Ministry for Regulation
Te Manatū Waeture

Quality Assurance of Regulatory Impact Statements

Guidance Note

August 2025

Published in August 2025 by the Ministry for Regulation,
Wellington, New Zealand.

ISBN 978-1-991372-03-1 (Online)

This document is available on the Ministry for Regulation website: **regulation.govt.nz**

Contents

Introduction

What is quality assurance?

Independent Quality Assurance (QA) is a key part of Cabinet's impact analysis requirements. The purpose of QA is to provide an independent view on the extent to which Cabinet can rely on the information and analysis in the RIS to help them make an informed decision on the regulatory proposal.

Quality assurance is the process which ensures that officials' advice to Cabinet is robust, well-evidenced and thorough, even when it is subject to constraints. Before the Regulatory Impact Statement (RIS) is lodged with the Cabinet paper, Cabinet requires that an independent panel assesses the RIS against the QA criteria. The QA criteria are provided by the Ministry for Regulation and can be found on [page XX] of this guidance.

The panel provides a final QA statement, which includes a summary assessment and an associated overall rating (i.e. 'meets', 'partially meets' or 'does not meet' the criteria). The final QA statement is included in the RIS and in the Impact Analysis section of the Cabinet paper.

The RIS should be independently quality assured before final advice is provided to the portfolio minister for submission to Cabinet. If a RIS is not quality assured before it is lodged with the Cabinet paper, then it will be subject to the process for proposals with inadequate impact analysis (see *Guide to Cabinet's Impact Analysis Requirements* on the **Ministry for Regulation website**).

If you have any issues or queries about the QA process, please contact the Ministry for Regulation's RIA team. Mailbox: **RIA.Team@regulation.govt.nz**.

Purpose

The purpose of this guidance note is to set out for RIS authors and QA assessors what the Ministry for Regulation considers to be good practice when implementing Cabinet's QA requirements (refer **CO(24)7** (paras 45-49). The Ministry for Regulation has responsibility for oversight and coordination of the RIA system, which includes confirming QA arrangements for regulatory proposals and providing guidance for agencies on how to implement Cabinet's QA requirements. There is scope for some variation in how agencies operate their QA panels depending on the particular circumstances (i.e. the agency's size, QA capability and type of regulatory proposals), as long as Cabinet's requirements are met. However, the assessors must be independent and use the QA criteria outlined on the **Ministry for Regulation website**).

This guidance note covers:

- The QA process, who should undertake QA, and what it involves.
- How assessors should apply and balance the QA criteria.
- Preparing the QA statement for inclusion in the Cabinet paper and RIS.

- The process for moderation and review.
- Some additional material for QA assessors is also provided in the appendices:
- Appendix one: Types of RISs and approach to QA.
- Appendix two: How to assess the ‘Implementation’ and ‘Monitoring, Evaluation and Review’ sections of the RIS. This can differ depending on the stage in the process and whether the agency has (or doesn’t have) existing regulatory stewardship arrangements in place.
- Appendix three: A quick guide to QA for assessors.
- Appendix four: Frequently asked questions about the QA process.

The quality assurance process

Why independent quality assurance is undertaken

Cabinet requires that independent QA is undertaken on all RISs.

The purpose of independent QA is to advise Cabinet on whether it is making decisions based on the best possible advice. It does this by requiring that appropriate people (who are not responsible for and have not been involved in the policy process for the proposal) have considered whether the analysis and information summarised in the RIS are of a sufficient standard to properly inform the decisions being taken. This independent assessment is summarised in a formal QA statement in the RIS and also included in the Cabinet paper which the RIS accompanies.

Who should undertake quality assurance

The Ministry for Regulation's RIA team determines who will be responsible for QA after considering the information the RIS author provides through RIA Online about the agency's processes and the particular proposal. The Ministry considers a range of possible arrangements for carrying out QA.

Quality assurance may be undertaken by a/an:

- internal QA panel within the agency
- inter-agency QA panel with people from several agencies
- joint Ministry for Regulation and agency QA panel
- individual assigned as the QA specialist, who may be from inside or outside the agency (especially in the case of smaller agencies).

QA arrangements are determined by the RIA team. Whether the Ministry for Regulation is involved in a joint panel is guided by the following criteria:

- **Whether the proposal is significant**. The potential impacts and how it fits with the Governments strategic priorities.
- **Whether the Ministry for Regulation can add value through QA**. This depends on other factors such as the strength of the agency's regulatory stewardship, the robustness of the planned policy process, the agency's policy capability, and the level of risk and uncertainty.

QA panels are usually made up of three people – including one panel chair. The agency's CE nominates or delegates a person or group to select the QA panellists. When selecting people to provide QA, the agency must ensure that it is done by a person or group not directly involved in the policy process for the proposal. The following factors also should be considered in the selection process:

- QA assessors should have suitable capability – including a thorough understanding of Cabinet's impact analysis requirements, and sufficient experience and expertise in policy analysis.
- There is some flexibility in relation to sign-out of the QA Statement depending on the agency's internal processes. The statement may be signed out by the QA panel chair where they are sufficiently senior to have sign-out authority on behalf of the agency. Alternatively, some agencies have a sign-out process that involves a manager who is not on the panel and has oversight of the QA processes.
- A certain level of independence is required. The person providing QA should not be a member of the same team that has prepared the RIS or otherwise involved in the policy process. In smaller agencies where this is not possible, the QA may need to be outsourced to ensure independence.

Many agencies have standing QA panels from which individuals may be assigned to take on responsibility for specific cases. Some agencies may not have QA capability themselves and may have an arrangement with a larger agency for help in such cases.

If your agency does not have QA capability, you can contact the RIA team for assistance with setting up QA arrangements for individual cases. However, if your agency is likely to produce more than two RISs per year on an ongoing basis you should consider a more permanent arrangement. The RIA team can provide advice on establishing a panel.

If a permanent internal panel is not possible, another option is to identify a pool of experienced people to draw on, on an *ad hoc* basis. This pool could include people from other agencies. Agencies can suggest and/or enlist a panel member from another agency. The RIA team can help to facilitate this.

Outsourcing independent QA from a private sector consultant or subject matter expert (eg academic) may be appropriate for some large or complex pieces of work, or for small agencies where conflicts of interest are difficult to avoid. In these circumstances, it is important that the assessor is familiar with Cabinet's impact analysis requirements and the QA criteria.

Maintaining effective quality assurance

Senior management buy-in and support is essential to the credibility and effectiveness of a robust QA process.

A high-level of awareness and understanding throughout the agency about Cabinet's impact analysis requirements, the role of assessors and the QA process is important to ensure all RISs are independently assessed to a consistent and robust standard. The QA process should be documented and communicated across the agency to people involved in developing and implementing regulation.

Having the impact analysis framework embedded early as part of the generic policy development process will help lift the overall quality of analysis and enable the requirements to be met.

What quality assurance involves

Assisting, reviewing and assessing

There are three aspects to quality assurance of the RIS: assisting, reviewing and formal assessment. Often the boundary between reviewing the RIS and the formal assessment is blurred with the assessors moving back and forth between these aspects of QA. The level of panel involvement will depend on a range of factors including the number of iterations required and the time available. This is illustrated in the following diagram.

