

FINDINGS FROM THE INDEPENDENT PRICING AND REGULATORY TRIBUNAL 2017 STAKEHOLDER SURVEY



FINAL REPORT

AUGUST 3, 2017

Acknowledgments

We would like to thank the many stakeholders who provided feedback about IPART's regulatory processes. We thank them for their time and insights and trust that their views are adequately represented in this report.

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1. Introduction

IPART has a number of core functions, rules and access regimes that are conferred by legislation. These ensure that IPART provides an integrated system of economic and license regulations in NSW that covers both pricing and service standards for water, transport, electricity and gas industries.

In carrying out its core functions and dealing with external stakeholders, IPART is committed to maintaining high quality processes in their dealings with external stakeholders.

In order to measure performance, IPART regularly surveys its key stakeholders. The current survey is the eighth stakeholder survey, following on from similar surveys in 2001, 2004, 2006, 2008, 2010, 2013 and 2015. The IPART survey evaluated IPART's performance across the following key result areas:

- leadership of IPART (Tribunal members)
- quality of IPART's consultation processes
- quality of IPART's decision-making processes
- quality of IPART's reports
- professionalism of IPART's staff
- quality of administrative processes.

The stakeholder survey has remained relatively unchanged over time so opportunities exist to follow changes in perceptions over time.

1.1 Methodology

The research involved two main methods:

1. An online survey of stakeholders
2. In-depth telephone interviews.

1.1.1 Online survey

The stakeholder survey was delivered online. Stakeholders first received a letter from IPART advising them about the survey. Shortly thereafter, they received an email containing a personalised URL link to the online survey (June 22).

The survey was distributed according to a stakeholder contact list prepared by IPART. This original stakeholder list contained 251 stakeholders.

A two-week survey period was announced, with reminders sent to non-respondents mid-way through (June 29 and July 4) and at the end of this two-week period (July 7). At the due date,

it was decided to extend the survey period by one week, which was announced in an email to all non-respondents (July 10). A last reminder was sent on the new due date (July 14).

Overall, 100 stakeholders completed the survey, representing a response rate of 40%. By sector, the response rate varied from 21% for Regulators to 61% for Water licensing (table 1). Response rates were quite consistent with the 2010 survey.

Table 1. Response rates by stakeholder groups

Sector	Number of Stakeholders	Number of respondents	Response rate
Local Government	72	30	42%
E&T	44	17	39%
Water licensing	28	17	61%
ENRU	17	10	59%
GGAS-ESS	31	9	29%
Water pricing	21	7	33%
Regulators	19	4	21%
Section 9	13	3	23%
Government	6	3	50%
TOTAL	251	100	40%

1.1.2 Interviews

Respondents had the option to indicate in the survey whether they wanted to be contacted by the evaluation team to discuss their responses further in an interview. IPART also identified 25 'key stakeholders' who were all contacted and offered the option of an interview in addition to the survey.

In total, 19 stakeholders were interviewed, including 9 'key stakeholders' and 10 who had indicated in the survey that they wanted to be interviewed. Among the key stakeholders, 2 were no longer in their positions, and the others were either not available, did not respond to a request for an interview, did not feel they could add anything further to the information already provided in their survey or did not feel they were in a position to respond.

1.1.3 Analysis

Feedback provided by interviewees was analysed together with open-ended comments provided on the self-completion questionnaire. Where one stakeholder provided comments in both the survey and the interview, these comments were analysed together.

All frequencies provided in this report are rounded to the nearest whole number so may add to slightly more or less than 100%. In addition to this report, detailed survey findings for each survey question, and broken down by sector (as per Table 1) are provided as a separate report. This is provided to IPART as reference data.

