Executive Directors Regulatory Meeting

18 November 2022

Financial Regulator Assessment Authority (FRAA) implementation of recommendations

Purpose

1. The purpose of this agenda item is to seek the EDs feedback on a Commission paper about the implementation of the FRAA's recommendations (see **Attachment A**). In particular, we are seeking feedback on:

    a. Attachment A of the paper, and whether any updates are required to the list; and

    b. the implementation steps proposed, particularly in relation to tracking our progress against the recommendations.

2. We are still engaging with some relevant stakeholders, and we note that parts of the paper may need to be updated in light of these conversations (e.g. in relation to the lessons learnt process undertaken by the Knowledge Management Team).

3. In light of tailored communications on our strategic policy prepared in the Markets Group for some sectors, we would also like to discuss and test more broadly teams' processes for engaging with different sectors on our strategic proprieties, and whether there is an opportunity to develop a consistent approach across teams.

Background

4. We took a paper to the Commission on 21 September to seek feedback on our preliminary assessment around how we are positioned against the FRAA's recommendations and any potential additional work we might undertake.

5. The Commission supported the assessment presented in the paper, i.e. that by progressing, and building on, initiatives already underway and undertaking some additional smaller initiatives within existing resources, we should broadly be able to demonstrate progress against the FRAA's recommendations. The Commission emphasised the importance of tracking any initiatives that go towards the recommendations to demonstrate progress to the FRAA by the next review.

6. We have now prepared a paper that seeks the Commission's approval of the proposed program of work associated with the FRAA's recommendations, highlighting key risks.

7. As outlined in the paper, the FRAA has indicated it will look at our progress against the recommendations in its next review of ASIC, due to commence in July 2023. We also want to be in a position to provide an update on our progress in February 2023 to gauge the FRAA's reaction to our proposed program of work.

Authorising Officer: s 22 [redacted], Executive Director, Strategic Policy

Author/s: s 22 [redacted], Senior Adviser; s 22 [redacted], Senior Manager, Strategic Policy

Attachment A

Commission meeting 904

23 November 2022

Implementation of the Financial Regulator Assessment Authority (FRAA) recommendations

Executive Summary	
Why is this matter before the Commission?	The implementation of the FRAA's recommendations is a strategic matter for the organisation.
What is the decision sought?	This paper asks the Commission to **AGREE** the proposed approach to implementing the FRAA's recommendations, including the program of work at **Attachment A**.
Is the matter time critical and why?	No
What is the timeline of critical dates?	The FRAA will review our progress against the recommendations in its next review, due to commence in July 2023.
Has the matter been considered by another internal forum?	Yes, at Commission meeting (CM) 894
What was discussed when the matter was considered by the other internal forum (please summarise any guidance and actions provided)?	The Commission: • NOTED and provided feedback on the preliminary assessment of ASIC's response to the FRAA's recommendations, and the challenges associated with developing performance metrics given the time and resources available; and • DISCUSSED the adoption of a strategic approach in aligning ASIC's program of existing and new initiatives with the FRAA's recommendations, within the framework of the budget planning process, and NOTED the proposed engagement with Treasury.

S 22 [redacted]	
What teams or other internal stakeholders have been consulted with about this matter?	We consulted relevant internal stakeholders; all Executive Directors, the Regulatory Efficiency Unit (REU), the Chief Data and Analytics Office (CDAO), the Chief People Officer and the Digital lead.
S 22 [redacted]	

Draft Resolution

1. This paper asks the Commission to **AGREE** the proposed approach to implementing the FRAA's recommendations, including the program of work at **Attachment A**.

Executive Summary

2. The FRAA's recommendations align closely with our internal strategic priorities. In line with the Commission's feedback at CM 894, by progressing initiatives already underway and undertaking some additional smaller initiatives using existing resources, we will be able to demonstrate progress against the FRAA's recommendations. **Attachment A** reflects this position and consolidates initiatives across ASIC relevant to the FRAA's recommendations.

s 47C

Background

4. The FRAA reviewed three topics in its first review of ASIC: Strategic planning, prioritisation and decision-making, ASIC's Surveillance function and ASIC's Licensing function.

