historical or antique reasons. This included those that were from groups who used weapons in certain sports, such as martial arts organisations (both members and those employed as teachers), re-enactment groups (both historical and educational), collectors and use in television and film production.

Responses received to this proposal were generally in favour of extending the existing offence of possession of a knife or an offensive weapon in a school to further education establishments such as sixth form colleges and further education college.

The Crown Prosecution Service agreed with the proposal of amending the offences of threatening with an article with a blade or point or an offensive weapon. Those in favour, also viewed that amending this offence would mean that those threats made with a knife or other offensive weapon could be more sensibly dealt with in court, ensuring a greater degree of justice for the victim and more successful prosecutions. However, The Bar Council and Criminal Bar Association both questioned the need for an amendment to the current offence given that an individual guilty of possessing a blade would face a custodial sentence and the offence of possession was easier to prove than the proposed amended offence.

Responses received online to this proposal were generally against the proposal to update the current definition of a flick knife (57 per cent). Respondents felt that either these particular knives were not the type being used in criminal activity, as well as the consultation proposal having not clearly set out what the new definition would be. However, a large majority of responses in writing, which included organisations, charity and legal and criminal justice sector, did agree with the proposal.

The proposal to introduce a new offence to prevent the sale of the most harmful corrosive substances to under 18s received very strong support (84 per cent of the online responses supported this proposal). With a number stating that following the volume of incidents reported in the media recently, that action needed to be taken.

There was also strong support for the proposed offence of prohibiting possession of a corrosive substance in a public place. 67 per cent of the online responses who answered the question supported it. There were, however, a number of responses that called for more clarification around the proposed offence particularly around the sale and possession in a public area i.e. where a purchase had been made by someone over the age of 18 from a shop or supermarket for a legitimate use.

Consultation questions

Proposal A: Creating offences to prevent knives sold online being delivered to a private residential address and ensuring the age and identity of the purchaser are checked

Q1 Do you agree that further action should be taken to ensure knives are not being sold online to under 18s?

Proposal B: Making it an offence to possess certain weapons in private

Q2 Do you agree with proposals to introduce an offence of possession of certain weapons in private?

Proposal C: Making it an offence to possess a knife or an offensive weapon in education institutions other than schools

Q3 Do you agree that it is in the public interest to extend the offence of possession of offensive weapons/articles with blade or point to further education colleges, sixth form colleges, designated institutions and 16-19 academies? Please explain your answer and give evidence where possible, including on the scale and nature of this problem and the likely impact of such an offence.

Proposal D: Amending the offences of threatening with an article with blade or point or an offensive weapon

Q4 Do you agree that we amend the existing offences on threatening with a knife so that the prosecution must instead prove that the victim would have feared that he/she would be likely to suffer serious physical harm?

Proposal E. Updating definition of a flick knife

Q5. Do you agree with our updated definition of a flick knife?

Proposal F: Making it an offence to sell products with certain corrosive substances to under 18s

Q6. Do you agree that we should make it an offence to sell certain corrosive substances to under 18s?

Proposal G: Making it an offence to possess a corrosive substance in a public place

Q7. Do you agree that it should be an offence to possess a corrosive substance in a public place?

Proposal H: Prohibit .50 calibre 'materiel destruction' rifles and rapid firing rifles under section 5 of the Firearms Act 1968

Q8. Do you agree that we should prohibit these specific weapon types under section 5 of the Firearms Act 1968?

Business and Trade

Q9 How many knives/articles with blade or point did your business activities (stock, purchase, supply, etc) involve in 2016-17, approximately

Q10 What was the value of your turnover specific to knives/articles with blade or point in 2016-17, approximately?

Q11 What proportion of your business' or organisation's trade in knives/articles with a blade or point originate from online orders?

Q12 Does your business or organisation trade through third parties in order to deliver knives/articles with blade or point?

Q13 What would be the impact of the knife legislation proposals on your business or organisation if they come into force? Please provide estimates on any costs or benefits, if possible

Q14 What number of corrosive substances and products did you sell in 2016-17, approximately?

Q15 What number of corrosive substances and products did you sell to under 18s in 2016-17, approximately?

Q16 How will your business be affected by the proposal if it comes into force? Please provide estimates on any costs or benefits, if possible

Q17 Do you have any article captured by the proposal to make it an offence to possess certain weapons in private for which you think that a defence has not been provided?

Q18 If you replied Yes to Q17, what is the approximately value of the article in your view?

Q19 How many .50 Calibre firearms do you currently hold as part of your shops stock?

Q20 If you trade in .50 calibre firearms what is the average value of the stock you hold?

Q21 If you trade in .50 calibre firearms, what is your turnover from the sale of these rifles from the past year?

