

INFORMATION REQUEST	
Talking points for SWC - Arms Safety and Control: Endorsement of the DBC	
Deadline: 25 February 2022	Date of Response: 25 February 2022

## Purpose

1. You are attending the Cabinet Social Wellbeing Committee (SWC) on 2 March 2022. This paper provides you with talking points to support discussion at that meeting of the paper entitled: 'Arms Safety and Control: Endorsement of the Detailed Business Case' (the SWC paper).

## The SWC paper seeks endorsement of the Detailed Business Case

2. The SWC paper seeks Cabinet endorsement of the Arms Safety and Control Detailed Business Case (the DBC). The DBC confirms a preferred option for future investment to meet government expectations of a modern effective regulator able to accommodate current and future requirements and deliver on public safety objectives.
3. The preferred option is Option 5, which includes proactively intervening to reduce risk. The cost to deliver this option over 11 years is \$711.452 million.
4. This cost is higher than the estimate in the Indicative Business Case (IBC) that was considered by Cabinet in April 2021 (which was \$451.800 million over 11 years). A greater understanding of the scope and complexity of the operational and transition requirements to improve the administration of the Arms Regulatory system has informed the DBC. The SWC paper lists the key variations between the DBC and the IBC at Table One.
5. Feedback from Minister Robertson and Minister Little noted the increase from the IBC to the DBC. As requested by your office, further detail was added to the SWC paper to explain the differences. We have also provided detail on this in your Talking Points.

## The endorsement does not pre-empt Budget 2022 decisions

6. The endorsement of the DBC does not pre-empt Budget 2022 decisions and implementation of the preferred option is subject to Budget 2022 funding decisions.
7. The SWC paper notes that Police submitted a Budget Bid for Arms, Safety and Control seeking investment of \$222.433 million operating and \$15.522 million capital funding over the four years from FY22/23 to FY25/26. The operating amount was greater than that submitted in December 2021 as part of the Budget process (\$195.032 million). The increase was as a result of the Quantitative Risk Assessment that was completed in January 2022 which identified additional required funding.

8. The December figure was used in the Justice Cluster packages that were submitted on 4 February 2022. Police understands this was in recognition of the work that would be required to amend for one initiative as opposed to waiting until the outcomes of the multi-lateral meeting between Cluster Ministers and the Minister of Finance.
9. You are being separately briefed on Justice Cluster matters.

**The SWC paper also seeks agreement to bring forward a drawdown from the tagged contingency**

10. The SWC paper seeks Cabinet agreement to bring forward and draw down \$7.624 million of tagged capital contingency to assist with delivering the Arms Registry by 2023.
11. Agreement is also sought to establish the new Arms Safety and Control appropriation, as well as a fiscally neutral adjustment to transfer existing revenue budget to the new appropriation. This will provide for the ring-fenced funding for the Arms Regulatory system.

**Work is ongoing for the cost recovery fees review**

12. Police is currently undertaking a fees review. Minister Robertson has expressed interest in the cost recovery work and how this may affect the required funding. Minister Little noted the current cost recovery will not cover the additional costs.
13. The actual costs of delivering the Arms Regulatory system are not affected by any third-party revenue from fees. However, the Crown contribution to the cost will be affected by any increase to the fees following the review, as Police will effectively return fees revenue to the Crown.
14. The SWC paper includes at Table Four the current fees, the indicative level that fees would need to be set at to fully recover costs, and the estimated average annual revenue (assuming no change to demand) for a number of services and activities.
15. In April 2022 we will provide you with a draft Cabinet paper to seek Cabinet approval to release a consultation document on fees. The document will have finalised these indicative fees and will present a range of options such as full or partial cost recovery.
16. It is expected a new comprehensive fee schedule could be in place for FY 2023/24.