Degree of QA involvement

Assisting (Voluntary)	Reviewing (Voluntary)	Formal Assessment (Mandatory)
Agency's panel coordinator/ QA assessors/ RIA team	**QA assessors**	**QA assessors**
Advice on Cabinet's impact analysis requirements and how they should be built into the policy work, including suitable analytical frameworks. Explaining what the assessors will be looking for (nature and depth of analysis).	Comments on draft RIS (at least one iteration). Comments on draft discussion documents.	Formal QA of RIS submitted to Cabinet for in-principle or intermediate policy decisions (including decisions that discard alternative options). Formal QA of discussion document submitted to Cabinet. Formal QA of final RIS submitted to Cabinet.

Assisting with RIA

If the RIS author needs advice on the regulatory impact analysis process they should contact the RIA team or their QA panel coordinator in the first instance, who may put them in touch with the assessors assigned to their RIS. However, this is voluntary, and the approach may vary across agencies depending on whether the agency has a QA coordinator and established panel.

QA assessors may be asked to be involved earlier in the policy process to assist in lifting the quality of the analysis in the final RIS, and ultimately the regulatory proposal itself.

This is a separate process from the review and formal assessment of the RIS. Even if the same people are involved in assisting, reviewing, and assessing RIS, these functions need to be kept separate from each other.

The assistance role can involve engaging at key points in the process. The assessors might provide advice at the outset of the policy development process on:

- Cabinet's impact analysis requirements and how they could be built into the policy work, including suitable analytical frameworks and tools.
- what the assessors will be looking for in terms of the nature and depth of impact analysis and the extent of evidence on the problem, impacts and risks.

Reviewing the draft RIS

In a typical RIS QA process, the RIS author will provide a draft RIS to the assessors for feedback prior to the formal assessment. The draft RIS should be in a good state with all the sections completed. The panel's feedback can assist the RIS author to refine and produce a good quality RIS prior to the formal assessment. It is good practice for the author to seek at least one round of feedback on the draft RIS (or discussion document). However, this is not mandatory.

It is usually helpful if early comments are as comprehensive as possible, to avoid raising substantive issues late in the process. The assessors should take care to preserve the independence of their formal QA assessment by focusing on the nature and quality of the impact analysis rather than the features of the proposal.

The assessors' comments should relate to the substance of the analytical methods employed and the analytical process (including consultation), looking to the nature and level of information that will need to be presented in the final RIS. Areas of focus may include:

- the extent of evidence on the nature and size of the problem, and likely impacts
- the analytical framework and techniques including whether an established methodology (eg market analysis or cost benefit analysis) will be employed
- identification and assessment of costs, benefits and risks
- the nature and quality of the consultation process.

It can be useful for assessors to provide an indication as to the likely final assessment, highlighting any areas that require further work (and what the specific gaps are) so that effort can be focused on these main areas.

As well as offering to meet with the RIS author to discuss the comments, the assessors should also provide a written summary of their combined comments. Written feedback can be helpful for authors as well as fulfilling the agency's obligation to maintain public records.

Assessing the RIS (Mandatory)

The core role of the QA assessor involves assessing the final version of the RIS. In practice, the boundary between reviewing and assessing can be fluid. However, when the assessors receive the final RIS, they need to switch roles from reviewing to assessing. Formal assessment of the final RIS is a mandatory requirement. The assessors assess the overall quality of the RIS using the QA criteria on the **Ministry for Regulation website**. Formal assessment is required for RISs provided for final policy decisions, as well as those that are to be submitted to Cabinet to support any in-principle or intermediate policy decisions.

However, the QA for interim RISs needs to be tailored to the circumstances. This includes considering the stage of policy development, the nature of the decision being sought, and the level of analysis possible. At early stages of the policy process, it may not be feasible to prepare a comprehensive RIS, so the QA assessment needs to reflect these constraints.

Both the QA assessors and the people responsible for the preparation of the RIS should be clear that the assessors are concerned solely with the quality of the underlying analysis and its presentation in the RIS. The role of assessors is not to assess the merits of any policy options considered in the RIS – they do not provide a view on whether the proposal is a good idea.

In practice, it can sometimes be hard to draw a firm distinction between the quality of the RIS and the quality of the proposal. Essentially, the assessors need to determine whether Ministers have enough information of sufficient quality to make an informed decision.

Wider role of the Ministry for Regulation in the policy process

In addition to providing advice on the RIA requirements, the Ministry for Regulation has a role to play early in the policy process and during agency consultation.

Early engagement on policy (mandatory)

Agencies must contact the Ministry as soon as possible after policy work begins on an issue that may result in a regulatory proposal being recommended to Cabinet.

The Ministry reviews information about:

- the problem being targeted
- the rationale for government intervention
- the proposed policy objectives, and
- consultation plans.

The Ministry will prioritise regulatory proposals that have the potential for significant impacts or risks and be guided by the degree to which the use or exchange of property rights may be affected.

Agencies should submit the early engagement form on the **Ministry for Regulation website.**

Agency consultation and second opinion advice (mandatory)

As the government's lead regulatory advisor, the Ministry has responsibility for providing second opinion advice on regulatory initiatives. When policy work gets to the stage of a proposal being developed for Cabinet consideration, the Ministry must be consulted on the draft Cabinet paper.

Contact by email: **agencyconsultation@regulation.govt.nz**.

Quality assurance criteria

The assessors are required to use the following criteria to quality assure the RIS.

Complete

- Is all the necessary information in the RIS, as set out in the relevant template?

Convincing

- Is the analysis accurate, robust and balanced?
- Are the analysis and conclusions supported by the analytical framework, and commensurate assessment of costs and benefits and supporting evidence?
- Do the assumptions make sense?

Consulted

- Does the RIS show evidence of efficient and effective consultation with stakeholders, key affected parties and relevant experts?
- Does it show how any issues raised have been addressed or dealt with?

Clear and concise

- Is the material communicated in plain English?
- Is the RIS of an appropriate length?

The same QA criteria are used regardless of the type of RIS (i.e. interim RIS, final RIS, cost recovery impact statement, supplementary analysis report or post-implementation review), the template used for the RIS or who independently assesses it. The different types of RISs and the approach to QA are outlined in appendix one.

For information on discussion documents refer to *Guidance Note*: *Discussion documents and the regulatory impact analysis requirements* on the **Ministry for Regulation website.**

Guidance on how to balance and apply the RIS QA criteria is provided in the next section on *How to do Quality Assurance.*

Background material can inform the QA process

As well as the final RIS, the QA assessors may ask for additional material to test statements made in the impact analysis. For example, they may wish to view evidence that has been cited or referenced such as:

- legal advice on the risks to Government associated with the options, or
- assumptions and calculations underlying the cost benefit analysis (including any modelling), or
- the summary of stakeholder submissions.

The QA assessors need to know what the Cabinet paper is asking Ministers to decide (i.e. what the nature of the recommendations in the Cabinet paper are), so they can assess whether the decisions sought are adequately supported by the accompanying impact analysis. The Cabinet paper should be provided with the RIS and if not, the assessors should request a copy.

