

Impact Assessment, The Home Office

Title: Terrorism (Protection of Premises) Bill - Martyn's Law
IA No: HO0396
RPC Reference No: RPC-HO-5254(1)
Other departments or agencies:

Date: 02/05/2023

Stage: Final (Pre-Legislative Scrutiny)

Intervention: Domestic

Measure: Other

Enquiries:

RPC Opinion: RED

Business Impact Target: Qualifying provision

Cost of Preferred (or more likely) Option (in 2019 prices, 2020 preset value)

Net Present Social Value NPSV (£m)	-2172	Business Net Present Value BNPV (£m)	-2073	Net cost to business per year EANDCB (£m)	242.0
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What is the problem under consideration? Why is Government intervention necessary?

Since 2017, the UK has experienced several terrorist attacks and prevented a further 37 attack plots. There are currently no mandatory requirements for premises to consider terrorist threats and to take forward proportionate mitigations. The public are at risk at a broad range of over 928,000 Publicly Accessible Locations (PALs) - highlighted as the highest likelihood risk in the National Risk Register - and the effects of such attacks spans beyond those directly involved. Several inquests and inquiry findings, and extensive efforts by Government resource with stakeholders, have highlighted this risk, but there are still inconsistent security outcomes at UK PALs. The Government must legislate to mandate for protective security and preparedness outcomes to be achieved.

What is the strategic objective? What are the main policy objectives and intended effects?

The strategic objective is to keep citizens safe and secure. The policy objectives are to 1) Reduce the impact of terrorist attacks where they do occur, 2) Provide clarity of responsibility for security activity at premises in scope, 3) Improve consistency of security considerations and outcomes at these premises, and 4) Expand the support available to help those responsible for the delivery of security in PALs.

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

Option 1: (do-nothing). To continue the current voluntary approach of engaging with stakeholders at PALs. This does not deliver the Government's objectives.

Option 2: deliver a regulatory framework. To establish legislation for responsible persons at certain PALs, to deliver proportionate requirements to mitigate terrorist threats, overseen by a Regulator. **This is the Government's preferred option.**

Main assumptions/sensitivities and economic/analytical risks

Discount rate (%)

3.5%

It is assumed that premises follow the same profile as the primary research and have a capacity that can be correctly estimated using floorspace where no known capacity is available. The economic risk is mainly present in assumptions about the existing level of counter terrorism (CT) measures premises have, and what changes they would make as a result of Martyn's Law. This research is not a representative sample, but was used to predict the characteristics of premises on a national level, due to the lack of other suitable evidence. Additionally, as only a small part of the economic benefits is monetised, this presents a risk to appraisal of the policy.

Will the policy be reviewed? It will be reviewed. **If applicable, set review date:** 08/2029

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:

Summary: Analysis & Evidence

Policy Option 2

Description: Martyn's Law

FULL ECONOMIC ASSESSMENT

Year(s):	Price Base	2022	PV Base	2024	Appraisal	10	Transition	2
Estimate of Net Present Social Value NPSV (£m)						Estimate of BNPV (£m)		
Low:	-1083.7	High:	-6329.0	Best:	-2,725.3	Best BNPV	-2,613.7	

COSTS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	280.7	853.3	1,120.6	102.9	1,031.1
High	1,350.2	5,033.7	6,336.6	605.1	6,158.7
Best Estimate	624.9	2,119.3	2,743.8	255.7	2,613.7

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

The costs of the proposals are estimated to be between £1,121 million and £6,337 million with a central estimate of £2,744 million (PV). The cost to a standard tier premise is estimated to be £2,160 (PV, central estimate). The cost per enhanced premise is estimated to be £82,325 (PV, central estimate). The cost of the Regulator is estimated to be between £89.7 million and £198.5 million with a central estimate of £130.4 million (PV)

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

All efforts have been made to monetise the costs of Martyn's Law, but there may be interventions which have not been costed as well as the cost of premises going above and beyond the requirements. The major non-monetised cost is the cost to events. This is due to a lack of robust data on the number of events and their size in the UK and the cost to them is not estimated.

BENEFITS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	0	7.6	7.6	0.9	0
High	0	36.9	36.9	4.4	0
Best Estimate	0	18.4	18.4	2.2	0

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

The monetised benefit of Martyn's Law is a reduction in the level of non-CT crime due to the crime prevention effect that CT measures have when installed. This is a benefit driven through, for example, installation of CCTV and the additional security guards if these are mitigations taken forward. Both will prevent crime at premises and reduce the level of crime at these sites.

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

The major benefit of Martyn's Law is a reduction in the impact of terror attacks, and a reduction in the fear of terrorism in society. The measures in the proposals such as training, risk assessments and security interventions should save lives in the case of an attack and provide reassurance to the public, leading to a less fearful population and a positive mental health benefit to society.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m (2022 Price and 2024 Base Year) :										
Cost, £m	303.7	Benefit, £m	0	Net, £m	-303.7					
Score for Business Impact Target (qualifying provisions only) £m:					1209.8					
Is this measure likely to impact on trade and investment?					Y					
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

A. Strategic objective and overview

A.1 Strategic objective

1. **The first duty of the Government is to keep citizens safe and the country secure.** Since 2017, the UK has experienced several terrorist attacks and prevented a further 37 attack plots. These have sadly demonstrated that the public may be targeted by terrorist attacks at a broad range of public places, and this is categorised as the highest likelihood risk captured in the National Risk Register¹. This intervention (previously called the Protect Duty but now named Martyn's Law) would deliver against the Home Office Outcome Delivery Plan 2021/22 priority outcome to reduce the risk from terrorism to the UK². The policy aims to ensure that those responsible for premises have appropriately considered terrorist threats and associated risks to their visitors and staff, and that proportionate and consistent outcomes are subsequently being achieved to improve public security and reduce the impact of terrorist attacks. This is set against the context of the scale of the impact of terrorism, which goes beyond those immediately involved, impacting wider society and the economy as a result.

A.2 Background

Drivers for change

2. **Recent terrorist attacks have sadly demonstrated that the public may be targeted at a broad range of locations.** Publicly Accessible Locations (PALs) include a wide variety of everyday premises such as sports stadiums, festivals, music premises, hotels, pubs, clubs, bars, retail stores, shopping centres, markets, places of worship (PoW), and transport hubs. This list is by no means exhaustive, but it does demonstrate the diverse nature of PALs; and research for this IA has assessed that there are over 928,000 premises in the UK considered to be a PAL. The impact of a single attack is described to be in the range of tens to hundreds of millions of pounds, with the potential to cause multiple deaths and injuries, which would have significant impact on victims and their families. RAND Europe assessed the **cost of terrorism in the UK** from 2004 to 2016, and estimated the cost (direct and indirect costs) to be **£43.7 billion** (2022 prices)^{3,4}
3. **Independent reports into UK terrorist attacks since 2017 have questioned why there was not a legislative requirement for those responsible for a variety of public places where attacks have taken place:**
 - a) The Intelligence and Security Committee (ISC) report into the five terrorist attacks in the UK in 2017 issued a recommendation LL⁵: *"...although we are encouraged by the Office for Security and Counter Terrorism's reports of positive engagement on counterterrorism issues by the owners of public places, we remain concerned that there appears to be no way of mandating owners of public places to install necessary protective security measures where they do not do so voluntarily. This issue becomes yet more difficult where sites have multiple owners. The Government should consider clarifying the legal responsibilities of both site owners and relevant public authorities in this regard"*.

¹ National Risk Register (2020 edition):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/952959/6.6920_CO_CCS_s_National_Risk_Register_2020_11-1-21-FINAL.pdf

² Home Office Outcome Delivery Plan: 2021 to 2022 - GOV.UK: <https://www.gov.uk/government/publications/home-office-outcome-delivery-plan/home-office-outcome-delivery-plan-2021-to-2022#c-delivery-plans-for-priority-outcomes>

³ RAND, The cost of terrorism in Europe: <https://www.rand.org/randeurope/research/projects/the-cost-of-terrorism-in-europe.html>

⁴ Original cost was €43.7billion, which has been converted at the average exchange rate for 2018 (1.1301€/£) and then uplifted to 2022 prices

⁵Intelligence and Security Report – The 2017 Attacks: What needs to change? https://isc.independent.gov.uk/wp-content/uploads/2021/01/20181122_HC1694_The2017Attacks_WhatNeedsToChange_Accessible.pdf Page 104

- b) The Prevention of Future Deaths Report from the Chief Coroner of the London Bridge Inquests issued a recommendation MC3⁶: *“I suggest that consideration be given either (a) to introducing legislation governing the duties of public authorities (including highway authorities) regarding protective security or (b) to producing guidance indicating what existing legal duties require in practice of public authorities regarding assessment of sites for protective security needs and implementing protective security measures”*.
- c) The Manchester Arena Inquiry Volume 1: Security for the Arena criticised ‘the lack of a duty to identify and mitigate the risk of terrorism...to provide adequate protection to the public,’ and issued a monitored recommendation MR4⁷: *“A Protect Duty, as set out above, should be enacted into law by primary legislation”*, as well as making numerous comments about the contents of such legislation, how it should work in practice, and how it should be overseen.
4. **Since the early 2000s, the UK’s approach to protective security has been entirely voluntary.** Independent research conducted in 2019⁸ showed that the absence of a legislative requirement means that counter terrorism security efforts are often prioritised behind legally required activities and are given insufficient consideration or priority at a board or management level, in particular when it comes to considering staff time and resource allocation. Whilst good outcomes have been achieved through the existing voluntary approach, with a variety of PALs improving their security arrangements, the consideration and application of security processes and measures has produced inconsistent results.
5. There has been a significant diversification of the threat in the UK (and elsewhere) in recent years, with, increasingly, low sophistication attacks becoming more prevalent. The threat picture remains complex, and whilst low sophistication attacks remain most likely, the threat from more sophisticated attack methodologies remains possible. The trend of low-sophistication attacks, from rapidly radicalised self-initiated actors, makes prevention increasingly difficult. In MI5’s most recent annual threat update (November 2022)⁹, Director General Ken McCallum noted that *“In a free country, detecting self-initiated terrorists – who often don’t reveal their plans to anyone, and can move quickly and sometimes spontaneously from intent to violence – is an inherently hard challenge”*. This follows on from Former Director General, Andrew Parker’s comments in 2017 about *“more threat, coming at us more quickly, and sometimes harder to detect”*¹⁰.
6. PALs have been targeted by terrorists in the UK and across the world for many years. The list below details examples of attacks in the UK:
- On 22 March 2017, a terrorist used a vehicle and knife to conduct an attack in Westminster, London, killing five.
 - On 22 May 2017, a terrorist detonated a suicide explosive device outside a concert venue in Manchester, killing 22.
 - On 3 June 2017, three terrorists used a vehicle and knives to kill eight people in a marauding attack in London.
 - On 19 June 2017, a terrorist drove a van into pedestrians outside a mosque in London, killing one person.
 - On 15 September 2017, a terrorist left an improvised explosive device on a London tube carriage during the morning rush hour with the intent of causing significant harm. This partially

⁶ Chief coroner’s findings: inquests arising from the deaths in the London bridge and borough market terror attack regulation 28 report on action to prevent future deaths Page 15 <https://londonbridgeinquests.independent.gov.uk/wp-content/uploads/2019/11/Final-Report-on-Action-to-Prevent-Future-Deaths-Report.pdf>

⁷Manchester Arena Inquiry Volume 1: Security for the Arena Report of the Public Inquiry into the Attack on Manchester Arena on 22nd May 2017, Part 8 Pages 149- 169 <https://manchesterarenainquiry.org.uk/report-volume-one/>

⁸ Future Protect Research, June 2019. 550 Organisations surveyed

⁹ Director General Ken McCallum gives annual threat update | MI5 - The Security Service: <https://www.mi5.gov.uk/news/director-general-ken-mccallum-gives-annual-threat-update>

¹⁰ MI5 – The Security Service, Director General Andrew Parker – 2017 Speech, <https://www.mi5.gov.uk/news/director-general-andrew-parker-2017-speech>

exploded while the tube train was at Parsons Green station. There were no fatalities, although a number of passengers were injured.

- On 31 December 2018, a terrorist attempted to murder three people by stabbing in a knife attack at Manchester Victoria Station.
 - On 16 March 2019, a terrorist attempted to murder one person by stabbing in a supermarket car park in Stanwell, Surrey.
 - On 29 November 2019, a terrorist killed two people by stabbing near London Bridge.
 - On 2 February 2020, a terrorist used a knife to conduct an attack in Streatham, London injuring two people.
 - On 20 June 2020 a terrorist attacked two groups of people with a knife in Forbury Gardens, Reading, killing three and injuring three others.
 - On 15 October 2021, a terrorist fatally stabbed Sir David Amess MP at his constituency surgery.
 - On 14 November 2021, a terrorist detonated an improvised explosive device outside Liverpool Women's Hospital, killing the attacker and injuring the driver.
 - On 30 October 2022, a terrorist conducted an arson and fire as a weapon attack against the Western Jetfoil Immigration Centre in Dover
7. It should also be noted that numerous plots, acts of preparation and conspiracies to commit acts of terrorism in PALs in the UK have been thwarted. Suspects have been successfully apprehended and convicted. Investigations have led, in recent years, to the conviction of several terrorist suspects who sought to carry out attacks at notable iconic locations and events including:
- Buckingham Palace (2017).
 - LGBTQ+ Pride (2018).
 - Madame Tussauds, Piccadilly Circus, London Pride (2018).
 - St Pauls Cathedral (2020).
8. This is indicative of the enduring and ongoing nature of the terrorist threat, which remains complex and diverse, and can change rapidly. A defining feature of such attacks is the targeting of people. This may be random or aimed at specific groups, for example, relating to race or religious beliefs. The impact of an attack on a publicly accessible location may include:
- a) Fatalities and physical and / or psychological casualties (both immediate and long-term).
 - b) Significant damage to property and infrastructure.
 - c) Increased demands on emergency services.
 - d) Disruption to essential services, particularly transport, health and education.
 - e) Economic damage, particularly via disruption to business and damage to international reputation.
 - f) Evacuation and shelter of neighbouring residents or employees.
 - g) Reduced public confidence to go about their lives freely.
9. The first responders to terrorist attacks will usually, until the emergency services arrive, be members of the public and staff from organisations who operate PALs. The actions of responsible parties at PALs have the potential to detect and deter attacks, or through appropriate staff training to treat injuries and improve survival rates. More broadly, members of the public not directly affected by an attack would also be negatively affected, potentially feeling more vulnerable. Research indicates that the fear of terrorism alone can lead to significant impact, including avoidance behaviours where people may change their activities to avoid risk, for example, relocation outside of cities,

unwillingness to use public facilities and transport. These behavioural changes go on to affect the economy and public wellbeing more generally¹¹.

A.3 Groups affected

10. The Martyn's Law proposals would directly affect the persons in control of premises with a capacity of 100-persons or more (100-799 persons for the standard tier, and 800 persons or more for the enhanced tier). These include businesses and organisations who own and operate PALs as outlined at paragraph 2. In addition, there is the potential for other premises to be within scope including charitable premises, Government and local authority buildings, hospitals, police stations, and courts.

A.4 Consultation

11. The Government conducted a public consultation¹² to seek views from the public and private sectors, and members of the public on proposals, and to ascertain how a 'Protect Duty' would potentially affect them. This particularly applied to organisations which own or operate at PALs. The consultation period ran from 26 February 2021 to 2 July 2021. A total of 2,755 responses were received. The Government also undertook over 80 stakeholder engagement events to gather views and opinions on the proposals.

Consultation within government

12. The Home Office engaged with all leading Government departments with an interest in protective security and preparedness and other issues related to Martyn's Law, to develop the consultation and the resulting proposals. The Devolved Administrations were also kept informed of developments, and engaged with where there was overlap with areas of devolved competency. In addition, key security partners within Government were also engaged and consulted to shape proposals.
 - Cabinet Office (CO).
 - Centre for the Protection of National Infrastructure (CPNI).
 - Counter Terrorism Policing (CTP).
 - Department for Business, Energy and Industrial Strategy (BEIS).
 - Department for Digital, Culture, Media and Sport (DCMS).
 - Department for Education (DfE).
 - Department for Environment, Food and Rural Affairs (Defra).
 - Department for Health and Social Care (DHSC).
 - Department for Levelling Up, Housing and Communities (DLUHC).
 - Department for Transport (DfT).
 - Department for Work and Pensions (DWP).
 - Health and Safety Executive (HSE).
 - His Majesty's Treasury (HMT).
 - Ministry of Defence (MoD).
 - Ministry of Justice (MoJ).
 - Scotland Office.
 - The Welsh Government.
 - The Scottish Government.
 - Northern Ireland Executive.
 - Northern Ireland Office.
 - Wales Office.

Public consultation

13. The purpose of the consultation was to consider how Government can best work together with private and public sector partners to deliver proportionate security outcomes to improve public security and

¹¹ Mediating the social and psychological impacts of terrorist attacks: The role of risk perception and risk communication: International Review of Psychiatry: Vol 19, No 3: <https://www.tandfonline.com/doi/abs/10.1080/09540260701349373>

¹² Protect Duty Consultation (2021):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/964808/Protect_Duty_Consultation_Document5.pdf

to counter-terrorism. It also considered how those responsible for PALs are ready and prepared to take appropriate action in the event that a terrorist attack was to happen.

14. Extensive engagement was undertaken with interested groups including representatives from the following sectors:
 - Security Industry,
 - Retail,
 - Charitable and Civil Society,
 - Visitor Attractions,
 - Events,
 - Finance and Insurance,
 - Sports,
 - Hospitality,
 - Faith Groups,
 - Entertainment,
 - Small and Medium Enterprises,
 - Education,
 - Health,
 - Transport,
 - Local Government, and
 - Victims' Groups (including the Martyn's Law Campaign).
15. For proposals on Sensitive Information in Licensing Applications (SILA) focus groups were held with the National Policing Lead for Alcohol, representatives from the Institute of Licensing, local licensing managers, representatives of Counter Terrorism Security Advisers and the CPNI. The proposal was also discussed with officials in the Welsh Government, Scottish Government and the Northern Ireland Executive.

Main findings from the public consultation

16. A summary of the responses to the Protect Duty public consultation was published in January 2022¹³. The main findings are detailed below:

Scope

- Over 70 per cent of respondents strongly agreed or agreed that venues and organisations owning, operating or responsible for PALs should take appropriate and proportionate measures to protect the public from attacks, **and** should prepare their staff to respond appropriately in the event of a terrorist attack.
- Over half of respondents considered that venue capacity represented the best criteria of application for defining the scope of the Duty (as opposed to other suggested options of staffing levels or revenue). Of those who identified other options, the most commonly suggested were the risk level, the average capacity, the location or type of events at publicly accessible locations.
- With regards to setting a threshold for a venue capacity, half of respondents thought that the threshold should be 100. The mean of all suggested capacity thresholds was 303 persons.
- When asked if organisational size would be a valid reason for inclusion within the scope of the Duty – a proposal that all large organisations (with 250 staff or more) operating at PALs – the most commonly mentioned response was that all organisations should be within scope regardless of their size (27 per cent of respondents to this question).
- Generally, participants tended to agree that application should be to larger than smaller organisations, as they were considered to have greater staff capacity and capability to undertake

¹³ Government response document (2022) - <https://www.gov.uk/government/consultations/protect-duty/outcome/government-response-document>

requirements, and more ability to take forward reasonable mitigating measures without a disproportionate impact on their resource.

- Respondents also noted that if, for example, there were three identically sized coffee shops on a high street and the Duty applied to two chain premises as a result of organisational size exceeding the threshold, but not the one independent shop, this would not be an equitable approach for inclusion and would not support the objective of seeking consistent outcomes at such premises.
- In terms of specific types of venues, PoW / religion were regarded as relative priorities (although 128 respondents were against this), with the inclusion of private venues seen as important by others.
- Some concerns were raised that placing a requirement on smaller businesses, voluntary organisations and PoW (often ran by volunteers) would be overly burdensome, costly and bureaucratic, negatively impacting on people's willingness to volunteer.
- There was strong agreement that it was appropriate for the owners and/or operators of premises to consider security and implement appropriate mitigations, and that parties should work together where there is a shared organisational responsibility for a venue.

Requirements

- Accountability was considered to be a cornerstone of the Duty. This predominantly referred to the need for clear roles and responsibilities, particularly amongst event organisers and those at senior level within the venues and organisers.
- In terms of existing activities and mechanisms which result in the best protective security and organisational preparedness, the most common responses were staff awareness raising, training courses and communication campaigns.

Compliance

- Respondents were split almost equally between those who supported an inspection regime and those who opposed it. Suggestions on how a compliance regime could operate included: training, regular visits / inspections, audits, civil penalties / punishments for non-compliance. The critical message was that any regime must be proportionate.

Government Support

- With regard to what respondents considered would be the most helpful mechanisms and tools to assist compliance with the Duty, the most popular suggestions were:
 - A single, digital service where individuals or organisations could access relevant material, advice and training in one place
 - A risk assessment template and information on undertaking a risk assessment for terrorism threats; easy to digest information regarding threat and attack methodologies
 - Advice on what constitutes reasonably practicable and appropriate mitigations appropriate for the circumstances of an individual or organisation.
 - Staff training and awareness courses.
- In terms of the advice and support required for organisations within the scope of Duty, the most commonly raised themes were ensuring advice and support is bespoke and not 'one size fits all'. Almost four in five participants responding said they would access counter terrorism information through a new digital service being developed to provide access to relevant counter-terrorism material, advice and training in one place for organisations operating in PALs, if the proposed service was available to them.

