

Consultation Options Assessment

Title: **Amendments to the Poisons Act 1972 Framework - 2026**

Type of measure: Secondary legislation

Department or agency: Home Office

OA number: HO COA 1033

Contact for enquiries: precursorsandpoisons@homeoffice.gov.uk

Date: 01/10/2026

1. Summary of proposal

1. The Home Office is consulting to ensure that the regulatory framework for explosives precursors and poisons remains effective, proportionate and responsive to current risks. The proposals relate to substances that may present national security, criminality, public safety or safeguarding concerns, including risks highlighted by the Phase 1 Report¹ of the Southport Inquiry, as well as operational changes intended to improve the consistency and sustainability of the regime.
2. Through this consultation, the government is seeking evidence on the potential impacts, costs, benefits and unintended consequences of the proposed measures, including their effect on legitimate users, businesses and suppliers. Responses will inform decisions on whether the measures should be taken forward and, if so, the most appropriate way to implement them.
3. Under the Poisons Act 1972 framework², "regulated" substances are those that members of the public may only acquire, import, possess or use if they hold a valid Explosives Precursors and Poisons (EPP) licence. By contrast, "reportable" substances remain available for purchase without a licence, but businesses must report suspicious transactions, significant disappearances, and thefts.

¹ The Southport Inquiry: Phase 1 report - GOV.UK: <https://www.gov.uk/government/publications/the-southport-inquiry-phase-1-report>. Chapter 5

² Poisons Act 1972: <https://www.legislation.gov.uk/ukpga/1972/66>

4. The proposals within this consultation consider whether certain substances should be moved from one category to another, or brought into the regime, considering current national security, public safety and safeguarding risks.
5. The consultation is seeking input in the following areas:
 - a. Changes to the list of regulated and reportable poisons;
 - b. Changes to regulated and reportable explosives precursors (including changes to the concentration levels of existing regulated explosive precursors);
 - c. Changes to the EPP licence fee; and
 - d. Alignment of requirements regarding record customer information for sales of regulated explosive precursors and poisons to professional and business users.
6. The proposals would apply in Great Britain - England, Scotland and Wales. Northern Ireland has separate frameworks for control of poisons and explosives.

2. Strategic case for proposed regulation

Changes to the list of regulated and reportable poisons

7. The government is consulting on proposals to:
 - a. Add **ricin (contained in castor beans)** to the list of regulated poisons and amend the relevant exemption for vascular plants and their seeds³. There is currently no concentration threshold for ricin contained in castor beans. The proposal is to regulate ricin at any concentration;
 - b. Add **abrin (contained in rosary peas)** to the list of regulated poisons and amend the relevant exemption for vascular plants and their seeds. There is currently no concentration threshold for abrin contained in rosary peas – the proposal is to regulate abrin at any concentration;
 - c. Change the classification of **sodium nitrite (CAS 7632-00-0⁴)** from a reportable poison to a regulated poison in concentrations above 10 per cent w/w;⁵
 - d. Add **oxalic acid dihydrate (CAS 6153-56-6)** to the list of regulated poisons in concentrations above 14 per cent w/w.
8. The current Poisons Act 1972 framework does not fully reflect the contemporary public safety and national security risks associated with certain toxic substances. While the regime provides a mechanism for controlling access to higher-risk poisons through licensing requirements and suspicious transaction reporting obligations, evidence gathered since the last set of reforms (the Control of Explosives Precursors and Poisons

³ Vascular plants are plants that have specialised tissues called xylem and phloem, which transport water, nutrients, and sugars throughout the plant. This vascular system allows them to grow larger and survive in a wide range of environments. Examples of vascular plants include ferns, conifers, and flowering plants.

⁴ The CAS Registry is the world's largest authoritative digital database of disclosed chemical substance information, curated by the Chemical Abstracts Service (CAS) (a division of the American Chemical Society). A CAS Registry Number is a unique and unambiguous identifier for a specific substance that allows clear communication regarding that substance.

⁵ Weight by weight (w/w), meaning the concentration of a substance expressed as a percentage of the total weight of the mixture. So, for example, 10 per cent w/w means the substance comprises 10 per cent of the total weight of the mixture.

Regulations 2023⁶) suggests that several substances remain available through legitimate supply chains despite concerns that existing controls may no longer provide the most appropriate level of oversight. The proposals seek to ensure that the regulatory framework remains effective and aligned with current risks.

9. The proposals set out in this consultation have been developed in response to public safety, national security and safeguarding concerns associated with the misuse of certain substances, alongside evidence gathered through policy development, stakeholder engagement and examination of the current regulatory framework. The government is seeking views on whether the proposed changes represent a proportionate and effective means of addressing these concerns whilst maintaining access for legitimate users.
10. The evidence presented in this document has been selected to support informed consideration of the proposals while taking account of wider public safety, security and operational considerations. In some instances, evidence has been summarised or presented at a higher level of generality where publication of more detailed information could create security or public safety risks, or otherwise risk undermining the effectiveness of operational activity. The government nevertheless considers that the information provided is sufficient to explain the rationale for the proposals and support meaningful consultation responses.
11. Government intervention in the form of a public consultation on potential legislation is necessary because the risks being addressed relate to public safety and national security, areas where voluntary action by suppliers (or consumers) alone is very unlikely to deliver a consistent or effective level of protection. The Poisons Act 1972 is an important piece of legislation under which the government restricts access to higher-risk substances, require suspicious transaction reporting, and establish a nationally consistent framework for managing chemical threats.

Plant toxins (ricin and abrin precursors)

12. The current framework does not control castor beans and rosary peas, which can be used to derive ricin and abrin. Following the Southport Inquiry⁷ and subsequent government consideration of the Inquiry's recommendations (specifically, Recommendation 13: The Home Office's ongoing review of the sale of castor beans should consider regulation of the number of castor beans that can be sold in a single transaction)⁸, Ministers agreed that further consideration should be given to whether access to these substances should remain unrestricted.
13. The issue is not that castor beans or rosary peas are currently unlawful to possess, but whether the absence of any controls continues to represent the correct approach given national security and public safety considerations. The proposals seek to test whether regulation through the Poisons Act 1972 would provide a more appropriate balance between legitimate use and risk mitigation.

⁶ The Control of Explosives Precursors and Poisons Regulations 2023:

<https://www.legislation.gov.uk/uksi/2023/63/contents>

⁷ Southport Inquiry Report: <https://www.southport.public-inquiry.uk/report/>

⁸ Southport Inquiry phase 1: government response - GOV.UK: Chapter 5:
<https://www.gov.uk/government/publications/the-southport-inquiry-phase-1-report>

14. Evidence supporting regulation of plant toxin precursors derives from policy work undertaken following the Southport attack⁹, in which the offender was found to have produced ricin after lawfully purchasing castor beans through an online marketplace. Additional policy work has also been undertaken following the subsequent Southport Inquiry, which is considering lessons arising from the attack and whether further safeguards may be necessary. The government has considered evidence relating to the risks associated with castor beans and rosary peas, which contain substances capable of causing serious harm. In light of public safety and national security considerations, the government is consulting on whether the current regulatory framework provides an appropriate level of oversight and whether additional controls would represent a proportionate means of managing those risks whilst maintaining legitimate uses where appropriate.
15. The government has also publicly stated that it will consider further controls on castor beans in response to the Southport Inquiry. Whilst rosary peas were not involved in the Southport case, they contain abrin, a similarly hazardous plant toxin, and present a comparable regulatory gap. Evidence considered by the government has identified a risk that regulating castor beans alone may lead those seeking access to plant toxins to substitute towards rosary peas. The consultation seeks further evidence on the availability, legitimate uses and market impacts associated with both materials.
16. The government has an interest in reducing opportunities for the misuse of hazardous substances that may present risks to national security and public safety, whilst preserving access for legitimate users where appropriate. The Southport case demonstrated that castor beans could be obtained lawfully despite the significant risks associated with ricin. Government intervention is being considered to address an identified gap in the current framework and to test whether additional controls on access to castor beans and rosary peas would represent a proportionate and effective safeguard. Regulated status is being consulted upon because it would directly control access to the materials through licensing requirements, rather than relying solely on the reporting of suspicious transactions after an attempted purchase has taken place.
17. Without consulting on potential legislation, castor beans and rosary peas would remain available to members of the public without licensing requirements, notwithstanding the risks associated with ricin and abrin. The regulatory gap identified by the Southport Inquiry would remain unaddressed, and the government would continue to have limited means of restricting access to these precursor materials before acquisition takes place. There is also a risk that addressing only one precursor could leave alternative plant toxin precursors available without comparable controls. The consultation will test the scale of these risks against the legitimate uses of the substances and the potential impacts of any regulatory change.
18. If the government does not intervene, substances identified as presenting public safety or national security concerns will continue to be available under the current regulatory arrangements, despite evidence suggesting that additional controls may be warranted. This would leave the Poisons Act 1972 framework increasingly misaligned with the government's current assessment of chemical threats and emerging risks.

⁹ Southport stabbings - what we know so far about knife attack - BBC News:
<https://www.bbc.co.uk/news/articles/cy68z9dw9e7o>

Sodium nitrite

19. The government is considering whether additional controls on sodium nitrite are necessary in light of ongoing public safety concerns associated with its misuse. The government is consulting on whether it should be reclassified as a regulated poison at concentrations above 10 per cent w/w, which would require members of the public to obtain a licence to acquire, possess or use the substance, while continuing to provide a route for legitimate access where there is a justified need.
20. The government has considered a range of evidence relating to the misuse of sodium nitrite and the harms that may arise from its misuse. This evidence has prompted consideration of whether the current controls remain appropriate and whether additional restrictions may be justified. The government is consulting on whether stronger controls are necessary to reduce opportunities for misuse whilst maintaining legitimate access where there is a justified need.
21. In August 2026, the United States Senate passed the Youth Poisoning Protection Act, which would prohibit consumer products containing high concentrations of sodium nitrite whilst preserving legitimate commercial and industrial uses. At the time of writing, the proposal had been approved by the Senate but had not yet completed all stages of the federal legislative process and had not become law.¹⁰
22. In relation to sodium nitrite, the government is taking action to consult on recategorising the substance due to ongoing public safety concerns regarding the misuse of sodium nitrite and whether the current regulatory framework provides an appropriate level of control. Under the existing framework, sodium nitrite is a reportable poison, meaning controls are focused on the reporting of suspicious transactions, significant disappearances and thefts. Legislative intervention is required if the government wishes to consider whether a higher level of control, through regulation and licensing, would provide a more proportionate and effective means of managing the identified risks.
23. If no action is taken, sodium nitrite would remain subject to its current classification as a reportable poison. This would mean that the existing regulatory framework would continue unchanged despite ongoing public safety concerns regarding the substance and consideration of whether stronger controls may be appropriate. The government would be unable to introduce a licensing requirement intended to provide a greater degree of oversight whilst maintaining a route for legitimate access.