Sometimes the author is not able to provide the Cabinet paper, or it has not been drafted at the time the RIS is being quality assured. The inability to provide the Cabinet paper at the time of QA is not an issue in itself, (i.e. it does not necessarily indicate a flawed process). However, if the panel is unable to understand the content of the RIS without reading the Cabinet paper and this issue is not remedied by the final assessment, then the panel should note this in the QA statement.

How to do quality assurance

Balancing the criteria and assigning a rating

When undertaking the assessment, the QA assessors need to balance/weigh the four criteria to assign an overall rating as to whether the RIS 'meets', 'partially meets' or 'does not meet' the criteria. The QA statement then needs to explain the key matters that have informed the overall rating.

Quality assurance ratings

Does not meet	• The RIS falls short of the standard on more than one dimension, or there is a major deficiency in a key component. • The deficiency or deficiencies should be highlighted and explained. The assessors may make a recommendation as to how the deficiency or deficiencies could potentially be addressed. • A 'does not meet' rating is a judgement that the RIS does not contain sufficient information and analysis to allow Ministers to make a properly informed decision.
Partially meets	• Meets the quality standard on most dimensions. However, one dimension is inadequate. • The key deficiency should be highlighted and explained. The assessors may make a recommendation as to how the deficiency could potentially be addressed. • A 'partially meets' rating is a judgement that there are deficiencies in the information and analysis provided. But, if Ministers are made aware of that, take that into account and are willing to take a risk in the circumstances, they should still be able to make a reasonably informed decision.
Meets	• Meets the quality standard across all dimensions, however there may still be scope for comment on what has been done well and what could have been done better.

A major deficiency related to any one of the QA criteria can be enough to justify an overall 'does not meet' rating. However, this depends on the context and nature of the decisions being sought. For instance, if a Cabinet paper is only seeking high-level in-principle decisions with the promise of further work that could potentially see those decisions revisited, there may be a greater degree of tolerance for gaps in the analysis relating to some criteria, such as 'consulted'.

The length of the RIS should be proportionate to the significance of the proposal. If it is a complex regulatory reform with significant impacts on particular parties, then it is unlikely to meet the ‘convincing’ criteria if it does not contain a full cost benefit analysis and supporting evidence. It is also unlikely to be ‘complete’. However, a RIS for a relatively simple regulatory change may be more streamlined with less sophisticated impact analysis and be assessed as meeting the ‘convincing’ and ‘complete’ criteria.

In all cases, the analysis should be accurate, robust and balanced. If there is not a clear analytical framework and it has not been consistently applied, then the conclusions are not likely to be supported by the analysis in the RIS. In such cases, the ‘convincing’ criteria would not be met and the RIS should be assessed as ‘does not meet’ the QA criteria.

The effect of limitations and constraints

External limitations or constraints on the analysis in the RIS can have a significant impact on the quality of the analysis presented in the RIS and may affect an assessment against the QA criteria. Examples of such constraints could be:

- a lack of relevant, quality data or other forms of evidence
- limited options due to direction from the portfolio Minister or prior government decisions or commitments
- timing and confidentiality or
- a lack of time for consultation.

Judgement is required when factoring any limitation or constraint into an assessment of the quality of analysis. The key issues for the QA assessors to consider are as follows.

- Has the limitation or constraint has been explicitly disclosed?
- Could the limitation or constraint have been avoided?
- Is the limitation or constraint such that it impairs the capability of Cabinet to fully rely on the analysis and make a decision?
- What might be done to address the limitation or constraint? If this appears to be possible, the panel could consider including a recommendation to address the issue in the QA statement.

Authors should use the ‘Limitations and Constraints’ section of the RIS to clearly set out important limitations and constraints that have affected the analysis presented in the RIS. Knowing that a limitation or constraint exists, and why, can itself help Ministers make more informed decisions because they can factor that into their decision-making.

The nature and circumstances of the limitations and constraints should determine whether they affect the QA rating. The assessors need to consider:

- Whether the constraint is a genuine analytical constraint and whether it was reasonably possible to overcome it.
- The context of the decisions being taken (eg whether they are in-principle or final policy decisions).

Examples of constraints and how they can potentially impact on the QA rating

- ***A lack of relevant data or other forms of evidence.*** If relevant data doesn't exist and/or cannot be generated, then (if disclosed) this should not affect the QA rating as Ministers would have all the information that is reasonably available to inform their decision.

  If the data is absent due to lack of time to review it and build it into the analysis, then this is considered avoidable and should factor into the QA decision. However, this could be mitigated to some extent by a commitment to obtain or collect relevant data to update the analysis ahead of finalising the planned change.

- ***A portfolio Minister has directed that analysis be undertaken only on particular policy options (and other feasible options are taken off the table prior to the preparation of the RIS).*** Even if a Minister(s) has requested analysis of a specific subset of options, it is best practice to include the wider range of feasible options in the RIS. If normal options analysis is not possible, the assessors may state whether the analysis is as good as could be expected, given these constraints, while maintaining the 'partially meets' or 'does not meet' rating against the QA criteria. In such a situation, the RIS should also identify the alternative options that the author would have analysed, if they had been able to consider the full set of feasible options.

- ***The limitations appear to stem from Ministerial decisions about timing and confidentiality. Therefore, they could have been avoided, rather than being a result of the nature of the proposal and current state of reasonably available knowledge.*** The issue is not whether officials could overcome the limitations, but whether the Government could. If the government has choices about the timing of its policy decisions (and possibly stakeholder input) and chose to take a decision without full information or analysis, this should be reflected in the rating.

  These limitations should be clearly acknowledged in the RIS. This means Ministers are more aware of the nature of and risks associated with their decision. However, acknowledging limitations is not sufficient to upgrade the rating, as Ministers could choose to take a decision with more complete information and analysis. The only case for providing a higher rating with these limitations would be where the decision had to be taken urgently and could not be postponed.

- ***A lack of consultation*** should be acknowledged in the Limitations and Constraints section and reflected in the overall rating of the RIS. Consultation on the problem definition and range of options is an important part of the impact analysis process and is one of the key quality assurance criteria. The following section outlines how to exercise judgement and assign a rating when there is no or only partial consultation.

Sometimes these limitations and constraints are outside the agency's control. While the constraints may impact the quality rating, that doesn't necessarily reflect poorly on the work undertaken by the RIS author. The QA assessors need to be mindful of this.

Applying the quality assurance criteria

This section outlines the key issues that the QA assessor need to consider when assessing whether the RIS meets each criterion. As outlined in the previous section, the assessor needs to exercise judgement when considering whether the criteria have been met on balance.

Complete

- Is all the necessary information in the RIS, as set out in the relevant template?

All sections of the relevant template must be filled in and contain an appropriate level of analysis that is relevant and coherent.[1] This requires that no template numbered question is left blank. If the answer to a numbered question is 'not applicable', the author needs to clearly explain why that is.

If one of the sections is not completed, it is unlikely that the RIS meets the requirements (i.e. 'partially meets' or 'does not meet', depending on how badly the section falls short). If two or more sections are not satisfactorily completed it is likely that the RIS does not meet the requirements.

