

<b>Title:</b> <b>Proposed amendments to firearms licensing fees in Schedule 6 of The Firearms (Northern Ireland) Order 2004 [2004 Order]</b>	<b>Regulatory Impact Assessment (RIA)</b>		
	<b>Date:</b> March 2026		
	<b>Type of measure:</b> Secondary Legislation		
<b>Lead department or agency:</b> Department of Justice (DoJ)	<b>Stage:</b> Initial, pre-consultation		
	<b>Source of intervention:</b> Domestic NI		
<b>Other departments or agencies:</b> PSNI Firearms and Explosives Branch (PSNI FEB) Department of Finance (DoF)	<b>Contact details:</b> FEB@justice-ni.gov.uk		

## Summary Intervention and Options

<b>What is the problem under consideration? Why is government intervention necessary?</b> Costs recovered by PSNI FEB in providing a firearms licensing service do not cover the administrative and operational costs involved. The <a href="#">Northern Ireland Audit Office Report</a> in 2018 recommended that “PSNI should establish a plan to move towards full cost recovery for firearms licensing in the longer term.” The DoF document <a href="#">Managing Public Money Northern Ireland</a> (MPMNI) states that “charges for services provided by public sector organisations normally pass on the full cost of providing them”. Government intervention is necessary as secondary legislation is required to make changes to firearms licensing fees.	
<b>What are the policy objectives and the intended effects?</b> PSNI FEB needs to move to full cost recovery (FCR) for firearm licensing activities, thereby addressing the shortfall in funding generated by the current fee levels and supporting public safety by ensuring PSNI FEB have the resources they need to carry out ongoing effective checks on applicants' suitability. Moving to FCR would help reduce the current income shortfall to PSNI FEB and so reduce the amount of funding required from elsewhere in the PSNI budget and, in effect, the taxpayer. The policy objective is to comply with MPMNI.	
<b>What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)</b> Firearm fee levels can only be changed by means of secondary legislation and it therefore falls to the Department to make any changes. There are five options considered in this impact assessment including a do nothing option. Option 0 (do nothing) does not achieve NI Executive objectives of FCR for the provision of a public service. Options 1 and 2 involve increasing firearms licensing fees with inflation, based on CPI in Option 1 and RPI in Option 2. These two options lead to a low increase in fees which would reduce the funding required from PSNI to support PSNI FEB, but they do not meet the FCR model. Option 3 was based on a data collection exercise to calculate the cost of processing applications; this option did not fully meet the policy objective and would still require some subsidisation. Option 4 is the preferred option, which is to increase firearms licensing fees to achieve full-cost recovery, based on current estimates of the costs to PSNI, in line with MPMNI.	
<b>Will the policy be reviewed?</b> Yes	<b>If applicable, set review date:</b> Five years

Cost of Preferred (or more likely) Option		
Total outlay cost for business £m	Total net cost to business per year £m	Annual cost for implementation by Regulator £m
N/A	N/A	N/A

<b>Does Implementation go beyond minimum EU requirements?</b>		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
<b>Is this measure likely to impact on trade and investment?</b>		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
<b>Are any of these organisations in scope?</b>	<b>Micro</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>Small</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>Medium</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	<b>Large</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

The final RIA supporting legislation must be attached to the Explanatory Memorandum and published with it.

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

## Summary: Analysis and Evidence Policy Option 0

Description: Do nothing

### ECONOMIC ASSESSMENT (Option 0)

Costs (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Description and scale of key monetised costs by 'main affected groups'</b>			
Maintaining a status quo would not address the shortfall in required funding and the firearms licensing system would continue to operate in a deficit, being subsidised from elsewhere in the PSNI budget and in effect, by the public purse. There would be no scope for improvement to PSNI FEB resourcing issues.			
<b>Other key non-monetised costs by 'main affected groups'</b>			
The option to do nothing where firearms licensing fees remain at their current level does not achieve the policy objective to enable PSNI FEB to move to FCR for firearm licensing activities and comply with MPMNI.			
Benefits (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Description and scale of key monetised benefits by 'main affected groups'</b>			
Current (approximately 54,000) and future firearm certificate (FAC) holders would benefit financially from underpaying for a licensing system; however, they would not receive an efficient service if PSNI FEB is not properly resourced.			
<b>Other key non-monetised benefits by 'main affected groups'</b>			
N/A			
<b>Key Assumptions, Sensitivities, Risks</b>			
PSNI FEB would continue being subsidised and there would be a risk that there would not be sufficient resources to effectively complete requisite checks. Backlogs of applications and working under increasing pressures can affect staff morale in PSNI FEB leading to higher turnover of staff and in turn more training cost for new staff.			

