

Impact Assessment, The Home Office	
Title: Terrorism (Protection of Premises) Bill - Martyn's Law IA No: HO0460. RPC Reference No: RPC-HO-5254(1) Other departments or agencies:	Date: 16/07/2024
	Stage: Final
	Intervention: Domestic
	Measure: Primary legislation
	Enquiries: martynslaw@homeoffice.gov.uk
RPC Opinion: Fit for purpose	Business Impact Target: Qualifying provision

Cost of Preferred (or more likely) Option (in 2024 prices, 2025 present value)					
Net Present Social Value NPSV (£m)	-1,814	Business Net Present Value BNPV (£m)	-1,786	Net cost to business per year EANDCB (£m)	207.5

What is the problem under consideration? Why is Government intervention necessary?
 Since March 2017, the UK has experienced fifteen terrorist attacks and disrupted a further 39 late-stage terrorist 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 Public Locations (PLs) - highlighted as the highest likelihood risk in the National Risk Register - and the effects of such attacks span 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 PLs. 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 PLs.

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 PLs. This does not deliver the government's objectives.
Option 2: Provide a regulatory framework. To bring in legislation that requires those responsible for certain PLs to take steps to mitigate the impact of acts of terrorism, 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. The primary 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: 04/2030

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: 11th Sep 24

Summary: Analysis & Evidence

Policy Option 2

Description: Martyn's Law - deliver a regulatory framework. To bring in legislation that requires those responsible for certain PLs to take steps to mitigate the impact of acts of terrorism, overseen by a regulator.

FULL ECONOMIC ASSESSMENT

Year(s):	Price Base	2024	PV Base	2025	Appraisal	10 years	Transition	2 years
Estimate of Net Present Social Value NPSV (£m)						Estimate of BNPV (£m)		
Low:	-554.7	High:	-4,935.4	Best:	-1,814.1	Best BNPV	-1,785.8	

COSTS, £m	Transition Constant Price	Ongoing Present Value	Total Present Value	Average/year Constant Price	To Business Present Value
Low	159.2	436.5	595.6	53.5	-563.4
High	1,048.3	3,895.5	4943.8	474.8	-4,871.6
Best Estimate	439.7	1,394.8	1834.5	170.3	-1,785.8

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

The majority of the cost of the policy falls to businesses, with the high overall cost being driven by the 178,900 sites in scope of policy. The 10-year cost to standard duty premises is estimated to be £3,313 (PV, central estimate) per premises. The 10-year cost to enhanced duty premises is estimated to be £52,093 (PV, central estimate) per premises. The 10-year cost of the Regulator is estimated to be between £30.5 million and £68.1 million with a central estimate of £46.6 million

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 any costs 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 clear data on the number of events and their size in the UK, so 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	0.0	40.9	40.9	4.8	0
High	0.0	8.4	8.4	1.0	0
Best Estimate	0.0	20.4	20.4	2.4	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-terrorist crime due to the crime prevention effect that CT measures may 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 could 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 potential reduction in the impact of terror attacks, and a reduction in the fear of terrorism in society. The measures in the proposals 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 (2024 Price and 2025 Base Year):										
Cost, £m	207.5	Benefit, £m	0	Net, £m	-207.5					
Score for Business Impact Target (qualifying provisions only) £m:					N/A					
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 March 2017, the UK has experienced fifteen terrorist attacks as defined by the Counter Terrorism Policing (CTP) national coordinator and disrupted a further 39 terrorist 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 certain 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.** Public locations (PLs) 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 PLs; and research for this IA has assessed that there are over 928,000 premises in the UK considered to be a PL, with 178,900 falling in scope of the provisions proposed under Martyn's Law. 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. The Home Office assessed the **cost of the 5 attacks in the UK in 2017 to have direct economic and social cost of £196.4 million** (2024 Prices)³.
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 LL⁴: *"...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 (2023 edition): <https://www.gov.uk/government/publications/national-risk-register-2023>

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

³ <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2023/annex-d-estimating-the-cost-of-terrorist-attacks>. Upated to 2024 prices by the Home Office using GDP deflators

⁴Intelligence 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 MC3⁵: *“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 MR4⁶: *“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 2019⁷ 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 PLs 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. However, the threat from terrorism is enduring and evolving. Despite a prevalence of lower sophistication attacks in the UK, the threat seen today and in the coming years, is more diverse, dynamic and complex. It is within this context that it is judged that the risk from terrorism is once again rising. In MI5’s most recent annual threat update (November 2022)⁸, 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”*⁹.
6. Public venues have been targeted by terrorists in the UK and across the world for many years. Since January 2017, there have been fifteen attacks in the United Kingdom which have been declared terrorism by CTP (not including Northern Ireland Related Terrorism), of which 7 have targeted public venues which could be considered to fall in scope of Martyn’s Law. The list below details examples of attacks in the UK which have occurred at or near to public venues since March 2017¹⁰:
- 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.

⁵ 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>

⁶Manchester 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/>

⁷ Future Protect Research, June 2019. 550 Organisations surveyed

⁸ 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>

⁹ MI5 – The Security Service, Director General Andrew Parker – 2017 Speech, <https://www.mi5.gov.uk/news/director-general-andrew-parker-2017-speech>

¹⁰ Some venues in this list would not have been in scope of Martyn’s Law

- 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 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 which was held within a Methodist Church Hall.
 - 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 attacked a Border Force centre for processing migrants in Dover with petrol bombs, injuring two.
 - On 10 March 2023, a terrorist attempted to murder an American national in a leisure centre car park, injuring the American national and one other.
7. It should also be noted that plots, acts of preparation and conspiracies to commit acts of terrorism in PLs 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:
- Madame Tussauds (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 venue 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 PLs. The actions of responsible parties at PLs 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 public premises with a capacity of 200 persons or more (200 to 799 persons for the standard tier, and 800 persons or more for the enhanced tier). These include businesses and organisations who own and operate PLs as outlined above (section on 'drivers for change'). In addition, there is the potential for other premises to be within scope including those used for events and exhibitions, government and local authority buildings, hospitals, and courts.

A.4 Consultations

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 PLs. 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. Following important feedback on the requirements of the standard tier as part of the pre-legislative scrutiny process, in 2024 the government launched a further public consultation on an updated approach to the standard tier. The six-week consultation ran from 5 February to 18 March 2024, and was supported by a set of informational webinars attended by over 2,400 stakeholders. The consultation received 1,981 responses, with a broad spectrum of sectors represented.

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 legislative proposals. The Devolved Administrations were also kept informed of developments and engaged with where there was overlap with areas of devolved competency. In addition, security partners within government were also engaged and consulted to shape proposals.
 - Cabinet Office (CO).
 - Centre for the Protection of National Infrastructure (CPNI) – now National Protective Security Authority (NPSA)
 - Counter Terrorism Policing (CTP).
 - Department for Business, Energy and Industrial Strategy (BEIS).¹³
 - Department for Digital, Culture, Media and Sport (DCMS).¹⁴
 - Department for Education (DfE).
 - Department for Environment, Food and Rural Affairs (Defra).
 - Department for Health and Social Care (DHSC).
 - Ministry of Housing, Communities and Local Government (MHCLG).
 - Department for Transport (DfT).
 - Department for Work and Pensions (DWP).
 - Health and Safety Executive (HSE).
 - His Majesty's Treasury (HMT).

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

¹³ Now known as the Department for Business and Trade (DBT)

¹⁴ Now known as the Department for Culture, Media and Sport (DCMS)

- 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 consultations 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 to counter terrorism. It also considered how those responsible for PLs 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 NPSA. The proposal was also discussed with officials in the Welsh Government, Scottish Government and the Northern Ireland Executive.

Main findings from the public consultations

16. A summary of the responses to the 2021 Protect Duty public consultation was published in January 2022¹⁵. 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 PLs 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.

¹⁵ Government response document (2022): <https://www.gov.uk/government/consultations/protect-duty/outcome/government-response-document>

- 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 public 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 PLs – 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 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 PLs, if the proposed service was available to them.

17. A further public consultation was undertaken in 2024 and focussed solely on the standard tier with the capacity threshold set at 100 to 799. The consultation received 1,981 responses, with a broad spectrum of sectors represented. The key findings are detailed below:

Key findings

- Overall, perceptions of the Standard Tier of Martyn's Law were mixed, with no overarching consensus. A significant number of respondents demonstrated support for the standard tier proposals and felt the new requirements were less burdensome:
 - Around half (48%) of respondents agreed that those responsible for premises within the standard tier should have a legal obligation to be prepared for a terrorist attack.
 - Six in ten (59%) felt the revised requirements for standard tier premises were more appropriate for the broad spectrum of premises in scope than they had been in the previous draft of the Bill.
 - Around four in ten (42%) felt that the revised training requirements place less burden on standard tier organisations.
- There were mixed perceptions about difficulty of implementation of the revised approach and the burden it would place on organisations. Concerns fell broadly into four themes; additional burden in relation to administration (including the time and effort associated); financial impacts; training requirements and impact on staff and volunteers.
- Respondents from places of worship and village halls/community centres are less likely than other sectors to agree with the *legal* obligation for standard tier premises, and to think that taking forward the requirements will be easy. They are more likely than other sectors to think the new requirements won't be successful at improving feelings of safety, to say the new law places more burden on standard tier premises than H&S and fire procedures, and to report a level of concern about meeting costs of the requirements.

Smaller premises, places of worship and village halls/community centres

- Those from smaller capacity premises (100 to 299) and from places of worship and village halls / community centres showed particular concern for the impact on fellow smaller venues and their ability to meet the revised requirements within the resources available to them.
- Among respondents from premises with a capacity of 100 to 299:
 - Around four in ten (39%) agreed that those responsible for premises within the standard tier should have a legal obligation to be prepared for a terrorist attack. Nearly half (46%) of those who disagreed, said they believe only larger premises should have a legal obligation.
 - Around half (51%) reported that the revised requirements would be difficult to take forwards.
 - Six in ten (58%) were at least somewhat concerned that the cost of meeting the standard tier requirements will affect their organisation's financial ability to continue operating.
- Among those from places of worship or village halls/community centres:

- Only around three in ten of those from places of worship (30%) and village halls/community centres (33%) agreed that those responsible for premises within the standard tier should have a legal obligation to be prepared for a terrorist attack. Over half (54%) of those from village hall/community centres (which typically had a smaller capacity than premises across the other sectors; 72% had a capacity of 100 to 199) who disagreed, said they believe only larger premises should have a legal obligation.
- Over half of those from places of worship (58%) and village halls/community centres (56%) felt the revised requirements would be difficult to take forwards, mainly due to perceived burden in terms of time or effort.
- Concern about the organisation's financial ability to operate was highest among places of worship (64%) and village halls/community centres (62%).

International comparison

18. 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 countries such as France have addressed the issue of terrorism in different ways include the deployment of the military on to the streets as part of Opération Sentinelle (10,000 army and 4,700 armed police since January 2015 to present)¹⁶. Whilst the UK has similar powers, it has not chosen to activate these powers and has undertaken a different approach to combat terrorism through the government's Counter Terror Strategy (CONTEST)¹⁷. In other countries, they have considered an approach similar to Martyn's Law, and have said that this was a matter which may be considered further, and they wanted to be kept updated of developments.
19. 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 specific requirements framework for responsible parties. As such Martyn's Law is considered a first of its kind.

B. Rationale for intervention

20. 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 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*".

¹⁶French police search home of man suspected of driving into soldiers | Paris | The Guardian
<https://www.theguardian.com/world/2017/aug/09/paris-police-hunt-driver-hit-soldiers-on-patrol-levallois-perret>

¹⁷ Counter-terrorism strategy (CONTEST) 2018 - GOV.UK: <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2018>

21. The Home Office assessed the **cost of the attacks in the UK in 2017 to have direct economic and social cost of £196.4 million (2024 Prices)**¹⁸. Reducing the impacts of terrorism is one of the vital rationales for intervention for Martyn's Law.
22. In addition to the negative externality¹⁹ of terrorism, there is an information asymmetry²⁰ 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.
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"*²¹. 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"*²².
24. Martyn's Law would provide a framework and legal basis for clarifying the responsibility of PLs 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 take steps to protect the public 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 PLs 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 PLs to

¹⁸ Annex D: estimating the cost of terrorist attacks - GOV.UK: <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2023/annex-d-estimating-the-cost-of-terrorist-attacks>. Updated to 2024 prices by the Home Office using GDP deflators

¹⁹ Negative externalities occur when the consumption or production of a good causes a harmful effect to a third party. In the case of terrorism, it is that terrorism has additional harmful effects on those who are not directly affected including the fear caused by terrorism and indirect effects it can have on consumption and investment.

²⁰ 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.

²¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/776162/HC1694_The2017Attacks_WhatNeedsToChange.pdf

²² 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

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 are 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 PLs, including those sought by Martyn's Law. The government considers that 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 to deliver reasonable mitigating measures at PLs. 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.
 2. Having established and well-rehearsed procedures to 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 making those responsible for qualifying public premises and events liable for compliance with the requirements of the Bill.
 2. The outcomes of such considerations and resulting planning being recorded and auditable, and subject to inspection.
 3. Responsibilities and accountability requirements being reinforced by communications and engagement activities, and through 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 (i) standard duty premises and (ii) enhanced duty premises and qualifying public events.
 2. Developing good practice examples (potentially on a sectoral basis) in guidance to improve understanding of effective and efficient CT measures, particularly procedures.
 3. Developing a monitoring and evaluation plan to assess impact and benefit realisation, and learn lessons from delivery.
 4. A regulator providing advice, education and, where deficiencies have been identified, taking forward sanctions.
 5. A SILA process enabling local authorities to withhold from public inspection certain sensitive documents.
 - 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, assisting in compliance with requirements and responsibilities.

2. Tools and products being made available on the ProtectUK²³ platform to assist responsible persons in understanding terrorist threats and how to take forward appropriate mitigating measures.