To meet the required standard for 'complete' the RIS needs to match the scope of the recommendations in the Cabinet paper. The RIS needs to cover all substantive issues for which decisions are being sought in the Cabinet paper. The assessor should check that the RIS contains sufficient analysis to inform the decisions Ministers are being asked to make in the Cabinet paper.

There is some variation in emphasis depending on the stage in the process. The assessor should consider this when assessing whether the impact analysis is complete.

What assessors should consider for different stages in the process

Variations	Considerations for assessment
Interim RIS	At this early stage in the policy process, the costs and benefits, implementation, monitoring and review details may not yet be clear. This should be stated explicitly, and a preliminary indication given of the approach.
Final RIS	The approach to the analysis of the costs and benefits, implementation, monitoring and review needs to be adequately covered. Because the implementation work has often not yet been done at this stage, the focus in that section may need to be anticipatory.

[1] The impact analysis circular specifies that unless agreed otherwise, impact analysis must be presented using the standard RIS template provided by the Ministry for Regulation. The RIA Team may agree case-by-case departures from the standard template.

RIS split into multiple stages	There will have been more time to do the implementation work and therefore the 'Implementation' section in the final RIS should be more in-depth than for a standard final RIS.
Supplementary analysis report (SAR)	The key focus is on how the chosen option will be implemented and the potential impacts, i.e. costs and benefits, key risks including possible mitigations and plans for implementation, monitoring, evaluation and review. Note the form and content of the SAR will depend on the stage in the policy process.
Post-implementation review (PIR)	The key focus is on whether the desired outcomes have been achieved, and whether the lessons learned may be used to inform decisions about any future refinements or adjustment required.

At the stage where Ministers are making the policy decision, the implementation detail is generally still being developed. Agencies should at least provide an implementation plan to provide assurance that the preferred option is being tested and can be delivered successfully. For instance, testing may be undertaken through a pilot programme, controlled trial or pre-mortem. It is expected that the implementation plan will be further developed when the proposal is considered by the Legislation Committee. There also needs to be an explanation of how any implementation risks will be managed. The implementation risks and possibility of unintended consequences are likely to be higher where the preferred option involves some novel regulatory features.

The Monitoring and Review sections may be lighter if the agency is already practising **regulatory stewardship**. However, the RIS would need to explain how the existing stewardship arrangements would or could be developed to support implementation and monitoring of the proposal and help manage the risks.

The Implementation and Monitoring, Evaluation and Review sections are discussed in more detail in appendix two.

Convincing

- Is the analysis accurate, robust, and balanced?
- Are the analysis and conclusions supported by the analytical framework, and a commensurate assessment of costs and benefits and supporting evidence?
- Do the assumptions make sense?

It can be difficult, without being a subject matter expert, to know whether the analysis is robust and balanced. However, it should be possible to see whether the analytical approach is clearly outlined, reasonable and consistently applied. For instance:

- Does the problem need to be solved?
- Are the objectives clear and related to the problem definition?
- Are key limitations and constraints on the analysis clearly identified?

- Has a clear analytical framework been identified? Will the analytical framework identify the best option(s)? Has the analytical framework been consistently applied? An indicator is whether the assessment criteria have been consistently and fairly applied in the options analysis section.
- Have the assumptions been outlined and are the judgements and inferences reasonable? This is often a deficiency in the cost benefit section that can be addressed through feedback from the assessors.
- Are the conclusions supported by the analysis? If not, a coherent case has not been made for the preferred option.
- Is the implementation plan realistic?

If the analysis is not robust and balanced, it may not meet the standard and may also fall short on the ‘complete’ criterion.

The RIS should cover the range of feasible regulatory options and reasonable non-regulatory options.

The depth and sophistication of the analysis should be in line with the significance and scale of the potential impacts. The analysis could be streamlined for a simple proposal and more in-depth for a complex proposal. For instance, a simple proposal could identify the impacts and quantify them, but full monetisation of the costs and benefits would not be essential. If the agency has already established stewardship of the regulatory system, the ‘Monitoring and Review’ section could be quite brief.

On the other hand, a complex proposal with potentially significant impacts should include:

- Multi-criteria analysis.
- Full cost benefit analysis of the preferred option with cost estimates and some distributional analysis.
- A detailed implementation plan for the preferred option. The plan should explain the transitional arrangements and identify the risks and mitigations.
- A plan for monitoring, evaluation and review.

In some cases, the agency’s preferred option in the RIS may differ from the option recommended by the Minister in the Cabinet paper. In these situations, it is helpful if the RIS contains cost benefit analysis of both options even though this increases the length of the RIS. This also needs to be included in the coversheet.

Generally, Ministers indicate a preference at the outset. However, if the Minister changes their preference or does not give an indication until late in the policy process, it is important to ensure all options are in the RIS.

The nature and scale of the problem and assessment of the anticipated impacts of each option should be supported by reference to the best reasonably available empirical data and other evidence, including consultation feedback or, in some cases, anecdotal evidence. The sources of evidence and data should be specified. If the author heavily relies on only one source of evidence, this may indicate an unbalanced or biased approach. This may mean that the requirement to provide evidence to support judgements, is not satisfactorily met.

Where numbers are given, consider whether they seem intuitively reasonable. Ask for the evidence and the assumptions where these are not provided, and whether the figures have been developed by experts. If the figures do not appear to have a reasonable basis, it is likely that the requirement to summarise the expected costs and benefits is not satisfactorily met.

Consulted

- Does the RIS show evidence of efficient and effective consultation with stakeholders, key affected parties and relevant experts?
- Does it show how any issues raised have been addressed or dealt with?

The RIS should describe how the views of internal and external stakeholders were obtained, including the form of any consultation process.

Internal stakeholders include people within the government agency and other interested agencies who have responsibility for related existing policy/legislation and may have changes planned or underway. External stakeholders include people and organisations that are affected by or are beneficiaries of the regulatory proposal.

Some proposed regulatory changes will be subject to public consultation obligations set out in statute or international agreements. New Zealand has international obligations in a wide range of sectors, which includes giving notice of proposed regulations and opportunities for consultation.[2]

If there is formal consultation and the discussion document is approved by Cabinet, the content criteria for effective consultation is met and there is a recommended process, which agencies are encouraged to follow.[3]

However, it is essential to include information in the RIS about stakeholder views and concerns especially in relation to the problem and options. The RIS should summarise any concerns raised and how those concerns have been addressed. For instance:

- whether or not the problem definition and options have been modified in response to feedback from the consultation process (if applicable), and if so, how
- which stakeholders support which options and if not, why
- If there are disproportionate impacts on specific parties, then further in-depth impact analysis is required.

A non-expert in the subject may not be well placed to know whether all the right people have been consulted, but it may be an indicator of incomplete or unbalanced consultation if no opposing views are recorded. This may mean that the RIS does not meet the requirements to

---

[2] For instance, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (the CPTPP Agreement) obliges New Zealand to "provide interested persons and other parties with a reasonable opportunity to comment" on proposed laws and regulations "of general application relating to any matter covered by the Agreement".

