Quality Assurance Of Regulatory Impact Statements

Quick Guide

August 2025

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.

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[1]. 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.

[1] 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 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.

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*

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**.

Te Kāwanatanga o Aotearoa
New Zealand Government

regulation.govt.nz