## Next Steps

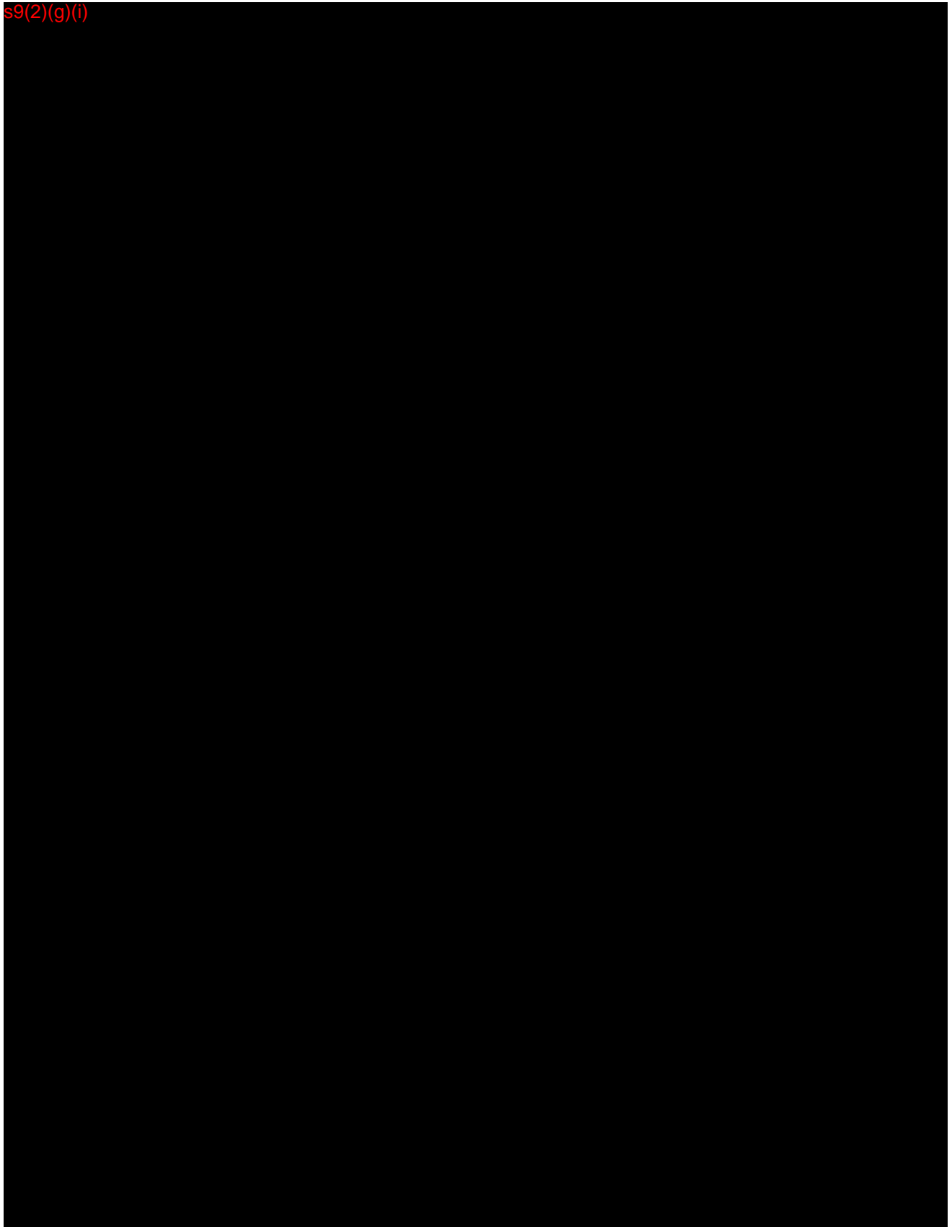
17. The 'Arms Safety and Control: Endorsement of the Detailed Business Case' paper will be considered by SWC on Wednesday 2 March 2022.
18. Deputy Commissioner Jevon McSkimming and Angela Brazier, Executive Director Firearms will be available to support you at SWC. Officials will be attending via Zoom.