International comparison

17. In considering the case for Martyn's Law, the Government has assessed whether similar legislation exists in other jurisdictions. For this purpose, the Home Office has engaged in research with the UK's embassies and posts overseas. There is some specific legislation related to the consideration of threats and security requirements for designated locations to address the risk of terrorist attack

(Singapore), aspects of critical national infrastructure, event security, and relating to emergency response planning as set out in Table A.1 (see Annex 1). However, the majority of countries engaged with did not have comparable legislation, and there were no envisaged plans in the near future for progressing similar provisions. The reasons for this varied from whether it was on the current Government's agenda, to the assessment of terrorist threat in that country. Some jurisdictions said that this was a matter which may be considered further and they wanted to be kept updated of developments.

18. None of the regimes detailed in Annex 1 are considered directly comparable legislation to the scope and requirements of Martyn's Law in being more narrowly focussed, and not providing a specific requirements framework for responsible parties. As such Martyn's Law is considered a first of its kind.

B. Rationale for intervention

19. Beyond the profound impact on victims and their families, terrorism causes economic damage and a large negative impact, not just to the sites attacked, but also to the wider economy through the fear caused by terrorism. This disruption through the fear caused by terrorism has economic and social ramifications through its impact on people being unable to go about their day to day lives. This is why the Government's Counter Terror Strategy (CONTEST) includes the aim to "*reduce the risk to the UK and its citizens and interests overseas from terrorism, so that people can go about their lives freely and with confidence*"¹⁴.
20. RAND Europe estimated that the cost of terrorism between 2004 and 2016 in the UK was as high as £43.7 billion (2022 prices)^{15,16}, considering the impact of terrorism on GDP growth and the human and physical cost of terrorism. Reducing the impact of terrorism is one of the vital rationales for intervention for Martyn's Law.
21. In addition to the negative externality of terrorism, there is an information asymmetry¹⁷ between the public / business and the Government surrounding the risk from terrorism. The Government and independent threat assessment bodies such as the Joint Terrorism Analysis Centre (JTAC) have a good understanding of the threat that terrorism poses, the risk it presents and how best to mitigate this risk. However, **businesses and other organisations across the UK may not be aware of their risk. This can lead to a lack of understanding from sites of their potential exposure to the harm of terrorism.** This can make it hard for sites to make informed decisions about decreasing the risk of terrorism and how to reduce the impact that terrorism could have on them.
22. Responsibility for protecting those within PALs is both the responsibility of the Government and the PALs sites themselves. The PALs premises are not a public good due to being rivalrous (one person entering a PAL premise means one other person cannot enter) and excludable (people can be excluded from the premise through payment or the premise reaching capacity)). It would be more economically efficient for PALs owners/operators to bear the cost of security as they receive the benefit of better security and therefore the cost should be paid for by the premise, which can choose to pass it on to the consumer if needed. This cost to the consumer is likely to be small due to the large number of visitors to PALs premises.

¹⁴ Counter-terrorism strategy (CONTEST) 2018 - GOV.UK: <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2018>

¹⁵ The cost of terrorism in Europe - RAND: <https://www.rand.org/randeurope/research/projects/the-cost-of-terrorism-in-europe.html>

¹⁶ Original cost was €43.7 billion, which has been converted at the average exchange rate for 2018 (1.1301€/£) and then uplifted to 2022 prices

¹⁷ Information asymmetry is defined as one party (due to its expertise or ownership of knowledge and data) having better or more information compared to the other party. Typically, this imbalance in information puts the first party at an advantage in knowledge or in a transaction. However, at times this can result in information failure where due to the wide range and copious quantity of 'poor quality' information, for example, the internet or social media (lemons), conceals 'high quality' information (peaches) which is either retained for particular reasons by its owner or sold at a very high price only to those who value it.

23. The attacks in 2017 and beyond demonstrate the need for a wider society appreciation of the risks and harms that terrorism presents. The ISC mention that *“we remain concerned that there appears to be no way of mandating owners of public places to install necessary protective security measures where they do not do so voluntarily. This issue becomes yet more difficult where sites have multiple owners. The Government should consider clarifying the legal responsibilities of both site owners and relevant public authorities in this regard”*¹⁸. The Manchester Arena Inquiry noted that *“The voluntary nature of the Counter Terrorism Security Advisers (CTSA) system and the lack of any specific duty to identify and mitigate the risk of terrorism means that system is inadequate to provide a proper level of protection to the public”*¹⁹.
24. Martyn’s Law would provide a framework and legal basis for clarifying the responsibility of PALs to protect members of the public from terrorism while they are visiting the premises. This legal responsibility will address the information asymmetry that is currently present within the UK. The legal basis of Martyn’s Law and the resulting penalties, if premises fail to comply with its requirements, will provide an incentive for them to improve their security in response to a consideration of attack methodologies at their premises - alongside the range of other risks that they already consider. **Currently, this incentive for premises to protect from terrorism is lacking and as a result of this, premises can limit their security, often to the detriment of others and the public. Addressing this lack of incentive through Martyn’s Law is a major case for intervention.**
25. The measures put into place by businesses and other organisations as a result of Martyn’s Law should reduce the impact of terrorism, should it occur. This reduction in the impact of attacks will reduce the level of negative externality that is present when terrorism occurs through reducing the fear in society as well as reducing the physical and emotional harm from an attack.
26. Government is best placed to understand the risks and impacts of terrorism, as well as enforce and penalise those who do not comply with Martyn’s Law. However, due to the benefit of Martyn’s Law being mainly to those who use PALs premises, some responsibility for protection should be placed on the persons responsible for them. To build a system which can effectively combat terrorist threats involves the efforts of a number of stakeholders including the public and businesses. The clarity and legal basis of Martyn’s Law (as brought in by the Government) will compel and motivate PALs to respond to the threat of terrorism through investing in and improving their security, leading to a benefit of a safer public and a country better prepared for the risks and impacts of terrorism.
27. The proposals for the SILA process is to address concerns that the easy accessibility of licensed premises plans, as required by the Licensing Act 2003 (LA 2003), could undermine the effectiveness of measures designed to protect PALs, including those sought by Martyn’s Law. The Government considers that for some premises, it will be appropriate to have a mechanism for withholding sensitive information when it is in the interests of public security.

C. Policy objective

28. Martyn’s Law has been developed to address the terrorist threat to the public, and to improve protective security and preparedness considerations and proportionate mitigating measures at PALs. The policy objectives are to:
 - a. **Proportionately mitigate risks and reduce the impact of terrorist attacks** where they do occur. This will be achieved through:
 1. Demonstrating compliance with a requirements framework, and making appropriate modifications to reduce the risk of harm.

¹⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/776162/HC1694_The2017Attacks_WhatNeedsToChange.pdf

¹⁹ Manchester Arena Inquiry - Volume 1: Security for the Arena, page 57: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994856/CCS0321126370-002_MAI_Report_Volume_ONE_WebAccessible.pdf

2. Having established and well-rehearsed preparedness plans which can be implemented in response to different types of terrorist attack.
- b. Provide clarity of responsibility** (and increase accountability) for security activity at premises in scope. This will be achieved through:
1. Martyn's Law requiring responsible persons to be legally responsible for qualifying premises and their requirements.
 2. The outcomes of considerations and resulting plans being recorded and auditable, and subject to inspection.
 3. Responsibilities and accountability requirements being reinforced by communications and engagement activities, and through the Martyn's Law Statutory Guidance.
- c. Improve consistency of outcomes** achieved to improve security at premises in scope. This will be achieved through:
1. Martyn's Law establishing requirements for standard and enhanced tier premises, with a framework of mitigating requirements to be demonstrated for enhanced premises.
 2. Developing good practice examples (potentially on a sectoral basis) to improve understanding of developing effective and efficient security systems, processes, and activities.
 3. A Regulator providing advice, education and, where deficiencies have been identified, taking forward sanctions.
 4. A SILA process will enable local authorities to withhold from public inspection certain documents from the public domain.
- d. Expand the support available** to help those responsible for delivering security in public places. This will be achieved through:
1. Detailed statutory guidance, to be launched in advance of commencement of Martyn's Law, setting out requirements and responsibilities.
 2. Tools and products being made available on the ProtectUK²⁰ platform to assist responsible persons in understanding terrorist threats and how to take forward appropriate mitigating measures.

D. Options considered and implementation

Option 1: 'do nothing'

29. **Option 1** would be a continuation of the Government's existing approach to improving protective security and preparedness at PALs, which relies on voluntary participation to achieve security outcomes. An assessment and description of the effectiveness of the voluntary approach can be found in Annex 2.
30. The Government has also considered whether there could be other non-legislative approaches. This could be based around a self-regulatory code undertaken with those responsible for publicly accessible locations. Engagement could be undertaken with those locations in scope of the legislative requirements, with a view to developing a self-regulatory code around consideration of terrorist threats and proportionate mitigation plans – in a way that is similar to HMG's current approach to PALs. Whilst the Government has seen value in the development and operation of self-regulatory codes in other areas, these, in general, have been most effective where there are a small and very specific group of affected stakeholders, and co-ordinated and established sector bodies, for example, PoW.
31. The Government is also mindful of research it commissioned in 2019²¹ which showed that terrorism ranked well below health and safety, fire safety, safeguarding and crime prevention as a

²⁰ <https://www.protectuk.police.uk/>

²¹ Future Protect Research, June 2019. 550 Organisations surveyed.

consideration for businesses which operate at PALs. Organisations were unlikely to voluntarily consider terrorist threats and mitigations unless there was a mandatory requirement, and over half of large organisations and small to medium-sized enterprises surveyed were supportive of there being a legal requirement to have considered security to protect against terrorist threats and the implementation of appropriate and proportionate mitigations to protect against terrorism.

32. Given the wide range of premises within the scope of proposals, the difficulties of agreeing an approach across all these premises, and the outcomes of this research, the Government does not consider that the progression of a self-regulatory code would have the impacts it is seeking to achieve at all premises in scope, and (without the Regulator) having sufficient confidence on outcomes achieved.
33. The Government is also aware that there could be other approaches to seek to achieve the outcomes sought, for example doing more through centralised funding of counter terrorism policing and/or locally co-ordinated approaches. Whilst these approaches would have the potential to increase engagement and communication efforts, raise greater awareness of threats and potential mitigations, they do not offer the same potential to specify responsibility at publicly accessible premises, nor could they provide confidence that proportionate mitigations would be implemented consistently.
34. This is not to say that the Government has ruled out the use of a non-legislative approach to support its preferred option. Whilst the Government consider the backbone of this policy will need to be legislative, to compel compliance and achieve the desired security outcomes, this will not be the only approach used to promote compliance. The Government will continue with its ongoing policy to engage with and support a wide range of stakeholders to improve knowledge of threats and what can be done to reduce them, it will also look to the private sector for ways in which they can promote compliance for example, the insurance industry to promote and incentivise compliance, similar to the current approach to health and safety.
35. **Option 1** (or variants of it) does not meet the Government objectives and is not considered further in this assessment.

Option 2

36. **Option 2 is a legislative approach to address the Government objectives** (see section C). The Government has considered the case for the development of proportionate legislative requirements to establish responsibility of ownership for security issues at premises in scope, and, to establish requirements to allow for a greater certainty of security outcomes achieved.
37. In seeking to achieve these objectives, consideration must first be given to where should be in scope of legislation. A truly proportionate requirement would impact only on the premises where terrorist attacks are most likely to take place. Assessment by the Government's security experts notes that the terrorism threat to the UK is diverse²². In recent years there has been a significant diversification of the threat. Low sophistication attacks have become more prevalent. However, the threat picture remains complex and whilst low sophistication attacks remain most likely, the threat from more sophisticated attack methodologies remains possible.

²² The Director General of the Security Service Ken McCallum noted in his annual threat update in July 2021 that "The variety of what we face is huge: from sophisticated nation states, drawing on the entire apparatus of government to undermine our security; through to misguided teenagers, espousing a warped and racist ideology, bent on killing those different to them". <https://www.mi5.gov.uk/news/director-general-ken-mccallum-gives-annual-threat-update-2021#sthash.84uU01S0.dpuf>. On the Radio 4 Today programme in September 2021 he noted that smaller-scale terrorist acts by those already in the UK made up the largest number of threats faced by MI5. "There is no doubt that events in Afghanistan will have heartened and emboldened some of those extremists and so being vigilant to precisely those kinds of risks is what my organisation is focused on along with a range of other threats, but there is still also a risk of an increase in larger plots directed by terrorism groups like al-Qaeda". In his most recent annual threat update in November 2022, he reiterated that "*And we need that system, because the threat is still there. Since the start of 2017, MI5 and the police have together disrupted 37 late-stage attack plots. That's another 8 potentially deadly plots disrupted since I gave my update last year. And as before it's a mix of Islamist and extreme right-wing terrorism*". <https://www.mi5.gov.uk/news/director-general-ken-mccallum-gives-annual-threat-update>

38. The trend of low-sophistication attacks, from rapidly radicalised self-initiated actors, makes prevention difficult. Predicting the threat at different locations is impossible. Whilst the risk to any individual premises may be very low, the risk of an attack affecting an individual premises somewhere in the UK is considerably greater. The objective is for responsible persons to be prepared in case an attack occurs, irrespective of the fact that the probability of that happening is fortunately low.

Scope

39. The most common view amongst the public consultation respondents was that all premises and organisations should be within the scope of legislation. However, this needs to be balanced against the burden that would impose on responsible parties. The Government has concluded that a threshold based on organisational size would not achieve the objective of ensuring consistent security outcomes.

40. Martyn's Law will apply to premises which consist of:

- A building, part of a building, or a group of buildings, or
- Land which has a readily identifiable physical boundary (for example outdoor festivals).

The legislation will specify types of premises by reference to the purpose for which the premise is used (broadly publicly accessible premises) for example, retail, sports, or entertainment. Premises that fulfil these criteria will be considered qualifying premises.

41. In the absence of specific threat reporting regarding attack locations, capacity represents a fair and equitable basis to ensure that locations which may be significantly impacted by targeting by terrorists are included. A capacity test will apply for qualifying premises:

- **<100** - If the capacity of the premises is below 100 persons, it falls outside the scope of Martyn's Law. Instead, the Secretary of State for the Home Department (the Home Secretary) will encourage such premises to adopt voluntary measures to reduce terrorism risks.
- **100-799** - If the capacity of the premises is between 100 and 799, it falls within the scope of the standard tier.
- **800+** - If the capacity of the premises is 800 or more, it falls within the scope of the enhanced tier.

42. The thresholds were developed working with partners from across Government, including security experts. To ensure that Martyn's Law is agile and responsive, Government will have the ability to adjust enhanced premises capacity thresholds to a figure below 800, but not below 500, if the Home Secretary considers it appropriate to do so.

43. There will be a limited number of premises where there will be different application of the scope criteria:

- Educational establishments will fall within the standard tier, apart from higher education establishments, regardless of capacity thresholds. This is due to an assessment of sector threat, the nature of the premises which, apart from at higher education premises, have existing access control measures and mitigating measures in place, for example, as a result of safeguarding policies.
- PoW will fall within the standard tier, except for some large premises which charge for entry. This is due to the unique nature of PoW as free and openly accessible sites, welcoming to all people, with no restrictions placed on entry, and usually with no commercial drivers to attract people compared to other premises in scope, and the significant mitigating work programmes already in place at PoW (which include a number of funding programmes in place as outlined at Annex 2).
- Transport premises already subject to transport security regulations will be excluded from scope. This is due to there being existing legislative requirements to consider and mitigate terrorist threats, achieving comparable outcomes to Martyn's Law.

44. The Government has considered whether the maximum capacity of a premise represents the most appropriate factor, noting that in the consultation some respondents considered that the average capacity of a premise would represent a better basis for inclusion within scope. The Government considers that a variable based on average premise attendance would not be as well-known or as easy to establish. It would introduce a process for counting attendees (over a period of time to be agreed), which would place an ongoing requirement on premises (and a considerable number will not have a basis or process to do so at present).
45. The Government is mindful that many of the comments on average attendance were raised by large PoW, which noted that they would only on rare occasions have a premise which was full to capacity. The Government has proposed that a special case apply to PoW, as outlined above, which was proposed for a variety of reasons, most importantly the other approaches in place to mitigate threats to this sector.
46. If there is a venue which has a large event once every two weeks, but is empty or at a very low capacity every other day (for example, potentially some sports grounds), they could find themselves below the enhanced tier capacity threshold based on average attendance, and without a proportionate security plan in place for those large events. Ultimately whilst most premises aim to be busy, having appropriate and proportionate security measures, systems and processes in place is important regardless of the degree of occupation. For enhanced tier premises, there will be elements of a proportionate security plan that will likely vary at times when a premise is full or near capacity against those times when it is empty or at a lower capacity.
47. Mindful of the views received during the consultation (that premises capacity represented the most popular reason to define premises in scope) and the above factors, the Government considers that the maximum capacity of a premise represents the most appropriate variable to determine this aspect of scope within Martyn's Law proposals.
48. There were also other criteria proposed during consultation for defining inclusion within scope. The most commonly cited were:
 - The evaluated risk level of PALs and the likelihood of those locations being a target due to the nature of their operation (for example. faith sites);
 - The location of PALs; and
 - The type of events held at PALs.
49. Determining the likelihood of premises being a target based on the nature of the premises (activity occurring there), by location (for example, whether they are in a highly populated area, or an urban or rural location), or because of the types of events which might be held there, is the subject of detailed analysis, primarily by the Joint Terrorism Analysis Centre.
50. The nature of the terrorist threat is unpredictable, and locations, or sectors, which may be targeted by terrorists cannot be predicted with accuracy, in particular allowing for how threat may change in future. There are a range of motivations which may determine an attack location and these may be influenced by factors such as the ideology and communications of terrorist groups, and personal grievances and experiences. This means that the identification of specific target locations/sectors, is to some degree subjective. This presents challenges for legislating for any such approach, given the need for specificity and legal certainty.
51. Attempting to categorise locations on these factors in a legislative approach would be a complicated, controversial and potentially flawed basis to seek to achieve the outcomes sought by this intervention.

Requirements

52. A vital objective is for responsible persons to be prepared in case an attack occurs. The obligation should be to adopt such procedures that constitute a proportionate means of reducing the risk of serious harm, were such an attack to occur, having regard to the cost and difficulty of identifying or devising and adopting the procedures, and the extent to which the level of risk would be reduced.

53. Good security outcomes can be achieved through developing an awareness of terrorist attack methodologies and mitigations to these based on simple, low-cost interventions that protect and reassure the public, and deter would-be attackers, with no (or minimal) adverse impact on the site's operation or people's experience. This principle remains true for all premises, but larger premises upon which the scope of Martyn's Law is based, will need to consider these as part of a wider range of countermeasures, based on a detailed assessment of threats, as to how they might best proportionately mitigate these.
54. Martyn's Law would establish a tiered requirements framework:
- Standard Tier - will primarily seek to drive good preparedness outcomes. Responsible persons will be required to undertake simple (comparably to the enhanced tier) low-cost, yet effective activities to improve understanding of the terrorist threat and response arrangements. The standard tier is aimed at raising the foundation of security across the UK to provide a force multiplier for the outcomes which are being sought within the enhanced tier.
 - Enhanced Tier - this tier would see the highest level of requirement placed upon high-capacity premises in recognition of the potential consequences of a successful attack, such as that seen at the Manchester Arena in 2017. It would require premises to take forward a risk assessment and subsequently develop and implement a security plan. In doing so, these premises would need to consider a range of mitigations and decide which are proportionate and necessary to implement to protect visitors and staff from a terrorist attack.
55. The standard tier represents smaller premises, which would (at many premises) have lesser capability and capacity to take forward security considerations. In recognition of this, the approach proposed at such premises seeks to recognise this, but also that there are simple and low-cost activities which can be undertaken at these premises which would increase awareness of threats, ensure appropriate response arrangements were in place, and help save lives in the event of an attack.
56. The enhanced tier represents premises of greater complexity and capacity, where the consequences of an attack are potentially more significant (than a smaller premise). A relatively small number of premises will fall within its scope. Government considers that larger premises can reasonably be expected to devote greater resources to protection against the risk of harm that arises from terrorism. There is also an expectation, both from organisations owning and operating these premises and from the public, that such locations will have considered protective security and preparedness.
- A requirements framework will be established to detail outcomes to be achieved at a premises (for example, ensuring that there are the means and appropriate processes to lock down a premises).
 - Premises will also be asked to take forward adequate training to relevant staff working there, on the nature of the risk and the measures that have been implemented, and to create and implement a security plan that sets out the risks identified from the risk assessment, the mitigating measures implemented in respect of the premises and any measures that were not implemented on grounds that they were not reasonably practicable.

Responsible persons

57. To deliver the desired clarity of responsibility, there needs to be a clearly defined responsible person for meeting legislative requirements. It is vital that there is clear accountability, held at a sufficiently senior level to enable decisions to be taken regarding a premises, or an organisation's systems and processes, including regarding associated funding and resourcing.
58. All premises within scope of Martyn's Law will have at least one responsible person, which can be a natural person, a body corporate, partnership or other form of association, that is, a legal person, who will usually be the organisation in control of the premises. For enhanced tier premises, there will usually be other parties who will deliver or authorise aspects of security plans (for example. an

owner), and they will be required to work together to deliver requirements. Where there are multiple responsible persons at a premise, they will be required to co-operate and co-ordinate to deliver requirements as necessary.