D. Options considered and implementation

29. Two options have been considered.
 - **Option 1: (Do-nothing).** To continue the current voluntary approach of engaging with stakeholders at PLs. This does not deliver the government's objectives.
 - **Option 2: Provide a regulatory framework.** To bring in legislation that requires those responsible for certain PLs to take steps to mitigate the impact of acts of terrorism, overseen by a regulator. **This is the government's preferred option as it meets the strategic and policy objectives.**

Option 1: 'Do nothing'

30. **Option 1** would be a continuation of the government's existing approach to improving protective security and preparedness at PLs, 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.
31. 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 PLs. 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 the government's current approach to PLs. 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.
32. The government is also mindful of research it commissioned in 2019²⁴ which showed that terrorism ranked well below health and safety, fire safety, safeguarding and crime prevention as a consideration for businesses which operate at PLs. 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.
33. 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 compliance it is seeking to achieve at all premises in scope, and (without the Regulator) having sufficient confidence on outcomes achieved.
34. 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 CTP 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.
35. 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

²³ <https://www.protectuk.police.uk/>

²⁴ Future Protect Research, June 2019. 550 Organisations surveyed.

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 encourage compliance, similar to the current approach to health and safety.

36. **Option 1** (or variants of it) does not meet the government objectives and is not considered further in this assessment.

Option 2

37. **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.
38. In seeking to achieve these objectives, consideration must first be given to where should be in scope of legislation. Assessment by the government's security experts notes that the terrorism threat to the UK is diverse, dynamic and complex²⁵. Low sophistication attacks have become more prevalent, and whilst these remain most likely, the threat picture remains complex and the threat from more sophisticated attack methodologies remains possible.
39. The trend of low-sophistication attacks, from rapidly radicalised self-initiated actors, makes prevention difficult. Predicting the threat at individual 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

40. The most common view amongst the 2021 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.
41. Martyn's Law will apply to qualifying public premises and events:
- Qualifying public premises comprise premises that:
- Are wholly or mainly used for a specified use or uses, for example retail, sports, or entertainment;
 - Have a person in control of them in connection with those uses; and
 - Have a public capacity of 200 or more individuals.

To be a qualifying public event, the event must meet the following conditions:

²⁵ 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>

- It is to be held at premises which are not qualifying public premises;
 - A person has control of those premises in connection with the event;
 - The public or a section of the public have permission to access the premises in whole or in part for the purpose of attending the event;
 - The premises have a public capacity of 800 or more individuals; and
 - Individuals are employed or otherwise engaged to take payment, check that payment has been made, or check other conditions of access have been satisfied by members of the public wishing to access the event.
42. In the absence of specific threat reporting regarding attack locations, use of capacity is intended to ensure that locations which may be significantly impacted by targeting by terrorists are included. A capacity test will apply for qualifying premises:
- **<200** - If the public capacity of the premises is below 200 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.
 - **200 to 799** - If the public capacity of the premises is between 200 and 799, it falls within the scope of the standard tier. Events are not captured within the standard tier.
 - **800+** - If the public capacity of the premises or event is 800 or more, it falls within the scope of the enhanced tier as either enhanced duty premises or a qualifying public event (subject to special provision as described below).
43. 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 above or below 800, but not below 500, and for the standard tier, up to 799 but not below 100, if the Home Secretary considers it appropriate to do so.
44. There will be a limited number of premises where there will be different application of the scope criteria:
- All educational establishments that are qualifying public premises will fall within the standard tier, apart from higher education establishments. This is due to the nature of the premises which, apart from at higher education premises, have existing access control and mitigation measures in place, for example, as a result of safeguarding policies.
 - All PoW will fall within the standard tier. This is due to the unique nature of PoW as generally free and openly accessible sites, welcoming to all people, often 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 (and so not be qualifying public premises). This is due to there being existing legislative requirements to consider and mitigate terrorist threats, achieving comparable outcomes to Martyn's Law.
45. The government has considered whether the maximum capacity of premises represents the most appropriate factor, noting that in the consultation some respondents considered that the average capacity of a premises would represent a better basis for inclusion within scope. The government considers that a variable based on average premises 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).
46. 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 premises which were full to capacity.

The government has proposed that a special case applies 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.

47. For other venues in scope more broadly, where they have a large event once every two weeks but are 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. This would result in a lack of appropriate measures in being put in place for those large events and would not meet the Government's objective. To mitigate the impact of variable attendances, enhanced tier premises will be required to put reasonably practicable plans and processes in place. These will likely vary at times when premises are predictably full or near capacity against those times when it is empty or at a lower capacity.
48. 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 premises represents the most appropriate variable to determine this aspect of scope within Martyn's Law proposals.
49. There were also other criteria proposed during consultation for defining inclusion within scope. The most commonly cited were:
 - The evaluated risk level of PLs and the likelihood of those locations being a target due to the nature of their operation (for example, faith sites);
 - The location of PLs; and
 - The type of events held at PLs.
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 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. Across both tiers, there must be measures relating to the procedures to be followed in the event of an attack to reduce the risk of harm to individuals at the premises or event, having regard to cost, capability and difficulty 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 about the response to an attack (were one to occur), with no (or minimal) adverse impact on the site's operation or people's experience. This principle remains true for all premises, but those responsible for larger premises and events will need to consider these procedures in addition to a wider range of CT measures.
54. Martyn's Law would establish a tiered requirements framework:
 - **Standard tier** – those responsible for standard duty premises will be required to take forward procedural measures which would reduce, to the extent that it is reasonably practicable, the risk of harm to the public in the event of a terrorist attack. These are considered to be simple steps to improve preparedness and response, including that there are procedures in place to warn people that an attack is taking place and they should evacuate, invacuate or lockdown

the premises. They are designed, with the support of guidance, to be low burden procedures which would help save lives and ensure that there is an appropriate response to an attack.

- **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 responsible persons to take forward an assessment of threat methodologies at their premises or event, put in place reasonably practicable CT measures and maintain a CT document, aided by an assessment of risks. In doing so, these premises would need to consider a range of mitigations and decide which are reasonably practicable to protect visitors and staff from a terrorist attack, by reducing the risk both of an attack occurring at the premises or event and of physical harm being caused.

55. The standard tier comprises smaller premises, which would in most cases likely have less capability and capacity to take forward significant security considerations. The approach proposed seeks to recognise this, but also that there are simple and low-cost procedural measures which can be undertaken at these premises which would ensure appropriate response arrangements were in place and so help save lives in the event of an attack.
56. The enhanced tier comprises premises and events of greater capacity, and so likely complexity, where the consequences of an attack are potentially more significant (than at smaller premises). Government considers that those responsible for larger premises can reasonably be expected to devote greater resources to protection against the risk of harm that arises from terrorism.

Responsible persons

57. The persons responsible for premises and events in scope will be liable for complying with the Bill's requirements and so, where there is a failing, to enforcement by the regulator. Those who have control of the premises or event will have responsibility.
58. It is expected that, in most cases, the responsible person for premises in scope will be a body corporate, partnership or other form of organisation but, in some circumstances, it may be an individual. For enhanced duty premises and qualifying public events, there may be other parties whose input is needed to put in place CT measures, such as where the responsible person is a tenant who needs the permission of an owner, and the Bill will seek to secure cooperation from such persons to deliver relevant requirements.

The Regulator

59. The regulator will be established, and its operational approach to inspection and enforcement developed, prior to commencement of Martyn's Law.
60. The core function of the regulator will be to check the compliance of premises with Martyn's Law, operationalised through a network of specialist inspectors. In line with the stated policy objectives, the regulator's role will be to:
 - a. Monitor, quality assure, and incentivise compliance (using sanctions where appropriate).
 - b. 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 paramount to successful implementation. 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. Analysis has shown that a typical inspection for a standard tier site will take around a day and a half, and take five days for enhanced tier sites. 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 between premises. 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 PLs and policing space, to promote an awareness of the legislation.
65. A regulator will likely need to do more than inspection to promote compliance with 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 effective security culture, a credible sanctions regime will also be required to be able to deal with rare but serious breaches effectively. It will be essential for persistent or serious breaches to be resolved 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 enforcement²⁶, 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 the Regulator to issue compliance notices to require responsible persons to take action to remedy non-compliance. To ensure the removal of financial gain from non-compliance, the Regulator will also be able to issue, variable monetary penalties. A maximum fixed penalty of up to £18 million or 5 per cent of worldwide turnover will be available for enhanced duty premises and qualifying public events (the fixed penalty). Where a person has been issued with a compliance or restriction notice, the regulator will be able to issue daily penalties, in addition to the fixed penalty (up to £500 for standard duty premises and £50,000 per day for enhanced duty premises or qualifying public events). A daily penalty will be incurred from the date on which the fixed penalty is due until the date the contravention is rectified or the notice is withdrawn by the Regulator. In all but the most serious cases, a civil monetary penalty is likely to be sufficient. However, in the case of the most egregious breaches criminal prosecution will be available for breach of a compliance notice or restriction notice in relation to enhanced duty premises and qualifying public events.

²⁶ 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 161 to 162 (paragraphs 8.85-8.92):
https://assets.publishing.service.gov.uk/media/60cc659fe90e07438f7af765/CCS0321126370-002_MAI_Report_Volume_ONE_WebAccessible.pdf

69. In exceptionally rare circumstances the Regulator will be able to issue a restriction notice to temporarily close enhanced duty premises or qualifying public event, or place restrictions on their activities (where this is considered necessary to protect public safety).
70. Martyn's Law will also create a limited number of new criminal offences to ensure the regulator is able to perform their duties effectively – for breaching an information notice, providing false or misleading information or attempting to obstruct the regulator.
71. To prevent private law claims being brought for breach of Martyn's Law alone, the Bill provides that a breach of the requirements is not actionable in civil proceedings.
72. Those subject to enforcement action will have a statutory right of appeal to the Tribunal.

Sensitive Information in Licensing Applications (SILA) proposals

73. The legislation also proposes to introduce the SILA protocol (by way of an amendment to the Licensing Act 2003) which will enable premises' plans held in public licensing registers to be appropriately modified for review by the public, to reduce the risk of misuse of sensitive information in the public domain. The Licensing Act 2003 extends to England and Wales only²⁷.

Government support

74. Government will develop statutory guidance to support responsible persons in fulfilling Martyn's Law's requirements. This guidance will encourage a positive security culture. Statutory guidance for Martyn's Law will detail how parties may comply with the requirements, including the need to co-ordinate 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 ProtectUK²⁸, an online platform for stakeholders, which will be an important tool for the effective delivery of support to all owners and operators of PLs, providing guidance and advice, training options and, engagement opportunities through webinars and forums.

Preferred option and implementation plan

75. **Option 2 is the government's preferred option** as it meets the government's objectives, is considered necessary to mitigate the terrorist threat, and has been designed with extensive stakeholder input.

Implementation plan

Commencement

76. The 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 Martyn's Law will play an important role in addressing this, alongside wider preparations necessary to engage and prepare responsible persons.
77. Government must ensure that the regulator is established prior to bringing the provisions into force, as this is the means by which compliance can be assessed and, where necessary, enforced.
78. 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 provisions of Martyn's Law will be commenced by regulations. It is the expectation these regulations will likely not be laid before 2025.

E. Appraisal

General assumptions and data

²⁷ Licensing law is devolved in Scotland and Northern Ireland

²⁸ <https://www.protectuk.police.uk/>

79. The following general assumptions and data are used in this impact assessment (IA) which follows the guidance set out in HM Treasury (2022) Green Book²⁹.
- 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,³⁰ at the 4-digit level for occupational earnings.
 - Eurostat, 2019, Labour costs and non-wage share of labour cost³¹.
 - Ordnance Survey mapping data³²,
 - Familiarisation costs, readingsoft.com

Assumptions for costing Martyn's Law

80. Timelines are dependent on external factors, but for appraisal purposes, the analysis uses a 10-year appraisal period running from 2025. For premises in scope, familiarisation costs are assumed to be incurred in 2025 with full compliance from 2026. This approach is an analytical simplification - in reality, Martyn's Law will come into place gradually and businesses and other organisations in scope will change behaviour to meet the requirements before compliance at the end of 2026 or the beginning of 2027 meaning costs will start to fall in 2026. All impacts are presented in 2024 prices and with a base year of 2025. This means the impact assessment has a 10-year appraisal period with 10 years of costs and benefits.
81. Within the IA, wage data from the Annual Survey of Hours and Earnings (ASHE) was used to look at the economic value of 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 PLs 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 cases³³. These wages were uprated to 2024 prices using the Treasury GDP Deflator where needed³⁴. Additionally, the wages were adjusted to consider the non-wage costs of employment, such as national insurance and pension contributions, this was an uplift of 22 per cent and is based on DBT and UK Government guidance, using Eurostat data³⁵. Adjusting for uprating and non-wage costs, the median wage in the modelling was estimated to be £19.67 per hour.
82. 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 Guidance³⁶. As this is a 2010 value, this was also uprated using the GDP deflator. This gives a value for leisure time of £6.36 per hour.

²⁹ 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

³⁰ Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 - Office for National Statistics (ons.gov.uk):

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digitsoc210ashetable14>

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

³² AddressBase Premium, Ordnance Survey: <https://www.ordnancesurvey.co.uk/business-government/products/addressbase-premium>

³³ 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>

³⁴ 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>

³⁵ https://ec.europa.eu/eurostat/databrowser/view/lc_lci_lev/default/table?lang=en

³⁶ Transport analysis guidance data book - GOV.UK: <https://www.gov.uk/government/publications/tag-data-book?msclid=704e7056af5f11eca55115e6448d83b9>. Market price value for "other" in Table A 1.3.1

83. The overall wage rate for PLs premises was calculated by the proportion of employees and volunteers at the average PLs premises, with the data on employees and volunteers coming from the survey of PLs. Within the enhanced tier, the proportion was 84 per cent employees and 16 per cent volunteers. This gives a weighted average estimated wage rate of £17.50 per hour. For sites in the standard tier, this wage rate was £16.11 due to higher proportion of volunteers.
84. 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 updated and adjusted for non-wage costs to give an estimated hourly cost of £29.34.
85. 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.
86. Within the research, it was found that PoW differ significantly from other PLs and thus they are considered separately from other PLs 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 PLs premises that are like PoW and have large amounts of volunteers, and which have similar characteristics to PoW. This may include premises that are run by charitable organisations or run by small and micro-businesses. However, due to a absence 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 PL.
87. 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

88. When looking at the possible impact of Martyn's Law, the capacity of UK PLs 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. Throughout we have used the minimum expected thresholds of the bill of 200 for the standard tier and 800 for the enhanced tier. These are used to show a maximalist approach to the costs, as if the thresholds are raised, the costs will fall.
89. Once the capacity of each premises was estimated, the scope of the policy was defined by the number meeting 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, Central Estimate

Sectors	Total Sites	Out of Scope	Standard tier	Enhanced tier
Education	32,523	7,834	24,689	0
Courts	346	305	40	1
Hotels	8,934	7,783	1,093	58
Places of Worship	48,362	15,039	33,323	0
Racecourses	61	0	0	61
Retail and Hospitality	776,405	675,791	84,617	15,997
Sports Facilities	29,979	18,996	8,124	2,859
Stadiums and Arenas	268	0	0	268
Visitor Attractions	13,538	10,107	1,871	1,561
Zoos and Theme Parks	386	0	0	386
GPs	8,170	8,156	14	0
Hospitals	1,921	0	0	1,921
Universities	271	48	43	180
Village Halls	6,414	5,604	809	1
Festivals	975	0	0	975
Total	928,554	749,662	154,623	24,268

Source: Home Office, own estimates, 2024.