[3] Refer *Guidance on Discussion Documents and Effective Consultation* available on the Ministry for Regulation website.

identify stakeholders and explain the nature of their interest, and to comment on stakeholder opinion on the proposed approach.

If there has been no or limited consultation (eg due to time pressure) and the relevant stakeholders were unable to engage or engagement was limited, then the 'consulted' criteria is not met or only partially met. In these situations, the assessors should explain in the QA Statement how lack of consultation could impact on the quality of the analysis in the RIS and if there is anything that could be done to address that.

It may not always be necessary for there to have been formal consultation specifically about the particular proposal. RIS authors may be able to draw on other evidence of stakeholder views. If they can show that it is a reliable guide to stakeholder views in this context, the RIS may be assessed as "partially meets" or "meets" the consultation criteria.

If no consultation has occurred, and any available proxies for consultation are insufficient, then the rating overall for the RIS normally cannot be more than "partially meets".

Clear and concise

- Is the material communicated in plain English?
- Is the RIS of an appropriate length?

The RIS should be easy to read and well-structured, with a clear and concise summary in the cover sheet. It should be clear what Ministers are being asked to agree to, or what they have to decide upon. As the RIS is a published document, it should be written in plain language, tailored for the intended audience (i.e. Ministers and the wider public). The coversheet should have bulleted key points rather than large sections of text.

Assessors should consider the length of the RIS in their feedback. While assessors may require more analysis, they also should identify unnecessary content that could be removed for conciseness.

The length of the RIS should be proportionate to the significance of the proposal.

As a rule of thumb:

- Simple proposals should be less than 30 pages.
- More complex RISs should be no more than 60 pages.
- The most significant and complex RISs (eg a multi-issue RIS, a RIS covering a lot of discrete issues or a range of design elements for a regulatory proposal) can sometimes reach up to 100 pages or more. We recommend inserting detailed information in appendices.

Preparing a quality assurance statement

The outcome of the QA process is a formal statement from the assessors on the quality of the impact analysis, which must be copied without edits into the 'Impact Analysis' section of the Cabinet paper.[4]

This QA statement follows the statement by the responsible agency that the impact analysis requirements apply and, therefore, a RIS is required and is attached to the Cabinet paper.

Suggested format for the quality assurance statement

> [Name of agency or agencies] [and the Ministry for Regulation's RIA Team] has reviewed the regulatory impact statement (RIS) prepared by [name of agency] and associated supporting material on [date].
>
> [Statement on whether the assessors consider that the information and analysis summarised in the RIS **meets** or **does not meet** or **partially meets** the quality assurance (QA) criteria.]
>
> [Explanation of the above assessment and comments on any issues that have been identified in relation to any of the dimensions of the QA criteria. For example, where the assessment is that the RIS 'does not meet' or 'partially meets' the QA criteria, state:
>
> - the areas that do not meet and the impacts of these areas on the robustness of the advice as a support to Ministers' decision making, or
> - comment on how the policy proposal could be moved forward or put on more solid foundations (eg further analysis of a particular issue, consultation with certain stakeholders, or careful monitoring and preparedness to take further action if necessary).]

The purpose of the QA Statement is to provide Ministers with an independent assessment of how reliably the RIS analysis can inform their decision on the regulatory proposal. It is an assessment of the content of the RIS and the robustness of the process for its development.

It does not constitute a comment on the merits of the regulatory proposal or the recommended regulatory option. That remains the responsibility of the policy team. It is not a comment either on the competence or effort of the RIS authors, given the limitations or constraints – often due to timeframes or Ministerial willingness to allow meaningful external consultation – under which the analysis may have had to be produced.

The rating should be explained in the QA Statement, and any significant limitations or constraints noted. These may affect the extent to which Ministers can rely on the RIS analysis to make informed decisions. The difference between a 'does not meet' or 'partially meets' rating can be difficult to judge. In these circumstances, the text explaining why the RIS falls short of the standard is particularly important.

---

[4] Although note the guidance below for how to approach situations where there are significant space constraints in the Cabinet paper.

There is no set format for the explanation of the assessment or comments on QA issues, as these will depend on the circumstances of each RIS. However, the QA statement should:

- be succinct
- indicate how much confidence decision-makers can have in the RIS as a basis for making informed decisions
- link the issues raised to the relevant QA criterion
- explain any gaps between the impact analysis in the RIS and what the assessors would expect to see, and what those gaps mean in terms of implications or risks. This includes what further analysis could have been done, and what steps can be taken to reduce risks, such as additional, targeted consultation).

In standard situations, the QA statement does not take up significant space in the Cabinet paper. However, with the greater enforcement of the 10-page limit for Cabinet papers, there may be concerns about how much space the QA statement (or statements in the case of multiple RISs) takes up. While it is still best practice to include the full QA statement, in more complex cases, the QA panel can provide an abridged version for the body of the Cabinet paper. The full statement can be attached as an annex to the Cabinet paper and included in the RIS.

If an abridged version of the statement is prepared for the Cabinet paper it must still:

- explain the rating and rationale, including any perceived limits on the analysis, and
- the wording must be provided by the panel.

The RIA team is available to provide advice on the above process.

Where a RIS is assessed as ‘partially meets’ or ‘does not meet’ the QA criteria, agencies should have an internal process to notify the relevant people. This may include briefing senior management and Ministers’ offices. Where a RIS ‘does not meet’ the authors should contact the RIA team to discuss next steps.

If the RIS ‘does not meet’ the QA criteria and is considered by Cabinet, the agency can be asked to provide a supplementary analysis report (SAR) or a post-implementation review (PIR). The timing and content of the SAR or PIR needs to be agreed by the RIA team and agency on behalf of their respective Ministers.

The QA assessment should be considered independent and final. But, if there are significant changes to the Cabinet paper or RIS after the assessors have provided the QA statement, the RIS author should contact the assessors as the statement may need to be revised.

There may be instances where the policy team responsible for preparing the RIS is not satisfied with the final assessment and/or the wording of the QA statement. In anticipation of such scenarios, agencies may wish to consider how to manage these situations. This could involve, identifying the responsible senior manager and how they will support the assessors to maintain their independence.

Non-standard situations

Policy processes are often non-linear, and a wide variety of non-standard situations can arise. QA assessors may come under pressure to provide QA Statements in a very short timeframe,

on non-final RISs, or on RISs that change rapidly (eg as policy options are altered by Ministers).

Assessors need to exercise judgement. They should always focus on identifying whether decision makers have enough information to make an informed decision.

The RIA team is available to provide advice on a case-by-case basis, and to share their experiences in dealing with similar situations.

The Policy Project provides guidance and tools that are relevant in a wide range of policy situations. For more information, see the Policy Project webpage (**The Policy Project | Department of the Prime Minister and Cabinet (DPMC)**) or contact **policy.project@dpmc.govt.nz**.

Moderation and review

The QA criteria must be applied consistently across proposals. Moderation arrangements could include:

- having centralised oversight of all QA assessments (eg the chair of your agency's QA panel)
- ensuring all QA is subject to peer review by others within your QA panel or pool of assessors
- rotating QA responsibilities for types of proposals (eg particular policy areas) so that they are not always reviewed by the same person.

