

Impact Assessment, The Home Office

Title: Firearms Act 1968: Section 27A - Conditions for storage etc of certain firearms

Date: 6 August 2020

IA No: HO0348

RPC Reference No: N/A

Stage: Consultation

Other departments or agencies: None

Intervention: Domestic

Measure: Other

Enquiries: Serious Violence Unit, Home Office

RPC Opinion: Not Applicable

Business Impact Target: Non qualifying provision

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

Net Present Social Value NPSV (£m)		Business Net Present Value BNPV (£m)		Net cost to business per year EANDCB (£m)	
-0.4		-0.1		0.0	

What is the problem under consideration? Why is government intervention necessary?

The has been an increase in firearms crime since 2014. Crimes involving rifles increased by 77 per cent between 2014/15 and 2017/18. Evidence shows that some rifles used in these crimes have been lost or stolen from licensed individuals. Government intervention is required to increase security and prevent this from occurring. High Muzzle Energy (HME) rifles have been targeted as their power and long-range capability mean they could inflict significant harm.

What are the policy objectives and the intended effects?

To enhance the levels of security required by firearms certificate holders in order to reduce the risk that HME Rifles will be stolen and used to commit violent offences. The intended effect is to reduce the number of firearms offences.

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

Option 1 – Do nothing and keep the current arrangements for controlling HME Rifles.

Option 2 – Legislate to impose stricter controls on the storage and possession of the rifles, ammunition and critical component parts of HME rifles. Every individual owning an HME Rifle would have to meet the current highest level of security (Level 3) as a minimum.

Option 3 – Legislate to mandate that everyone owning an HME Rifle must adhere to a level of security above Level 3. These options are subject to consultation responses.

Main assumptions/sensitivities and economic/analytical risks

Discount rate (%)

3.5

It is assumed that all HME rifle holders will familiarise themselves with the new security regulations and attempt to comply, so there will be no increase in prosecutions. As current security levels for HME rifle holders are unknown, an assumption has been made that the average cost faced per individual will be half the largest possible cost. Sensitivity analysis has been done in both cases.

Will the policy be reviewed? It will be reviewed. **If applicable, set review date:** 07/2024

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:

August 2020
30 09 20

Summary: Analysis & Evidence

Policy Option 2

Description:

FULL ECONOMIC ASSESSMENT

Year(s):	Price Base	2019/20	PV Base	2019/20	Appraisal	10	Transition	1
Estimate of Net Present Social Value NPSV (£m)						Estimate of BNPV (£m)		
Low:	-0.2	High:	-0.6	Best:	-0.4	Best BNPV	-0.1	

COSTS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	0.1	0.1	0.2	0.0	0.0
High	0.3	0.3	0.6	0.1	0.1
Best Estimate	0.2	0.2	0.4	0.0	0.1

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

Total costs (PV over 10 years) are estimated to be £0.4 million. The majority of this cost falls onto consumers, which entails the cost to purchase the relevant security equipment and familiarisation. Costs to firearms and explosives officers (FEOs) is approximately £17,000. Costs to Registered Firearm Dealers (RFDs) is approximately £52,700.

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

Police and CPS incur costs for action against individuals in breach of security conditions. Currently, 128 certificate holders possess these rifles and have previously indicated they were in favour of additional security, therefore very limited police or CPS action is expected. There may be a small cost to the police if individual firearm certificates have to be varied from increasing security.

BENEFITS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	0.0	0.0	0.0	0.0	0.0
High	0.0	0.0	0.0	0.0	0.0
Best Estimate	0.0	0.0	0.0	0.0	0.0

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

No benefits are monetised.

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

There may be public safety benefits in the form of reduced incidents of serious violence. Using breakeven analysis, to have a net benefit to society, either four robberies per year or one homicide over 10 years will need to be prevented. There may also be a benefit to businesses due to the small increase in the amount of people who want to purchase and install security equipment.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:										
Cost, £m	0.0	Benefit, £m	0.0	Net, £m	0.0					
Score for Business Impact Target (qualifying provisions only) £m:					N/A					
Is this measure likely to impact on trade and investment?					No					
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 2)

Are all relevant Specific Impacts included?	Y	Are there any impacts on particular groups?	N
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Evidence Base

A. Strategic Overview

A.1 Background

1. Concerns have been expressed about the potential for serious misuse and loss of life if certain High Muzzle Energy (HME) rifles, currently subject to general licensing arrangements under section 1 of the Firearms Act 1968, fall into the hands of criminals or terrorists. In view of the threat assessment received, the Government considered there were good grounds to impose stricter controls on their possession and, following an earlier public consultation, provision was made in the Offensive Weapons Bill to prohibit all rifles capable of discharging a bullet with kinetic energy of more than 13,600 joules at the muzzle of the weapon.
2. This was extensively debated during the early stages of the Bill when concerns were raised regarding the proportionality of prohibiting HME rifles. After further consideration, the provision in the Bill was subsequently withdrawn on the basis that the Government would test the alternatives further through a public consultation.
3. It was suggested instead that enhanced security around their storage and transportation would sufficiently mitigate the risk of theft and misuse, therefore a new section 27A was inserted into the Firearms Act 1968. This imposes a duty on the Secretary of State to make rules prescribing minimum security conditions for safe storage and transportation of HME rifles, which would be attached to the owners' firearm certificate. Before making the rules, the Secretary of State must consult persons likely to be affected by them.

A.2 Groups Affected

4. Only the 128 licence holders (according to the National Firearms Licensing Management System) who own these rifles and some police forces in England, Wales and Scotland are likely to be most impacted by any new security requirements. Given their responses to the proposed ban, it is assumed that all owners will wish to continue to shoot with their rifles, although there could be a move to less powerful rifles if the cost of additional security is too high. It is deemed that Registered Firearms Dealers (RFDs) that stock HME rifles will already have sufficient security and will not therefore incur security costs though they will incur familiarisation costs. Firearms and Explosives Officers (FEOs) are also likely to be affected as they will have to undertake premise inspections and familiarise themselves with the legislation.