Oxalic acid dihydrate

24. Oxalic acid is currently regulated as a poison under the Poisons Act 1972 due to the harms associated with access to concentrated forms of the substance. Oxalic acid dihydrate is a hydrated form of the same substance which contains water within its crystal structure and is identified by a different CAS number. The current regulations do not list oxalic acid dihydrate separately. The proposed amendment would add oxalic acid dihydrate to the list of regulated poisons and apply a concentration threshold of 14 per cent w/w.

¹⁰ United States Congress, *Youth Poisoning Protection Act* (H.R. 1442 / S.289), proposing that consumer products containing high concentrations of sodium nitrite be treated as banned hazardous products whilst preserving legitimate commercial and industrial uses. Available at: <https://www.congress.gov/bill/119th-congress/house-bill/1442>.

25. This threshold is intended to provide an equivalent concentration of active oxalic acid to the existing 10 per cent w/w threshold for anhydrous oxalic acid. The proposed threshold is derived from the relative molecular weights of the two forms, with oxalic acid dihydrate having a molecular weight of approximately 126 and anhydrous oxalic acid a molecular weight of approximately 90. Applying this ratio to the existing threshold gives an equivalent concentration of approximately 14 per cent w/w.
26. The proposal is intended to ensure that equivalent forms of oxalic acid are treated consistently within the regulatory framework and to provide greater clarity for suppliers, regulators and users. It is not intended to change the underlying level of control applied to oxalic acid
27. This proposal addresses a technical anomaly rather than respond to a new or emerging threat. Although oxalic acid is currently regulated above 10 per cent w/w, oxalic acid dihydrate is not currently controlled because it is assigned a separate CAS number. As a result, two closely related substances capable of delivering equivalent concentrations of active oxalic acid are treated differently under the current framework. The current position has generated uncertainty among some suppliers regarding whether oxalic acid dihydrate is subject to the same restrictions as oxalic acid.
28. The proposed amendment would remove that ambiguity by expressly identifying oxalic acid dihydrate within the regulatory framework. The proposed threshold of 14 per cent w/w for oxalic acid dihydrate has been identified as providing an equivalent concentration of active oxalic acid to the existing control on oxalic acid, thereby ensuring consistency of regulatory effect. This proposal is intended to address a technical anomaly rather than respond to a new or emerging threat.
29. Government action to consult is also required to ensure that the legislative framework operates as intended. In the case of oxalic acid dihydrate, only a legislative amendment can address the current anomaly whereby a closely related substance falls outside the existing controls. Without intervention, these equivalent substances will continue to be treated differently despite the same underlying risk.
30. The anomaly relating to oxalic acid dihydrate would remain unresolved. As a result, a substance capable of delivering an equivalent concentration of active oxalic acid would continue to fall outside the controls that apply to oxalic acid itself. This would perpetuate an avoidable inconsistency within the regulatory framework and undermine the principle that chemically equivalent substances should be subject to equivalent controls.

Changes to regulated and reportable explosives precursors

31. The government is consulting on proposals to:
 - a. Change the classification of **sodium nitrate (CAS 7631-99-4)** from a reportable explosive precursor to a regulated explosive precursor in concentrations above 10 per cent w/w or 1.65 per cent nitrogen content;
 - b. Change the classification of **potassium nitrate (CAS 7757-79-1)** from a reportable explosive precursor to a regulated explosive precursor in concentrations above 10 per cent w/w or 1.39 per cent nitrogen content;
 - c. Add **calcium nitrate tetrahydrate (CAS 13477-34-4)** to the list of reportable explosive precursors at any concentration; and

- d. Amend the concentration thresholds for **potassium chlorate, sodium chlorate, potassium perchlorate and sodium perchlorate** to 10 per cent w/w (currently regulated in concentrations above 40 per cent w/w).
32. The government is proposing that the current Poisons Act 1972 framework should be extended to certain explosive precursor chemicals considering developments in the threat picture, operational experience, and recent scientific evidence. Explosive precursors are chemicals that can be used in the manufacture of homemade explosives (HMEs) and have featured in terrorist attacks and other criminal activity both in the UK and internationally. The government keeps the regulatory framework under review to ensure controls remain proportionate, evidence-based and aligned with current risks.
33. The proposals have been informed by a range of evidence and analysis relating to public safety, national security and the operation of the current regulatory framework. Taken together, this information has informed the government's consideration of whether the existing controls on certain explosive precursor chemicals remain appropriate and whether changes to classifications or concentration thresholds may be justified.

Sodium nitrate and potassium nitrate

34. Sodium nitrate and potassium nitrate are currently classified as reportable explosive precursors, meaning suspicious transactions, significant losses and thefts must be reported but members of the public may continue to acquire them without a Home Office licence. Evidence considered by the government indicates that sodium nitrate and potassium nitrate continue to warrant careful consideration within the regulatory framework. The government is consulting on whether stronger controls would represent a proportionate response to the identified risks. The current classification raises the question about whether suspicious activity reporting alone represents the most appropriate control, or whether access should be restricted through the licensing regime in the same way as other higher-risk explosive precursors.
35. The government has considered a range of evidence relating to sodium nitrate and potassium nitrate, including information relevant to public safety, national security and the effectiveness of the current regulatory framework. This evidence has informed consideration of whether the existing classification of these substances continues to provide an appropriate level of control. In addition, more recent scientific evidence has informed the government's assessment of the concentration thresholds at which controls should apply and whether changes to those thresholds may be justified. This evidence has informed consideration of whether regulatory controls should be strengthened and how concentration thresholds should be calibrated to address genuine risk whilst minimising impacts on legitimate users.
36. Consultation on intervention is necessary to move beyond a framework that relies principally on detection of suspicious activity and to instead reduce accessibility through licensing controls. Publicly consulting on legislative change would allow government to test whether stronger controls can further reduce opportunities for misuse whilst preserving legitimate access for business, professional, and licensed users.
37. Consultation on government intervention is necessary to ensure that the regulatory framework remains aligned with the most recent evidence available to the government. Failure to review and, where appropriate, update existing concentration thresholds could reduce the extent to which the regime remains evidence-based, proportionate and

effective in addressing identified public safety and security considerations. Not consulting now would forego an opportunity to reduce accessibility whilst maintaining routes for legitimate use.

Calcium nitrate tetrahydrate

38. There is an inconsistency in the regulation of calcium nitrate tetrahydrate. Calcium nitrate is a reportable explosive precursor, however, calcium nitrate tetrahydrate is not captured because it has a separate CAS number. This creates an anomaly whereby closely related substances with equivalent policy intent are treated differently under the current framework. The proposal would add calcium nitrate tetrahydrate to the reportable explosives precursors regime to ensure consistency and provide clarity for suppliers, enforcement partners and users.
39. The evidence supporting this proposal derives from examination of the legislation itself. Officials identified that calcium nitrate tetrahydrate is not currently captured by the existing controls applying to calcium nitrate due to its separate CAS number. As a result, substances intended to be treated consistently under the policy framework are currently subject to different regulatory treatment. The proposal is therefore intended to address a technical gap and ensure that the legislation reflects the original policy intent behind the regulation of calcium nitrate.
40. Government intervention is necessary because only legislative amendment can ensure that calcium nitrate tetrahydrate is brought within the same regulatory framework as calcium nitrate. Without amendment, suppliers and enforcement partners may continue to face uncertainty regarding the treatment of closely related substances. The proposal would improve clarity, consistency and operability of the legislation.
41. Failure to intervene would leave an inconsistency within the explosives precursor regime whereby calcium nitrate and calcium nitrate tetrahydrate continue to be subject to different regulatory treatment despite the policy intention that they be treated consistently. This could create uncertainty for suppliers, enforcement partners and regulators regarding the application of the legislation, reducing clarity and potentially undermining the consistent operation of the regulatory framework. The identified technical gap would remain unaddressed.

Potassium chlorate, sodium chlorate, potassium perchlorate and sodium perchlorate

42. Potassium chlorate, sodium chlorate, potassium perchlorate and sodium perchlorate are already regulated explosive precursors under the Poisons Act 1972. The concentration thresholds currently specified in legislation were established before more recent scientific evidence became available. In light of developments in the evidence base, the government considers it appropriate to review whether the existing thresholds continue to represent the most proportionate and effective approach to managing the risks associated with these substances, whilst maintaining an appropriate balance between security, public safety and legitimate use.
43. The proposed changes are informed by more recent scientific evidence relating to these substances and their associated risks. In light of this evidence, the government is reviewing whether the concentration thresholds currently specified in legislation remain appropriate and continue to provide a proportionate balance between public safety, security and legitimate use. The proposed amendments seek to ensure that the

regulatory framework remains evidence-based, proportionate and responsive to current risks.

44. Consultation on intervention is necessary to ensure that the concentration thresholds embedded within legislation remain scientifically defensible and to ensure that the regulatory framework remains aligned with the most recent evidence available to the government. Failure to review and, where appropriate, update existing concentration thresholds could reduce the extent to which the regime remains evidence-based, proportionate and effective in addressing identified public safety and security considerations.
45. A failure to update thresholds would mean continuing to regulate these substances based on historic concentration limits rather than the latest international scientific evidence. This could result in under-regulation of concentrations that present a meaningful explosives risk or over-regulation of concentrations where risk is comparatively low. Either outcome would undermine the objective of maintaining a proportionate evidence-base.

Explosives precursors and poisons licence fee change

46. The EPP licensing fee has not kept pace with inflation or the current costs of administering the regime. The existing fee was set when the EPP licensing framework was first introduced and no longer reflects the administrative effort required to process applications, undertake checks, issue licences, and provide ongoing support to licence holders and businesses.
47. As a result, the cost of administering the licensing regime has increasingly fallen on the taxpayer rather than those who directly benefit from the service. This creates a growing disparity between the cost of delivering the regime and the revenue generated through licence applications. Without periodic review, the fee risks becoming increasingly misaligned with the actual cost of administering and enforcing the licensing system. This has ultimately led to a divergence from the standard principle given in HM Treasury's Managing Public Money guidance that charges should recover full costs.¹¹
48. Therefore, the government is considering increasing the fee for a new EPP licence application to approximately £70 to £80 to better reflect current costs and ensure the continued sustainability of the licensing regime.
49. The principal evidence is the increase in administrative costs experienced since the current fee was established. These include increases in staff costs, corporate overheads, digital systems, payment processing, and the wider costs associated with delivering public services. As with other public sector charging regimes, inflation has reduced the real value of the current fee over time.
50. Internal analysis undertaken by the Home Office compared the current licence fee against the costs associated with processing applications and administering the licensing regime. This analysis indicated that the current fee no longer reflects the full cost of operating the scheme, with fee income recovering a smaller proportion of those costs than when the fee was originally set. As a result, a greater proportion of the costs associated with operating the regime are now borne by the wider taxpayer.