5. The FRAA's four formal recommendations in chapter 6 are thematic and cut across the three topics reviewed. These are:

    5.1 Data and technology: ASIC requires a substantial uplift in its data and technology capability which would include the necessary cultural change

5.2 Stakeholder engagement: ASIC should have a stronger focus across the organisation on enhancing the quality of its engagement with stakeholders

5.3 Performance measurement: ASIC should enhance its ability to measure its own effectiveness and capability and communicate the outcomes of such assessment transparently, both internally and externally

5.4 People: ASIC should continue to broaden its mix of skillsets to ensure it can meet the current and future needs of the organisation.

6. The FRAA's report indicates that in its next review it will look at ASIC's progress on the recommendations and relevant projects that ASIC has underway or commenced during the review (Executive Summary). The next review of ASIC is due to commence in July 2023.

Consultation

7. In assessing ASIC's position against the recommendations, we consulted with the relevant internal stakeholders; the COO, all Executive Directors, the REU, the CDAO, the Chief People Officer and the Digital lead.

Recommendation and Options

8. **Attachment A** outlines the program of work linked to each of the FRAA's recommendations. The program is In line with the Commission's feedback at CM 894 on demonstrating progress to the FRAA by continuing initiatives already underway and undertaking some additional smaller initiatives using existing resources.

9. Throughout the chapters of the FRAA report, there is a lot of feedback from stakeholders and survey results on the three review topics. In relation to some of this feedback, the FRAA makes suggestions which, while not formally part of the recommendations, substantiate them. **Attachment B** provides a summary of these suggestions and whether or how ASIC is responding to them.

Issues/Risks

Our response to the recommendation on performance measurement

10. Overall, initiatives already underway or planned generally put us in a good position to implement the FRAA's recommendations. s 47C [redacted]

11. s 47C [redacted] Instead, we are focused on the following:

11.1 further work on developing and embedding our work on impact assessment and efficiency measures;

11.2 a stocktake of our existing metrics to help identify ways to better frame our performance narrative; and

11.3 Identifying a small number of new potential metrics that can be developed with existing data (for example, s 37(2)(b), s 47C, s 47E (d) [redacted]

12. s 47C [redacted]

[redacted]. Instead, we propose to:

12.1.1 focus on building on our impact assessment methodology to measure the impact of individual regulatory interventions which seek to address specific harms (some of which are linked to our strategic priorities), building the necessary capability uplift to embed the methodology further across ASIC and exploring ways to better communicate and report on our outcomes using the impact assessment methodology.

12.1.2 demonstrate to the FRAA some enhancements to the structure of our corporate plan and annual report to better align our planned work and progress and outcomes at the end of the year relative to each of our strategic priorities, as well as potentially positioning some of our existing performance metrics against our recently communicated enforcement priorities.

12.2 In relation to the suggestion that we conduct broader ex-post analysis across the organisation to better understand the causes of success and failure across a range of its initiatives:

12.2.1 We are implementing 'proof of concept' changes to our existing lessons learned process undertaken by ASIC's knowledge management team to identify meaningful patterns and monitor impact over time using analytical tools. The proof of concept will initially run across enforcement matters until early 2023 (excludes surveillance and other regulatory functions). s 47C [redacted]

12.2.2 At a much more granular level, we can potentially demonstrate to the FRAA that further work on our impact assessment methodology will also support this suggestion by enabling us to better understand the impact and utility of particular interventions and adapt them accordingly, whether by adjusting the regulatory tools we use or our internal resource allocations.

s 22

Tracking of initiatives and demonstrating outcomes

s 47C

16. s 47C [redacted] We have communicated the FRAA's emphasis on culture to relevant EDs and SELs to ensure it is taken into account in the relevant data, digital and people strategies as well as the REU initiatives, supplemented by recent communications from the Chair and COO (e.g. the most recent Chair's townhall and COO update) emphasising to all staff the importance of our data and digital work, effective communication to stakeholders and the need to continue to identify opportunities for improvements.

s 22

Implementation

19. **Attachment A** includes responsible SELs and EDs for each initiative. They will be asked to provide a 6 monthly update (from the release of the report) of the outputs produced under each initiative and the outcomes achieved by these outputs relative to the FRAA's recommendations and commentary. For the data and digital strategy a key input in the tracking will be the Big 8 reporting.