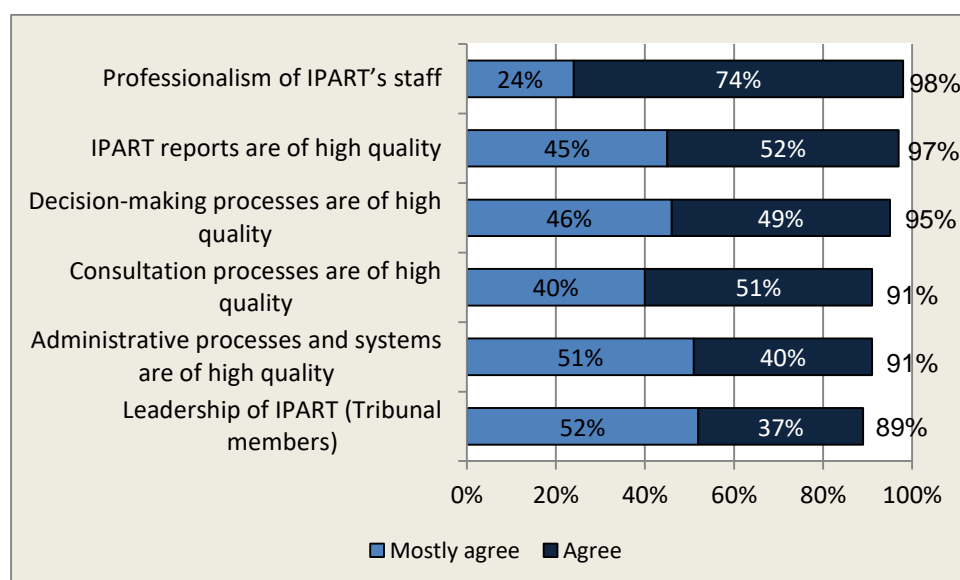
Open-ended responses provided in the survey and in interviews were thematically analysed and interpreted within the context of the survey findings.

2. Key findings

Overall, stakeholders were very positive about IPART in 2017, with a high proportion providing positive responses across all the main areas investigated in the survey (Figure 1).

Across the stakeholder groups, the level of satisfaction was quite uniform, although Water pricing stakeholders were slightly less positive about the fairness and independence of decision-making process, and Water licensing stakeholders were slightly less positive about the professionalism of IPART staff.

Figure 1. Overall stakeholder perceptions of quality (proportion of stakeholders who rated the overall questions agree or mostly agree)



2.1 Stakeholder comments

Stakeholders who took the opportunity to provide comments in the survey or in interviews often raised issues or made suggestions, which are outlined in detail in Chapter 3. These comments should be interpreted in the context of the overall positive survey results. The two most commonly mentioned areas of concern were:

Time taken to make decisions: stakeholders commented that determinations often take a long time, resulting in negative impacts on organisations. Timeliness issues were raised both in relation to decision-making and administrative processes, and predominantly by Water stakeholders from both the licensing and pricing areas.

Perceived lack of consideration for the practical implications of decisions: stakeholders were concerned that IPART can sometimes be pedantic and inflexible in its approach or in applying rules, with no consideration for the differences between businesses.

For each of the following issues there were only a small number of comments.

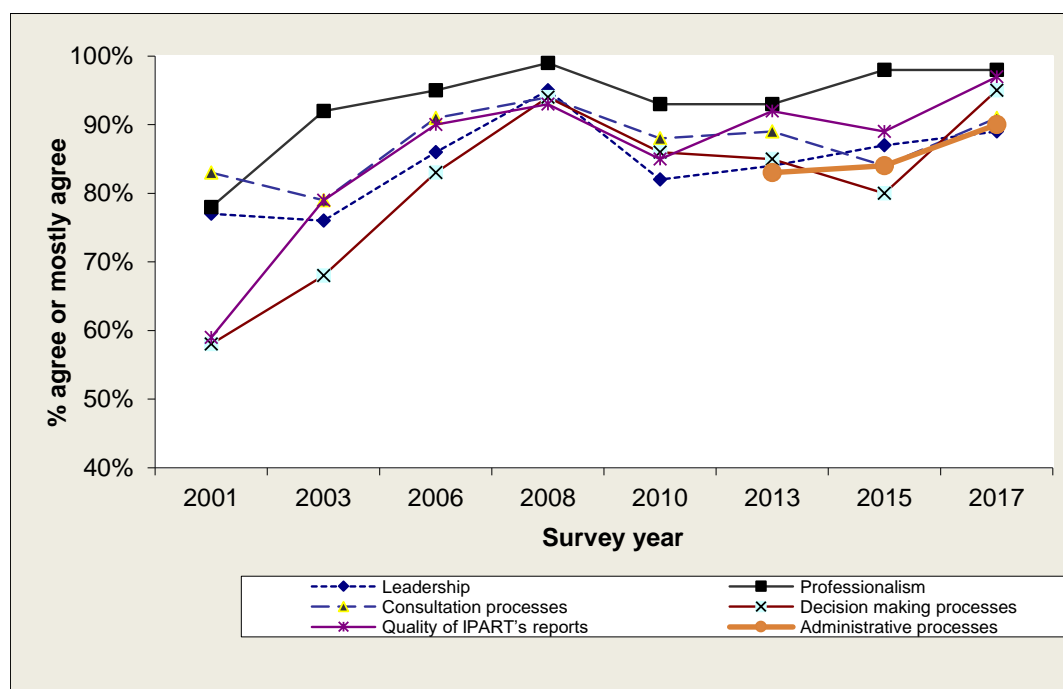
- Improve the understanding of specific issues affecting an industry/ type of organisation
- Ensure that those affected by reviews have an equal opportunity to provide feedback - through both more targeted promotion of consultations, and consideration of all views expressed
- Improve the clarity of language in reports so they are easier to read
- Simplify and streamline application processes.