The Regulator

59. The Regulator will be established, and its operational approach to inspection and enforcement developed, prior to commencement of Martyn's Law. The Government assesses that it is vital to the success of this policy that it establishes a Regulator. Without a Regulator, and therefore no mechanisms to promote compliance or sanction non-compliance, there is risk that Martyn's Law becomes a duty in name only.
60. The core function of the Regulator will be to check the compliance of premises against Martyn's Law, operationalised through a network of specialist inspectors. In line with the stated policy objectives, the Regulator's role will be to:
 - Monitor, quality assure, and incentivise compliance (using sanctions where appropriate).
 - Advise sites on how to strengthen compliance in relation to Martyn's Law.
61. Without an inspection regime the Government will be unable to enforce compliance – a new regime is therefore paramount to successful implementation. Through the activity of the new Regulator all aspects of the Martyn's Law legislation will be operationalised. Future operational policy work will need to set out exactly how the inspectors carry out their activity. For example, the Regulator will inspect a number of sites, comparable to the output of similar inspection regimes.
62. Consultation with other regulatory regimes show that there is not a single standard approach to inspection activity. The type of inspection, and length and depth of analysis, will be determined by the objectives of that Regulator. While other regimes provide a useful comparison for best practice, the operational approach of the regulator will be shaped primarily by the objectives of Martyn's Law.
63. The systems and processes that will be inspected under Martyn's Law are potentially complex and will vary significantly from premise to premise. There are future operational policy decisions to be made surrounding the Regulator's activity, however it is conceivable that a Regulator will undertake several different types of inspection, varying in both length and depth.
64. Given the number of premises which will fall within scope, it will be important that the Regulator achieves the biggest reach across qualifying premises as possible. While traditional 'in person' inspections will be a key tool for the Regulator, the Government will seek to develop tech-based solutions to help the Regulator maximise its reach and monitor compliance. These tools will be coupled with clear, easy to follow guidance. The Regulator will also utilise existing operational networks, in the PALs and policing space, to promote an awareness of the legislation. The Regulator will also explore ways in which non-Government partners in the private sector can help promote and encourage compliance among a range of different industries.
65. A Regulator will likely need to do more than inspection to promote compliance against Martyn's Law: it is assessed that communications, quality assurance and cross-system co-ordination functions will also need to be carried out to ensure that both operational partners, as well as sites, understand the requirements of Martyn's Law and effectively implement the policy.

Inspection and sanctions

66. To secure compliance with Martyn's Law, it will be necessary to establish an effective inspection and enforcement regime. Whilst the primary function of the Regulator is to promote compliance and positive cultural change, a credible sanctions regime will be required to be able to deal with rare but serious breaches effectively. It will be essential for persistent or serious breaches to be tackled swiftly. The consultation proposed that the regime for non-compliance should be primarily based on civil sanctions. Engagement with other regulators revealed the benefits of using a wide range of civil sanctions.

67. The Government is conscious of the comments made in the Manchester Arena Inquiry Volume 1 report regarding enforcement²³, where the Chair expressed his views regarding the nature of a regulatory and sanctions regime. He recommended that enforcement of Martyn's Law is *"at least as robust and rigorous as comparable regulatory regimes"*. He noted the need for the inspectorate to be properly resourced, recommending *"that an adequate and effective enforcement process is established in relation to the Protect Duty"*. He also commented on the need for there to be *"proper enforcement of the Protect Duty, the possible consequences of breaches are so serious that proper steps need to be taken to avoid them happening"*. With regards to sanctions, he outlined that *"While it is not unusual to have civil penalties for regulatory failures, provision is often made for criminal prosecutions and more severe penalties in more serious cases. I would recommend that the same should apply for breaches of the Protect Duty. It should be borne in mind that this is an area where the possibility of a severe sentence could have a deterrent effect"*.
68. Enforcement will be delivered via a mainly civil sanctions regime. Civil sanctions will include the ability for inspectors to require responsible persons to act to remedy non-compliance. To ensure the removal of financial gain from non-compliance inspectors will also be able to issue, variable monetary penalties. A maximum penalty of up to £18 million or 5 per cent of worldwide turnover will be available for sites falling within the enhanced tier and a maximum penalty of up to £10,000 will be available for sites falling within the standard tier. In all but the most serious cases a civil monetary penalty is likely to be issued. However, in the case of the most egregious breaches criminal prosecution will be available for breach of an enforcement notice for enhanced sites as an alternative. The Regulator will be able to apply for a court order to temporarily close an enhanced tier premise or place restrictions on the type of activity that can take place on that premise (where this is considered necessary to protect public safety).
69. Martyn's Law will also create a limited number of new criminal offences to ensure the Regulator is able to perform their duties effectively. These offences will deal with non-compliance of information notices, providing false or misleading information and attempting to obstruct the Regulator. An offence will also be created for impersonating an inspector.
70. To prevent civil claims from being brought for breach of Martyn's Law alone, civil liability will be precluded by way of express provision for all responsible persons.
71. Responsible persons will be able to request that the Regulator conducts an internal review of any sanctions imposed and will have a right of appeal to the Tribunal.

Sensitive Information in Licensing Applications (SILA) proposals

72. The legislation also proposes to introduce the SILA protocol (by way of an amendment to the LA 2003) which will allow, in specified circumstances, for premises plans held in public licensing registers to be withheld from review by the public, to reduce the risk of misuse of sensitive information in the public domain. The LA 2003 applies in England and Wales only²⁴.

Government support

73. Government will develop supplementary statutory guidance to support responsible persons in fulfilling Martyn's Law's requirements. This guidance will encourage a culture of continuous improvement. Statutory guidance for Martyn's Law will also detail how parties will need to co-ordinate on assessments and plans, and provide examples of good practice. In addition, there are a range of initiatives already in train to support stakeholder considerations and understanding of Martyn's Law and its requirements. These include ProtectUK²⁵, an online platform for stakeholders, which will be

²³ Manchester Arena Inquiry Volume 1: Security for the Arena Report of the Public Inquiry into the Attack on Manchester Arena on 22nd May 2017, Part 8 Page 160-162 (paragraphs 8.85-8.92) <https://manchesterarenainquiry.org.uk/report-volume-one/>

²⁴ licensing law is devolved in Scotland and Northern Ireland

²⁵ <https://www.protectuk.police.uk/>

an important tool for the effective delivery of support to all owners and operators of PALs, providing guidance and advice, training options and, engagement opportunities through webinars and forums.

Preferred option and implementation plan

74. **Option 2 is the Government's preferred option** as it meets the Government's objectives, is proportionate to the threat and has been designed with extensive stakeholder input.

Implementation plan

Commencement

75. Requirements arising from Martyn's Law will be familiar to many, large organisations and some sectors who have routinely and voluntarily adopted good security practices. For others, however, protective security and preparedness may be a new and unfamiliar concept. The accompanying statutory guidance for t Martyn's Law will play an important role in addressing this, alongside wider preparations necessary to engage and prepare responsible persons.
76. Government must ensure that the Regulator is established prior to bringing statutory requirements into force, as this is the means by which compliance can be assessed and, where necessary, enforced.
77. Allowing for a period of time between Royal Assent and commencement of Martyn's Law will be both necessary and advantageous to allow responsible persons time to prepare. The date of commencement of Martyn's Law will be enshrined in law via Statutory Instrument, to be laid before Parliament in 2025 (the working assumption at this time).

E. Appraisal

General assumptions and data

78. The following general assumption and data are used in this impact assessment (IA) which follows the guidance set out in HM Treasury (2022) Green Book²⁶.
- Appraisal period.
 - Price base year and present value base year.
 - Discount rate.
 - HM Treasury GDP deflator, 2022.
 - Annual Survey of Hours and Earnings (ASHE), 2021, Table 14.5a, at the 4-digit level for occupational earnings.
 - Eurostat, 2019, Labour costs and non-wage share of labour cost²⁷.
 - Ordnance Survey mapping data²⁸,
 - Familiarisation costs, readingsoft.com

Assumptions for costing Martyn's Law

79. Timelines are dependent on external factors, but for appraisal purposes, the analysis uses a 10-year appraisal period running from 2024. Familiarisation costs are assumed to be incurred in 2024 with full compliance from 2025. This approach is an analytical simplification - in reality, Martyn's Law will come into place gradually and businesses and other organisations in scope will possibly change behaviour to meet the requirements before 2025. All impacts are presented in 2022 prices and with

²⁶ HM Treasury (2022) The Green Book: appraisal guidance for central government, London. See:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063330/Green_Book_2022.pdf

²⁷ https://ec.europa.eu/eurostat/databrowser/view/lc_ici_lev/default/table?lang=en

²⁸ AddressBase Premium, Ordnance Survey: <https://www.ordnancesurvey.co.uk/business-government/products/addressbase-premium>

a base year of 2024. This means the impact assessment has a 10-year appraisal period with 10 years of costs and benefits.

80. Within the IA, wage data from the Annual Survey of Hours and Earnings (ASHE) was used to look at the possible loss of productive time that may result from people doing training or risk assessments rather than their usual productive roles. This represents the opportunity cost of these activities as this is the next best alternative forgone. The median wage across the economy was used, as PALs are present across multiple sectors so no specific sectors which could have been used to give a sector specific wage. The data used was from the 2021 release of data and was filtered to give the median hourly wage in all cases²⁹. These wages were uprated to 2022 prices using the Treasury GDP Deflator where needed³⁰. Additionally, the wages were adjusted to consider the non-wage costs such as national insurance and pension contributions, this was an uplift of 22 per cent and is based on BEIS and UK Government guidance, using Eurostat data³¹. Adjusting for uprating and non-wage costs, the median wage in the modelling was estimated to be £17.69 per hour.
81. For those who were volunteers, there was no wage rate to use so the next best alternative was judged to be their leisure time, and this would be the opportunity cost to them from completing these activities. The value of leisure time was estimated using the DfT's Analytical Guidance³². As this is a 2010 value, this was also uprated using the GDP deflator. This gives a value for leisure time of £5.75 per hour.
82. The overall wage rate for PALs premises was calculated by weighting the numbers of employees and volunteers at the average 800+ capacity premise. The proportion was 84 per cent employees and 16 per cent volunteers. This gives a weighted average estimated wage rate of £15.50 per hour.
83. When looking at tasks that senior managers would be involved in, a separate wage rate was used to reflect the higher wages found in these occupations. This was also estimated using the ASHE data, with only those with the occupations of 'Managers, directors and senior officials' being included within the estimates. As with median wages, this was uprated and adjusted for non-wage costs to give an estimated hourly cost of £26.39.
84. Throughout the estimation of the monetised costs and benefits, research has been used to estimate the proportion of organisations that would implement various measures within Martyn's Law, as well as to provide an estimate of the current measures organisations take to protect themselves from terrorism. It is assumed that organisations across the country are broadly reflected within the analysis and that any proportions taken from the analysis are relatively representative across the UK. This is a broad simplifying assumption and one that may lead to the appraisal not accurately reflecting the impact at all premises and in all areas. However, due to the sparse range of data around counter terrorism, and in the absence of more specific data on premises and their precautions, it is judged to be the best option for the appraisal.
85. Within the research, it was found that PoW differ significantly from other PALs and thus they are considered separately from other PALs within this IA. This affects all the costings as, due to larger numbers of volunteers within PoW, the average wages are estimated to be lower as well as having a different profile of interventions for Martyn's Law. There may be more PALs premises that are like PoW and have large amounts of volunteers, and which hold similar reservations over large-scale interventions. This may include premises that are run by charitable organisations or run by small and micro-businesses. However, due to a lack of evidence on the prevalence of these types of premises by capacity, it is not possible to estimate the specific way these premises will respond to Martyn's Law, and they are assumed to be most similar to the average PAL.

²⁹ Earnings and hours worked, region by occupation by two-digit SOC: ASHE Table 3 - Office for National Statistics: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/regionbyoccupation2digitocashetable3>

³⁰ GDP deflators at market prices, and money GDP June 2022 (Quarterly National Accounts) - GOV.UK: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2022-quarterly-national-accounts>

³¹ https://ec.europa.eu/eurostat/databrowser/view/lc_lci_lev/default/table?lang=en

³² TAG data book - GOV.UK: <https://www.gov.uk/government/publications/tag-data-book?msclid=704e7056af5f11eca55115e6448d83b9>

For this IA's assessment of potential benefits, it is not possible to develop an estimate of the reduction in terrorism that will be achieved by the preferred option. Instead, this IA attempts to quantify the economic benefit of reduction in crime, as well as demonstrate the possible non-monetised cost of terrorism to the UK. Due to difficulties in estimating the future nature and scale of terrorism, calculating a precise reduction in terrorism due to Martyn's Law, and therefore the expected benefit, is not possible within the analysis. This is an evidence gap in the IA.

Scope and volumes

86. When looking at the possible impact of Martyn's Law, the capacity of UK PALs was modelled to understand how many premises would be within scope and how many would exceed the capacity threshold. No centralised data on the capacity of premises could be found, so different data sources and methods were combined.
87. Once the capacity of each premises was estimated, the scope of the policy was the number who meet the different capacity criteria of the legislation. Table 1 shows the number of differing categories examined as well as the number in and out of scope of Martyn's Law in the central scenario.

Table 1, Number of premises in Martyn's Law, 2022

Sectors	Total Sites	Out of Scope	Standard Tier	Enhanced Tier
Education	32,523	2,960	29,562	0
Courts	346	210	135	1
Hotels	8,934	6,250	2,626	58
Places of Worship	48,362	3,886	44,476	0
Racecourses	61	0	0	61
Retail and Hospitality	776,405	579,336	181,072	15,997
Sports Facilities	29,979	13,274	13,847	2,859
Stadiums and Arenas	268	0	0	268
Visitor Attractions	13,538	8,617	3,360	1,561
Zoos and Theme Parks	386	0	0	386
GPs	8,170	8,033	137	0
Hospitals	1,921	0	0	1,921
Universities	271	26	65	180
Village Halls	6,414	2,821	3,592	1
Festivals	975	0	0	975
Total	928,554	625,413	278,873	24,268

Source: Home Office, own estimates, 2002.

Note: The proposal is that all educational establishments (for age <18 years) and places of worship are out of scope of the enhanced tier.

88. Sensitivity analysis was conducted on the scope of Martyn's Law, with the standard tier estimated to be between 240,000 and 309,600 with a central estimate of 278,900. For the enhanced tier, it is estimated to be between 17,800 and 31,100 with a central estimate of 24,300. To conduct the sensitivity testing, the estimate of each premises' capacity was increased by 20% for the higher estimates and decreased by 20% for the lower estimate.
89. Ordnance Survey mapping data was used to model most buildings, including visitor attractions, retail and hospital premises, PoW and community halls³³. The floorspace of each building in the mapping data was combined with the maximum safe crowd density of the premise type in fire safety

³³ AddressBase Premium - Ordnance Survey: <https://www.ordnancesurvey.co.uk/business-government/products/addressbase-premium>

guidance³⁴ to estimate how many people could safely fit in the building. Some premise types used additional assumptions, like estimating the percentage of the building open to the public.

90. More direct metrics were used instead of the modelling where possible. The capacities of schools were estimated using Department for Education data on the pupil³⁵ and staff³⁶ numbers at each school, which is published for state schools and were obtained from the Department for independent schools. Hospitals use the number of beds³⁷ and staff numbers³⁸ from Public Health Scotland. Stadiums and arenas use seat numbers.
91. Not all data sources covered the entire UK. In these cases, the final figures were uplifted to cover the whole country. For example, the modelling for hospitals used data on Scottish hospitals. The Organisation for Economic Co-operation and Development (OECD) estimate of the number of hospitals in the UK³⁹ was then used to scale up the figures to the whole UK.
92. In line with the policy proposals, as outlined in Section D for Option 2, some premises were included in specific tiers regardless of their capacity thresholds (for example, all educational establishments are to be part of the standard tier regardless of their capacity, apart from higher education establishments).
93. It is estimated that around 1,700 existing licensed premises in England and Wales have a capacity of greater than 800 which would fall into the scope of SILA. These make up about 3 per cent of all premises that are recorded as a 'Public House, Bar, Nightclub', 'Stadiums and Arenas', 'Licensed Private Members' Club' or 'Other Licensed Premise/Vendor'. There is substantial uncertainty on the number of eligible licensed premises that will wish retrospectively to apply to withdraw their premise plans from public inspection. In the absence of more specific data and for the purposes of this appraisal, it has been assumed that between 25 to 75 per cent, with a central estimate of 50 per cent, of eligible premises will retrospectively apply to get their premise plans withdrawn from public inspection in the first year of this policy.
94. Outdoor events, such as festivals and agricultural shows, are not fully included in the analysis. Data on music festivals is included using data from the Associate of Independent Festivals which suggests there are 975 music festivals in the UK⁴⁰. 155 festivals were identified to have a capacity over 5000, with the remaining 820 assumed to have a capacity above 800 and therefore all festivals are in the enhanced tier. This is a conservative assumption taken to estimate the maximum possible impact on the festival sector.
95. There will be other outdoor events other than festivals which have not been included in the analysis. These events are not included due to the absence of specific and accurate data about the number of events and their respective capacities. This lack of a comprehensive list of these events means that a reliable estimate of the number of events could not be made. Therefore, outdoor events other than festivals have been excluded from the appraisal analysis. They are included as a non-monetised cost of the policy and due to this reason, the true cost of the legislation is likely to be higher than estimated for this reason.

New applications for SILA

96. There is limited data available on the number of new licensing applications made each year with data only available for 'on-sales of alcohol' and 'on-and off sales of alcohol' in 2018⁴¹. In the absence

³⁴ Fire safety Approved Document B, 2019 edition incorporating 2020 amendments, Page 140:

<https://www.gov.uk/government/publications/fire-safety-approved-document-b>

³⁵ School Capacity, Academic Year 2020/21 - GOV.UK: <https://explore-education-statistics.service.gov.uk/find-statistics/school-capacity>

³⁶ School workforce in England, 2021 - GOV.UK: <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england>

³⁷ Beds, Hospital Care - Public Health Scotland: <https://www.isdscotland.org/Health-Topics/Hospital-Care/Beds/>

³⁸ Official Workforce Statistics, NHS Scotland - Turas Data Intelligence: <https://turasdata.nhs.scot/data-and-reports/official-workforce-statistics/all-official-statistics-publications/07-december-2021-workforce/dashboards/nhsscotland-workforce/>

³⁹ Health Care Resources : Hospitals - OECD: <https://stats.oecd.org/index.aspx?queryid=30182>

⁴⁰ The future of UK music festivals - Digital, Culture, Media and Sport Committee - House of Commons: <https://publications.parliament.uk/pa/cm5802/cmselect/cmcomeds/49/4905.htm>

⁴¹ Alcohol and late night refreshment licensing England and Wales 31 March 2018 - GOV.UK (table 6):

<https://www.gov.uk/government/statistics/alcohol-and-late-night-refreshment-licensing-england-and-wales-31-march-2018>

of more specific data and for the purposes of this appraisal, it is assumed that the same number of new licence applications will be made each year of the appraisal period as in 2018.

97. It is further assumed that 3 per cent of new licence applications will qualify for SILA as per the data in paragraph 94. It is assumed that the proportion of new licence applications with a capacity over 800 will stay the same as the proportion of existing licensed premises with a capacity over 800, which is 3 per cent. In 2018 there were 6,000 applications for 'on-sales of alcohol' and 'on-and off sales of alcohol', and 3 per cent of this figure is 170 (see Table 2). This also assumes that application data from 2018 for 'on-sales of alcohol' and 'on-and off sales of alcohol' covers the following establishments: 'Public House, Bar, Nightclub', 'Stadiums and Arenas', 'Licensed Private Members' Club' and 'Other Licensed Premise/Vendor'.
98. The annual number of new licence applicants that would qualify for SILA is estimated at 170 and all of these will be required to go through the SILA process.

Table 2, Low, central, and high estimates of the annual volume of SILA applications, 2022.

Type of application	Low	Central	High
Retrospective applications (Year 1 only)	420	840	1,260
New applications	170	170	170

Source: Home Office estimates, 2022.

Evidence

99. To support the appraisal and in addition to the public consultation, the Home Office conducted primary research with organisations that operate at PALs. The aim of this was to better understand what PALs already do for security, and how this may change following the introduction of Martyn's Law. This is essential in estimating the additional burden of Martyn's Law, and to calculate any additional costs for organisations.
100. The Home Office commissioned Agfora⁴² and Plusfour⁴³ to conduct the primary research. A sample of 287 individuals who are responsible for security at their organisation completed a telephone survey. A range of sectors were targeted to take part; accommodation, entertainment, event organisers, museums and art galleries, restaurants, beverages, retail, shopping centres, sport and PoW. Respondents were asked to report on five main areas:
- a) Details about their organisation, for example, number of paid and unpaid employees, size and number of sites, capacity of site, region.
 - b) Awareness of the Martyn's Law and of the threat of terrorism.
 - c) Current risk assessment practices, for example whether they conduct a risk assessment which includes terrorism and how long this takes to complete.
 - d) Current counter-terrorism training practices, for example, whether staff receive training, which staff and when.
 - e) Security measures, including which measures are in place currently, which measures could be improved, and which could be suitable to implement.
101. Results from the research have been used alongside other data sources, including the public consultation, to estimate proportions of PALs which may change their existing security measures as a result of Martyn's Law, and to estimate the potential costs of conducting new activity, for example, risk assessments and counter-terrorism training.
102. Research outputs have been treated with caution due to the sample of PALs surveyed being limited and non-representative. The research had quotas for the number surveyed per sector, the number of organisations that were medium and large, and a regional mix to cover the UK. However, sub-

⁴² Agfora – Market Research: <https://agfora.com/>

⁴³ Plusfour Market Research LTD, Market Research: <https://www.plus4.co.uk/>

samples (for example, at a sector level) were small, meaning differences at this level were not often statistically significant.

103. It is recognised that the considerations for premises in scope (once Martyn's Law has been enacted) may be significantly different to those which have been undertaken in this research. There will be detailed statutory guidance regarding Martyn's Law's requirements, and tools to assist premises in their undertakings, such as applying a risk assessment process and developing a security plan of proportionate mitigations. The activities and interventions that responsible persons will undertake will be a nuanced process, which is likely to result in a range of more tailored mitigations and resulting activities and actions. In the absence of examples of certain outcomes that Martyn's Law will drive, this research is considered the most suitable proxy to determine cost and impact.
104. To validate results from the research, from the perspective of security managers and others from a range of PALs, the Home Office conducted a workshop with members of the CT Business Information Exchange (CTBIE)⁴⁴. Business representatives from a range of sectors were in broad agreement with results from the research and offered figures from their own research which aligned with the Home Office research.