20. This will be used to track progress internally and presented to the Commission. We also plan to update the FRAA on progress in February 2023 to maintain engagement with the Panel, drawing on the reporting prepared for the

Commission. s 47C [redacted]

Attachment (s)

(A) Program of work in relation to the FRAA's recommendations

(B) FRAA expectations by recommendation

Authorising Officer: s 22 [redacted], Executive Director, Strategy

Author/s: s 22 [redacted], Senior Adviser; s 22 [redacted], Senior Adviser; s 22 [redacted] Senior Manager, Strategic Policy

Attachment A

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
1	Data and digital	Data and digital strategy	See ASIC's data and digital strategies online: Data strategy | ASIC; Digital strategy	SEL: s 22 [redacted] ED: s 22 [redacted]	Further investment in technology, data and digital capabilities, with a focus on: • Development of innovative surveillance systems and technology platforms, particularly in FSW (4.68 • Upgrading the licensing portal to improve user experience and licensing timeframes and streamlining and automating aspects of the licensing assessment process through a new workflow system that will integrate the licensing portal into CRM (4.68, Box 5.2) • Further developing ASIC's data lake, including increasing the subject areas covered by the data lake (4.64, 6.68) • Uplift in data capabilities to enhance and better inform strategic prioritisation and planning process (3.79) • Cultural change to realise the benefits of our data and digital investments (3.78-3.79, 6.12)
2	Stakeholder engagement	REU initiative 1 – enhancing the development and maintenance of our regulatory guidance	This initiative will involve a review of our practices in the development and updating of regulatory guidance and consider how best to implement a regulatory development timetable and a more coordinated approach to the maintenance of existing regulatory guidance.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Communicating short-term concrete work and initiatives (3.86-3.88, 3.106, Box 3.3) • Cultural shift with a deep focus on our stakeholders and their experience in interacting with ASIC (6.22) • Mindset that sees ASIC become more transparent, open and responsive to feedback from stakeholders (Executive summary)
3	Stakeholder engagement	REU initiative 2 - enhancing practices in ASIC's information gathering activities and piloting planning meetings at the start of investigations	ASIC will pilot measures to test the effectiveness of increased engagement with the recipients of information-gathering requests (e.g. holding meeting(s) with entities ahead of commencing a complex and/or significant investigation with a focus on ASIC's expectations associated with the	SEL: s 22 [redacted] ED: s 22 [redacted]	• Reduce regulatory impost and improve efficiency by reviewing the practices used across the organisation when using our information-gathering powers (4.30, Box 3.3) • Cultural shift with a deep focus on our stakeholders and their experience in interacting with ASIC (6.22)

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
			conduct of the investigation, including fairness).		• Mindset that sees ASIC become more transparent, open and responsive to feedback from stakeholders (Executive summary)
4	Stakeholder engagement	REU initiative 3 - reviewing our existing stakeholder engagement approach and considering a more regular and multi-channel engagement with our regulated population, with a case study focus on ASIC's licensing engagement model	This initiative will involve reviewing ASIC's approach to stakeholder engagement to help better understand how it engages with its stakeholders. Insights gathered from the stocktake will help inform possible enhancements relating to the nature, scale and substance of ASIC's stakeholder engagement.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Greater collaboration and information sharing across ASIC teams so issues raised by stakeholders can be passed to the teams that can best action them (6.22) • Developing quality engagement and relationships with stakeholders should occur right across the organisation (6.18) • Cultural shift with a deep focus on our stakeholders and their experience in interacting with ASIC (6.22) • Mindset that sees ASIC become more transparent, open and responsive to feedback from stakeholders (Executive summary)
5	Stakeholder engagement	Organisational design review	This initiative involves a review of ASIC's organisational structure, supported by external consultants. The review will involve considering how our structure can enable us to coordinate well as an organisation and work coherently and efficiently across the organisation.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Support effective engagement and communication with external stakeholders (broader recommendation in FRAA report 6.22 in relation to enhancing how we share information across ASIC teams) • Improve effectiveness through increased collaboration across ASIC (4.43, 4.92)
6	Stakeholder engagement	ACP review	The ASIC Consultative Panel (ACP) review will consider how best to design a feedback loop to ensure we make the most of the feedback received in our strategic planning, and that members understand how their feedback has informed our planning process.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Better utilisation of stakeholder feedback and engagement, particularly in relation to intelligence sources to identify and act on harms and to enhance our prioritisation process (Executive summary), and by enhancing how we share information across ASIC teams (para 6.22) • Clear, consistent and transparent communications with our stakeholders (para 6.18), particularly in relation to how feedback from stakeholders has been considered (para 6.22)

