



Better Business Regulation

Evaluate the way you regulate

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Better Business Regulation

- Developed by Department of Justice, Victoria
- Linked to reducing regulatory burden
- Aimed at *quality* of regulation
- ‘Better practices’ framework
- Basis – Victorian Guide to Regulation, national and international best practice regulation guides and research

Better Business Regulation

- Examine the effectiveness and efficiency of regulatory processes
- Identify gaps between current performance and good practices
- Practical measures to improve performance

Benefits to regulators

- Analysis of current practices against changing markets, technology and social conditions
- Identification of improvement opportunities
- Better information for planning and resource allocation
- Promote a continuous improvement culture
- Improved regulatory effectiveness and in achieving Government's policy objectives

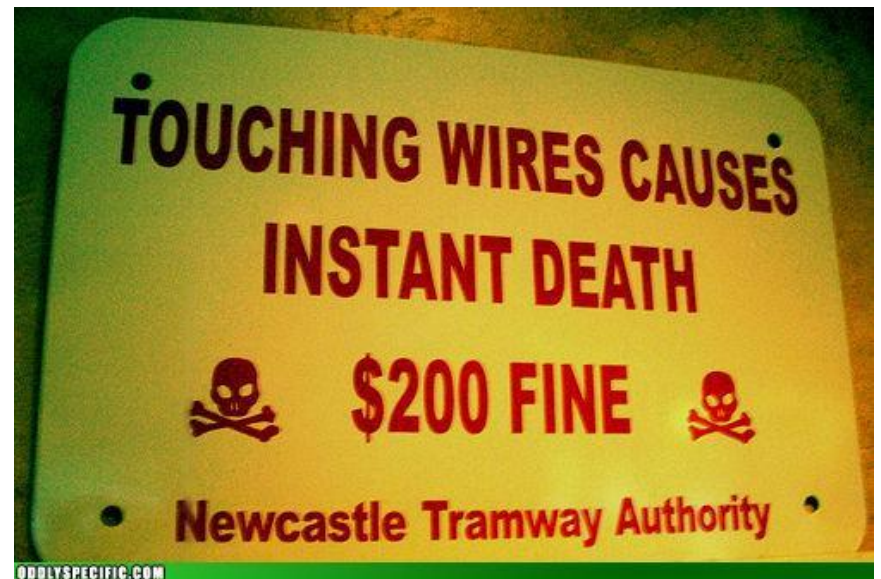
Benefits to community

- Regulatory safeguards are provided efficiently & effectively
- Regulations achieve the intended results without imposing excessive burdens on individuals and businesses