Q22 If you trade in firearms that use Manually Actuated Release Systems such as the VZ58 MARS Rifle, how many do you hold as part of your shop's stock?

Q23 If you trade in firearms that use the Manually Actuated Release System, what is the average value of the stock of these firearms that you hold?

Q24 What was the value of your turnover specific to the use of your facilities by those shooting .50 calibre rifles or the Manually Actuated Release Systems such as the VZ58 MARS Rifle.

Q25 How will your business be affected by the proposals in this consultation if they come into force? Please provide estimates on any costs or benefits, if possible

Q26 Do you have any comments or further information to add to the impact assessment to inform this legislative proposal?

Annex 6: Costs benefit summary, £ million, 2020.

Cost/Benefit	NPSV (10 years)	
Total (Monetised) costs		
	Individuals	£61.65
	Government	£11.12
	CJS	£33.36
	Police	£5.03
	Business	£23.46
	Trading	£10.05
	Standards	
	All	£144.67
Total (monetised) benefits		
	Individuals	£7.02
	Government	£0
	CJS	£0
	Police	£0
	Business	£2.10
	Trading	£0
	Standards	
	All	£9.12
Net benefit		
	Individuals	-£54.63
	Government	-£11.12
	CJS	-£33.36
	Police	-£5.03
	Business	-£21.36
	Trading	-£10.05
	Standards	
	All	-£135.54

Note: Due to rounding, some totals may not correspond with the sum of the separate figures.

Annex 7: Business costs benefit summary (2018 prices, 2020 PV year)

Central (Best) Estimate

Costs		Year 1	Year 2 -10 (Annual)	PV
Corrosives	Familiarisation and TS clawback	£3,927,000	£2,291,000	£21,354,000
Firearms	Business - loss of sales	£0	£0	£0
	Business - familiarisation	£2,000	£0	£2,000
	Business - surrender	£2,091,000	£0	£2,091,000
	Business - rifle ranges	£0	£0	£0
Knives	Cyclone Knives	£10,000	£0	£10,000

Benefits	Cyclone Knives compensation	£10,000	£0	£10,000
Firearms	Compensation	£2,091,000	£0	£2,091,000

NPV	Total Benefit	£2,101,000	£0	£2,101,000
	Total Cost	£6,029,000	£2,291,000	£23,456,000
	Net Benefit (NPV)	£-3,928,000	£-2,291,000	£-21,355,000

Low

Costs		Year 1	Year 2 – 10 (Annual)	PV
Corrosives	Familiarisation and TS clawback	£4,552,000	£2,964,000	£27,105,000
Firearms	Business - loss of sales	£0	£0	£0
	Business - familiarisation	£2,000	£0	£2,000
	Business - surrender	£1,248,000	£0	£1,248,000
	Business - rifle ranges	£0	£0	£0
Knives	Cyclone Knives	£8,000	£0	£8,000

Benefits	Cyclone Knives compensation	£8,000	£0	£8,000
Firearms	Compensation	£1,248,000	£0	£1,248,000

NPV	Total Benefit	£1,256,000	£0	£1,256,000
	Total Cost	£5,810,000	£2,964,000	£28,363,000
	Net Benefit (NPV)	£-4,554,000	£-2,964,000	£-27,107,000

High

Costs		Year 1	Year 2 – 10 (Annual)	PV
Corrosives	Familiarisation and TS clawback	£3,061,000	£1,617,000	£15,363,000
Firearms	Business - loss of sales	£0	£0	£0
	Business - familiarisation	£2,000	£0	£2,000
	Business - surrender	£3,080,000	£0	£3,080,000
	Business - rifle ranges	£0	£0	£0
Knives	Cyclone Knives	£12,000	£0	£12,000

Benefits	Cyclone Knives compensation	£12,000	£0	£12,000
Firearms	Compensation	£3,080,000	£0	£3,080,000

NPV	Total Benefit	£3,092,000	£0	£3,092,000
	Total Cost	£6,155,000	£1,617,000	£18,456,000
	Net Benefit (NPV)	£-3,063,000	£-1,617,000	£-15,364,000

Note: Due to rounding, some totals may not correspond with the sum of the separate figures. Also due to the TS clawback, the low and high estimates for TS, become the high and low estimates for businesses.