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

90. Sensitivity analysis was conducted on the scope of Martyn’s Law, with the standard tier estimated to be between 123,900 and 177,000 with a central estimate of 154,600. 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 per cent for the higher estimates and decreased by 20 per cent for the lower estimate.
91. Throughout, it has been assumed that there is a constant number of premises, due to the absence of detailed and reliable data to indicate the growth or exit rate of each industry and how this might vary by capacity. This remains a key limitation of this analysis.
92. Ordnance Survey mapping data was used to model most buildings, including visitor attractions, retail and hospital premises, PoW and community halls³⁷. The floorspace of each building in the mapping data was combined with the maximum safe crowd density of the premises type in fire safety guidance³⁸ to estimate how many people could safely fit in the building. Some premises types used additional assumptions, like estimating the percentage of the building open to the public.
93. More direct metrics were used instead of the modelling where possible. The capacities of schools were estimated using Department for Education data on the pupil³⁹ and staff⁴⁰ numbers at each school, which is published for state schools and were obtained from the Department for independent

³⁷ AddressBase Premium - Ordnance Survey: <https://www.ordnancesurvey.co.uk/business-government/products/addressbase-premium>

³⁸ Fire safety Approved Document B, 2019 edition incorporating 2020 amendments, Page 140: <https://www.gov.uk/government/publications/fire-safety-approved-document-b>

³⁹ School Capacity, Academic Year 2020/21 - GOV.UK: <https://explore-education-statistics.service.gov.uk/find-statistics/school-capacity>

⁴⁰ School workforce in England, 2021 - GOV.UK: <https://explore-education-statistics.service.gov.uk/find-statistics/school-workforce-in-england>

schools. Hospitals use the number of beds⁴¹ and staff numbers⁴² from Public Health Scotland. Stadiums and arenas use seat numbers.

94. 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 UK⁴³ was then used to scale up the figures to the whole UK.
95. 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).
96. It is estimated that there are around 61,000 existing licensed premises in England and Wales have that are recorded as a 'Public House, Bar, Nightclub', 'Stadiums and Arenas', 'Licensed Private Members' Club' or 'Other Licensed Premises/Vendor'. All of these premises will be in scope of SILA. There is substantial uncertainty on the number of licensed premises that will wish retrospectively to apply to withdraw their premises' plans from public inspection. In the absence of more specific data and for the purposes of this appraisal, it has been assumed that between 420 and 1260 of eligible premises will retrospectively apply to get their premises' plans withdrawn from public inspection in the first year of this policy, with a central estimate of 840.
97. 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 Association of Independent Festivals which suggests there are 975 music festivals in the UK⁴⁴. 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.
98. 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.

Applications for SILA

99. 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 the year to 31 March 2022⁴⁵. In the absence 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.
100. As all licenced premises are assumed to be in scope of SILA, data from OS on the numbers of the following: Public House, Bar, Nightclub', 'Stadiums and Arenas', 'Licensed Private Members' Club' and 'Other Licensed Premises/Vendor' has been used. It is estimated there are 61,000 of these premises in the UK which are in scope of SILA and will need to be familiar with the legislation. For new applications, the data in paragraph 99 is used. In 2021/22 there were 8,886 applications for 'on-sales of alcohol' and 'on-and off sales of alcohol' (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

⁴¹ Beds, Hospital Care - Public Health Scotland: <https://www.isdscotland.org/Health-Topics/Hospital-Care/Beds/>

⁴² Official Workforce Statistics, NHS Scotland - Turas Data Intelligence: <https://turasdata.nes.nhs.scot/data-and-reports/official-workforce-statistics/all-official-statistics-publications/07-december-2021-workforce/dashboards/nhsscotland-workforce/>

⁴³ Health Care Resources : Hospitals - OECD: <https://stats.oecd.org/index.aspx?queryid=30182>

⁴⁴ 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>

⁴⁵ Alcohol and late night refreshment licensing England and Wales 31 March 2022 - GOV.UK:

<https://www.gov.uk/government/statistics/alcohol-and-late-night-refreshment-licensing-england-and-wales-31-march-2022>

establishments: ‘Public House, Bar, Nightclub’, ‘Stadiums and Arenas’, ‘Licensed Private Members’ Club’ and ‘Other Licensed Premises/Vendor’. The retrospective applications are estimated based on the number of higher risk premises which CTSA may contact to change their plans. This estimate is based on internal Home Office assumptions.

101. The annual number of new licence applicants that are in scope for the changes through SILA is estimated at 6,034 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	6,034	6,034	6,034

Source: Home Office estimates, 2023.

102. Making an application under the SILA legislation, which forms part of T(PoP), is voluntary. As there is no way of estimating how many businesses will comply with a fully voluntary scheme which will have financial costs for them, there is no estimate of SILA-related cost included here. However, the cost of SILA, if businesses were expected to have to comply, are expected to be between £79,600 and £132,600 with a central estimate of £106,100 (2024 PV). over a ten-year appraisal period.

Evidence

103. To support the appraisal and in addition to the public consultation, the Home Office conducted primary research with organisations that operate at PLs. The aim of this was to better understand what PLs 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.

The Home Office commissioned Agfora⁴⁶ and Plusfour⁴⁷ 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 or sites, capacity of site, region.
- b) Awareness of 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.

104. Results from the research have been used alongside other data sources, including the public consultation, to estimate proportions of PLs 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.

105. Research outputs have been treated with caution due to the sample of PLs 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-

⁴⁶ Agfora – Market Research: <https://agfora.com/>
⁴⁷ 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.

106. 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 understanding vulnerabilities, applying an assessment process and recording a CT document of their 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.

To validate results from the research, from the perspective of security managers and others from a range of PLs, the Home Office conducted a workshop with members of the CT Business Information Exchange (CTBIE)⁴⁸. 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

107. 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 24,300 premises would have a capacity above 800 and would be subject to the enhanced tier requirements (assessing and putting in place CT measures etc). The 154,600 premises estimated to have a capacity between 200 to 799 will be subject to standard requirements (terrorism preparedness procedures). Research was commissioned, to assess whether organisations did a risk assessment for terrorism, what terrorism related training was conducted and what CT 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

109. There will be a familiarisation cost to Martyn's Law, with one senior manager per premises⁴⁹ 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)⁵⁰. The estimated reading time was found by using a reading time calculator available online⁵¹, 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 2. It is possible that businesses in the standard tier have reduced familiarisation costs as they will not have to review any enhanced tier guidance however it is not possible to accurately quantify this difference.
108. 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 businesses may use

⁴⁸ 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 PLs business sectors and sector associations, and have the strategic and operational expertise to support, advise and amplify CTP's strategic approach in making Publicly Accessible Locations safer.

⁴⁹ 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.

⁵⁰ 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>

⁵¹ Speed Reading Test Online: <https://www.madeintext.com/reading-time-calculator/>

alternative resources such as the ProtectUK app⁵² 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)⁵³, but this is assumed to be covered in the time businesses take to do CT procedural measures 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 procedures and risk assessment sections, it has not been included in the familiarisation costs here.

Table 3: Familiarisation cost per site (£) and total (£ million), 2024 prices in year 0, 2024.

Estimate	No. of premises	Wage £ / hr	Time taken hrs (mins)	Cost per premises £	Total cost £m
Central	178,891	29.34	0.47 (28)	13.79	2.5
High	208,142	29.34	0.70 (35)	20.54	4.5
Low	141,693	29.34	0.42 (21)	12.32	1.7

Source: Home Office, own estimates, 2024.

109. The familiarisation costs are estimated in a range of **£1.7 to £4.5 million**, with a central estimate of **£2.5 million** (PV).

Familiarisation costs SILA

110. Individuals and organisations will need to become familiar with the change in legislation. Draft guidance for legislative change is estimated to be 1,000 words⁵⁴ however it may be shorter than this.

Local authorities

111. The ONS show that the median UK salary in 2020/21 was £31,300⁵⁵. This is assumed to increase by the rate of inflation as estimated by HM Treasury⁵⁶ to give £35,700 in 2024 prices. It is assumed that 355 local authority employees (one employee per authority)⁵⁷ read the legislative change and guidance at a speed of between 200 and 700 words per minute (wpm), with a central estimate of 400 wpm⁵⁸. This assumption is based on a judgment that one employee is likely to lead on the SILA process at each local authority. Familiarisation cost is estimated as:

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

112. Familiarisation costs for local authorities are estimated at between **£335 to £560**, with a central estimate of **£450** (2024 prices). Familiarisation costs for local authorities are expected only to have an impact in Year 1.

Businesses

113. Businesses choosing retrospectively to apply to withdraw their premises' plans from public inspection will also need to read the SILA business guidance and fill in a form to submit to local authorities. 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 local authorities and is expected to cost businesses between **£57,815 and £96,360** in the first year of the policy, with a central estimate of **£77,085** (2024 prices).

Counter Terrorism Security Advisors

114. Counter Terrorism Security Advisors (CTSA) 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

⁵² ProtectUK on the Apple App Store: <https://apps.apple.com/gb/app/protectuk/id1577233526>

⁵³ RPC short guidance note - implementation costs, August 2019 - GOV.UK: <https://www.gov.uk/government/publications/rpc-short-guidance-note-implementation-costs-august-2019>

⁵⁴ Home Office policy estimates, 2022.

⁵⁵ Employee earnings in the UK: 2021, ONS. Available here:

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

⁵⁶ GDP Deflator, HMT. Available here: <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

⁵⁷ Local government structure and elections - GOV.UK: <https://www.gov.uk/guidance/local-government-structure-and-elections>

⁵⁸ Words per minute estimates for paper and screen reading, Readingsoft. Available here: <http://www.readingsoft.com/>

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 (£69,640 in 2024 prices) total cost per FTE. The cost of reading the guidance is calculated in the same way as set out in paragraphs 111 to 112 and is expected to cost CTSAs between **£105 and £170** in the first year of the policy, with a central estimate of **£140** (2024 prices).

Training Costs Standard tier

115. The Bill does not explicitly prescribe the provision of staff training by firms operating either standard or enhanced duty premises. However, putting in place the procedural measures required at such premises, to ensure more general compliance with Martyn's Law measures, will require appropriate training to take place, in order for those procedures to be implemented effectively. This will depend on how "reasonably practicable" it is for premises in the standard tier consider training is as well.
116. The training cost for staff at Standard tier 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).*
117. 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 PLs premises time, per hour, of £16.11 for all non-PoW PLs and £7.81 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 2024 prices according to the GDP deflator and have been uplifted by 22 per cent to reflect non-wage costs as well.
118. Knowing the cost to PL premises for an hour of lost time, the overall cost of training can be estimated, both to individual premises and for Martyn's Law. To estimate this, it is assumed that in the standard tier, 10 per cent of staff⁵⁹ at premises will undergo 1 hour of counter terrorism (CT) related training per year as part of ensuring that appropriate procedures are put in place. 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 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 training comes from the research commissioned in Jan to Feb 2022. The inputs used in the central, high, and low scenario are shown in Table 3.
119. The cost of training is assumed to not be financial, there is no prescribed format requiring the use of particular resource and some training material will be provided for free through the ProtectUK function and through CTP's and NPSA's existing training. It is assumed that all sites will take up the offer of free training material. 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.

⁵⁹ This is an internal Home Office assumption

Table 4: Low central and high inputs used to calculate the cost of training, 2024.

Scenario	Central	High	Low
Proportion of Staff that carry out Terrorism Related 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 already carry out Training (excl POWs)	25%	19%	32%
Proportion of Businesses who already carry out Training (POWs only)	20%	15%	25%

Source: Home Office, own estimates, 2024.

120. The scope modelling estimates that approximately 121,300 non-PoW PLs are in the standard tier of Martyn’s Law and that a further 33,300 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 £24.4 million and £112.1 million with a central estimate of £58.1 million (PV)**. The cost of the central scenario is laid out in Table 4 below.

Table 5: Training cost in year 1 of implementation, to 10 per cent and 90 per cent, (vol, %, £, £ million) 2024.

Type of PL	Estimated number of premises	Value of time	Number of staff	Percentage already undertaking Training	Cost of 10% of staff doing training	Cost of preparing cascade material	Cost of training being cascaded to 90% of staff	Total cost	Per premises
Units		(£)			(£m)	(£m)	(£m)	(£m)	(£)
Non-PoW	121,300	16.11	119.1	25	16.8	3.4	33.7	53.9	444
PoW	33,300	7.81	55.1	20	1.1	1.0	2.1	4.2	126
Total								58.1	

Source: Home Office, own estimates, (£ 2024 prices) 2024. May not sum due to rounding.

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

Training Costs Enhanced Tier

121. The training cost for enhanced tier was worked out using the same approach and methodology as for the standard tier, as explained at paragraphs 115 to 120.
122. To estimate the time taken it is assumed that 10 per cent of staff at premises will undergo three hours 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 cascade⁶⁰. For premises which are already doing terrorism related training, 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 terrorism related training comes from the research commissioned in Jan to Feb 2022.
123. 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.
124. The scope modelling estimates that there are approximately 24,300 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 £5.9 million to £50.3 million with a central estimate of £18.8 million (PV)**. The central cost estimate is presented in Table 6.

Table 6: Training cost in year 1 of implementation, to 10 per cent and 90 per cent, (vol, %, £, £ million) 2024.