### BUSINESS ASSESSMENT (Option 0)

Direct Impact on business (Equivalent Annual) £m		
Costs: N/A	Benefits: N/A	Net: N/A

### Cross Border Issues (Option 0)

How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)
Firearms Fees in Great Britain (GB) were increased in 2025 to recover the full cost of providing a firearms licensing service. In Ireland, a FAC costs €80 (approximately £70) for <b>each firearm</b> for a period of three years (equivalent to £117 over a five-year period), this figure has not been revised since 2009.

## Summary: Analysis and Evidence Policy Option 1

Description: Increase fees with inflation based on CPI

### ECONOMIC ASSESSMENT (Option 1)

Costs (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised costs by 'main affected groups'**  
 Costs to current and future FAC holders would increase by a low amount. Shortfall would remain, and PSNI FEB would still require subsidising. Option 1 represents an increase of 39%.

**Other key non-monetised costs by 'main affected groups'**  
 This option does not achieve the policy objective to enable PSNI FEB to move to FCR for firearm licensing activities and comply with MPMNI.

Benefits (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised benefits by 'main affected groups'**  
 This option achieves some cost recovery as it leads to a low increase in fees which partly reduces the burden on the PSNI budget. Option 1 represents an increase of 39%. Although this would be a slight increase in fees for FAC holders it is a lesser increase than Option 2, 3 or 4.

**Other key non-monetised benefits by 'main affected groups'**  
 N/A

**Key Assumptions, Sensitivities, Risks**  
 This option does not achieve FCR and will still result in pressure to subsidise the firearms licensing system from other areas of the PSNI budget and effectively the taxpayer. Backlogs of applications and working under increasing pressures can affect staff morale in PSNI FEB leading to higher turnover of staff and in turn more training cost for new staff.

### BUSINESS ASSESSMENT (Option 1)

Direct Impact on business (Equivalent Annual) £m		
Costs: N/A	Benefits: N/A	Net: N/A

### Cross Border Issues (Option 1)

**How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)**  
 A comparable example in GB would be the coterminous grant, for both a firearm and shotgun certificate, which is £202, and therefore more than Option 1. A renewal of a coterminous grant is £155 in GB, however there are no renewal options in NI. In Ireland the equivalent is £117, over a five-year period, but is for **each firearm**. In NI **all** firearms are held on the same FAC.

## Summary: Analysis and Evidence Policy Option 2

Description: Increase fees with inflation based on RPI

### ECONOMIC ASSESSMENT (Option 2)

Costs (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

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

Costs to current and future FAC holders would increase by a slightly higher amount than in Option 1. However, the shortfall would still remain, and PSNI FEB would still require subsidising. Option 2 represents an increase of 56%.

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

This option does not achieve the policy objective to enable PSNI FEB to move to FCR for firearm licensing activities and comply with MPMNI.

Benefits (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

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

Option 2 achieves a higher level of cost recovery as it leads to a higher increase in fees which would further reduce the burden on the PSNI budget. Although this would be an increase in fees for FAC holders, it is a lesser increase than Options 3 & 4.

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

N/A

#### Key Assumptions, Sensitivities, Risks

This option does not achieve FCR and pressure will remain to subsidise the firearms licensing system from other areas of the PSNI budget. Backlogs of applications and working under increasing pressures can affect staff morale in PSNI FEB leading to higher turnover of staff and in turn more training cost for new staff.

### BUSINESS ASSESSMENT (Option 2)

Direct Impact on business (Equivalent Annual) £m		
Costs: N/A	Benefits: N/A	Net: N/A

### Cross Border Issues (Option 2)

#### How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)

Again, the comparable example in GB would be the grant of a coterminous certificate which is £202 (a renewal is £155) and is more than Option 2. In Ireland the equivalent is £117, over a five-year period, but is for **each firearm**. In NI **all** firearms are held on the same FAC.

## Summary: Analysis and Evidence Policy Option 3

Description: Increase fees based on current estimates of cost to PSNI for processing an application plus inflation to date

### ECONOMIC ASSESSMENT (Option 3)

Costs (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised costs by 'main affected groups'**  
The proposed changes will result in additional costs mostly to individuals but also registered firearms dealers (RFDs) who would fall under the category of smaller businesses and farmers or other occupations who may require a FAC as part of their employment.

**Other key non-monetised costs by 'main affected groups'**  
Non-monetised costs include the potential for inadequate communication between DoJ and stakeholders and a potential lack of understanding surrounding the proposed changes. DoJ has attempted to mitigate these non-monetised costs through the stakeholder engagement process; stakeholders will be notified of the consultation and given the opportunity to respond; they will also be notified in advance of the implementation of any changes to firearm licensing fees.

Benefits (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised benefits by 'main affected groups'**  
This option would achieve partial cost recovery but would still require a subsidy, albeit reduced from other areas of the policing budget.

**Other key non-monetised benefits by 'main affected groups'**  
This option would partially achieve the policy objective.