A.3 Consultation

Public Consultation

5. The policy options in this Impact Assessment (IA) have not been consulted on specifically. However, there was an initial proposal for HME rifles to be banned under the Offensive Weapons Act (2019). A public consultation was carried out for the Offensive Weapons Bill from the 14th of October to the 9th of December 2017 and received 10,712 responses. The consultation received responses from a variety of organisations including shooting organisations and individuals possessing HME rifles as well as registered firearms dealers. The proposed prohibition of HME firearms was strongly opposed, with 78 per cent of respondents opposed to the introduction of such measures although the possibility of requiring stricter security provisions was suggested by respondents. Following this, HME firearms were subsequently removed from the bill and this new IA was created to address the increase in security around them. A new consultation will therefore be carried out independently from the Offensive Weapons Bill, so this IA is still at the development stage.

B. Rationale for intervention

6. Serious violence has increased since 2014/15. This includes firearms crime, which has risen 33 per cent between 2014/15 and 2017/18. The rise has continued in the latest figures which show a 3 per cent year-on-year increase in firearms offences up to March 2019¹. There has also been an increase with respect to rifles specifically, an increase of 77 per cent between 2014/15 to 2017/18².
7. Data collected by National Ballistics Intelligence Service (NABIS) suggest that part of the reason for this increase is that legally purchased firearms have been stolen from legal owners by those without firearms certificates who wish to use the weapons in criminal activity. The NABIS National Strategy Assessment in 2018 showed that 334 shotguns and rifles were recovered from criminal activity in the period 1st April 2017 to 31st March 2018. Of those, 217 were not traceable because they were obtained by their owners prior to the commencement of the licensing regime in 1988. Of the remaining 117, two-thirds (77) were found to be previously stolen from UK firearm certificate holders. There have been 446 firearms listed on the NABIS database in 2017/18 as either lost or stolen from 167 crime-scene incidents. This is an increase of 26 per cent in the number of items listed as lost or stolen compared with 2016/17³.
8. High Muzzle Energy rifles can currently be held by civilians in possession of the correct firearms certificate. While these certificates stipulate various safeguards against theft and misuse, civilian ownership creates a risk that these weapons could get into the hands of criminals or terrorists. There is a risk that the current legislative controls on HME rifles are being exploited by criminals, and do not do enough to prevent the movement of these guns to the illegal market.
9. The power and long-range firing capabilities of HME rifles mean they would be especially difficult to deal with in the wrong hands and could cause a considerable amount of harm. This risk can only be mitigated by government intervention to increase the security surrounding HME rifles, which will prevent them being lost or stolen. Legislation is needed as the police have concerns that the current framework facilitates transfer of firearms material from the legal to the criminal marketplace.
10. The increased security for HME rifles will make them harder to steal, preventing legally-purchased gun material leaking into the illicit market and fuelling further increases in gun crime. Government intervention aims to lead to a societal benefit of decreased crimes involving HME Rifles.

C. Policy objective

11. The main objective of this legislation is to protect public safety by preventing the theft of HME rifles and their subsequent use to commit violent offences.

D. Options considered and implementation

12. **Option 1- (do-nothing)** To make no changes to current arrangements for controlling HME rifles.
13. **Option 2 –** To enhance home security and impose stricter controls on the storage and possession of the rifles, ammunition and critical component parts of HME rifles through making every individual owning an HME rifle to meet Level 3 security as a minimum. This would be sufficient to mitigate the potential risk of these rifles falling into the wrong hands. This follows up on the debates which were held during the

¹ <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2019>

² <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/offencesinvolvingtheuseofweaponsdatatables> Table 2

³The National Ballistics Intelligence Service (NABIS).

passage of the Offensive Weapons Act 2019 and would provide the foundation for making rules prescribing the conditions to be attached to any firearm certificate authorising the possession of HME Rifles.

14. **Option 3** – To make everyone owning an HME rifle adhere to a level of security above Level 3.
15. The purpose of this IA is to capture a range of possible outcomes regarding this proposed policy. The Government does not have a preferred option at this point and will finalise its position once the consultation has concluded. However, for the purposes of the IA, Option 2 has been chosen in the summary on the two front pages. Further detail of Option 2, as well as proposed costs for Option 3 are outlined in the Appraisal section.

E. Appraisal

General assumptions and data

16. Costings for the appraisal section are based on data provided by the National Firearms Licensing Management System (NLFMS), national crime statistics, and the NABIS database. These were used to provide figures for the number of individuals who own HME rifles; the number and proportion of firearm related crime; the number and proportion of stolen shotguns and rifles used in crime; and the cost of crimes for homicides and robberies. This policy is appraised over a 10-year period in line with HM Treasury (2018) Green Book guidance. A social discount rate of 3.5 per cent is used to discount future values to give present values (PV) over the period. Present value base year of 2017 and 2016 prices are used on the front page only for the purposes of comparing various policies across government departments. All other costs and benefits are in 2020 present value base year and 2019 prices this is in order to remain consistent with current prices. Transition costs are assumed to occur in year 1 only. It is hoped that the consultation will provide further data and information to refine the estimates of costs and benefits presented here.
17. The main assumptions used in this IA are listed below and will be shared with a number of firearms stakeholders.
 - There are currently only 128 target shooters who are authorised to possess HME rifles. Most only own one such rifle but the overall total held is 138. Some may be reluctant to incur any additional expenditure and cease shooting. It is assumed though that most will wish to continue, particularly if they already have the highest level of security in place.
 - It is assumed that the additional security measures would not impact on the use of these rifles at the small number of rifle ranges that are suitable for firing them.
 - The security standards which need to be met for these rifles are set out in the [Firearms Security Handbook](#). It sets out three levels of security which consist of:
 - Level 1**
 - A requirement that the firearm to be kept in a secure gun cabinet that meets the relevant security standards (that is, BS7558).
 - Specialist multi-locking systems for exit doors will be secured by a deadlock. Individuals should seek advice from manufacturers for the appropriate locking system.
 - All ground floor windows will have suitable locks installed.
 - Level 2**
 - The multipoint locks and deadlocks for final exit doors will need to be to BS3621 or equivalent.
 - Not only ground floor windows but windows accessible from flat roofs will need to have a casement-to-frame self-latching or key operated lock.
 - Installation of an audible intruder alarm for either the whole premises.