Annex 8: Economic Impact Tests

Mandatory specific impact test - Statutory Equalities Duties	Complete
<p>Statutory Equalities Duties</p> <p>The public sector equality duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations in the course of developing policies and delivering services. [Equality Duty Toolkit]</p> <p>Equality Impact Assessments (EIA) have been completed for KCPOs and all other provisions of the Offensive Weapons Act 2019. A brief overview of findings, and areas of potential disproportionality are outlined below;</p> <p>Age</p> <p><u>Sale and possession of corrosive products:</u> It is recognised that this new legislation will place a restriction on those of a certain age group, under 18 years. This restriction is seen as justified due to concerns regarding the risk to the public and the increase in the number of offences using these items.</p> <p><u>Sale of bladed articles to persons under 18 years:</u> It is recognised that this new legislation will place a restriction on those of a certain age group, under 18s. This legislation is required, as there is evidence of bladed articles being sold to persons under 18 years. In 2014, the Home Office commissioned a test purchase operation, which showed 69% of retailers failed the test and in 2016, Trading Standards undertook a further test purchase operation, where 72 per cent of retailers tested failed to verify age at point of purchase.</p> <p><u>Knife Crime Protection Orders</u> The preventative nature of KCPOs means they may be seen by issuing authorities more as a tool to help young people rather than adults, so it is likely young people will receive more KCPOs.</p> <p>However, the EIA also notes that if these policies are effective in reducing NHS admissions for assault by sharp objects (one of the aims of all the knife policies) that the benefits will disproportionately affect young individuals. Those aged 10 to 39 years are disproportionately admitted to hospital for assault by a sharp object. In addition, KCPOs are intended as a preventative and protective measure. Individuals given a KCPO will be dealt with pre-conviction and diverted away from a life of crime before they impact on the prison service or even the wider justice system. Whilst KCPOs are likely to be applied in a higher proportion to young black males, the outcome is likely to be far more positive for the individuals themselves, the communities they come from and the wider society as a whole. These impacts and outcomes will be assessed as part of the KCPO pilot.</p> <p>Disability</p> <p><u>Delivery of bladed products to residential addresses:</u> There is potential for this provision to have more of an impact on those with certain disabilities, who may face difficulties in arranging alternative methods of obtaining bladed products. However, age verification will allow residential delivery to continue, lessening the potential impact of this provision on the disabled. In addition, items such as plastic cutlery and table knives can still be delivered to a residential address.</p> <p>Race</p> <p>Published knife and offensive weapons sentencing data was used as a proxy to assess potential disproportionality of the policies within this Act. According to the most recent Ministry of Justice publication 70% of offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences) were White, 18 per cent were Black and 7 per cent were Asian¹³⁰. However, when looking</p>	<p>Yes</p>

¹³⁰ Pivot table analytical tool for previous knife and offensive weapon offences. Based off all offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences). All offenders used. 1,291

at rates, it is clear that Black people were disproportionately convicted or cautioned, with the rate being 186 per 100,000 for black individuals, 31 for Asian individuals, and 28 for White individuals¹³¹. It is therefore possible that black people will be disproportionately impacted by KCPOs, and perhaps other measures within this Act.

However, there is evidence that if the Act is successful in reducing serious violence, the benefits will disproportionately affect these individuals too. While the majority of homicide victims/suspects in England and Wales are White, Black people had higher rates per population¹³². In the year to March 2019, rates of NHS hospital admissions for Assault by Sharp object were similarly higher for black individuals. Black individuals were admitted at a rate of 17 per 100,000 compared to 6 per 100,000 for Asian individuals and 5 per 100,000 for White individuals¹³³. If the Act is able to reduce knife crime, it could disproportionately benefit Black individuals.

Religion and Belief

Delivery of bladed products to residential addresses

The prohibition on delivery will apply to kirpans, which may make it more difficult for people who are Sikh to purchase them. This potential impact is mitigated by the fact that it will be possible to have kirpans delivered where age verification takes place or have them delivered to a non-residential premise, which will include a Gurdwara.

Possession of certain offensive weapons:

This could particularly impact on people who are of the Sikh religion. This impact is mitigated by the defence available where the purpose is for use in religious ceremonies.

Sex

Most perpetrators and victims of knife and corrosive crime are male. According to the most recent Ministry of Justice publication, 93 per cent of those sentenced for knife and offensive weapon offences in the year to March 2020 were male¹³⁴. Around 94 per cent of those admitted for assault by sharp object were male¹³⁵. For corrosive attacks, 72 per cent of victims and 92 per cent of suspects are male¹³⁶. This means that whilst some policies (for example KCPOs) may disproportionality impact males, crime reductions are most likely to benefit them.

Any test not applied can be deleted except **the Equality Statement**, where the policy lead must provide a paragraph of summary information on this.

The Home Office requires the **Specific Impact Test on the Equality Statement** to have a summary paragraph, stating the main points. **You cannot delete this and it MUST be completed.**

of 19,307 (7%) are Asian, 3,468 or 19,307 (18%) are Black, 13,580 of 19,307 (70%) are White, and 968 of 19,307 (5%) are Other or Unknown.

¹³¹ Uses NOMIS 2011 Census data available at

https://www.nomisweb.co.uk/census/2011/DC2101EW/view/2092957703?rows=c_sex&cols=c_ethpuk11.