¹¹ See 6.2 of Managing Public Money, available here:
https://assets.publishing.service.gov.uk/media/69e0b17861d2e8e9b9e42e13/Managing_Public_Money_-_April_2026.pdf

51. The Home Office has also accumulated several years of operational experience in administering the EPP licensing regime. This provides a clearer understanding of the resources required to assess applications, conduct eligibility checks, issue licences, maintain records and provide support to licence holders and businesses. The proposed fee increase is intended to better align the charge with the actual costs of delivering these activities.
52. A revised fee in the region of £70 to £80 would largely reflect inflationary pressures and increased administrative costs since the fee was last reviewed, rather than representing a significant expansion of the scheme itself.
53. Government intervention is necessary because the fee is prescribed in legislation and can only be amended through legislative change. Without government action, the Home Office would be unable to recover a greater proportion of the costs associated with administering the licensing regime.
54. Since 2015, the EPP regime has expanded in scope and complexity, including strengthened controls, enhanced compliance requirements, and ongoing refinements following legislative updates such as the 2023 regulations¹². These changes have increased the administrative burden associated with processing applications, conducting due diligence, and maintaining the regime. In this context, a higher fee in the region of £70 to £80 would more accurately reflect the cost of administering the regime, support its long-term sustainability, and align with a broader move toward improved cost recovery, while remaining proportionate for legitimate users.
55. As this price is set in legislation it can only be updated by legal instruments.
56. If the government did not intervene, the gap between the cost of administering the licensing regime and the income generated through licence fees would continue to widen over time as inflation and administrative costs increase.
57. This would result in an increasing proportion of the costs of operating the licensing regime being borne by the taxpayer rather than those individuals who directly benefit from holding a licence. In effect, the current position would become progressively less sustainable and less consistent with the principle of cost recovery.
58. Failure to update the fee could also place additional pressure on the resources available to administer the licensing regime. While the Home Office would continue to operate the scheme, an increasing mismatch between costs and income may reduce flexibility to respond to changes in demand or invest in improvements to service delivery. More broadly, retaining a fee that no longer reflects the cost of delivering the service would mean that the licensing regime becomes progressively less financially sustainable over time, requiring a greater level of taxpayer subsidy and reducing alignment between the charge paid by applicants and the cost of the service they receive.

Alignment of requirements regarding record customer information for sales of regulated explosive precursors and poisons to professional and business users

59. The current Poisons Act 1972 framework imposes different requirements on suppliers when recording customer information for sales of regulated explosive precursors and regulated poisons to professional and business users. While both categories of

¹² The Control of Explosives Precursors and Poisons Regulations 2023:
<https://www.legislation.gov.uk/uksi/2023/63/contents>

substances are subject to similar regulatory controls because of the risks associated with their misuse, the information that suppliers are required to obtain and retain differs depending on the type of substance being sold.

60. This inconsistency has arisen through the historical development of the legislation. As a result, suppliers that sell both regulated explosive precursors and regulated poisons may need to operate separate processes for otherwise similar transactions. This increases complexity within the regime and can make it more difficult for suppliers to understand and comply with their obligations.
61. To simplify requirements on businesses, the government is proposing to align the requirements by changing those for sales of regulated poisons to be the same as those for regulated explosive precursors. In practice, this would mean that the following information should be recorded and kept for 18 months:
 - The business customer's name and address;
 - A record of the business customer's photographic ID;
 - A statement of the business customer's trade, business, profession, or public function the business customer performs; and
 - The business customer's VAT number, if they have one
62. The evidence supporting this proposal derives primarily from examination of the current legislative framework and the Home Office's operational experience of administering the EPP regime.
63. Analysis of the legislation identified that different record-keeping requirements apply to sales of regulated explosive precursors and regulated poisons to professional and business users, despite both being controlled under the same legislative framework. The review found no clear operational rationale for maintaining different requirements across the two categories of substance.
64. Operational experience has demonstrated that suppliers are more likely to comply with regulatory obligations where requirements are clear, consistent and easy to apply. Conversely, differing requirements for comparable transactions increase the risk of misunderstanding, inconsistent application and administrative complexity, particularly for businesses that handle both regulated explosive precursors and regulated poisons.
65. The proposal is based on evidence that regulatory consistency can support compliance, reduce unnecessary complexity and improve the overall operability of the regime without reducing existing safeguards.
66. Government intervention is necessary because the information that suppliers are required to record is prescribed in legislation and can only be amended through legislative change.
67. Aligning the requirements would create a single, more consistent approach for transactions involving regulated explosive precursors and regulated poisons. This would make the legislation easier for suppliers to understand and apply, reducing the likelihood of inadvertent non-compliance and improving the overall effectiveness of the regime.
68. Intervention would also support enforcement and regulatory oversight by ensuring that equivalent transactions are subject to equivalent requirements. A more consistent

framework would provide greater clarity for businesses, regulators and law enforcement partners, whilst maintaining the existing safeguards associated with the supply of higher-risk substances.

69. Without intervention, suppliers would continue to be subject to different customer information requirements depending on whether they were supplying a regulated explosive precursor or a regulated poison, despite the similarities between the two regimes.
70. This would perpetuate avoidable complexity within the legislative framework and require businesses that handle both categories of substance to continue maintaining different processes for comparable transactions. In turn, this increases the risk of confusion and inadvertent non-compliance.
71. Maintaining different requirements could also reduce the effectiveness of the regime by making compliance obligations less clear to suppliers and creating unnecessary differences in the information recorded across similar types of transaction. This may make it more difficult for businesses to implement consistent procedures and for enforcement partners to oversee compliance.

Changing the reporting threshold for regulated poisons

72. The current definition of a regulated poison creates an unintended gap in the operation of the Poisons Act 1972 regime. Where a regulated poison is subject to a concentration threshold, concentrations above the threshold are regulated poisons and concentrations at or below the threshold are currently not captured by either the regulated or reportable poisons regimes.
73. This means that some substances considered sufficiently harmful to warrant regulation at higher concentrations fall entirely outside the statutory reporting framework at lower concentrations. For example, oxalic acid and phenols¹³ are regulated poisons above specified concentration thresholds (10% w/w and 60% w/w respectively) but are not currently reportable poisons at or below those thresholds. As a result, suspicious transactions, significant disappearances and thefts involving lower concentrations are not subject to the same reporting obligations that apply to other reportable poisons.
74. The proposal would address this gap by amending the legislation so that concentrations below at or below the specified regulatory threshold become reportable poisons unless otherwise provided for. This would ensure that substances subject to regulation continue to attract an appropriate level of oversight across all concentrations.
75. The evidence supporting this proposal derives from examination of the current legislative framework and operational experience of administering the Poisons Act 1972 regime.
76. Review of the legislation identified that substances designated as regulated poisons with concentration thresholds are treated differently from other regulated and reportable substances. Unlike explosive precursors, where lower concentrations generally remain

¹³ Phenols are a group of aromatic chemicals including phenol, cresols, xlenols and monoethylphenols. These substances are used in a range of industrial and chemical processes but can cause serious harm if misused or improperly handled. The phenols entry in the Poisons Act 1972 framework captures these substances and certain related metal compounds.

subject to reporting requirements, certain regulated poisons currently cease to be subject to any controls once concentrations fall below the regulatory threshold.

77. The review identified oxalic acid and phenols as substances affected by the issue, although the same issue would apply to any future regulated poison introduced with a concentration threshold.
78. The proposal has therefore been developed to address a legislative gap and ensure that the regime operates consistently and in accordance with its underlying policy objectives.
79. Government intervention is necessary because the issue arises from the wording of the legislation itself and can only be addressed through legislative amendment.
80. The Poisons Act 1972 regime is designed to provide a graduated and proportionate framework for managing risks associated with hazardous substances. Reportable status is an established lower-level control that enables law enforcement to receive intelligence concerning suspicious transactions, losses and thefts without imposing the more significant restrictions associated with the licensing regime.
81. Applying reportable status to lower concentrations of regulated poisons would ensure that potentially relevant intelligence continues to be captured whilst maintaining a proportionate approach to regulation. Legislative intervention is therefore required to ensure that the framework functions coherently and as intended.
82. Without intervention, lower concentrations of regulated poisons would continue to fall outside the reporting regime entirely. This would leave an identified gap within the legislative framework whereby suspicious transactions, losses or thefts involving these substances would not be subject to reporting obligations.
83. For affected substances such as oxalic acid and phenols, this means that potentially valuable intelligence could be lost despite the substances already being recognised within the regime as requiring controls at higher concentrations. The gap would also remain relevant to any future regulated poisons introduced with concentration thresholds.
84. More broadly, failing to address the issue would leave an inconsistency within the Poisons Act 1972 framework, reducing coherence between the treatment of substances at different concentrations and undermining the principle that controls should be proportionate to risk. The opportunity to apply an established lower-burden control mechanism, namely reportable status, would therefore be missed, leaving a known legislative gap unresolved.

3. SMART objectives for intervention

Changes to the list of regulated and reportable poisons

Strategic objective

85. To ensure that the Poisons Act 1972 regime remains effective and aligned with current public safety and national security risks, by applying appropriate controls to substances of concern and addressing identified inconsistencies within the legislative framework. The following measures are subject to the outcome of the public consultation.

SMART objectives

- 86. **Objective 1** Within one year of implementation, ensure that members of the public can only acquire sodium nitrite (>10% w/w), castor beans and rosary peas in accordance with the requirements of the Poisons Act 1972 regime.
- 87. **Objective 2** Within one year of implementation, ensure that oxalic acid and oxalic acid dihydrate are subject to equivalent regulatory treatment under the Poisons Act 1972 regime.
- 88. **Objective 3** Maintain legitimate access for business, professional, and other lawful users whilst introducing controls that reduce opportunities for misuse.

Changes to regulated and reportable explosives precursors

Strategic objective

- 89. To ensure that controls on explosives precursor chemicals remain evidence-based and aligned with the latest operational and scientific understanding of homemade explosive threats.

SMART objectives

- 90. **Objective 1** Within 12 months of implementation, ensure that acquisitions of sodium nitrate (>10% w/w or 1.65% N) and potassium nitrate (>10% w/w or 1.39% N) by members of the public are subject to licensing controls under the Poisons Act 1972 regime where reportable status alone is no longer considered sufficient to mitigate identified risks.
- 91. **Objective 2:** Within 12 months of implementation, ensure that chlorate and perchlorate substances at concentrations above 10 per cent w/w are subject to regulatory controls that reflect the evidence base underpinning the policy proposal and are applied consistently across the regime.
- 92. **Objective 3:** By commencement of the regulations, remove identified legislative anomalies relating to calcium nitrate tetrahydrate, ensuring substances intended to be treated consistently are captured consistently under the regime.

Explosives precursors and poisons licence fee change

Strategic objective

- 93. To ensure that the EPP licensing regime remains financially sustainable and that licence fees more accurately reflect the costs of administering the service.

SMART objectives

- 94. **Objective 1:** Within 12 months of implementation, increase the fee for a new EPP licence application to a level closer to full cost-recovery, expected to be in the range of £70 to £80.
- 95. **Objective 2:** From implementation onwards, increase cost of licence fee relative to the pre-implementation level. This will increase the proportion of licensing administration costs recovered through applicant fees rather than funded by the wider taxpayer.

