

Meeting Cabinet's impact analysis requirements

Report

September 2025

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

ISBN 978-1-991372-04-8 (Online)

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Introduction

When a Minister wants to create or change legislation, their agency must first provide Cabinet with analysis of the likely impacts of the regulatory changes being proposed, set out in a Regulatory Impact Statement (RIS).

Completing regulatory impact analysis before taking a proposal to Cabinet ensures Ministers have information on:

- the scope of the regulatory issue that's being addressed, the rationale for government intervention, and the options for addressing it (including non-regulatory options)
- the costs and benefits of each option
- the views of the people who have been consulted on the proposal
- how the regulatory changes could be implemented, monitored and reviewed in the future.

Cabinet's requirements for impact analysis are designed to encourage systematic and evidence-informed policy development, which helps support high quality regulation. They also help ensure Cabinet can make well-informed decisions about the regulatory changes being proposed.

Cabinet's requirements for impact analysis are set out in full in the Cabinet Office circular, CO (24)7: Impact Analysis Requirements.

1. The Ministry for Regulation administers Cabinet's impact analysis requirements

If an agency is preparing a regulatory proposal for Cabinet, the Ministry for Regulation (the Ministry) will confirm:

- whether any aspects of the proposal are eligible for an exemption
- the form the analysis needs to take (e.g. if the proposal contains cost recovery elements, then a separate template may be needed)
- how to complete the quality assurance for the RIS.

To ensure an open and transparent regulatory process, RIS documents are published on the websites of the authoring agency and the Ministry at the same time as, either:

- the relevant bill is introduced to Parliament
- the regulation is gazetted, or
- the material is proactively released.

2. About this report

In late 2024, the Ministry for Regulation committed to publicly reporting on how well portfolios are meeting Cabinet's impact analysis requirements. This reporting contributes to the objective of ensuring an open and transparent regulatory process.

This is the first report on the subject. Following this initial report, we intend to publish a report about every six months. The reports will typically cover the six-month period before the publication date. For this report, we decided to include data collected since 2023, as it has not been published previously and could support the development of further insights in future.

The Cabinet Office circular sets out a series of requirements, which are relevant for different scenarios. As this first report covers a large amount of largely untested data, we focused on two key requirements of most regulatory proposals:

- 1. the requirement to produce a RIS
- 2. the outcome of the formal quality assessment required for a RIS.

Over time, we may consider reporting on more requirements, where we have adequate information to do so.

This report assesses how well portfolios met these two requirements across the period 2023 to the end of Q1 2025 (i.e. 31 March 2025), using the following two metrics:

- the number of proposals that did not have a RIS where one was required
- how many RISs had Quality Assessment ratings of: "meets", "partially meets", "does not meet" and "other".

Limitations are outlined at Annex one.

Proposals missing impact analysis

This section presents data on instances where a regulatory proposal required impact analysis but was considered by Cabinet without it.

1. Not all portfolios had instances of proposals missing a RIS

The figures in this section only include portfolios that had instances where a proposal was considered by Cabinet without a required RIS.

To our knowledge, the following portfolios provided a RIS (where needed) for all proposals considered by Cabinet in the reporting period: Revenue; Education; Biosecurity; Energy and Resources; Building and Construction; Food Safety; Arts, Culture and Heritage; Immigration; ACC; Broadcasting and Media; COVID-19 Response; Customs; Land Information; Racing; Tourism; Courts; Economic and Regional Development; Regulation; Community and Voluntary Sector; Cyclone Recovery; Digitising Government; Economic Growth; Media and Communications; Police; Public Service; Research, Science and Innovation; and Small Business.

Most of the portfolios above had five or less proposals considered by Cabinet in the reporting period. However, some moderate volume portfolios feature in the list above, i.e.:

Revenue: 25 proposals

Education: 16 proposals

Biosecurity: 11 proposals

Energy and Resources: nine proposals

Building and Construction: eight proposals

2. Proposals missing impact analysis is a persistent issue

The annual total numbers of proposals missing impact analysis across all portfolios indicate that this is a persistent issue:

In 2023:

- 28 proposals were missing the required impact analysis when considered by Cabinet
- 94 RISs were produced for Cabinet proposals and came back to the Ministry for Regulation for publication¹
- therefore, in 2023, 77% of proposals had the required impact analysis

¹ The number of RISs considered by Cabinet is likely to be higher than this. This is because the data in this report only includes RISs which have come back for publication on the Ministry for Regulation website.

In 2024:

- 30 proposals were missing the required impact analysis when considered by Cabinet
- 172 RISs were produced for Cabinet proposals and came back to the Ministry for Regulation for publication
- therefore, in 2024, 85% of proposals had the required impact analysis.

In Quarter one of 2025:

- 7 proposals were missing the required impact analysis when considered by Cabinet
- 24 RISs were produced for Cabinet proposals and came back to the Ministry for Regulation for publication
- therefore, in Q1 of 2025, 77% of proposals had the required impact analysis.

