

Stakeholder Engagement Framework

Charter of Consultation and Regulatory Practice

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Summary

As the state's economic regulator of essential services, the commission's work touches the lives of every Victorian every day.

Whether we are setting prices, enforcing consumer protections, reporting on service standards or market performance, or determining rate cap applications, our decisions have the potential to affect many aspects of life for every household and business across the state.

We believe engaging with stakeholders is important to this work. For example:

- Consulting directly with businesses and consumer advocates means we understand more about the issues and trends affecting the sectors we work with and the concerns of Victorian consumers.
- By involving other regulators we can check for coherence with other regulatory regimes to minimise conflict and overlap.
- Publishing draft decisions and calling for submissions tests the feasibility of our ideas.
- Engaging openly, frequently and consistently helps ensure we're well informed and transparent.

Our commitment to effective stakeholder engagement is described in our charter of consultation and regulatory practice (contained). Required by our primary legislation¹, the charter includes guidelines relating to processes for making decisions and conducting inquiries.

It describes our commitment to achieving excellent regulatory practice also required by relevant government guidelines.

We continue to build our understanding of the sectors and businesses we regulate, and we understand that what we do can have an impact on the cost of doing business. This charter embodies our commitment to learning from experiences and responding to feedback and changes in the environment.

The charter is the core guiding document of our stakeholder engagement framework which aims to promote consistency of practice and excellence across the organisation. Our engagement is evaluated on an ongoing basis and the charter will be reviewed every three years.

¹ Essential Services Commission Act 2001 s.14(1)

Contents

Summary	ii
Our stakeholder engagement framework	5
Engaging with stakeholders is essential to our work	5
Good engagement is part of our culture	6
Our engagement is multi-faceted and meaningful	6
Our charter of consultation and regulatory practice	7
Stakeholder engagement is a building block for better decisions	7
We aspire to being a leading regulator	8
What you can expect from the commission	9
Principle 1: We are transparent and accountable	9
We publish information about our decisions and processes	9
We explain key issues and report stakeholder input accurately	9
We keep stakeholders informed about our work	9
Principle 2: Our engagement is considered, planned and genuine	9
Engagement strategies are tailored to fit the task at hand	9
We notify as widely as possible about our projects	10
Principle 3: Our engagement is inclusive	10
We use a variety of engagement methods	10
We engage regularly	10
Principle 4: Our information is clear, accessible and simple to understand	11
Plain English is our standard	11
We use multiple channels to reach many audiences	11
Principle 5: We listen and learn to improve our consultation and engagement	11
We will review this charter to promote effective engagement	11
We invest in people and systems to promote best practice	11
Engagement in practice – timeframes and submissions	12
Example 1: a major price review or inquiry	12
Example 2: an annual update of guidance or minor amendments to guidelines	14
Our submissions policy	14
How you can get involved	15

Our stakeholder engagement framework

Engaging with stakeholders is essential to our work

We value the knowledge and perspectives of stakeholders. From across the sectors we regulate to consumer and community representatives, experts and the wider community who are affected by the decisions we make, we value your input.

Our engagement framework is designed to provide stakeholders and the community with a range of ways to contribute to our work.



Good engagement is part of our culture

Our engagement framework is designed to support a culture of best practice. The framework is underpinned by:

- the charter of consultation and regulatory practice – describes our commitment to engagement including the principles we aspire to and guidelines informing our processes for making decisions and conducting inquiries
- a community of practice – an internal engagement champions group actively involved in further developing and enhancing the quality of our engagement
- ongoing evaluation and assessment of engagement activities to facilitate continuous improvement.

Our engagement is multi-faceted and meaningful

We aim to provide ways for stakeholders to contribute meaningfully to our work. We use a range of methods to keep stakeholders informed and develop engagement processes that are tailored and fit for the task at hand.

This diagram describes some of the methods that help us achieve our engagement objectives



Our charter of consultation and regulatory practice

The charter is your guide to what you can expect from us as we engage to make decisions in our role as Victoria's regulator of essential services.