Costs

105. Using the scope numbers in Table 1 and combined with several assumptions detailed in the 'General assumptions and data' section (particularly around wages), the cost to premises can be estimated. It is estimated that 24,000 premises would have a capacity above 800 and would be subject to the enhanced tier requirements (risk assessment, training etc.). The 280,000 premises estimated to have a capacity between 100-799 will be subject to standard requirements (training and CT planning). Research was commissioned, to assess whether organisations did a risk assessment for terrorism, what CT training was conducted and what security measures were in place. This includes premises in the standard and enhanced tiers and is used to estimate the existing measures that premises already take to reduce the threat of terrorism. These existing measures are not included in the cost estimates for Martyn's Law.

Set-up costs

Familiarisation for Martyn's Law

106. There will be a familiarisation cost to Martyn's Law, with one senior manager per premise⁴⁵ estimated to read through the guidance document and to understand what is required. As the Martyn's Law guidance has yet to be released, the Prevent Duty Guidance has been used as a proxy for Martyn's Law. The guidance document used was for specified authorities in England and Wales on the Prevent Duty in the CT and Security Act 2015 (CTSA 2015)⁴⁶. The estimated reading time was found by using a reading time calculator available online⁴⁷, which estimated the time taken to read the guidance to be between 21 and 35 minutes with a central estimate of 28 minutes. As it will likely be a manager reading through the document, a manager's wage of £26.39 per hour, ASHE (2022), Table 14.5a, and uplifted by 22 per cent to account for non-wage costs, is used to estimate the total cost. All businesses and other organisations within scope will have to read the guidance and understand how it applies. The estimated cost of familiarisation is shown in Table 3.
107. This estimated cost may be reduced through some larger businesses and organisations centrally reading and interpreting the guidance and then sending to all premises within their business or organisation. This would reduce the cost of familiarisation. Additionally, some business may use

⁴⁴ The purpose of the CTBIE (Counter Terrorism Business Information Exchange) is to share mutually beneficial information for the protection and preparedness of Publicly Accessible Locations against terrorism. Members of the CTBIE come from PALs business sectors and sector associations, and have the strategic and operational expertise to support, advise and amplify CT Policing's strategic approach in making Publicly Accessible Locations safer.

⁴⁵ Calculated per premise to be in line with the rest of the IA. If an individual own multiple sites, their expected cost will be the sum of the number of sites they own.

⁴⁶ Revised Prevent duty guidance: for England and Wales - GOV.UK: <https://www.gov.uk/government/publications/prevent-duty-guidance/revised-prevent-duty-guidance-for-england-and-wales>

⁴⁷ Speed Reading Test Online: <https://www.madeintext.com/reading-time-calculator/>

alternative resources such as the ProtectUK app⁴⁸ to familiarise themselves and this would also likely reduce the cost by shortening the process. There may be additional familiarisation costs when businesses implement the regulation based on advice from the Regulatory Policy Committee (RPC)⁴⁹, but this is assumed to be covered in the time businesses take to do CT planning or CT risk assessments. This is the time businesses will look at their individual site and decide how best to implement the regulation. As the time has been included in the CT planning and risk assessment sections, it has not been included in the familiarisation costs here.

Table 3, Familiarisation cost per site (£) and total (£ million), 2022 prices in year 0, 2022.

Estimate	No. of premises	Wage £ / hr	Time taken hrs (mins)	Cost per premise £	Total cost £m
Central	303,100	£26.39	0.47 (28)	11.58	3.8
High	340,700	£26.39	0.70 (35)	17.17	6.3
Low	257,900	£26.39	0.42 (21)	10.30	2.8

Source: Home Office, own estimates, 2022.

108. The familiarisation costs are estimated in a range of **£2.8 to £6.3 million**, with a central estimate of **£3.8 million** (PV).

Familiarisation costs SILA

109. Individuals and organisations will need to become familiar with the change in legislation. Draft guidance for legislative change is estimated to be 1,000 words⁵⁰.

Local authorities

110. The ONS show that the median UK salary in 2020/21 was £31,300⁵¹. This is assumed to increase by the rate of inflation as estimated by HM Treasury⁵² to give £32,200 in 2022 prices. It is assumed that 355 local authority (LAs) employees (one employee per authority)⁵³ read the legislative change and guidance at a speed of between 200 and 700 words per minute (wpm), with a central estimate of 400 wpm⁵⁴. This assumption is based on a judgment that one employee is likely to lead on the SILA process at each LA. Familiarisation cost is estimated as:

$$\text{time taken to read legislation} \times \text{wage rate} \times \text{volume of people reading}$$

111. Familiarisation costs for LAs are estimated at between **£305 to £505**, with a central estimate of **£405** (2022 prices). Familiarisation costs for LAs are expected only to have an impact in Year 1.

Businesses

112. Businesses choosing retrospectively to apply to withdraw their premise plans from public inspection will also need to read the SILA business guidance and fill in a form to submit to CTsAs. It is assumed that all businesses in scope of SILA, will have one employee read the guidance. The cost of reading the guidance is calculated in the same way as set out in LAs and is expected to cost businesses between **£1,435 and £2,390** in the first year of the policy, with a central estimate of **£1,910** (2022 prices).

⁴⁸ ProtectUK on the Apple App Store: <https://apps.apple.com/gb/app/protectuk/id1577233526>

⁴⁹ RPC short guidance note - implementation costs, August 2019 - GOV.UK: <https://www.gov.uk/government/publications/rpc-short-guidance-note-implementation-costs-august-2019>

⁵⁰ HO policy estimates, 2022.

⁵¹ Employee earnings in the UK: 2021, ONS. Available here:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2021>

⁵² GDP Deflator, HMT. Available here: <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

⁵³ Local government structure and elections - GOV.UK: <https://www.gov.uk/guidance/local-government-structure-and-elections>

⁵⁴ Words per minute estimates for paper and screen reading, Readingsoft. Available here: <http://www.readingsoft.com/>

CTSAs

113. CTSAs will also need to familiarise themselves with SILA by reading the guidance. The 'CTSA Contacts UK List Region Email Address' in the draft SILA guidance contains 56 contacts so it is assumed 56 CTSAs will read the guidance. CTSAs are assumed to earn the same salary as a Grade 4 Constable in London, which the Home Office staff costs list as £61,000 (£62,355 in 2022 prices) total cost per FTE. The cost of reading the guidance is calculated in the same way as set out in paragraph 111 and is expected to cost CTSAs between **£90 and £155** in the first year of the policy, with a central estimate of **£125** (2022 prices).

Training Costs Standard Tier

114. The training cost for staff at premises in scope, is estimated as:
- (the average wage rate, £/hr x non-wage uplift, %) x (number of staff, n (both paid and unpaid) x proportion doing training, %) x time taken to do training (hrs).*
115. The cost of training is estimated by looking at the opportunity cost to premises from doing the training. The opportunity cost is the value of lost productive time and is based on the average wages of employees and the estimated value of time for volunteers. These wages and values of time are based on ASHE data and data from the Department of Transport. This is weighted by the ratio of employees to volunteers as explained within the general assumption section to give an average value of PALs premises time, per hour, of £14.28 for all non-PoW PALs and £7.02 for all PoW. The difference between the two estimates is due to the greater proportion of volunteers at PoW premises. Both sets of wages are in 2022 prices according to the GDP deflator and have been uplifted by 22 per cent to reflect non-wage costs as well.
116. Knowing the cost to PAL premises for an hour of lost time, the overall cost of training can be estimated, both to an individual premise and for Martyn's Law. To estimate this, it is assumed that in the standard tier, 10 per cent of staff at premises will undergo 1 hour of counter terrorism (CT) related training per year. The remaining 90 per cent of staff are assumed to get regular cascades of CT related information, in the form of emails, posters and briefings which are assumed to take up 10 minutes of their time per year. It is assumed it takes staff who took part in the training 2 hours to prepare material for the cascade. From the research commissioned in Jan-Feb 2022, it is estimated that non-PoW premises in the standard tier have an estimated 119.1 staff (including volunteers), with PoW premises having an estimated 55.1 staff (including large numbers of unpaid volunteers). For premises which are already doing CT training, this is factored into the estimation, with the cost associated with training being removed from 25 per cent of non-PoW premises and 20 per cent of PoW premises as they already do training. This estimate for the number of premises that already provide CT training comes from the research commissioned in Jan-Feb 2022. The inputs used in the central, high, and low scenario are shown in table 4.
117. The cost of training is assumed to not be financial, as the training will be provided for free through the Protect UK function and through Counter Terrorism Policing's existing training. Due to the training being provided for free, it is assumed that all sites will take the free offer of training. This means the only applicable cost is the loss of employee time when doing the training. Some large businesses may use a commercial provider, which would increase the costs to business. This has not been estimated within the impact assessment due to the absence of specific data on the number of sites who will use a commercial provider for training and a lack of understanding of the costs charged by commercial providers for this training.

Table 4, Low central and high inputs used to calculate the cost of CT training, 2022

Scenario:	Central	High	Low
Proportion of Staff that carry out CT Training	10.0%	12.5%	7.5%
Length of training (hours)	1.00	1.25	0.75
Percentage of staff reading materials	90.0%	87.5%	92.5%
Time Spent Reading Materials (Minutes)	10.0	12.5	7.5
Time Spent Preparing Materials (Hours)	2.0	2.5	1.5
Total Average Number of Staff per Site (excl POWs)	119.1	148.9	89.3
Total Average Number of Staff per Site (POWs only)	55.1	68.9	41.3
Proportion of Businesses who carry out CT Training (excl POWs)	25%	19%	32%
Proportion of Businesses who carry out CT Training (POWs only)	20%	15%	25%

118. The scope modelling estimates that approximately 235,000 non-PoW PALs are in the standard tier of Martyn’s Law and that a further 45,000 PoW are also in the standard tier. Using these estimates, the value of business time, and the assumptions laid out above, it is estimated that the set-up cost of CT related training in **the standard tier is between £44.2 million and £187.3 million with a central estimate of £98.8 million (PV)**. The cost of the central scenario is laid out in the table below.

Table 5, Training cost in year 1 of implementation, to 10% and 90%, (vol, %, £, £ million) 2022.

Type of PAL	Estimated number of premises	Value of time	Number of staff	Percentage already undertaking CT Training	1. Cost of 10% of staff doing training	Cost of preparing cascade material	2. Cost of training being cascaded to 90% of staff	Total cost	Per premise
Non-PoW	235,000	£14.28	119.1	25%	£29.1m	£6.0m	£58.7m	£93.7m	£400
PoW	44,000	£7.02	55.1	20%	£1.3m	£1.2m	£2.5m	£5m	£113
Total								£98.8m	

Source: Home Office, own estimates, (£ 2022 prices) 2022. May not sum due to rounding

Note: (1) 10% of staff do training, (2) 90% of staff have training cascaded. Non-PoW = all sites that are not places of worship (PoW)

Training Costs Enhanced

119. The training cost for enhanced tier was worked out using the same methodology as for standard tier in paragraph 115.
120. To estimate the time taken it is assumed that 10 per cent of staff at premises will undergo one hour of CT related training per year. The remaining 90 per cent of staff are assumed to get regular cascades of CT related information, in the form of emails, posters and briefings which are assumed to take up ten minutes of their time per year. It is assumed it takes staff who took part in the training two hours to prepare material for the cascade⁵⁵. For premises which are already doing CT training,

⁵⁵ Internal Home Office Assumption

this is factored into the estimation, with the cost associated with training being removed from 68 per cent of premises as they already do training. This estimate for the number of premises that already provide CT training comes from the research commissioned in Jan-Feb 2022.

121. The cost of training is estimated by looking at the opportunity cost to premises from doing the training. The opportunity cost is the value of lost productive time and is based on the uplifted average wages of employees and the estimated value of time for volunteers. These wages and values of time are based on ASHE data and data from DfT
122. The scope modelling estimates that there are approximately 23,300 sites. Using these estimates, the value of business time, and the assumptions presented, it is estimated that the set-up cost of CT related training is **between £4.7 million to £28.7 million with a central estimate of £12.6 million (PV)**. The central cost estimate is presented in Table 6.

Table 6, Training cost in year 1 of implementation, to 10% and 90%, (vol, %, £, £ million) 2022.

Type of PAL	Estimated number of premises	Value of time)	Number of staff	Percentage already undertaking CT Training	1. Cost 10% staff do training	Cost of preparing cascade material	2. Cost cascaded training to 90%	Total cost	Cost per premise
Unit		£ / hr		%	£m	£	£m	£m	£
Enhanced	24,300	15.74	182.6	68	2.2	268,000	10.1	12.6	517

Source: Home Office, own estimates, (£ 2022 prices) 2022.

Note: (1) 10% of staff do training, (2) 90% of staff have training cascaded.

123. The training requirements for the enhanced tier are still being finalised and will continue to be developed within the pre-legislative scrutiny period and. As such, the cost for training in the enhanced tier is based on the requirement for the baseline tier as this is the minimum level of training that would occur. It is likely that the training requirement for the enhanced tier will be higher than the estimated 1 hour, but as the increase in training time is currently unknown, it cannot be accurately estimated within this IA. This will be addressed in future stages of the IA.

CT Planning Standard

124. Another feature of the standard tier is the requirement for premises to have CT preparedness plans, meaning taking appropriate measures to ensure that they clearly set out what the premise and people inside would do in the event of a terrorist attack. This requirement is present for all premises within the standard tier of Martyn’s Law and would affect 235,000 non-PoW premises and 45,000 PoW premises.
125. The cost of training was estimated using the following methodology:

$$(the\ average\ wage\ rate,\ \pounds/hr \times non\text{-}wage\ uplift,\ \%) \times (number\ of\ staff,\ n\ (both\ paid\ and\ unpaid) \times proportion\ of\ premises\ not\ already\ doing\ planning,\ \%) \times time\ taken\ to\ do\ planning\ (hrs).$$
126. It is assumed that the act of preparing a CT plan would be carried out by a senior manager, with an additional support from one other manager. As both are managers, the estimated time cost for “managers, directors and senior officials” from the ASHE data is used. This assesses the loss of productive time to cost £25.96 per hour, uprating to 2022 prices and including a 22% uplift to reflect non-wage costs.
127. It is assumed that in the standard tier, CT planning would take 6 hours for a senior manager both to produce and sign off the plan, with a further 3 hours of time for a junior manager to assist. This assumption is based on case studies of similar assessments at similar sites undertaken by Counter Terrorism Policing. This means the planning is associated with 9 hours of managerial time. It is assumed for both PoW and non-PoW PALs have the same managerial wage rate of £25.96 per hour. Using these assumptions, the cost of CT Planning can be estimated to be between **£20.7**

million and **£62.0 million with a central estimate of £38.3 million (PV)**. The details of the central cost estimate are shown in the table below.

Table 7, Cost of CT Planning in the first year of implementation, (vol, %, £, £ million) 2022.

Type of PAL	Estimated number of premises	Value of time	Percentage of Premises that Complete Planning Already	Hours taken for CT Planning	Cost of CT Planning	Per premise cost
Non-PoW	235,000	£25.96	43%	9	£30.9m	£131
PoW	44,000	£25.96	27%	9	£7.4m	£167
Total					£38.3m	

Source: Home Office, own estimates, (£ 2022 prices) 2022.

Risk Assessment Enhanced

128. Premises will need to do comprehensive risk assessments to consider the terrorism risk and how it may impact their premises, visitors and staff, and to assess what are the best mitigations to put into place to address these risks. Premises which already do CT risk assessments or consider terrorism as part of their wider risk assessment are not included in this cost. From the research, 17 per cent of premises within the 800+ category said they did CT specific risk assessments. The cost for these organisations has not been included as their risk assessment is already expected to be sufficient. Also, the research indicated, the time taken to do these risk assessments and the staff required is estimated to be 7 days and 7.5 staff. This gives an expected FTE cost of 367.5 hours per premises. It is assumed that the risk assessment process will be carried out by managers and seniors and the wage rate for managers has been used within the calculations. The overall cost of CT risk assessments is shown in Table 8 The risk assessment / planning cost is estimated in a range of **£98.7 to £318.1 million (PV)**, with a central estimate of **£188.9 million** (2022 prices).

Table 8, CT risk assessment cost in year 1 of implementation, (vol, %, £, £ million), 2022

Type of PAL	Number of premises	Value of time	% premises that do not complete planning already	CT planning time	CT planning cost	Cost per premise
		£ / hr	%	Hrs	£ million	£
Non-PoW	23,300	26.39	83	367.5	£188.9	7,784
Total					£188.9	

Source: Home Office, own estimates, 2022.

CT Intervention Costs

129. Of the interventions which premises already had in place, the most common were CCTV, physical security measures, and security procedures and protocols. These were in place in 92 per cent of premises for CCTV, and 84 per cent for security procedures and protocols. Therefore, many premises may already be meeting the requirements associated with Martyn's Law. The measures that were least in place were Hostile Vehicle Mitigation (HVM), Search and Screen Measures and Panic buttons, although these measures will not be proportionate nor required at all premises. This reflects the specialist, as well as possibly costly, nature of these interventions. This suggests there is a strong foundation for any new mitigations to build on, and that a large proportion of organisations may already be compliant with Martyn's Law's requirements before it is introduced.
130. To assess how current CT practices would be improved and built upon by Martyn's Law, and how this could cost organisations, the research gave organisations a piece of draft guidance to examine and then asked whether they believed it would be appropriate to put in place several interventions. The responses (%) from this question were used to estimate how many premises in scope would put in place these interventions. Additionally, businesses were asked what they would improve,

based on that guidance. This was checked with the CTBIE to assess whether the proportions were logical and presented a representative view of the organisations that would be in scope.

131. To assess the cost of the interventions within organisations, work was done with stakeholders in CPNI and CTP to understand the possible cost as well as collecting data from the internet about the cost of possible interventions. The cost of interventions ranged from highly expensive for high profile interventions such as HVM barriers costing about £20,000 per premise, to low profile interventions such as trauma first aid kits costing £60⁵⁶. For premises that said they would improve a specified intervention, it was assumed to cost the same as the installation costs. Table 9 shows the interventions organisations thought were appropriate to implement or improve, the percentage of premises who would implement the interventions, and the associated total cost for the interventions. The low, high, and central costs are show for these interventions.

Table 9, CT interventions cost, £ million, and research results (%), 2022.

CT intervention	% of premises that would implement	% of premises that would improve	Cost to the organisations £m, low scenario	Cost to the organisations £m, high scenario	Cost to the organisations £m, central scenario
Search and screen measures	6	5	£.2	£1.1	£.6
Physical security measures	0	18	£.5	£5.4	£4.3
Security guards	6	11	£27.3	£405.9	£120.5
Security control rooms	5	12	£8.2	£39.7	£19.8
HVM Barriers	6	17	£44.7	£216.8	£108.2
CCTV	2	15	£1.0	£4.8	£2.4
Engagement with CTSA and Police	9	6	£.9	£1.8	£.9
Panic buttons	15	8	£1.1	£15.4	£4.9
Walkie talkies	5	2	£.5	£2.6	£2.1
Policy for suspicious items	6	8	£.0	£.2	£.1
Trauma first aid kits	6	22	£.6	£3.1	£1.6
Communication plans	12	12	£.1	£.6	£.3
Police intervention plans	22	9	£.2	£.8	£.4
Business continuity plans	12	15	£.5	£2.4	£1.2
Total cost, £ million			£85.8	£700.5	£267.2

Source: Home Office, own estimates, 2022.

132. The CT intervention costs to organisations are estimated in a range of **£85.8 to £700.5 million**, with a central estimate of **£267.2 million (PV)** in year 1 only.

Regulator Set-up costs

133. To enforce Martyn’s Law there will need to be a Regulator to ensure that organisations follow the legislative requirements and provide protection to the public. There is ongoing consideration of the Regulator’s activity, and how best this will be delivered in practice. The options being considered for the delivery body are based on the establishment of a new arm’s length body for this purpose, or the function being undertaken by an organisation which has an existing compliance function in a related area.

⁵⁶ St John Ambulance Public Access Trauma (PACT) First Aid Kit with Tourni-key, St John Ambulance: <https://www.sja.org.uk/first-aid-supplies/first-aid-kits/public-access-trauma-pact-first-aid-kits/st-john-ambulance-public-access-trauma-kit-pact-tourni-key/>

134. The cost provided in this IA shows the possible maximum cost of a Regulator set up as a new arm's length body of the Home Office (the other options are considered to be of a lesser magnitude). This is to show the maximum possible impact of the Regulator. All costs have been discounted in accordance with HMT Green Book guidance.
135. To cost the Regulator, the role of the Regulator and frequency of inspections need to be known. It is assumed that the Regulator will inspect between 3.75 per cent and 6.25 per cent with a best estimate of 5 per cent of premises per year⁵⁷. This is broadly consistent with how many premises Fire and Rescue Services (FRS) inspect per year⁵⁸. For each inspection, it is assumed that on average it will take an inspector three days on premise for the inspection and two days to produce a report; this is 35 hours (high and low values of 43.75 and 26.25 respectively). Using the expected time per inspection and number of inspections per year (1,165), the number of inspectors needed can be estimated to be between 42 and 70 with a central estimate of 56.
136. The salary for an inspector is estimated to be £38,948, with non-wage costs creating a total cost of £52,538. This is an average cost, aligned with civil service pay scales, based on the level of skills and experience it is anticipated an inspector will need. The inspectors will be supported by other staff as well, and this would also be a cost to the Regulator. The number of additional staff is estimated based on the ratio of HSE inspectors to other staff⁵⁹, and gives an additional staff of 39 to support the inspectors. The cost of these additional staff is also estimated using average salary of HSE staff. For non-staff costs, HSE data is also used to estimate the possible non-staff costs (such as a building and IT costs). This gives an estimated set-up cost between **£9.8 and £19.7 million with a central estimate of £14.4 million (PV)**.
137. The Regulator will be supported by a sponsorship team within the Home Office. This unit is estimated to consist of two Higher Executive Officers (HEOs), one Senior Executive Officer (SEO), and one Grade 7. They are assumed to be based in London. Using the internal Home Office staff cost calculator, which includes all non-wage cost such as pensions as well as the cost of IT and the building cost of accommodating them, the sponsorship set up cost is estimated to be between **£190,000 to £895,000 with a central estimate of £455,000 (PV)**.
138. The Regulator will require courts and tribunals to handle its cases and appeals against its decisions. Following consultation with the Ministry of Justice, the set-up cost of the court is estimated to be £7,000 (2022 prices), covering updating of the website, guidance, forms, staff and judicial training, senior judicial input into implementation, implementation time and expenses incurred by operational and the jurisdictional and operational support team. Adjusting for the cost to occur in 2024, the cost of setting up the court is estimated to be **£5,250 to £8,750 with a central estimate of £7,000 (PV)**.