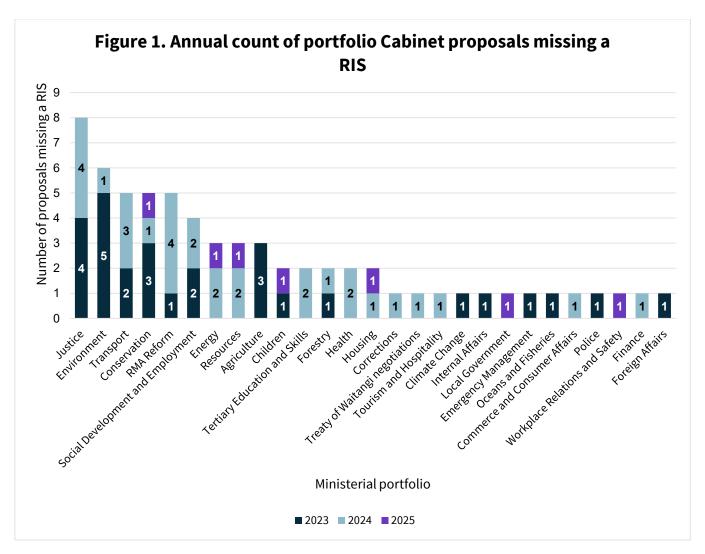


Figure 1 shows how many proposals each portfolio took to Cabinet in 2023, 2024 and Q1 of 2025 without a RIS where one was required.

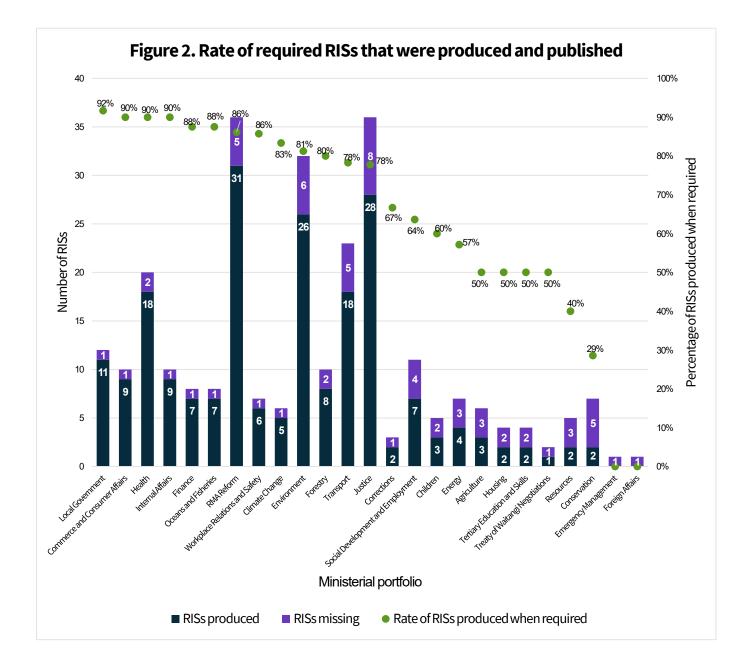


Figure 2 shows for each portfolio, how many proposals requiring a RIS were taken to Cabinet without one, compared to how many RISs were produced and published on our website.²

The figure also shows the rate of RISs produced as a percentage of a portfolio's total number of proposals that required a RIS.

As not all portfolios took proposals to Cabinet without a required RIS, not all portfolios are included in this figure.

This data shows that:

- the volume of proposals varies significantly across portfolios.
- most portfolios provided between 70 and 100% of the required impact analysis to Cabinet across the reporting period.

² The sum of these two numbers represents the total number of proposals that required a RIS.

This indicates:

- there is not a clear relationship between the volume of portfolio Cabinet proposals that required a RIS and the rate of missing RISs.
- some portfolios demonstrate a pattern of missing RISs, even adjusting for the busyness of portfolios (i.e. the volumes of RISs required).

Quality assurance ratings

This section presents data on the QA ratings received by RISs that have requested publication on our website.

There are four possible ratings that a RIS can receive:

- 1. **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.
- 2. **Partially meets** meets the quality standard on most dimensions. A "partially meets" rating means that the RIS is deficient in some areas, against the QA criteria, but the panel consider that the analysis is nonetheless sufficient to inform decisions. A partially meets rating can be thought of like a pass grade with room for improvement.
- 3. **Does not meet** the RIS falls short of the standard on more than one dimension, or a key component is inadequate. A 'does not meet' rating is effectively a judgement that the RIS does not contain sufficient information and analysis to allow Ministers to take a properly informed decision.
- 4. **Other** an "other" rating captures outcomes like a panel being unable to reach a decision in the given time. This rating also applies to all RISs that were produced to support Cabinet decisions on 100 Day Plan proposals, as the requirement to complete QA was waived.