Type of PL	Estimated number of premises	Value of time)	Number of staff	Percentage already undertaking Training	1. Cost 10% staff do training	Cost of preparing cascade material	2. Cost cascaded training to 90%	Total cost	Cost per premises
Unit		£ / hr		%	£m	£	£m	£m	£
Enhanced	24,300	17.50	182.6	68	7.2	298,000	11.2	18.8	775

Source: Home Office, own estimates, (£ 2024 prices) 2024.

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

CT Procedures Planning Standard Tier

125. Another feature of the standard tier is the expectation that premises will have procedural measures in place, meaning taking appropriate measures to ensure that they clearly set out what the premises 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 121,300 non-PoW premises and 33,300 PoW premises.
126. The cost of procedures was estimated using the following methodology:
(the average wage rate, £/hr x non-wage uplift, %) x (number of staff, n (both paid and unpaid) x proportion of premises not already doing procedures, %) x time taken to set out procedures (hrs).
127. It is assumed that the act of planning the procedural measures 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 £29.34 per hour, uprating to 2024 prices and including a 22 per cent uplift to reflect non-wage costs.
128. It is assumed that in the standard tier, CT procedure planning would take 6 hours for a senior manager both to produce and sign off the planning of the procedural measures, with a further 3

⁶⁰ Internal Home Office Assumption

hours of time for a junior manager to assist. This assumption is based on case studies of similar assessments at similar sites undertaken by CTP. This means the planning of procedures is associated with 9 hours of managerial time. It is assumed for both PoW and non-PoW PLs have the same managerial wage rate of £26.39 per hour.

129. There is also a cost to make sure all employees and volunteers are aware of the procedures and know what to do in case of a terrorist attack. This awareness raising and keeping staff aware of the correct procedures is assumed to take 15 minutes and is applied to all employees aside from the two who complete the planning of the procedures. The wage rate per hour of £16.11 for all non-PoW PLs and £7.81 for all PoW is used for this calculation.
130. Using these assumptions, the set up cost of CT Procedures can be estimated to be between **£24.7 million and £112.1 million with a central estimate of £58.1 million (PV)**. As with the training costs in the standard tier, these costs are incurred in 2026. The details of the central cost estimate are shown in Table 7.

Table 7: Cost of CT Procedures in the first year of implementation, (vol, %, £, £ million) 2024.

Type of PL	Estimated number of premises	Value of time (£)	Percentage of Premises that Complete Procedure Planning Already	Hours taken for CT Procedure Planning	Hours taken to cascade procedures to staff	Cost of CT Planning and Cascade (£m)	Per premises cost (£)
Non-PoW	121,300	29.34	43%	9	0.25	49.5	408
PoW	33,325	29.34	27%	9	0.25	8.6	259
Total						58.1	

Source: Home Office, own estimates, (£ 2024 prices) 2024.

Risk Assessment Enhanced

131. It is expected that premises will need to undertake a comprehensive assessment of the risk from terrorism, to consider how it may impact their premises, visitors and staff so as to assess what reasonably practicable 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.
132. The research indicated, the staff required to complete these is 7.5 staff. It is estimated the risk assessment will take a similar time to Management of Health and Safety at Work Regulations which were assessed to take 4 hours to complete⁶¹. This gives an expected FTE cost of 30 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.
133. Unlike the standard tier, it is not assessed that details of all relevant measures will be cascaded to all staff. This is due to enhanced tier sites being more likely to have specialist staff who will handle the risk assessment and mitigation process. Additionally, some of this cost will be covered in the CT Intervention section.
134. The overall cost of CT risk assessments is shown in Table 8. The risk assessment / planning cost is estimated in a range of **£9.0 to £28.9 million (PV)**, with a central estimate of **£17.1 million** (2024 prices).

⁶¹ RR 174 - Costs of compliance with health and safety regulations in SME's (hse.gov.uk): <https://www.hse.gov.uk/research/rpdf/rr174.pdf>

Table 8: CT risk assessment cost in year 1 of implementation, (vol, %, £, £ million), 2024

Type of PL	Number of premises	Value of time	% premises that do not complete planning already	CT Risk Assessment time	CT Risk Assessment cost	Cost per premises
		£ / hr	%	Hrs	£ million	£
Non-PoW	24,300	29.34	83	30	17.1	706
Total					17.1	

Source: Home Office, own estimates, 2024.

CT Intervention Costs

135. 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 90 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 reasonably practicable 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.
136. 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 Counter Terrorism Business Information Exchange to assess whether the proportions were logical and presented a representative view of the organisations that would be in scope.
137. To assess the cost of the interventions within organisations, work was done with stakeholders in NPSA (National Protective Security Agency) and CTP to understand the possible cost as well as other data on 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 premises, to low profile interventions such as trauma first aid kits costing £60⁶². 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 which 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.

⁶² 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/>

Table 9: CT interventions cost, £ million, and research results (%), 2024.

CT intervention	% of premises that would implement (central scenario)	% of premises that would improve (central scenario)	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	0.3	1.3	0.6
Physical security measures	0	18	1.9	5.9	4.7
Security guards	6	11	27.2	405.9	120.5
Security control rooms	5	12	8.2	39.7	19.8
HVM Barriers	6	17	44.7	216.7	108.2
CCTV	2	15	1.0	4.7	2.4
Engagement with CTSA and Police	9	6	1.1	2.0	1.0
Panic buttons	15	8	1.2	15.5	4.9
Walkie talkies	5	2	0.5	2.6	2.0
Policy for suspicious items	6	8	0.0	0.2	0.1
Trauma first aid kits	6	22	0.7	3.1	1.5
Communication plans	12	12	0.1	0.7	0.4
Police intervention plans ⁶³	22	9	0.2	0.9	0.4
Business continuity plans ⁶⁴	12	15	0.6	2.7	1.4
Total cost, £ million			87.6	701.8	267.9

Source: Home Office, own estimates, 2024.

138. The CT intervention costs to organisations are estimated in a range of **£87.6 to £701.8 million**, with a central estimate of **£267.9 million (PV)** in year 1 only.

Regulator Set-up costs

139. 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.

140. The cost provided in this IA shows the cost of a regulator set up. These costs are given at a high level and will be refined through the business case process internally at the Home Office. All costs have been discounted in accordance with HMT Green Book guidance.

141. 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 in the enhanced tier per year⁶⁵, for the standard tier it is assumed to be between 0.75 per cent and 1.25 per cent with a best estimate of 1 per cent. This is broadly consistent

⁶³ A police intervention plan is where premises work with local police forces to address how best for the policy to respond to incidents in the premise, gain access and contact key team members.

⁶⁴ A business continuity plan (BCP) is a system of prevention and recovery from potential threats to a company. The plan ensures that personnel and assets are protected and are able to function quickly in the event of a terrorist incident.

⁶⁵ Internal Home Office Assumption

with how many premises Fire and Rescue Services (FRS) inspect per year⁶⁶. For each inspection of an enhanced tier premises, it is assumed that on average it will take an inspector three days on premises 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). For a standard tier site, it is assumed that on average it will take an inspector between 7.9 and 13.1 hours, with a best estimate of 10.5 hours to complete an inspection. As with the enhanced tier, it is assumed 60 per cent of this time is spent at the site.

142. In addition to the in-person inspections, enhanced sites will also have their CT documents and these will be scrutinised by the regulator. This area of inspection and review will take place off site and will have no burden to business but will require between 1.5 and 2.5 hours with a best estimate of 2 hours for enhanced premises, and 0.75 and 1.25 hours with a best estimate of 1 hour for standard tier sites. It is expected that 1 per cent of standard tier premises will have their procedural measures reviewed per year, with between 25 per cent and 42 per cent of enhanced tier CT documents being reviewed, with a central estimate of 33 per cent.
143. Using the expected time per inspection and number of in-person inspections per year (2,920) and the number of reviews supplied to the regulator (10,870), the number of inspectors needed can be estimated to be between 20 and 92 with a central estimate of 48.
144. The salary for an inspector is estimated to be £31,803, with non-wage costs creating a total cost of £46,519. 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 internal assumptions around how the regulator will run and what grades these staff will be⁶⁷, and gives an additional staff of 35 to support the inspectors. The cost of these additional staff is also estimated using an internal Home Office staff cost model. For non-staff costs, HSE data is also used to estimate the possible non-staff costs (such as a building and IT costs)⁶⁸. The inspectorate set up is assumed to take until the end of 2026. This gives an estimated set-up cost between **£1.8 and £1.8 million with a central estimate of £1.8 million (PV)**.
145. 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 system 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. The court will also have a £35,000 a year cost for its first year of operation (2025). Adjusting for the costs that occur in 2025 and 2026, the cost of setting up the court is estimated to be **£46,101 (PV) in all scenarios**.

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

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

Local authorities

146. There will be a cost to local authorities relating to the administrative burden of removing premises 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.
147. It is assumed that between 420 and 1,260 businesses with a central estimate of 840 businesses will apply to withdraw their premises plans retrospectively in Year 1. This is estimated to cost local authorities between **£0.02 to £0.05 million**, with a central estimate of **£0.03 million** (2024 prices). As these costs are fees and a transfer, they are not included in the NPSV for this measure.

⁶⁶ 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>

⁶⁷ Internal Home Office Assumptions

⁶⁸ HSE Annual Report and Accounts 2022/23 (publishing.service.gov.uk):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1171135/hse-annual-report-and-accounts-2022-2023.pdf

Businesses

148. This policy will lead to an additional cost to businesses in terms of application fees if they choose to apply to withdraw their premises plans retrospectively from public inspection following the introduction of this measure.
149. It is assumed that between 420 and 1,260 businesses with a central estimate of 840 businesses will apply to withdraw their premises plans retrospectively in Year 1.
150. 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** (2024 prices). As these costs are fees and a transfer, they are not included in the NPSV for this measure.
151. The form that businesses will need to fill in retrospectively to apply to get their premises plans removed from public inspection is expected to be 100 words long⁶⁹. As per the estimates for the number of businesses applying retrospectively to withdraw their premises 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

152. 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 £159.2 million and £1.05 billion with a central estimate of £439.7 million (PV)**.

Ongoing costs

Training Standard

153. Within the standard tier training on relevant procedures is expected to be refreshed on a two-yearly basis, although premises can choose to structure this training differently, for example, to ensure new starters in relevant roles 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 paragraphs 115 to 120 The ongoing cost of training is estimated to be **between £82.5 million and £381.3 million with a central estimate of £196.3 million (PV)**.

Training Enhanced

154. It is expected that businesses in the enhanced tier will undertake training on relevant CT measures and refresh this 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 the set up costs. The ongoing cost of training is estimated to be **£20.0 to £170.0 million with a central estimate of £63.5 million (PV)**.

CT Procedures Standard

155. The ongoing cost for CT procedure planning in the standard tier come from the expectation that sites refresh review their procedures every year. It has been assumed that the time taken to plan their procedural measures is halved after the set-up year, as past procedural measures can be used as a basis for those in the future. This means the time taken to plan is estimated to be 4.5 hours with a low to high range of 3.4 to 5.6 hours. It is also assumed that the time taken to cascade is halved as staff are familiar with plans from the previous year. The ongoing cost of CT procedure planning is estimated to be between **£84.8 million to £385.5 million with a central estimate of £199.8 million (PV)**.

⁶⁹ Home Office policy estimate 2022.

Risk Assessments Enhanced

156. The ongoing cost for CT risk assessments for the enhanced tier come from the assumption that sites will 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 15 hours with a low to high range of 11.25 to 18.75 hours. The ongoing cost of risk assessments is estimated to be between **£30.8 million to £99.2 million with a central estimate of £58.9 million (PV)**.

CT intervention maintenance

157. The CT interventions (reasonably practicable CT measures) 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 **£191.1 million to £2,808.9 million with a central estimate of £837.8 million (PV)**.

Regulator ongoing costs

Ongoing running cost

158. Running the regulator is an ongoing cost to the government, including paying for the inspectors, other staff and non-staff costs. The on-going costs were estimated in a similar way to paragraphs 139-145. The running costs of the regulator are assumed to be constant over the ten-year appraisal period. The ongoing running cost are estimated to be between **£28.7 and £66.3 million with a central estimate of £44.8 million (PV)**.

Ongoing cost to business

159. 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 £29.34 per hour. Using the hours of inspections per year (14,272-101,890 with a central estimate of 43,050) and wage rate (£29.34), the cost to business from hosting inspections is estimated to be between **£2.2 and £16.5 million with a central estimate of £6.8 million (PV)**.

Ongoing sanction costs

160. The regulator can levy a monetary penalty for non-compliant sites. This is likely to be an infrequent measure, with the maximum penalty in relation to enhanced tier premises and qualifying public events being £18 million or 5 per cent of global turnover, whichever is larger (with the possibility of further daily penalties for continuing breaches). Using FRS data on prosecutions as a proxy, it is estimated that 0.2 per cent of premises inspected will receive a monetary penalty. It is estimated there will be between 1 and 4 civil monetary penalties per year, with a central estimate of 3. 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 fine and the average fine for the standard tier is based on the maximum value of £10,000 (low value of £7,500 and high value of £10,000) due to lack of detail on the fining regime for the standard tier. The amount of monetary penalties over the appraisal period is **estimated to be between £1.2 million and £5.6 million with a central estimate of £2.8 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.

161. The regulator has the ability to give out compliance notices and restriction, notices (enhanced tier premises and qualifying public events only). The number of compliance 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 that the number of compliance notices is estimated to be between 15 and 36 per year, with a central estimate of 25 per year. The number of restriction 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 restriction notice per year, with this remaining the same in the high, low, and central scenario.