2.2 Changes over time

While it is interesting and useful to keep track of changes over time, it is at the same time important to remember that stakeholder satisfaction is subject to changes in expectations and that the regulatory environment in which IPART operate often change.

The first time the IPART survey was implemented back in 2001, satisfaction among stakeholders varied considerably between the five areas measured in the survey. In response to these early findings, IPART implemented a range of measures to improve stakeholder satisfaction. The following three surveys saw both a steady improvement in satisfaction, and a convergence in the areas measured, with almost all stakeholders being positive in all areas by 2008. Since then, fairly high levels of satisfaction have been maintained in all areas (Figure 2).

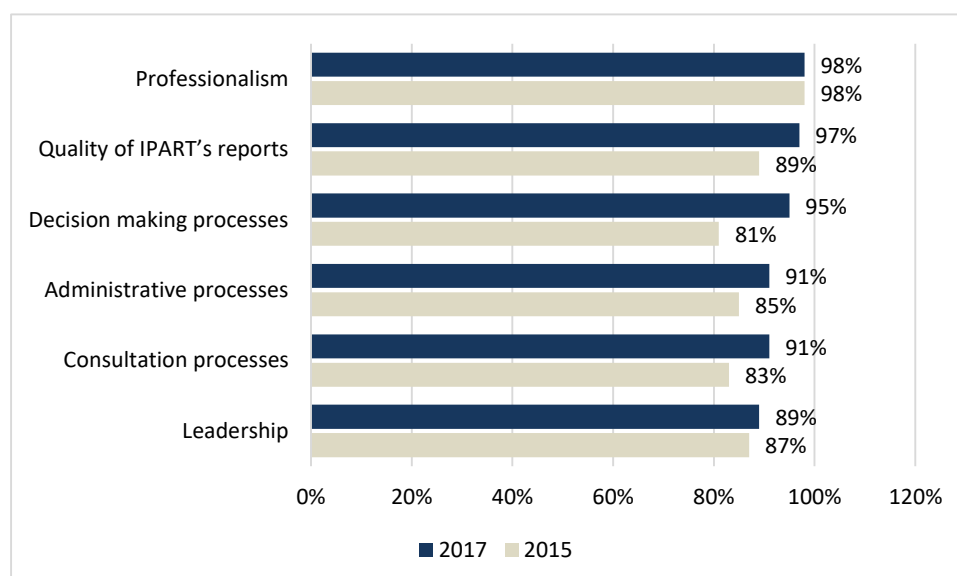
Table 2. Overall stakeholder satisfaction by survey module and year (proportion of stakeholders who rated agree or mostly agree)



2.2.1 Key changes since 2015

Since 2015, there have been improvements across all the key areas investigated in the survey. In particular, there were significant improvements in stakeholders' perceptions of IPART's decision-making processes. There were also moderate improvements in perceptions of report quality, consultation processes and administrative processes.

Figure 2. Proportion of stakeholders who agreed or mostly agreed to overall question for each survey module by year



3. Detailed findings

This section contains more detailed findings for each of the sections in the survey. More detailed survey ratings are provided in Appendix 1. A report showing survey ratings by stakeholder groups has been provided as a separate report.