Alignment of requirements regarding record customer information for sales of regulated explosives precursors and poisons to professional and business users

Strategic objective

96. To simplify and improve the operability of the Poisons Act 1972 regime by introducing a consistent set of record-keeping requirements for sales of regulated explosives precursors and regulated poisons to professional and business users.

SMART objectives

97. **Objective 1:** Within 12 months of implementation, ensure that business and professional purchases of regulated poisons and regulated explosives precursors are subject to a single, consistent set of customer information requirements, supported by published guidance.
98. **Objective 2:** Reduce regulatory complexity for suppliers by removing all unnecessary differences between record-keeping requirements for comparable transactions within one year of implementation.
99. **Objective 3:** Within one year of implementation, reduce any difference in the completeness of customer records across the two regulatory regimes to less than five per cent as a means of improving consistency of compliance and enforcement.

Changing the reporting threshold for regulated poisons

Strategic objective

100. To ensure that the Poisons Act 1972 framework operates consistently across different concentration levels of hazardous substances and that lower-risk concentrations remain subject to appropriate oversight. Ensure that future regulated poisons introduced with concentration thresholds are subject to a coherent and graduated control framework.

SMART objectives

101. **Objective 1:** Within 12 months of implementation, ensure that all concentrations of oxalic acid, oxalic acid dihydrate and phenols below the regulatory threshold are subject to reportable poison requirements unless otherwise specified, providing a consistent regulatory framework across concentration levels.

4. Description of proposed intervention options and explanation of the logical change process whereby this achieves SMART objectives

102. The proposed measures are intended to strengthen the effectiveness, consistency and sustainability of the EPP regime by applying proportionate controls to substances of concern, improving intelligence available to law enforcement, reducing opportunities for misuse and ensuring the legislative framework remains aligned with current risks.

Inputs

103. The proposals draw upon:

- a. Legislative powers available under the Poisons Act 1972 and associated secondary legislation;
- b. Home Office and partner operational experience of administering the EPP regime;
- c. Scientific evidence, including internal Home Office analysis and studies conducted by other government departments, and policing and security partners.
- d. Stakeholder engagement, including with industry, law enforcement partners and bereaved families;
- e. Policy work undertaken following the Southport attack and subsequent Inquiry; and
- f. Existing reporting and case-handling processes, including suspicious activity reporting mechanisms.

Activities

104. Under Option 1 and Option 2, the government would:

- a. Introduce new controls on substances presenting public safety, safeguarding or national security concerns, including sodium nitrite, castor beans and rosary peas;
- b. Strengthen controls on selected explosive precursor chemicals by adding them to regulated or reportable lists;
- c. Update concentration thresholds where scientific evidence indicates existing thresholds may no longer be appropriate;
- d. Address legislative inconsistencies relating to oxalic acid dihydrate, calcium nitrate tetrahydrate and the definition of regulated poisons;
- e. Update guidance and communications for suppliers and users; and
- f. Engage with businesses and enforcement partners to support implementation through training and communications.
- g. Under Option 2, these measures would additionally be supported by changes to EPP licence fees and alignment of business-to-business record-keeping requirements.

Immediate outputs

105. The proposals are expected to produce several direct outputs:

- a. Higher-risk substances become subject to licensing or reporting controls;
- b. businesses receive updated guidance and clearer information regarding their obligations;
- c. suppliers apply consistent customer verification and record-keeping processes;
- d. suspicious transactions, significant disappearances and thefts relating to newly controlled substances become reportable;
- e. law enforcement receives additional intelligence relating to potentially suspicious acquisitions; and

- f. identified legislative inconsistencies are removed from the regulatory framework.
- g. Higher EPP licence fee receipts

Short-term outcomes

106. In the short term, the proposals are expected to:

- a. improve supplier awareness of legal obligations;
- b. improve compliance with regulatory requirements;
- c. reduce opportunities for unrestricted acquisition of substances presenting identified risks;
- d. increase the volume and quality of intelligence available to law enforcement through suspicious activity reporting;
- e. improve consistency across the EPP framework; and
- f. improve cost recovery associated with administration of the licensing regime.

Medium-term outcomes

107. Over time, these changes are expected to:

- a. increase oversight of substances associated with identified public safety and national security risks;
- b. strengthen the ability of law enforcement to identify, assess and respond to suspicious activity;
- c. reduce opportunities for hostile or criminal acquisition of controlled substances;
- d. improve coordination between government, law enforcement and industry; and
- e. ensure that controls remain aligned with current scientific evidence and threat assessments.

Long-term impact

108. The intended long-term impact is a regulatory regime that remains evidence-based and responsive to evolving risks, whilst preserving legitimate access for lawful users. By reducing opportunities for hostile, criminal or harmful acquisition of dangerous chemicals and improving visibility of suspicious activity, the proposals are expected to contribute to improved public safety, safeguarding outcomes and national security.

5. Summary of long-list and alternatives

Critical Success Factors

109. The long-list options were evaluated against the HM Treasury's Green Book's critical success factors, options which did not meet these criteria were discounted.

- Strategic fit: how well the option provides holistic fit and synergy with other strategies, programmes and projects.
- Potential value for money: how well the option optimises social value in terms of potential costs, benefits and risks.

- Supplier capacity or capability – if procurement is required, are there suppliers available to deliver the required services?
 - Potential affordability: how well the option can be financed from available funds.
 - Potential achievability: how well the option is likely to be delivered given an organisation's ability to respond to the changes required.
110. In accordance with the HM Treasury Green Book approach to options development, the government identified and assessed a reasonable range of options for each group of measures. The long-list included business as usual, non-regulatory intervention, alternative levels or forms of regulatory control, and different implementation and cost-recovery approaches where relevant.
111. Each option was assessed qualitatively against the critical success factors of strategic fit, potential value for money, supplier capacity or capability, potential affordability and potential achievability. The assessment considered the option as a whole, including its potential costs, benefits, risks and deliverability. A high rating for affordability or achievability does not necessarily indicate that an option should be shortlisted where it would not meet the policy objectives or address the identified problem. Supplier capacity or capability is recorded as not applicable where procurement is not required.
112. The results of the assessment are set out below. They show the basis on which options were discounted and how the preferred measure-level approaches informed the package-level options carried forward for consultation.

Changes to the list of regulated and reportable poisons

Option considered	Strategic fit	Potential value for money	Supplier capacity/ capability	Potential affordability	Potential achievability	Outcome
Option 0: 'Do nothing'	Red	Red	Green	Green	Green	Does not address identified public safety, safeguarding and national security concerns or respond to identified regulatory gaps
Guidance and voluntary measures	Red	Amber	Amber	Green	Amber	Discounted. May increase awareness but would not provide a consistent or enforceable framework for managing risks.
Reportable status only	Amber	Amber	Green	Amber	Amber	Considered as a lower burden option but unlikely to provide sufficient mitigation where restricting access is the primary objective.
Option taken forward to consultation: proposed regulated and reportable poison changes	Green	Green	Green	Amber	Green	Shortlisted as the option most consistent with policy objectives whilst retaining routes for legitimate access where appropriate.

RAG key: **Green** = fit for purpose (meets the critical success factor). **Amber** = partially fit for purpose (partially meets the critical success factor; issues/risks to address). **Red** = not fit for purpose (does not meet the critical success factor).

113. The 'do nothing' option received a red rating for strategic fit and value for money because it would not address the public safety, safeguarding and national security concerns identified in the strategic case. It scored green for supplier capacity, affordability and achievability because suppliers would continue operating under existing arrangements and no changes to systems or business processes would be required.

114. Guidance and voluntary measures received a red for strategic fit rating because participation would be discretionary and controls would not be enforceable in law. While

relatively affordable, the option received amber ratings for value for money, supplier capacity and achievability because risk reduction would depend on suppliers voluntarily adopting and maintaining the measures, creating a risk of inconsistent implementation across the market.

115. Reportable status only received amber ratings because it would strengthen reporting and intelligence gathering but would not directly restrict access to substances. It therefore only partially addresses the policy objectives. Supplier capacity was assessed as green because affected businesses already operate within the suspicious transaction reporting regime and could implement the option through existing reporting processes.
116. The option taken forward to consultation received green ratings for strategic fit, value for money, supplier capacity and achievability because it most directly addresses the identified risks whilst retaining a route for legitimate access through licensing. Supplier capacity was assessed as green as the proposals build on the existing regulatory framework and are expected to be capable of implementation through established supplier compliance processes. Affordability was assessed as amber because compliance and familiarisation costs may arise for affected suppliers and users.

Changes to the lists of regulated and reportable explosives precursors

Option considered	Strategic fit	Potential value for money	Supplier capacity/ capability	Potential affordability	Potential achievability	Outcome
Option 0: 'Do nothing'	Red	Red	Green	Green	Green	Does not address identified public safety, safeguarding and national security concerns or respond to identified regulatory gaps
Guidance and voluntary measures	Red	Amber	Amber	Green	Amber	Discounted. May increase awareness but would not provide a consistent or enforceable framework for managing risks.
Reportable status only	Amber	Amber	Green	Amber	Amber	Considered as a lower burden option but unlikely to provide sufficient mitigation where restricting access is the primary objective.
Option taken forward to consultation: proposed regulated and reportable explosive precursors	Green	Green	Green	Amber	Green	Shortlisted as the option most consistent with policy objectives whilst retaining routes for legitimate access where appropriate.

RAG key: **Green** = fit for purpose (meets the critical success factor). **Amber** = partially fit for purpose (partially meets the critical success factor; issues/risks to address). **Red** = not fit for purpose (does not meet the critical success factor).

117. The 'do nothing' option received a red rating for strategic fit and value for money because it would not address the public safety and national security concerns identified in the strategic case, nor would it respond to legislative anomalies or the latest scientific evidence underpinning the proposals. Supplier capacity was assessed as green for the "do nothing" option because suppliers would continue operating under existing

arrangements and no changes to business processes would be required. It scored green for affordability and achievability because it would impose no additional costs or implementation requirements.

118. Guidance and voluntary measures received a red strategic fit rating because they would rely on voluntary compliance and would not provide enforceable restrictions on the acquisition of explosive precursor chemicals. It an amber supplier capacity rating because implementation would depend on suppliers choosing to adopt and maintain voluntary controls, creating a risk of inconsistency across the market. The option received amber ratings for value for money and achievability because any benefits would depend on inconsistent uptake by suppliers and would not guarantee a consistent level of risk reduction across the market.
119. Reportable status only received amber ratings for strategic fit and value for money because, whilst it could improve intelligence gathering through suspicious transaction reporting, it would not directly restrict access to substances where the policy objective is to reduce availability to members of the public. Supplier capacity was assessed as green because businesses already operate within the reporting regime, whilst affordability and achievability were assessed as amber because the option would provide only a partial response to the identified risks.
120. The option taken forward to consultation received green ratings for strategic fit, value for money and achievability because it most effectively addresses the identified risks through a combination of licensing controls, reporting requirements and updated concentration thresholds, whilst maintaining routes for legitimate access. Supplier capacity was assessed as green because the measures build on existing regulatory arrangements. Affordability was assessed as amber because suppliers and users may incur familiarisation and compliance costs associated with the changes.