162. Qualifying public premises and events will be able to appeal regulator 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 compliance 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 uprated to 2022 prices to give an estimated cost of £3,138 (in 2024 prices). It is estimated that between 2 and 5 monetary penalties are appealed each year, with a central estimate of 3.5 monetary penalties 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.
163. There are criminal offences for breach of a restriction notice or compliance notice (in relation to enhanced tier premises and qualifying public events) and this may lead to prosecutions. Estimates have been modelled on offences prosecuted and tried under the Health and Safety at Work Act 1974, with a median taken for all data based on the previous 10 years. Assuming that all those who are given a restriction notice and those who are given a monetary penalty in addition to a compliance notice 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 0.07 and 0.12 custodial sentences per year with a central estimate of 0.09.
164. The average sentence from breaches of compliance and restriction notices is based on the HSA 2005 with the average sentence being 8.3 months. This gives an estimated time in custody of between 0.4 months and 1.2 months with a central estimate of 0.8 month at an estimated cost of £1,260, £5,845, and £2,990 respectively.
165. Martyn's Law will create further 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 obstruction of 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;*
 - *138- Offences involving impersonation, giving false or misleading information, failing to supply information⁷⁰.*
166. 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 cent. This estimates an additional four to seven offence per year with 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.
167. **The estimated ongoing CJS cost for Martyn's Law is estimated to be between £1.6 million and £4.0 million with a central estimate of £2.1 million over the 10-year appraisal period.** This

⁷⁰ [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)

includes the court time cost, court running costs and appeals against any penalties the regulator issues.

Total on-going Regulator costs

168. **The estimated on-going cost of the Regulator is between £32.3 million and £85.8 million with a central estimate of £53.2 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

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

Businesses

170. It is assumed that there will be some ongoing costs for new businesses that apply for SILA. For new businesses setting up a licensed premises, the SILA guidance will form a small part of the wider information and guidance that will be read, placing minimal additional burden on business. Similarly, the time taken to fill in the form for SILA will be small in the context of the entirety of the application for a new licensed premises. This means the estimated time cost for a single site has been estimated at between 1.7 and 5 minutes with a central estimate of 2.5 minutes. With 6,034 applications expected each year and the average wages rates used in paragraph 111, **it is estimated the on-going cost of SILA to business will be between £69,602 and £116,003 with a central estimate of £92,802.**

Total ongoing costs

171. 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 £436.5 million and £3.90 billion with a central estimate of £1.39 billion (PV).**

Total costs

Total cost of Martyn's Law

172. Combining 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 **£596 million and £4.94 billion with a central estimate of £1.83 billion (PV).**

Benefits

173. 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.

174. 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 security culture, and the difficulty in monetising security benefits. This difficulty in monetising is due to absence of evidence on the effectiveness of Martyn's Law and the procedural and CT measures it requires as well as difficulty in estimating the possible scale and impact of future terrorism.

175. 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.

Monetised benefits

176. 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 NPSA lists a reduction in crime as one of the main benefits of HVM⁷¹, 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.
177. Additionally, in academic literature physical security has been proven to reduce crime levels⁷². Academic literature finds that the presence of CCTV cameras can reduce several crime types by 14 per cent.⁷³ Areas with Neighbourhood Watch experience 26 per cent less burglaries compared to areas without⁷⁴. This means that the increased levels of physical security at premises should reduce the occurrence of crime in and around these.
178. 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, 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.
179. 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 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.
180. 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 under Martyn's Law. 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 90 per cent of premises already have CCTV based on the research. There are an estimated 24,000 premises in scope.
181. The number of crimes committed for the crime types mentioned above is found from the Commercial Victimization Survey (CVS)⁷⁵. 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 PLs 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 PLs 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 PLs. From this incidence rate, the estimated number of crimes occurring at premises was calculated. Although the incidence rate

⁷¹ <https://www.cpni.gov.uk/resources/cpni-hvm-schemes-high-street>

⁷² Safer Street Fund – Crime prevention toolkit (College of Policing, 2022): https://assets.college.police.uk/s3fs-public/2022-03/SaferStreets_toolkit.pdf

⁷³ 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

⁷⁴ Effectiveness of Neighbourhood Watch in Reducing Crime (Bennett et al., 2008): https://bra.se/download/18.cba82f7130f475a2f1800024107/1371914733781/2008_effectiveness_neighbourhood_watch.pdf

⁷⁵ 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>

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.

182. The monetised impact can be calculated using the Economic and Social Costs of Crime (ESCC)⁷⁶, with values for Commercial Crimes being available within the document and then uprated to 2024 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.
183. There are indirect benefits to society from reducing crime, which are 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.
184. 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.

Table 10: Impact of crime reduction per year, central scenario (vol, %, £ and £ million (PV) in 2025) 2024.

Crime type	No. premises crimes / yr	Cost of crime to business, £, 2024	Cost of crime to society, £, 2024	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	7573	5,946	3,542	Security guards	6	26	678,600	404,300	1.08
Commercial theft	278549	652	307	CCTV	2	14	491,400	231,200	0.72
Commercial robbery	17828	10,255	5,984	CCTV	2	14	494,600	288,600	0.78
Theft from a commercial vehicle	903	1,867	230	CCTV	2	14	4,600	600	0.01
Total benefit (PV)									2.6

Source: Home Office, own estimates, 2024.

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

185. The benefit to business is estimated to be between **£5.4 million and £26.3 million with a central estimate of £13.1 million (PV)**. The benefit to society is estimated to be between **£3.0 million and £14.6 million with a central estimate of £7.3 million (PV)**. These are both indirect benefits and therefore are not included within the EANDBC calculations but are included in the NPSV calculations.
186. **The total benefit from these reductions in crime is estimated to be between £8.4 million and £40.9 million with a central estimate of £20.4 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

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

crime. Additionally, the use of Neighbourhood Watches as a proxy for security guards likely underestimates 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 £20.4 million.

Total monetised benefits

187. 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 **£8.4 million to £40.9 million with a central estimate of £20.4 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

188. 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 terror.

189. 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

190. 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 measures, procedures and plans, and showing compliance with requirements to reduce the risk of harm. This benefit will accrue due to the greater consideration of how terrorism can affect those visiting PLs and the appropriate mitigations being put in place to reduce the potential risk.

191. Mitigations that responsible persons may consider implementing in response to assessed risk and vulnerability will differ for each premises within scope, and may include physical security capabilities, policies and processes relating to security practices, and behavioural security activities that seek to deter or detect suspicious behaviours and hostile activity.

192. Previous protective CT 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 harm⁷⁷.

193. Beyond these protective CT 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"*⁷⁸.

194. Efforts to improve the preparedness of PLs will likely help to reduce the number of deaths and injuries from terror attacks, should PLs be the targets 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, 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 ESCC⁷⁹. Removing the sections of the cost that are not relevant to terrorism (costs in anticipation of crime and cost in

⁷⁷ Westminster crash: Raids after suspected terror attack: <https://www.bbc.co.uk/news/uk-45189831>

⁷⁸ Mediating the social and psychological impacts of terrorist attacks: The role of risk perception and risk communication, M Brooke Rogers et al (2007)

⁷⁹ 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

response to crime) and uprating to 2024 prices, the minimum economic cost of a death due to terrorism can be estimated to be £3.0 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, and 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 £14,500. 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 the Manchester Arena attack in 2017.

195. 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 estimating how Martyn's Law would change or influence these 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 2005 and July 2023, 99 people have died in 24 terror attacks in the UK⁸⁰. Using the minimum economic cost due to a death from terrorism in paragraph 194 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 **£299.6 million (2024 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 injured⁸¹, and it does not include the indirect impacts of attacks.
196. The Home Office has also estimated the direct economic cost of the five of the attacks which occurred in the UK in 2017. **The total direct cost of these five terrorist attacks is estimated to be £196.4 million (2024 Prices)**⁸². This direct cost estimate includes the first-order costs incurred by society that are directly attributed to the attack, including the cost from: casualties, emergency services, property damage, civil justice and courts, and local council. Martyn's Law would apply to 2 of the 5 locations attacked in 2017: Manchester Arena (22 deaths) and London Bridge/Borough Market (8 deaths). The precise effectiveness of Martyn's Law cannot be estimated in preventing death or injury at both these attacks and therefore the amount Martyn's Law could have reduced the cost cannot be estimated.
197. 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 / mindedness⁸³

198. 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. This is based on an organisation:
- a. Understanding the range of threats which could impact on its premises, assets, services.
 - b. Minimising risk 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.

⁸⁰ CP 903 – CONTEST: The United Kingdom's Strategy for Countering Terrorism 2023 – July 2023 (publishing.service.gov.uk): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1171084/CONTEST_2023.pdf

⁸¹ The estimated cost of those injured in these attacks has not been calculated as the categories of injuries is not available within terrorism related datasets.

⁸² Annex D: estimating the cost of terrorist attacks - GOV.UK: <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2023/annex-d-estimating-the-cost-of-terrorist-attacks> Uprated to 2024 prices by the Home Office using GDP deflators

⁸³ Developing Security-Mindedness | CPNI: <https://www.cpni.gov.uk/developing-security-mindedness-approach>

- d. Responding effectively to any incidents or breaches and identify and implement measures to reduce potential reoccurrence.
199. 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.
200. 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.
201. 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 greater cost consequences to address them. This should benefit business through a reduction in their security costs. This cannot be monetised due to considerable 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.
202. 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*"⁸⁴.

Improved reach and engagement with government advice and communications

203. The government approach to stakeholder engagement and advice provision regarding terrorist threats and their mitigation is delivered primarily by staff within CTP and the NPSA (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.
204. 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 2019⁸⁵ 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.
205. Two of the simplest and least burdensome expectations of owners and operators of PLs, 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).
206. 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 ProtectUK⁸⁶ has been well received by business.

⁸⁴ 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

⁸⁵ Future Protect Research, June 2019. 550 Organisations surveyed.

⁸⁶ <https://www.protectuk.police.uk/>

207. 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 needed 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

208. 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.

209. 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 CT procedure planning and risk assessment. 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

210. 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.

211. 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 effect⁸⁷. 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 indirectly⁸⁸. 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 coverage⁸⁹.

212. 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.

213. Martyn's Law aims to reduce this harm to society, through reducing the impact of attacks through protective CT 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.

214. First, as detailed in the preceding section, some of the measures that premises may adopt to reduce the risk of terrorism can actively save lives in the case of an attack. These are broad measures,

⁸⁷ 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

⁸⁸ 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)

⁸⁹ 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=fglc20>

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.

215. 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 CT 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.
216. **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.

Transfers

SILA transfers

217. Each application retrospectively to withdraw a premises 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 local authorities 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 to local authorities, it is considered a transfer cost, and has been excluded from the NPSV for this policy⁹¹.

Monetary penalty transfers

218. 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 penalties are estimated to be between **£1.2 million and £5.6 million with a central estimate of £2.8 million (PV)**.

NPSV, BNPV, EANDCB

219. The total cost lies in a range of **£595.6 to £4,943.8 million (PV)** over 10 years with a best estimate of **£1,834.5 million (PV)** over 10 years. The total benefit lies in a range of **£8.4 to £40.9million (PV)** over 10 years with a best estimate of **£20.4 million (PV)** over 10 years.
220. The Net Present Social Value (**NPSV**) of the policy is estimated in a range of **-£554.7 million to -£4,935.4 million**, with a central estimate of **-£1,814.1 million** over 10 years. The majority of the cost falls to business. The Business Net Present Value (**BNPV**) is estimated to be in a range of **-£563.4 million to -£4,871.6 million**, with a central estimate of **-£1,785.8 million** over 10 years. The equivalent annual net direct cost to business (**EANDCB**) lies in a range of **£65.5 million to £566.0 million**, with a central estimate of **£207.5 million** over 10 years.

⁹⁰ Terrorism and Probability Neglect on JSTOR: <https://www.jstor.org/stable/41755012>

⁹¹ The local authority 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 local authority of providing the service.

Table 11: Summary of cost, benefit, NPSV, BNPV and EANDCB over 10 years, £ million, 2024.

	Low	Central	High
Set-up cost	159.2	439.7	1048.3
Ongoing cost	436.5	1394.8	3895.5
Total cost	595.6	1,834.5	4,943.8
<i>Business cost</i>	<i>563.4</i>	<i>1,785.8</i>	<i>4,871.6</i>
<i>Average cost/year</i>	<i>56.3</i>	<i>178.6</i>	<i>487.2</i>
Ongoing benefit	40.9	20.4	8.4
Total benefit	40.9	20.4	8.4
<i>Business benefits</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Average benefit/year</i>	<i>0</i>	<i>0</i>	<i>0</i>
NPSV	-554.7	-1,814.1	-4,935.4
BNPV	-563.4	-1,785.8	-4,871.6
EANDCB	65.5	207.5	566.0

Source: Home Office, own estimates, 2024.

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)

221. For a policy to be considered value for money (VfM), its benefits (monetised and non-monetised) must be expected to exceed its costs (monetised and non-monetised), and it is required to meet its strategic and policy objectives.
222. **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 PLs. **Option 2** accomplishes this with a highly negative net present social value (NPSV) of **-£1.8 billion**, whereas **Option 1** does not achieve any of these objectives. By not meeting any of the objectives **Option 1** 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**.
223. While **Option 2** has a highly negative NPSV, there has been a full assessment of the costs, benefits (both monetised and non-monetised over the whole life of the policy) and its risks. 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. This is because it is harder for businesses to fully identify losses to productive time compared to financial costs and therefore these costs may not be passed on.
224. The benefits of Martyn's Law largely depend on the future trends of terrorist behaviour and are by their nature uncertain, meaning that estimating a full benefit-cost ratio (BCR) for **Option 2** 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 social welfare.

225. **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

226. As Martyn's Law is being applied across the UK and based around the capacity of PLs 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 mitigating the risk of terrorism through their own risk assessments. This should mean that costs are proportionate to the nature of the premises and the assessment process, and thus the impact will be similar across the country.

227. 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.

228. 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

229. 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 PLs 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 PLs 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 PLs 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.

230. 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 PLs which would be impacted by Martyn's Law. This is tied with work commissioned for Martyn's Law.

231. 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 PLs whilst maintaining the highest benefit for the public.

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

G. Risks

232. 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 PLs has been estimated using reliable data from OS and other sources, the estimate of an individual premises' capacity places a large degree of risk on the scope calculations. This is because scope was estimated through floorspace, which may not reflect premises 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. It has also been assumed that there is a constant number of premises, due to the absence of detailed and reliable data to indicate the growth or exit rate of each industry and how this might vary by capacity. 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.
233. 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 PLs 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 PLs 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.
234. 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.
235. 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 an absence of evidence and were subject to sensitivity analysis to identify their effect on the results.
236. There is an analytical risk that the estimated time it will take CTsAs to assess a SILA application and local authorities to withdraw existing premises plans from the public domain is under-estimated.
237. 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 guidance on the amount of training recommended may increase over time. 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

238. To best understand the risks from the main assumptions used in the analysis, this section varies each of the major assumptions or variables to produce upper and lower bound estimates of the costs.