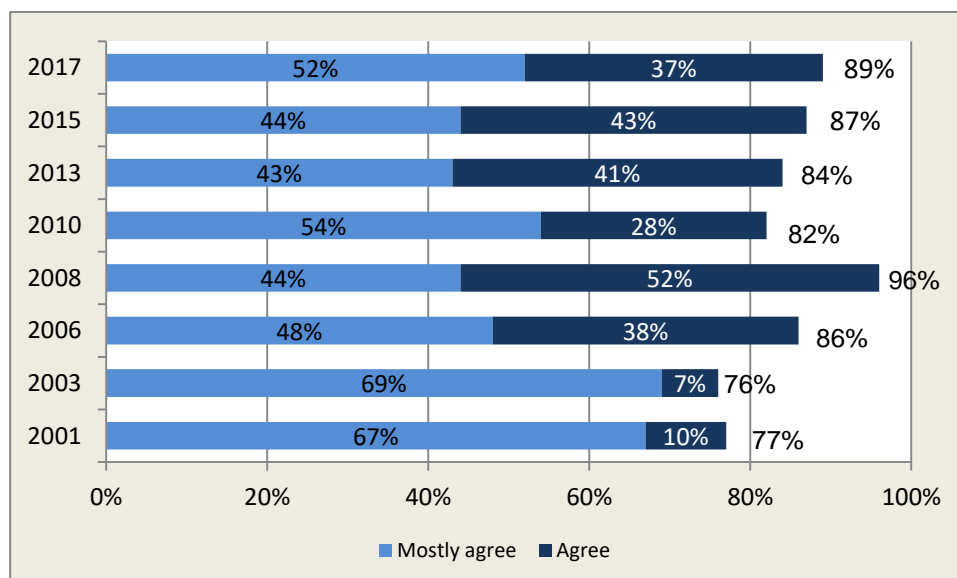
3.1 IPART leadership

Overall, a very high proportion (89%) of stakeholders agreed or mostly agreed that Tribunal members demonstrate leadership in implementing their legislative responsibilities. This is a slight rise from the 2015 surveys. A lower proportion of the Water pricing stakeholders (62%) either agreed or mostly agreed.

The most significant change in stakeholders' perception was in whether tribunal members understood significant issues affecting agencies/ organisations, which saw a 12% increase between 2015 and 2017 (Table 2).

Across the stakeholder groups, Local Government groups were less likely to agree or mostly agree (62%) that IPART Tribunal members demonstrate understanding of issue affecting their agencies/ organisations, and Water pricing stakeholders were less likely to agree or mostly agree (62%) that Tribunal members maintain their independence from government and regulated industries.

Figure 3. Overall perceptions of whether Tribunal members demonstrate leadership in implementing its legislative responsibilities



**Table 3. Stakeholder perceptions of specific attributes of IPART's leadership
(percent who agreed or mostly agreed)**

Num	Survey question	2001	2004	2006	2008	2010	2013	2015	2017	Change
1_1	T.M. promote a 'light-handed' approach to regulation within their statutory obligations	58%	57%	69%	79%	63%	72%	56%	56%	0%
1_2	T.M. aim for practical outcomes, that can be achieved without major operational difficulties	77%	73%	82%	91%	83%	85%	72%	73%	+1%
1_3	T.M. maintain their independence from government and regulated industries	73%	59%	74%	88%	84%	89%	95%	91%	-4%
1_4	T.M. understand significant issues affecting our agency	66%	64%	74%	78%	80%	81%	70%	82%	12%
1_5	T.M. can be trusted in performing their roles and responsibilities	-	-	-	-	-	-	-	99%	-
1_6	T.M. use the minimum regulation to effectively meet their statutory obligation	-	-	-	-	-	-	-	71%	-
1_7	Overall, T.M. demonstrate leadership in implementing their legislative responsibilities	77%	76%	86%	95%	82%	84%	87%	89%	2%

3.1.1 Stakeholder comments

Stakeholders were invited to give further feedback about IPART's leadership. Thirty-eight stakeholders across a range of sectors did participate; more than one-third of these were from the Water sector, and almost a third from Local Government.