Periodic reviews of QA assessments can help provide an extra layer of assurance. One way to do this is by asking an independent party, such as a consultant, to review a random sample of QA assessments. To assist this process, agencies should ensure that all regulatory proposals are registered in RIA Online and published on the responsible agency's website and Ministry for Regulation's website.

Keeping track of regulatory proposals in this way can help agencies meet their reporting requirements. The Ministry for Regulation may also ask for information to support its reports to Cabinet on how the regulatory management system is working, how the Government is meeting its commitments, and for any other reporting the Ministry carries out.

Appendix One: Types of RISs and approach to QA

The following is a list of different types of RIS that assessors may encounter, and the high-level approach to QA for each depending on their features.

Type of RIS	Approach to QA
Regulatory Impact Statement (RIS)	
Formal statement that systematically steps through the Regulatory Impact Analysis that has been undertaken during the policy development process.	Step through the QA criteria, and the RIS template. This takes into account the stage in the process, i.e. whether it is an interim RIS or final RIS.
Cost Recovery Impact Statement 1 (CRIS1)	
The CRIS1 should be attached to the RIS. The purpose of the stage 1 CRIS template is to explain the policy rationale for cost recovery and to provide a high-level cost recovery model, which includes estimates of the cost recovery levels. The RIS is the document that contains the analysis on the proposal that cost recovery is being sought for. The CRIS1 is the document that contains the analysis for why cost recovery is appropriate. *(Note: The key features of the CRIS1 template may be included in the RIS if the agency prefers to provide one document).*	Review against the CRIS1 template, and the QA criteria. This takes into account the stage in the process, i.e. whether it is an interim CRIS1 or final CRIS1.
Cost Recovery Impact Statement 2 (CRIS2)	
The CRIS 2 should refer to a previous RIS and CRIS1 and outlines the detailed design of the cost recovery model including the level of fees/levies. If the cost recovery regime is already established a CRIS2 may be prepared that covers the change in the level of the fees/levies *(Note: if a new RIS is being provided, the key features of the CRIS2 template may be included in the RIS if the agency prefers to provide one document).*	Review against the CRIS2 template and the QA criteria. This takes into account the stage in the process i.e. whether it is an interim CRIS2 or final CRIS2.

Discussion/Consultation Documents	
For more information on the different types of discussion documents and the QA process refer *Guidance Note – Discussion Documents and the Regulatory Impact Analysis Requirements* on the Ministry for Regulation website	There is a different QA process for discussion documents depending on whether consultation is on a full range of feasible options, or on a narrow range of options.
Climate Implications of Policy Assessment (CIPA)	
Greenhouse gas emissions analysis is now required for some policy proposals. This process is run by Ministry for the Environment (MfE), who can be contacted for further information. When the proposal is submitted to RIA Online, it will also be forwarded to MfE for a determination on whether a CIPA is required.	The process for CIPA is confirmed by MfE.
Supplementary Analysis Report (SAR), RIS Addendum, Post Implementation Review (PIR)	
The SAR or Addendum is a self-contained report that complements the RIS and should contain analysis that was not provided in the original RIS. May be prepared due to a change in proposal at the Cabinet stage, or because the original RIS was missing or deficient due to lack of consultation/limitations etc.	Step through the QA criteria, and the SAR template considering the stage in the process (i.e. whether additional information is being provided or the decision has already been made and chosen option is being analysed).
Post Implementation Review – the RIS was missing or incomplete. The impacts of the chosen option are analysed after implementation.	Step through the QA criteria, and the PIR template.

Appendix Two: Assessing the ‘Implementation’ and ‘Monitoring, Evaluation and Review’ sections

The approach for assessing the ‘Implementation’, and ‘Monitoring, Evaluation and Review’ sections of the RIS can differ depending on the stage in the process and whether the agency has (or doesn’t have) existing regulatory stewardship arrangements in place.

The ‘Implementation’ section

The ‘Implementation’ section of the RIS can be challenging for the QA assessors because much of the implementation-related work may not been done when a RIS is submitted to Cabinet and the focus is anticipatory. Note that, where the policy work is being undertaken in stages and there is/are an interim RIS(s), the ‘Implementation’ section in the final RIS is generally more fully developed.

The implementation risks are lower in agencies where regulatory stewardship is already well established. However, the RIS would need to explain how the existing stewardship arrangements could be developed to support implementation of the proposal and help manage the risks.

The ‘Implementation’ section needs to provide assurance that the preferred option has been tested and can be successfully delivered. It is important that adequate consideration is given to implementation issues including:

- roles and responsibilities
- resourcing
- communication
- lead times and transitional arrangements
- capability needs for the regulator and regulated parties
- compliance and any enforcement strategies.

Note that one-off establishment costs and ongoing administrative and compliance costs should be included in the cost benefit table.

There also needs to be an explanation of how any implementation risks will be managed. It is important that the RIS author consults people in the agency responsible for implementation and compliance and incorporates their feedback. If the responsible agency is already practicing regulatory stewardship and understands the connections with related regulatory systems, the RIS author is in a stronger position to identify any wider regulatory impacts associated with the proposals, and which agencies need to be involved in implementation.

The implementation risks and possibility of unintended consequences are likely to be higher where the preferred option involves some new/novel regulatory features. Those risks may be managed through a pilot programme, controlled trial or pre-mortem used to test whether the preferred option is likely to address the problem and achieve the desired outcome.

Adaptive management may also be used to manage the risks where there is a high level of uncertainty about the impacts of the preferred option. This may involve establishing a system to gather data including feedback from key stakeholders on an ongoing basis when the proposal is rolled out and using that information to make refinements as required. A full review may still be required at a future date.

The change should be aligned and appropriately sequenced with other current or planned developments in the same or related regulatory systems. Incorporating consultation feedback from within the agency and other government agencies can help ensure appropriate sequencing and alignment.

The RIS should clearly identify the need for, or commitment to any further decisions, analysis or implementation planning.

The ‘Monitoring, Evaluation and Review’ section

This section of the RIS can be light or optional if the agency already has well-developed regulatory stewardship practices in place. However, if there are already monitoring and evaluation provisions in place for the system as a whole (i.e. the broader legislation or regulatory systems within which this arrangement sits) the existing provisions should be explained.

Key points to cover include:

- Are the new arrangements being incorporated into existing planned system reviews, or will they be reviewed separately?
- What arrangements are in place to plan for these reviews?
- If there are no plans to review these new arrangements, why?

Where regulatory stewardship is not in place and the preferred option is to be implemented separately, there should be a plan for monitoring, evaluation and review of the preferred option, including performance indicators and how the necessary data will be collected.

Key points to cover include:

- Opportunities for stakeholders to raise concerns
- Indicators that will make it clear whether the anticipated impacts will materialise.
- Whether, with these new arrangements in place, the agency will need to collect any extra data (this is likely if a lack of data has been identified in the ‘Limitations and Constraints’ section).
- What outcomes would prompt an earlier review of this legislation
- Whether there are plans to link to the broader regulatory system within which these arrangements sit.

Appendix Three: Quick guide to quality assurance for assessors

The following is an overview of the steps involved in being on a quality assurance panel.