Required by legislation², the charter is also an expression of our commitment to high standards of stakeholder engagement and regulatory practice. It's just one way we seek to demonstrate we are independent, balanced and fair.

The charter includes principles for engagement and guidelines to describe our processes for making determinations and other regulatory decisions and conducting inquiries.

Stakeholder engagement is a building block for better decisions

Stakeholder engagement helps us build respectful and productive relationships, helping create trust and goodwill. It helps us identify emerging issues and trends affecting the sectors we work with and is important to inform unbiased regulatory decision-making.

Our principles underpin our commitment excellent stakeholder engagement.

Principle 1: We are transparent and accountable

We are clear about what, when and how we consult. We publish information about how we make decisions and explain the decisions we have made.

Principle 2: Our engagement is considered, planned and genuine

We develop plans with the aim of providing time for meaningful, fit for purpose engagement with people who are affected, or have an interest in our decisions.

Principle 3: Our engagement is inclusive

Our decisions are well-informed by input from a range of groups and individuals who are affected by, or interested in our work.

Principle 4: Our information is clear, accessible and simple to understand

We present information in plain language that sets out clearly what we are doing, how people are affected and how they can get involved.

Principle 5: We listen and learn to improve our consultation and engagement

We evaluate and monitor our engagement and consultation, measuring ourselves against these principles.

² Section 14-15 of the Essential Services Commission Act 2001

We aspire to being a leading regulator

We are an organisation that promotes innovation and aspires to deliver a great performance. We are innovative, original and willing to challenge conventional ways of working in the pursuit of more efficient and effective outcomes. We invest in people and systems to support thought leadership and great performance.

Our primary legislative objective is to promote the long-term interests of Victorian consumers. The engagement framework and Charter of consultation and regulatory practice aims to support this objective as well as reflecting our ambition to be a leading regulator.

We are committed to building our understanding of the sectors in which we work, learning from our experiences and improving in response to feedback and changes in the environment.

Our approach aligns with relevant government guidelines including the Victorian Government's [Statement of Expectations Framework for Regulators](#)³ including a commitment to:

Timeliness:

- developing systems and processes to make it as easy as possible for businesses to complete forms, submit data and check on the status of applications
- providing clarity about the timing and scope of regulatory processes
- improving e-capability.

Cooperation among regulators:

- coming together with other regulators, particularly where our regulated parties overlap, to identify good practice and share lessons learned
- exploring ways to facilitate data sharing and benchmarking ourselves against other regulators.

Stakeholder consultation and engagement:

- sharing information and, where appropriate, providing opportunities to contribute to regulatory design
- considering views and advising on the outcome of consultation.

Accountability and transparency:

- being transparent and, where appropriate, how we administer and enforce regulation
- collecting and publishing outcome-focused data to measure our operational performance

We will report on our performance against these guidelines in our annual report.

³ Statement of Expectations: Framework for Regulators State of Victoria (Department of Treasury and Finance) April 2018

What you can expect from the commission

Our five engagement principles, along with the guidelines below describing our processes for making determinations and other regulatory decisions and conducting inquiries, tell you what you can expect from us when we set out to engage on a project or program of work.

Principle 1: We are transparent and accountable

We are clear about what, when and how we consult. We publish information about how we make decisions and explain the decisions we have made.

We publish information about our decisions and processes

Our decision-making processes are reported on our website and through other channels including direct communication with regulated businesses and key groups. We do this so people can engage with our processes and understand how we make our decisions.

We publish key documents including issues and consultation papers, draft and final decisions and consultants' reports (where appropriate) on our website and provide printed copies on request.

We explain key issues and report stakeholder input accurately

We explain the key issues as we see them and ask stakeholders for feedback via issues papers and consultation papers. We publish submissions and summaries of stakeholder input and explain how this input informed our decisions.

We keep stakeholders informed about our work

We publish a summary of our work program on our website annually, outlining key projects for each of the sectors we operate in. This includes major price and regulatory reviews, inquiries and special projects known to us at the time of drafting with indicative time frames.

