



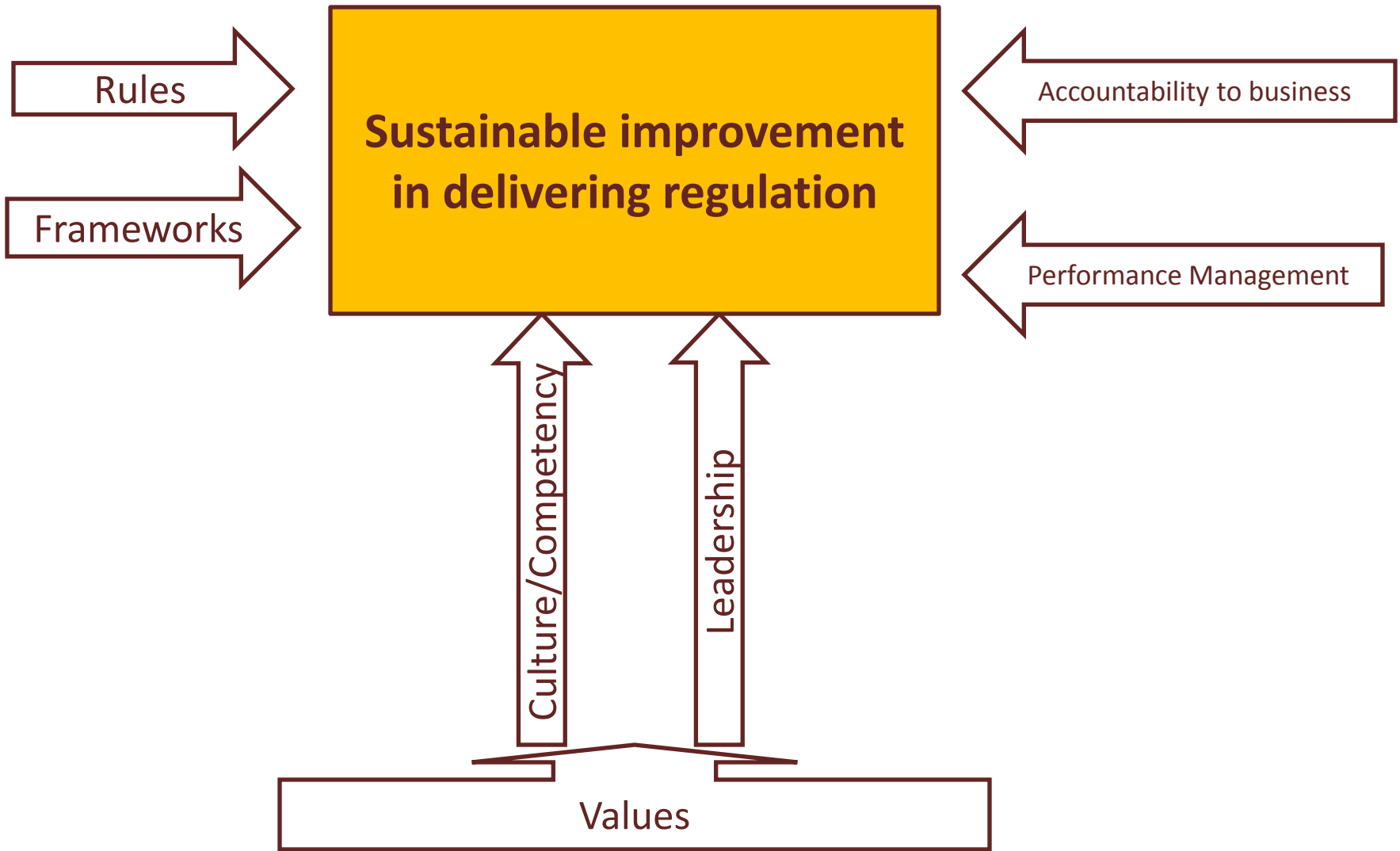
Department
for Business
Innovation & Skills

Better
Regulation
Delivery Office

Regulatory quality: a code based approach

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How they work

UK – Regulators’ Code	Code with statutory backing approved by Parliament Establishes a principles-based framework Sets out how regulators should engage with those they regulate. Operates at policy level, i.e. not binding on operational decisions
Australia – Australian Performance Framework	Framework published by Government Establishes Performance Indicators Used to monitor and measure good regulatory performance
Lithuania	Statute creates administrative law for regulators Principles-based: sets out how regulators should behave including engagement with those they regulate Includes policy approach and specific rules
Italy	Principles set out in law – however implementation requires subsequent measures

Levers

UK – Regulators' Code	Transparency – regulators are accountable to those they regulate, with a requirement that they publish details of their performance Policies subject to Judicial Review against requirements and standards
Australia – Australian Performance Framework	Performance Management – regulators are required to complete annual, externally validated self assessments against the framework
Lithuania	Creates legal requirements for regulators Performance Management – regulators are assessed on reform implementation and results
Italy	Centre of Government pressure and incitations to implement the reform

United Kingdom: Regulators' Code



Improve the way regulation is delivered at the frontline

- Came into force on 6 April 2014
- Flexible framework for business engagement
- Regulators must have regard to it in developing the policies that guide their activities
- Supporting tools and templates are being created
- Work to increase business awareness continues

United Kingdom: Regulators' Code

Sets requirements for regulators in 6 areas:

- Regulators should support those they regulate to **comply and grow**
- Regulators should engage with those they regulate and **hear their views**
- Regulators should base their regulatory activities on **risk**
- Regulators should **share information** about compliance and risk
- Regulators should ensure clear **information, guidance and advice** is available
- Regulators should ensure that their approach to their regulatory activities is **transparent**

Australia: Australian Performance Framework - Measures of good regulatory performance

Sets out 6 outcomes – based key performance indicators:

1. Regulators do not unnecessarily impede the efficient operation of regulated entities
2. Communication with regulated entities is clear, targeted and effective
3. Actions undertaken by regulators are proportionate to the risk being managed
4. Compliance and monitoring approaches are streamlined and coordinated
5. Regulators are open and transparent in their dealings with regulated entities
6. Regulators actively contribute to the continuous improvement of regulatory frameworks