Explosives Precursors and Poisons Licence fee change

Option considered	Strategic fit	Potential value for money	Supplier capacity/ capability	Potential affordability	Potential achievability	Outcome
Option 0: 'Do nothing'	Red	Red	N/A	Green	Green	The licence fee would continue to diverge from the cost of administering the regime.
Inflation-only increase	Amber	Amber	N/A	Green	Green	Considered but may not adequately improve cost recovery.
Option taken forward to consultation: increase fee to approximately £70 to 80	Green	Green	N/A	Amber	Green	Shortlisted as a proportionate and sustainable means of improving cost recovery whilst maintaining access to the licensing regime.

RAG key: **Green** = fit for purpose (meets the critical success factor). **Amber** = partially fit for purpose (partially meets the critical success factor; issues/risks to address). **Red** = not fit for purpose (does not meet the critical success factor).

121. The 'do nothing' option received a red rating for strategic fit and value for money because it would not address the identified gap between the current licence fee and the cost of administering the EPP licensing regime. The option would allow the level of taxpayer subsidy to increase over time as operating costs continue to rise. It scored green for affordability and achievability because it would impose no additional costs on licence holders and would require no implementation activity.
122. The inflation-only increase option received amber ratings for strategic fit and value for money because, whilst it would partially address the erosion in the value of the licence fee over time, it may not adequately improve cost recovery or ensure that fees more closely reflect the current costs of administering the regime. Affordability and achievability were assessed as green because the increase would be limited in scope, straightforward to implement and would result in only a modest additional cost for licence holders.
123. The option taken forward to consultation received green ratings for strategic fit, value for money and achievability because it is most closely aligned with the objective of improving cost recovery and supporting the long-term financial sustainability of the licensing regime. The proposed fee better reflects current administration costs whilst maintaining a route for legitimate access to regulated substances. Affordability was assessed as amber because licence holders would face higher application and renewal

costs than under the current regime, although the increase is expected to remain proportionate and affect a relatively small number of users.

Alignment of requirements regarding recording customer information for sales of regulated explosives precursors and poisons to professional and business users

Option considered	Strategic fit	Potential value for money	Supplier capacity/ capability	Potential affordability	Potential achievability	Outcome
Option 0: 'Do nothing'	Red	Red	Green	Green	Green	Existing inconsistencies would remain.
Guidance only	Amber	Amber	Green	Green	Green	Discounted. Would not remove the underlying legislative inconsistency
Option taken forward to consultation: full alignment through legislative amendment	Green	Green	Green	Green	Green	Shortlisted as the option most likely to improve consistency, compliance and operability across the regime.

RAG key: **Green** = fit for purpose (meets the critical success factor). **Amber** = partially fit for purpose (partially meets the critical success factor; issues/risks to address). **Red** = not fit for purpose (does not meet the critical success factor).

124. The 'do nothing' option received a red rating for strategic fit and value for money because it would leave the identified inconsistency in the legislative framework unresolved and would not support the objective of creating a simpler and more coherent regulatory regime. It scored green for supplier capacity, affordability and achievability because suppliers could continue operating under existing arrangements without incurring additional costs or implementation requirements.
125. The guidance-only option received amber ratings for strategic fit and value for money because it could improve understanding of existing requirements and support more consistent operational practice. However, it would not remove the underlying legislative inconsistency, meaning different statutory requirements would continue to apply to broadly comparable transactions. Supplier capacity, affordability and achievability were assessed as green because guidance could be implemented at relatively low cost and would be straightforward for businesses to adopt.
126. The option taken forward to consultation received green ratings across all critical success factors because it would directly address the legislative inconsistency by establishing a single set of record-keeping requirements for comparable business-to-business transactions. The option is expected to improve clarity, consistency and compliance whilst reducing complexity for suppliers that handle both regulated poisons and regulated explosive precursors. It was assessed as affordable and achievable

because the changes build on existing business processes and are expected to require only limited familiarisation with revised requirements.

Changing the reporting threshold for regulated poisons

Option considered	Strategic fit	Potential value for money	Supplier capacity/ capability	Potential affordability	Potential achievability	Outcome
Option 0: 'Do nothing'	Red	Red	Green	Green	Green	Would leave the identified legislative gap unresolved.
Guidance only	Red	Red	Green	Green	Green	Discounted. Guidance cannot amend statutory reporting requirements.
Option taken forward to consultation: apply reportable status below regulatory thresholds	Green	Green	Green	Green	Green	Shortlisted as a proportionate means of increasing oversight whilst avoiding unnecessary licensing burdens.

RAG key: **Green** = fit for purpose (meets the critical success factor). **Amber** = partially fit for purpose (partially meets the critical success factor; issues/risks to address). **Red** = not fit for purpose (does not meet the critical success factor).

127. The 'do nothing' option received a red rating for strategic fit and value for money because it would leave the identified legislative gap unresolved and would not support the objective of establishing a coherent and proportionate framework for regulating hazardous substances at different concentrations. It scored green for supplier capacity, affordability and achievability because no legislative or operational changes would be required.
128. The guidance-only option received red ratings for strategic fit and value for money because guidance cannot amend statutory reporting requirements and therefore would not resolve the underlying issue. While suppliers would be capable of implementing updated guidance and no significant costs would arise, the option would fail to achieve the intended policy objective of ensuring lower concentrations of regulated poisons remain subject to appropriate oversight. The guidance-only option received green ratings for affordability because it would impose minimal costs on suppliers and government, requiring only familiarisation with revised guidance. Achievability was also assessed as green because updated guidance could be issued using existing communication channels and implemented without legislative change, although the option would not address the underlying statutory issue
129. The option taken forward to consultation received green ratings across all critical success factors because it would directly address the legislative gap through a targeted amendment to the regulatory framework. Applying reportable status to lower concentrations of regulated poisons would improve the consistency and coherence of the regime whilst maintaining a proportionate approach to regulation by avoiding additional licensing requirements. The option was assessed as affordable and

achievable because it builds on existing reporting arrangements and is expected to require only limited familiarisation by affected suppliers and enforcement partners.

Development of shortlisted consultation options

130. The long-list appraisal was undertaken at the measure level to assess the range of plausible approaches available for each proposed intervention. Options which did not meet the critical success factors were discounted. The remaining measure-level options were then combined into consultation packages to enable consideration of cumulative impacts and interactions between measures.
- a. **Option 0** represents retention of the current regulatory framework across all measures.
 - b. **Option 1** combines the shortlisted substance-control measures relating to poisons and explosives precursors.
 - c. **Option 2** combines the measures included in Option 1 with the additional licence fee, record-keeping and reporting-threshold reforms.
131. The package options reflect combinations of the measure-level options that were considered most capable of meeting the policy objectives while providing a meaningful basis for consultation.

6. Description of shortlisted policy options carried forward

132. The shortlisted options for this SI are designed to test the impact of:
- (0) Taking no action;
 - (1) Implementing the proposed substance control measures only; or
 - (2) Implementing the full package of substance control, cost recovery and administrative reform measures.

Option 0: 'Do nothing' is to make no changes to the current regulatory framework

133. This option would retain the current regulatory framework under the Poisons Act 1972 without amendment. The existing list of regulated and reportable substances would remain unchanged, and no additional control measures would be introduced. Ricin contained in castor beans and abrin contained in rosary peas would continue to fall outside the scope of regulated poisons, and existing arrangements for licensing, record-keeping and fees would remain as they are.
134. This option would not address the issues identified in relation to plant-derived toxins, including those highlighted by recent incidents and the Southport Inquiry. It would also leave unchanged the current classification of sodium nitrite, sodium nitrate and potassium nitrate, and would not address the proposed operational improvements to record-keeping requirements or licence fees. As a result, the current framework would remain unchanged despite evidence that aspects of the regime could be strengthened.

Option 1: Comprehensive package of reforms

135. This option would take forward all proposed changes to regulated and reportable poisons and explosives precursors but would not include any changes to EPP licence fees or business-to-business record-keeping requirements. Specifically, it would:

- a. add **ricin (contained in castor beans)** to the list of regulated poisons (at any concentration) and amend the relevant exemption for vascular plants and their seeds;
- b. add **abrin (contained in rosary peas)** to the list of regulated poisons (at any concentration) and amend the relevant exemption for vascular plants and their seeds;
- c. change the classification of **sodium nitrite (CAS 7632-00-0)** from a reportable poison to a regulated poison above 10 per cent w/w;
- d. add **oxalic acid dihydrate (CAS 6153-56-6)** to the list of regulated poisons above 14 per cent w/w;
- e. change the classification of **sodium nitrate (CAS 7631-99-4)** from a reportable explosive precursor to a regulated explosive precursor above 10 per cent w/w;
- f. change the classification of **potassium nitrate (CAS 7757-79-1)** from a reportable explosive precursor to a regulated explosive precursor above 10 per cent w/w;
- g. add **calcium nitrate tetrahydrate (CAS 13477-34-4)** to the list of reportable explosive precursors at any concentration;
- h. amend the concentration thresholds for **potassium chlorate, sodium chlorate, potassium perchlorate and sodium perchlorate** to 10 per cent w/w (currently regulated above 40 per cent w/w)

Option 2: Comprehensive package of reforms, plus licence fee changes, alignment of record-keeping requirements and amend the reporting threshold for reportable poisons

136. This option would include all measures set out in Option 1 and would additionally:

- increase EPP licence fees to improve cost recovery and better reflect the costs of administering the regime; and
- align record-keeping requirements for sales of regulated poisons to professional and business users with those already required for sales of regulated explosive precursors.
- amend the definition of a regulated poison so that, where a regulated poison is subject to a concentration threshold, lower concentrations become reportable poisons unless otherwise specified.

137. This option would implement the full package of substance control, cost recovery and administrative reform measures proposed in the consultation.

Small and Micro Business Assessment

138. The proposed measures are expected to affect businesses involved in the manufacture, distribution, wholesale and retail supply of explosives precursors and poisons, including chemical wholesalers, hardware retailers, garden centres, fertiliser suppliers and specialist retailers. Analysis of ONS business population data indicates that

approximately 98 per cent of businesses within the sectors identified as potentially affected are small or micro businesses. Approximately two per cent (when rounded to the nearest one per cent) are medium-sized businesses employing between 50 and 499 people. The consultation seeks additional evidence on the size and characteristics of businesses likely to be affected by each proposal.