Sensitive Information in Licensing Applications (SILA) Set-up costs

Set-up costs: retrospectively removing premise plans from the public domain

Local authorities

139. There will be a cost to LAs relating to the administrative burden of removing premise plans from the public domain in response to a retrospective SILA application. Due to lack of data, it is assumed that this cost will amount to the estimated £37 administration fee that is paid by businesses applying for a retrospective SILA application.
140. It is assumed that out of the 1,700 premises in scope to do so, between 25 to 75 per cent of businesses, with a central estimate of 50 per cent, will retrospectively apply to withdraw their premise

⁵⁷ Internal Home Office Assumption

⁵⁸ Fire prevention and protection statistics, England, April 2020 to March 2021 - GOV.UK:

<https://www.gov.uk/government/statistics/fire-prevention-and-protection-statistics-england-april-2020-to-march-2021/fire-prevention-and-protection-statistics-england-april-2020-to-march-2021>

⁵⁹ Health and Safety Executive Annual Report and Accounts 2019/20: <https://www.hse.gov.uk/aboutus/assets/docs/the-annual-report-and-accounts.pdf>

plans in Year 1 of the policy. This is estimated to cost LAs between **£0.02 to £0.05 million**, with a central estimate of **£0.03 million** (2022 prices).

Businesses

141. This policy will lead to an additional cost to businesses in terms of application fees if they choose to apply to withdraw their premise plans retrospectively from public inspection following the introduction of this measure.
142. It is assumed that out of the 1,700 premises in scope to do so, between 25 to 75 per cent of businesses will apply to withdraw their premise plans retrospectively in Year 1 with a central estimate of 50 per cent.
143. Using the application fee of £37, this is estimated at between **£0.02 to £0.05 million**, with a central estimate of **£0.03 million** (2022 prices). As these costs are fees and a transactional cost, they are not included in the NPSV for this measure.
144. The form that businesses will need to fill in retrospectively to apply to get their premise plans removed from public inspection is expected to be 100 words long⁶⁰. As per the estimates for the number of businesses applying retrospectively to withdraw their premise plans from the public domain, between 420 and 1,260 businesses will need to fill in the form. Assuming employees earn the national average salary and type at a speed of 20 to 60 words per minute, with a central estimate of 40 words per minute, this will cost businesses between **£200 and £1,800** in the first year of the policy, with a central estimate of **£600**.

Total set-up costs

145. The total set-up cost for Martyn's Law includes the cost of the standard and enhanced tier, the cost of the Regulator and the cost of SILA. It is **estimated that the total set-up cost of Martyn's Law is between £268 million and £1.3 billion with a central estimate of £625 million (PV)**.

Ongoing costs

Training Standard

146. The standard tier will require training to be refreshed on a two-yearly basis, although premises can choose to structure this training differently, for example, to ensure all new starters are trained. It is assumed all premises train on a two-yearly basis and that the training format is the same as set out in paragraph 115. The ongoing cost of training is estimated to be **between £149 million and £633 million with a central estimate of £334 million (PV)**.

Training Enhanced

147. The enhanced tier will require training to be refreshed on a two-yearly basis, although premises can choose to structure this training differently, for example, to ensure all new starters are trained. It is assumed all premises train on a two-yearly basis and that the training format is the same as set out in paragraph 115. The ongoing cost of training is estimated to be **£16 to £97 million with a central estimate of £42 million (PV)**.

CT Planning Standard

148. The ongoing cost for CT planning in the standard tier come from the requirement to complete a CT plan every year. It has been assumed that the time taken to complete a CT plan is halved after the set-up year, as the past CT plan can be used as a basis for the future plan. This means the time taken to complete a risk assessment is estimated to be 4.5 hours with a low to high range of 3.4 to 5.6 hours. The ongoing cost of CT planning is estimated to be between **£71 million to £213 million with a central estimate of £132 million (PV)**.

⁶⁰ Home Office policy estimate 2022.

Risk Assessments Enhanced

149. The ongoing cost for CT risk assessments for the enhanced tier come from the requirement to complete them every year. It has been assumed that the time taken to complete risk assessments is halved after the set-up year, as the past risk assessment can be used as a basis for future assessments. This means the time taken to complete a risk assessment is estimated to be 184 hours with a low to high range of 138 to 230 hours. The ongoing cost of risk assessments is estimated to be **£339 to £1,093 million with a central estimate of £649 million (PV)**.

CT intervention maintenance

150. The CT interventions have on-going costs relating to the cost to staff time for additional training, the continuing cost of interventions such as security guards, and maintenance of physical assets like HVM. The on-going cost of these interventions has been estimated to be **£191 to £2,808 million with a central estimate of £837 million (PV)**.

Regulator on-going costs

On-going running cost

151. Running the Regulator is an on-going cost to the Government, including paying for the inspectors, other staff and non-staff costs. The on-going cost also include the cost of the Home Office-based sponsorship unit. The on-going costs were estimated in a similar way to paragraphs 133-137. The running cost of the Regulator are assumed to be constant over the ten-year appraisal period, with changes in the costs being due to economic discounting. The on-going running cost are estimated to be between **£77.7 and £153.5 million with a central estimate of £112.6 million (PV)**.

On-going cost to business

152. The inspections will have a cost to businesses and other organisations in scope from hosting and facilitating the inspectors. This is estimated to be during the assumed three days inspectors spend on site. This will cost businesses and other organisations in scope through having to host inspectors, accompany them and explain the site to them. This will likely be done by a manager or other senior, and thus will use a wage rate of £25.96 per hour. Using the hours of inspections per year (40,400-166,500 with a central estimate of 89,600) and wage rate (£25.96), the cost to business from hosting inspections is estimated to be between **£7.2 and £12 million with a central estimate of £9.6 million (PV)**

On-going sanction costs

153. The Regulator can levy a monetary penalty⁶¹ for non-compliant sites. This is likely to be an infrequent measure, with the maximum penalty being £18 million or 5 per cent of global turnover, whichever is larger. Using FRS data on prosecutions as a proxy⁶², it is estimated that 0.2 per cent of premises inspected will receive a monetary penalty. It is estimated there will be between 5 and 13 civil monetary penalties per year, with a central estimate of 9. The value of these monetary penalties is currently unknown, with £145,000 (low value of £108,000 and high value of £181,000) being a proxy for the average penalty for enhanced sites based on the average HSE fine⁶³ and £10,000 (low value of £7,500 and high value of £10,000) for the standard⁶⁴. The amount of monetary penalties over the appraisal period is **estimated to be between £1.1 million and £5.9 million with a central estimate**

⁶¹ Richard Macrory (2006) Regulatory justice: making sanctions effective, November, London. See: https://www.regulation.org.uk/library/2006_macrory_report.pdf

⁶² Fire prevention and protection statistics, England, April 2020 to March 2021 - GOV.UK: <https://www.gov.uk/government/statistics/fire-prevention-and-protection-statistics-england-april-2020-to-march-2021/fire-prevention-and-protection-statistics-england-april-2020-to-march-2021>

⁶³ Health and Safety Executive Annual Report and Accounts 2019/20: <https://www.hse.gov.uk/aboutus/assets/docs/the-annual-report-and-accounts.pdf>

⁶⁴ Internal Home Office Assumption

of £2.7 million (PV). As this is a transfer between non-compliant premises and the Government, this is not included in the impact assessment, as per the guidance from RPC.

154. The Regulator has the ability to give out improvement and prohibition notices. The number of improvement notices is based on the number of notices issued by the FRS which is 1.6 per cent, and that is used as a proxy here. This means the estimated number of improvement notices is estimated to be between 40 and 93 per year, with a central estimate of 64 per year. The number of prohibition notices is based on the percentage of FRS prohibition notices served by FRS which is 0.1 per cent. Using this as a proxy, there will be an estimated one prohibition notice per year, with this remaining the same in the high, low, and central scenario.
155. With the Regulator, all premises will be able to appeal its decisions through the courts. As the Regulator is not yet set up, the number of appeals has been assumed to be 50 per cent with the number of upheld appeals being based on HSE data. For improvement notices this is assumed to be 50 per cent of all notices. For costing purposes, the appeals are assumed to take three days on average. The cost of a day in court was based on analysis of the HMCTS annual report and updated to 2022 prices to give an estimated cost of £3,138 (in 2022 prices)⁶⁵. It is estimated that between 2 and 13 fines are appealed each year, with a central estimate of 4 fines appealed each year. It is assumed that the upheld number of appeals will be the same as for HSE, with upheld appeals ranging from 13 per cent of appeals to 21 per cent of appeals with a central estimate of 17 per cent of appeals being upheld. In these cases, the Government will pay businesses back for the monetary penalty which was levied.
156. The Regulator also has the ability to prosecute responsible parties of enhanced sites for breaches of improvement notices. This has been modelled on offences prosecuted and tried under the label of the Health and Safety at Work Act 1974⁶⁶, with a median taken for all data based on the previous 10 years. Assuming that all those who are given a prohibition notice and those who are given a monetary penalty continue to breach the policy, there will be four offences per year. This assumes the maximum as it is likely that a monetary penalty will deter further breaches of Martyn's Law. Data on the Health and Safety Act 2005 (HSA 2005) suggests 83 per cent will be found guilty, with 2.6 cases being fined, with the average fine being £45,594. It is estimated there will be between 0.1 and 0.25 custodial sentences per year with a central estimate of 0.12.
157. The average sentence from breaches of improvement and prohibition is based on the HSA 2005 with the average sentence being 8.3 months. This gives an estimated time in custody of between 0.6 months and 1.6 months with a central estimate of 1 month at an estimated cost of £1,650, £7,640, and £3,910 respectively.
158. Martyn's Law will create new criminal offences associated with ensuring the Regulator is able to perform their duties effectively. These offences will deal with non-compliance with Regulator issued information notices, providing false or misleading information and attempting to obstruct the Regulator. An offence will also be created for impersonating an inspector. The cost for these offences comes from the additional burden placed on the Criminal Justice System (CJS) with dealing with these additional offences. To estimate the cost, data on two existing offences has been used. The offences used were: *95- Disclosure, Obstruction, false or misleading statements* and *138- Offences involving impersonation, giving false or misleading information, failing to supply information*⁶⁷. For these offence codes, the median number of offences per year over the last 10 years was estimated and totalled between the two offences, giving an estimated yearly rate of 108 offences per year for these offence codes. To model the impact of the new offences, a proxy is used assuming that Martyn's Law will increase the rate of these offences by between 2.5 and 7.5 per cent with a central value of 5 per cent⁶⁸. This estimates an additional four to seven offence per year with

⁶⁵ HMCTS Annual Report and Accounts 2021-22:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1092139/HM_Courts_Tribunals_Service_Annual_Report_and_Accounts_2021-22_WEB.pdf

⁶⁶ MoJ offence code 85

⁶⁷ [Criminal justice system statistics quarterly: December 2020: https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2020](https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2020)

⁶⁸ Internal Home Office Assumption

a central estimate of five offences. It is estimated that between three and five offences will go to trial with a central value of four cases going to trial per year. It is estimated that the trial will result in between 1.8 and 3.1 fines with a central value of 2.5 fines per year. It is estimated there will be between 0.13 and 0.21 custodial sentences with a central value of 0.17 custodial sentences. The length of sentences is estimated to be between 0.15 months and 0.42 months with a central estimated of 0.27 months.

159. The estimated on-going CJS cost for Martyn's Law is estimated to be between £1.6 million and £4.0 million with a central estimate of £2.5 million over the 10-year appraisal period. This includes the court time cost, court running costs and the cost of custodial penalties given as well as appeals against any penalties the Regulator brings.

Total on-going Regulator costs

160. **The estimated on-going cost of the Regulator is between £86 million and £170 million with a central estimate of £125 million (PV).** This includes all running costs as well as the cost to business and the CJS costs of sanctions.

Ongoing SILA Costs

Local authorities

161. Ongoing costs for LAs will be negligible. The main set-up cost for LAs, other than familiarisation, is the administrative cost of removing already existing premise plans from the public domain. For new premises that are covered by the SILA process, the premise plans will simply not be filed in a way that makes the relevant parts publicly accessible.

Businesses

162. It is assumed that there will be no ongoing costs for new businesses that apply for SILA. For new businesses setting up a licensed premise, the SILA guidance will form a negligible part of the wider information and guidance that will be read, placing no additional burden on business. Similarly, the time taken to fill in the form for SILA will be negligible in the context of the entirety of the application for a new licensed premise.

CTSAs

163. The SILA applications made by new licence applicants will be assessed by CTSAs to determine whether or not a premise is eligible to withhold their premise plans from public inspection. The number of applications received each year is set out in Table 2 and estimated to be between 420 and 1,260 retrospective applications in Year 1 followed by 170 applications for each following year.
164. The estimated unit cost for each application is derived by multiplying the hourly wage of a CTSA officer (based on a £62,355 per year salary in 2022 prices) by the estimated time it takes to process an application (1-hour, central estimate, 45 mins-1.25 hrs low and high estimate).
165. CTSA costs are estimated to be between **£0.03 to £0.14 million**, with a central estimate of **£0.08 million** over the 10-year appraisal period. It is assumed that CTSAs will absorb the work of considering SILA applications as part of their existing duties due to this being an additional opportunity cost.

Total ongoing costs

166. The total on-going cost for Martyn's Law includes the cost of the standard and enhanced tier, the cost of the Regulator and the cost of SILA. It is **estimated that the total ongoing cost of Martyn's Law is between £850 million and £5.0 billion with a central estimate of £2.1 billion (PV).**

Total costs

Total cost of Martyn's Law

167. Combing the set-up and on-going cost of Martyn's Law, the total cost of the proposals can be estimated. It is estimated that the cost of Martyn's Law is between **£1.1 billion and £6.3 billion with a central estimate of £2.7 billion (PV)**.

Benefits

168. As described in Section B, the impact of terrorism in recent years has been significant, spanning beyond the immediate impact of the attacks themselves, with evidence noted of wider societal and economic consequences. Martyn's Law is intended to deliver benefits that address those consequences to deliver the Government's objectives set out in Section C, in particular to reduce the impact of terrorist attacks where they do occur.
169. Assessing the beneficial impact, Martyn's Law will have on the UK economy is, however, a difficult task due to several factors, including the changing nature and scope of terrorism, the ambition of Martyn's Law in changing culture, and the difficulty in monetising security benefits.
170. Throughout this IA every effort has been made to present a monetised impact where possible. However, within the benefits, these three factors mentioned above make monetising all the benefits complicated. The sole benefit that has been monetised is the impact that Martyn's Law will have on crime and the benefits of the reduction of crime, with all other benefits being presented as non-monetised benefits with attempts at monetisation detailed within them. Within the post implementation review (PIR), efforts will be made to assess both the monetised benefit and non-monetised benefits and to estimate Martyn's Law's performance in achieving the benefits presented in these sections. If Martyn's Law has clearly made an impact on terrorism, this will likely be examined within the PIR.

Monetised benefits

171. Many of the measures undertaken to protect premises from the threat of terrorism are dual use, meaning the impact they have is not limited to purely terrorism-related crime. Interventions such as CCTV, protective security and security guards may help deter and reduce the impact of terrorism but will have an additional benefit of deterring and preventing other crime. For example, the CPNI lists a reduction in crime as one of the main benefits of HVM⁶⁹, a form of CT protection which otherwise looks to be exclusively focused on terrorism. This is an indirect benefit as it is not the stated aim of Martyn's Law to reduce non-terrorist crime.
172. Additionally, in academic literature physical security has been proven to reduce crime levels⁷⁰. Academic literature finds that the presence of CCTV cameras can reduce several crime types by 14 per cent.⁷¹ Areas with Neighbourhood Watch experience 26 per cent less burglaries compared to areas without⁷². This means that the increased levels of physical security at premises should reduce the occurrence of crime in and around these.
173. To assess the impact that this measure could have on crime, proxies and academic research were used to assess the reduction in crime. For businesses and other organisations in scope adopting additional CCTV, the 14 per cent reduction mentioned above was used to estimate the effect on crime. This was across four crime types: theft from a person, theft from a vehicle, commercial theft,

⁶⁹ <https://www.cpni.gov.uk/resources/cpni-hvm-schemes-high-street>

⁷⁰ Safer Street Fund – Crime prevention toolkit (College of Policing, 2022): https://assets.college.police.uk/s3fs-public/2022-03/SaferStreets_toolkit.pdf

⁷¹ CCTV surveillance for crime prevention. A 40-year systematic review with meta-analysis (Piza et al., 2019): https://academicworks.cuny.edu/cgi/viewcontent.cgi?article=1275&context=jj_pubs

⁷² Effectiveness of Neighbourhood Watch in Reducing Crime (Bennett et al., 2008):

https://bra.se/download/18.cba82f7130f475a2f1800024107/1371914733781/2008_effectiveness_neighbourhood_watch.pdf

and commercial robbery. For businesses who adopted security guards, Neighbourhood Watch schemes and their effectiveness was used as a proxy for the effect on crime. The effect on crime was estimated to be proxied using Neighbourhood Watch and found to be 26 per cent and was confined to just commercial burglary.

174. Whilst some of the other measures may have crime reduction benefits, such as physical security, in the research, none of the participants suggested that they would install this security measure, meaning the effect on crime of this measure has not been estimated. For the premises where forms of security were improved rather than installed brand new, there is no way to estimate the crime benefit as the research focuses on introduction rather than improvement.
175. When looking at estimating the benefit for CCTV and security guards, the proportion of premises introducing these measures in the research has been used to estimate the number of premises around the UK which would introduce these measures. This is 2 per cent of premises for CCTV and 6 per cent of premises for security guards. Only the additional marginal effect of Martyn's Law is estimated here, as 92 per cent of premises already have CCTV based on the research. There are an estimated 23,000 premises in scope.
176. The number of crimes committed for the crime types mentioned above is found from the Commercial Victimization Survey (CVS)⁷³. This is a Government run survey, asking business about the number and nature of crime that they experienced over the last year. To focus the results on PALs sites, only two sectors within the CVS were used, Wholesale and Retail, and Arts, Entertainment and Recreation. These two categories were used due to the large number of PALs premises found in both categories. The incidence rate of crime per 1,000 premises was used and this was averaged between both sectoral groups to give an estimated incidence rate for PALs. From this incidence rate, the estimated number of crimes occurring at premises was calculated. Although the incidence rate is only estimated for England and Wales, it is assumed that the incidence rate is the same in Northern Ireland and Scotland and that crime in these countries is included when the incidence rate is multiplied by the number of premises in scope.
177. The monetised impact can be calculated using the Economic and Social Costs of Crime (ESCC)⁷⁴, with values for Commercial Crimes being available within the document and then uprated to 2022 prices using the GDP Deflator. The indirect benefit is to business as they are victims of crime and therefore the benefit is avoiding the costs as a consequence of the crimes. For the indirect benefits to business, only the costs as a consequence from ESCC have been included.
178. There are indirect benefits to society from reducing crime, leading to reduced police time spent on these crimes and no CJS costs as the crime is deterred. This benefit is calculated using the costs as a response to crime from the ESCC.
179. To estimate the effect in the UK, the number of crimes is multiplied by the cost of the crime, then multiplied by the percentage of premises installing the intervention and then the crime reduction of the intervention. This should then give the total saving expected from the intervention. The central estimate for the first year (2025) is presented in the Table 10.

⁷³ Crime against businesses: findings from the 2018 Commercial Victimization Survey: data tables: <https://www.gov.uk/government/statistics/crime-against-businesses-findings-from-the-2018-commercial-victimisation-survey-data-tables>

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

Table 10, Impact of crime reduction per year, central scenario (vol, %, £ and £ million (PV) in 2025) 2022.

Crime type	No. premises crimes / yr	Cost of crime to business, £, 2022	Cost of crime to society, £, 2022	Intervention	% premises installing the intervention	% crime reduction	Indirect benefit to business (£, PV)	Indirect benefit to society (£, PV)	Total benefit £m crime reduction (£m, PV)
Burglary	7268	£5,366	£3,197	Security guards	6%	26%	£612,000	£364,000	0.98
Commercial theft	267358	£589	£277	CCTV	2%	14%	£444,000	£208,000	0.65
Commercial robbery	17112	£9,255	£5,401	CCTV	2%	14%	£446,000	£260,000	0.70
Theft from a commercial vehicle	867	£1,685	£208	CCTV	2%	14%	£4,100	£5000	0.005
Total benefit (PV)									2.4

Source: Home Office, own estimates, 2022.

Note: Numbers may not match totals due to rounding. Total benefit £ million (PV).