Level 3

- All of the above, as well as the ammunition and any easily removable component parts being stored in separate cabinets to the firearm itself.
 - In some instances, a requirement to store the firearm in a dedicated and secure gun room, if cabinets with individual gun locks do not suffice.
 - Installation of an intruder alarm that alerts the police in the event of a burglary.
- Currently there is no single fixed level of security that all HME rifle holders need to meet. The level of security is determined via an inspection, based on a number of factors which are listed below:
 - Repeat victimisation.
 - High-crime location.
 - Building regularly occupied.
 - A substantial number of firearms on the premises.
 - A high crime rate.
 - Certain high-profile certificate holders.
 - Other factors which substantially increase the risk of burglary.
 - A large number of firearms held.
 - There is no detailed information available on current levels of security for each HME rifle holder. Therefore, for the purposes of the IA, it is assumed that the 128 HME rifle owners have different levels of security currently, with HME rifle owners having at least Level 1 and with some already being at Level 2 and some already having Level 3. To estimate costs for the proposals the total cost of moving all 128 HME rifle holders from Level 1 to Level 3 security (Option 2) or from Level 1 to above Level 3 (Option 3) has been calculated. To account for the fact that some individuals will already have higher than Level 1 security, these costs have been halved. Sensitivity analysis has been completed in section G to account for this uncertainty.
 - For the purpose of this IA, it is assumed that all individuals wish to continue their shooting activities and retain their HME rifles despite the increased security requirements associated with doing so. This is in line with the consultation received by the department for the Offensive Weapons Bill, in which all individuals expressed the desire to retain their rifle. Both high and low estimates of the likely additional costs are given below, together with a central-estimate.

COSTS

Option 2 - Reaching Level 3 security

Set-up costs

Individuals

18. The list below describes what is needed for an owner of a HME Rifle to reach Level 3 security from Level 1. The costs of each item are outlined in Table 1.
 - **Deadlocks to final exit door** – The addition of deadlocks that meet the BS3621 standard to the final exit door (assuming there will only be one exit door on average).⁴
 - **Multipoint locks to final exit door** - Adding multipoint locks that meet the BS3621 standard to the final exit door (assuming there will only be one exit door on average).⁵

⁴ <https://www.locksonline.co.uk/British-Standard-BS3621-Mortice-Dead-Lock.html>

⁵ <https://www.locksonline.co.uk/Insurance-Approved-Multipoint-Locks.html>

- **Installation costs of each of the locks to final exit door** - Professional installation cost for both above door locks⁶.
- **Window locks** - Adding casement-to-frame self-latching or key operated window locks on the windows accessible from flat roofs and/or ground floors. It is assumed that the average house has two windows that need securing and that a pivot lock is suitable to meet this standard.⁷
- **Installation cost of the window lock** – The installation of a pivot lock is by simply screwing it onto the frame of the window. A conservative estimate of approximately 30 minutes is required per window to screw on the lock. This, multiplied by the hourly leisure time of £5.03⁸ and by the number of individuals who will need the lock (64), gives a central-estimate of £322 for two windows.
- **Intruder alarm** - Installing an audible intruder alarm with an alerting mechanism for the whole premises.⁹
- **Cabinet** - The bolt or other critical component parts should be kept separately. It is assumed that an ammunition cabinet will suffice to fit these component parts, therefore costs for ammunition cabinets will be used as a proxy to establish this cost. One extra cabinet to house other parts of the rifle is treated as the central-estimate. Due to the assumption that an ammunition cabinet will suffice to store the component parts as explained above, the prices are therefore for ammunition cabinets. A high estimate will be two cabinets needed and a low estimate will be that no extra cabinet is needed.¹⁰
- **Gun locks** - Adding individual gun locks per gun, as it is assumed creating a gun room is not necessary to meet the highest form of Level 3 security. It is assumed that the average individual owns 1.1 HME rifles and this is used as a multiplier in the calculations. This is because there is a total of 138 HME rifles registered to 128 individuals, therefore the multiplier will be 138 divided by 128¹¹.

19. The unit costs for each of these security measures are outlined below for a high, low and central cost scenario.

Table 1, Unit set up costs for Option 2, reaching Level 3 security from Level 1, 2019, £.

Cost estimate (£)	Deadlock to final exit door	Installation cost of door locks	Multipoint locks to final exit door	Window locks with installation	Intruder alarm	Cabinet	Gun locks
High	108	207	212	97	1,492	431	24
Low	36	69	71	32	497	0	8
Central	72	138	141	65	995	216	16

Source: Home Office Analysis and Insight, own calculations, 2019. All estimates to the nearest £. All costs accrued in Year 1.

20. The total costs per individual, and a total cost are shown in Table 2.

⁶ <https://www.city-locksmith.co.uk/locksmith-price-list/>

⁷ <https://www.locksonline.co.uk/Era-902-Flush-Pivot-Lock.html?search=pivot%20lock&description=true&page=1>

⁸ Values of time (Department for Transport) TAG Data Book – Table A 1.3.2 – Forecast values of time per person. <https://www.gov.uk/government/publications/tag-data-book>

⁹ <https://securityalarms.co.uk/adt/police/>

¹⁰ <https://www.esafes.co.uk/gun-cabinets/pistol-and-ammunition-safes>

¹¹ <https://www.bing.com/shop?q=gun+locks&FORM=SHOPTB>

Table 2, Total set up costs for Option 2, reaching level 3 security from level 1, 2019, £.

Cost estimate (£)	Per individual	Total costs for individuals
High	2,600	164,600
Low	700	45,700
Central	1,600	105,100

Source: Home Office Analysis and Insight calculation based on numbers in Table 1, 2019. All costs accrued in Year 1. All values to the nearest 100 (£).

