



28 May 2015

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Dear Mr Kirk

SUBJECT: ASICs REGULATOR PERFORMANCE FRAMEWORK

CPA Australia represents the diverse interests of more than 150,000 members in 120 countries, including more than 25,000 members working in senior leadership positions. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders.

Against this background we provide this feedback on the proposed evidence metrics of ASICs Regulator Performance Framework.

GENERAL COMMENTS

CPA Australia supports the establishment of the Regulator Performance Framework as a means of measuring the performance of regulators in reducing regulatory burden. We also believe that the Framework should assist by creating a culture in government agencies that is more focused on reducing burden. In stating this, we understand that there are limitations to how far agencies can and should go to reduce regulatory impact. We urge consideration be given to ensuring balance and caution against the risk of an over-emphasis on reducing regulatory burden undermining other regulatory objectives and urge sensitivity to the interdependency of the KPIs themselves.

SPECIFIC COMMENTS

KPI 1

The proposed examples of ongoing consultations with stakeholders should be expanded to include a complete list of all forums where ASIC consults with stakeholders. We appreciate that such a list will be long, therefore the list could be included in the performance framework by way of a link to a web page that lists all of these forums, when they met, who attended and provide a further link to the minutes or actions from such meetings. Further, we suggest that an additional evidence metric be added that focuses on stakeholder perceptions of the value of such consultation. This could be measured through an annual stakeholder survey.

KPI 2

In relation to the maximum, minimum and average time for decisions, we suggest that ASIC not only report what percentage of interactions with it met its service charter standard but also provide explanations if service delivery is not meeting charter standards and agreed actions to overcome those issues, if appropriate.

In relation to demonstrated feedback sought from stakeholders on guidance and advice provided by ASIC, the evidence metric should also include ASIC subjecting such guidance material to user testing and measuring whether such guidance material reduces burden by improving compliance or reducing disputation in the areas covered or lead to changes in consumer behaviour.

In relation to responding to stakeholder complaints, complaints statistics should also be published as an additional evidence metric.

KPI 3

In relation to risk management policies, ASIC should publish a list of major risk management actions taken throughout a reporting period as an additional evidence metric. This would highlight how ASIC responds to new and emerging risks.

In relation to demonstrated avenues for stakeholders to provide feedback, we suggest that ASIC provide examples of stakeholder feedback, and how ASIC used and did not use that feedback.

KPI 5

In relation to the publishing of performance measurement results, we suggest that such results be separately displayed on the ASIC web site, not just incorporated into the annual report.

In relation to the number of responses to requests from regulated entities provided within specified timeframes, ASIC should also provide the number of responses that were not provided within specified timeframes and reasons for that.

In relation to advice and guidance being widely available to stakeholders, ASIC should collect information on the utility of such guidance material through the proposed stakeholder survey. ASIC should also measure and disclose whether such guidance material resulted in improved compliance by regulated entities, less disputation with regulated entities or improved behaviour by consumers.

KPI 6

In relation to the number of events held to facilitate stakeholder participation in the development of regulatory frameworks, we suggest that an evidence metric be added that shows stakeholder perception of the value of such events in shaping regulatory frameworks. This could be done through stakeholder surveys.

Yours faithfully,



Stuart Dignam
General Manager – External Positioning