

INFORMATION REQUEST
Draft Cabinet papers on Effective Administration of the Arms Regulatory system
Deadline: 12.00pm Friday 24 September 2021

Purpose

1. This note provides you with two draft Cabinet papers which are currently with agencies for their comment and feedback, before finalising for your approval.
2. This note also draws your attention to matters relating to the draft papers and outlines next steps for both.

Paper One: Effective Administration of the Arms Regulatory system: an improved operating model

Advice from the Ministerial Arms Advisory Group (MAAG)

3. On 20 September the MAAG advised you of their support for the establishment of a Branded Business Unit, hosted by Police, for an initial 'trial' and a subsequent review, on the proviso that:
 - a review of the entity's performance begins in June 2026. This aligns with the Section 96 statutory review of the Arms Act, which is to occur 3 years from the establishment of an arms registry in June 2023. As with the Section 96 review of the Act, the MAAG's recommended review must also be completed within 18 months;
 - the above review covers the overall outcomes of the entity, including all outcomes sought by all system stakeholders;
 - the MAAG should contribute to the establishment of KPIs, the design and establishment of external and/or independent monitoring and the shape of the review;
 - regular external independent monitoring of the entity, which would ideally start from 2023.
4. Police supports the MAAG's preferred option of a Branded Business Unit and the above conditions, including the trial period and subsequent review. We have incorporated this advice into the attached draft Cabinet paper, noting that we will report back to you with a plan to respond to the proposal for external and/or independent monitoring of a Branded Business Unit.
5. The MAAG's advice suggests that it may see its contribution as moving beyond your expectations that they give attention to performance measures, to a more active role in the oversight of the system and the regulator. It would be unusual for a Ministerial advisory group to take on such a role.

6. The development of a Branded Business Unit includes the establishment of a Transition Board with Police and external membership. This group will provide governance and oversight of the work of the Branded Business Unit.
7. Police is confident that the MAAG can provide added value and independent thinking to the early establishment functions it proposes, such as the development of KPIs and the monitoring framework. However, we would not support the group taking a more active role in oversight of the Unit.

Comment on the location of a policy function

8. In their advice, the MAAG questioned whether the location of the policy function should be outside the scope of the new entity and whether this function should remain with Police. The MAAG commented that the major policy work in the firearms space relates to the Crimes Act 1961 and is carried out by the Ministry of Justice, and that consideration should also be given to firearms policy being managed by the Ministry.
9. Police considers that the MAAG's suggestion to explore transferring the Policy responsibility for firearms was out of scope of your request to them and may have stemmed from a misunderstanding about the nature of the policy work required and of the intended location of the Policy function.
10. The firearms environment, including criminal enforcement and penalties are derived from the Arms Act 1983 (which is administered by Police), not the Crimes Act 1961 (administered by the Ministry of Justice).
11. We consider it appropriate that Police retain the policy function and understand that is also your view. Remaining part of Police's core policy function (and not part of the Branded Business Unit's management structure) will provide a level of separation from the Unit. Police proposed the same approach in advice on the consideration of the establishment of an independent Crown Agency.
12. For the reasons outlined above, the draft Cabinet paper does not cover the MAAG's advice on the location of the policy function. We intend to explore this issue with the MAAG to clarify the legislative foundations of the firearms legal environment.

Appointment of the permanent Executive Director

13. As you are aware, a temporary Executive Director (Angela Brazier) has been appointed to lead on the firearms regulatory work and maintain progress on the development of the operating model and DBC.
14. Following Cabinet's decision on the Detailed Business Case (DBC) in February/March 2022, Police's Deputy Chief Executive of Strategy and Service will work with the Public Service Commission on the appointment of a permanent Executive Director. This will include consideration of where that role sits in relation to the Police management and leadership structure.

15. You have previously suggested that you might be interested in providing some specific expectations of this through a Ministerial Direction (through s16(1)(e) of the Policing Act 2008).
16. We can provide advice on the use of this mechanism if you are still interested in pursuing this but have not included it in the draft Cabinet paper at this stage.

Paper Two: Effective administration of the Arms Regulatory system: cost recovery approach

17. This paper reports back to Cabinet on the opportunity for increased cost recovery for the delivery of services under the Arms Act 1983 and seeks confirmation of the proposed approach.
18. The paper also advises of the intention to report back to Cabinet Social Wellbeing Committee by December 2021 on options for recovering costs and to seek agreement to a draft public consultation document, which discusses proposals for reviewing the current fee schedule.
19. This will precede a report back to Cabinet on a Detailed Business Case (DBC) in early 2022, which will clarify the implementation requirements, present a more detailed operating model design and confirm high-level design and costings for a new Arms Registry.
20. The DBC will also confirm and inform the future budget bids from Budget 2022/23 onwards related to the Arms Regulatory system and inform cost recovery options based on identified costs for specific activities.

Next steps

21. We propose these papers are considered together by the Cabinet Social Wellbeing Committee.
22. Following departmental consultation, and your feedback, we will provide you with final draft Cabinet papers by Tuesday 5 October, for your consideration and agreement to circulate to your Ministerial colleagues.
23. A shortened Ministerial Consultation period (6 to 13 October) will enable the papers to be lodged with the Cabinet Office on Thursday 14 October 2021 and considered by the Cabinet Social Wellbeing Committee at its meeting on Wednesday 20 October 2021.
24. Following Ministerial consultation, Police will provide you with talking points for use at the Committee meeting on 30 October 2021.

Reviewed by	Karen Threadwell, Manager, Firearms Policy	s.9(2)(a) OIA
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