**Key Assumptions, Sensitivities, Risks**  
A data collection exercise was carried out to calculate the actual costs incurred by PSNI FEB to process the different types of firearms applications; this calculation did not include the numerous ongoing checks that are undertaken by PSNI FEB to ensure continued safe ownership of firearms. Current volumes were used to estimate income from the fee changes proposed. An increase in licensing fees is not expected to significantly impact on the main affected groups as it will be a one-off cost, every five years, for those who wish to continue to possess firearms and current FAC holders may still have a number of years remaining on their current FAC.

### BUSINESS ASSESSMENT (Option 3)

Direct Impact on business (Equivalent Annual) £m		
Costs: N/A	Benefits: N/A	Net: N/A

### Cross Border Issues (Option 3)

**How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)**  
Firearms Fees in GB increased in 2025 to recover the full cost following a similar data collection exercise. In GB, handguns are prohibited and shotguns are held on separate FACs, whereas all firearms in NI are held on one FAC. In Ireland, firearms licensing fees were last amended over 16 years ago and the main difference is a separate FAC is required for **each firearm**.

## Summary: Analysis and Evidence Policy Option 4

Description: Increase fees based on a 153% increase as reported to the NI Policing Board by PSNI plus inflation to date

### ECONOMIC ASSESSMENT (Option 4)

Costs (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised costs by 'main affected groups'**  
 The proposed changes under this option are very similar to Option 3 and will result in additional costs to individuals, RFDs who would fall under the category of smaller businesses and farmers or other occupations who may require a FAC as part of their employment.

**Other key non-monetised costs by 'main affected groups'**  
 Non-monetised costs include the potential for inadequate communication between DoJ and stakeholders and a potential lack of understanding surrounding the proposed changes. DoJ has attempted to mitigate these non-monetised costs through the stakeholder engagement process; stakeholders will be notified of the consultation and given the opportunity to respond; they will also be notified in advance of the implementation of any changes to firearm licensing fees.

Benefits (£m)	Total Transitional (Policy) (constant price) Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
<b>Best Estimate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Description and scale of key monetised benefits by 'main affected groups'**  
 The proposed changes in Option 4 are expected to result in PSNI FEB achieving FCR. This will bridge the gap between the level of income raised and the costs associated with providing a firearms licensing service and reduce the financial burden on PSNI, and, in turn, the taxpayer (including NI businesses).

**Other key non-monetised benefits by 'main affected groups'**  
 The policy objective of compliance with MPMNI would be achieved.

**Key Assumptions, Sensitivities, Risks**  
 This is the Department's preferred option, which is to increase firearms licensing fees to achieve FCR, based on the estimated uplift stated by PSNI in June 2025, and amended for inflation. This is in line with MPMNI. The figures are comparable to those in Option 3 which were based on the data collection exercise and also uplifted with inflation. Again, an increase in licensing fees is not expected to significantly impact as it will be a one-off cost, every five years for those who wish to continue to possess firearms. Current FAC holders may still have a number of years remaining on their current FAC.

### BUSINESS ASSESSMENT (Option 4)

Direct Impact on business (Equivalent Annual) £m			
Costs: N/A	Benefits: N/A	Net: N/A	

### Cross Border Issues (Option 4)

**How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)**  
 Firearms Fees in GB increased in 2025 to recover the full cost following a similar data collection exercise. In GB, handguns are prohibited and shotguns are held on separate FACs, whereas all firearms in NI are held on one FAC. In Ireland, firearms licensing fees were last amended over 16 years ago and the main difference is a separate FAC is required for **each firearm**.

# Evidence Base

## A. Strategic Objective and Overview

### Strategic objective

1. Aside from Option 0 (do nothing), the options appraised in this regulatory impact assessment would increase the firearms licensing fees contained in Schedule 6 of the 2004 Order, the majority of which are charged by PSNI FEB<sup>1</sup>. Increasing the fees to achieve FCR will provide PSNI FEB with the resources they need to provide an effective firearms licensing system to safeguard the public in NI from the misuse of firearms, and to support an efficient and professional service to applicants and FAC holders. Moving towards FCR would allow PSNI FEB to become self-sufficient and have less reliance on PSNI mainstream funding, meaning that public money could be redirected elsewhere within PSNI, for the benefit of the NI community as a whole. Allocation of PSNI funding is a matter for the Chief Constable.

### Background

2. Firearms licensing in NI is a chargeable service. DoJ has responsibility for the devolved firearms licensing legislation, and the firearms licensing fees are specified in Schedule 6 of the 2004 Order. Firearms licensing fees can only be increased by secondary legislation.

3. The firearms licensing fees were last revised in 2016 and are now considerably below the cost of the service provided. FACs and RFD certificates are valid for five years. Certificate holders must reapply for a further certificate at the end of the relevant cycle.

4. PSNI FEB receive between 1600-2000 applications every month (this includes initial applications, variations and further grants with or without variations). It should be noted that the volume of applications fluctuates over time due to the cyclical period for the expiry of certificates. PSNI FEB also receive 400-500 other application types, including notifications of one-off-one-on transactions carried out by a RFD.