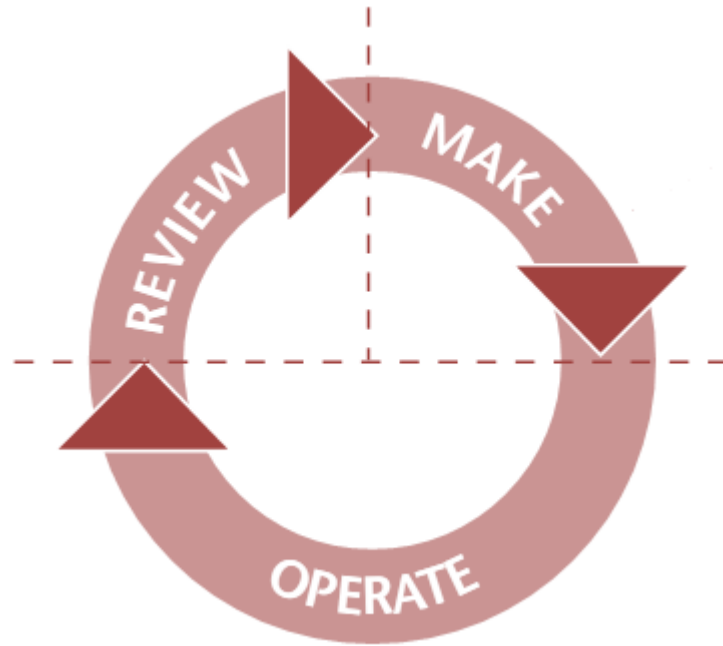


Principles of good regulation

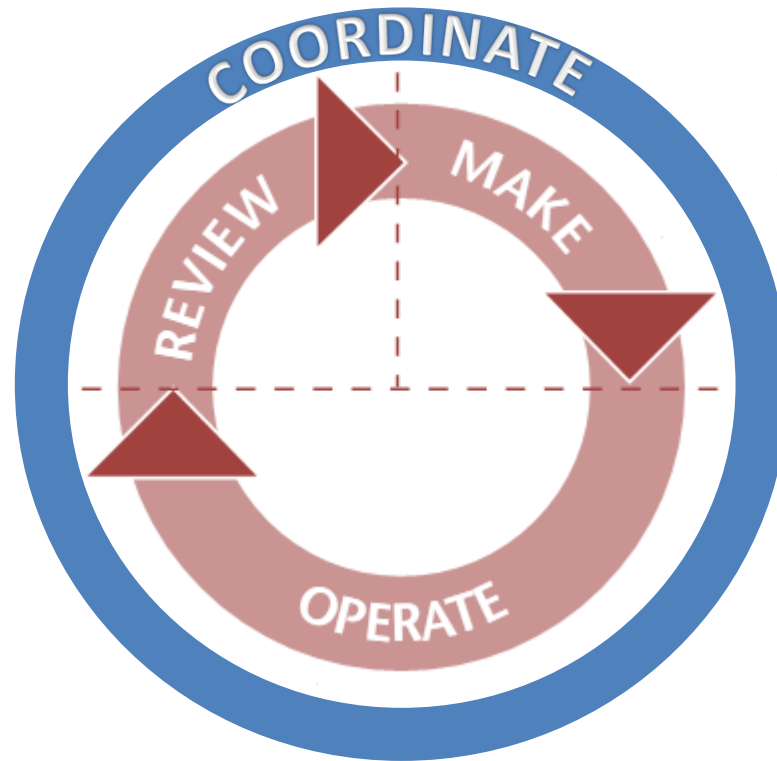
- Consistency
- Proportionality
- Efficiency
- Effectiveness
- Transparency
- Accountability