Principle 2: Our engagement is considered, planned and genuine

We develop plans with the aim of providing time for meaningful, fit for purpose engagement with people who are affected, or have an interest in our decisions.

Engagement strategies are tailored to fit the task at hand

We are clear about the purpose of our engagement at relevant stages of our projects. Our consultation is tailored to the complexity and potential impact of the issue being considered and the time available.

We publish consultation timelines and opportunities to comment on our website, through social media and through targeted sector specific communication like newsletters and forums.

We know our stakeholders are busy so we try to take this into account. We also engage with other regulators and departments to align, where possible, our work to avoid duplication and overlap.

We notify as widely as possible about our projects

We use a variety of channels to promote opportunities to contribute to projects and inquiries. This could be either in person or in writing including by email and newsletters, forums and presentations, advertising (e.g. Government Gazette, appropriate newspapers, online) and through peak groups.

We provide expected time frames and requirements for submissions as well as details of any public hearings. We provide regulated entities a copy of these notices.

Principle 3: Our engagement is inclusive

Our decisions are well-informed by seeking input where possible from a range of groups and individuals who are affected by, or interested in our work.

We use a variety of engagement methods

We collect a range of views by using the most appropriate engagement methods to enable diverse communities to have input into our work. We may hold seminars and workshops or establish working groups and online forums. We call for submissions on draft decisions.

For a major inquiry, we may establish reference or technical working groups or conduct consumer research.

We engage regularly

We establish formal and informal channels of communication with the sectors with which we work and other key groups who represent a variety of perspectives.

We may hold public hearings to facilitate discussion to support well informed decision-making. We hold public hearings where required (e.g. for an inquiry) or where we see opportunities to promote open discussion of the issues or possible ways forward.

Hearings and forums may be recorded or, where resources allow, broadcast on the internet for those who can't be there to participate. Parts of a public hearing may be held in private where the commission determines it is in the public interest or there is information of a confidential or commercially sensitive nature.

Principle 4: Our information is clear, accessible and simple to understand

We present information in plain language that sets out clearly what we are doing and how people can get involved.

Plain English is our standard

Our reports are written in accessible language to help stakeholders understand the issues and make informed contributions.

We use multiple channels to reach many audiences

We use a variety of channels to keep key groups informed, regularly updating our website and holding information sharing forums and sending out newsletters. We regularly publish media releases and articles to keep stakeholders up to date and informed about our work.

Principle 5: We listen and learn to improve our consultation and engagement

We evaluate and monitor our engagement and consultation processes, measuring ourselves against these principles.

We collect feedback from participants in engagement activities and look for ways to address the issues raised. We survey stakeholders on their experiences with us and report publicly on our performance on an organisation-wide basis on our website and in our annual report.

We will review this charter to promote effective engagement

We will review this charter, with input from stakeholders, every three years or earlier where changes to our legislative responsibilities or circumstances require.

We invest in people and systems to promote best practice

We invest in people and systems to support great engagement and consultation. The charter is supported by:

- staff guidelines and a toolkit to promote consistency and set expectations and standards
- a capability development program and community of practice to share lessons learned and provide ongoing training and professional development
- standard tools to evaluate and report on consultation
- establishing accountability and reporting on performance at a project, sector and organisation level.

The Victorian Auditor-General's Office better practice guide for Public participation in government decision-making (2015)⁴ will be used to evaluate our processes and systems.

Engagement in practice – timeframes and submissions

These examples show how the process and timeframes will vary according to the size and complexity of the job at hand as well as any limits imposed by external or legislative deadlines.

The elements and time frames are indicative only.