High estimate

21. All security features in Table 1 have been costed and the high estimated cost has been applied in each case. The cost to an individual might be £108 for a deadlock, £212 for a multipoint lock and £207 for their respective installations, £97 for the window locks with the installation cost, £1492 for a signalling audible intruder alarm, £431 for two extra cabinets, and £24 for a gun lock. The total cost of the new requirements that are applied within the first year would be £2,600 per individual, and £0.2 million total (PV over 10 years).

Low estimate

22. Based on having to cover one final exit door and two windows as above, the cost to an individual might be £36 for a deadlock, £71 for a multipoint lock and £69 for their respective installations, £32 for the window locks with the installation cost, £497 for a signalling audible intruder alarm, and £8 for a gun lock. The total cost of the new requirements that are applied within the first year would be £700 per individual and £45,700 total (PV over 10 years).

Central estimate

23. The central estimate would give costs of £72 for a deadlock, £141 for a multipoint lock and £138 for their respective installations, £65 for the window locks with the installation cost, £995 for a signalling audible intruder alarm, £216 for an extra cabinet and £16 for a gun lock. The total cost of the new requirements that are applied within the first year would be £1,600 per individual and £0.1 million total (PV over 10 years).

Inspection costs

Firearms and Explosives officers (FEOs)

24. It is assumed that the premises of all individuals with a HME rifle will have to be inspected by an FEO to ensure they meet Level 3 security requirements. Inspections are expected to take from 1 to 3 hours (central estimate of 2 hours). It is assumed that all inspections occur in year 1 and so all the inspection costs are accrued in the first year. Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the low estimate for inspection time (1 hour) gives a low time cost estimate of £4,900. Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the high estimate for inspection time (3 hours) gives a high time cost estimate of £14,600. Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the central estimate for inspection time (2 hours) gives a central time cost estimate of £9,700.

Familiarisation costs

Firearms and Explosives officers (FEOs)

25. It is expected that ahead of inspections FEOs will have to familiarise themselves with the legislative changes and the Level 3 security standards outlined in the firearms security handbook. This will entail FEOs reading the Firearms Security Handbook, (see general assumptions and data section), which is 51 pages long and consists of 19,170 words. If the average person reads at 200 words per

minute¹², familiarisation ahead of an inspection is expected to take 1.5 hours. 45 minutes and 2.25 hours have been used as a low and high familiarisation time respectively, to account for the differing reading speeds across the population and the possible variation in legislation each inspection will need. It is assumed that all inspections occur in year 1 and so all the associated familiarisation costs are accrued in the first year. Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the low estimate for familiarisation time (45 minutes) gives a low time cost estimate of £3,600 (PV over 10 years). Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the high estimate for familiarisation time (2.25 hours) gives a high time cost estimate of £10,900 (PV over 10 years). Multiplying the approximate average hourly wage for a junior police officers (sergeant and below) of £38 by the number of inspections required (128) and the central estimate for familiarisation time (1.5 hours) gives a central-time cost estimate of £7,300 in year 1 only.

Individuals

26. It has been assumed that every HME holder will read the new guidance outlined in the Firearms Security Handbook, to verify whether they will need to increase their security or already have sufficient security in place. This will entail individuals reading the Firearms Security Handbook, (see general assumptions and data section), which is 51 pages long and consists of 19,170 words. It is assumed that all security will be bought in year 1 and so all the associated familiarisation costs are accrued in the first year. If the average person reads at 200 words per minute¹³, familiarisation is expected to take 1.5 hours. 45 minutes and 2.25 hours have been used as a low and high familiarisation time respectively, to account for the differing reading speeds across the population and the possible variation in legislation each inspection will need. Multiplying the average hourly value of leisure time of £5.03¹⁴ by the number of individuals (128) and the low estimate for familiarisation time (45 minutes) gives a low time cost estimate of £500. Multiplying the average hourly value of leisure time of £5.03¹⁵ by the number of individuals (128) and the high estimate for familiarisation time (2.25 hours) gives a high time cost estimate of £1,400. Multiplying the average hourly value of leisure time of £5.03¹⁶ by the number of individuals (128) and the central estimate for familiarisation time (1.5 hours) gives a central time cost estimate of £1,000. The time required to physically ensure that an individual's premises meets the required Level 3 security standards is assumed to be captured by the inspection costs outlined in paragraph 25.

Registered Firearm Dealers (RFDs)

27. It has been assumed that RFDs will not incur any security costs. This is due to the fact that only a small number of individuals have HME rifles, so stocks held by businesses are likely to be very low and these businesses are likely to already have sufficient security. However, RFDs who stock HME rifles will need to familiarise themselves with the changes made regarding the storage of them. Due to lack of data around how many RFDs sell these rifles, the familiarisation costs to businesses will be applied to all RFDs as a conservative estimate. The familiarisation cost entails reading the Firearms Security Handbook, (see general assumptions and data section), which is 51 pages long and consists of 19,170 words and will be accrued in the first year. If the average person reads at 200 words per minute¹⁷, familiarisation is expected to take 1.5 hours. 45 minutes and 2.25 hours have been used as a low and high familiarisation time respectively, to account for the differing reading speeds across the population and the possible variation in legislation each inspection will need. Multiplying the approximate average hourly wage for a RFD of £10.03 by the total number of RFDs (3,500) and the low estimate for familiarisation time (45 minutes) gives a low time cost estimate of approximately £26,300 in year 1 only. Multiplying the approximate average hourly wage for a RFD

¹² <http://readingsoft.com/> - Average reader, assumes an electronic document is used.

¹³ <http://readingsoft.com/> - Average reader, assumes an electronic document is used.

¹⁴ Values of time (Department for Transport) TAG Data Book – Table A 1.3.2 – Forecast values of time per person. <https://www.gov.uk/government/publications/tag-data-book>

¹⁵ Values of time (Department for Transport) TAG Data Book – Table A 1.3.2 – Forecast values of time per person. <https://www.gov.uk/government/publications/tag-data-book>

¹⁶ Values of time (Department for Transport) TAG Data Book – Table A 1.3.2 – Forecast values of time per person. <https://www.gov.uk/government/publications/tag-data-book>

¹⁷ <http://readingsoft.com/> - Average reader, assumes an electronic document is used.

of £10.03 by the total number of RFDs (3,500) and the high estimate for familiarisation time (2.25 hours) gives a high time cost estimate of approximately £79,000 in year 1 only. Multiplying the approximate average hourly wage for a RFD of £10.03 by the total number of RFDs (3,500) and the central estimate for familiarisation time (1.5 hours) gives a central-time cost estimate of approximately £52,700 in year 1 only.

