

14QW: From Mr Matt Keogh MP
Topic: Capability Review recommendations

Question:

In respect of ASIC's 2016 Capability Review, how many of the 34 recommendations have been implemented?

Answer:

ASIC publically committed to initiatives in response to 29 of the 34 ASIC Capability Review recommendations. These were set out in the initial Government response to the review. (<http://asic.gov.au/about-asic/what-we-do/how-we-operate/performance-and-review/asic-capability-review/>).

Implementation of those initiatives is now substantially complete. Ongoing work on some of the initiatives is now built into ASIC business as usual or major ongoing projects.

Below is a summary of some of the key initiatives ASIC has implemented in response to the Capability Review.

Key Initiatives

- **Performance reporting:** ASIC's Corporate Plan 2017/18-2020/21 was published on 31 August 2017, and business plan summaries aligned with the Corporate Plan will be published in October 2017 (as per the approach in 2016). ASIC published its self-assessment against the Regulator Performance Framework (RPF) for 2015/16 on 30 January 2017 and is now working on its 2016/17 assessment. Existing performance metrics have been consolidated to ensure effective annual performance reporting. ASIC is also exploring other new measures of performance reporting.
- **Internal governance and strategic use of Commission input:** Enhancements have been made to internal governance processes including Commission meetings and ASIC Committees to provide greater clarity and controls as to what matters are elevated to Commission for consideration. The Commission will continue to consider longer term strategic and regulatory issues at its regular strategy days and other forums, as part of over-the-horizon planning processes. The Commission now also regularly receives a management dashboard covering regulatory resource allocation, regulatory operational efficiency, organisational support & services, and registry services.

- **Workforce planning and culture:** Workforce capability planning has been integrated into people and development processes. After a further culture diagnostic completed in 2016 which found that ASIC was very strong on the ASIC stated values of Accountability, Professionalism and Teamwork, ASIC's leadership team is now working on building and managing the organisation's culture.
- **Strategic communication:** ASIC has developed a Communications Strategy and is developing sector based communications plans to ensure its communications are consistent with the strategic framework in its Corporate Plan and to support strong engagement with its regulated population.
- **Stakeholder engagement:** After consultation with stakeholders, enhancements have been made to ASIC teams' stakeholder engagement processes based on the needs of particular sectors. For example, ASIC has facilitated roundtables and working groups with industry and established the Financial Advisers Consultative Committee. The Commission has also implemented an enhanced engagement program to ensure they meet regularly with the boards and senior executives of the largest financial institutions and key industry associations.
- **Financial Services and Credit Panel (FSCP):** ASIC will establish the FSCP to provide a strong element of peer review in its decisions to ban individuals in financial services and credit (following consultation in May 2017). Regulatory guidance on the FSCP will be released in the near term.
- **ASIC Regulatory Transformation Program:** ASIC is implementing a program to deliver enhanced standard regulatory business processes, a common language, a single technology platform, portals to make compliance and interaction with ASIC easier and faster, and a single repository of regulatory information.
- **Data management and data sharing:** ASIC has appointed a Chief Data Officer (CDO) and released a data strategy in September 2017. There are ongoing discussions with APRA and the RBA led by the CDO on a data sharing framework. An inter-agency data analytic learning development network has also been set up - ASIC is participating in this network along with the other CoFR agencies.