This flexing of key variables allows for a better understanding of the full potential range of impacts that could occur. The varying of the three variables (PL capacity, security practices and time and costs) has been done individually to understand whether assumptions in these areas have an outsized influence on results. Scope was varied by 20 per cent as opposed to 25 per cent in the other two variables as there is a greater confidence in the capacity estimates. Within the overall scenario, all variables are varied (PL capacity, security practices and time and costs) to show the possible minimum and maximum scenarios for the impacts. These maximum and minimum scenarios help 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 and NSPV, £ million 2024 Prices, 2024 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 premises observed in the data was varied to account for this uncertainty. Each premises' 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	786,665	749,662	720,606
In scope (standard and enhanced)	141,693	178,891	208,142
Illustrative EANDCB, £ million	154.8	207.5	272.6
Illustrative NSPV, £ million	-1,328.4	-1814.1	-2382.1
2. Research results for premises' security practices			
The Home Office commissioned primary research with PLs 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 terrorism related training (%)	15	32	49
Premises who don't carry out CT planning or risk assessments (%)	79	83	87
Number of staff per premises	115	153	191
Number of unpaid staff per premises	22	30	37
Illustrative EANDCB, £ million	183.0	207.5	238.9
Illustrative NSPV, £ million	-1,579.0	-1814.1	-2095.5

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 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).			
Assumption	Lower	Central	Upper
Time taken to do CT risk assessment per year, hrs	22.5	30	37.5
Length of training (enhanced tier), hrs	2.25	3	3.75
Time spent preparing training materials, hrs	1.5	2	2.5
Time spent cascading information, hrs	0.13	0.17	0.21
Time to read new security guidance, hrs	0.35	0.47	0.59
Illustrative EANDCB, £ million	116.9	207.5	426.4
Illustrative NSPV, £ million	-1003.0	-1814.1	-3,699.1
Overall Sensitivity Analysis			
For the overall 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	65.5	207.5	566.0
Illustrative NSPV, £ million	-554.7	-1814.1	-4935.4

Source: Home Office, own estimates, 2024.

239. As seen with all of the sensitivity analysis, varying the key assumptions has a large effect on the NSPV and the EANDCB. This is most extreme in the overall scenario where all assumptions are varied. In all scenarios, the NSPV remains highly negative, with the difference between the high and low scenarios being as large as £4.3 billion in the overall scenario, showing the high degree of uncertainty in the analysis.

H. Direct costs and benefits to business calculations

240. 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 2024 prices and 2025 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	417.8	1286.9	3468.2
Total benefit	28.7	14.3	5.9
Business Net Present Value	-376.7	-1243.5	-3413.7
Net direct cost to business per year	45.9	145.5	397.0
BIT Score	229.6	727.7	1985.1

Source: Home Office, own estimates, 2023.

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

Small and Micro Business Assessment (SaMBA)

Introduction

241. As explained in guidance from the RPC⁹³, the default position is to exempt Small, Micro and Medium Businesses (SMMBs) fully from the requirements of new regulatory measures. The evidence presented below suggests that the objectives of Martyn's Law would be compromised by the wholesale exemption of SMMBs. Due to the terror threat in the UK being diverse and complex⁹⁴, there is no evidence that SMMBs are less at risk compared to any other premises in the UK. The objective of the policy would be undermined by a wholesale exemption, as this could signal to terrorists the premises and events where security has not been considered. To maintain the benefits of the policy, a wholesale exemption cannot be offered. The government has explored ways to minimise the cost burden on SMMBs while maintaining compliance with Martyn's Law.

Calculating the number of small, medium, and micro-businesses

242. Estimating the number of SMMBs the legislation will impact is difficult. The legislation criteria are focused on the size of premises and events, not the size of the businesses that own or operate them. Little 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 14. This is based on the number of small and micro-businesses in PLs sectors, taken from Business Population Estimates⁹⁵, which suggests that SMMBs make up over 98 per cent of PL businesses. Within this data, medium business were classified as those with up to 249 employees, but the government reclassified medium businesses for the purpose of a SaMBA to include those up to 499 employees⁹⁶. This change means the number of medium businesses that are estimated to be affected is likely an underestimate and that some of the estimated large businesses will now be considered medium businesses.

243. This data is adjusted for the average number of premises⁹⁷ which a business has. The data on number of premises comes from the ONS Business Size, Activity and Location release⁹⁸. This was then adjusted to remove any businesses that may be run from home and not have a PL premises, as suggested by Small Business Survey data⁹⁹. Overall, these data sources when combined estimate that SMMBs make up 75 per cent of all PLs premises in the UK.

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

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

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

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

⁹⁶ Red tape cut for thousands of growing businesses - GOV.UK: <https://www.gov.uk/government/news/red-tape-cut-for-thousands-of-growing-businesses>

⁹⁷ Premises is used to cover both physical locations and events spaces for simplicity and clarity.

⁹⁸ UK business; activity, size and location - Office for National Statistics:

<https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/ukbusinessactivitysizeandlocation/2021>

⁹⁹ <https://www.gov.uk/government/statistics/small-business-survey-2020-businesses-with-employees>

Table 14: Number of small, medium micro-businesses in scope of Martyn’s Law, Central Scenario, 2024.

	Out of Scope	Standard	Enhanced	Total
Number of micro-businesses	493,286	79,626	13,027	585,940
Number of small businesses	91,734	20,393	2,901	115,027
Number of medium businesses	68,678	15,942	3,280	87,900

Source: Home Office estimates, 2024.

244. 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 premises size has not been used as 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 premises is likely an under-estimate. This is because data only exists in the previous definition of medium business, and 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.
245. SMMBs make up 75 per cent of premises in scope of Martyn’s Law for both the standard and enhanced tier. A blanket exemption for SMMBs would vastly reduce the efficacy of the duty and resulting benefits. Table 15 shows breakdown of the numbers of each size of businesses in scope for each tier and the percentage they make up of each tier.

Table 15: The number of businesses in each tier broken down by size of business

Business size	Standard tier (Capacity 200-799)		Enhanced tier (Capacity 800+)	
	Number	%	Number	%
Micro	79,626	52	13027	54
Small	20,393	13	2901	12
Medium	15,942	10	3280	14
Large	38,663	25	5060	21
Total	154,623	100	24268	100

Source: Home Office estimates, 2024.

246. Estimating the number of businesses is accomplished by using the business population estimates which is a measure of the number, turnovers, and employment of the different types of business size. All these metrics are not precisely related to premises capacity, which is how the size of the tiers has been calculated. Whilst this method may be more appropriate for estimating the numbers in the standard tier, where there is a far larger number of businesses and a business with a capacity of 200 could still be run by the staff of a micro business.
247. When estimating the enhanced tier, the use of business population estimates seems unrepresentative for the sort of premises with a capacity of over 800. Table 16 shows the number and percentage of enhanced premises by the category of their usage. It shows that 66 per cent of the enhanced tier is made of retail and hospitality sites, with sports facilities, hospitals and visitor attractions making up between 5 to 10 per cent of the tier respectively.

Table 16: The number of different types of premises and the percentage they make up of the enhanced tier

	Number of Enhanced premises	Percentage of Enhanced tier
Education	0	0.0
Courts	1	0.0
Hotels	58	0.2
Places of Worship	0	0.0
Racecourses	61	0.3
Retail and Hospitality	15,997	65.9
Sports Facilities	2,859	11.8
Stadiums and Arenas	268	1.1
Visitor Attractions	1,561	6.4
Zoos and Theme Parks	386	1.6
GPs	0	0.0
Hospitals	1,921	7.9
Universities	180	0.7
Village Halls	1	0.0
Festivals	975	4.0

Source: Home Office estimates, 2024.

248. When looking at these premises, the business population estimate of 55 per cent of these being micro businesses suddenly looks inappropriate and likely an overestimate. Micro businesses are almost certainly not running hospitals, universities, or hotels, and are unlikely to be running a large number of retail and hospitality premises where the capacity is over 800 people. This would suggest a staff to customer ratio of nearly 1 to 800, which would seem inappropriate for many premises, particularly for retail and hospitality which makes up 66 per cent of the premises in the enhanced tier. This would suggest that the estimate of 55 per cent of the enhanced tier being micro businesses is likely to be an overestimate of a significant degree. This logic would extend to small businesses (a staff ratio of 1 to 17) and even some medium businesses as well. Though this issue is likely to be more prevalent in the retail and hospitality sector, which is relatively highly concentrated¹⁰⁰, it will still be present across all of the sectors affected by the enhanced tier.
249. This issue likely extends to small and medium businesses, which make up an estimated 12 per cent of all premises in the enhanced tier. For small business, they will have a maximum staff of 49 people, which as with the micro sites, still only gives a maximum staffing ratio of 1 to 20, which again seems inappropriate for the retail and hospitality sectors. This suggests that the estimate of 12 per cent of the enhanced tier being small businesses means that this is likely to be an overestimate.
250. This likely overestimation of the number of micro and small businesses in scope of the enhanced tier, shows the limitations of using the business population estimates. However, this is the best available data, with no other data being available to link premises capacity and business size and therefore is being used to provide the best estimate of the number of premises affected. The estimates made in Table 15 have been used to estimate the burden on small, micro, and medium businesses.

¹⁰⁰ The State of UK Competition Report April 2022 - GOV.UK: <https://www.gov.uk/government/publications/state-of-uk-competition-report-2022/the-state-of-uk-competition-report-april-2022#adjusted-concentration112>

Estimating the burden on small, micro and medium businesses

251. Estimating the cost associated with Martyn’s Law for each SMMB is also challenging. This challenge is due the difficulties in estimating the number of SMMBs, difficulties in understanding which CT interventions that SMMBs might adopt and the time burden which risk assessments and CT procedure plans will place on SMMBs. 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 large business running similarly sized premises. Cost estimates for SMMBs are in Table 17. 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).

252. For premises in the standard tier, **the cost over the 10-year appraisal period is:**

- **Micro businesses - between £710 and £1,569 with a central estimate of £1,097.**
- **Small businesses - between £1,705 and £3,534 with a central estimate of £2,560.**
- **Medium businesses - between £2,194 and £5,942 with a central estimate of £3,327.**

253. For premises in the cost of the enhanced tier over the 10-year appraisal period is:

- **Micro businesses - between £17,975 and £117,362 with a central estimate of £48,979.**
- **Small businesses - between £18,372 and £118,273 with a central estimate of £49,600.**
- **Medium businesses - between £19,260 and £124,074 with a central estimate of £52,107.**

Table 17: Martyn’s Law cost (£, 10-year appraisal period) per small, medium, and micro-businesses, central scenario, 2024.

Cost per	Standard tier	Enhanced tier
Micro business	1,097	48,979
Small business	2,560	49,600
Medium business	3,327	52,107
Large business	8,299	61,582

Source: Home Office, own estimates, 2024.

254. The total costs to SMMBs for Martyn’s Law are shown in Table 17 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 17: Total Martyn’s Law cost (£ million PV) to small, medium, and micro-businesses, over appraisal period, central scenario.

Total cost to:	Standard	Enhanced	Total Cost
Micro-business	87.3	638.1	725.3
Small business	52.2	143.9	196.1
Medium business	53.0	168.4	221.4
Total SMMB Cost			1,142.8

Source: Home Office, own estimates, 2024.

255. It is noted that the total cost to SMMBs makes up 64 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. As discussed in paragraphs 248 to 250, this is likely an overestimate due to an estimate of business size by capacity being unavailable and using an imperfect proxy in the ONS Business Population estimates. This means that the likely proportion of

cost borne by SMMB is lower than 64 per cent, particularly for micro sites in the enhanced tier, which make up over 50 per cent of the total cost to SMMBs.

Proportionality of the impact on SMMBs

256. Using data from the 2022 Business Population Estimates statistical release¹⁰¹ the Home Office are able to estimate an approximate average cost to turnover ratio for all businesses. Although the Business Population Estimates are not specific to Martyn's Law affected sectors, this is the best available data on SMMB turnover. Average turnovers were estimated by dividing total revenues by total business populations. This gives the average turnover for a single business. The cost per business calculated above in Table 17 were used to calculate the percentage of average annual turnover the costs make up.
257. In the standard tier the cost per premises is slightly more burdensome for small and micro businesses but difference is negligible. This is due to the standard tier costs being heavily related to the number of employees and this is something that changes roughly in proportion to business turnover. Despite this relationship, percentage of annual turnover which the standard tier costs to micro businesses is approximately 3 times that which a small business faces and 15 times greater than that of a medium business, and nearly 80 times greater than the burden on a large site.
258. Despite the higher costs for larger businesses, the proportion of the burden on micro businesses is somewhat due to the small percentage of average annual turnover which these costs form, meaning that even small differences in costs, make large differences to the percentage of annual turnover.

Table 18: Annual turnover and cost comparison for businesses in standard tier (£)

	Mean Turnover of businesses	Standard tier costs	Percentage of Average Annual Turnover
Micro	446,871	110	0.02
Small	2,802,670	256	0.01
Medium	19,686,477	333	0.00
Large	264,799,218	833	0.00

Source: Home Office estimates, 2024.

Table 19: Turnover and cost comparison for businesses in enhanced tier (£)

	Mean Turnover of businesses	Enhanced tier costs	Percentage of Average Annual Turnover
Micro	446,871	4,898	1.10
Small	2,802,670	4,960	0.18
Medium	19,686,477	5,211	0.03
Large	264,799,218	6,158	0.00

Source: Home Office estimates, 2024.

259. In the enhanced tier the burden on micro, small and medium businesses is greater, as a percentage of average annual turnover. For micro businesses, the cost is roughly 1.1 per cent of the average annual turnover, compared to 0.18 per cent for small and 0.03 per cent for medium businesses. This means that micro businesses face a burden which is approximately six times greater than that faced by small business, 41 times greater than medium businesses and 471 times greater than large businesses. This burden is due to the majority of the enhanced tier cost being the cost of CT

¹⁰¹ Business Population Estimates for the UK and the regions 2022 – GOV.UK - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1106039/2022_Business_Population_Estimates_for_the_UK_and_regions_Statistical_Release.pdf#:~:text=BUSINESS%20POPULATION%20ESTIMATES%20FOR%20THE%20UK%20AND%20THE,35%2C900%20medium-sized%20businesses%20%28with%2050%20to%20249%20employees%29.

interventions, which are unrelated to the number of staff which a premises has. These costs make up 75 per cent of the cost of the enhanced tier and the absolute size of the cost is consistent across micro, small and medium businesses.