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
7	Stakeholder engagement	Improvements to the structure of the corporate plan and annual report, and the communication of our enforcement priorities	This initiative involved using the corporate plan and annual forum to more clearly highlighting ASIC's priorities (including the communication of our enforcement priorities) and key projects and outlining timeframes for our shorter term work. It will also involve enhancements to the annual report structure to better align the narrative between our priorities, planned work and yearly outcomes.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Communicating short-term concrete work and initiatives (3.86-3.88, 3.106, Box 3.3) • Quality engagement should be supported by corporate communications that are clear and consistent (6.18) • Better aligning our Corporate Plan and Annual Report (including identifying specific metrics tied to desired outcomes in our Corporate Plan and reporting those metrics in its Annual Performance Statement) (3.101, 3.107, 6.31, 6.32)
8	Stakeholder engagement	Communications and stakeholder engagement initiatives	Initiatives involving: • A refresh of our current communications strategy • Stakeholder map and analysis for specific stakeholders • Chair engagement strategy	SEL: s 22 [redacted] ED: s 22 [redacted]	• Quality engagement should be supported by corporate communications that are clear and consistent (6.18) • Continued focus on communication of surveillance outcomes (4.79, Box 4.2)

9	Stakeholder engagement	Introduction and piloting additional points of engagement with licence applicants (including their external service providers)	This initiative involves:
			• Implementing immediate changes:
			  ○ Offers for phone discussions following substantive assessment milestones;
			  ○ Encouraging phone contact including acceptance of applicant meeting requests;
			  ○ Setting expectations for more frequent updates of status of assessment.
			• Piloting through REU Licensing Case Study the use of additional phone or in-person engagement, including:
			  ○ pre-lodgement guidance meetings
			  ○ offers of pre-assessment meetings for novel or complex applications
				SEL: s 22 [redacted]
				ED: s 22 [redacted]
					The FRAA considers that additional emphasis on the user experience including the advantages of ASIC's licensing staff to willingly engaging in more verbal communication with applicants would improve the effectiveness of the licensing function (5.66).

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
			○ offers of meetings for substantive assessment requisitions ○ shortened application status update intervals (reduced to 30 from 60 days) • Providing coaching, training and support to facilitate delivery of new work practices. Includes additional supervisor support for applicant interactions and soft skills and more technical training.		
10	Stakeholder engagement	Interviews with industry regarding online experiences with ASIC	This initiative involves online interviews with members of both industry and the general public to review the user experience of our digital assets.	SEL: s 22 [redacted] ED: s 22 [redacted]	• Enhanced stakeholder 'user experience' in relation to ASIC systems and processes (para 6.24) • Broader better utilisation of stakeholder feedback and engagement (themes in Executive summary)
11	Stakeholder engagement	Framework to help manage formal, programmatic Commission engagement with external entities	This initiative involves agreeing some internal parameters to guide responses to the numerous ad hoc requests for Commission to meet formally with Boards and other entities, and allow forward planning for these meetings.	ED: s 22 [redacted]	Developing quality engagement and relationships with stakeholders should occur right across the organisation (6.18)
12	People	People strategy	See people strategy	SEL: s 22 [redacted] ED: s 22 [redacted]	• Implementation of a capability framework (Box 4.2) • Build capability across ASIC to engage in open and constructive dialogue with stakeholders (6.36) • Ensure staff have experience in contemporary and emerging market areas such as crypto, cyber and climate change risk (6.36) • Continue recruiting staff members with appropriate regulatory and market experience, including a focus