<b>Reviewed by</b>	Gillian Ferguson, (Acting) Executive Director, Policy and Partnerships	[REDACTED]
<b>Approved by</b>	Angela Brazier, Executive Director Firearms	[REDACTED]

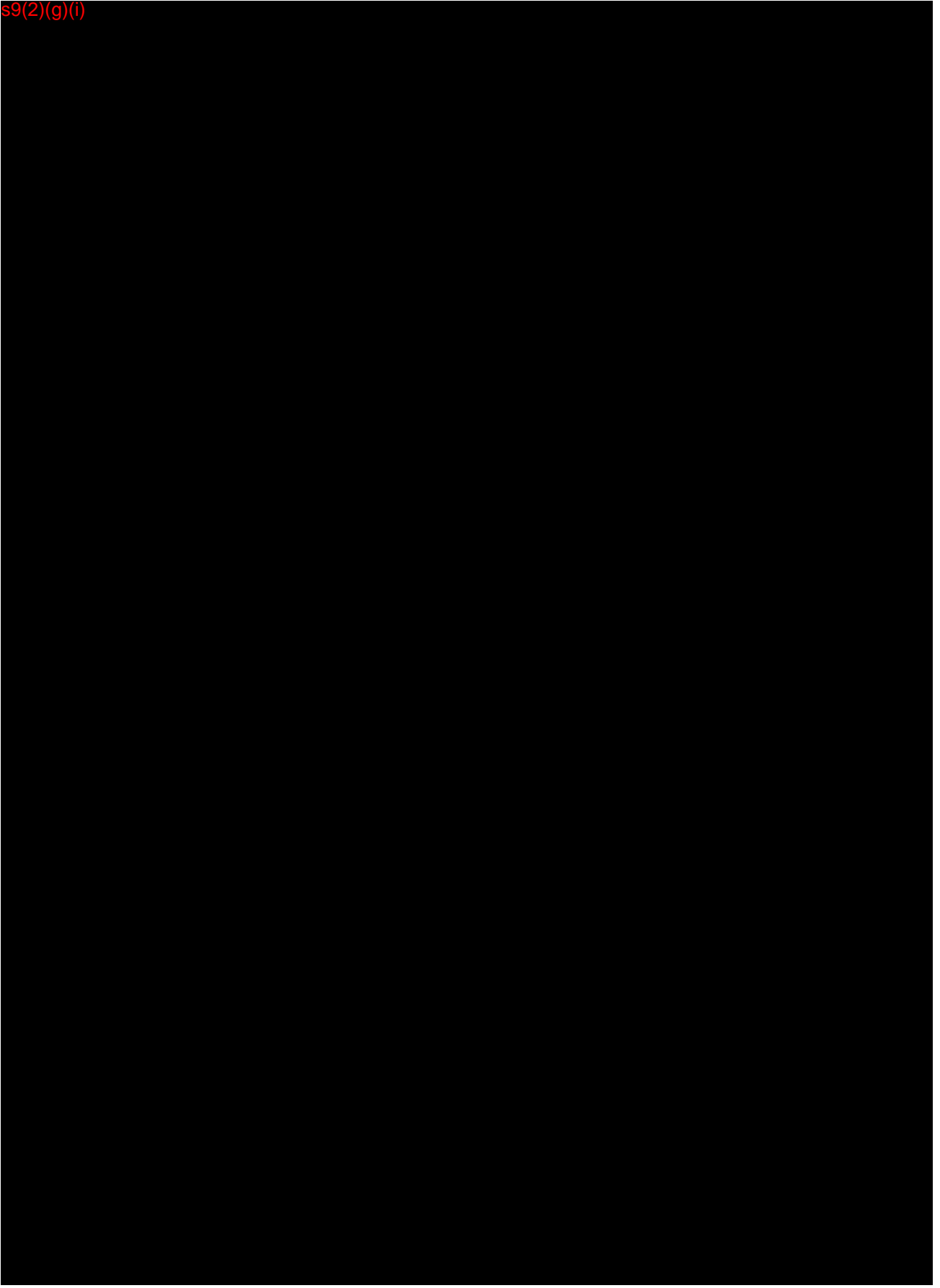
PROACTIVE RELEASE

**Talking points for SWC**  
**“Arms Safety and Control: Endorsement of the**  
**Detailed Business Case”**