5. The funding and delivery of public services in NI are under pressure, with reduced budgets and a requirement to deliver efficiencies and savings where possible. FCR for chargeable public services is being explored in line with compliance to MPMNI under the direction of the NI Executive. This is also reflective of the UK Government position, where the Home Office moved to FCR for firearms licensing fees in early 2025.

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<sup>1</sup> The fee for a museum's firearm licence or extension to additional premises for this licence type is payable to the DoJ

## **Groups affected**

### **PSNI FEB**

6. PSNI FEB have operational responsibility for the majority of firearms licensing in NI and incur costs from processing applications (for example, completing background checks on applicants and carrying out home visits) and monitoring compliance throughout the duration of a FAC. These costs will vary across different licence types and for individuals/RFDs. PSNI continues to under-recover the cost of running the firearms licensing system in NI and is obliged to consider further revenue raising options to strive towards a position of FCR.

7. Moving to FCR will allow PSNI FEB to recoup the costs for processing FACs when the licensing fees are revised. The wider NI community may also benefit as PSNI will be able to redirect funding which would have been used to subsidise the firearms licensing process to other policing priorities.

### **Registered firearms dealers (RFDs)**

8. An important group of commercial users of the firearms licensing system are RFDs. By definition in the 2004 Order, a “firearms dealer” means a person who by way of trade or business manufactures, sells, transfers, repairs, tests or proves firearms or ammunition. There are approximately 80 RFDs in NI.

### **Businesses which require FACs**

9. There are several businesses or occupations that require the use of a firearm and therefore require a FAC, for example firearms clubs, farmers, gamekeepers and vets. There are 92 firearms clubs currently authorised under the 2004 Order.

10. There are less than ten publicly funded museums in NI that hold a firearms licence, which is issued by the DoJ and is valid for a period of five years.

### **Other sectors which may hold FACs**

11. Other sectors which will be affected are primarily those with a leisure interest including shooting enthusiasts who require a FAC for their sport as well as those who wish to own firearms for collection or conservation.

## **B. Problem under consideration, with business as usual, and rationale for intervention**

12. In NI, firearms licensing is administered by PSNI FEB and requires a fee to be paid by applicants. The fee levels can only be changed by means of secondary legislation.
  
13. Firearms licensing fees in NI were last revised in 2016 and are now considerably below the cost of the service provided, which results in PSNI having to subsidise the firearms licensing team from other areas of the policing budget, reducing funds available for other front line policing functions. The primary rationale for intervention in this case is equity, in particular fairness to taxpayers. PSNI has a duty to ensure the best allocation of scarce public resources. The DoJ carried out a data collection exercise in June 2025 to identify the cost to the PSNI of administering firearms licensing in NI. Analysis of the data shows that the PSNI FEB costs for processing some licence types are now over double the fees set in 2016.
  
14. At a Northern Ireland Policing Board (NIPB) meeting in May 2025, PSNI advised that the estimated full costs were £3,295,000, including £160,000 of additional costs which are required to run the team and includes postage, overtime and payment for medical statements (required to be paid by PSNI and not the applicant). This additional amount has increased to reflect overtime costs previously attributed to a different PSNI budget now under PSNI FEB and increased requirements for medical reports to inform decision making to ensure fitness.
  
15. Estimated receipts of £1,300,000 give rise to an estimated shortfall of £1,995,000 for the financial year 2025/26. This would be required to be taken from the PSNI budget to cover the cost of running the licensing department and performing the licensing function. These figures are based around the demand per year remaining constant for firearms applications which could not be guaranteed following a fee increase. It is unknown how dramatically a fee increase would affect the demand levels going forward. However, the data collection exercise has demonstrated that the cost for processing an application is close to the proposed fees under the preferred Option 4 and will cost the same to process regardless of the number of applications.
  
16. PSNI also said at a NIPB meeting in June 2025 that “if a constant demand were to be assumed across all licence types then an average increase of 153% would need to be applied across all licence categories to ensure that all costs can be funded out of receipts”.
  
17. An increase in firearms licensing fees to achieve FCR for PSNI FEB will help safeguard the public by providing PSNI with scope to better resource and train their firearms licensing

teams, and to carry out thorough checks and continuous assessment of the suitability of applicants to possess firearms. The funding and delivery of public services in NI are under pressure, with reduced budgets and all public services are exploring FCR for chargeable services provided where possible.

### **C. Policy objectives**

18. The NI Executive has committed to charging for public services where possible. Achieving FCR for firearms licensing fees for PSNI would allow PSNI FEB to move towards becoming self-sufficient and remove the dependency on subsidies from wider PSNI budgets. This is also in line with the guidance outlined in MPMNI under Chapter 6 “Fees, Charges and Levies” which requires that fees and charges for public services should normally recover the full cost of providing them.