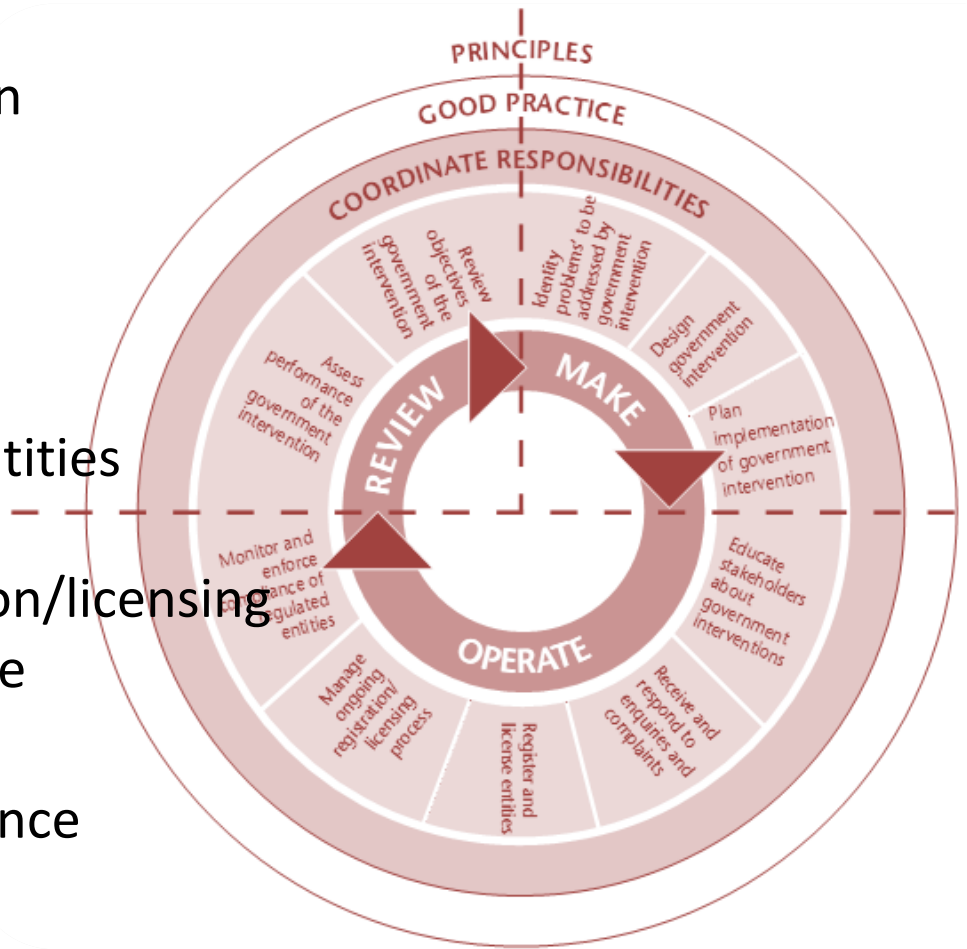
The regulatory lifecycle



The regulatory lifecycle

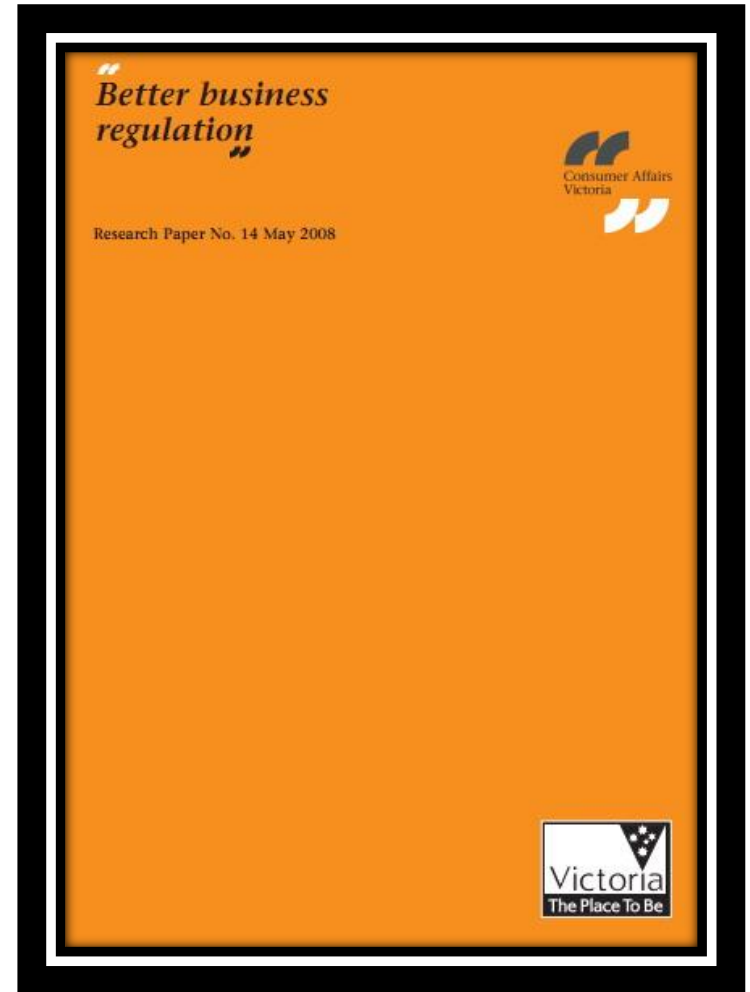


- Make
 - Identify ‘problems’
 - Design regulatory intervention
 - Plan implementation
- Operate
 - Educate stakeholders
 - Respond to enquiries
 - Register/license persons & entities
 - Respond to complaints
 - Manage continuing registration/licensing
 - Monitor & enforce compliance
- Review
 - Assess intervention performance
 - Review objectives
- Coordinate
 - Between agencies
 - Within agencies



Stages

- Develop framework
March 2007
- Pilot two regulators
October 2007
- Implement pilot findings
February 2008
- BBR self-evaluations by
DoJ regulators 2008/9
- BBR self-evaluations by
DPI regulators 2010