Consistent with the survey, many stakeholders commented positively on the role that IPART has in implementing their legislative responsibilities, especially in relation to demonstrating independence (although one stakeholder felt that Tribunal members were more inclined to believe industry than government); working collaboratively; and acting in a professional manner, 'overall IPART are very good at what they do and we are very grateful for their professionalism and the amount of engagement we get with them.' One stakeholder felt that IPART appropriately allocated its resources, by targeting the size of the review to the number of people affected by the outcome.

Two stakeholders compared IPART favourably with other regulators, describing IPART as 'compared to a lot of other regulators and other government departments they are head and shoulders above them'; 'we deal with regulators on a national basis and there are definitely different courses that regulators take and some other jurisdiction regulators are less open-minded than IPART – we feel IPART do take different views into consideration.'

Around a quarter of stakeholders were concerned that IPART was intransigent in terms of implementing rules flexible to businesses' circumstances. Comments included that IPART had an 'excessive emphasis' on keeping within the scope of the Terms of Reference, so that important topics were sometimes not considered; was over meticulous and pedantic regarding rules, 'the Tribunal sticks to its own rules even when clearly demonstrated they are inappropriate'; that the Tribunal is 'overly conservative' in its approach; and that it has a 'heavy handed approach compared to industry best practice'.

Two stakeholders had conflicting views regarding the appropriateness of the structure of IPART, with one saying that the separation between the Tribunal and the secretariat works well in ensuring independent advice and provides structure to the way IPART works; and the other that the structure of IPART constrains working well together as they feel the secretariat has no ability to provide feedback unless the Tribunal approves it, and this can take time.

A small number of stakeholders disagreed that IPART Tribunal members understand issues affecting their organisation, and this was mainly Local Government stakeholders, e.g. 'I think there is a lack of understanding of the true cost constraints challenges of local government.' Another couple of stakeholders were concerned that although IPART were skilled at regulating government monopolies, they had less knowledge and tools to appropriately regulate competitive industries.

A small number of stakeholders, almost all from Water licensing, said they had no direct contact with the Tribunal members, with a couple questioning whether it was intentional that the Tribunal is inaccessible. One Water licensing stakeholder said they do not know who the Tribunal members are, and another that they were not aware there was a new Tribunal member—this stakeholder suggested that when there are changes in Tribunal membership, this should be promoted to businesses. One stakeholder would like to be able to deal directly with Tribunal members for important issues.

3.2 Professionalism of IPART staff

Overall, almost all stakeholders (98%) agreed or mostly agreed that IPART's staff demonstrate a high level of professionalism. Across the survey questions about professionalism, Water licensing stakeholders were slightly less positive.

Stakeholder perceptions of professionalism have been very positive over the last few surveys and 2017 was no exception (see figure 5).

Figure 4. Overall perceptions of professionalism of IPART staff

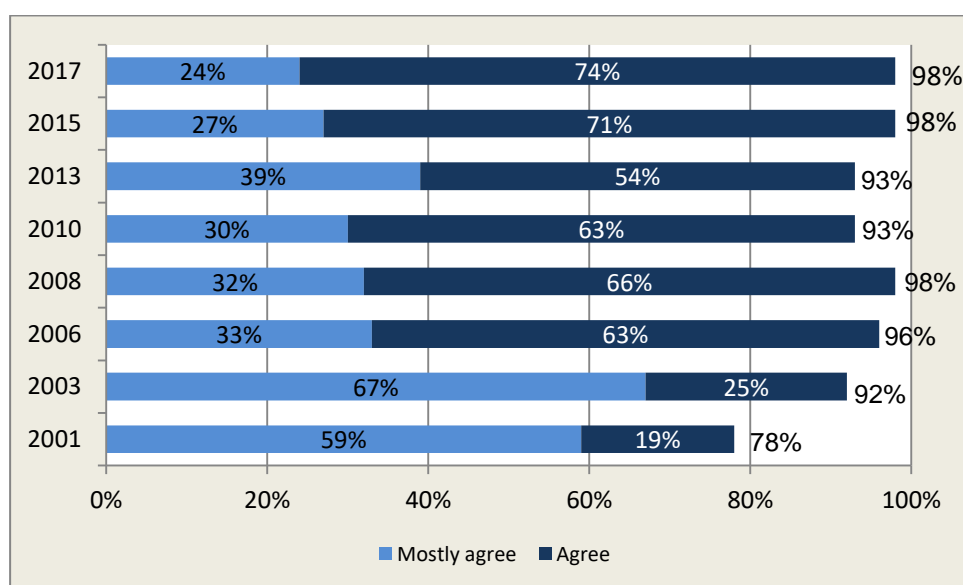


Table 4. Stakeholder perceptions of specific attributes of staff professionalism (percentage who agreed or mostly agreed)