Purpose of the panel

Regulatory impact analysis is a Cabinet endorsed and required analytical tool (refer to the Cabinet Office Circular on the **DPMC website**). A key function of impact analysis is to help avoid bias and ensure that a thorough analysis of the impacts is undertaken to inform Ministers' decisions.

The purpose of independent QA is to advise Cabinet on whether it is making decisions based on the best possible advice. The assessors on the QA panel do this by considering whether the analysis and information summarised in the RIS is of a sufficient standard to properly inform the decisions being taken. The panel's role is not to comment on the merits or otherwise of a policy. The panel assesses the RIS against the QA criteria. This independent assessment is summarised in a formal QA statement that is included in the Cabinet paper accompanying the RIS.

The Ministry for Regulation determines the panel arrangements

Quality assurance arrangements are determined by the Ministry for Regulation's RIA team following consideration of information provided by the agency about its processes and the particular regulatory proposal in the process confirmation form available through RIA online. Whether the agency undertakes QA or there is a joint agency/Ministry for Regulation panel is determined by the Ministry for Regulation and is guided by the following criteria.

- **Whether the proposal is significant**. The potential impacts – eg whether the impacts are nationwide as opposed to localised – and how it fits with Government's strategic priorities.
- **Whether the Ministry for Regulation can add value through quality assurance**. This depends on other factors such as the strength of the agency's regulatory stewardship, the robustness of the planned policy process, the agency's policy capability, and the level of risk and uncertainty.

Proposals need to meet both criteria for the Ministry for Regulation to get involved in quality assurance on the RIS.

The quality assurance criteria

The assessors are required to use the following criteria to quality assure the RIS.

1. **Complete**
   - Is all the necessary information in the RIS, as set out in the relevant template?

2. **Convincing**
   - Is the analysis accurate, robust and balanced?

- Are the analysis and conclusions supported by the analytical framework, and commensurate assessment of costs and benefits and supporting evidence?
- Do the assumptions make sense?

3. **Consulted**
   - Does the RIS show evidence of efficient and effective consultation with stakeholders, key affected parties and relevant experts?
   - Does it show how any issues raised have been addressed or dealt with?

4. **Clear and concise**
   - Is the material communicated in plain English?
   - Is the RIS of an appropriate length?

The quality assurance process

There is some flexibility around how agencies operationalise the QA process. The RIA Team suggests allowing around two to three weeks for QA of a standard RIS and longer for a complex RIS (i.e. containing a number of RISs or complex issues within it). The time required depends on how early authors engage with the RIS QA panel, and how much feedback panellists have. Sometimes, if there is a lot of feedback, the panel can go through several feedback iterations before the formal assessment.

When the Cabinet paper and RIS are circulated for ministerial consultation, there can be further changes to the proposals with adjustments occurring in the days before lodging.

Role of the QA panel chair

The panel chair has a coordination and communication role, liaising with the author and panel members on when the panel's feedback and the QA Statement will be provided. The role of the chair involves:

- agreeing the QA timeframe with the RIS author (and panel coordinator as relevant)
- arranging and chairing panel meetings
- ensuring the panel's combined feedback is provided to the RIS author, and
- developing the formal assessment of the RIS, based on the combined view of the panel members.

It is good practice to develop and agree on a QA timetable at the start of the QA process. For example, if time is constrained, we suggest working back from when the Cabinet paper is being lodged and allowing 2–3 weeks for QA, as shown in the following table.

Example – QA timetable for a constrained timeframe

Date	Activity
14 October	Draft RIS submitted to panel for assessment.
16 October	Panel meeting to discuss combined feedback on interim RIS.
17 October	Panel meets with RIS author(s) to discuss feedback.
17 October	Panel provides combined written feedback to RIS author(s).
21 October	RIS with one round of feedback submitted for final assessment.
	Ministerial consultation on draft RIS. Ideally this would occur after the QA Statement has been signed off, but this may not be possible due to time constraints.
24 October	Panel meeting to formally assess the RIS and start preparing the QA Statement.
	Panel reaches agreement on wording of Statement (by email).
29 October	QA Statement signed off.
	Panel revises the QA Statement if there have been any significant changes to the RIS following Ministerial consultation. The revised Statement is signed off.
31 October	Cabinet paper and RIS lodged.

Step one – providing feedback on the draft RIS

Ideally, the QA panel should provide at least one round of feedback before the final assessment.

- Each panel member reads the draft RIS and draft Cabinet paper.
- The chair arranges a meeting for the panel members to discuss their feedback.
- It is best practice for the panel to prepare combined written feedback for the author on each section of the RIS, referring to the QA criteria. Written feedback can be helpful for authors as well as fulfilling the agency's obligation to maintain public records. The panel's feedback may be requested under the Official Information Act and it is easier to release if in a single document.
- The panel chair sends written feedback to the RIS author copied to the panel. Written feedback may be provided before or after the QA panel meets with the author.
- The panel offers to meet with the RIS author if they wish to discuss the feedback and the author indicates how they intend to address the feedback.

- The author updates the RIS, highlighting the changes, and may either submit another draft for feedback, time permitting, or the final draft for assessment.

Step two – undertaking the final assessment and assigning a rating

- When undertaking the final assessment, the panel needs to balance the QA criteria to assign an overall rating as to whether the RIS 'meets', 'partially meets' or 'does not meet' the criteria.
- Each panel member reads the final RIS and Cabinet paper.
- The chair arranges a meeting for panel members to discuss their feedback and how they each rate the RIS.
- The panel then needs to agree on the rating and text in the QA Statement.

Step three – preparing the QA statement

- If the RIS 'does not meet' or 'partially meets' the QA criteria, the panel needs to briefly explain why in the QA statement with reference to the relevant QA criterion.
- If the RIS 'meets' there may still be scope to include a comment, but this is not essential.
- The panel chair is typically responsible for signing-off the final QA statement. However, some agencies have a sign out process that involves a manager who is not on the panel and has oversight over QA processes.
- The panel chair sends the QA statement by email to the RIS author, copied to the panel members. At this point the rating shouldn't be a surprise to authors, based on feedback. If the rating is 'does not meet' we would expect the Chair to demonstrate additional care and have a conversation with the author and/or their manager ahead of sending the QA statement.
- The RIS author copies the QA statement into the coversheet of the RIS and the Statement is also included in the Impact Analysis Section of the Cabinet paper.
- If the RIS is assessed as 'does not meet' then the RIS author needs to contact the Ministry for Regulation's RIA team as a supplementary analysis report (SAR) could be required if the proposal is included on the Cabinet agenda.
- The author must advise the panel if there are substantive changes to the Cabinet paper or the RIS after the QA statement has been provided.
- There should be a noting recommendation in the Cabinet paper on whether the RIA requirements have been met.

For more information refer to *Guidance Note: Quality Assurance of Regulatory Impact Statements* on the **Ministry for Regulation website**.

If you have any issues or queries about the QA process, please contact the Ministry for Regulation's RIA team. Mailbox: **RIA.Team@regulation.govt.nz**.

Appendix Four: Frequently asked questions

How many people are on a QA panel?