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
					on increasing qualifications and experience in digital and data analytics (4.57) • ASIC leadership should drive a cultural shift to be open to and look for opportunities for continual improvement (Executive summary, p 5) • Specific suggestion: ASIC should look to engage private-sector professionals or representatives from financial institutions to conduct in-house seminars and training for ASIC staff to help increase industry knowledge
13	People	Recruitment of Head of Workforce Management	Among other things, the Head of Workforce Management will help define and build the organisational workforce strategy.	SEL: s 22 [redacted] ED: s 22 [redacted]	Define and build the organisational workforce strategy (6.39)
14	Performance measurement	Continued work on efficiency measures	Continue to pilot time-to-output and cost-to-output measures (following the implementation and extraction of data from ASIC's new granular time recording system) for our regulatory functions. he of these measures is now being tracked internally. Ultimately, and where appropriate, we intend to report publicly on the efficiency of our activities once we have established suitable baselines and targets.	SEL: s 22 [redacted] ED: s 22 [redacted]	Enhancing the quantitative measures ASIC uses to report on efficiency and effectiveness (Box 3.3)
15	Performance measurement	Continued work on the impact assessment framework	Continue to embed the Impact Assessment Framework to measure the impact of our intervention projects, considering engagement with teams and the necessary capability uplift to potentially fully embed this process across ASIC and exploring ways to better communicate and report on our	SEL: s 22 [redacted], s 22 [redacted] ED: s 22 [redacted]	• Embedment of an Impact Assessment Framework, including in relation to the measurement of surveillance impact (4.88, Box 4.2) • Enhance the quantitative measures ASIC uses to report on efficiency and effectiveness (Box 3.3) • Better aligning our Corporate Plan and Annual Report, including identifying specific metrics tied to desired

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
			outcomes using the impact assessment methodology.		outcomes in our Corporate Plan and reporting those metrics in its Annual Performance Statement • Conduct broader ex-post analysis across the organisation to better understand the causes of success and failure across a range of its initiatives (para 3.104)

16	Performance measurement	Piloting additional performance measures for licensing	Piloting new performance measures inclusive of:
			• s 37(2)(b), s 47C, s 47E (d) [redacted]
			• [redacted]
			  • [redacted]
			  • [redacted]
			  • [redacted]
			  • [redacted]
			• [redacted]
				SEL: s 22 [redacted]
				ED: s 22 [redacted]
					Measuring and reporting on quality of licensing decisions, specifically by reporting on the number of RoMs relating to new licenses within a certain timeframe and the number of enforcement actions relating to new licenses (5.67)

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
17	Performance measurement	Piloting enhancements to the 'lessons learned' process	Redesign the lessons learned process to extend reach and enable analyses of varying complexity through: • automation in relation to the administration of the process – currently manual and inefficient • integration with CRM and • application of our internal data and analytics tools and capabilities to visualise outcomes in more meaningful ways, identify meaningful patterns, allow for the emergence of new meaning and monitor the program for impact over time.	SEL: s 22 [redacted] ED: s 22 [redacted]	Conduct broader ex-post analysis across the organisation to better understand the causes of success and failure across a range of its initiatives (para 3.104)
18	Performance measurement	Use of surveys for licensing applicants	This initiative involves: • Piloting use of Post AFSL Application Decision Survey (through REU Licensing Case Study). • Implementing changes from take-outs from Post AFSL Application Survey and applying to Credit and Auditor applications where relevant. • Issuing survey to Annual Licensing Liaison Forum participants inclusive of feedback on Liaison meetings and future content. • Conducting roundtables and undertake surveys of user experience of high volume applicants (including external service providers) to inform Licensing portal development and other UX enhancements.	SEL: s 22 [redacted] ED: s 22 [redacted]	Creating and embedding measures of 'user experience' for licensing applicants (5.61)

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
19	Performance measurement	Stocktake of existing performance measurement metrics and identification of a small number of new metrics	This initiative involves undertaking a stocktake of our existing metrics across each of our regulatory functions and mapping these to the five indicators that the FRAA intends to use as the basis for its future assessments of effectiveness and capability. This will enable us to develop a consolidated and holistic picture of our existing metrics in the context of our regulatory functions in order to identify: • any opportunities to enhance our performance narrative through the way we present and combine particular metrics and • any additional metrics that can be implemented using available data.	SEL: s 22 [redacted] ED: s 22 [redacted]	• ASIC establish and embed measures to assess the outcomes of its regulatory activities and publish the results of these measures to increase transparency and accountability (Executive summary, p 5) • Enhance the quantitative measures ASIC uses to report on efficiency and effectiveness (Box 3.3)
20	Other topic-specific expectations	Improvements to the strategic planning process	Longer term planning and integration of budget setting into our planning process	SEL: s 22 [redacted] ED: s 22 [redacted]	Amend the strategic planning process, including longer term priorities and better integrate the budget setting process into our strategic planning process (Box 3.3)
21	Other topic-specific expectations	Changes to licensing work practices	This initiative involves: • New internal requirements for supervisor oversight and early engagement. • Piloting new triage process to provide for escalation and resolution of complex and novel matters and/or clarification of assessment grey areas. Decisions captured in team knowledge base. • Piloting new internal target milestones. Soft launch in October 2022 which will be revised with	SEL: s 22 [redacted] ED: s 22 [redacted]	• Encouragement of ASIC to continue to review and refine its methodology and staff capabilities to promote consistency in processing its Licensing applications (5.23) • ASIC is encouraged to continue to review and refine its methodology and staff capabilities to promote consistency in processing its Licensing applications (5.23)