139. The Home Office has considered whether small and micro businesses could be exempted from the proposed measures. An exemption is not considered appropriate because the objectives of the regime are to apply consistent controls across supply chains where regulated or reportable substances are made available, and applying different requirements based on business size could undermine the effectiveness and enforceability of the regime. Exempting certain businesses could create inconsistencies in the regulatory framework and potentially provide alternative routes for the acquisition of substances subject to controls.
140. Similarly, an exemption for medium-sized businesses is not considered appropriate. The objectives of the regime are to apply consistent controls across supply chains where regulated or reportable substances are made available, and applying different requirements based on business size could undermine the effectiveness and enforceability of the regime.
141. Although exemptions are not considered appropriate, the Home Office has sought to minimise burdens by building the proposals around the existing Explosives Precursors and Poisons regime. Many affected businesses are already familiar with existing requirements relating to suspicious transaction reporting, customer verification and the supply of regulated substances. Updated guidance and communications would be used to support compliance and minimise familiarisation costs.
142. The consultation will seek evidence from small, micro and medium-sized businesses on any additional costs that may arise, including staff training, relabelling, stock management, customer verification processes, record-keeping requirements and substitution to alternative products. Responses will be used to inform any future assessment of whether further mitigations are required and whether impacts differ by business size.

7. Monitoring and evaluation

143. The Home Office currently monitors the operation of the explosives precursors and poisons regime through the monitoring and evaluation framework developed alongside the Control of Explosives Precursors and Poisons Regulations 2023 (CEPPR 2023). Any measures taken forward following consultation would be incorporated into this existing framework, ensuring that implementation and impacts can be assessed alongside other controls within the regime. The approach will be proportionate to the scale and nature of the proposals and will be developed in accordance with HM Treasury Green Book and Magenta Book guidance. Monitoring activity will draw on existing operational data collected through the EPP regime, consultation responses, stakeholder engagement and evidence gathered by enforcement and regulatory partners.
144. The effectiveness of the measures will be assessed using a range of indicators appropriate to the specific proposals taken forward. These may include trends in EPP licence applications, suspicious transaction reports, reports of significant

disappearances and thefts, compliance activity, and operational evidence regarding the availability and misuse of substances brought within scope of the regime. Given the nature of the risks being addressed, particularly those relating to national security, terrorism, criminality and public safety, it is likely to remain difficult to directly attribute changes in outcomes to the legislation alone. The evaluation will focus on contribution to outcomes rather than attempting to establish direct causation.

145. The Home Office will also assess the proportionality and operability of the measures. This will include consideration of the extent to which the proposals impose costs on businesses, suppliers, professional users and licence holders, and whether those impacts were consistent with those anticipated during policy development. Evidence gathered through consultation responses, stakeholder engagement, future reviews and operational experience will be used to assess whether any burdens associated with the regime remain justified by the benefits delivered.
146. The Home Office will give particular attention to whether the classification and concentration thresholds applied to regulated and reportable substances remain appropriate in light of emerging scientific evidence, operational experience and developments in the threat picture. The Home Office keeps the explosives precursors and poisons regime under regular review and will consider whether future additions, removals or amendments are required to ensure that controls remain proportionate, evidence-based and responsive to current risks.
147. In addition, the Home Office will monitor the implementation of any administrative changes introduced through the legislation, including any revised licence fee arrangements and any changes to business-to-business record-keeping requirements. This will help assess whether the measures have improved consistency, efficiency and cost recovery across the regime whilst avoiding unnecessary burdens on legitimate users.

8. Minimising administrative and compliance costs

148. The Home Office has sought to minimise administrative and compliance costs wherever possible by designing the proposed measures to build upon the existing EPP regime, rather than creating a new regulatory framework. Many of the affected businesses are already familiar with existing requirements relating to regulated and reportable substances, suspicious transaction reporting and customer verification. As a result, the principal costs associated with the proposals are expected to arise from familiarisation with revised requirements, rather than the introduction of wholly new compliance systems.
149. The proposed changes to substance classifications and concentration thresholds have been developed to ensure that regulatory controls are targeted at substances that present the greatest public safety, safeguarding or national security concerns. Where possible, controls have been calibrated using the best available scientific and operational evidence, and operational assessments of substance misuse. This approach seeks to avoid imposing controls on substances or concentrations where the evidence does not support intervention.
150. Several of the proposals are intended to improve the consistency and operability of the regime rather than create additional burdens. In particular, the proposal to align record-

keeping requirements for sales of regulated poisons and regulated explosive precursors to professional and business users would create a single set of requirements for similar transactions. This should reduce complexity for suppliers handling both categories of substances, allowing them to operate consistent processes across their business.

151. The proposed additions of oxalic acid dihydrate and calcium nitrate tetrahydrate are similarly intended to address technical inconsistencies within the legislation arising from separate CAS numbers for closely related substances. These measures are designed to improve legal clarity and consistency without fundamentally altering the policy approach already applying to the equivalent substances.
152. Should any measures be taken forward following consultation, the Home Office would work with businesses, trade bodies, enforcement partners and other stakeholders to support implementation. This would include updating existing guidance, communicating changes in advance of commencement and providing an appropriate implementation period to allow affected organisations sufficient time to review processes, train staff where necessary and adapt to any new requirements.
153. In relation to the proposed EPP licence fee increase, the Home Office is consulting on an increase intended to improve cost recovery and better reflect the administrative costs of operating the licensing regime. The proposal is designed to recover a greater proportion of the costs associated with administering the regime while continuing to preserve a route for legitimate users to acquire substances where there is a justified need.

Declaration

Department: Home Office

Contact details for enquiries:

precursorsandpoisons@homeoffice.gov.uk

Minister responsible:

Rt Hon Dan Jarvis, Minister of State for Security

I have read the Consultation Options 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:



Date: 28.09.2026

Summary: Analysis and evidence

For Consultation OAs, it is not a requirement to complete all the below, but please complete as much as you can where possible. For each shortlisted option, include a column in the below table.

Price base year: 2027/28

PV base year: 2027/28

	Option 0. Business as usual (baseline)	Option 1. Comprehensive package of reforms	Option 2. Comprehensive package of reforms plus licence fee increase and technical changes.
Net present social value	£0 (Low estimate: £0; High estimate: £0)	-£13,970 (Low estimate: -£44,640; High estimate: -£1,010)	-£15,950 (Low estimate: -£50,920; High estimate: -£1,160)
Public sector financial costs	£0 (Low estimate: £0; High estimate: £0)	£0 (Low estimate: £0; High estimate: £0)	£0 (Low estimate: £0; High estimate: £0)
Significant un-quantified benefits and costs (description, with scale where possible)	None	The scale of unmonetised costs is highly uncertain at this stage. Unmonetised costs could include: - Additional training - Reduced access to substances for legitimate home use and additional licence applications - Relabelling, reformulation and process changes These costs are assumed to be zero, with this assumption to be updated for future analysis with any evidence obtained at consultation.	The scale of unmonetised costs is highly uncertain at this stage. Unmonetised costs could include: - Additional training - Reduced access to substances for legitimate home use and additional licence applications - Relabelling, reformulation and process changes These costs are assumed to be zero, with this assumption to be updated for future analysis with any evidence obtained at consultation. The additional training and relabelling, reformulation and process changes costs are

		The additional training and relabelling, reformulation and process changes costs are expected to fall on businesses. The costs associated with reduced access to substances for legitimate home use are expected to fall on households. Unmonetised benefits: - Reduced access to precursors and poisons for malicious use	expected to fall on businesses. The costs associated with reduced access to substances for legitimate home use are expected to fall on households. Unmonetised benefits: - Reduced access to precursors and poisons for malicious use
Key risks (and risk costs, and optimism bias, where relevant)	None	The monetised cost to businesses is highly dependent on the following uncertainties: - The time required to read additional guidance. - The business sectors that will be impacted by the proposed measures. - The proportion of businesses within each of these sectors that will be affected by the proposed measures. Evidence gathered in the consultation will inform the assumptions made around these uncertainties in any future analysis.	The monetised cost to businesses is highly dependent on the following uncertainties: - The time required to read additional guidance. - The business sectors that will be impacted by the proposed measures. - The proportion of businesses within each of these sectors that will be affected by the proposed measures. Evidence gathered in the consultation will inform the assumptions made around these uncertainties in any future analysis.

Annex

1. Evidence Base

1.1. General Assumptions and Data

1. All costs and benefits have been:
 - Estimated over a 10-year appraisal period (2027/28 to 2036/37). 2027/28 is chosen as the Present Value/Price year because the SI is unlikely to be implemented until after March 2027, and so costs will most likely be borne in FY 2027/28.
 - Assessed against Option 0: 'Do nothing' which reflects a counterfactual in which these measures are not introduced, and the current regulatory regime continues unchanged.
 - Inflated to 2027/28 prices using Office for Budget Responsibility Gross Domestic Product (GDP) deflators for June 2026 (Quarterly National Accounts)¹⁴; and
 - Discounted using a 3.5 per cent rate in line with the HM Treasury Green Book. The present value base year is 2027/28.
2. Low, central, and high estimates have been developed for monetised costs and benefits. These scenarios are informed by:
 - The assumed proportion of businesses within each affected sector that are expected to be impacted (see *assumption A2*).
 - Uncertainty around the time required to familiarise with guidance relating to the proposed measures.
3. A1 to A3, below, are the general assumptions used in the analysis in this annex.

A1 – Measures mapped onto policy options

4. Table 1 below lists the proposed measures, their measure IDs as referred to throughout this appraisal section, and the policy options that each of these measures apply to.

¹⁴ GDP deflators at market prices, and money GDP; June 2026 – Office for Budget Responsibility, 2026: <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

Table 1: Summary of proposed measures and corresponding policy options

Measure ID	Measure	Policy Option measure applies to
(a)	Additions to regulated poisons: add ricin (contained in castor beans), abrin (contained in rosary peas) and oxalic acid dihydrate to the list of regulated poisons.	Option 1 and Option 2
(b)	Changes to reportable and regulated explosives precursors: reclassifying potassium nitrate and calcium nitrate tetrahydrate to regulated at a set concentration.	Option 1 and Option 2
(c)	Regulating sodium nitrite and sodium nitrate.	Option 1 and Option 2
(d)	EPP Licence Fee Change.	Option 2
(e)	Alignment of requirements regarding record customer information for sales of regulated explosive precursors and poisons to professional and business users.	Option 2
(f)	Amend the concentration thresholds for potassium chlorate, sodium chlorate, potassium perchlorate and sodium perchlorate to 10% w/w.	Option 1 and Option 2
(g)	Amend the definition of a regulated poison so that, where a regulated poison is subject to a concentration threshold, lower concentrations become reportable poisons unless otherwise specified.	Option 2

Source: Home Office 2026

A2 – Number of businesses impacted by these measures

5. This analysis uses Office for National Statistics data on the number of local business units in Great Britain by four-digit Standard Industrial Classification (SIC) Code to estimate the number of businesses in scope of the proposed measures.¹⁵
6. For the purposes of this analysis, relevant four-digit SIC codes have been identified that are most likely to be impacted by the proposed measures. However, the industries that will be affected by the measures proposed in this consultation is highly uncertain. Any future analysis of these measures will look to update assumption A2 using data collected in this consultation.
7. Table 2 below outlines the relevant SIC codes that will be impacted by the measures in Options 1 and 2.