180. The benefit to business is estimated to be between **£4.9 million and £23.8 million with a central estimate of £11.9 million (PV)**. The benefit to society is estimated to be between **£2.7 million and £13.2 million with a central estimate of £6.6 million (PV)**. These are both indirect benefits and therefore are not included within the EANDBC calculations but are included in the NPSV calculations.
181. **The total benefit from these reductions in crime is estimated to be between £7.6 million and £36.9 million with a central estimate of £18.4 million (PV)**. This is likely an under-estimate of the benefits from these interventions. First, the interventions are only assessed on commercial crime, whereas some interventions will also influence crime more generally. This could be through reducing the incidence of other crime in the vicinity of the business through the creation of an area hostile to crime. Additionally, the use of Neighbourhood Watches as a proxy for security guards likely under-estimates their effect on crime, as security guards are professionals as opposed to the voluntary nature of the Neighbourhood Watch. This could mean that the monetised benefits of reducing crime could be higher than the estimate of £18.4 million.

Total monetised benefits

182. These benefits are assumed to accrue at a constant rate, with the rate of crime assumed to be constant over the appraisal period. The crime benefit is estimated in a range of **£7.6 million to £36.9 million with a central estimate of £18.4 million (PV)** from Martyn's Law over the appraisal period. These are indirect benefits and are thus not included in the benefit to business.

Non-monetised benefits

183. Within Martyn's Law, many of the potential benefits are unable to be monetised due to their nature, and the difficulty of predicting and monetising the harm from terrorism. It has been assessed that the major benefits of Martyn's Law are:
- The reduction in the impact from terrorist attacks.
 - Reducing the fear of terrorism in society.

184. All these benefits reduce the economic harms associated with terrorism, preventing losses to UK society and the economy. However, due to the constraints of the analysis and lack of data, these benefits cannot be monetised. The evidence and rationale for these benefits are presented and the issues with monetisation are explained alongside potential assessments of the scale of these benefits.

Reducing the impact of terror attacks

185. The primary benefit and objective of Martyn's Law is reducing the harm and risk to the public from terrorism. This is demonstrated by having established and well-rehearsed preparedness plans, and showing compliance with a requirements framework to reduce the risk of harm. This benefit will accrue due to the greater consideration of how terrorism can affect those visiting PALs and the appropriate mitigations being put in place to reduce the potential risk.
186. Mitigations that responsible persons may consider implementing in response to assessed risk and vulnerability will differ for each premise within scope, and may include physical security capabilities, policies and processes relation to security practices, and behavioural security activities that seek to deter or detect suspicious behaviours and hostile activity.
187. Previous protective measures have done much to reduce the impact of attacks in those locations, with the HVM around the Houses of Parliament bringing the 2018 attack to a close and preventing further harm⁷⁵.
188. Beyond these protective measures, training people on how to react in the case of an attack, that is, improving preparedness (for example Run. Hide. Tell.), will allow them to make better decisions and improve their own chances and the chances of those around them for survival. Research provides evidence of the importance of proactive communication with the public on the threat of terrorism to allow them to understand appropriate behavioural responses; conversely "*discussing counter-terror measures and preparedness only during times of crisis would fail to enable the public to take part in practical action*"⁷⁶.
189. Efforts to improve the preparedness of PALs will likely help to reduce the number of deaths and injuries from terror attacks, should PALs be the victims of terrorism in the future. The benefit of reducing the number of deaths and injuries from terrorism is hard to monetise, partly due to the small sample size of terrorist events to examine, as well as the difficulties in monetising the effects of traumatic harm on people. As a proxy, the economic and social cost of a homicide can be used to find a minimum cost of a death due to terrorism. This cost is part of a wider Home Office publication on the ESCC⁷⁷. Removing the sections of the cost that are not relevant to terrorism (costs in anticipation of crime and cost in response to crime) and uprating to 2022 prices, the minimum economic cost of a death due to terrorism can be estimated to be £2.7 million. This is an economic cost to society from the loss of life and does not reflect the cost that families and those who have lost loved ones experience, or does not consider the psychological cost on those who witnessed terrorism or are affected by losing loved ones. For injuries due to terrorism, violence with injury can be used as a proxy, giving a cost after adjustment of £12,800. As with homicide, this is likely to be an under-estimate as the nature of the injuries from terrorism are worse than those from crime, particularly those from explosive attacks such as Manchester Arena in 2017.
190. While these costs could be used to estimate a minimum monetary benefit for Martyn's Law, this would also require assessing how the proposals when implemented would affect terror attacks. As terrorism is constantly changing in both nature and scope, predicting the future number and nature of attacks is impossible, as is measuring how Martyn's Law would change or influence these

⁷⁵ Westminster crash: Raids after suspected terror attack: <https://www.bbc.co.uk/news/uk-45189831>

⁷⁶ Mediating the social and psychological impacts of terrorist attacks: The role of risk perception and risk communication, M Brooke Rogers et al (2007)

⁷⁷ The economic and social costs of crime:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf

hypothetical future attacks. **However, it is possible to demonstrate the potential scale of impact of Martyn's Law in reducing the harm from attacks, using the number of deaths from previous attacks.** Between 2011 and 2021, 47 British Nationals died in terror attacks in the UK. Using the minimum economic cost due to a death from terrorism in paragraph 189 the direct impact of these deaths can be estimated. If the policy were to have prevented 100 per cent of these deaths, the benefit would be **£126.7 million (2022 prices)**. This does not reflect the full benefit of reducing the impact of attacks as it does not include the direct saving from those who are injured⁷⁸, and it does not include the indirect impacts of attacks. These indirect impacts form a large proportion of the benefits, as shown by the estimate from RAND Europe assessed the cost of terrorism in the UK from 2004 to 2016 and estimated the cost (direct and indirect costs) to be £43.7 billion (2022 prices)^{79,80}. During the period estimated by RAND Europe, 55 British Nationals were killed by terrorism in the UK, which gives a sense of the potential scale of the indirect costs of terrorism. This shows that the value of Martyn's Law in reducing the impact of attacks could be greater than the proxy estimate of £126.7 million.

191. In support of the aim of reducing the impact of attacks, the Government anticipates that Martyn's Law will drive improvements in security culture, improve the reach and engagement with Government advice and communications, and enhance business resilience. Cumulatively, it is assessed these will contribute toward a reduction in the impact of terror attacks.

Improved security culture / mindedness⁸¹

192. Martyn's Law will encourage organisations to think about security at all levels and help to increase the focus on security throughout the organisation. As mentioned, this could have crime reducing benefits as well as deterring or displacing potential attack. Additionally, security culture can help to reduce costs across organisations through the approach. This is based on an organisation:
 - a. Understanding the range of threats which could impact on its premises, assets, services.
 - b. Minimising the risks based through appropriate security controls, underpinned by good governance which allows for accountability at the top of an organisation.
 - c. Complying with processes and policies in place and supporting their implementation.
 - d. Respond effectively to any incidents or breaches and identify and implement measures to reduce potential reoccurrence.
193. Martyn's Law will not directly require an organisation to adopt a security mindedness approach, and it is ultimately about addressing all risks to improve organisational effectiveness. However, it will be recommended through guidance as a means by which organisations can understand terrorism threats and effectively mitigate through a structured framework.
194. When effectively and correctly applied and implemented it should lead to fewer security-related changes being required at a later stage in a project or activity (that is, they should be 'built in' from the beginning). It also aims to limit the re-occurrence of circumstances, decisions and actions that might lead to a compromise of security. It also provides documented process that potential security-related vulnerabilities have been identified, assessed and, where necessary, addressed in a manner that is appropriate and proportionate.
195. This could aid and provide assurance where there is inspection. Ultimately it should allow risks to either be effectively mitigated, or to be addressed at an earlier opportunity, with resulting effectiveness and efficiency savings for premises and organisations. That is not having to react to risks that are realised at a later stage, resulting in more time and resources being consumed, with

⁷⁸ The estimated cost of those injured in the last ten years has not been calculated as the categories of injuries is not available within terrorism related datasets.

⁷⁹ The cost of terrorism in Europe | RAND: <https://www.rand.org/randeurope/research/projects/the-cost-of-terrorism-in-europe.html>

⁸⁰ Original cost was €43.7 billion, which has been converted at the average exchange rate for 2018 (1.1301€/£) and then uplifted to 2022 prices

⁸¹ Developing Security-Mindedness | CPNI: <https://www.cpni.gov.uk/developing-security-mindedness-approach>

greater cost consequences to address them. This should benefit business through a reduction in their security costs. This cannot be monetised due to uncertainty around how businesses will make efficiency savings relating to security interventions required by Martyn's Law. Developing a security mindedness approach also allows organisations to deter and disrupt hostile, malicious, fraudulent, and criminal behaviours or activities.

196. This deterrence and disruption could help to reduce the impact of attacks by displacing them to less crowded locations which was identified by CTP and the security service as a benefit, with the security service saying "*clearly there is a risk of displacement but ... certain places are more attractive than others*" and noting that a focus on high profile targets remained appropriate as "*making the more obvious and iconic and attractive targets for terrorism harder to attack makes terrorism less likely to happen*"⁸².

Improved reach and engagement with Government advice and communications

197. The Government approach to stakeholder engagement and advice provision regarding terrorist threats and their mitigation is delivered primarily by staff within CTP and the CPNI (as well as efforts across several Government departments). A significant part of these efforts can entail convincing stakeholders that they should be considering terrorist threats and taking forward security considerations.
198. Some stakeholders currently refuse to engage when approached, and some, following an initial meeting, refuse to engage further. The absence of legislation is a critical driver in whether stakeholders engage with Government security experts, backed by independent research conducted in 2019⁸³ which showed that in the absence of a legislative requirement, CT considerations are prioritised behind legally required activities and are given insufficient considerations or priority at a board or management level.
199. Two of the simplest and least burdensome expectations of owners and operators of PALs, and the public of course, are to be alert to and report suspicious activity and to know what to do if they are caught up in a terrorist incident. Those two actions are driven primarily by two CT engagement campaigns, See It. Say It. Sorted. (SiSiS) and Run Hide Tell (RHT).
200. From other research undertaken with partners, the Home Office know that the products on offer to business are effective at driving engagement and improved security mindedness. Indeed ProtectUK⁸⁴ has been well received by business.
201. The development and introduction of Martyn's Law is expected to lead to an increased willingness to engage with Government security experts, and where they provide prioritised advice or undertake other engagement and communication efforts, these are expected to be undertaken without the same efforts need to convince stakeholders to engage, increasing the effectiveness and efficiency of these efforts in the cross-government resources undertaking this work. These efficiencies cannot be monetised at this time.

Better Business Resilience

202. Consideration of security systems and processes as part of Martyn's Law will, where undertaken effectively, also entail consideration of issues which could disrupt or damage a premises. As part of this, organisations should assess what could be done to proportionately prevent those outcomes, lessen the chance of their occurrence, or where it does take place, what plans are in place to continue operation or to get up and running as quickly as possible afterwards.

⁸² The 2017 Attacks: What needs to change?

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/776162/HC1694_The2017Attacks_WhatNeedsToChange.pdf – Footnotes 279 and 280 Oral evidence – MI5, 25 April 2018

⁸³ Future Protect Research, June 2019. 550 Organisations surveyed.

⁸⁴ <https://www.protectuk.police.uk/>

203. Martyn's Law guidance and associated advice, for example, on Protect UK will promote the values and benefits of better business continuity as part of effective security plans. This will allow businesses and other organisations in scope to consider what they would do should their premises or parts of their organisation's premises, be unavailable for a period. They would also consider how they would operate during this period and return to business as usual as soon as possible. This would be beneficial to the more effective operation of a business / premises and its ability to recover more quickly following a crisis.

Reducing fear of terrorism within society

204. Terrorism has far reaching consequences beyond the direct impact detailed in the benefits above, with terrorism affecting those in society who were not directly affected by an attack through the creation of a culture of fear. This fear can result in changes to peoples' purchasing characteristics, reducing their economic choices, and affecting their wellbeing.

205. These effects on society from terrorism are documented in several academic studies. Evidence shows that there is a positive linear relationship between the severity of an attack and its psychological effect⁸⁵. Waxman finds that as the severity and frequency of attacks increased, so did the psychological effect on the population. Further studies show that negative psychological effects, including depression and PTSD, followed exposure to terrorism both directly and indirectly⁸⁶. This shows that even those far removed from a terrorist attack, such as those living in different parts of the country, still feel some of the harm created by attacks. Evidence suggests that this fear can come from indirect exposure, including those observing the attacks through the news and various other forms of media coverage⁸⁷.

206. The harm that terrorism does to the UK economy is through three major paths: the direct costs (loss of life and capital directly from attacks); the indirect costs (wider harm to the economy); and, the psychological costs (from people fearing terrorism). The evidence above suggests that both the latter harms would increase as the severity and impact of terrorism increases. This would lead to greater economic losses and greater damage to the UK population. RAND Europe assessed the cost of terrorism in the UK from 2004 to 2016 and estimated the cost (direct and indirect costs) to be £43.7 billion (2022 prices)^{88,89}. Despite this being a large cost, RAND believes it to be an under-estimate of the true cost, due to lack of data meaning that there are some effects that have not been monetised or included in the cost. This shows the large costs that terrorism imposes on society.

207. Martyn's Law aims to reduce this harm to society, through reducing the impact of attacks through protective measures and equipping more people with the skills needed to detect terrorism. This could lead to a reduction in the severity of terrorism within society. This result is achieved through several avenues.

208. First, as detailed in the preceding section, some of the measures that premises may adopt to reduce their risk of terrorism can actively save lives in the case of an attack. These are broad measures, ranging from physical security measures to training for staff and planning of what to do in case of an attack. These measures should reduce the impact of an attack should it occur, and lead to a reduction in the severity. As referenced earlier, severity is related to the psychological harm from attacks and a reduction in it should reduce the psychological damage to society.

⁸⁵ Waxman, D. (2011) "Living with terror, not Living in Terror: The Impact of Chronic Terrorism on Israeli Society", *Perspectives on Terrorism*, Vol. 5, No. 5/6, December, pp. 4-26, Terrorism Research Initiative. See:

https://www.jstor.org/stable/26298536#metadata_info_tab_contents

⁸⁶ The Fight Against Terrorism:

[https://www.europarl.europa.eu/RegData/etudes/STUD/2018/621817/EPRS_STU\(2018\)621817_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2018/621817/EPRS_STU(2018)621817_EN.pdf) (European Parliamentary Research Service, 2018)

⁸⁷ Fear of Terrorism: Media Exposure and Subjective Fear of Attack (Williamson, Fay and Miles-Johnson, 2019):

<https://www.tandfonline.com/doi/abs/10.1080/17440572.2019.1569519?journalCode=fqlc20>

⁸⁸ The cost of terrorism in Europe | RAND: <https://www.rand.org/randeurope/research/projects/the-cost-of-terrorism-in-europe.html>

⁸⁹ Original cost was €43.7 billion, which has been converted at the average exchange rate for 2018 (1.1301€/£) and then uplifted to 2022 prices

209. Second, some of the measures can reassure the public that they are safe and protected from terrorism. Terrorism is often seen as a dread risk, one which is of a low probability but high impact and thus is commonly overestimated in its likelihood of occurring. The risk is most obviously overestimated by the public immediately after an attack due to the increased coverage and focus on attacks⁹⁰. Therefore, measures that reassure the public and let them know they are protected from terrorism can help to reduce the negative psychological impact of terrorism. At premises within scope, it is expected that proportionate mitigating measures will provide positive assurance to members of the public that their safety has been appropriately considered when attending a premises or an event. Organisations taking forward security measures to combat terrorist threats, where effectively and efficiently undertaken, have reported positive customer feedback (where measures were visible and impacted on the customer, as some measures may not be immediately visible). This shows that the public are broadly supportive of CT security and can find it reassuring. This reassurance will be more present in society because of Martyn's Law, due to the greater number of premises undertaking risk assessments and mitigating risks as part of the requirements, leading to greater public confidence and a reduction in the negative psychological harms from attacks.
210. **Martyn's Law should lead to a reduction in the severity and impact of attacks through a variety of avenues, reducing the harm present in society from terrorism.** This cannot be monetised due to the difficulties with predicting the future scale and nature of terrorism and means that the effect of Martyn's Law on terrorism cannot be precisely defined to give a monetary estimate. However, the RAND report shows the scale of harm that terrorism does to society and illustrates the value in reducing these losses.

Transfers

SILA transfers

211. Each application retrospectively to withdraw a premise plan is estimated costs businesses £37. It is estimated that there will be between 400 to 1,300 such applications made in the first year of the policy. The revenue (fees collected) to LAs is estimated between **£0.02 to £0.05 million**, with a central estimation of **£0.03 million**, in 2022 prices in year 1. However, as this increased income is simply the fees paid by businesses, it is considered a transactional cost (or a transfer cost) and has been excluded from the NPSV for this policy⁹¹.

Monetary penalty transfers

212. Due to non-compliance with Martyn's Law, there will be a transfer from business to the Government from the monetary penalties from sanctions by the Regulator. The size of these transfers are estimated to be between **£1.3 million and £5.9 million with a central estimate of £3.0 million (PV)**.

NPSV, BNPV, EANDCB

213. The total cost lies in a range of **£1,121 to £6,337 million (PV)** over 10 years with a best estimate of **£2,744 million (PV)** over 10 years. The total benefit lies in a range of **£7.6 to £36.9million (PV)** over 10 years with a best estimate of **£18.4 million (PV)** over 10 years.
214. The Net Present Social Value (**NPSV**) of the policy is estimated in a range of **-£1.08 billion to -£6.33 billion**, with a central estimate of **-£2.73 billion** over 10 years. The majority of the cost falls to business. The Business Net Present Value (**BNPV**) lies in a range of **-£1.03 billion to -£6.16 billion**, with a central estimate of **-£2.61 billion** over 10 years. The equivalent annual net direct cost to business (**EANDCB**) lies in a range of **£119.8 million to £715.5 million**, with a central estimate of **£303.7 million** over 10 years.

⁹⁰ [Terrorism and Probability Neglect on JSTOR: https://www.jstor.org/stable/41755012](https://www.jstor.org/stable/41755012)

⁹¹ The LA's fee is purely to recover their costs and thus is considered to be a transfer as it will be equal exactly to the cost to the LA of providing the service

Table 11, Summary of cost, benefit, NPSV, BNPV and EANDCB over 10 years, £ million, 2022.

	Low	Central	High
Set-up cost	267.6	624.9	1,323.7
Ongoing cost	852.9	2,118.9	5,013.0
Total cost	1,120.6	2,743.8	6,336.6
<i>Business cost</i>	<i>1,031.1</i>	<i>2,613.7</i>	<i>6,158.7</i>
<i>Average cost/yr</i>	<i>103.1</i>	<i>261.4</i>	<i>615.9</i>
Ongoing benefit	36.9	18.4	7.6
Total benefit	36.9	18.4	7.6
<i>Business benefits</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Average benefit/yr</i>	<i>0</i>	<i>0</i>	<i>0</i>
NPSV	-1,083.7	-2,725.3	-6,329.0
BNPV	-1,031.1	-2,613.7	-6,336.6
EANDCB	119.8	303.7	715.5

Source: Home Office, own estimates, 2022.

Note: The '**Low**' scenario combines the 'High' cost with the 'Low' benefit. Similarly, the '**High**' scenario combines the 'Low' cost with the 'High' benefit. Average annual cost excludes set-up costs.

Value for money (VfM)

215. For a policy to be considered value for money (VfM), it must meet its strategic and policy objectives.
216. **Option 2** meets the four objectives of: (1) Reducing the impact of terrorist attacks where they do occur, (2) Providing clarity of responsibility for security activity at premises in scope, (3) Improving consistency of security considerations and outcomes at these premises, and (4) Expanding the support available to help those responsible for the delivery of security at PALs. **Option 2** accomplishes this with a highly negative net present social value (NPSV) of **-£2.7 billion**, whereas **Option 1** does not achieve any of these objectives. By not meeting any of the objectives **Option 1** has worse effectiveness than **Option 2** as it will not be effective at reducing the impact of terrorism for the UK. This leaves **Option 2** as the most effective option and therefore **the Government's preferred option**.
217. While Martyn's Law has a highly negative NPSV, there has been a full assessment of the costs, benefits and risks and the whole life costs of the option. Sensitivity analysis has been used to test assumptions with experts where possible. The costs of **Option 2** accrue mainly to business, with the costs being split into two categories, costs in lost productive time to businesses and financial costs borne by businesses. For costs associated with training and risk assessment, these are costs associated with lost productive time. The financial costs are mostly associated with cost of interventions and the cost of the Regulator. These different types of costs means that some of the cost may not be passed on to consumers and will be absorbed into productive time by businesses.
218. The benefits of Martyn's Law largely depend on the future trends of terrorist behaviour and are by their nature uncertain, meaning a full Benefit-Cost ratio (BCR) considering non-monetised benefits is not possible. The non-monetised benefits include reducing the terrorism risk, improving public safety and security, and reducing the fear and impact of terrorism. This cannot be monetised, but the scale of the intervention shows the potential to increase wellbeing across society.

219. Having greater costs than benefits mean there is a negative NPSV meaning that **Option 2** has an overall negative impact on the economy. This negative economic impact compares to **Option 1**, which has not been assessed due to not meeting any of the objectives. Both options are hard to differentiate on economic efficiency, with **Option 1** having no effect on economic efficiency as it doesn't change anything, with **Option 2** providing the opportunity for higher efficiency if it is able to reduce the negative externalities from terrorism and to address the information asymmetry.
220. **Option 2** meets the policy objectives to a greater degree than **Option 1** but has a lower NPSV. However, **Option 1** has no benefits associated with it, whereas **Option 2** has some small monetised benefits as non-monetised benefits. Therefore **Option 2** is assessed as the VfM option in this analysis.