19. The additional income from firearms licensing fees will support PSNI FEB to provide more effective firearms licensing controls, helping them to safeguard the public from the misuse of licensed firearms and to support an efficient and professional service to applicants and FAC holders. This will support the NI Executive’s Safer Communities aim to protect citizens and keep communities safe. The increased income from fees will help to alleviate financial pressures within PSNI and enable PSNI FEB to better resource and train their firearms licensing teams, and to carry out thorough checks and continuous assessment of the suitability of applicants to possess firearms. The proposals should also reduce the financial burden on the wider DoJ, and ultimately the taxpayer, as they are required to make up the shortfall in funding.

## D. Description of options considered

20. All realistic options to achieve the DoJ's intended outcomes were taken through to shortlist stage and appraised in this impact assessment. The options considered are laid out in Table 1 below.

Type of Licence	Option 0	Option 1	Option 2	Option 3	Option 4
	(Current Fees)	(Increased with CPI)	(Increased with RPI)	(Cost calculated by Data Collection Exercise with inflation)	(PSNI assessment of 153% uplift with inflation)
<b>Firearm Certificate</b>					
Grant of firearm certificate	98	136	153	245	250
Variation by Chief Constable	30	42	47	241	77
Variation by RFD under Article 11(3) to substitute firearm	15	21	23	36	38
Variation by RFD under Article 11(5) to delete firearm	0	0	0	0	0
Duplicate certificate	14	19	22	34	35
Updated certificate	14	19	22	34	35
<b>Museums firearms licence</b>					
Grant of museum firearms licence by DoJ	110	152	171	266	280
Extension to additional premises	75	104	117	181	191
<b>Visitor's firearm permit</b>					
Grant of visitor's permit (except where para 10 applies)	16	22	25	39	40
Grant of six or more permits (taken together) on a group application	80	111	125	200	203
<b>Certificate of approval for air gun resident in GB</b>					
Certificate of approval for air gun for resident in GB	11	15	17	27	28
<b>Firearms dealer's certificate</b>					
Grant of firearms dealer's certificate	300	416	467	749	764
Duplicate certificate	14	19	22	34	35
Updated certificate	14	19	22	34	35
<b>Firearms clubs</b>					
Authorisation of firearms club	71	98	111	176	181
Authorisation of shotgun club to allow use of shotgun by persons 12 or over but under 16, except where the shotgun club is also a firearms club and an authorisation under Article 49 is granted at the same time	71	98	111	176	181

Table 1: Proposed fees under each option appraised (values rounded up to nearest £)

### Option 0: Do nothing

21. Under this option, firearms licensing fees remain at the current rates. Given the significant and widening gap between running costs and licensing fee income, the option of maintaining the status quo is not one that is available to PSNI in today's economic climate. Failure to address the cost recovery position will lead to further pressures on an already stretched budget, leaving PSNI unable to drive forward strategic objectives in other areas of policing and may negatively impact the services provided. This is not a sustainable position. Consequently, this option does not achieve compliance with MPMNI and has been rejected.

### Benefits

22. From a strategic perspective for PSNI, there are no benefits arising from this option; only the shooting community would benefit as they would pay fees that are set at a level well below cost recovery, whereas the non-shooting community continue to pay for other licences (for example, fishing) which are significantly higher and do not require the same level of

checks as a licence to hold a lethal barrelled weapon. From the taxpayer's perspective, there are no benefits arising from this option; the cost recovery position will continue to decrease, with an increasing shortfall in funding being met by the taxpayer, as costs continue to rise.

## **Costs**

23. With no change to the current licensing fee structure, the cost recovery position would continue to deteriorate given the increasing costs of running the firearms licensing system. This will place further strain on the PSNI budget at a very challenging time. This option is contrary to public financial policy (MPMNI) as the financial burden of subsidising firearms licensing will continue to fall on the DoJ and taxpayer. On that basis, the option to maintain the status quo has been rejected.

## **Option 1: Update in line with CPI**

24. Under this option, the firearms licensing fees would increase in line with inflation since 2016, using the Consumer Price Index<sup>2</sup> (CPI). This option was explored and would go some way towards moving towards a FCR model, however it would not provide a sufficient increase to meet the costs of running the firearms licensing system. The current fee levels were inflated by the CPI and the monthly indices used to obtain the percentage increase from 2016 (when the previous fees were implemented) to January 2026 (the latest available data). This represented increases to the fees of 38.8% for Option 1.

## **Benefits**

25. There would be limited benefits arising from this option; fees would still be set at a level below FCR, and a shortfall in funding would continue to be met from other areas of the PSNI budget.

## **Costs**

26. This option is also contrary to public financial policy (MPMNI) as the financial burden of subsidising firearms licensing will continue to fall on the DoJ and taxpayer. On that basis, the option to update the firearms licensing fees in line with CPI has been rejected as a potential solution.