¹⁵ Data was obtained using the ONS nomis database:

<https://www.nomisweb.co.uk/query/construct/summary.asp?reset=yes&mode=construct&dataset=141&version=0&anal=1>

SIC (Standard Industrial Classification) codes are used government agencies to categorise the primary economic activity of a business.

Table 2: Standard Industrial Classification (SIC) codes identified to be impacted by the proposed measures

SIC Code	Primary economic activity of the business
4675	Wholesale of chemical products
4776	Retail sale of flowers, plants, seeds and fertilisers
4778	Other retail sale of new goods in specialised stores
4612	Agents involved in the sale of industrial chemicals
4690	Non-specialised wholesale trade
4752	Retail sale of hardware, paints and glass in specialised stores

Source: Home Office 2026, ONS 2025

8. The number of businesses in each SIC code for the first year of the appraisal period (2027/28) is assumed to be the same as the number of businesses per SIC code given in 2025 statistics (the latest year for which these statistics are available).
9. Due to the uncertainty in estimating the number of businesses affected, the analysis adopts a range-based approach, consistent with that used in the 2018 consultation impact assessment¹⁶ and 2023 impact assessment.¹⁷ This approach assumes that between 1 per cent and 10 per cent of businesses within each affected SIC code are impacted, providing lower and upper bound estimates of the proportion of businesses affected.
10. The Home Office has made this assumption given the lack of evidence on the proportion of business within each SIC code that will be affected by the measures being consulted on. Future analysis of these measures will look to use data collected in this consultation to update this assumption.

Table 3: The low, central, and high estimates used within this analysis for the number of businesses estimated to be affected by the proposed measures

	Total Number of Businesses per SIC code	Estimate for number of businesses affected per SIC code		
		Low	Central	High
4675	1,730	17	95	173
4776	8,220	82	452	822
4778	20,870	209	1,148	2,087
4612	1,020	10	56	102
4690	11,750	118	646	1,175
4752	9,065	91	499	907
Total	52,655	527	2,896	5,266

Source: Home Office internal estimates 2026, ONS 2025

11. The ONS dataset counts each business unit by the industry classification of its main economic activity, meaning each business is only counted once across this dataset. This eliminates the possibility of double counting businesses in Table 3.

¹⁶ EU Regulation on the Marketing and Use of Explosives Precursors – Home Office 2018: <https://www.legislation.gov.uk/uksi/2018/451/impacts>

¹⁷ Amendments to the Poisons Act 1972 – Home Office, 2023: https://www.legislation.gov.uk/ukia/2023/9/pdfs/ukia_20230009_en.pdf

A3 – Labour costs of employees within affected businesses

12. The average hourly labour cost for employees within affected businesses has been estimated in the following way:
- Median hourly pay data for employees in businesses by four-digit SIC code is taken from the 2025 Annual Survey of Hours and Earnings (ASHE), four-digit occupational coding table.¹⁸
 - Median hourly pay has been inflated to 2027/28 prices using the Office for Budget Responsibility Gross Domestic Product (GDP) deflators for June 2026 (Quarterly National Accounts).¹⁹
 - To account for wider employment costs, such as employer pension and National Insurance contributions and overheads, the median wage is uplifted using a wage multiplier derived from the Office for National Statistics (ONS) Index of Labour Costs per Hour to estimate total hourly labour costs. For affected businesses, this includes applying a 13 per cent uplift, consistent with the 'Wholesaling, Retailing, Hotels and Restaurants' category.²⁰
13. From these average hourly labour cost per SIC code estimates, an average hourly labour cost per affected employee is calculated. This average is weighted by the number of businesses in each SIC code (presented in Table 3), ensuring that sectors with a higher business count have a proportionately greater impact on the resulting average labour cost. This gives an average hourly labour cost per employee of an affected business of £17.05 for each policy option.

2. Monetised Impacts

2.1. Monetised Costs

2.1.1. Monetised Cost 1: Familiarisation costs to affected businesses

14. Familiarisation costs arise here employees spend time reading guidance to understand the proposed policy changes. This time represents an opportunity cost to businesses.
15. Familiarisation costs are the only monetised costs included in this Consultation Options Assessment. Other potential costs cannot be quantified at this stage due to uncertainty over how businesses and consumers may respond to the proposed measures (see Section 6).
16. Familiarisation is assumed to be a one-off cost incurred in the first year only. It is assumed that one employee in each affected business reads the relevant guidance and communicates any changes internally.

¹⁸ Earnings and hours worked, industry by four-digit SIC: ASHE Table 16 – ONS, 2025: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/industry4digitsic2007ashtable16>. This gives data on earnings per SIC code for the UK (rather than just Great Britain). Therefore, due to this data constraint, it is assumed that hourly pay per SIC code for the UK is the same as that for Great Britain.

¹⁹ GDP deflators at market prices, and money GDP; June 2026 – Office for Budget Responsibility, 2026: <https://www.gov.uk/government/collections/gdp-deflators-at-market-prices-and-money-gdp>

²⁰ ONS (2020) Index of Labour Costs per Hour: level (£) by sector, seasonally adjusted. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/indexoflabourcostsperhourilchseasonallyadjusted>. This data source gives labour costs per hour for the UK (rather than just Great Britain). Therefore, due to this data constraint, it is assumed that the uplift for non-wage costs is the same for the UK as it is for Great Britain.

17. As the final guidance will be determined following consultation, this assessment assumes that existing explosives precursors and poisons guidance is updated and requires re-reading. For measure (a), businesses are assumed to read approximately 3,200 words of guidance. For measures (b), (c), (e), (f) and (g), a further 300 words of guidance is assumed for each measure. Measure (d) is not expected to require any additional guidance.
18. Table 4 summarises the guidance lengths assumed under each policy option.

Table 4: Length of guidance that employees would be expected to read and comprehend for each policy option

Measure	Additional length of guidance to be read and comprehended	Included in Option 1?	Included in Option 2?
(a)	3,219 words	Yes	Yes
(b)	300 words	Yes	Yes
(c)	300 words	Yes	Yes
(e)	300 words	No	Yes
(f)	300 words	Yes	Yes
(g)	300 words	No	Yes
Total guidance length for Option 1:	4,119 words ²¹		
Total guidance length for Option 2:	4,719 words ²²		

Source: Home Office internal estimates, 2026

19. Reading times were estimated using the *ReadingSoft* calculator. Table 5 shows the resulting familiarisation time across affected businesses under each option.²³

Table 5: Estimated number of employees within affected businesses required to read and comprehend the guidance, and total familiarisation time across all employees (hours), by policy option.

Policy option	Total number of employees expected to read guidance associated with option			Total familiarisation time associated with the option (hours)		
	Low	Central	High	Low	Central	High
1	527	2,896	5,266	59	819	2,618
2	527	2,896	5,266	68	935	2,987

Source: Home Office internal estimates, 2026

²¹ For Policy Option 1, total guidance that has to be read and comprehended is calculated by summing the additional guidance for measures (a), (b), (c) and (f): 3,219 + 300 + 300 + 300 = 4,119.

²² For Policy Option 2, total guidance that has to be read and comprehended is calculated by summing the additional guidance for measures (a), (b), (c), (e), (f) and (g): 3,219 + 300 + 300 + 300 + 300 + 300 = 4,719.

²³ Speed Reading Test How fast do you read? – ReadingSoft, n.d.: <http://www.readingsoft.com/.http://www.readingsoft.com/>

20. In the central scenario, affected businesses are expected to spend 17 minutes on familiarisation under Policy Option 1, and 19 minutes under Policy Option 2.
21. Total familiarisation costs were estimated by multiplying total familiarisation time by average hourly labour costs (see Assumption A3). The resulting costs are shown in Table 6.

Table 6: Estimated familiarisation costs, by policy option, £, 2027/28 prices

Policy option	Low	Central	High
1	1,010	13,970	44,640
2	1,160	15,950	50,920

Source: Home Office internal estimates, 2026, 2027/28 present value

3. Monetised Benefits

22. No monetised benefits have been identified for these measures.

4. Transfers

4.1. Transfer 1: Increased Explosives Precursors and Poisons licence fees

23. Measure (d) proposes to increase the cost of obtaining an EPP licence to between £70 and £80. As a result, applicants will incur higher fees when applying for, ²⁴ a licence.
24. The current licence fee, the central estimate for the proposed new licence fee and the difference (the additional cost to a licence fee payer) is set out in Table 7.

Table 7: Comparison of current and proposed Explosives Precursors and Poisons licence fees, central estimate (£)

Licence type	Current Licence Fee ²⁵	Proposed Licence Fees (Central estimate)	Difference
New	39.50	75.00	35.50
Amend	Free	Free	N/A
Replace (lost, stolen or damaged)	25.00	50.00	25.00
Renew	39.50	75.00	35.50

Source: Home Office, 2026

25. For the purposes of this consultation, Home Office assumes that the quantity of EPP licences demanded is totally inelastic, such that the number of EPP licences purchased does not change when the licence fee changes. This assumption is made because of an absence of data on the derived demand for EPP licences. Future analysis will look to use data collected in this consultation to update this assumption.
26. The additional fee revenue accrues to the Home Office, who handle the EPP licensing regime, and will be borne as a cost to those individuals who purchase an EPP licence.

²⁴ A licence expires every 3 years, or until the identity documentation used to apply for the licence expires. Therefore, the licence has to be renewed if the licence holder wants to continue to possess the poison/explosive precursor. Replacing a licence occurs when a licence is lost by the licence holder.

²⁵ Licensing for home users of poisons and explosive precursors – Home Office, 2026: <https://www.gov.uk/government/publications/explosives-precursors-and-poisons-licences-application-guidance/licensing-for-home-users-of-poisons-and-explosive-precursors>

However, the increase in the EPP licence fee does not constitute a social cost because it is simply a transfer payment from licence holders (households) to the Home Office (the public sector). Therefore, the additional licence fee impact is included in the total cost estimate (as a cost to households) and in the total benefit (as a benefit to the Home Office) in Table 9. However, because it is a transfer, is not included in the Net Present Social Value estimates given in Table 9.

27. The monetised cost to Households (benefit to the Home Office) is calculated as the difference between current and proposed fees for each licence type (as set out in Table 7), multiplied by the estimated number of applications. The cost/benefit, as included in Table 8, is given in present value terms across the 10-year appraisal period.

