

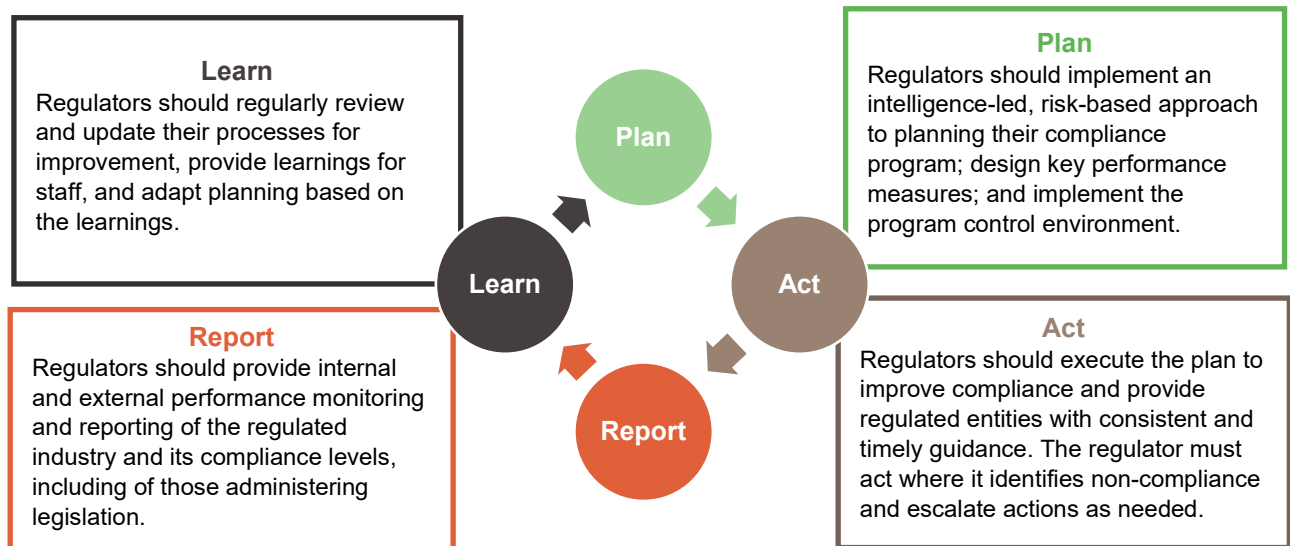
# Insights for regulators

Over time, a variety of Queensland Audit Office (QAO) audits have involved examining entities that perform or oversee regulatory functions, ranging from regulating firearms, food safety, pharmacy ownership, and mining and coal seam gas. Despite regulation being a core function of government, we have repeatedly found that good regulatory performance in enforcing minimum prescribed standards is often absent.

Based on our insights, we have prepared a principles-based, good practice model for all entities to self-assess against.

These practices are principles-based and are not intended to be applied rigidly. They do not override any legislative requirement or authority concerning regulatory functions nor the need to ensure effective regulatory outcomes are achieved.

## Summary of good regulatory practices



Source: Figure A, Regulating animal welfare services (Report 6: 2021–22).

## Good regulatory practices

### Plan to be intelligence-led

#### Understand the regulator’s role, functions, and objectives

- Do the operations (what is being done) align with what should be done under the legislation?
- Do systems and processes contribute to achieving the legislative and organisational purposes and objectives?

#### Implement systems and plans that support effective data collection and use

- Do systems allow for effective and efficient collection and use of data for timely decision-making and planning?

#### Develop and implement a risk management framework



- Are there risk and compliance prioritisation frameworks in place? Do these enable focus and deployment of resources proportionate with the risks to the regulatory outcomes being sought?
- Have regulators collectively worked towards developing consistent and complementary approaches to risk-based compliance and enforcement planning?

#### Develop a compliance and monitoring plan

- Does a defensible monitoring and enforcement plan exist, based on risks and proportionate actions in response to non-compliance?
- Are compliance monitoring and enforcement plans communicated to the regulated entities and to the public to help promote public trust and confidence in the regulator, goodwill with those being regulated, and self-regulation and compliance among those being regulated?

### Act to ensure compliance

#### Implement a compliance monitoring and enforcement plan

- Does the compliance monitoring and enforcement plan include both pro-active monitoring and enforcement (based on the regulator's own risk assessments) and re-active monitoring and enforcement (acting on complaints)?
- Is the enforcement framework clear? Does it assist regulators and guide staff in how to act on non-compliance?
- Is it clear to the regulated entities how their regulator will address non-compliance?
- Do processes ensure staff not only act when they identify non-compliance but follow through to ensure the non-compliance issue is subsequently rectified?

### Report transparently for accountability

#### Implement systems and processes for internal and external reporting

- Are there clear efficiency, economic, and quality measures in place? Are these reported publicly and internally to monitor regulator performance, including the impact of regulatory activities (for example, compliance trends)?
- Do performance measures include the efficiency with which services are delivered, timeliness of decision-making, and accuracy/quality of evidence gathered for escalating non-compliance cases?

### Learn through continuous improvement

#### Implement processes for reviewing and continually improving the efficiency, effectiveness, and quality of services

- Is input from internal and external stakeholders sought for addressing what is working well and what is not working well?
- Are there adequate resources and training to support staff to perform their roles effectively?

Source: Queensland Audit Office report to parliament: *Regulating animal welfare services (Report 6: 2021–22)*.

## Related Queensland Audit Office reports to parliament

We used a selection of our reports to draw insights for regulators and their administrators:

- [\*Regulating animal welfare services\*](#) (Report 6: 2021–22)
- [\*Regulating firearms\*](#) (Report 8: 2020–21)
- [\*Licensing builders and building trades\*](#) (Report 16: 2019–20)
- [\*Managing coal seam gas activities\*](#) (Report 12: 2019–20)

- [\*Managing consumer food safety in Queensland\*](#) (Report 17: 2018–19)
- [\*Managing transfers in pharmacy ownership\*](#) (Report 4: 2018–19)
- [\*Access to the National Disability Insurance Scheme for people with impaired decision-making capacity\*](#) (Report 2: 2018–19)
- [\*Follow-up of Report 15: 2013–14 Environmental regulation of the resources and waste industries\*](#) (Report 1: 2017–18)
- [\*Follow-up of Managing water quality in Great Barrier Reef catchments\*](#) (Report 16: 2017–18)

## Other organisation's better practice guides

Better practice guides are available and can assist public sector entities to deliver regulator services that are efficient, effective, and/or economical.

Four better practice guides for regulatory activities available to public sector entities are:

- Queensland Productivity Commission's *Improving regulation* (March 2021)
- Queensland Treasury's *Queensland Government Guide to Better Regulation* (May 2019)
- Australian Government Productivity Commission's *Regulator Audit Framework* (March 2014)
- Canadian Audit and Accountability Foundation's *Characteristics of a Regulatory Inspection and Enforcement Function* (2013).