Ongoing costs

Individuals

28. Individuals who require the signalling mechanism with the burglar alarm will need to pay a monthly contract fee for the service. Prices for this monthly subscription are based on an offer for the service that lasts for less than the appraisal period. For the purposes of this IA, it is assumed that this is the standard rate and it has been extended for the entire appraisal period. Prices range between £16 and £49 with a central estimate of £33.18. Multiplying the central estimate of £33 by the number of individuals (64) and the months for which they will require it (120) gives a total cost of approximately £0.2 million PV over 10 years. The low estimate uses the low range of £17 and is approximately £0.1 million PV over 10 years. The high estimate uses the high price of £50 and is approximately £0.3 million PV over 10 years.

Police

29. Given that there are only 128 certificate holders who possess these rifles and they have previously indicated that they were in favour of additional security given consultation for the Offensive Weapons Bill, there is no expectation of increased police or CPS action. This option is not expected to lead to any increase in offences or prosecutions, and therefore there is no expected increase in police time required aside from the familiarisation and inspection costs outlined in paragraphs 26 and 27.

BENEFITS

Individuals owning affected rifles

30. Individuals owning HME rifles will be able to continue to use them but subject to the rifles being stored and transported in a way which reduces the risk of their being stolen and used to commit acts of violence.

Public safety

31. Having everyone reach Level 3 security- the highest form- may have a public safety benefit by reducing the risk of HME rifles being stolen and used in violent crime. These benefits cannot be quantified due to the uncertainty of how many incidents may be prevented. For context, HME rifles constitute less than 0.04 per cent of all registered rifles¹⁹, and on average, there were 45 firearm-related homicides per year between 2004/2005 and 2014/2015 using various types of firearm²⁰. Given the estimated cost to society per homicide is £3.4 million²¹, the legislation on HME rifles would need to prevent fewer than one homicide over the 10-year appraisal period in order to have a net benefit to society. For context, there were 3,093 firearm-related robberies per year between 2004/2005 and 2014/2015²². Using an estimated cost to society per robbery of £12,000²³, the legislation on HME rifles would need to prevent less than four robberies per year over the appraisal

¹⁸ <https://securityalarms.co.uk/adt/police/>

¹⁹ <https://www.gov.uk/government/statistics/statistics-on-firearm-and-shotgun-certificates-england-and-wales-april-2018-to-march-2019> data tables Table 15

²⁰ <https://cy.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/offencesinvolvingtheuseofweaponsdatatables> Table 8

²¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf - Figures all in 2015/16 prices so updated to 18/19 prices.

²² <https://cy.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/offencesinvolvingtheuseofweaponsdatatables> Table 8,

²³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf - Figures all in 2015/16 prices so updated to 18/19 prices.

period in order to have a net benefit to society. This estimation assumes the robberies are distributed equally over the 10 year period and is based on total PV costs.

Option 3 - Reaching above Level 3 security

Set-up costs

Individuals

32. It is expected that to reach above Level 3 security individuals will have to acquire all the security equipment outlined in Option 2, as well as some additional security equipment. These are listed below together with assumed costs:

- **Fitting shutters/grilles on all vulnerable doors and windows** - It is estimated that shutters range between £514 and £1,541, depending on the model and grilles range from £384 to £1,151 depending on the model²⁴. For the purposes of establishing costings to reach above Level 3 security from Level 1, the price for shutters was used. The lower bound of the range was used as an estimate for a window shutter and this was doubled to estimate the cost of a door shutter²⁵. So, the cost for a window shutter is assumed to be £514 with a door shutter being £1,028. It is assumed that for the low estimate the individual has one door and one window, for the central estimate the individual has one door and two windows and for the high estimate the individual has two doors and two windows.
- **Installation for the shutters/grilles** - As the upper installation cost was for areas larger than an average door, the lower limit was assumed to be the price for installing a window shutter/grille and the central estimate was the price for installing a door shutter/grille. The installation cost for a window is assumed to be £300 and £343 for a door²⁶.
- **Installing CCTV** - A basic system with four internal and/or external cameras is around £120 with £592 for professional installation. A more sophisticated system with four cameras is around £172 with £1,167 installation. A high-end system costs around £240 and another £1826 for installation²⁷.
- **Panic alarms (storage)** – These should be available where the rifle is stored. These are assumed to be a standard feature or low-cost addition to most monitored intruder alarm systems. The additional cost is therefore assumed to be negligible.
- **Panic alarms (range)** - These should be available when the rifle is in use on the range. The majority of these alarms cost £4 to £11²⁸.
- **Ammunition cabinet** - Ammunition should be kept separate from the gun in a separate cabinet and only a small number of rounds of ammunition allowed²⁹.

33. The unit costs for each of the security measures are outlined with their high, low and central estimates below.

Table 3, Unit set-up costs for Option 3, reaching above Level 3 security from Level 1, 2019, £

Cost estimate (£)	Set up costs from option 2 per individual	Shutters/Grilles including installation	CCTV	Panic alarm	Ammunition cabinet
High	2,600	4,368	2,066	11	324
Low	700	2,184	712	4	108
Central	1,600	2,998	1339	7	216

Source: Home Office Analysis and Insight, own calculations, 2019. All estimates to the nearest £. All costs accrued in year 1.

²⁴ <https://securitydirectuk.com/>

²⁵ To establish an average price for shutters and grilles, the outliers were removed.