There are usually three people on a QA panel. However, there may be two panellists in a limited number of cases where the RIS is not complex, and the agency has strong stewardship and a robust process. Sometimes there may need to be flexibility if a panellist is unwell or unexpectedly away when the final assessment is required. It is also possible in some rare circumstances to have a RIS reviewed by an independent expert.

In case of a lengthy and complex multi-RIS it can be helpful to have more than three panel members to share the workload.

What is a joint QA panel?

Members of the panel may be from more than one agency. A member of the Ministry for Regulation's RIA team may also be on the QA panel if the proposal is significant, and the Ministry can add value by being involved.

Who should chair the QA panel?

Generally, a panel member from the lead agency chairs the panel (i.e. the agency authoring the RIS). The chair has a coordination and communication role, liaising with the author and panel members on when the panel's feedback and the QA Statement will be provided.

The panel chair is usually responsible for signing-off the QA statement (where they have sign-out authority), although some agencies have a sign out process that involves a manager who is not on the panel and has oversight over QA processes. If the RIS is highly significant, a member of the RIA team may chair the panel. This provides some independence from the authoring agency. In this instance, a manager in the Ministry for Regulation confirms that the required QA process has been followed and that the QA Statement reflects the views of the panel.

What is meant by an 'independent' QA assessment?

Panel members must be independent from the RIS authors and not involved in the policy process.

How should feedback be provided to the author?

The panel should provide constructive feedback to the RIS author in person as well as in writing. The feedback needs to be delivered and received in a respectful way remembering that the purpose is to strengthen the analysis.

Why should the panel provide the QA feedback in writing and meet with the author?

It is quicker and easier for the author to revise the RIS if they have written feedback that refers to the relevant sections in the RIS and QA criteria. It is also good practice to record feedback in written form to make sure everyone is on the same page and to ensure there is a public record of the process, which may be requested under the Official Information Act.

The feedback should highlight key issues that need to be addressed to achieve a ‘partially meets’ or ‘meets’ rating. Discussing the feedback enables the author to explain any limitations and constraints in more detail and what changes are feasible.

What is the difference between ‘does not meet’ and ‘partially meets’?

A ‘does not meet’ rating is a judgement that the RIS does not contain sufficient information and analysis to allow Cabinet Ministers to take a properly informed decision. A ‘partially meets’ rating is a judgement that there are deficiencies in the information and analysis provided. If Ministers are made aware of those deficiencies, take that into account and are willing to take a risk in the circumstances, they might still be able to make a reasonably informed decision.

A major deficiency related to any one of the QA criteria can be enough to justify an overall ‘does not meet’ rating. However, this does depend on the context and nature of the decisions being sought. For instance, if a Cabinet paper is only seeking high level in-principle decisions with the promise of further work to be done that could potentially see those decisions revisited, there may be a greater degree of tolerance for deficiencies in analysis relating to some criteria, such as ‘consulted’.

What happens if the panel rates the RIS as ‘does not meet’ the QA criteria?

If the paper is considered by Cabinet, and substantive decisions are made, the agency will usually be asked to provide a supplementary analysis report (SAR). The timing and content of the SAR need to be agreed by the RIA Team and the agency on behalf of their relevant Ministers. The SAR may be in the form of a RIS if there is another Cabinet decisions point, or a post-implementation review (PIR). The SAR and PIR are both subject to the QA requirements in the same way as RISs. If the SAR or PIR does not meet the QA requirements, the agency is non-compliant, and the Minister for Regulation may be informed.

What should the panel do if they are having difficulty reaching agreement on rating the RIS?

The difference between ‘does not meet’ and ‘partially meets’ can be difficult to judge. In these cases, the panel should focus on the assessment text in the QA statement explaining the deficiency.

If there are disagreements between panel members on the appropriate rating, the wording of the QA statement can sometimes be used to reach a compromise. For instance, if two panellists agree on ‘partially meets’ and one panellist proposes ‘does not meet’, the panel may want to:

- assign a rating of ‘partially meets’ with a more negative QA Statement outlining the deficiency raised by the dissenter, OR
- assign a ‘does not meet’ rating and in the QA statement acknowledge the RIS’s deficiencies but also provide an explanation of what the RIS did well and any relevant limitations or constraints.

Ideally, the agency should have a process in place to resolve any disagreements between panel members on rating the RIS. This includes getting a different Chair/panel to review or raising it up to Manager/Director level. The RIA Team can provide advice if required.

What is the purpose of the QA statement?

It is a statement on whether the panel considers the information and analysis summarised in the RIS 'meets' or 'partially meets' or 'does not meet' the QA criteria. If the RIS 'meets' the panel can choose whether to insert a comment. If the RIS 'partially meets' or 'does not meet', the panel must explain the deficiency in relation to the QA criteria. The panel may choose whether to make any recommendations.

The QA statement is a signal to Ministers, and other readers of the Cabinet material, whether they can have confidence in the analysis.

How should the QA statement be framed?

The QA statement should:

- be succinct
- provide an indication of robustness of advice
- relate the issues raised to the relevant QA criterion
- explain any gaps and the implications or risks, i.e. what further analysis could or should be undertaken and what risk mitigation (eg additional, targeted consultation).

What happens if the author disagrees or suggests changes to the assessment?

The QA panel is ultimately responsible for the wording of the QA statement, and the QA statement needs to be inserted verbatim in the 'Impact Analysis' section of the Cabinet paper. Note there is some flexibility where there are space constraints[5]. The panel may choose to make minor changes to the wording if the author raises a point of clarification. However, for significant changes (eg to the text or overall assessment) the panel may request further impact analysis to address any deficiencies. The RIA team can provide advice if required.

What happens if changes are made to the Cabinet paper or RIS after the QA statement has been provided?

The RIS author needs to inform the panel of any substantive changes to the Cabinet paper or RIS after the QA statement is provided. The panel confirms that the QA statement can remain intact or provides notification of any further impact analysis required to ensure the QA criteria are met. The panel may revise the QA statement.

[5] For more detail on preparing a statement when there are space constraints, refer to *Guidance Note – Quality Assurance of Regulatory Impact Statements, section on preparing a Regulatory Impact Statement.*

What is the difference between reviewing a RIS and a PIR?

The key difference is that the PIR analyses the impacts after the option has been chosen and implemented, including whether the desired outcomes have been achieved, and may be used to inform decisions about any refinements or adjustment required. The PIR is assessed using the RIS criteria against its fitness for purpose to the task it was set, including its adequacy to support any decisions it may be designed to inform.

What is the difference between reviewing a RIS and a discussion document?

If a discussion document does not exclude options from consideration, extensive impact analysis in the form of a separate interim RIS is not required. Instead, the assessment needs only to consider whether the discussion document enables effective consultation that will support later, higher-quality, impact analysis when final decisions are made. Discussion documents are assessed under a standard that is tailored to the circumstances. Quality assurance should consider the stage of policy development; the nature of the decision being sought and the level of analysis possible. See link below for guidance on the criteria and process for assessing discussion documents.

For more information refer to the guidance material on the **Ministry for Regulation website**:

- *Guidance Note – Quality Assurance of Regulatory Impact Statements*
- *Guidance Note – Discussion Documents and the Regulatory Impact Analysis Requirements*