Table 1: Quality Assurance ratings over time

Year	Meets	Partially meets	Does not meet	Other	Total
2023	47	39	2	6	94
2024	71	94	3	4	172
2025 – Quarter 1	10	12	2	0	24
Total	128	145	7	10	290

In terms of quality assurance ratings over time, the data indicates that an increasing number of RISs are receiving 'partially meets' ratings. In the three reporting years, only seven RISs did not meet requirements – 2% of the RISs produced and published.

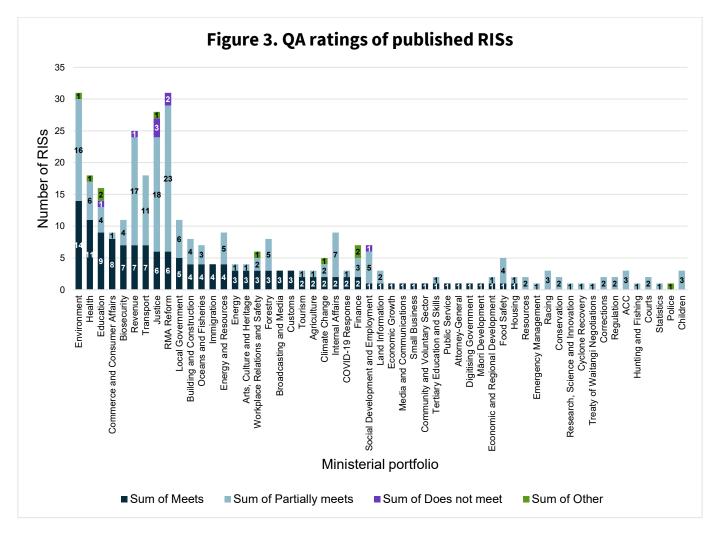
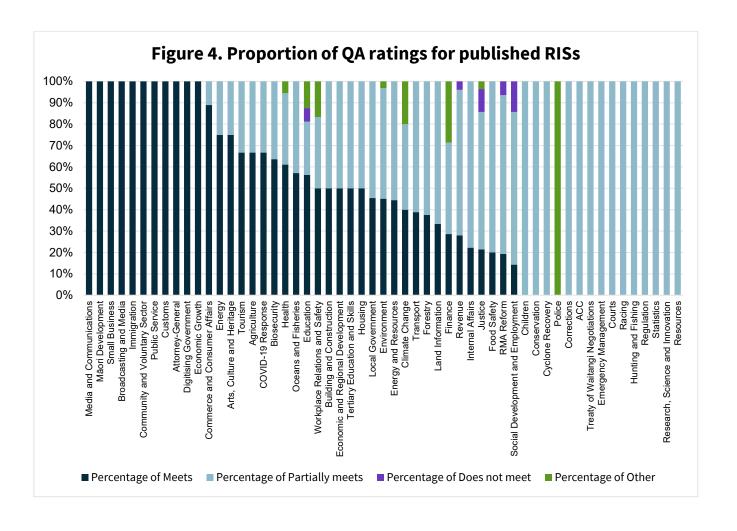


Figure 3 shows the total number of each QA rating that portfolios received for all RISs they published over the period 2023 to end of Q1 2025.

Figure 4 (on the following page) shows the percentage of each QA rating that portfolios received for all RISs they published over the period 2023 to end of Q1 2025.

The portfolios with the highest proportion of meets ratings against their total number of RISs produced (all with 100%) were: Attorney-General; Broadcasting and Media; Community and Voluntary Sector; Customs; Digitising Government; Economic Growth; Immigration; Māori Development; Media and Communications; Public Service; and Small Business. Most of these portfolios only produced one RIS, the exceptions are Immigration (with four); Broadcasting and Media, and Customs (each with three).

Of higher volume portfolios, Health and Environment had the highest rates of meets ratings, with 61% and 45% (respectively).



Annex one: Limitations

This data includes regulatory proposals that the Ministry for Regulation is aware of and may not reflect every proposal considered by Cabinet.

The number of RISs produced and the QA rating data are gathered when agencies request publication of their RIS on our website. Therefore, for example, RISs which are not yet suitable for publication (e.g. because decisions are still being made, or the Cabinet material has not yet been proactively released) will not be reflected in this data.

To improve the accuracy of our data, we have worked with relevant agencies to identify and mitigate any discrepancies with their records.

Joint proposals

Joint proposals for Cabinet are reflected in the numbers for all relevant portfolios (e.g. a proposal from Agriculture and Environment would be counted as a proposal in both portfolios).

Restricted proposals

Proposals classified as restricted or sensitive are not always entered into our system and therefore may not be reflected in our reporting. This is because we need to keep restricted information secure and therefore it is not always possible to have complete records in our system.

Different types of impact analysis

There are several types of impact analysis document, depending on the stage and type of the proposal. This report uses the term RIS to refer to all impact analysis documents, including:

- Cost Recovery Impact Statements
- Interim Regulatory Impact Statements
- Supplementary Analysis Reports.