EXPLANATORY MEMORANDUM TO

THE FIREARMS (VARIATION OF FEES) ORDER 2025

2025 No. 36

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of His Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

- 2.1 The Rt Hon. Dame Diana Johnson DBE MP, Minister of State for Policing, Fire and Crime Prevention at the Home Office, confirms that this Explanatory Memorandum meets the required standard.
- 2.2 Nick Hunt, Deputy Director for the Firearms and Weapons Policy Unit at the Home Office, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Dennis Wilmer at the Home Office (telephone: 07788418197 or email dennis.wilmer@homeoffice.gov.uk) can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The purpose of the instrument is to increase firearms licensing fees in respect of the grant or renewal of firearm or shotgun certificates (including coterminous grant and renewal), variation of firearm certificates, replacement of lost or destroyed certificates, registration as a firearms dealer and the grant of visitors' permits.¹

Where does the legislation extend to, and apply?

- 4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England, Wales and Scotland.
- 4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England, Wales and Scotland.

5. Policy Context

What is being done and why?

5.1 Firearms licensing fees were last increased in 2015 and are now significantly lower than the cost of the service provided by police forces. Between April 2022 and May 2023, the Home Office conducted a review of the fees charged with the aim of

¹ The term 'coterminous' refers to when both a firearm and shotgun certificate expire at the same time.

achieving full-cost recovery, in line with HM Treasury guidance.² This review included a data collection exercise involving 31 police forces to assess the current costs associated with administering firearms licensing. Analysis of this data showed that the costs to police have more than doubled since the fees were last set. For example, the fee for renewing a shotgun certificate (the most frequent type of application) is currently £49 for five years, whereas the cost to the police is now £126.

- 5.2 This increase in costs not only reflects the impact of inflation but also changes in firearms controls that have placed new demands on the police. For example, the introduction of Statutory Guidance for the Police in 2021 required the police to make more extensive checks on the suitability of applicants and to undertake continuous assessment of certificate holders.³ Additionally, when the fees were last increased in 2015, a reduction was applied based on expected efficiencies from a proposed online eCommerce system that was then under development. However, this system was not implemented and the alternative application portal that was introduced did not result in the anticipated efficiency savings.
- 5.3 The effect of this is that firearms fees are now substantially lower than the cost of the service provided. The Government has since committed to increasing firearms licensing fees to achieve full-cost recovery for the police. This will support sustainable improvements in the effectiveness and efficiency of the licensing system, and continued improvements in the service provided to applicants and certificate holders, while also maintaining public safety.

What was the previous policy, how is this different?

5.4 Previous policy in respect of firearms licensing fees was also to move to full-cost recovery.

6. Legislative and Legal Context

How has the law changed?

6.1 The licensing of firearms and shotguns is administered by local police forces, in accordance with the Firearms Act 1968 and associated firearms legislation. Section 32(1) of the 1968 Act specifies the fees payable by an applicant for the grant or renewal of a firearm or shotgun certificate, the variation of a firearm certificate and the replacement of a lost or destroyed certificate. Section 35 of the 1968 Act specifies the fees payable to register as a firearms dealer. Section 11(3) of the Firearms (Amendment) Act 1988 specifies the fees payable for the coterminous grant and renewal of firearm and shotgun certificates⁴. Section 17(8) of the 1988 Act specifies the fees payable for the grant of visitors' permits. Section 43 of the 1968 Act and sections 11(4) and 17(9) of the 1988 Act, enable the Secretary of State to amend the fees by order. This instrument increases the present firearms licensing fees to achieve full-cost recovery for the police.

Why was this approach taken to change the law?

6.2 This is the only possible approach to make the necessary changes.

²https://assets.publishing.service.gov.uk/media/65c4a3773f634b001242c6b7/Managing Public Money - May 2023 2.pdf (May 2023)

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1135052/Rev ised Firearms Licensing Statutory Guidance Feb 2023.pdf (February 2023)

⁴ A coterminous grant/renewal allows the certificate holder's firearm and shotgun certificates to expire on the same day. Combining the certificates reduces fees for the certificate holder and reduces the burden on police firearms licensing teams.