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<sup>2</sup> CPI at 38.4%, January 2026 (most recent data available) [Inflation calculator | Bank of England](#)

## **Option 2: Update in line with RPI**

27. Under this option, firearms licensing fees would be increased in line with inflation since 2016 using the Retail Price Index<sup>3</sup> (RPI). This option was explored as it would provide similar outcomes to Option 1 and would also go some way towards moving to a FCR model, resulting in higher cost recovery than Option 1, however it would still not provide a sufficient increase to meet the costs of running the firearms licensing system. To calculate proposed fee amounts for Option 2, the current fee levels were inflated by the RPI and the monthly indices used to obtain the percentage increase from 2016 (when the previous fees were implemented) to December 2025 (the latest available data). This represented increases to the fees of 56.1% for Option 2.

## **Benefits**

28. Again, there would be limited benefits arising from this option; fees would increase but would still be set at a level below that required for FCR, and the shortfall in funding would continue to be met from other areas of the PSNI budget.

## **Costs**

29. This option is contrary to public financial policy (MPMNI) as the financial burden of subsidising firearms licensing will continue to fall on the DoJ and taxpayer. On that basis, the option to update the firearms licensing fees in line with RPI has been rejected as a potential solution.

## **Option 3: Increase firearms licensing fees to the cost calculated by a data collection exercise plus inflation to date**

30. This option was considered in the context of the current position of under-recovery, PSNI budget pressures and the rising costs faced by PSNI FEB, as it would partially meet the strategic objective.

31. It is anticipated that the impact of fee increases following this consultation would mostly fall on private individuals rather than businesses. This would aim to benefit the wider NI community as PSNI will be able to redirect funding which would have been used to subsidise the firearms licensing process, thus reducing the burden on the DoJ and taxpayer.

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<sup>3</sup> RPI at 55.67%, December 2025 (most recent data available) [RPI Inflation Calculator UK | RPI Increase Calculator 2025](#)

## Calculating the cost of processing a firearms application

32. To properly assess the deficit faced by PSNI FEB and the suitability of all the options appraised, the cost to process the different types of firearms applications was calculated.

33. An activity-based cost model was developed from the data collected, alongside the average timings for processing the most common licence types.

For example, the grant of an initial FAC has four main stages of activity:

- initial background checks;
- enquiries, visits, recommendation report;
- assessments, ongoing further checks; and
- suitability assessment / senior decision.

Within these four areas, there were further defined sub-activities, for which the average time spent was recorded, and this was costed, based on the relevant staff member's average salary.

34. DoJ requested that PSNI undertake a data collection exercise for two weeks in June 2025 to capture the time taken by the PSNI FEB licensing team to undertake the activities involved in processing chargeable licensing applications. These average time estimates were then multiplied by average hourly rates for the relevant firearms licensing staff (provided by PSNI), which included staff on-costs (e.g. pensions and national insurance) and overheads such as office accommodation, HR and IT costs to obtain a cost estimate for each firearms licensing activity. A total cost estimate for processing the three most common licensing (initial/further grant of FAC and variation) applications was then achieved. **Please note these figures do not include the costings for the activities conducted by PSNI FEB, to ensure continued compliance, after a FAC has been granted.**

35. The data collection exercise provided sufficient data samples with which to calculate the average costs within PSNI FEB for the most common types of licence applications, however small sample sizes limited the ability to do this for the less common licences (i.e. authorisations of firearms clubs, RFD certificates, replacement certificates and visitor's permits). The most common licence applications accounted for 86% of the total licensing activity carried out by PSNI FEB in the two week data collection period.

36. Therefore, fees for these less common licence types were calculated as a proportion of the cost of a FAC grant. For example, an updated certificate (current cost of £14) was 14% of the grant cost (current cost of £98), with the proposed cost under Option 3 now being £34 (14% of £245). This approach keeps the increases in line with those proposed for the main licence types and maintains a consistent fees structure. The fee amounts calculated in June 2025 were uplifted in line with inflation to January 2026.

37. Fees for a museum licence and an extension to additional premises were calculated at cost by the DoJ and are reflected in the figures presented in Table 1 under Option 3.

38. For Option 3, the calculated percentage increase required for an initial grant to be charged at cost in 2025/26 would be 150%. The calculated percentage increase required for a variation application to be charged at cost in 2025/26 would be 703%.

## **Benefits**

39. This option would almost generate the receipts required to cover the costs to PSNI FEB of providing a licensing service. This would partially achieve compliance with MPMNI and partially meet the policy objective, as well as reducing the financial burden on the taxpayer.

## **Costs**

40. While this option is expected to partially achieve compliance with MPMNI, the additional costs will be transferred directly to FAC holders thereby potentially having an adverse effect on the FAC holder's affordability. However, a FAC is valid over a period of five years, so the increase in cost could effectively be spread over this five period.