#	Recommendation	Initiative	Description	Accountable SEL/ED	Related outcomes in the FRAA report that the initiative is linked to
			implementation of new Licensing portal. • Providing training and support to facilitate delivery of new engagement model.		
22	Other topic-specific expectations	Big 8 governance	Implementing a governance and reporting framework for ASIC's core strategic projects to ensure appropriate tracking of strategy and underlying milestones and approach resource and risk management of these projects	s 22 [redacted] ED: s 22 [redacted]	Maintain a clear view of the critical organisation wide set priorities and ensure these are adequately resourced (3.69, 3.106)

Attachment B

s 47C [redacted]

#	FRAA expectations by recommendation	Relevant initiatives from Attachment A
Data and Digital - ASIC requires a substantial uplift in its data and technology capability which would include the necessary cultural change		
1	Further investment in technology, data and digital capabilities (6.5)	Initiative 1 (data and digital strategy) and initiative 12 (people strategy)
2	Implementation of data and digital strategy (6.9)	
3	Cultural change to realise the benefits of our data and digital investments (3.78-3.79, 3.82, 6.12)	
4	Development of innovative surveillance systems and technology platforms, particularly in FSW (4.68)	
5	Streamlining and automating aspects of the licensing assessment process through a new workflow system that will integrate the licensing portal into CRM (4.68, Box 5.2)	
6	Further developing ASIC's data lake, including increasing the subject areas covered by the data lake (4.64, 6.68)	
7	Uplift in data capabilities to enhance and better inform strategic prioritisation and planning processes (3.79)	
8	ASIC should build a sound case for law reform and additional funding to enhance ASIC's data collection powers and its ability to process such data (4.97)	
Stakeholder engagement - ASIC should have a stronger focus across the organisation on enhancing the quality of its engagement with stakeholders		
9	Cultural shift with a deep focus on our stakeholders and their experience in interacting with ASIC (6.22)	Initiatives 2-4 (REU initiatives) and initiative 12 (people strategy)
10	Greater collaboration and information sharing across ASIC teams so issues raised by stakeholders can be passed to the teams that can best action them (6.22)	Initiative 4 (REU initiative 3) and 5 (organisational design review)
11	Developing quality engagement and relationships with stakeholders should occur right across the organisation (6.18)	Initiative 4 (REU initiative 3), 5 (organisational design review) and 11 (framework to help manage formal, programmatic Commission engagement with external entities)
12	Quality engagement should be supported by corporate communications that are clear and consistent (6.18)	Initiative 8 (communications and stakeholder engagement initiatives) and 7 (improvements to the structure of the corporate plan)
13	Mindset that sees ASIC become more transparent, open and responsive to feedback from stakeholders (Executive summary)	Initiatives 2-4 (REU initiatives), 6 (ACP review), 10 (interviews with industry regarding online experiences with ASIC)
14	Communicating short-term concrete work and initiatives (3.86-3.88, 3.106, Box 3.3)	Initiative 7 (improvements to the structure of the corporate plan) and initiative 2 (REU initiative 1)
15	Continued focus on communication of surveillance outcomes (4.79, Box 4.2)	Initiative 8 (communications and stakeholder engagement initiatives)