5. Overall

28. Tables 8 and 9 display the following for Policy Options 1 and 2:

- **Monetised costs:** Costs as a result of the legislation. This includes familiarisation costs plus the cost of the licence fee increase to households.²⁶
- **Monetised benefits:** Benefits as a result of the legislation. This is the estimated benefit to the Home Office from the licence fee increase (Policy Option 2 only).
- **Net Present Social Value (NPSV):** The NPSV is the key metric for determining whether an option delivers overall social value. A negative NPSV presents an overall cost to society as a result of the legislation, based on those costs and benefits that have been monetised. The effect of the proposed licence fee increase has been excluded from the NPSV for Policy Option 2 because it is a transfer.
- **Business Net Present Value (BNPV):** The total net benefit to businesses over the 10-year appraisal period, expressed in present value terms. It includes all monetised impacts, costs and benefits impacting businesses only, discounted by 3.5 per cent in line with the HM Treasury Green Book to the 2027/28 base year.
- **Estimated Annual Net Direct Cost to Business (EANDCB):** The average annualised cost to businesses of complying with the regulation, calculated over the appraisal period and expressed in present value terms.
- **Household Net Present Value (HNPV):** The total net benefit to households (for example, individual workers) over the appraisal period, discounted to present value.
- **Estimated Annual Net Direct Cost to Households (EANDCH):** The annualised cost to households of complying with the regulation.

²⁶ The licence fee increase only applies to Policy Option 2 (please see Table 1).

Table 8: Summary costs, benefits, NPSV, BNPV, EANDCB, HNPV, and EANDCH for Option 1, £, 2027/28 prices

	Low	Central	High
Total Costs	1,010	13,970	44,640
Total Benefits	0	0	0
NPSV	-44,640 ²⁷	-13,970	-1,010
BNPV	-44,640	-13,970	-1,010
EANDCB	120	1,690	5,400
HNPV	0	0	0
EANDCH	0	0	0

Table 9: Summary costs, benefits, NPSV, BNPV, EANDCB, HNPV, and EANDCH for Option 2, £, 2027/28 prices

	Low	Central	High
Total Costs	16,920	52,610	122,040
Total Benefits	15,750	36,670	71,120
NPSV	-50,920	-15,950	-1,160
BNPV	-50,920	-15,950	-1,160
EANDCB	140	1,930	6,160
HNPV	-15,750	-36,670	-71,120
EANDCH	1,910	4,440	8,610

6. Non-monetised Costs

6.1. Non-monetised Cost 1: Additional training

29. To respond to the proposed measures, there is a possibility that impacted businesses might deliver additional training to their employees to update them on the impact of the proposed measures.
30. For the purposes of this Consultation Options Assessment, it is assumed that information on the regulatory changes from the proposed measures are cascaded down to employees without the need for additional training. If data collected in the consultation suggests that businesses may need to deliver additional training to their employees in response to the proposed measures, then future analysis will update this assumption.
31. At this stage, the Home Office is not proposing a dedicated programme of business training associated with these measures. While further engagement activity may be considered, the scale and nature of any support offer would be informed by stakeholder feedback received through the consultation process.
32. As a result, training costs have not been included as a monetised cost in this Consultation Options Assessment.

²⁷ Negative figures (net costs) are denoted in red

6.2. Non-monetised Cost 2: Reduced access for legitimate home use and additional licence applications

33. The proposed measures are expected to reduce access to certain substances for people using them for legitimate purposes at home (for example, gardening or hobbyist chemistry). Bringing new substances under regulation may mean some individuals may no longer be able to purchase these substances as easily, or at all.
34. Given a lack of evidence on the substitutability of these substances, this consultation options assessment assumes that the degree of substitutability is high for the substances that the proposed measures bring under regulation. This means that most non-business users can use alternative, non-regulated substances that serve the same purpose. For example:
 - Rosary peas – used in jewellery making – may be replaced with other seeds or synthetic beads; and
 - Potassium nitrate – used in fertilisers or hobbies – may be replaced with alternative fertilisers.
35. If alternatives to regulated substances are not perfect substitutes, a welfare loss may occur if non-business users decide to use alternative substances rather than apply for an EPP licence. This welfare loss would occur if the demanded substances in scope of the measures are less costly or better quality than available alternatives.
36. Some non-business users may choose to continue using regulated substances rather than switch to alternatives. In these cases, they would need to apply for an EPP licence, creating administrative and application costs.
37. Future analysis will use evidence gathered through this consultation to refine assumptions about the availability and suitability of alternative substances. These revised assumptions will inform estimates of both consumer welfare impacts and the number of additional EPP licences issued.

6.3. Non-monetised Cost 3: Relabelling, reformulation, and process changes

38. For the purposes of this Consultation Options Assessment, Home Office assumes that businesses will not need to change how they manage substances affected by the proposed measures.
39. However, if employees of affected businesses need to identify affected products, update labels, amend records, and ensure stock is managed in line with new requirements, this would represent an opportunity cost to businesses, as this requires the use of staff time that may otherwise be spent on other productive business activities.
40. If stakeholder feedback received through the consultation suggests that businesses will need to update labelling and stock management in response to the proposed measures, then future analysis will update the assumption that the measures do not impose a relabelling/stock management cost.

7. Non-monetised Benefits

7.1. Non-monetised Benefit 1: Reduced access for malicious use

41. The proposed measures are expected to reduce the risk of harm arising from the misuse of high-risk chemical precursors and poisons. By restricting access to these substances, the policy makes it more difficult for individuals to acquire materials that could be used to cause harm.
42. Where these substances are used maliciously, impacts can include:
 - Harms to individuals through injury, loss of life, or ongoing emotional harms.
 - Wider social impacts, including fear and reduced public confidence in safety.
 - Damage to property and infrastructure, disruption to businesses, and reduced economic activity in affected areas.
 - Public services costs such as police and emergency services response, healthcare provision, and investigation.
43. By reducing access to high-risk chemical precursors and poisons, the proposed measures are expected to reduce the likelihood of incidents involving these specific substances and therefore reduce the associated social and economic costs outlined above.
44. There is a risk that individuals seeking to cause harm may substitute towards other methods if access to these substances is restricted. This means that while the policy is expected to reduce the risk from attacks involving these particular substances, the overall reduction in harm may be smaller if substitution occurs. The extent of any substitution is uncertain and will depend on the availability and relative attractiveness of alternative methods.
45. This benefit has not been monetised because:
 - There is no reliable baseline estimate of the number of incidents involving these substances that would have occurred in the absence of the proposed measures, and the number of incidents that may be prevented; and
 - There is significant uncertainty around the likelihood of substitution to alternative methods, and the nature and scale of harm associated with such substitution.

8. Expected overall impacts

46. The proposed measures are expected to deliver social value by reducing the risk of harmful, criminal, and terrorist misuse of explosives precursors and poisons, while maintaining access for legitimate users through the existing licensing framework.
47. The main impacts on businesses are expected to arise from familiarisation with the new requirements.
48. Under Option 2, households will incur greater costs through higher EPP licence fees. However, these impacts are expected to affect a small number of users.
49. Overall, the measures are intended to strengthen public safety, national security, and safeguarding outcomes through targeted amendments to the existing regulatory regime while maintaining a proportionate approach to legitimate use and trade.

9. Distributional impacts

9.1. Specific business sectors

50. The proposals are expected to have the greatest impact on businesses that manufacture, distribute, wholesale or retail regulated poisons and explosives precursors. This includes chemical wholesalers, pharmacies, hardware retailers, garden centres, fertiliser suppliers, specialist hobby suppliers, and online marketplaces.

9.2. Regional Impacts

51. The proposed measures apply across Great Britain and are not expected to have materially different impacts between England, Scotland and Wales.
52. Some local variation may occur where there is a greater concentration of businesses operating in sectors such as agricultural suppliers or chemical distributors, but no significant disproportionate regional impacts have been identified.

9.3. Low-income groups

53. Members of the public who require an EPP licence will face higher costs as a result of the proposed licence fee increase. There is no evidence to indicate whether low-income groups are more likely to be impacted by the EPP licence increase measure compared to other income groups.
54. Licence holders represent a small subset of the population of Great Britain, and the proposed fee increase is intended to reflect the administrative costs of operating the regime and improve cost recovery. Legitimate users would continue to be able to apply for licences where there is a justified need.

9.4. Other impacted groups

55. Legitimate home users, such as gardeners, hobbyists, and educational users, may experience a loss in welfare from reduced access to certain substances if they become regulated and require a licence for possession or purchase.
56. For this consultation options assessment, in light of an absence of behavioural data, it is assumed that this cost will be avoided through substitution to alternative products or practices.

9.5. Small and micro business impacts

57. Table 2 identifies the industries that are expected to be affected by the measures that are being consulted on. By analysing ONS data on the number of local business units in Great Britain by four-digit Standard Industrial Classification (SIC) Code²⁸, the business sizes within those industries expected to be within scope of the measures can be compared with business sizes within the broader economy.

²⁸ Data was obtained using the ONS Nomis database: [Nomis - Query Tool - UK Business Counts - local units by industry and employment size band](#)

58. Of the businesses in SIC codes 4675, 4776, 4778, 4612, 4690 and 4752, 98 per cent of these businesses are small or micro businesses. This compares to 97 per cent of all businesses that are small or micro businesses in the wider UK economy.
59. While this indicates that small and micro businesses may be disproportionately affected by the measures, the scale of this disproportionality is small.
60. This analysis is also dependent on the assumption around the industries that are affected by the measures being correct. Future analysis of these measures will look to use data collected in this consultation to update this assumption.

10. Impacts on wider government priorities

10.1. Business Environment

61. The proposed measures are expected to have a limited impact on the overall business environment in Great Britain.
62. Affected businesses may incur familiarisation, training and compliance costs, but these are expected to be concentrated in a relatively small number of businesses that handle regulated poisons and explosives precursors.
63. The measures are not expected to have a material impact on barriers to entry, market concentration, competition, foreign investment, or the ability of businesses to innovate and bring new products to market.

10.2. International Considerations

64. The proposed measures are not expected to have a significant impact on international trade or investment.
65. The existing EPP licensing regime already applies to importation of regulated substances into Great Britain from overseas suppliers²⁹. As a result, overseas firms supplying substances that are already regulated will already be familiar with the requirements of the regime.
66. For businesses exporting substances within scope of the measures being consulted on, the additional costs associated with the measures may reduce their export competitiveness. Further data is needed from consultation responses to evidence the magnitude of any decrease in export competitiveness that may be caused by these measures.

10.3. Natural capital and Decarbonisation

67. The proposed measures are not anticipated to lead to a significant impact on natural capital and decarbonisation.

²⁹ Licensing for home users of poisons and explosive precursors – Home Office, 2026:
<https://www.gov.uk/government/publications/explosives-precursors-and-poisons-licences-application-guidance/licensing-for-home-users-of-poisons-and-explosive-precursors>

A. Statutory Equalities Duty

All Consultation OAs are required to have the Statutory Equalities Duty reviewed by the SRO before signoff.

Mandatory specific impact test - Statutory Equalities Duties	Complete
The Home Office are not aware of any evidence which indicates that these proposals will have different impacts on those with or without protected characteristics. The SRO has agreed these summary findings. <i>(you must get SRO agreement here)</i>	Yes