260. **This increased burden on micro, small and medium business when compared to large businesses, means that the cost to SMMBs is proportionally higher when compared to those faced by large businesses.**
261. This could be worse when taking into account that the mean turnover may not be representative of turnover for many SMMBs. According to the 2021 Small Businesses Survey¹⁰² 25 per cent of micro businesses and 2 per cent of small businesses recorded annual turnover of less than £85,000. A hypothetical business with a turnover of £85,000 would face costs of just 0.1 to 0.2 per cent of turnover in the standard tier. In the enhanced tier, that business would face costs of around 6 per cent of their turnover or more to meet the requirements of the duty.
262. If it is assumed the same distribution of revenue holds for the premises in scope of the duty, then this would mean that there would be approximately 3,300 businesses in the enhanced tier where the cost of upholding the duty is 6 per cent or more of their annual revenue. This would represent 14 per cent of the enhanced tier businesses. It is worth noting that the assumption that the same distribution of revenue holding is unlikely, this is because capacity is likely heavily related to revenue meaning that premises with greater capacity, such as the enhanced tier, likely generate higher revenue. Additionally, if premises can pass on the cost, their revenues will rise and ensure there is less of an impact on profits. Further to these two points, Martyn's Law is built around being "reasonably practicable" and businesses will not be expected to bear costs which significantly affect their competitiveness.
263. If those businesses were unable to pass increased costs to consumers – and more analysis is presented below in the degree to which this could be the case - this could severely affect their viability and could lead to some market exit. This would be a large disbenefit and unintended consequence of Martyn's Law.
264. Table 20 below shows the number of premises which may face costs of up to 6 per cent of their revenue which is 17 per cent of all SMMB premises in the enhanced tier. Roughly 54 per cent of all SMMB premises in the enhanced tier could face a cost of over 1 per cent of their average annual turnover, which is significantly more than the 0.002 per cent estimated for large businesses.

¹⁰²Small Business Survey 2021: businesses with employees - GOV.UK: <https://www.gov.uk/government/statistics/small-business-survey-2021-businesses-with-employees>

Table 20: The numbers of businesses facing higher levels of cost as a percentage of revenue (above £2 million the cost becomes negligible)¹⁰³

Turnover category	Average costs as a % of upper bound turnover	Estimated number of in-scope enhanced tier SMMBs			
		Micro	Small	Medium	Total
Less than £85,000	5.9	3257	58	0	3315
£85,000 to £249,999	2.0	4038	203	66	4307
£250,000 to £499,999	1.0	2215	319	66	2599
£500,000 to £999,999	0.5	1563	522	98	2184
£1m to £1.99m	0.3	782	638	328	1748
Over £2m	0.3 ¹⁰⁴	521	870	2460	3851
Don't Know/Refused	N/A	782	261	230	1272
Total		13157	2611	3018	19276

Source: Home Office estimates, 2024.

265. As with the business population estimates discussed in paragraphs 248 to 250, Table 20 is based on national estimates of business turnover and is not related to premises capacity. It is worth noting that it may not be reasonable for an enhanced tier business to have a turnover of £85,000. If the business was only having one event per year, it would need to be charging roughly £100 per consumer, but if it had one event a weekend, it would need to charge roughly £2 per consumer which also seems unrealistic given the type of premises in the enhanced tier.
266. The degree to which this burden becomes a factor in closure and market exit for firms affected by Martyn's Law depends on the degree to which the costs can be passed onto the consumer and the willingness of the consumer to pay these costs. First, considering that whole sectors are affected, it should be easier to pass the cost on to the consumer. There may well be some competitive disadvantage for enhanced tier firms, in relation to standard tier firms, due to the large difference in cost between tiers. This disadvantage is likely to be small compared to the potential revenue benefit of increased capacity and therefore consumers.
267. When passing the cost to the consumer, it is important to note the cost which will be passed on per customer. In the standard tier, even if the premises is only open once a year to 200 people (the minimum amount theoretically possible in the tier, although it is considered highly unlikely to be an operating model in practice), the cost for each consumer would be an additional £1.66 per customer (using average costs for the standard tier, £0.55 for micro sites). For those in the enhanced tier, the minimum would be once a year for 800 people, which gives a cost of £6.51 per consumer (using average costs for the enhanced tier, £6.12 for micro sites). Should the premises host more than 4,900 people a year, this cost falls below £1 per customer. These cost increases are not dramatic and could reasonably be expected to be absorbed by consumers or businesses. Price elasticity analysis has not been conducted due to the absence of price elasticity evidence in the affected sectors and at specified capacity levels.
268. Overall, the burden placed on SMMBs by Martyn's Law is proportionally higher compared to the burden on large businesses, with SMMB's in scope having costs which are nearly as high as those for large businesses. This is significant, particularly for businesses which may have a turnover of below £85,000. It is likely that these costs can be passed on to the consumer, with the cost per consumer being low, and as whole sectors are affected, costs can be passed on without competitive

¹⁰³ Numbers in the table may not quite match the estimated number of SMMBs due to the turnover data being rounded to the nearest per cent.

¹⁰⁴ Average cost is calculated as a percentage of lower bound turnover here due to no upper bound.

disadvantage. It is worth noting that the estimates for the number of premises affected are considered to be overestimates due to data issues around measuring capacity.

Mitigations for SMMBs

269. As there are large and proportionally higher costs for SMMBs compared to large businesses, the policy should be prepared to mitigate against these burdens and prevent them from being too high. There is some mitigation from the way the policy excludes premises such as schools and places of worship, where other mitigations to threat already exist, and the costs associated with the enhanced tier would be burdensome given the nature of the premises, as well as the “reasonably practicable” nature of the policy which may mitigate major costs. Additionally, other parts of the policy have no financial cost, being available for free to businesses.
270. One mitigation is the provision of training material, and various templates for free, additionally there will be free guidance available to all premises. The training and guidance are to be provided for free through the ProtectUK¹⁰⁵ platform, and this helps to reduce the burden on all premises but particularly small and micro, which may not have been able to pay for dedicated training by specialists if this was not provided for free. Whilst this means there is no financial burden for SMMB sites, there is still an opportunity cost for the staff time involved and this is costed in paragraphs 115 to 120 and Table 4 as well as Table 17.
271. As training costs are related to the number of staff or volunteers at a premises, there is a reduced training cost burden for SMMBs compared to premises owned and controlled by larger firms, as they have less staff. The costs for training in both the standard and enhanced tier are greatly reduced, with the cost of training for micro premises in the standard tier being 6.25 times lower than that for standard tier sites (£263 vs £1,645 (10-year cost, 2024 Price Year, 2025 Base Year)).
272. Cathedrals and other PoW, have been excluded from the enhanced tier. Schools have also been excluded as they do not generate revenue from their usage or high levels of capacity. This means that these premises have a greatly reduced burden, having only to take forward procedural measures to be followed in the event of a terrorist attack, rather than put in place wider CT measures and face the associated financial costs. This approach has not been extended to premises which generate revenue as they should be able to cover the increased cost through passing some or all of the cost burden on to the consumer.
273. For SMMBs in the enhanced tier, which face the most disproportionate burden compared to large businesses, the requirements are based on taking forward reasonably practicable CT measures (or “mitigations”). This means that expensive interventions such as HVM or permanent security guards could be considered unreasonable for SMMBs due to their cost. While this is based on a premises-by-premises approach, based on the outcome of an assessing the risk to premises and what is reasonably practicable, it means that SMMBs should not spend a disproportionate amount on mitigations.
274. In some cases this may mean that SMMBs responsible for premises in scope may not need to put in place any CT interventions, where the resulting procedures, processes and training appropriately mitigate the risk assessed for the premises. In this situation, the cost for premises is greatly reduced, with no cost for CT interventions, which may account for approximately 90 per cent of the Martyn’s Law cost burden for SMMBs. This means an estimated cost of £3,398 for micro businesses, £4,018 for small businesses and £6,525 for medium business. This is a large reduction in the burden, by approximately 90 per cent. As Table 21 shows, the removal of CT intervention-driven costs increases enhanced tier costs broadly in line with increases in affected firm size.

¹⁰⁵ ProtectUK | Home <https://www.protectuk.police.uk/>

Table 21: Martyn’s Law cost (£, 10-year appraisal period) per small, medium, and micro-businesses with CT Intervention costs removed, central scenario, 2024.

Cost per	Standard tier	Enhanced tier
Micro business	1,097	3,398
Small business	2,560	4,018
Medium business	3,327	6,525

Source: Home Office, own estimates, 2024.

- 275. The level to which a premises complies to the “reasonably practicable” nature of Martyn’s Law will be judged by the regulator (and, where enforcement action is challenged, the courts). This regulator will be able to take into account businesses’ ability to pay for CT measures and the potential effects that such interventions and their costs will have for the viability of the business.
- 276. The concept of “reasonably practicable” will be used by the regulator in the same way as that by the Health and Safety Executive (HSE), which uses the term when relating to health and safety risks. HSE uses a definition as set out by the Court of Appeal (in its judgment in *Edwards v. National Coal Board*, [1949] 1 All ER 743). This finds that:

“Reasonably practicable’ is a narrower term than ‘physically possible’ ... a computation must be made by the owner in which the quantum of risk is placed on one scale and the sacrifice involved in the measures necessary for averting the risk (whether in money, time or trouble) is placed in the other, and that, if it be shown that there is a gross disproportion between them – the risk being insignificant in relation to the sacrifice – the defendants discharge the onus on them.”¹⁰⁶
- 277. This means that the decision is weighed in favour of reducing the risk of terrorism; the duty-holder should implement such measures as would reduce the risk of an attack or physical harm unless it would be disproportionate to put them in place compared to the benefits of risk reduction. If it is not reasonably practicable, there is no need to implement the measure. The adoption of a similar process and definition as used by HSE will ensure that the regulator and the regulation is more easily understood by SMMBs. The regulator will support businesses through guidance around risks and appropriate mitigations as well as through its inspection regime.
- 278. Another major area of cost for the enhanced tier and SMMBs in general is undertaking the risk assessment process in order to identify and implement reasonably practicable CT measures. It is noted in paragraph 131 that the average risk assessment was estimated using survey data on how long counter terrorism risk assessments were currently taking premises. This was based on the median number of people being involved and the median days involved in the risk assessment. For all premises, this was estimated to be 7.5 people and 4 hours. These medians are unlikely to be representative for SMMBs which have less staff and could take less time to complete the risk assessment.
- 279. Using the survey data but adjusting for micro premises, this median is estimated to be 5 people. For small premises this is 6 people, and for medium it is the same as the median at 7.5 people. This shows that there is likely to be a reduction in the cost for the risk assessment for SMMB premises as well. No calculations have been made based on these estimates due to the small sample sizes involved with a total of 40 SMMBs being in the survey, meaning there is a high variance in results.
- 280. Both the nature of the requirements being based around “reasonably practicable” and the reduction in staff time needed for the risk assessments means that the estimated in cost in Table 17 are likely overestimates of the cost of Martyn’s Law to SMMBs. Additionally, the provision of free training and advice reduces the burden on premises financially, with premises without a revenue stream such as schools and places of worship being removed from the enhanced tier and therefore the largest

¹⁰⁶ Risk management: Expert guidance - ALARP at a glance (hse.gov.uk): <https://www.hse.gov.uk/enforce/expert/alarp.glance.htm>

burden. These measures all reduce the potential burden on SMMB premises, limiting the disproportionate nature of the effect that Martyn's Law has on them.

Exemption

281. A full exemption for all Micro, Small and Medium businesses operating premises in scope would be inappropriate for a number of reasons. Firstly, the exemption would cause a reduction in the benefits of Martyn's Law. The monetised benefit of crime disruption would be negatively affected if SMMBs were excluded, as 79 per cent of premises would be removed from coverage. This would reduce the central scenario crime benefits from £20.4 million to £4.3 million (PV 2024 prices). While this assumes that crime disruption is consistent across premises, even if this does not hold perfectly it is reasonable to assess that the majority of the crime disruption benefit would be lost.
282. Beyond crime disruption, there are significant unmonetisable benefits that would be reduced by exempting such a large portion of businesses. These benefits are:
- The reduction in the impact from terrorist attacks
 - Reducing the fear of terrorism in society
283. Looking at these non-monetised benefits, analysis was done to look at the 49 British nationals who have died in attacks in the last 10 years in the UK. While it is hard to say the exact numbers of those who died in SMMBs, due to the exact location of each death being imprecisely recorded, it is noted that in certain attacks the effect on SMMBs was large. Following the London Bridge attack in 2017, the Federation of Small Businesses estimated the cost to SMMBs to be £1.4 million¹⁰⁷ which is a significant cost when compared to the Home Office's estimated overall cost for the attack which was £28.3 million¹⁰⁸.
284. When attempting to estimate the number of SMMBs which have been affected by terrorism in the last 10 years, the Global Terrorism Database (GTD)¹⁰⁹ was used. The GTD has many fields of data collected including data on location, deaths and injuries, motives and methodology of the attacks. Unfortunately, the dataset has only minimal information about the targets of attacks, which does not include an assessment of the size of businesses affected. This means the Home Office cannot estimate how many SMMBs were the targets of attacks or were affected by attacks. This is particularly important for SMMBs as even when not the major target of attacks, they are often still affected, with businesses being behind police cordons (as seen in the London Bridge attack) or by the fall in footfall and tourism afterwards (as in the July 7th attacks)¹¹⁰.
285. This shows that SMMBs are significantly affected by terrorism, and whilst the benefits discussion in paragraphs 195 to 198 and in paragraphs 283 and 284 cannot be disaggregated to include purely SMMBs, there are still costs to SMMBs as seen in the Federation of Small Business reporting.
286. Exempting SMMB businesses from the legislative requirements would mean there is no reason for premises to have protective CT measures in place. The lack of protective CT measures means that they could face higher impact from terror attacks.
287. Evidence from the Joint Terrorism Assessment Centre (JTAC) found no link between the size of a business and its risk of being impacted by terrorism, with the full range of business types being equally likely to be affected by terrorism. This is partly due to the complexity and diverse nature of the threat: the domestic terror threat is less predictable, harder to detect and investigate, in addition to a persistent and evolving threat from Islamist terrorist groups and accelerating advances in technology¹¹¹. It is noted that: "Terrorists can hold a range of personal grievances alongside the

¹⁰⁷ Small business as usual | FSB, The Federation of Small Businesses: <https://www.fsb.org.uk/resources-page/small-business-as-usual-pdf.html>

¹⁰⁸ Annex D: estimating the cost of terrorist attacks - GOV.UK: <https://www.gov.uk/government/publications/counter-terrorism-strategy-contest-2023/annex-d-estimating-the-cost-of-terrorist-attacks>

¹⁰⁹ Global Terrorism Database (umd.edu): <https://www.start.umd.edu/gtd/>

¹¹⁰ Small business as usual | FSB, The Federation of Small Businesses: <https://www.fsb.org.uk/resources-page/small-business-as-usual-pdf.html>

¹¹¹ CP 903 – CONTEST: The United Kingdom's Strategy for Countering Terrorism 2023 – July 2023: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1171084/CONTEST_2023.pdf

primary ideology for committing an attack. Individuals increasingly adopt a mix of ideas from different ideologies into their grievance narratives”¹¹². This means that an exemption due to the assumption that SMMBs face a lower risk from terrorism is inappropriate as evidence suggests the risk is consistent across the UK and unrelated to business size, and more correlated with the personal grievances of individuals.