#	FRAA expectations by recommendation	Relevant initiatives from Attachment A
16	Upgrading the licensing portal to improve user experience and licensing timeframes (5.17, 5.65, Box 5.2)	Initiative 1 (data and digital strategy)
17	The FRAA considers that additional emphasis on the user experience including the advantages of ASIC's licensing staff to willingly engaging in more verbal communication with applicants would improve the effectiveness of the licensing function (5.66).	Initiative 9 (introduction and piloting additional points of engagement with licence applicants)
18	The FRAA considers that ASIC can further reduce regulatory impost through the improved scoping of notices and information requests, as well as enhanced engagement with notice recipients prior to issue (4.30).	Initiative 3 (REU initiatives)
19	Improve effectiveness through increased collaboration across ASIC (4.43, 4.92)	s 47C [redacted]
Performance measurement - ASIC should enhance its ability to measure its own effectiveness and capability and communicate the outcomes of such assessment transparently, both internally and externally		
20	Better aligning our Corporate Plan and Annual Report (including identifying specific metrics tied to desired outcomes in our Corporate Plan and reporting those metrics in its Annual Performance Statement) (3.101, 3.107, 6.31, 6.32)	s 47C [redacted]
21	ASIC establish and embed measures to assess the outcomes of its regulatory activities and publish the results of these measures to increase transparency and accountability (Executive summary, p 5)	
22	ASIC leadership should drive a cultural shift to be open to and look for opportunities for continual improvement (Executive summary, p 5)	Initiative 12 (people strategy)
23	Enhancing the quantitative measures ASIC uses to report on efficiency and effectiveness (Box 3.3)	Initiative 14 (efficiency measures), 15 (continued work on impact assessment framework) and 19 (stocktake of existing performance measurement metrics and identification of a small number of new metrics)
24	Embedment of an Impact Assessment Framework, including in relation to the measurement of surveillance impact (4.88, Box 4.2)	Initiative 15 (continued work on efficiency measures)
25	Measuring and reporting on quality of licensing decisions, specifically by reporting on the number of RoMs relating to new licenses within a certain timeframe and the number of enforcement actions relating to new licenses (5.67)	Initiative 16 (piloting additional performance measures for licensing)
26	Creating and embedding measures of 'user experience' for licensing applicants (5.61)	Initiative 18 (use of surveys for licensing applicants)
27	Conduct broader ex-post analysis across the organisation to better understand the causes of success and failure across a range of its initiatives (para 3.104)	s 47C [redacted]

#	FRAA expectations by recommendation	Relevant initiatives from Attachment A
People - ASIC should continue to broaden its mix of skillsets to ensure it can meet the current and future needs of the organisation		
28	Ensuring staff have experience in contemporary and emerging market areas such as crypto, cyber and climate change risks (6.36)	Initiative 12 (people strategy) and 13 (recruitment of head of workforce management)
29	Developing and implementing measures of our effectiveness and capability will need to be accompanied by a culture of continuous improvement (6.37)	
30	ASIC will need to build skill sets in the use of technology and data analytics to support it to become a digitally enabled regulator. (6.35)	
31	Capability across ASIC to engage in open and constructive dialogue with stakeholders (6.36)	
32	Recruitment of Head of Workforce Management (Box 4.2)	
33	Implementation of a capability framework, people strategy and digital uplift program (Box 4.2)	
34	Continue recruiting staff members with appropriate regulatory and market experience, including a focus on increasing qualifications and experience in digital and data analytics (4.57)	
35	ASIC should look to engage private-sector professionals or representatives from financial institutions to conduct in-house seminars and training for ASIC staff to help increase industry knowledge (4.57)	
Other topic-specific expectations that are not aligned with the four themes		
36	Amending our strategic planning process, including longer term priorities and better integration of the budget setting process (Box 3.3)	Initiative 20 (improvements to the strategic planning process)
37	Maintain a clear view of the critical organisation wide set priorities and ensure these are adequately resourced (3.69, 3.106)	Initiative 22 (Big 8 reporting)
38	Encouragement of ASIC to continue to review and refine its methodology and staff capabilities to promote consistency in processing its Licensing applications (5.23)	Initiative 21 (changes to licensing work practices) and 9 (introduction and piloting additional points of engagement with licence applicants)
39	Reducing Licensing timeframes by considering more resourcing, researching approaches by other entities (e.g. industry, government, non-profit) (5.32, 5.36)	s 47C
40	Considering using the 'stop the clock' timing methodology for better international comparison (5.56)	