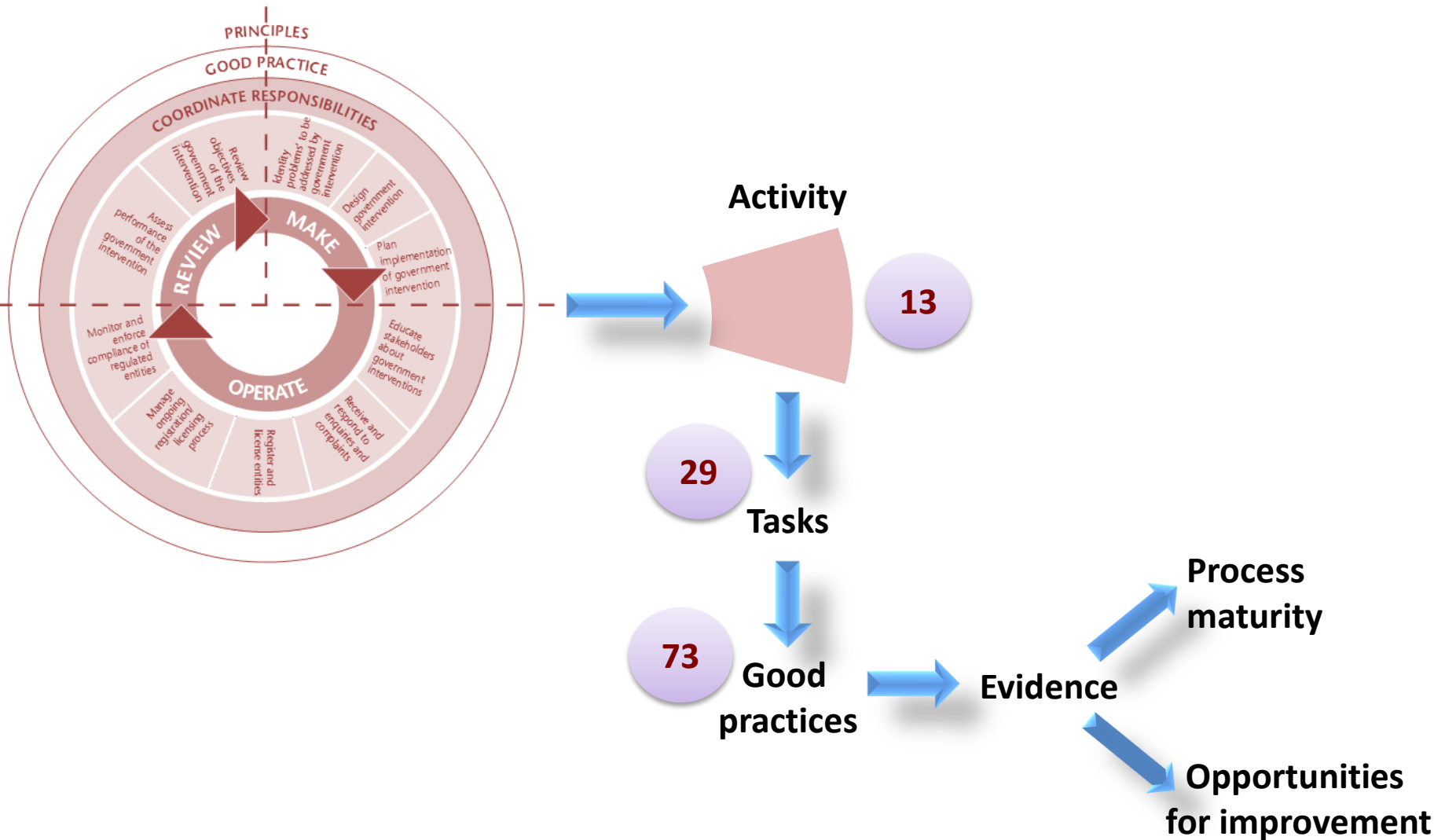
“What’s in it for us?”

- An analysis of internal ‘regulatory’ practices and processes.
- Identification of improvement opportunities.
- Evidence for decision making, strategic planning and implementing improvements.
- Opportunities prioritised by the regulator are progressively implemented.

Self-evaluation steps

- Plan & brief
- Collect Data – BBR Evaluation Workshop
 - Whole day workshop
- Analyse and evaluate data
 - Consolidate workshop results
 - Follow up meetings
 - Document review
- Confirm findings & develop strategic action plan
 - Half-day workshop
- Finalise self-evaluation report
 - Present to Executive

