



INSTITUTE OF
**PUBLIC
ACCOUNTANTS®**

**Submission to
AFSA:**

**Regulator
Performance
Framework
Report
2020-21**

03 December 2021

Mr Paul Shaw
National Manager – Enforcement and Practitioner Supervision
Australian Financial Security Authority

By email: paul.shaw@afsa.gov.au

Dear Paul

AFSA Regulatory Performance Framework Report 2020-2021

As a member of the Bankruptcy Reform Consultative Forum, the Institute of Public Accountants (IPA) welcomes the opportunity to comment on the Australian Financial Security Authority (AFSA) Regulatory Performance Framework Report 2020-2021 as part of AFSA's external validation process.

The IPA is one of the three professional accounting bodies in Australia, representing over 46,000 members and students throughout Australia and internationally. Three-quarters of the IPA's members work in or are advisers to small business and SMEs.

Overall, the IPA supports AFSA's self-assessment of its performance for the period 01 July 2020 to 30 June 2021. In particular, the work undertaken with respect to improving access to AFSA's Inspector-General Practice Directions and Statements through simpler communication to ensure content is more easily understood, is commendable. We support the completion of this initiative in 2021-2022.

We understand that in July 2021, the Government released a Regulator Performance Guide (the Guide) to replace the Regulator Performance Framework (the Framework) and that this report will be the final report prepared under the Framework. Due to this change, we note AFSA does not intend to publish this report on AFSA's website. In the interests of accountability and transparency we encourage AFSA to reconsider publication of this report.

We note from participation at the recent Personal Insolvency Stakeholder Forum that AFSA will conduct a comprehensive review of its funding model to ensure it is sustainable in the longer term following its decision to not increase fees and charges from 1 July 2022. IPA welcomes AFSA's intention to expose any future changes to stakeholder consultation. We trust such consultation will be meaningful and any increase in fees and charges will carefully consider the cost impact on regulated entities, especially smaller entities. The IPA has repeatedly advocated for genuine cost-benefit analysis to be undertaken in the regulatory compliance process with respect to all reform, and we believe this cannot be overstated. Like many other stakeholders, the IPA has been involved in extensive consultation on the ASIC cost recovery process, which will help to inform a more considered process with other regulators and government agencies.

IPA looks forward to future collaboration and engagement with AFSA.

If you have any queries or require further information, please don't hesitate to contact Vicki Stylianou, Group Executive, Advocacy & Policy, either at vicki.stylianou@publicaccountants.org.au or mob. 0419 942 733.

Yours sincerely

A handwritten signature in black ink, appearing to read 'V. Stylianou', with a stylized flourish at the end.

Vicki Stylianou
Group Executive, Advocacy & Policy
Institute of Public Accountants