

# GUIDANCE NOTE

## Post implementation review (PIR)

This note provides key points to consider when undertaking and preparing a PIR.

### Purpose of a PIR

The purpose of a PIR is to assess the impacts, effectiveness and continued relevance of regulations that have been recently made and are in force.

Undertaking a PIR requires an agency to focus on:

- whether a problem (requiring regulation) still exists
- the actual (rather than expected) impacts of a proposal
- whether there were any unintended consequences from the regulation's implementation
- whether the regulation should continue, including whether any amendments should be made.

A PIR involves a two-stage process, similar to the completion of a Regulatory Impact Statement (RIS).



### When is a PIR undertaken?

Cabinet may require an agency to complete a PIR when a regulatory proposal has been exempted from the requirement to complete a RIS.

Where a PIR is required, it must be commenced within two years (and completed within three years) of the implementation date of the regulation—unless Cabinet prescribes a different timeline or approach.

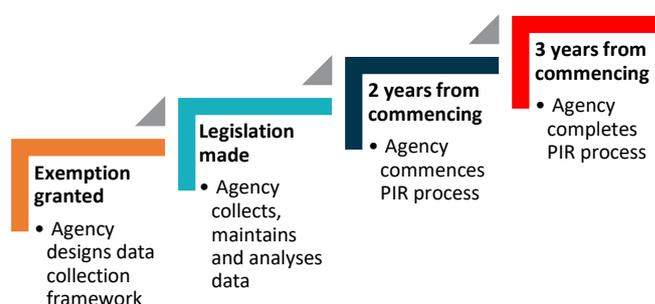
If a PIR is prepared and completed earlier than these timelines, agencies should ensure there is sufficient data and information available to adequately inform the impact analysis.

An agency may also proactively decide to undertake a PIR (or regulatory review) at any time, regardless of whether there is a requirement to do so, as part of their evaluation strategy. This is also consistent with regulatory best practice principles. Please see section 2.1 of *The Queensland Government Guide to Better Regulation* for further information.

### We've been told to do a PIR—what now?

As a first step, an agency should consider the design of a monitoring and evaluation framework. This prepares an agency to start collecting relevant data, such as the actual impacts of the regulation, as soon as the regulation commences.

The framework should include information such as proposed performance indicators.<sup>1</sup>



When the regulation commences—either on passage of a Bill / making of a regulation, or by proclamation—an agency should begin to observe the regulation's impacts and collect the necessary data for future analysis.

### Contents of a PIR

A PIR document addresses many of the same questions as a RIS and is similar in structure.

The key difference is that a PIR is prepared *after* a regulation is implemented while a RIS is prepared *before* a regulation is made (and looks at *expected* impacts across various options).



**The PIR examines the actual observed impacts of the regulation being reviewed.**

<sup>1</sup> For further information, please see the Commission's Implementation and Evaluation Guidance Note.

A PIR should address the following matters:

- **the original problem and objectives**—what was the problem that the regulation intended to solve? What were the objectives of government action? Why was the policy (that became the regulation) preferred over other options?
- **assess the impacts of the regulation**—what are the observed impacts (costs and benefits) of the regulation since implementation? Are there any unintended consequences?
- **effectiveness of the regulation**—is the regulation working as intended? Has the regulation solved (or made progress towards solving) the problem? Is it meeting the original policy objectives?
- **should the regulation be retained?** Is there a genuine need for continued regulation? If yes, is the current regulation the best option? What impacts would arise if the regulation expired / was repealed?
- **proposed amendments**—list any proposed improvements to the regulation (especially if the problem is not being adequately addressed) and discuss potential impacts.

Agencies should include the data it has collected, in addition to any data collected by industry and any data provided during preliminary consultation with stakeholders.

#### Key impact assessment tips:

- **focus on the actual impacts** of the regulation since its implementation
- **consider whether other factors contributed to results** (e.g. are some of the costs or benefits due to other regulatory or enforcement action)
- **look at how the impacts affect different stakeholders** (e.g. individuals vs business, large vs small business)
- **quantify impacts where possible**—especially compliance costs (e.g. time to complete paperwork)
- **consider compliance and enforcement** impacts of the agency / regulator's actions and strategies
- **note any impacts to competition and the market**
- **undertake preliminary consultation with industry**

There is no standard template for the preparation of a PIR. As long as agencies include the matters listed above, the structure of the PIR is flexible. Agencies should ensure however that the degree of detail and analysis are relative to the impacts of the regulation.

## Assessment of a Consultation PIR

The Consultation PIR should be submitted to the Office of Best Practice Regulation (OBPR) for assessment. OBPR will assess the PIR to ensure it addresses all matters and is adequate for public consultation.

The time taken for assessment will depend on the complexity of the issue and the quality of the agency's analysis. OBPR may seek further clarification from agencies.

OBPR's assessment of the Consultation PIR concludes with OBPR issuing the agency with a letter of adequacy.

## Approval and release of a Consultation PIR

An agency must, at a minimum, seek approval from the relevant Minister for the release of a Consultation PIR. An agency should also contact Queensland Treasury to discuss whether Cabinet approval is appropriate.

Once the Consultation PIR is approved, the agency should:

- publish the PIR on 'Getinvolved' website for a minimum of 28 days
- provide OBPR with a copy of the PIR.

OBPR will publish the PIR, and its letter of adequacy, on the QPC website.

## Preparation and approval of a Decision PIR

Following consultation, a Decision PIR is prepared which updates and builds on the Consultation PIR and includes:

- a summary of the submissions received during consultation and the key views of stakeholders
- a discussion of whether any of the information or analysis contained in the Consultation PIR has changed based on information received during consultation
- a final assessment of the regulation's effectiveness and any recommended amendments and their impacts.

The Decision PIR should be used to support any proposed amendments to the regulation. Like the Consultation PIR, the Decision PIR should be submitted to OBPR for assessment. Agencies should contact Queensland Treasury to discuss whether Cabinet approval is required for release of the Decision PIR.



Do you have further questions on the guidelines? Contact OBPR for help.

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