41. This option goes some way to complying with public financial policy (MPMNI) as the majority of the cost of firearms licensing would be recovered. However, the costs incurred by PSNI around the ongoing maintenance of the licensing service to ensure FAC holder's continued compliance would not be included. A higher fee would also be applied to variation applications. On this basis, the option to update the firearms licensing fees as per the calculated cost has been rejected as a potential solution.

#### **Option 4: Increase fees based on a 153% uplift as reported to the NI Policing Board by PSNI in June 2025, plus inflation to date**

42. This is the preferred option in the context of the current position of under-recovery, PSNI budget pressures and the rising costs faced by PSNI FEB, therefore meeting the strategic objective. The fee increases under this option are slightly higher than in Option 3, however the cost of a variation application is significantly lower given the current low starting value, when the 153% uplift is applied across all fee levels. The fee levels calculated with a 153% increase were then uplifted in line with inflation to January 2026.

43. As per Option 3, it is anticipated that the impact of fee increases following this consultation would mostly fall on private individuals rather than businesses. As the preferred option, this would aim to benefit the wider NI community as PSNI will be able to redirect funding which would have been used to subsidise the firearms licensing process, thus reducing the burden on the DoJ and taxpayer. PSNI FEB can provide more effective firearms licensing controls, helping them to safeguard the public from the misuse of licensed firearms and this will support the NI Executive's Safer Communities aim to protect citizens and keep communities safe.

44. There are a number of activities that PSNI FEB will undertake once a FAC has been granted and the cost of these activities were not included in the calculations for processing applications in Option 3 as they do not apply to **all** FAC applicants/holders. These activities include seizures, work on firearm appeals to DoJ and the Northern Ireland Office, changes of address and issuing Article 13 letters when an applicant has failed to apply for a further FAC. For example, in 2023, there were 1,243 FAC holders who failed to apply before the expiry of their current FAC despite multiple reminders. It was calculated that processing an Article 13 letter has a cost to PSNI FEB of £29, giving a total cost to PSNI FEB of £36,047 for this activity alone, which has no remuneration.

45. If an application is refused, the fee is refunded even though the work has been carried out. A final decision to refuse an application is only taken after full consideration of all of the facts, and after all the required checks have been carried out. This results in labour intensive work being carried out by PSNI FEB, for which there is no remuneration.

46. In NI, the cost of medical reports is currently paid for by PSNI FEB (and DoJ on appeal). Whilst not every GP will request payment for providing a report, PSNI have provided data which shows that between 2017 and 2025 they received 3801 medical reports at a total cost of

£265,098.16, which equates to an average cost of £70. PSNI have said there is no standard fee for a medical report, they vary from practice to practice and can range from £50 to £350.

## **Benefits**

47. This option would ensure that income received by PSNI would meet the costs of providing the licensing service, based on the current demand level. This would achieve compliance with MPMNI, meeting the policy objective, as well as removing the financial burden on the taxpayer. PSNI FEB may then be in a position to increase their resources, provide more training and in turn reduce the current backlog and waiting times.

## **Costs**

48. While this option is expected to achieve compliance with MPMNI, the additional costs will be transferred directly to FAC holders thereby potentially having an adverse effect on the FAC holder's affordability. However, a FAC is valid over a period of five years, so the increase in cost should effectively be spread over this five year period and should be considered in the context of other costs associated with firearms ownership, i.e. firearms, ammunition, other miscellaneous equipment and memberships. The increase in cost of the fee should be compared as a percentage cost to the purchase of a firearm, for example a 12 gauge shotgun used for pest control could cost from £500 up to £10,000. Taking an average cost of £2500 for the purchase of the firearm (not including ammunition or the purchase of a secure firearms storage cabinet) with a proposed five year FAC costing £250, this figure equates to 10% of the cost of a firearm, or 2% if spread annually.

49. Given the data collected in the exercise during June 2025, and the calculated cost to process and maintain FAC applications, there is clear evidence that **FAC holders are currently being significantly undercharged.**

**The Department is recommending Option 4 to meet the policy objective to address the current budgetary shortfall and comply with public financial policy (MPMNI) and the NIAO recommendation.**

## E. Non-regulatory options

50. There are no non-regulatory options that could achieve the policy objectives. Firearms licensing fee levels can only be changed by means of secondary legislation and it therefore falls to the DoJ as the Department responsible for the existing legislation to make any changes.

51. Option 4 has been determined as the most fair and preferred option as it best achieves the NI Executive's commitment to achieve FCR for providing public services and address the current budgetary shortfalls for firearms licensing. The DoJ plans to implement these changes by way of laying the secondary legislation before the Assembly, with changes coming into operation at the earliest opportunity.

## F. Impact on revenue and costs for individuals, businesses and PSNI

52. The costs to businesses and individuals from increased fee levels is matched by the benefit to PSNI in increased fee revenue and those options provide Value for Money of varying degrees. The Department acknowledges that an increase in licensing fees will have a small impact on businesses, in particular RFDs, but this is not expected to be significant, as the increase is spread over the five year lifetime of a certificate.

