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South Australian Productivity Commission GPO Box 2343 Adelaide SA 5001

Via email: sapc@sa.gov.au

Dear Sir/Madam

In response to the South Australian Productivity Commission's draft report on the Inquiry into Reform of South Australia's Regulatory Framework, the City of Holdfast Bay is pleased to make this submission.

We commend the Commission in recognising the State's lead role in reducing regulatory burden and the need for the State to take on a support and advisory function for regulators, so as to ensure consistency and quality.

The City of Holdfast Bay concurs with the Commission's recommendations, particularly the need to harmonise regulation, embed best practice, take a whole of life-cycle/stewardship approach and build policy expertise in regulatory impact assessment. As local government often act as regulatory authorities, the recommendations to boost policy expertise and opportunities to participate in State-led training should be extended to Councils.

The recommendations to reinvigorate the Regulation Expiry Program is supported, along with other red-tape reduction activities that could be undertaken under the auspices of regulatory harmonization. As previously noted in our submission to the Commission in response to the Issues Paper dated 21 May 2021, there are instances, particularly in the food and beverage, tourism services and events industries, where a business may have to deal with close to half a dozen regulators to start up or carry on their business. To aid businesses in our City, we have employed a Business Development Partner who offers a 'concierge service' to businesses to assist them in navigating, amongst other things, regulatory processes. While this is a valuable service in our City, it would be preferable to eliminate the source of the issue and redesign processes to be seamless for business operators across tiers of government. The City of Holdfast Bay therefore suggests that the whole of government policy and the proposed dedicated central unit expressly includes the local government sector in their remit.



We note the Commission's acknowledgement of the potential benefits as well as costs of regulation and concur with this view. While unnecessary regulation is burdensome and can stifle economic development, it's also important to recognise that some regulations protect conditions that enable economic development (such as environmental sustainable and social capital) and should be seen as an investment, not simply a cost. In evaluating the costs of regulation, it's also important to recognise the inter-agency or inter-governmental costs that are incurred as a result of regulation. It would be useful if the dedicated central unit also consider these matters.

The City of Holdfast Bay welcomes public accountability and notes the Commission's recommendation that any reporting be flexible enough to recognize differences between regulatory bodies and not be burdensome. This is critical to ensuring that public reporting is useful and appropriately compares like for like. To ensure the administrative burden is not onerous, a co-design approach to performance measurement and reporting is requested.

Regulation is commonly the result of good intentions meeting risk management. Both are positive drivers, nevertheless can result in unintended consequences if implementation and compliance management processes are not designed well. To limit the likelihood of this occurring, improved policy capability needs to be coupled with user centered service design. Such an approach is already common in digital transformation delivery and would therefore complement the Commission's recommendations to harness the potential of RegTech. While technology can facilitate efficiencies, unless the user experience (process) is well designed, it will simply amplify existing pain points.

Thank you for the opportunity to comment.

Roberto Bria

Yours sincerely

**Chief Executive Officer**