BBR evaluation structure



Responsibility matrix

- At the Task level

Stage	Activity	Task	Branch/ Agency Responsibility							
MAKE	Identify 'problems' to be addressed by government intervention	Establish policy priorities		Primary Responsibility ¹	Primary Responsibility ¹	Provides Support				
		Scan external environment		Primary Responsibility ¹	Primary Responsibility ¹	Provides Support				
		Select issue to be addressed		Primary Responsibility ¹	Primary Responsibility ¹	Provides Support				
	Design the government intervention	Develop alternatives		Primary Responsibility	Primary Responsibility	Primary Responsibility				
		Evaluate alternatives		Primary Responsibility	Primary Responsibility	Primary Responsibility				
		Recommend preferred alternative		Primary Responsibility	Primary Responsibility	Primary Responsibility				
	Plan the implementation of the government intervention	Communicate objectives to relevant agencies		Primary Responsibility	Provides Support	Provides Support				
		Develop administrative processes to enable implementation		Primary Responsibility	Provides Support	Provides Support				
	OPERATE	Educate stakeholders about the regulation	Plan educational initiatives			Primary Responsibility ³	Primary Responsibility ³			
Deliver educational initiatives					Primary Responsibility ³	Primary Responsibility ³				
Review educational initiatives					Primary Responsibility ³	Primary Responsibility ³				
Receive and respond to enquiries and complaints		Respond to enquiries				Provides Support			Primary Responsibility ⁴	
		Resolve complaints				Provides Support			Primary Responsibility ⁴	Primary Responsibility ⁴
		Review enquiries & complaints data				Provides Support			Primary Responsibility ⁴	Primary Responsibility ⁴
Register and license persons, organisations or other entities such as objects, places, animals or events.		Process registration and licensing applications		Primary Responsibility						
		Manage complaints regarding registration/licensing decisions		Primary Responsibility						
		Manage continuing registration/licensing processes	Process annual returns and renewals		Primary Responsibility					
Monitor and enforce compliance of regulated entities		Plan monitoring-and enforcement activities	Review registration and licensing data			Primary Responsibility				
			Plan monitoring-and enforcement activities				Primary Responsibility			
			Implement monitoring plans				Primary Responsibility			
	Remediate compliance breaches					Primary Responsibility				
REVIEW	Assess the performance of the government intervention	Review compliance and enforcement data			Primary Responsibility					
		Assess outcomes of the intervention		Primary Responsibility ²	Primary Responsibility ²					
	Assess administrative performance						Primary Responsibility			
COORDINATE RESPONSIBILITIES	Coordinate activities between regulatory agencies	Review the objectives of the government intervention		Primary Responsibility ²	Primary Responsibility ²					
		Review and recommend modifications to the regulation		Primary Responsibility ²	Primary Responsibility ²					
COORDINATE RESPONSIBILITIES	Coordinate and plan within regulatory agency	Determine & formalise responsibilities & activities of agencies				Primary Responsibility				
		Manage ongoing relationships between agencies				Primary Responsibility				
COORDINATE RESPONSIBILITIES	Coordinate and plan within regulatory agency	Plan corporate processes and activities					Primary Responsibility			
		Manage capacity, processes and delegations					Primary Responsibility			

BBR Evaluation Guide

MAKE REGULATIONS

Activity	Task	Good practice / what you might see	Evidence - what we do	Opportunities for improvement	Process Maturity 1-5
M1 Identify 'problems' to be addressed by government intervention	M1.1 Establish policy priorities	Policy staff receive regular updates on policy objectives/priorities. <i>Policy staff receive regular communication on objectives and priorities from Ministerial offices and/or departmental executives.</i>			
		Policy staff receive regular updates on developments in other Australian and international jurisdictions and at national level. <i>There is regular communication on objectives and priorities from agencies in other jurisdictions.</i>			
	M1.2 Scan external environment	The agency regularly scans the environment to identify emerging issues. <i>The agency identifies emerging issues through processes such as community and stakeholder consultation, research and program evaluations.</i>			
		The agency examines data from sources such as education activities, enquiries, complaints, audit outcomes, enforcement and cross-scheme analyses. <i>Policy staff consolidate data from these activities and use it to identify emerging issues and priorities.</i>			
	M1.3 Select issue to be addressed	The issue or problem to be addressed is clearly articulated <i>The 'issue' or 'problem' and the analysis justifying the regulatory intervention is documented.</i>			
		Justification for the regulatory intervention is consistent with the framework set out in the <i>Victorian Guide to Regulation</i> . <i>Analysis justifying government intervention reflects evidence-based decision making and is consistent with the Victorian Guide to Regulation.</i>			
Objectives for the regulatory intervention are clearly expressed prior to options being determined. <i>The objectives of the regulatory intervention are documented, enabling later assessment of the extent to which the objectives are achieved.</i>					

Good practice assessment

- 'Do'



- 'Partially do'



- 'Do not do'