### Impact on RFDs

53. RFDs represent a key group of businesses. There are approximately 80 RFDs in NI. The fee for grant of a RFD's certificate is currently £300 and, like for a FAC, is valid for a period of five years. Table 2 shows the change in cost of RFD certificate grants for each option. For the proposed Option 4 fee increase, there will be an annual cost increase of £93, which is not expected to have a significant impact on RFDs, given the volumes of firearms/ammunition being held and the necessary security checks required to be carried out by PSNI FEB.

	Current fees	Option 0	Option 1	Option 2	Option 3	Option 4
Proposed fee level (£)	300	300	416	467	749	764
Proposed increase in fees over five year period (£)	n/a	nil	116	167	449	464
Proposed annual increase in fees (£)	n/a	nil	23	33	90	93
Proposed % increase	n/a	nil	39	56	150	155

Table 2: Increase in RFD certificate grant cost for each option

## **Rural impact<sup>4</sup>**

54. The proposed changes to firearms licensing fees will apply to all current and future FAC holders, regardless of their urban/rural status. Whilst the increase in fees has the potential to impact rural communities more than urban communities due to the number of farmers holding FACs, we know that a lot of people have FACs for sporting purposes which is not confined to rural areas. However, firearms ownership is an individual's choice and all applicants must demonstrate fitness and good reason for each firearm applied for regardless of whether they are located in an urban or rural area.

55. Since these fees will be paid to PSNI, it is possible the money will go towards policing activity in the same rural areas, however any reallocation of resources is an operational policing matter. As a result, the overall effect to rural communities is uncertain as they could in fact stand to benefit from this if it was invested back into their communities, particularly in addressing rural crime.

## **Impact to businesses**

56. Across all options, it is estimated that there is no outright benefit to businesses in NI. NI's business landscape is characterised by a significant amount of smaller sized businesses, accounting for 89.3% of all businesses, with many RFDs falling into this category.

57. Although it is accepted that Option 4 represents a significant increase in licence fees, the resulting licence fees are still considerably lower than other licences for common goods or service provision. Most firearms certificates/licences last for five years, other than visitors' permits which last up to a year. Unless a business holds a very large number of licences then it is unlikely that this will have a substantial impact on business costs.

## **Impact to households**

58. The majority of FAC holders are individuals, so it is likely the high total costs to households are driven by the high volumes of individuals' firearms licence applications. Across all options, it is estimated that there is no overall monetary benefit to households.

59. The increase in costs of the main licence types under Option 4 represents a 153% (155% uplifted with inflation) increase on the fee levels implemented in 2016. Whilst it is

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<sup>4</sup> Refer to the Rural Needs Impact Assessment

acknowledged that this increase is high, the fees that result are comparable to the costs of licences for other common goods such as a fishing licence (specifically a DAERA<sup>5</sup> game angling permit and game rod) and a TV licence. Table 3 shows the cost of these licences multiplied over three and five years. While the costs of these other licences, that may also be held by FAC holders, have been impacted by inflationary pressures, firearms licensing fees have not kept pace and are well overdue to increase.

	DAERA game angling permit and game rod licence (season, age 19 to 59 years)	UK TV licence	Current cost of FAC	Proposed cost of FAC under Option 4
12 month cost (£)	94.00	174.50	19.60	50.00
Cost for 3 year period (£)	282.00	523.50	58.80	150.00
Cost for 5 year period (£)	470.00	872.50	98.00	250.00

Table 3: Cost of other comparable licences over 3 and 5 year periods<sup>6</sup>

60. Comparing against licences for common goods demonstrates that, while there is a proportionately large increase, the fee uplift does not put firearms licences at a level above other licences for more common goods. The cost of the firearms licensing fees in fact remains well below the other licence types, for which there are no statutory fitness tests, vetting procedures or assessment of medical reports and good reasons to hold firearms, which are in fact lethal barrelled weapons. So, while it does represent an increase in cost to households who hold licences, all households across NI may benefit from firearms licensing activity no longer being subsidised by the PSNI budget, which will allow budget increases in other areas of policing and reduce the need to subsidise firearms licensing with taxpayers' money.

61. DoJ has completed an equality impact screening on the proposals and concluded that an Equality Impact Assessment is not deemed to be necessary at this stage. FACs are granted on the basis of fitness and good reason to possess each firearm/ammunition holding applied for, independent of the Section 75 categories to which they belong. However, the equality screening will be reviewed following the consultation process, when proposals are finalised.

<sup>5</sup> DAERA: Department of Agriculture, Environment and Rural Affairs

<sup>6</sup> A TV licence in the UK is due to increase on 1 April 2026 to £180 which would be £540 for 3 years and £900 for 5 years