7. Consultation

Summary of consultation outcome and methodology

- 7.1 Increasing firearms licensing fees to achieve full-cost recovery was a commitment in the Government's General Election manifesto and no further consultation was considered necessary. The Home Office review of firearms licensing fees mentioned in paragraph 5.1 above took place between April 2022 and May 2023 and was informed by a Fees Working Group chaired by the Home Office, with representation from the National Police Chiefs' Council, the Association of Police and Crime Commissioners, representative organisations from the shooting community, the Countryside Alliance, other government departments and the Scottish Government. The Home Office also discussed the fees review with the Welsh Government.
- 7.2 Policing was supportive of increasing fees to full-cost recovery since it would give police forces the revenue they need to provide effective firearms licensing controls. Organisations representing the shooting community recognised the need to increase the fees but were concerned about the possible impact on gun owners of large increases and wanted to see an improved service for applicants.
- 7.3 The fees have not increased since 2015 and are now substantially less than the cost of the service provided by the police. Increasing the fees to provide full-cost recovery will enable police forces to provide effective firearms licensing controls that safeguard the public, while also providing an efficient service to applicants.

8. Applicable Guidance

8.1 The Home Office will publish a circular to inform police forces and other stakeholders of the new fees, and this will also be made available on GOV.UK. To ensure consistency the wider Home Office Guide on Firearms Licensing Law⁵ will also be updated to reflect these changes. This will be published at the earliest opportunity whilst consolidating a number of revisions to the Guide.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment is submitted with this memorandum and published alongside the Explanatory Memorandum on the legislation.gov.uk website. A full Impact Assessment has been prepared as there is a high overall additional cost to individuals, estimated to be £92.7 million over 10 years, resulting from a high volume of certificate holders (there were 712,116 certificates on issue as at 31 March 2024) and licensing applications (in 2023/24 police forces granted 23,952 certificates and renewed a further 74,733, although it should be noted that the volume of applications fluctuates over time due to the cyclical period for the renewal of certificates).

Impact on businesses, charities and voluntary bodies

9.2 The impact on business will come from firearms dealers and other businesses that require the use of firearms and shotguns (such as farmers and gamekeepers) paying increased firearms licensing fees. This additional cost is estimated to be £10.5 million over 10 years. As of 31 March 2024, there were 3,208 firearms dealers registered with

⁵ <u>https://www.gov.uk/government/publications/firearms-law-guidance-to-the-police-2012/guide-on-firearms-licensing-law-accessible-version</u> (November 2022)

- the police. In 2023 there were 61,801 other businesses recorded on police firearms licensing IT systems.
- 9.3 The legislation does impact small or micro businesses.
- 9.4 Small and micro businesses are not exempt from paying increased firearms fees, which are necessary to achieve full-cost recovery for the police so that they can safeguard the public through more effective and efficient firearms controls. Small and micro businesses will benefit from this improved service.
- 9.5 The impact on the public sector will come from police forces receiving increased revenue from firearms licensing fees. This is estimated to provide policing with an additional £103 million over 10 years.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

- 10.1 Firearms licensing fees will be reviewed annually and a comprehensive review will take place every three years, to assess whether the fees still provide full-cost recovery. The Home Office will engage the main stakeholders in these reviews.
- 10.2 The instrument does not include a statutory review clause.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 The increases in firearms licensing fees are above the rate of inflation. This is because the fees were last increased in 2015. The increases in this instrument also reflect changes to firearms controls which have placed new demands on the police (for example, Statutory Guidance for the Police was introduced in 2021 and required the police to make more extensive checks on the suitability of applicants and to undertake continuous assessment of certificate holders). Additionally, when the fees were last increased in 2015, a reduction was applied based on expected efficiencies from a proposed online eCommerce system that was under development. However, this system was not implemented and the alternative application portal that was introduced did not result in the anticipated efficiency savings.

12. European Convention on Human Rights

12.1 The Minister of State for Policing, Fire and Crime Prevention has made the following statement regarding Human Rights:

"In my view the provisions of the Firearms (Variation of Fees) Order 2025 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").