²⁶ <https://gradedtradesmen.co.uk/price/how-much-do-security-shutters-cost>

²⁷ <https://wisetradesmen.com/list/how-much-does-it-cost-to-install-cctv-camera-system>

²⁸ https://www.amazon.co.uk/s?k=personal+alarms&hvadid=80126942056737&hvbmmt=bb&hvdev=c&hvqmt=b&tag=mh0a9-21&ref=pd_sl_6kuv7jwdfx_b

²⁹ <https://www.esafes.co.uk/gun-cabinets/pistol-and-ammunition-safes>

Table 4, Total set up costs for Option 3, reaching above Level 3 security from Level 1, 2019, £

Cost estimate (£)	Per individual	Total costs for individuals
High	9,300	597,800
Low	3,700	238,100
Central	6,200	397,000

Source: Home Office Analysis and Insight calculation based on numbers in Table 3, 2019. All costs accrued in Year 1. All values to the nearest 100 (£).

High estimate

34. If it is assumed that all the additional measures listed above are required; that the high estimated cost of individual items will apply; and that there are four vulnerable entry points which need to be secured (two windows and two doors). The cost to an individual might be £2,600 to reach Level 3 security and then £4,368 for shutters/grilles, £2,066 for CCTV, £11 for a sophisticated panic alarm and £324 for an ammunition cabinet. The total cost within the first year would be £9,300 per person and £0.6 million in total in year 1 only.

Low estimate

35. Based on an assumption of having just two vulnerable openings (the window and the door to the room where the guns are stored), the cost to an individual might be £700 to reach Level 3 security, £2,184 for shutters/grilles, £712 for CCTV, £4 for a basic panic alarm and £108 for an ammunition cabinet. The total cost within the first year would be £3,700 per person and £0.2 million in total in year 1 only.

Central estimate

36. Taking a central estimate of having three vulnerable openings (two windows and the door to the room where the guns are stored), would give costs of £1,600 to reach Level 3 security, £2,998 for shutters/grilles, £1,339 for CCTV, £7 for a panic alarm and £216 for an ammunition cabinet. The total cost within the first year would be £6,200 per person and £0.4 million in total in year 1 only.

Inspection costs

Firearms and Explosives officers (FEOs)

37. It is expected that FEOs will be required to complete the same inspections under this option as they would if only Level 3 security was required (Option 2). The inspection costs for this option are therefore the same as those outlined in paragraph 25. The low cost estimate is £4,900, the high cost estimate is £14,600 and the central cost estimate is £9,700. All these costs accrue in year 1.

Familiarisation costs

Firearms and Explosives officers (FEOs)

38. It is expected that this option will require the same amount of familiarisation for FEOs as if only Level 3 security was required (Option 2). The familiarisation costs for this option are therefore the same as those outlined in section 26. The low cost estimate is £3,600, the high cost estimate is £10,900 and the central estimate is £7,300. All these costs accrue in year 1.

Individuals

39. It is expected that this option will require the same amount of familiarisation for an individual who owns a HME Rifle as if only Level 3 security was required (Option 2). The familiarisation costs for this option are therefore the same as those outlined in section 27. The low cost estimate £500, the high time cost estimate is £1,400 and the central estimate is £1,000. All these costs accrue in year 1. The time required to physically ensure that an individual's premise meets the required Level 3

security standards is assumed to be captured by the installation costs outlined in paragraphs 25 and 38.

Registered Firearm Dealers (RFDs)

40. It is expected that this option will require the same amount of familiarisation for RFDs as if only Level 3 security was required (Option 2). The familiarisation costs for this option are therefore the same as those outlined in section 28. The low cost estimate is £26,300, the high cost estimate is £79,000 and the central estimate is £52,700 . All these costs accrue in year 1.

Ongoing costs

Individuals

41. It is assumed that all individuals must pay for the monthly subscription to a burglar alarm outlined in paragraph 19. This is expected to cost between £0.1 million and £0.3 million PV over 10 years. To comply with security standards above Level 3, online storage for camera images is also required. Online storage costs may vary depending on how much image storage is required, from £80 to £240 per year for the first camera, and between £40 and £120 a year for each additional camera. It is assumed that image storage is needed for two cameras throughout the appraisal period. Multiplying £240 (£160 central estimate for the first camera plus £80 central estimate for the second camera) by the years the storage is required for (10) and the individuals (64) gives a total central estimate of £0.1 million PV over 10 years. This is £0.4 million PV over 10 years when including the burglar alarm cost. The low estimate uses the low estimate of £120 for both cameras and is approximately £66,100 PV over 10 years. This is £0.2 million PV over 10 years when including the burglar alarm cost. The high estimate uses the high estimate of £360 for both cameras and is approximately £0.2 million PV over 10 years. This is £0.5 million PV over 10 years when including the burglar alarm cost.

Police

42. As only 128 certificate holders currently possess these rifles and they have previously indicated that they were in favour of additional security, there is no expectation of increased police or CPS action. This option is not expected to lead to any increase in offences or prosecutions, and therefore there is no expected increase in police time required aside from the familiarisation and inspection costs outlined in paragraphs 26 and 27.

BENEFITS

Individuals owning affected rifles

43. Individuals owning HME rifles will be able to continue to use them but subject to the rifles being stored and transported in a way which reduces the risk of their being stolen and used to commit acts of violence.

Public safety

44. Having everyone reach above Level 3 security will have a public safety benefit by reducing the risk of these rifles being stolen and used in violent crime. These benefits cannot be quantified due to the uncertainty of how many such incidents may be prevented. For context, HME rifles constitute less than 0.04 per cent of all registered rifles³⁰, and on average, there were 45 firearm-related homicides per year between 2004/2005 and 2014/2015 using various types of firearm³¹. Given the

³⁰ <https://www.gov.uk/government/statistics/statistics-on-firearm-and-shotgun-certificates-england-and-wales-april-2018-to-march-2019> data tables Table 15

³¹ <https://cy.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/offencesinvolvingtheuseofweaponsdatatables> Table 8

estimated cost to society per homicide is £3.4 million³², the legislation on HME rifles would need to prevent fewer than one homicide over the 10 years, in order to have a net benefit to society. For context, there were 3,093 firearm-related robberies per year between 2004/2005 and 2014/2015 using various types of firearm³³. Using an estimated cost to society per robbery of £12,000³⁴, the legislation on HME rifles would need to prevent eight robberies per year, in order to have a net benefit to society. This estimation assumes the robberies are distributed equally over the 10 year period and is based on total present value costs.