Stage	Activity	Task	Good Practice		
MAKE	Identify 'problems' to be addressed by government intervention	Establish policy priorities	Policy staff regularly updated Staff updated about other jurisdictions	Do Do	
		Scan external environment	External scanning conducted Data considered from multiple sources Issues clearly articulated	Do Do Do	
		Select issue to be addressed	Intervention justification consistent with VGR Objectives for intervention clearly stated	Do Do	
	Design the government intervention	Develop alternatives	All reasonable options considered Stakeholders input encouraged Government agencies consulted	Do Do Do	
			Stakeholder views considered Impact of alternatives assessed Effects of alternatives across society assessed	Do Do Do	
		Evaluate alternatives	Risk assessed for alternatives Cost recovery assessment Assessed for consistency with policy	Do Do Do	
			Recommend preferred alternative	Adopted or recommended highest net benefit option	Do
	Plan the implementation of the government intervention	Communicate objectives to relevant agencies	Informed all relevant agencies Education campaign prepared	Do Do	
		Develop administrative processes to enable implementation	Administrative processes are developed or amended Agency resources & capabilities taken into account Policy & governance considered	Do Do Do	
			Implement consistent with reducing regulatory burden	Do	
			Plan educational initiatives	Objectives articulated Appropriate education initiatives designed	Partially do Partially do
	Educate stakeholders about the government intervention	Deliver educational initiatives	Education/information initiatives delivered to plan	Partially do	
		Review educational initiatives	Initiatives' content currency & impact regularly assessed Assess whether compliance obligations are conveyed effectively & relevant parties understand rights & responsibilities Trends in education data reported to all branches / agencies involved	Partially do Partially do Partially do	
			Respond to enquiries	Mechanisms provided for enquiries Accurate responses to enquiries provided within agreed timeframes	Partially do Partially do
	OPERATE	Respond to enquiries	Review enquiries data	Trends in enquiries reported	Do not do
Register and license persons and/or organisations			Process registration and licensing applications	Convenient & effective mechanisms provided to lodge licensing/regulation Process design takes into account agency resources & capabilities Applications assessed against scheme requirements Impact of decisions on 3rd parties considered & they are informed Decisions communicated within agreed timeframes, stating reasons	Do Do Do Do Do
		Respond to complaints	Resolve complaints	Suitable mechanisms provided for complaints Accurate responses to complaints provided within agreed timeframes Complaints resolved or referred to appropriate party	Do Do Do
			Review complaints data	Trends in complaints analysed and reported	Partially do
Manage continuing registration/licensing processes			Process annual returns and renewals	Convenient renew all processes provided Register of licenses & registrations maintained	Do Do
		Review registration and licensing data	Trends in applications data reported, incl. complaints Costs & benefits of data requests made to regulated persons & entities analysed	Partially do Do Do	
Monitor and enforce compliance of regulated entities		Plan monitoring and enforcement activities	Priorities identified Complaints data used for M&E planning	Partially do Do	
		Implement monitoring plans	Plans implemented	Do	
		Remediate compliance breaches	Non-compliant behaviour remediated, in proportionate manner Sanctions/penalties designed to achieve regulatory outcomes Reasons promptly given, in writing	Do Partially do Do	
		Review compliance and enforcement data	Assessed that enforcement effort is commensurate with breach Trends in compliance/enforcement data reported	Partially do Partially do	
REVIEW		Assess the performance of the government intervention	Assess outcomes of the intervention	Extent that objectives achieved assessed Determined stakeholders perceptions Compliance breaches considered	Do Do Do
			Assess administrative performance associated with action undertaken	Processes and systems reviewed Administrative burdens assessed Recovered cost of scheme from applicants	Do Do Partially do
		Review the objectives of the government intervention	Recommend modifications to regulation	Appropriateness of objectives, and persistence of problem or risk assessed Changes to intervention recommended	Do Partially do

Process Maturity Guide

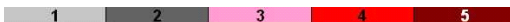
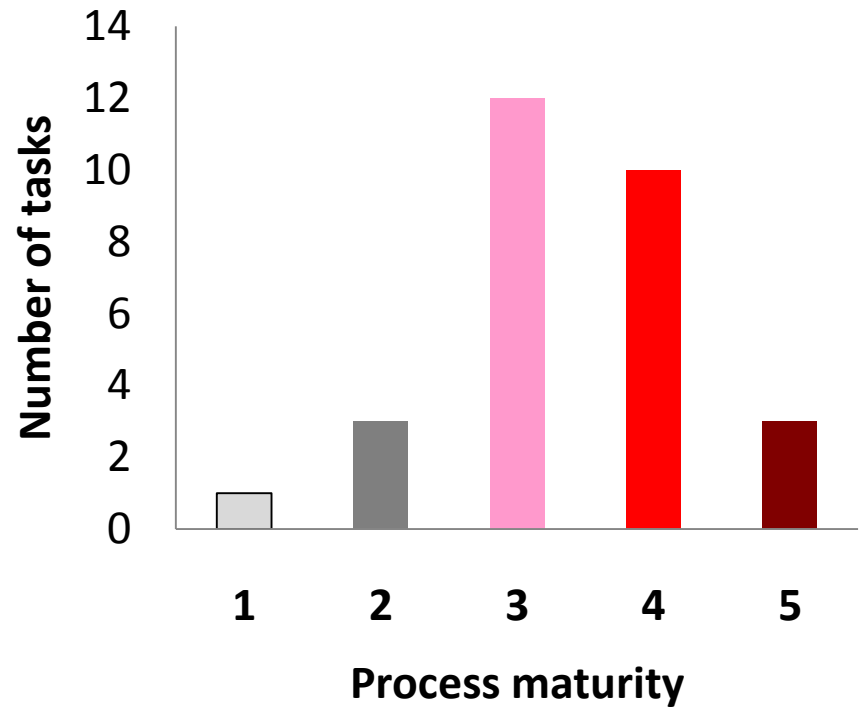
How mature is your process?