Place-based analysis

221. As Martyn's Law is being applied across the UK and based around the capacity of PALs premises rather than their geographical location, place-based analysis has not been conducted. The impact is expected to be the same regardless of location, with premises choosing to mitigate the risk of terrorism through their own risk assessments. This should mean that costs are proportionate to the premises assessment of the risk that they face and thus the impact will be similar across the country.
222. The benefits from reducing the risk and impact of terrorism will not be limited by location, with the main benefit of increasing the sense of public safety benefiting the entire UK. This is due to any reduction in the fear of terrorism being a likely boost to the economy through people being able to go about their lives with greater confidence and less disruption, leading to greater consumption and growing the economy.
223. There may be some limited economic benefits where there is a terror attack, with damage and casualties being limited by the impact of Martyn's Law. This will be focused particularly where the attack is, although the whole UK benefits from less fear as well as reducing the impact. It is incredibly difficult and almost impossible to predict where terrorist attacks may occur, which has become increasingly difficult due to the rise in self-initiated terrorists, there has not been an assessment of where some of these localised benefits may occur.

F. Proportionality

224. This policy has been developed in light of the significant impact and costs of terrorism which have been highlighted in the above sections. The proposals would affect hundreds of thousands of PALs around the UK, and would represent for many a new requirement through the compliance and new regulatory framework for these premises. Recognition of this, has meant that every effort possible has been made to analyse the impact that Martyn's Law will have on businesses and other organisations in scope. This includes having a consultation where evidence was gathered from 2,755 people, business, and PALs on their thoughts about the content of the proposals, and how they could impact them⁹². This analysis was further added to through the primary research which surveyed just under 300 PALs in detail about how they would react to a piece of draft guidance on Martyn's Law, as well as establishing the measures they already take to mitigate the threat of terrorism.
225. This was backed by drawing from a wide range of analytical sources including data from Ordnance Survey (OS) as well as published data on healthcare and schools. This increased the understanding around the type, number and size of PALs which would be impacted by Martyn's Law. This is tied with work commissioned for Martyn's Law.

⁹² Ipsos MORI report:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1050462/21-029193-01_Home_Office_Protect_Duty_Consultation_External_Report_V7_PUBLIC.pdf

226. This work is proportional to the impact of Martyn's Law as it reflects the amount of effort that has gone into understanding the possible impacts from the proposals, and how Martyn's Law can be shaped to mitigate the impact on PALs whilst maintaining the highest benefit for the public.

G. Risks

227. The economic costs and benefits estimated within the IA are highly dependent on both the scope of premises affected by Martyn's Law and the requirements placed on them. Whilst the number of PALs has been estimated using reliable data from OS and other sources, the estimate of an individual premise's capacity places a large degree of risk on the scope calculations. This is because scope was estimated through floorspace, which may not reflect premise capacity appropriately. This could lead to significant uncertainty in the accuracy of the estimates of the number of premises in scope and is an analytical risk. This may lead to an economic risk to the cost and benefit estimates not reflecting the true scale of Martyn's Law. This has been mitigated through sensitivity analysis, varying the capacity measures used on premises to see the degree this affects the calculation and to present this risk transparently. The impact of this risk can be seen in Table 12.

228. Requirements affect the estimates in a similar way, with the research commissioned to support the analysis being used to construct an idea of the current CT precautions premises take and then what interventions premises would bring in. Within the analysis, it is assumed that all PALs have a CT foundation at the same rate as those within the research, allowing the estimation of the marginal effect Martyn's Law will have. This is an analytical risk. Should PALs on a national level differ significantly to the research sample (which is not entirely representative), then the costs would shift. This economic risk was partly mitigated through sensitivity analysis looking at if the research was ± 25 per cent different. This is presented in the sensitivity analysis section and in Table 12.

229. To fully understand and mitigate against this risk, the key research figures used in this impact assessment were checked and tested with industry, using the Counter Terrorism Business Information Exchange. Within this testing, attendees were able to challenge and improve the research, concluding that they believed the research to broadly reflect the way their businesses would behave. They also recommended having a level of sensitivity to this section which is why sensitivity analysis has been conducted on these assumptions.

230. When assessing the cost of enforcing and regulating Martyn's Law, evidence from the fire safety and health and safety regimes were used to provide proxies for the cost and enforcement profile of the Regulator. These proxies were used due to the absence of evidence on compliance and despite differences in the regulatory regimes of HSE and FRS compared to Martyn's Law. These were used only due to a lack of evidence and were subject to sensitivity analysis to identify their effect on the results.

231. There is an analytical risk that the estimated time it will take CTSA's to assess a SILA application and LAs to withdraw existing premise plans from the public domain is under-estimated.

232. There is an analytical risk around continued policy development moving Martyn's Law and its requirements away from how they have been estimated within this IA. This is a particular risk for the training for the enhanced tier, where training requirements may increase as the policy is developed with CTP. This has the potential to increase the cost of the enhanced tier and of the policy overall, with an associated impact on sites and small, medium, and micro-businesses (SMMB's). Whilst this remains a risk, this IA includes the most up to date form of Martyn's Law. Additionally, training costs form a small part of the overall cost of the enhanced tier (3 per cent), therefore any changes in the training requirements would have to be large to have a significant impact on the cost of the enhanced tier. Small changes in the training requirements have been included in the sensitivity analysis to reduce the level of risk further.

Sensitivity Analysis

233. To best understand the risks from the main assumptions used in the analysis, this section varies each to produce upper and lower bound estimates of the costs. This varying of the assumption allows for a better understanding of the full potential range of impacts that could occur. The varying of the three major areas of assumptions (capacity, research and time and costs) has been done individually to understand whether assumptions in these areas have an outsized influence on results. The assumptions in all three areas have been varied together in the overall scenario to show the possible minimum and maximum scenarios for the impacts. This best and worst case scenario helps to give a full picture of possible impacts and fully understand the risks and impacts of the policy.

Table 12, Main assumptions, variations to lower and upper bounds, EANDCB & BIT, £ million 2022 Prices, 2022 Present Value.

Assumption	Lower	Central	Upper
1. Capacity estimates for premises			
There are no consistent estimates for building capacity available. The capacity of premises had to be modelled by analysts. These models used a large number of assumptions and could not be tested against real capacity numbers at scale. The capacity of each premise was varied to account for this uncertainty. Each premise's capacity was reduced by 20 per cent for the lower bound and increased by 20 per cent for the upper bound. The impacts on scope are given here.			
Out of scope	670,500	625,415	588,070
In scope (standard and enhanced)	257,860	303,140	340,680
Illustrative EANDCB, £ million	231.4	303.7	379.5
Illustrative NSPV, £ million	-2,080.1	-2,725.3	-3,402.2
2. Research on premises' security practices			
The Home Office commissioned primary research with PALs to estimate current risk assessment, training and security measures practices, and how these estimates would change as a result of Martyn's Law. 287 individuals who were responsible for security at their organisation's premises were surveyed. These premises were spread across sectors and regions. The small sample size and lack of representativeness mean sensitivity analysis was applied where the results are used. Lower bound figures are decreased by 25 per cent and upper bound figures are increased by 25 per cent. Where these figures would exceed 100 per cent they have been capped at 100 per cent.			
Premises who don't carry out CT training (%)	24	32	40
Premises who don't carry out CT planning (%)	62	83	100
Number of staff per premise	115	153	191
Number of unpaid staff per premise	22	30	37
Illustrative EANDCB, £ million	248.3	303.7	358.0
Illustrative NSPV, £ million	-2,244.2	-2,725.3	-3,197.6

3. Time requirements and interventions costs			
To estimate the costs of Martyn's Law, the Home Office had to estimate the new measures premises would undertake and the time and costs of implementing them. The training times and costs are based on Home Office assumptions. Lower and upper bound figures are decreased by 25 per cent and increased by 25 per cent respectively. New security measures taken are based on the primary research and are also decreased and increased by 25 per cent. Due to the large number of measures looked at, only three examples are listed here (search and screening, CCTV, security guards).			
Time taken to CT plan leads per year, hrs	276.00	368.00	459.00
Length of training, hrs	0.75	1.00	1.25
Time spent preparing training materials, hrs	1.50	2.00	2.50
Time spent cascading information, hrs	0.13	0.17	0.21
Time to read new security guidance, hrs	0.42	0.56	0.70
Illustrative EANDCB, £ million	195.8	303.7	484.3
Illustrative NSPV, £ million	-1,769.3	-2,725.3	-4,310.3
Total Sensitivity Analysis			
For the total sensitivity analysis, all three of the above sensitivity tests were combined to estimate the maximum sensitivity bounds for the policy. The effects of this can be seen in the EANDCB and NSPV calculations shown here.			
Illustrative EANDCB, £ million	119.8	303.7	715.5
Illustrative NSPV, £ million	-1,083.7	-2,725.3	-6,329.0

Source: Home Office, own estimates, 2022.

H. Direct costs and benefits to business calculations

234. There is a large direct cost to business from Martyn's Law due to the majority of the cost falling on business in the intervention cost, training cost and risk assessment cost. These costs are in 2019 prices and 2020 present value and therefore differ from the costs in the rest of the IA which are in 2022 prices and 2024 present value.

Table 13, Estimated net direct cost to business (EANDCB) and business impact target (BIT) £ million (2019 prices, 2020 present value)

Option 2 (2019 prices, 2020 present value)	Low	Central	High
Total cost	892.9	2,186.3	5,049.1
Total benefit	29.4	14.7	6.1
Business Net Present Value	-802.7	-2,073.2	-4,903.4
Net direct cost to business per year	95.4	242.0	570.1
BIT Score	477.2	1209.8	2850.6

Source: Home Office, own estimates, 2022.

Note: EANDCB = Equivalent Annual net Direct Cost to Business.

Impact on small, medium, and micro-businesses

235. As explained in guidance from the RPC⁹³, the default position is to exempt SMMBs fully from the requirements of new regulatory measures. However, the evidence suggests that the objectives of the Martyn's Law regulations would be compromised by exempting SMMBs. Due to the terror threat in the UK being diverse and threat agnostic⁹⁴, there is no evidence that SMMBs are less at risk compared to any other premises in the UK. The objective of the policy may be undermined by an

⁹³ RPC Small and Micro Business Assessment (SaMBA) guidance - GOV.UK:

<https://www.gov.uk/government/publications/small-and-micro-business-assessment-samba-guidance>

⁹⁴Joint address by MI5 and FBI Heads | MI5 - The Security Service: <https://www.mi5.gov.uk/news/speech-by-mi5-and-fbi>

exemption, as this could signal to terrorists where to find less defended sites. To maintain the benefits of the policy, an exemption cannot be offered. The Government can explore ways to minimise the cost burden on SMMBs while maintaining compliance with Martyn’s Law.

236. Estimating the number of SMMBs the legislation will impact is difficult. The legislation criteria is focused on premises, not the businesses that own them, and not much data could be found that connected the two. The best estimate of how many SMMBs will fall under each tier of the legislation is shown in Table 18. This is based on the number of small and micro-businesses in PALs sectors, coming from the Business Population Estimates⁹⁵, where it was found that SMMBs make up over 98 per cent of PAL businesses. Within this data, medium business were those with up to 249 employees, but have now been reclassified to include those up to 499 employees. This change means the number of medium businesses is likely an underestimate.
237. This is adjusted for the average number of premises which a business has. The data on number of premises comes from the ONS Business Size, Activity and Location release⁹⁶. This was then adjusted to remove any businesses that may be run from home and not have a PAL premise, with data coming from the Small Business Survey⁹⁷. Overall, these data sources when combined estimate that SMMBs make up 82 per cent of all PALS premises in the UK.

Table 14, Number of small, medium micro-businesses In Scope of Martyn’s Law, Central Scenario, 2022.

	Out of Scope	Standard	Enhanced	Total
Number of micro-businesses	419,319	153,593	13,027	585,940
Number of small businesses	74,682	37,444	2,901	115,025
Number of medium businesses	56,023	28,597	3,280	87,900

Source: Home Office, own estimates, 2022.

238. The number of SMMBs in each category are based on the number of premises. Evidence could not be found to suggest smaller businesses would run smaller premises, so premise size has not been used a determining factor for the business owner’s size. Premises not owned by businesses, such as hospitals and schools, have been excluded from the figures. As the definition for a medium business has recently changed to be up to 499 employees rather than up to 249 employees, the estimate for the number of medium sites is likely an under-estimate. This is because data only exists in the previous definition of medium business, and therefore there was no data on medium businesses of a size of 499 employees available, leaving the 249 employee’s data as the best possible alternative.
239. Estimating the cost for each SMMB is also challenging. The burden is placed on premises based on their capacity, not business size. An SMMB that runs a premises of over 800 capacity will have the same responsibilities as the same premises run by a larger business. Cost estimates for SMMBs are in Table 19. With some of the cost being focused on staff training, and with SMMBs having less staff, their costs are proportionately lower. The maximum cost for SMMBs can be estimated using their maximum staff numbers (9 for micro and 49 for small businesses, 499 for medium businesses).
240. For sites in the standard tier, **the cost over the 10-year appraisal period for micro businesses is estimated to be between £802 and £1,279 with a central estimate of £1,030. For small businesses it is estimated to be between £1,153 and £2,099 with a central estimate of £1,588. For medium businesses it is estimated to cost between £1,394 and £3,655 with a central estimate of £2,173.**
241. The cost of the enhanced tier to **micro businesses is estimated to be between £40,292 and £158,512 with a central estimate of £80,309** over the 10-year appraisal period. For **small**

⁹⁵ Business population estimates 2020: <https://www.gov.uk/government/statistics/business-population-estimates-2020>

⁹⁶ UK business; activity, size and location - Office for National Statistics: <https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/ukbusinessactivitysizeandlocation/2021>

⁹⁷ <https://www.gov.uk/government/statistics/small-business-survey-2020-businesses-with-employees>

businesses the cost of the enhanced tier is estimated to be between £340,634 and £159,332 with a central estimate of £80,867. For medium businesses it is estimated to cost between £41,283 and £162,213 with a central estimate of £82,337.

Table 15, Martyn’s Law cost (£, 10-year appraisal period) per small, medium, and micro-businesses, central scenario, 2022.

Cost per	Out of Scope	Standard Tier	Enhanced Tier
Micro business	0	£1,030	£80,309
Small business	0	£1,588	£80,867
Medium business	0	£2,173	£82,337

Source: Home Office, own estimates, 2022.

242. The total costs to SMMBs for Martyn’s Law are shown in Table 16 for the central estimate. These combine the number of business estimates with the cost per business estimates to estimate the total costs over 10 years.

Table 16, Total Martyn’s Law cost (£ million PV) to small, medium, and micro-businesses, over appraisal period, central scenario.

Total cost to:	Out of Scope	Standard	Enhanced	Total Cost
Micro-business	0	£158.0	£1,046.2	£1,204.2
Small business	0	£59.4	£235.3	£294.8
Medium business	0	£62.1	£270.1	£332.2
Total SMMB Cost				£1,831.2

Source: Home Office, own estimates, 2022.

243. Whilst there may be a high cost to SMMB PALs from Martyn’s Law, their costs are lower than the average for PALs in general where the average central scenario enhanced tier cost is £82,324 and the cost for the standard tier is £2,161. It is noted that the total cost to SMMB makes up 70 per cent of the total cost to business, this is due to SMMBs making up 99 per cent of all businesses at a national level and thereby being a large proportion of affected businesses.

244. The cost to micro and small businesses in the enhanced tier are slightly lower than those to the average site (£80,300 and £80,800 for micro and small vs £82,300 for the average sites). This slight reduction in the cost is due to micro and small sites having fewer staff to train and therefore having a reduction in the opportunity costs of training these staff. The training is to be provided for free through the Protect UK platform and this helps to reduce the burden on all sites but particularly small and micro sites who may not be able to pay for dedicated training by specialists if this was not provided for free.

245. Within the standard tier the reduction in cost for Micro and Small business is much greater proportionally. The average cost for this tier falls by a greater proportion for micro and small sites, (£1,030 and £1,590 compared to £2,160) for the ten-year appraisal period. This reduction in the cost is due to the greater proportion of costs that are in relation to staff numbers such as training. As with the enhanced tier, free provision of the training helps to reduce the burden on micro and small sites. Medium sized sites have a maximum staff number which is greater than the average number of staff (499 vs 182 for average surveyed site) and it has been assumed medium sized sites will have the same costs as the average site.

246. In an effort to reduce the burden on high-capacity sites which may have low levels of attendance, such as Cathedrals and other PoW, these sites have been excluded from the enhanced tier unless they require payment to enter. This means that these sites have a greatly reduced burden, having only to do CT planning and training, rather than put into place CT interventions and face the

associated financial costs. This reduces the burden on these sites, and paying sites may be able to cover the increased cost through passing some of the burden on. Under 18 education facilities have been excluded from the enhanced tier for the same reasoning.

247. Removing or exempting SMMBs would hamper the effectiveness of Martyn's Law and lead to it not achieving its objectives. This is due to fact SMMBs make up 99 per cent of all businesses, and therefore not including them leave many sites unprotected and therefore vulnerable to terrorism.
248. These figures are based on research which may not have included many SMMBs and thus may represent a disproportionate view of the mitigations and measures they may employ.

I. Wider impacts

249. The proposed requirements are not expected to directly impact people with any of the protective characteristics, however, incorrect interpretation and application of resulting systems, processes and/or activities to deliver these, could potentially result in various indirect impacts.
250. The following potential indirect impacts to protected groups were identified in the initial Martyn's Law Public Sector Equality Duty Assessment (PSED), which provides a comprehensive breakdown of impacts and mitigations.:
 - There is the potential for indirect discrimination on the grounds of **Race, Religion and Belief, Disability Sex and Age** if premises / security personnel inappropriately interpret identifying 'suspicious behaviour'.
 - Some physical security measures put in place to deliver proportionate mitigations could lead to challenges for groups including **Age, Pregnancy and Maternity and Disability** if poorly designed or implemented. Organisations in scope of Martyn's Law would need to consider evacuation plans, which may also cause potential challenges for these groups.
 - Over reliance on digital tools; online guidance, training or advice might make it difficult for some in the protected groups **Age** and **Disability** if they are unable to access or navigate online resources to engage with the material.
 - To achieve the outcomes of Martyn's Law, it is possible that organisations may favour employing male security staff as they might be viewed as more of a deterrent. This could contribute to bias faced by women in the male dominated security industry, impacting **Sex** as a protected group.
251. Where there is the potential for indirect discrimination the Government has identified a number of mitigations which can be undertaken to seek to prevent these possibilities. These are outlined in full in the PSED. They include ensuring that:
 - Guidance recommending that responsible persons review and consider accessibility requirements as part of taking forward relevant security measures would mitigate against identified issues.
 - Guidance assessed for its accessibility to the needs of different age and disability groups.
 - Communications, guidance, and engagement efforts should look to improve stakeholders and the general public's understanding of threat and address discrimination through provision of information on equality issues.
 - Guidance on requirements will stress the need for proportionate considerations and mitigations, which may not always require additional costs.

Market exit impacts

252. Martyn's Law imposes both financial and non-financial (opportunity) costs to business, and thus could have an impact on the composition and nature of businesses in the UK economy. This would be due to Martyn's Law imposing additional burdens on businesses and requiring them to add

security measures to their sites in the enhanced tier, this could increase the number of businesses exiting the market.

253. This is of particular importance due to the pressure faced by business at the moment, with rising inflation and energy costs putting pressure on premises. Recent surveys by the ONS highlight this issue, with 16.7 per cent of businesses in the UK expecting their turnover to decrease⁹⁸ and 34.7 per cent of sectors affected by Martyn's Law experiencing a decrease in turnover since December 2022. This places pressure on finances and reduces the ability to spend more to meet the requirements of Martyn's Law.
254. To reduce the impact on businesses, the likely commencement is set for 2025, which allows for some of the inflationary pressure to have decreased as well as energy prices to have possibly fallen or been internalised within business models. Additionally, the training is being offered to sites free through the Protect UK app, further reducing the cost on businesses.
255. The burden to business is reduced with the ability to pass costs to paying customers. For those in the standard tier where the costs are estimated to be roughly £2,160 (PV, central estimate) over the ten-year period, this cost can be incorporated into admission or service prices, with the cost being spread over their 100-799 person capacity over ten years. This means any price rise to customers is likely to be very small and therefore not noticeably impact consumers. In the enhanced tier, the cost is estimated to be roughly £82,300 (PV, central estimate), which again can be spread over the ten year and the 800 or greater person capacity, meaning that price changes to consumers to cover Martyn's Law are again likely to be negligible and not affect consumer behaviour.
256. Due to the likely commencement of Martyn's Law being in 2025, the free training being offered, and the way business can spread the cost over many consumers to reduce overall burden, the impact on business is reduced. Due to this, it is not anticipated that the policy will have a significant effect on business closure rates.

Insurance impacts

257. If and when Martyn's Law is commenced there could be implications for insurance policies and premiums for premises in scope. These could potentially be positive impacts (for example, a reduction in premiums where it is recognised that a premise represents a better rated risk as a consequence of having a proportionate security plan in place) or negative impacts (for example where there have been identified failings at a premise which have consequences for premium calculations). Additionally, the greater awareness of the threat of terrorism could result in more premises applying for terrorism related insurance policies, which would also raise the costs to businesses. There are ongoing discussions with the industry on understanding the implications of Martyn's Law for insurance, and any potential impacts for premises.
258. Due to the on-going nature of these conversations and lack of evidence around the behaviour of both insurers and businesses, the impact on insurance on both business and insurers resulting from Martyn's Law has not been estimated within this impact assessment.

J. Trade impact

259. Martyn's Law is unlikely to influence trade as it does not affect goods or services that are traded, being focused on increasing security at PALs within the UK. The largest risk to trade is that the cost of Martyn's Law on premises, that may lead to consumers paying a higher price (cost pass through),

⁹⁸ Business insights and impact on the UK economy - Office for National Statistics:
<https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/bulletins/businessinsightsandimpactontheukconomy/26january2023>

reducing the competitiveness of UK premises on the international stage. However, this price rise is unlikely to be particularly high per consumer due to the smaller individual burden that each individual premise bears (£82,000). This cost rise is likely to be small when shared amongst the millions of consumers who visit UK PALs each year. Equally, premises may absorb the costs, leading to no loss of competitiveness on the international stage.