Example 1: a major price review or inquiry

Stage of process	What will happen	Indicative time frame
Notification of intent	<ul style="list-style-type: none"> • Notify stakeholder through usual channels (newsletters and forums) with indicative time frames • Notify public via annual work plan on website and other communication channels 	As early as possible following adoption of work plan or receipt of terms of reference from government/minister
Engage on process and invite early input	<ul style="list-style-type: none"> • Engage with the sector and other key stakeholders to contribute to thinking about the design of engagement <ul style="list-style-type: none"> – request input to identify relevant issues – input could be via online engagement or even quick surveys on social media – engage experts to provide specialist advice and potentially engage directly with regulated businesses and key stakeholder groups or peak bodies 	Where the terms of reference allow - six to 12 months ahead of any decisions

⁴ Public participation in decision-making: a better practice guide – VAGO 2015

Stage of process	What will happen	Indicative time frame
Release issues paper for comment	<ul style="list-style-type: none"> • Use an issues or consultation paper to present the key issues – as we understand it - and perhaps offer preliminary options. • During this phase we may: <ul style="list-style-type: none"> – call for submissions – hold stakeholder forums and, where appropriate, public meetings – consider online engagement promoted via social media 	<p>Four to six weeks</p> <p>– avoiding (where possible) critical periods of high activity (end of financial year) and Christmas-New Year shut down (mid-December to late January)</p>
Release draft decision for comment	<ul style="list-style-type: none"> • A draft decision will present the commission’s ‘current’ thinking based on initial stakeholder input, research and analysis. During this phase we will: <ul style="list-style-type: none"> – call for further submissions – hold stakeholder / public meetings as required – test proposals using appropriate, targeted communication channels 	<p>Four to six weeks</p> <p>– avoiding (where possible) critical periods</p>
Release final decision	<ul style="list-style-type: none"> • Release a final decision that responds to stakeholder input and our own expert analysis. Following a decision we will: <ul style="list-style-type: none"> – notify affected sectors and peak bodies/agencies involved – publish on website and, where possible, notify contributors 	<p>Within two weeks of final decision</p>
Advertise final decision	<ul style="list-style-type: none"> • Advertise determination in relevant publications and the Victorian Government Gazette 	<p>Within two weeks of final decision</p>
Evaluate and report on process	<ul style="list-style-type: none"> • Conduct an evaluation of the process including seeking feedback from stakeholders and report on the outcome. 	<p>Commence within six weeks of final decision</p>

Example 2: an annual update of guidance or minor amendments to guidelines

Stage of process	What will happen	Indicative time frame
Notification of intent	<ul style="list-style-type: none"> • Discuss opportunities for improvement with sector stakeholders – request input to identify relevant issues – promote timelines and opportunities for input 	Where possible, up to three months ahead any changes
Engage on key issues - test initial thoughts	<ul style="list-style-type: none"> • Discuss project as part of usual engagement e.g. regular forums and catch ups 	Part of usual engagement program
Distribute draft for input	<ul style="list-style-type: none"> • Distribute draft updated guidance or guideline and invite submissions • Hold stakeholder forums to test the draft 	Up to four weeks
Release updated guidance	<ul style="list-style-type: none"> • Distribute updated guidance or guideline 	Up to eight weeks (depending on other priorities and competing timelines)
Evaluate process	<ul style="list-style-type: none"> • Conduct a self-assessment to identify areas for improvement. 	Commence within six weeks of final decision

Our submissions policy

We accept that all submissions to our reviews or inquiries are made in good faith and consider them in line with our decision-making powers.

We usually publish written submissions on our website unless the provider has requested otherwise and provided us with reasons. In this instance, this information may not be regarded as having the same weight as other input.

We may decide not to publish part or all of a submission if:

- we are concerned it may breach someone's privacy
- we believe it is inflammatory, offensive or contains inappropriate content
- is outside the scope of the project at hand.

For more on our [submissions policy](#) go to our website.

How you can get involved

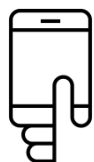
Our website – www.esc.vic.gov.au – is the main source of information about our projects and any upcoming or ongoing consultations.

You can call or write to us and ask for printed copies of our reports and publications.

Details on how you can register your interest in upcoming consultations are on our website.

You can .

Follow us on social media where we promote upcoming opportunities to have your say and get involved



Company/Essential Services Commission



@EssentialVic



Call: +61 3 9032 1300 or 1300 664 969 during business hours 9am- 5pm, Monday-Friday



Email: reception@esc.vic.gov.au and tell us what, if anything, you are particularly interested in



Or write :

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