Consider the chart below and determine what level of process maturity best describes how you carry out your process for each of the five criteria. If there is a mixture of maturity levels according to the different criteria, then assess the process as being at the lower maturity level. Shaded cells in the table indicate that the performance description on that criterion is unchanged from the lower level.

	Process Maturity Level 1	Process Maturity Level 2	Process Maturity Level 3	Process Maturity Level 4	Process Maturity Level 5
Purpose	Purpose is not known, or is not clearly stated, or is understood differently by different people.	Purpose is identified but may be only partly communicated.	The purpose of the tasks within the process is identified and stated clearly in a form available to all who need it.	The purpose of the tasks within the process is identified and stated clearly in a form available to all who need it.	The purpose of the tasks within the process is identified and stated clearly in a form available to all who need it.
Approach	No single approach is identifiable, or the approach is determined by individuals in an ad-hoc way.	The approach may be approved and understood by some key individuals but is not widely known.	The approach is known, documented to the extent that it needs to be, and understood by all involved.	The approach is known, documented to the extent that it needs to be, and understood by all involved.	The approach is known, documented to the extent that it needs to be, and understood by all involved.
Implementation	Tasks are carried out in a variable way.	Tasks are carried out with some consistency but are dependent on individual skills and knowledge.	Tasks are carried out consistently, in accordance with procedures that are documented to the extent necessary to achieve quality outcomes.	Tasks are carried out consistently, in accordance with procedures that are documented to the extent necessary to achieve quality outcomes.	Tasks are carried out consistently, in accordance with procedures that are documented to the extent necessary to achieve quality outcomes.
Results	Results might be achieved but no measurements are available to enable this to be assessed.	Results are thought to be achieved but no measurements are available to enable this to be assessed.	Results are believed to be regularly achieved but measurements are unreliable or inconsistent.	A comprehensive performance measurement framework is in place. Performance is monitored and reported consistently and regularly.	Performance is monitored and reported consistently and regularly, and action is taken in response to improve the process.
Improvement	There is no improvement process active.	There is no improvement process active.	Improvement processes are ad-hoc and undocumented.	Improvement processes may be in place but are not consistently followed or are incompletely implemented.	A formal process for improvement is in place that systematically searches for both incremental improvement and larger innovations.

Process maturity

Stage	Activity	Task	Process Maturity	
MAKE	Identify 'problems' to be addressed by government intervention	Establish policy priorities	3	
		Scan external environment	4	
		Select issue to be addressed	4	
	Design the government intervention	Develop alternatives	5	
		Evaluate alternatives	3	
		Recommend preferred alternative	4	
	Plan the implementation of the government intervention	Communicate objectives to relevant agencies	4	
		Develop administrative processes to enable implementation	4	
	OPERATE	Educate stakeholders about the regulation	Plan educational initiatives	3
			Deliver educational initiatives	3
Review educational initiatives			2	
Receive and respond to enquiries and complaints		Respond to enquiries	3	
		Resolve complaints	3	
		Review enquiries & complaints data	4	
Register and license persons, organisations or other entities such as objects, places, animals or events.		Process registration and licensing applications	3	
		Manage complaints regarding registration/licensing decisions	5	
Manage continuing registration/licensing processes		Process annual returns and renewals	4	
		Review registration and licensing data	4	
Monitor and enforce compliance of regulated entities		Plan monitoring and enforcement activities	5	
		Implement monitoring plans	4	
		Remediate compliance breaches	3	
		Review compliance and enforcement data	4	
REVIEW	Assess the performance of the government intervention	Assess outcomes of the intervention	2	
		Assess administrative performance	3	
	Review the objectives of the government intervention	Review and recommend modifications to the regulation	1	
COORDINATE RESPONSIBILITIES	Coordinate activities between regulatory agencies	Determine & formalise responsibilities & activities of agencies	4	
		Manage ongoing relationships between agencies	3	
	Coordinate and plan within regulatory agency	Plan corporate processes and activities	3	
		Manage capacity, processes and delegations	2	



Process Maturity = Level 1

Activity: O1 Educate stakeholders about the regulation

Task: O1.1 Plan educational initiatives

Findings

- Articulate the objectives of education and information programs.
 - Some documentation of objectives, but not consistent.
 - No plans documented (some exist in ad hoc form, e.g. *Scheme 'M'*)
- Design appropriate initiatives.
 - Comprehensive documentation for *Scheme 'C'*.
 - Some documented for *Scheme 'P'*.
 - No other schemes with formal descriptions of educational initiatives

Improvement plan

- Develop an integrated education plan across all the regulator's schemes, to achieve:
 - Better targeted educational programs; more efficient use of resources; more appropriate and effective modes of delivery.
 - Better coverage of potential licensees by information delivery.
 - Better informed applicants.
 - Better quality applications.