¹³² Home Office: Trends and drivers of homicide: Main findings. Research Report 113 (March 2020). Page 7.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/870188/trends-and-drivers-of-homicide-main-findings-horr113.pdf

¹³³ Calculated using published NHS data at <https://digital.nhs.uk/data-and-information/find-data-and-publications/supplementary-information/2019-supplementary-information-files/hospital-admissions-for-assault-by-sharp-object> and NOMIS population data at https://www.nomisweb.co.uk/census/2011/DC2101EW/view/2092957703?rows=c_sex&cols=c_ethpuk11. Approximately 320 FAEs of Black individuals (population of 1.9m), 270 FAEs for Asian individuals (population of 4.2m) and 2,385 FAEs for White individuals (population 48.2m). All NHS figures are approximations and underestimations as they based off rounded data. Only 4,155 of 4,583 admissions available by ethnicity.

¹³⁴ Pivot table analytical tool for previous knife and offensive weapon offences. Based off all offenders convicted and cautioned for any knife and offensive weapon offence (this includes both possession and threatening offences). Only offenders with a known ethnicity used. 17,792 of 19,190 (93%)

¹³⁵ Calculated using NHS admissions data. <https://digital.nhs.uk/data-and-information/find-data-and-publications/supplementary-information/2019-supplementary-information-files/hospital-admissions-for-assault-by-sharp-object>. Police force gender tab. In 2018/19, 4,205 of FAEs were male and 285 were Female. Only 4,490 of 4,580 FAEs can be used as data is rounded to the nearest 5 at a PFA level.

¹³⁶ Home Office and University of Leicester research report - The motivations of offenders who carry and use acid and other corrosives in criminal acts

Specific Impact Tests

Does your policy option/proposal consider...?	Yes/No (page)
<p>Small and Micro-business Assessment (SaMBA) The SaMBA is a Better Regulation requirement intended to ensure that all new regulatory proposals are designed and implemented so as to mitigate disproportionate burdens. The SaMBA must be applied to all domestic measures that regulate business and civil society organisations, unless they qualify for the fast track. [Better Regulation Framework Manual] or [Check with the Home Office Better Regulation Unit]</p> <p>In relation to the firearms and corrosives policies, small and micro-businesses will be mainly affected by the age verification for online deliveries of knives and corrosives. For knife deliveries, the impact is relatively small, however if it is assumed that 70 per cent of the corrosive market consists of medium and large businesses and 30 per cent are small businesses, then it is estimated there is a cost of £14.9 million and £6.4 million respectively (PV over 10 years).</p> <p>Small and micro-businesses will be impacted from the surrendering of Rapid Fire Rifles, which will be compensated for. However, there will be an additional cost in the form of familiarisation, which will occur in the first year and will be approximately £2,000 in total.</p>	<p>Yes (Section I)</p>
<p>Primary Authority Any new government legislation which is to be enforced by local authorities will need to demonstrate consideration for the inclusion of Primary Authority, and give a rationale for any exclusion, in order to obtain Cabinet Committee clearance. [Primary Authority: A Guide for Officials]</p> <p>The provisions introducing investigatory powers for local authorities (LAs) will allow LAs to expand their current powers and enforce more effectively the legislation relating to the sales and delivery of knives and the provisions relating to the sale and delivery of corrosive products. Trading Standards now have the option to use these powers if they so wish to.</p>	<p>Yes</p>
<p>New Burdens Doctrine The new burdens doctrine is part of a suite of measures to ensure Council Tax payers do not face excessive increases. It requires all Whitehall departments to justify why new duties, powers, targets and other bureaucratic burdens should be placed on local authorities, as well as how much these policies and initiatives will cost and where the money will come from to pay for them. [New burdens doctrine: guidance for government departments]</p> <p>A new burdens assessment has been completed and will be submitted to MHCLG and the LGA.</p>	<p>Yes</p>
<p>Social Impact Tests</p>	
<p>Justice Impact Test The justice impact test is a mandatory specific impact test, as part of the impact assessment process that considers the impact of government policy and legislative proposals on the justice system. [Justice Impact Test Guidance]</p> <p>This is currently being completed by the Home Office policy team.</p>	<p>Yes</p>
<p>Family Test</p>	<p>Yes</p>

<p>The objective of the test is to introduce a family perspective to the policy making process. It will ensure that policy makers recognise and make explicit the potential impacts on family relationships in the process of developing and agreeing new policy. [Family Test Guidance]</p> <p>If these policies are to be effective and lead to a decrease in offences, less individuals will be sentenced. In a family capacity, it means vital family members such as parents will be in the family unit, which could improve family relations and connections. A reduction in offences as a result of this policy will also mean fewer victims, meaning that there will be less emotional strain in the family.</p>	<p>(Section I)</p>
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