Num	Survey question	2001	2004	2006	2008	2010	2013	2015	2017	Change
2_1	Staff are courteous in any dealings with our agency	100%	96%	100%	100%	97%	99%	99%	99%	0%
2_2	Staff conduct their dealings with our agency with honesty and probity	91%	93%	100%	99%	99%	99%	100%	99%	-1%
2_3	Staff conduct their dealings with our agency with diligence and efficiency	75%	88%	95%	97%	93%	93%	93%	92%	-1%
2_4	Staff are competent to fully analyse industry, economic, financial and legal regulatory issues	63%	68%	81%	89%	86%	87%	91%	90%	-1%
2_5	Adequately resourced to undertake its regulatory roles and responsibilities	43%	46%	73%	87%	73%	78%	82%	89%	+7%
2_6	Overall, IPART's staff demonstrate a high level of professionalism	78%	92%	95%	99%	93%	93%	97%	98%	+1%

3.2.1 Stakeholder comments

Stakeholders were invited to give further feedback about the professionalism of IPART staff. Twenty-nine stakeholders across a range of sectors provided comments; just under a third of these were from the Water sector.

Overall, stakeholders were very positive in their comments about the professionalism of IPART staff. Although most stakeholders simply described IPART as 'professional', a couple described professionalism in terms of 'professional in their approach' and 'highly professional interaction'. IPART staff were also described as 'thorough', 'diligent', 'courteous', 'pleasant to deal with', and 'open to discussion'. Although some stakeholders described IPART staff as responsive, a small number of GGAS-ESS stakeholders were concerned that IPART's response time was not as quick as they would expect—this was in relation to a range of areas, including being assigned an analyst, and responding to emails; stakeholders suggested the delay in responding could be because of a lack of IPART resources, or because staff are part-time and not able to always respond quickly. Another stakeholder was also concerned at the disparity between the response time expected by IPART and the response time from IPART, saying that 'the time IPART takes to do things and the time they impose on us to respond is disproportionate.'

There were mixed views regarding the extent to which stakeholders considered IPART staff to be knowledgeable. IPART staff were generally perceived to have intellectual rigour, 'We were extremely impressed with their advice and ability to analyse industry, economic, financial and legal regulatory issues', and if staff didn't have expertise in a particular area then they accessed expert advice to assist them (although one stakeholder felt that IPART referred to consultants too often); a couple of stakeholders said that even if IPART staff did not have a good understanding of the relevant issues at the beginning of a process, they had acquired this knowledge by the end. One stakeholder said that not having experts, though, did mean that IPART did not have preconceived ideas. But a small number of stakeholders, across a range of stakeholder groups, said that IPART staff could improve their understanding of relevant issues with a deeper knowledge of the particular industry/ area of government they were investigating, e.g. better technical understanding of engineering issues that might be complex; higher level financial skills; more understanding of the subtleties of the meaning of industry-specific words; and more in-depth knowledge of the issues affecting new areas of government/ industry that they are moving into.

Like the 2015 survey, a small number of stakeholders commented they had seen some improvement in IPART staff in recent years, particularly regarding their level of knowledge, 'their officers have become more competent and quicker...now they do have a pretty good understanding of what we are doing – think this improvement is because there is not as much staff turnover as there used to be.' A small number of other stakeholders had concerns regarding turnover of staff, although one said this has improved in recent years. Another stakeholder was concerned that when an assigned analyst is changed halfway through, the new analyst must be up to speed with what has been discussed to avoid repetition.

A couple of stakeholders would like more structured opportunities to meet with IPART staff, e.g. to clarify their concerns.

3.3 Consultation processes

Overall, a high proportion of stakeholders (91%) agreed or mostly agreed that IPART's consultation processes are of a high quality. Compared with 2015, the proportion of stakeholders who were positive about consultation processes increased slightly (Table 4).

Across the groups, Water pricing stakeholders were slightly less likely to agree or mostly agree (77%).