Process Maturity = Level 4

Activity: *O4 Respond to complaints*

Task: *O4.1 Resolve complaints*

Findings

- Resolve complaints or refer them to the appropriate party for resolution according to formal rules.
 1. Complaints about granting, denial or revocation of a registration or licence
 - All decision letters advise complainants of the review/appeal processes.
 - Appeal or reviews to: the Commission; DAs appeal hearings; Supreme Court.
 - Persons not legally represented are helped by Commission lawyers.
 - Pre-hearings explain the process informally and inform the applicant clearly.
 - Every attempt is made to contact attendees.
 - Interpreters provided for ESL attendees.

Improvement plan

- Strengthen complaint resolution by developing a complaints charter.
 - Establish complaints charter and publish publicly.
 - Publicise the complaints process and response times to interested parties.
 - Make clear roles, rights, responsibilities and response times.

Action plan

Responsibility matrix, good practices performed, process maturity and specific opportunities for improvement identified in the workshop are developed in the second workshop into an action plan.

Action 1	Improve Review and Evaluation Performance.
Justification	Review practices could use strengthening across the regulatory cycle. Practices are only rated as 'partially do' in the REVIEW part of the cycle and Process Maturity is only rated at 1 to 3.
Responsibility	Director of Policy and Licensing
Target Completion Date	By mid-2011
Addresses	R1.1 Assess outcomes of the intervention. R1.2 Assess administrative performance.
Outcome	Staff competent in review and evaluation techniques. Improved process efficiency and organisational outcomes as a result of opportunities for improvement identified from review and evaluation activities that are fit for purpose.

Final self-evaluation report

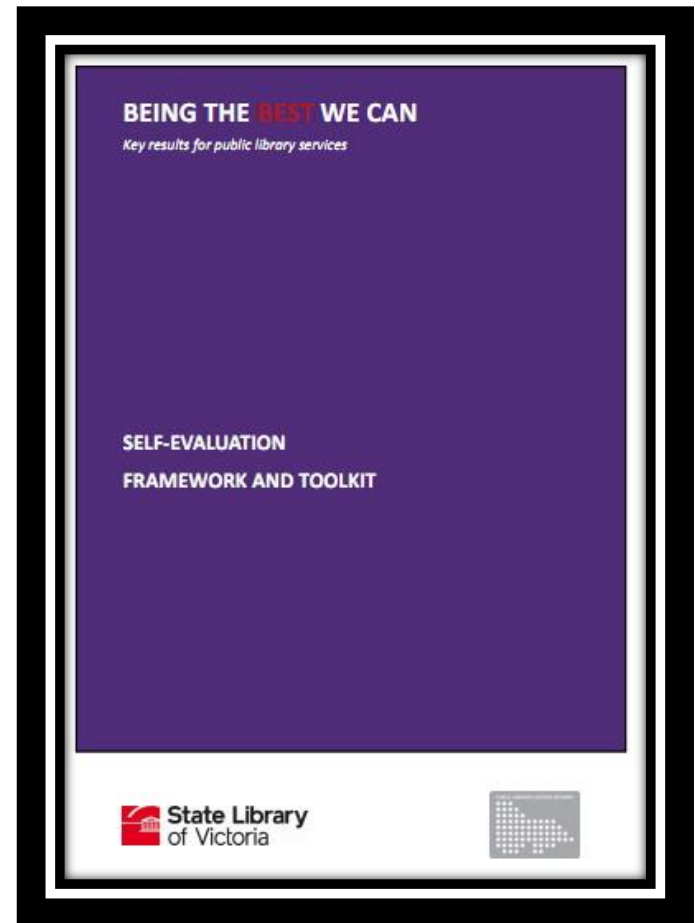
- Executive summary
- Background
- Results
 - Responsibility matrix
 - Good practices
 - Process maturity
 - Opportunities for Improvement
- Action Plan
- Attachment
 - Workshop data

Lessons learned

- Limitations of self-evaluation
- Speed vs comprehensiveness
- Comprehensiveness vs resources & acceptance
- What worked, what could be improved

Variations

- Other frameworks
- Peer-moderated self-evaluation
- External evaluation
- Independent audits/awards



Peer review

What gives
you the right
to judge me?



Conclusions

- Robust
- Rapid
- Broadly applicable
- Practical

Better Business Regulation

Evaluate the way you regulate

Questions?



Dogs must be kept on a lead in this area
Metropolitan Police Safer Parks Team
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