260. Martyn's Law may also affect trade fairs, and these events and the premises they are held in are likely to often be in scope. This could drive up the prices to attend these events leading to a reduction in companies available to be at trade fairs and in attendees visiting. However, due to the large business opportunities presented at trade fairs, attendees are unlikely to be price sensitive to the small price rises that may come because of Martyn's Law.
261. There may be some benefitable trade impacts, with the UK being one of the few countries to introduce Martyn's Law, meaning that the UK may experience some benefits in that if tourism is perceived to be safer, UK premises may be visited more by international tourists. This should increase spending by foreign tourists in the UK and thus this could be a small boost to the UK's tourism sector and its exports. However, due to the lack of evidence surrounding how foreign tourists see the UK's safety from terrorism and how this could be enhanced by Martyn's Law, this benefit cannot be measured or monetised.
262. Additionally, the UK is a world leader in the Defence and Security market, generating £7.95 billion in exports in 2020⁹⁹. Martyn's Law will help to keep the UK at the forefront of the security market as well as possibly enhancing the UK's reputation. This could lead to an increase in security exports.
263. Martyn's Law is not expected to have a large effect on UK trade, with the small impact on a 'per premise' level meaning that it should not affect UK competitiveness. Therefore, it will not have a large impact on prices or trade.
264. There may be a small positive potential impact on the tourism and the security export market. This limited by the high regard that the UK is already held in as a safe place to work and visit. There may be benefits realised in relation to trade arising from Martyn's Law but there is no evidence to support this currently.

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

265. The current monitoring and evaluation (M&E) plan to assess Martyn's Law is presented here. The Home Office sees the M&E of Martyn's Law as vital given the expected impact on businesses and other premises in scope. An ambitious evaluation has been proposed to assess both impact and benefit realisation, in addition to improving service delivery, accounting for lessons learnt and to minimise potential unintended consequences. The following initial plans will be scoped, and the M&E approach will be iterative as the research programme progresses.

Review clause

266. A post-implementation review (PIR) will be conducted within four years of commencement of Martyn's Law. The Home Secretary will determine the point at which a PIR is necessary, but this is expected to be at most, four years post-implementation due to the time needed for the policy to embed, and for research and evaluation activity to take place. If there is a clear and obvious reason for delaying or expediting the review the Home Secretary will determine this.

Review governance

267. The review will be initiated by the Home Secretary who will also be responsible for delivering the PIR. Senior officials will lead the review. It will require input from OGDs, businesses and others within

⁹⁹ UK defence and security export statistics: 2020: <https://www.gov.uk/government/statistics/uk-defence-and-security-exports-for-2020/uk-defence-and-security-export-statistics-for-2020>

scope of the legislation or their representative groups, and wider society. Independent external suppliers will be commissioned by the Home Office to support delivery of the PIR.

268. The Home Office are expected to set up an evaluation working group to co-ordinate and review the evaluation questions, metric and research design and implementation. The Home Office will seek involvement from the main stakeholders across Government and established expert groups before commencement, to allow time to plan and procure suppliers.

Review plans

269. Martyn's Law has four primary policy objectives:

- a. To proportionately mitigate risks and reduce the impact of terrorist attacks where they do occur.
- b. Provide clarity of responsibility for security activity at premises in scope.
- c. Improve consistency of security considerations and outcomes at these premises
- d. Expand the support available to help those responsible for the delivery of security in public places.

270. The PIR will cover:

1. Did Martyn's Law achieve its stated objectives?
2. Whether the impacts of the policy were in line with those estimated in this IA?
3. Were the costs of the policy estimated in this IA realised?
4. If the policy has resulted in any unintended consequences?
5. How well the policy is working in practice and is there are any areas which could be improved through changes to legislation?

271. When reviewing whether Martyn's Law has achieved its objectives, how it is working in practice and whether the policy has resulted in unintended consequences, all areas of the policy will be assessed.

This includes:

- Costs of Martyn's Law to Government, business, and other premises within scope.
- Effects on businesses and other premises within scope.
- Effects on the public.
- Relevant training, for example, Action Counters Terrorism (ACT) and See Check and Notify (SCaN).
- Impacts for external security companies and the security sector.
- Effects on the 'CT system' such as CTP and security services.
- The Regulator.

272. To support the PIR, the main evaluation questions have been outlined in the M&E plan:

- Have businesses and other premises in scope implemented protective security considerations, and if so, have these led to an improvement in preparedness for a terrorist attack and the protection of visitors? (Objective **a**)
- Do businesses and other premises in scope consider the risk of terrorism and associated security measures as part of 'business as usual'? (Objective **b**)
- Do businesses and other premises in scope have increased knowledge, awareness and understanding of the terrorist threat and how to respond to it? (Objective **b**)
- Are businesses and other premises in scope better prepared and confident to protect themselves and visitors to their premises from the risk of terrorism? (Objective **b**)
- Are businesses and other premises in scope's preparedness for a terrorist attack consistent across the UK? (Objective **c**)

- Do businesses and other premises in scope feel supported to deliver Martyn’s Law? (Objective d)

273. Further evaluation questions make up an evaluation framework for Martyn’s Law, which have been developed through theory of change modelling.

The main measures

274. The table below outlines the proposed key M&E measures to evaluate the Martyn’s Law. As noted, these measures are subject to change following engagement with an evaluation working group.

Table 17, Main evaluation plan measures, 2022.

Measure	Purpose	Timings	Objectives
National survey of in scope businesses and other premises	Measuring businesses and other premises in scope’s perceptions, opinions, actions and compliance with Martyn’s Law Large scale survey with representative sample of businesses and other premises in scope	Commissioned pre-commencement of Martyn’s Law, repeated to measure change over time.	a, b, c, d
Public polling	Measuring public awareness, reassurance, willingness to visit PALs Representative sample of UK public	Commissioned pre-commencement of Martyn’s Law, repeated to measure change over time.	a, b, c
Protective security evaluation	Overarching process and impact evaluation to consider security measures, guidance, risk assessments in a sample of local authority areas or premises Likely to include mixed methodology	Commissioned pre-commencement of Martyn’s Law and completed once policy has embedded.	a, b, c, d
Training evaluation	Quantitative assessment of the impact of relevant training, for example, ACT / SCaN	Undertaken once policy has embedded.	a, b, c
Regulator evaluation	Exploration and evaluation of Regulator activities including compliance, engagement, governance	Considered once the Regulator has been operationally established and embedded.	b, c, d

Source: Home Office Analysis and Insight Directorate, Home Office, 2022.

275. The Home Office will also engage with the main stakeholders and delivery partners to identify and develop data sources to monitor the delivery of Martyn’s Law. This will likely include monitoring of activities such as relevant training, the Regulator and engagement with businesses and other premises in scope. A series of outcome related metrics will continually be monitored through ProtectUK¹⁰⁰ and will provide a vital dataset for the evaluation approach.

Phases of activity

276. The planned M&E work is likely to be structured around multiple phases of activity:

- **Phase 1:** theory of change and method development, engagement with stakeholders. At this stage, focus will be on validating the M&E approach. Developing theory of change models for individual parts of the policy as well as engaging with Other Government Departments and key stakeholders to test the evaluation plans.

¹⁰⁰ www.protectuk.police.uk

- **Phase 2:** baselining. At this stage, focus will be on setting up the main M&E activities such as monitoring, national survey of businesses and other premises in scope and public polling. Setting this up early will allow comparison as a counterfactual later in the PIR period.
- **Phase 3:** embedding research (and repetition of baselining activity). At this stage, while still repeating initial M&E activity, research which requires the policy being 'embedded' will be commissioned.

277. The M&E plan will need to be flexible and subject to change to account for external factors or changes in circumstance which could impact the delivery of the policy. An example of circumstances which could result in a change in the Home Office's ability to monitor and evaluate Martyn's Law is the occurrence of terrorist attacks in the UK, particularly those which indicate a change in the national or international terror threat. The Home Office will seek to publish monitoring and evaluation plans and outputs in a timely manner.

L. Annexes

Annex 1: International comparisons and options assessment

Table A.1, **International comparisons of Protect legislation, 2022.**

Denmark	No comparable legislation. But local police are authorised to set up relevant security conditions for events before giving permission to events, including that organiser should prepare a security plan in case of an emergency.
France	The closest equivalent to Martyn’s Law is the ‘Vigipirate plan’, which is managed by the National Secretariat for Security and Defence (SGDSN), in the Prime Minister’s office. This plan brings together all national actors (the State, local authorities, companies and citizens) focussing on three key pillars as part of the national CT response: vigilance, prevention and protection. Specific legal obligations require the implementation of specific protection measures contained in regulations related to certain critical infrastructure.
Finland	No comparable legislation, but Finland does have general legislation governing safety/security of public gatherings called the ‘Assembly Act’. The organiser (both public and private actors) is responsible for ensuring that the public event meets its security requirements. However the wording of the law is not specific regarding minimum requirements.
Germany	No comparable legislation. Nearest analogue is ‘Ordinance on Places of Assembly’ requiring organisers of a larger events (with capacity of more than 5000 people) to submit a safety concept to police/ public order office ahead of events.
Singapore	The Infrastructure Protection Act (IPA), passed in Parliament on 2 October 2017, was brought into force on 18 December 2018 as part of a national counter-terrorism framework to keep Singapore safe and secure. It allows for the Commissioner for Infrastructure Protection to issue security directives when security measures are needed to address the risk of terrorist attack. It also allows for orders to be issued by the Minister for Home Affairs when emergency measures are needed to address an imminent attack, and makes provisions regarding security in building design for critical infrastructure and large iconic developments.
Spain	No legislation as broad as Martyn’s Law. The Spanish emergency preparation and response system (known as ‘Civil Protection’) requires emergency plans to be drawn up, and Spanish law sets out that person who draws up the plan should be relevant qualified technician. Civil Protection applies to all types of risk, including terrorism. Penalties are applied to non-compliance.
United States	The Secretary of Homeland Security (DHS) is responsible for designating events as National Special Security Events (NSSE). For these events, the US Secret Service takes the role of the lead agency for the design and implementation of operational security plans. The goal of these security operations is to “develop and implement a seamless security plan that will create a safe and secure environment for the general public, event participants, Secret Service protectees, and other dignitaries”.

Source: Home Office, own research, 2022.

Annex 2: An assessment of the current voluntary approach

Effectiveness of the current voluntary approach of security at publicly accessible locations.

1. Independent research conducted in 2019¹⁰¹ asked organisations owning or operating publicly accessible locations a variety of questions regarding protective security and preparedness advice, training and guidance, and their uptake of it. There was a general acceptance from organisations surveyed that they should have a mandatory requirement to consider and mitigate against terrorism. However, there were generally low levels of CT awareness training for staff and formal contingency planning for terrorist incidents, as well as a low awareness of existing information and tools available. When questioned on their prioritisation of terrorism, health and safety, fire safety, safeguarding and crime prevention, most rated terrorism as a much lower priority, reporting low levels of CT response plans and awareness training for staff, alongside a very low perception of risk of a terrorist attack. The evidence suggests that, **without legal compulsion, engagement from small to medium sized enterprises (SME) owner / operators will continue to be extremely limited.**
2. The process to review and improve the coordination and consistency of engagement with stakeholders is an ongoing process. However, whether stakeholders ultimately are willing to take forward activities and actions to consider terrorist threats and proportionate mitigations remains reliant on their voluntary engagement, meaning there is a lack of consistency as a result. That means that by maintaining the do-nothing option, delivering on Government's objectives of improving the consistency of security outcomes achieved, and having certainty of responsibility and accountability for security at PALs would continue to be subject to variables beyond control. It is considered that in the light of the ongoing threat, and the findings of relevant inquests and the Manchester Arena Inquiry, that this is an unacceptable position that exposes the public to intolerable risk.

Overview of the current voluntary approach

3. As part of efforts under the Government Counter Terrorism Strategy (CONTEST), the Home Office oversees a cross Government strategic approach and work programme, which has been in place since the early 2000s. Delivery of projects and programmes is undertaken by Counter Terrorism Policing, the Centre for the Protection of the National Infrastructure, and other partners from across Government, to provide stakeholders, including local authorities, site owners and operators responsible for PALs, with high-quality advice and guidance, so that they:
 - a. are aware of (all plausible) terrorist threats;
 - b. know what steps to take to reduce vulnerability to, and prepare for, terrorist attack; and
 - c. can develop action plans of mitigating activity.
4. There is a range of work which is undertaken to realise this aim, including:
 - a. Counter Terrorism Security Advisers (CTSAs) based in all police regions provide bespoke advice to responsible parties.
 - b. CTSAs provide advice to planners, designers and architects in considering protective security measures at significant new builds and refurbishments.
 - c. Targeted awareness and training events are undertaken by CTSAs and Counter Terrorism Awareness Advisors with staff and managers at PALs to explore ways to prevent, handle and recover from an attack, and identify and respond to hostile reconnaissance.
 - d. Stakeholder engagement by the police takes place through the Counter Terrorism Business Information Exchange (CTBIE) and other groups to encourage senior and corporate level engagement to address terrorist threats, and to engage with a range of stakeholders.
 - e. Significant advice, guidance, and training is provided through targeted and online advice for responsible parties from the National Counter Terrorism Security Office (NaCTSO, part of Counter Terrorism Policing) and CPNI.
5. The Home Office allocates funding annually to CT Policing through the CT Policing Grant. The funding is based on budgets proposed by the National Counter-Terrorism Policing Headquarters in consultation with the Homeland Security Group in the Home Office, and subject to the approval of the Home Secretary. In respect of PALs, this funding is for the delivery of the provision of free, impartial,

¹⁰¹ Future Protect Research, June 2019. 550 Organisations surveyed.

independent and threat informed advice and guidance regarding the terrorist threat and what constitutes appropriate and proportionate mitigations.

6. The threat to PAL is complex and diverse, and any location is potentially vulnerable to attack, however the efforts of Counter Terrorism Policing are 'prioritised' at certain locations, as well as on specific engagement, communications and other activities to ensure resources are allocated to where there is the greatest opportunity to improve protective security and preparedness.
7. CTSA's approach priority site owners and operators to provide advice on the terrorist threats and the ways in which to mitigate them. The owners and operators decide what are appropriate and proportionate mitigation measures to take and implement a plan of improvement activity to increase protective security or preparedness (advised by the CTSA). The responses of the operators and owners of these locations are varied. For example, some choose not to meet a CTSA following the offer of providing assistance and advice. Even where the owners / operators choose to engage with the CTSA's, there is a broad range of responses as to what action plans they choose to implement and how quickly they implement measures. Also, whilst there is prioritised engagement at a few thousand sites, there are over 928,000 premises in the UK considered to be a PAL.
8. The 2017 attacks in the UK demonstrated the diversification of the threat and the range of attractive targets for terrorists. The threat picture remains complex and whilst low sophistication attacks remain most likely, the threat from more sophisticated attack methodologies remains possible. There have been 34 disrupted attack plots in the UK since 2017, and the threat from terrorism remains real and enduring, and potentially harder to detect, which places greater emphasis on the ability to both protect from and prepare against attacks
9. There has been a significant revision and refresh of the Government's strategic approach to reducing the risk and impact of terrorism at PALs following the 2017 attacks. This has included efforts to assess the effectiveness of the approach, outcomes achieved, and where further improvements could be delivered across Government, the police and other stakeholders. There has been a particular increase in the focus of effort on the audiences and stakeholders to whom advice, guidance and communications are provided and targeted; the effectiveness of messages (in particular, that it leads to meaningful learning or activity); and how and where Government can most efficiently focus effort from a strategic point of view. Changes to the advice, and the way it is disseminated have included the following:
 10. A dedicated business engagement team has been developed within Counter Terrorism Policing and delivers a broad engagement programme across a wide range of stakeholders as well as facilitating a Counter Terrorism Business Information Exchange of leading organisations and associations responsible for PALs, to share knowledge and experiences of combatting terrorism.
 11. Counter Terrorism Policing have initiated a programme of sectoral and regional locations engagement days (branded Action Counters Terrorism: Corporate), which provide advice and guidance for audiences from a range of parties responsible for PALs.
 12. There are new and revised training and awareness products for managers, front of house and other staff at crowded places, delivered through bespoke sessions by CTSA's. In 2021-22 there were 73,143 attendees of an Action Counters Terrorism, See Check and Notify, or other awareness/training courses (these numbers were heavily impacted by COVID, noting that in 2019-20 there were 141,601 attendees of such sessions).
 13. ProtectUK¹⁰² has been developed providing a new digital tool, offering guidance, advice and engagement with CT experts via an online platform. As it develops, it will establish itself as a central digital location for CT support, aiding all organisations, in and out of the scope of Martyn's Law.
 14. The ProtectUK App¹⁰³ provides access to e-learning, including the Action Counter Terrorism (ACT) Awareness e-learning (covering spotting signs of suspicious behaviour and what to do if an attack should take place) which is freely available to all.
 15. Significant new advice and guidance continue to be provided by Counter Terrorism Policing and CPNI. This includes bespoke advice for trusted stakeholders via an extranet.

¹⁰² ProtectUK: <https://www.protectuk.police.uk/>

¹⁰³ ProtectUK on the Apple App Store: <https://apps.apple.com/gb/app/protectuk/id1577233526>

Security at places of worship

16. Increased attacks on synagogues and mosques in the UK and across the globe, have highlighted the particular risks faced by religious communities, in particular both the Muslim and Jewish communities. The Government is committed to protecting the right of individuals to freely practise their religion at their chosen place of worship, and to make our streets and communities safer.
17. The Government has a long-standing programme as to how protective security and preparedness is considered and can be improved at PoW, and up to £43 million has been made available to these work programmes in 2022-23:
 - In April 2022, the Home Secretary announced the continuation of the Jewish Community Protective Security Grant for 2022-23 (the scheme has been in place since 2015-16). This £14 million grant provides protective security measures at all Jewish state, free and independent schools, colleges, nurseries and some other Jewish community sites, as well as a number of synagogues. This grant is managed on behalf of the Home Office by the Community Security Trust¹⁰⁴.
 - In May 2022, up to £24.5 million has been allocated to protect mosques and Muslim faith schools through the PoW Protective Security Funding Scheme, and a new Muslim Faith Schools Protective Security Scheme which will be delivered later in the year. Up to £3.5 million will also be available to protect PoW of other faiths. This scheme provides for physical security protection measures in PoW and associated faith community centres that are particularly vulnerable to religiously motivated hate crime. Over the last six years of the PoW Protective Security Funding Scheme, the Home Office has awarded 323 grants worth approximately £8 million to PoW across England and Wales – with 144 to churches, 108 to mosques, 26 to Hindu temples, 38 to gurdwaras, and seven to other faiths.
 - In March 2019, following the terrorist attacks in Christchurch, New Zealand, the then Home Secretary committed to provide security training to faith institutions. Work is currently underway to develop a new Faith Security Training Scheme, for which up to £1 million is available in 2022-23, to assist faith communities in preparing against security threats. The Government continues to engage with faith organisations and security experts in the development of this scheme.
18. Engagement with these schemes, like the wider approach to reducing risk through enhancing security measures at other PALs, is on a voluntary basis.

¹⁰⁴ Community Security Trust (CST) is a charity that protects British Jews from antisemitism and related threats

Impact Assessment Checklist

Mandatory specific impact test - Statutory Equalities Duties	Complete
<p>Statutory Equalities Duties</p> <p>A Public Sector Equality Duty assessment has been undertaken. The proposals are not considered to directly impact any of the protective characteristics. However, there is the potential for indirect impacts if there is incorrect interpretation and application of Martyn’s Law’s requirements and the application of resulting systems, processes and/or activities to deliver these. The identified mitigations to prevent these will need to be developed and appropriately applied.</p> <p>The SRO has agreed these summary findings of the Equality Impact Assessment.</p>	<p>Yes</p>

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.**

Economic Impact Tests

Does your policy option/proposal consider?	
<p>Business Impact Target</p> <p>The policy has been assessed for its impact on business and the business impact has been calculated and included on page 2.</p>	Yes
<p>Small, Medium and Micro-business Assessment (SMMBA)</p> <p>An assessment of the impacts on small, medium and micro-businesses has been completed and is presented in the “direct costs and benefits to business calculations” in Section H of this IA.</p> <p>It is expected that this legislation will impact small, medium and micro-businesses, however it is not expected that they will be disproportionately impacted compared to any larger businesses also in scope of the legislation. It is not possible to give small, medium and micro-businesses an exemption from these measures whilst still achieving the policy and strategic objectives. The terrorist threat in the UK is diverse and threat agnostic, and there is no evidence that these businesses are less at risk compared to any other premises in the UK. The objective of the policy may be undermined by an exemption as some large premises may be operated by small numbers of staff. Also, if these sites were excluded from regulation, this could signal to terrorists where to find premises which have not considered threats and mitigations. To maintain the benefits of the policy, an exemption cannot be offered.</p>	Yes
<p>New Burdens Doctrine</p> <p>The policy proposals do not solely, mainly or disproportionately affect local Government, however, in line with established good practice, a New Burdens Assessment will be completed for the impact on local Government in England, as well as undertaking engagement with the Devolved Administrations to seek to undertake this assessment on a UK wide basis.</p>	In progress

Social Impact Tests

<p>New Criminal Offence Proposals</p> <p>Proposed new criminal offences have been discussed and agreed with the Ministry of Justice, and will be subject to further consideration through the JIT process.</p>	In progress
<p>Justice Impact Test</p> <p>A Justice Impact Test is in development and will be submitted to MOJ in early 2023 for clearance. It is expected that this legislation will have a minimal impact on the justice system (prosecutions, convictions or custodial sentences).</p>	In progress
<p>Powers of Entry</p> <p>The proposed powers for the Regulator, designed to ensure that they can carry out impactful inspections, will comprise of a number of powers including the power of entry. There has been engagement with the Home Office Powers of Entry Team on the need for and proportionality of these powers.</p>	Yes