Figure 5. Overall perceptions of whether IPART's consultation processes are of high quality

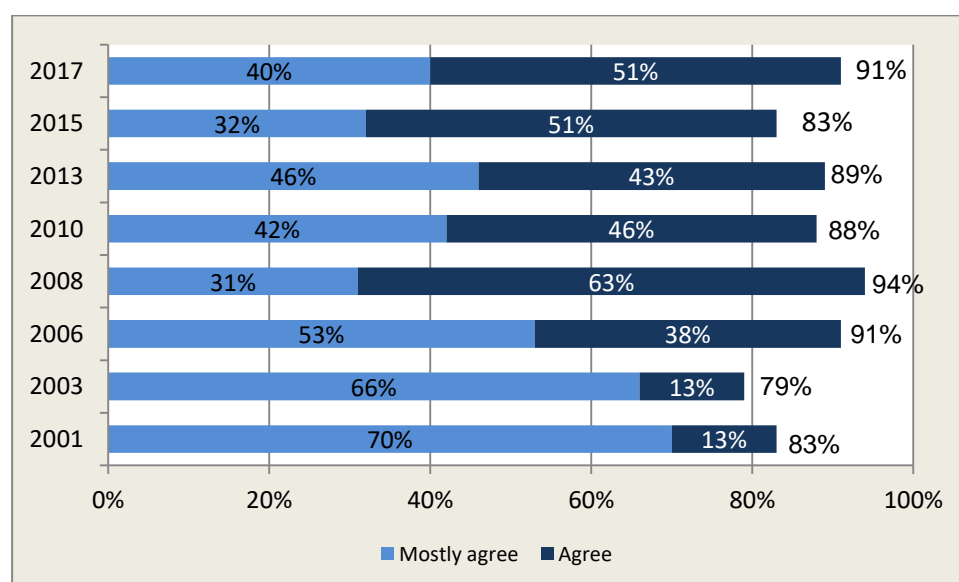


Table 5. Stakeholder perceptions of specific attributes of IPART's consultation processes (percentage who agreed or mostly agreed)

Num	Survey question	2001	2004	2006	2008	2010	2013	2015	2017	Change
3_1	Consultation processes are appropriately promoted	93%	84%	89%	96%	93%	94%	90%	96%	6%
3_2	Consultation processes are accessible	74%	77%	89%	93%	95%	88%	91%	94%	3%
3_3	Consultation processes are transparent	93%	87%	92%	95%	90%	90%	96%	94%	-2%
3_4	Consultation processes are impartial	77%	69%	88%	91%	85%	88%	85%	90%	5%
3_5	Overall, IPART's consultation processes are of high quality	83%	79%	91%	94%	88%	89%	84%	91%	7%

3.3.1 Stakeholder comments – consultations

Twenty-five people, across the range of stakeholders, provided comments about IPART's consultation processes.

Stakeholders were mixed in their views as to whether IPART's consultations are well promoted, and are inclusive. Six stakeholders commented on the extent to which IPART's consultations are effectively promoted, with two agreeing they are and four (across different stakeholder groups) concerned that the consultations are sometimes not promoted to some of those who may be affected by the outcomes. Regarding inclusiveness, two stakeholders agreed that IPART consultations are open to all, while another commented that sometimes consultations are held in locations that are not accessible to some affected by the outcomes—they suggested that, if appropriate, consultations should be held in locations outside of Sydney.

Fourteen stakeholders commented on the extent IPART consultations are high quality and transparent. The majority of these stakeholders were positive, describing consultations as 'transparent and impartial', 'well resourced', 'thorough' and 'effective', with a couple of stakeholders saying that those who had something to say were given the opportunity.

In contrast, five Water stakeholders from both the licensing and pricing areas provided negative comments, specifically in relation to IPART's consultations not taking everyone's opinions into account, with three concerned that the views of a vocal minority are over-represented, e.g. 'IPART can give a disproportionate weighting to the unrepresentative views of the few' and 'The subject matter is often quite dry and public hearings are very formal. This sometimes results in vocal minority views being expressed rather than those of a representative cross-section of customers and the community'. One of the Water pricing stakeholder considered that public consultations were not always appropriate as they were too broad and that instead IPART could think of using market research techniques to more effectively target appropriate people to attend the consultations.