Total costs and benefits, NPSV, BNPV and EANDCB

45. The concept of present value (PV) takes into account that a set sum of money is not as valuable to people at some point in the future as it would be today. This reflects time preference, that is, the assumption that per capita spending does not grow therefore individuals would rather have that now. However, it also includes a wealth effect, that is an assumption that per capita spending is expected to grow over time, therefore they may prefer to have that spending in the future but it offers less utility. Therefore, the marginal utility of each additional pound diminishes in the future. Future costs and benefits therefore must be discounted in order to be comparable to today's costs and benefits. The Net Present Social Value (NPSV) of a policy is the present value of the economic benefits minus the present value of the economic costs. This is widely used to give a welfare measure of a policy in comparable terms, that is in monetary units.³⁵
46. The central estimate of the NPSV (over 10 years) of Option 2 – Legislate to ensure every individual owning an HME rifle meets the current highest level of security (Level 3) as a minimum is -£0.4 million over 10 years.
47. The central estimate of the NPSV (over 10 years) of Option 3 – Legislate to ensure every individual owning an HME rifle must adhere to a level of security above Level 3 is -£0.8 million over 10 years.
48. Estimated Business Net Present Value (BNPV) is -£0.1 million.
49. The equivalent annual net direct cost to business (EANDCB) of these measures is estimated to be £0.0 million³⁶.
50. No benefits have been monetised, as it is difficult to estimate how many crimes will be prevented by the measures introduced by the this HME policy. However, breakeven analysis has been undertaken to demonstrate the magnitude of benefits required in order to outweigh the net costs of the policy (see end of 'Benefits' section).

³² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf - Figures all in 2015/16 prices so updated to 18/19 prices.

³³ <https://cy.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/offencesinvolvingtheuseofweaponsdatatables> Table 8

³⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf - Figures all in 2015/16 prices so updated to 18/19 prices.

³⁵ Present value base year of 2017 and 2016 prices are used on the front page only. All other costs and benefits are in 2020 present value base year and 2019 prices.

³⁶ The equivalent annual net direct cost to business is approximately £5,300, but due to rounding, the EANDCB becomes £0.0 million.

Table 5, Summary of costs and PV for Option 2, reaching Level 3 security from Level 1, 2019, £

Central

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	105,100		-105,100
Individuals – increasing security ongoing costs	25,300	25,300	-218,100
FEOs inspections	9,700		-9,700
Familiarisation – FEOs	7,300		-7,300
Familiarisation – Individuals	1,000		-1,000
Familiarisation- RFDs	52,700		-52,700
Total			-393,900

Low

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	45,700		-45,700
Individuals – increasing security ongoing costs	12,700	12,700	-109,000
FEOs inspections	4,900		-4,900
Familiarisation – FEOs	3,600		-3,600
Familiarisation – Individuals	500		-500
Familiarisation- RFDs	26,300		-26,300
Total			-190,000

High

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	164,600		-164,600
Individuals – increasing security ongoing costs	38,000	38,004	-327,100
FEOs inspections	14,600		-14,600
Familiarisation – FEOs	10,900		-10,900
Familiarisation – Individuals	1,400		-1,400
Familiarisation- RFDs	79,000		-79,000
Total			-597,700

Source: Home Office Analysis and Insight calculation based on numbers sourced earlier on in the document, 2019. All numbers to the nearest £100.

Table 6 - Summary of costs for Option 3, reaching above Level 3 security from Level 1, 2019, £

Central

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	397,000		-397,000
Individuals – increasing security ongoing costs	40,700	40,700	-350,300
FEOs inspections	9,700		-9,700
Familiarisation – FEOs	7,300		-7,300
Familiarisation – Individuals	1,000		-1,000
Familiarisation- RFDs	52,700		-52,700
Total			-817,900

Low

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	238,100		-238,100
Individuals – increasing security ongoing costs	20,300	20,300	-175,200
FEOs inspections	4,900		-4,900
Familiarisation – FEOs	3,600		-3,600
Familiarisation – Individuals	500		-500
Familiarisation- RFDs	26,300		-26,300
Total			-448,600

High

Cost (£)	Year 1	Year 2 -10 (Annual)	NPV
Individuals- increasing security set up costs	597,800		-597,800
Individuals – increasing security ongoing costs	61,000	61,000	-525,500
FEOs inspections	14,600		-14,600
Familiarisation – FEOs	10,900		-10,900
Familiarisation – Individuals	1,400		-1,400
Familiarisation- RFDs	79,000		-79,000
Total			-1,229,200

Source: Home Office Analysis and Insight calculation based on numbers sourced earlier on in the document, 2019. All numbers to the nearest £100.

F. Proportionality

51. This IA has identified the main costs and benefits that are likely to result from the policy options. These have been quantified where data is available, and a qualitative assessment, breakeven analysis, has been applied where there is a lack of data. The analysis is proportionate to the policy.

G. Risks

52. There is uncertainty surrounding the set-up and ongoing costs to HME Rifle holders for increasing their security. This impacts the estimates for the total economic cost.
53. The uncertainty exists for several reasons. Firstly, the owners of HME rifles all have different premises which vary in size and layout. Secondly, their existing security arrangements vary according to their location with some already having stringent security measures in place. Thirdly, in relation to the unit cost for security items, different sources suggested different prices (see the ranges in Table 1 and 3 for Options 2 and 3 respectively). Lastly, Options 2 and 3 have been appraised assuming that costs will be half the cost of moving all HME rifle owners to the relevant security standard from Level 1. This is to account for the fact that some individuals will already have a level of security above Level 1 and that some individuals might not need to reach the maximum security level outlined in Options 2 and 3.
54. As the costs relating to upgrading security constitute the majority of the total estimated economic cost of the proposals, the uncertainty creates a risk that the economic cost will be greater than estimated. Therefore, a sensitivity analysis has been carried out, see Tables 9 and 10 for Options 2 and 3 respectively³⁷. The table is based on a total cost of moving all HME rifle holders from level 1 to the appropriate level. The current mid-point estimate for the cost that applies is 50 per cent, but the table shows how costs vary if that percentage is adjusted. This is taken to values above 100 per cent to account for the possibility of new certificate holders owning a HME rifle, or current certificate holders acquiring an additional HME rifle. The sensitivity analysis only considers the set-up and ongoing costs to individuals of having to increase their security. Differing security requirements are not expected to impact FEO familiarisation and inspection costs or RFDs familiarisation costs.
55. It is hoped that the consultation will provide further data and information to refine the unit costs.

