

# Belcher review grasps the nettle on internal red tape

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Published by: The Financial Review

Dated: 11<sup>th</sup> November 2015



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Barbara Belcher's review of public service internal red tape is staggering in its reach across the entire Commonwealth machinery of government.

The review has finally seen the light of day after Finance secretary Jane Halton released it last week.

Commissioned by the secretaries' board in March, the two-volume report was finished in August and the board agreed on October 7 to implement all 134 recommendations, although some require the government's consideration.

This is no once-over-lightly piece of work and nor would anyone expect that of Belcher, who retired in 2009 after nearly 44 years in the public service culminating in a decade as the head of the pivotal government division in the Department of the Prime Minister and Cabinet.

A modest, quietly spoken but forthright public servant, Belcher set the gold standard of probity that few hardened political warriors, factional leaders or other bover boys dared dispute.

After her retirement, the Rudd government asked her to conduct a review of parliamentary entitlements.

Had it adopted all 39 multi-part recommendations it might have averted many of the snouts-in-the-trough scandals that have erupted since.

This time the secretaries are obviously taking no chances. They want the review implemented.

The first volume has only 58 pages but its recommendations are hardly simplistic "fix-it" jobs. They go deep and they go long, they will take time, will face resistance and some will be controversial.

But if implemented properly they will not only reduce much of the internal red tape that is choking vast areas of the public service but should help constrain its future proliferation.

The review provides a gold mine of astute observations and diagnoses of current public service practices, structures, cultural attitudes and philosophical approaches to internal regulation.

The findings are broken down into 22 groups of "whole-of-system" recommendations.

### **Many bases covered**

They begin with over-regulation and move on to the budget; investment and assurance; grants and programs; procurement; property; information and communications technology; the Public Governance, Performance and Accountability Act; risk management; financial accountability and resource management; planning and reporting; publishing and tabling; Senate orders of continuing effect; Cabinet processes; legislation processes; deregulation; Freedom of Information; records and information management; fraud control; legal services; protective security policy; and employee arrangements.

The second volume contains an assessment of each of the 22 key regulatory areas.

Belcher said the cooperation that agencies had given to the review, as well as activities already underway, suggested that they aspired to and were prepared to work for a public service freed of excessive regulation and risk-aversion.

Four whole-of-government themes had emerged: inefficient regulation; unclear and inaccessible regulations and guidance; and a culture of risk-aversion.

Ever a pragmatist, Belcher thought the recommendations most likely to reduce regulation were: the abolition of baseline security clearances for ongoing staff, relying instead on basic employment screening; reduced collection of unnecessary and duplicated information; online, continuously updated reporting on contracts, grants, consultancies and appointments; electronic tabling of documents in Parliament and reduced print requirements; a focus on higher-risk projects and removing "check-a-box" assurance processes; streamlined and reduced fraud reporting; better targeted information and communications technology; clarified mandatory requirements; and sample templates, processes, contracts and guidelines, particularly for internal procurement and human resources.

She set out five principles for internal regulation.

It should be the minimum needed; proportional to the risks; coherent and not duplicative; designed in consultation with stakeholders for clarity and simplicity; and reviewed periodically.

### **Two distinct directions**

Crucially, she identified what she tactfully called "two distinct directions" in Commonwealth public administration.

They were: the push towards removing prescriptive legislative controls and moving to principles and duties-based accountability arrangements, with strengthened risk-management and public accountability for performance; and the increasing central direction over some corporate functions and decisions through shared and common services, digital transformation low-risk procurement contracts and whole-of-government purchasing, new reporting requirements and the consolidation of enterprise resource management systems.

"It will be important that the second of those directions in particular be guided by the principles," she said – and how right she is.

Many agencies had already begun to address the cultural problems that had seen decision-making rise to very senior levels and a consequential diminution of experience at middle-and lower levels (with a risk of next-generation senior executives having insufficient decision-making experience).

"There is, similarly, a need to identify and remove the many unnecessary requirements entities place upon themselves either to avoid risk or because, over time, myths have replaced facts," she said.

She concluded with three points.

One was that while it was up to the secretaries whether to implement her recommendations, they should not lead to a "red tape reduction industry" with unwieldy and stultifying risk registers.

Second, she suggested a standard requirement to avoid new, avoidable regulations and to identify scope for reducing the regulatory burden.

Last, she said it was most important that the current impetus to reduce regulation should not be lost and that regulators should periodically ask why a regulation was needed and whether it was being imposed in the best way.

*Submitted by Ruth Edge and Roger Buhlert – Cardinia Shire Council*

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