288. Furthermore, exemptions for a defined category of businesses could increase the likelihood that they are targeted. This exemption could highlight to potential terrorists that these premises would be likely to have a reduced level of protection, raising their attractiveness as terrorist targets. This could mean more SMMBs would be targeted, causing greater harm to these premises, and to the wider public.
289. Both factors, namely the lack of mitigation and risk of increased targeting, could cause the public fear of terrorism to increase, particularly when frequenting SMMBs. This could reduce the revenue, and prevent the growth, of SMMB sites, having a further negative impact on SMMBs beyond terrorist attacks.
290. Keeping SMMB premises in scope of Martyn’s Law is important as they are impacted by terrorism to a greater degree than larger businesses. SMMBs are inherently more vulnerable to the economic impacts resulting from terrorism due to certain business characteristics. A review of academic literature on this topic identified three of the major characteristics which increase vulnerability. First, the sectors which are within the scope of Martyn’s Law, and which SMMBs are most likely to operate in, are also the ones most affected by terrorism, retail and hospitality for example¹¹³. Second, SMMBs are likely to be less financially stable, as a result of lower revenues, and a higher reliance on individual premises^{114,115}. Third, SMMBs have high levels of indebtedness meaning economic shocks like the ones caused by terrorist attacks can be particularly damaging to them¹¹⁶.
291. As a result of these key characteristics, SMMBs are particularly affected by the following economic costs that occur as a result of terrorist attacks:
- Falling business confidence, as terrorist attacks increase uncertainty and cause investors to shift preferences towards safe investments¹¹⁷.
 - Falling consumer confidence, as terrorism affects consumer behaviour and consequently results in less spending¹¹⁸.
 - Business disruption costs, which involve the short-term immediate effects of terrorist attacks that particularly affect local businesses¹¹⁷.
292. SMMBs are also more impacted by the economic impacts of terrorist attacks due to a comparative lack of preparation. In particular, they are less likely to take out insurance plans that cover terrorist related costs. Even when SMMBs do take out terrorism specific insurance, the lag between incident and pay-out could still put pressure on business solvency.

¹¹² CP 903 – CONTEST: The United Kingdom’s Strategy for Countering Terrorism 2023 – July 2023 (publishing.service.gov.uk): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1171084/CONTEST_2023.pdf - Paragraph 24

¹¹³ Small business as usual, FSB, The Federation of Small Businesses. Available at: <https://www.fsb.org.uk/resources-page/small-business-as-usual-pdf.html>

¹¹⁴ Business population estimates (2022) GOV.UK, Available at: <https://www.gov.uk/government/statistics/business-population-estimates-2022>

¹¹⁵ Longitudinal Small Business Survey: SME Employers – UK, 2021 Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1104650/Longitudinal_Small_Business_Survey_2021_SME_Employers.pdf

¹¹⁶ Financial Stability in Focus: The corporate sector and UK financial stability | Bank of England: <https://www.bankofengland.co.uk/financial-policy-summary-and-record/2021/october-2021/financial-stability-in-focus>

¹¹⁷ The Impact of Terrorism on Italian Employment and Business Activity (umd.edu): <https://ccjs.umd.edu/sites/ccjs.umd.edu/files/pubs/2COMPLIANT%20-%20The%20Impact%20of%20Terrorism%20on%20Italian%20Employment%20and%20Business%20Activity.pdf#:~:text=Using%20panel%20data%20regression%20models%20and%20the%20most,and%20employment%20in%20the%20year%20following%20an%20attack.>

¹¹⁸ London Chamber of Commerce and Industry, The economic effects of terrorism on London – Experiences of Firms in London’s Business Community, 2005

293. Additionally, SMMBs view terrorism as a low priority concern and consequently they fail to have adequate CT measures in place, meaning they will be more affected, and recovery is likely to take longer.
294. All these factors mean that while exempting SMMBs may save them some short-term costs by exempting them from the regulations, it could lead to greater costs in the long run as they will be more heavily affected in the event of terror attacks.
295. Whilst there is the option of exempting SMMBs from the enhanced tier, this exemption is also inappropriate due to the tier being based on the risk to the public and those premises from terrorism and the impact of an attack. As the impact of an attack increases with the number of people affected, removing premises from the tier which faces a consistent risk, would only mean an attack on these SMMBs would be of higher impact, affecting more of the public and the SMMB itself.
296. This higher impact that attacks on enhanced tier premises could have means that an exemption to put these premises into the standard tier would reduce the level of protection at those sites. This in turn increases the impact of these attacks further, undermining the purpose of Martyn's Law, to protect the public.
297. As exempting SMMBs is not possible due to the associated reduction of the intended benefits and purpose of Martyn's Law, and there is a disproportionate burden on SMMBs from the legislation, there is a requirement to mitigate the cost to SMMBs as much as possible. Martyn's Law has a number of factors which should reduce the impact on SMMBs.

Conclusion

298. In conclusion, there is a disproportionately higher burden imposed on SMMBs due to Martyn's Law, with the costs of both the standard tier and enhanced tier being higher for SMMBs, proportionally, when compared to large businesses. Measures could be taken to mitigate this including the reasonably practicable nature of the policy, the reduced burden of risk assessments, exceptions for types of non-revenue generating premises which have high usage and capacity, and the free provision of training and guidance. All of these mitigations have been introduced as full exemption of SMMBs from Martyn's Law is inappropriate due to the nature of the terrorism threat, and it being blind to business size. A full exemption would undermine the purpose and benefits of Martyn's Law.

I. Wider impacts

299. The proposed requirements are not expected to result in a direct impact to people who share particular protected characteristics. However, incorrect interpretation and application of resulting systems, processes and/or activities to deliver these, could potentially result in various indirect impacts.
300. An Equalities Impact Assessment has been developed in addition to this IA to identify the potential indirect impacts on those who have protected characteristics.

Market exit impacts

301. 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 CT measures to their sites in the enhanced tier, this could increase the number of businesses exiting the market.
302. 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 decrease¹¹⁹ 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.

303. To reduce the impact on businesses, the likely commencement is set for 2026, 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. This is evidenced in the OBR assessment that inflation could be as low as 1.6 per cent from mid-2024 to mid-2026¹²⁰. Additionally, the training is being offered to sites free through the Protect UK¹²¹ app, further reducing the cost on businesses.
304. 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 £3,315 (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 200 to 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 £52,100 (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.
305. Due to the likely commencement of Martyn's Law being in 2026, 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

306. 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.
307. Due to the on-going nature of these conversations and absence 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

308. 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 PLs 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), 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 (£52,100 in the enhanced tier central scenario). This cost rise is likely to be small when shared amongst the millions of consumers who visit UK PLs each year. Equally, premises may absorb the costs, leading to no loss of competitiveness on the international stage.

¹¹⁹ Business insights and impact on the UK economy - Office for National Statistics: <https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/bulletins/businessinsightsandimpactontheuconomy/26january2023>

¹²⁰ Inflation - Office for Budget Responsibility (obr.uk): <https://obr.uk/forecasts-in-depth/the-economy-forecast/inflation/#CPI>

¹²¹ ProtectUK | Home <https://www.protectuk.police.uk/>

309. 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.
310. 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 absence 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.
311. Additionally, the UK is a world leader in the Defence and Security market, generating £7.95 billion in exports in 2020¹²². 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.
312. In summary, 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's competitiveness. Therefore, it will not have a large impact on prices or trade. 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

313. 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

314. A post-implementation review (PIR) will likely 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 or five 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

315. 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 other government departments, businesses and others within 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.
316. 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 of the legislation, to allow time to plan and procure suppliers.

¹²² 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>

Review plans

317. 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.

318. 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?

319. 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.

320. 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**)

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

The main measures

322. 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 22: Main evaluation plan measures.

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 PLs 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, 2023.

323. 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 ProtectUK¹²³ and will provide a vital dataset for the evaluation approach.

Phases of activity

324. 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 stakeholders to test the evaluation plans.
- **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.

¹²³ www.protectuk.police.uk

325. 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.

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 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 is responsible for designating events as National Special Security Events. 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, 2023.

Annex 2: An assessment of the current voluntary approach

Effectiveness of the current voluntary approach of security at public locations.

1. Independent research conducted in 2019¹²⁴ asked organisations owning or operating public locations (PLs) 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 PLs 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 CTP, the National Protective Security Authority (NPSA) , and other partners from across government, to provide stakeholders, including local authorities, site owners and operators responsible for PLs, with free high-quality advice, guidance, and training 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. CTSAs based in all police regions provide bespoke advice to responsible parties.
 - b. CTSAs provide advice to planners, designers and architects in considering protective CT 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 PLs 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 CTP) and NPSA.
5. The Home Office allocates funding annually to CTP through the CTP Grant. The funding is based on budgets proposed by the National Counter Terrorism Policing Headquarters in consultation with

¹²⁴ Future Protect Research, June 2019. 550 Organisations surveyed.

the Homeland Security Group (HSG) in the Home Office, and subject to the approval of the Home Secretary. In respect of PLs, this funding is for the delivery of the provision of free, impartial, independent and threat informed advice and guidance regarding the terrorist threat and what constitutes appropriate and proportionate mitigations.

6. The threat to PLs is complex and diverse, and any location is potentially vulnerable to attack, however the efforts of CTP 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 PL.
8. The nature of the threat seen today and as anticipated in the coming years is diverse, dynamic and complex. The domestic terrorist threat is less predictable, harder to detect and investigate. This places a greater emphasis on the ability to both protect from and prepare for 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 PLs 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 CTP and delivers a broad engagement programme across a wide range of stakeholders as well as facilitating the Counter Terrorism Business Information Exchange of leading organisations and associations responsible for PLs, to share knowledge and experiences of combatting terrorism.
 11. CTP 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 PLs.
 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-19, noting that in 2019 to 20 there were 141,601 attendees of such sessions).
 13. ProtectUK¹²⁵ 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 App¹²⁶ provides access to actionable information and 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.

¹²⁵ <https://www.protectuk.police.uk/>

¹²⁶ ProtectUK on the Apple App Store: <https://apps.apple.com/gb/app/protectuk/id1577233526>

15. Significant new advice and guidance continue to be provided by CTP and NPSA. This includes bespoke advice for trusted stakeholders via an extranet.
16. A pilot funded by the HSG has been conducted which assigned dedicated CTSA's to work directly with the 30 local authorities in the North Eastern CTP region. The pilot involved local authorities working on a voluntary basis with the CTSA's to benchmark their level of activity/preparedness, and then utilise bespoke activities and advice designed to shift their 'mindset' as to how they consider the CT threat in their everyday activities, such as licensing, planning and infrastructure investment.
17. The voluntary approach adopted is designed to achieve long-term cultural change within LA's. The government is now working with NaCTSO and partners across government to roll out the voluntary scheme on a national basis.

Security at places of worship

18. Increased attacks on synagogues and mosques in the UK and across the globe have highlighted the risks faced by religious communities, particularly by 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 making our streets and communities safer.
19. The Home Office has a long-standing programme designed to protect faith communities. Some of the key initiatives are listed below:
 - The Jewish Community Protective Security (JCPS) Grant provides protective security measures (such as security personnel services, CCTV and alarm systems) at synagogues, Jewish educational sites and other community sites. The JCPS Grant is managed on behalf of the Home Office by the Community Security Trust (CST). CST will receive funding of £18 million per year through the JCPS Grant from 2024/25 to 2027/28
 - The Protective Security for Mosques Scheme provides protective security measures to mosques and associated Muslim faith community centres. Protective security measures are also available to Muslim faith schools. Up to £29.4 million per year will be made available for protective security at mosques and Muslim faith schools from 2024/25 to 2027/28.
 - The Places of Worship Protective Security Scheme provides physical protective security measures (such as CCTV, intruder alarms and secure perimeter fencing) to places of worship and associated faith community centres of all other (non-Muslim and non-Jewish) faiths in England and Wales that are particularly vulnerable to religiously or racially motivated hate crime.
 - Work is currently underway to develop a new Faith Security Training scheme to raise awareness amongst faith communities of how to improve their safety and security, and help them prepare to mitigate any threats they face. Piloting of the scheme has now been completed, and further details on the fuller rollout will be announced in due course.
20. Engagement with these schemes, like the wider approach to reducing risk through enhancing CT measures at other public venues, is on a voluntary basis.

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?	
Business Impact Target The policy has been assessed for its impact on business and the business impact has been calculated and included on page 2.	Yes
Small, Medium and Micro-business Assessment (SMMBA) 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. 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.	Yes
New Burdens Doctrine 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.	In progress

Social Impact Tests

New Criminal Offence Proposals 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.	In progress
Justice Impact Test A Justice Impact Test is being finalised for submission to MOJ for clearance. It is expected that this legislation will have a minimal impact on the justice system (prosecutions, convictions or custodial sentences).	In progress
Powers of Entry 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.	Yes