Table 7 – Sensitivity analysis of Option 2, PV of varying total costs to individuals needing to reach Level 3 security from Level 1 in £ million, 2019

Percentage of total Level 1 to Level 3 cost for HME rifle holders (%)	PV of individuals increasing their security (inc. set-up and ongoing costs) £m	Total PV including familiarisation and inspection costs £m
1	0.01	-0.08
10	0.06	-0.14
20	0.13	-0.20
(low estimate) 25	0.16	-0.23
30	0.19	-0.26
40	0.26	-0.33
(central estimate) 50	0.32	-0.39
60	0.39	-0.46
70	0.45	-0.52
(high estimate) 75	0.48	-0.56
80	0.52	-0.59
90	0.58	-0.65
100	0.65	-0.72
110	0.71	-0.78
120	0.78	-0.85
130	0.84	-0.91
140	0.91	-0.98
150	0.97	-1.04

Source: Home Office, own estimates, 2019. Based upon mid-estimates in Table 5. 10-year appraisal period. All numbers to the nearest £10,000.

³⁷ The 75 per cent and 25 per cent estimate in Tables 9 and 10 do not reflect the low and high estimates for the total costs in the Appraisal section because it assumes a constant percentage increase to all costs, rather than accounting for specific cost changes in each scenario e.g. there being more vulnerable entries for a high shutter cost i.e. 2 doors and 2 windows.

Table 8 – Sensitivity analysis of Option 3, PV of a varying total cost to individuals needing to reach above Level 3 security from Level 1 in £ million, 2019

Percentage of total Level 1 to above Level 3 cost for HME rifle holders (%)	PV of individuals increasing their security (including set-up and ongoing costs)	Total PV including familiarisation and inspection costs
1	0.01	-0.09
10	0.15	-0.22
20	0.30	-0.37
(low estimate) 25	0.37	-0.44
30	0.45	-0.52
40	0.60	-0.67
(central estimate) 50	0.75	-0.82
60	0.90	-0.97
70	1.05	-1.12
(high estimate) 75	1.12	-1.19
80	1.20	-1.27
90	1.35	-1.42
100	1.49	-1.57
110	1.64	-1.71
120	1.79	-1.86
130	1.94	-2.01
140	2.09	-2.16
150	2.24	-2.31

Source: Home Office Analysis and Insight, own estimates, 2019. Based upon mid-estimates in Table 6. 10-year appraisal period. All numbers to the nearest £10,000.

H. Direct costs and benefits to business calculations

56. This policy is exempt from the Business Impact Target, as the costs to business are below the threshold. Businesses will however experience familiarisation costs, as RFDs will need to read the new requirements made around securing HME as a result of this policy. Registered Firearm Dealers will therefore have a small cost of -£0.1 million (PV over 10 years).

Table 9 - Summary of costs to businesses for Option 3, reaching above Level 3 security from Level 1, 2019, £.

Familiarisation cost for RFDs (£)	Year 1	Year 2 -10 (Annual)	NPV
Central	52,700	-	-52,700
Low	26,300	-	-26,300
High	79,000	-	-79,000

Source: Home Office Analysis and Insight calculation based on numbers sourced earlier on in the document, 2019. All numbers are transition costs only and are to the nearest £100.

I. Wider impacts

Small and Micro-business Assessment (SaMBA)

57. It is expected that apart from the familiarisation costs RFDs will need to face (outlined in the Appraisal section), there will not be additional costs incurred to businesses to increase their security. The policy is not intended to directly impact small and micro-businesses; however, they have not been excluded from the policy, in order to prevent leaving a gap in the control of HME Rifles. A SaMBA will be conducted separately to evaluate this.

J. Trade Impact

58. This policy is not expected to have any impact on trade or investment.

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

59. The intention is to make rules prescribing the conditions to be attached to any firearm certificate authorising the possession of HME rifles. The Home Office keeps all firearms policy under review through ongoing discussion and feedback from stakeholders and will specifically review the measures in 2023 which will be four years after the implementation to establish whether there have been any incidents of concern. Any additional security requirements are unlikely to require significant enforcement action over and above that currently undertaken in checking that all firearms certificate holders comply with the conditions on their licence. Therefore, an informal review of the policy will be a year later (2020), which will be followed by a Post-Implementation Review (PIR) three years later (2023).

Impact Assessment Checklist

Mandatory specific impact test - Statutory Equalities Duties	Complete
<p data-bbox="124 248 507 286">Statutory Equalities Duties</p> <p data-bbox="124 300 1214 450">We do not consider there are any significant PSED implications arising from the proposals in this impact assessment. However, the consultation will ask for views on the impact of the Government's proposals on protected characteristics so that we can assess this more accurately.</p>	<p data-bbox="1321 338 1382 376">Yes</p>

The impact assessment checklist provides a comprehensive list of specific impact tests and policy considerations (as of February 2019). Where an element of the checklist is relevant to the policy, the appropriate advice or guidance should be followed. Where an element of the checklist is not applied, consider whether the reasons for this decision should be recorded as part of the Impact Assessment and reference the relevant page number or annex in the checklist below. 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 checklist should be used in addition to [HM Treasury's Green Book guidance](#) on appraisal and evaluation in central government (Green Book, 2018).

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...?	Yes/No (page)
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Small and Micro-business Assessment (SaMBA) A SaMBA will be completed prior to the introduction of the new policy.	Section I
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