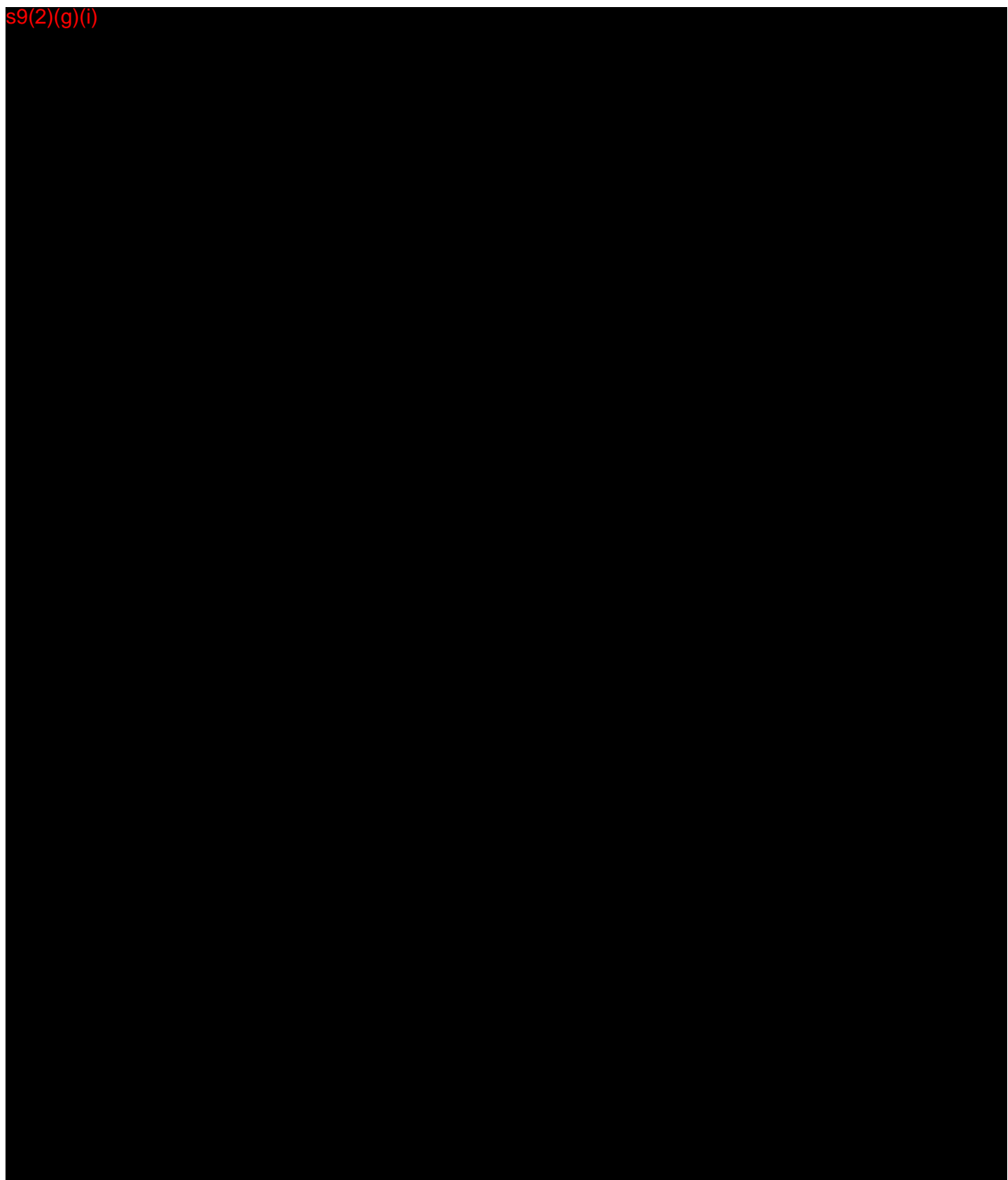
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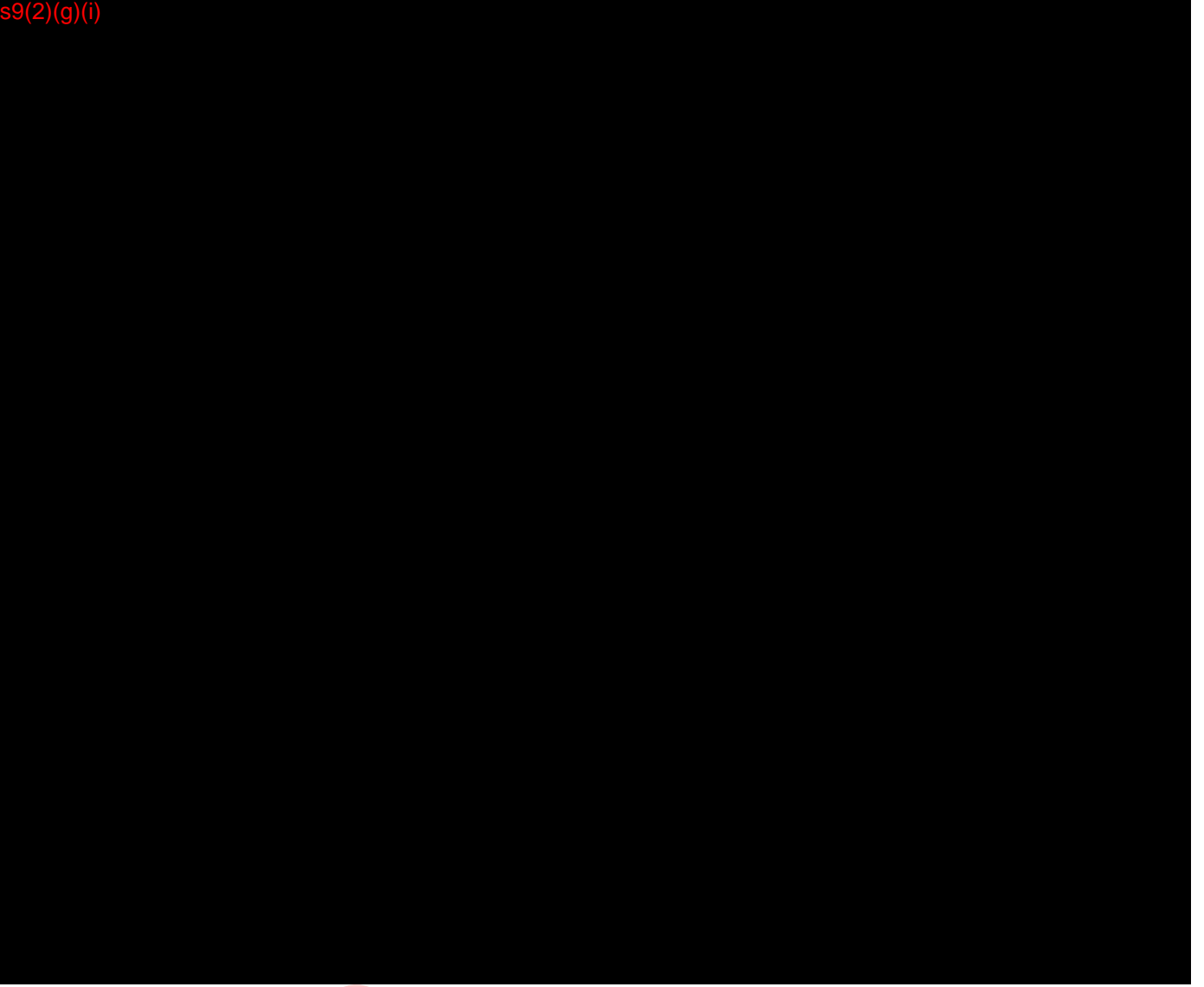
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