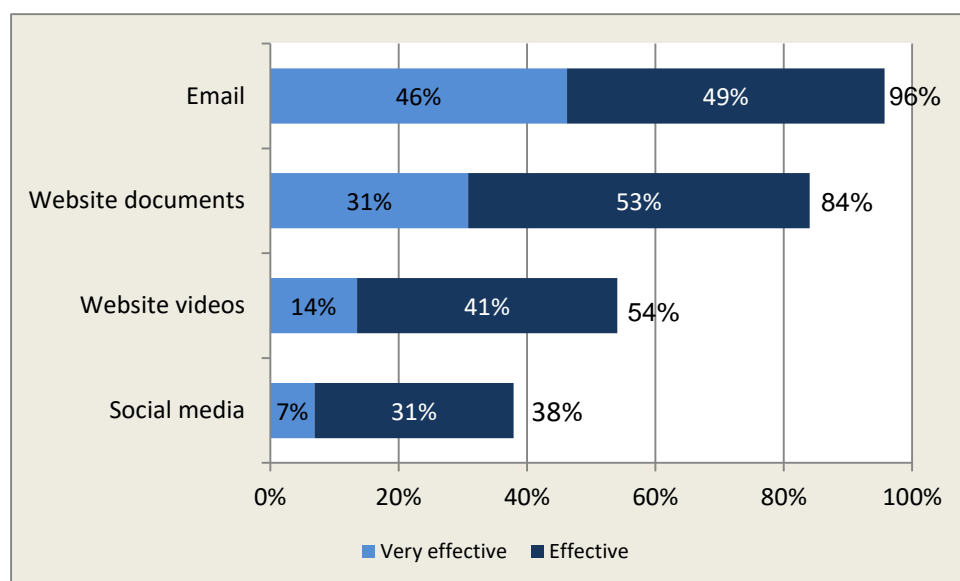
Another stakeholder felt that the consultation session was really an avenue for IPART to communicate changes it had already decided on (rather than genuinely looking to consult with stakeholders), 'Feedback on submissions made is rarely if ever received and we have no evidence that submissions have been considered'.

3.3.2 Effectiveness of communication channels

The 2015 survey introduced a set of new questions about specific channels of communication and these were repeated in the 2017 survey. Overall, a very high proportion of stakeholders reported that email (96%) and website documents (84%) were either effective or very effective. Social media (38%) and Website videos (54%) were perceived as less effective.

Compared with 2015, a slightly lower proportion of stakeholders rated IPART's website documents (-9%) and social media (-10%) communication as effective or very effective.

Figure 6. Overall perception of the effectiveness of channels of communication IPART uses in promoting its consultation



3.3.3 Stakeholder comments re communication channels

Eighteen stakeholders provided comments about communication channels. Most of the comments were about the ways in which stakeholders interact with IPART, and this was generally by email and by telephone, with face-to-face meetings if required and occasionally contact by letter. Stakeholders were generally satisfied with the modes of contact and level of contact they have with IPART. One stakeholder described how they sometimes requested meetings with IPART at very short notice and IPART were willing to depart from normal practice and arrange special meetings. Another described their interaction with IPART as 'tense' and they would like IPART to be more responsive, particularly in giving written feedback rather than verbal and enforcing communication protocols between the two agencies.

A small number of comments were about IPART's website, and these were mostly negative, covering a range of issues.

- Website pages being updated without notifying relevant stakeholders
- Website is difficult to access, particularly at peak times, e.g. when SRVs are being released
- Search function is not very effective 'either gives no result or a huge list which is not helpful'
- Helpline is not useful, e.g. if the helpline then tells you to write an email
- Website is not intuitive.

One stakeholder said they were very happy with the website, 'Website documents are excellent, everything is there'.

One stakeholder made a comment about social media, suggesting that if IPART was using or thinking of using LinkedIn they would not suggest it as an effective medium to reach targeted stakeholders as 'there is no control over who and what gets put up.'

3.4 Decision-making processes

Overall, majority (95%) of stakeholder agreed or mostly agreed that IPART's decision-making processes are of a high quality. Compared to 2015, this is a significant increase (+15%). Similarly, there has been a significant increase (+13%) in stakeholders' perception of whether the decision-making processes are fair (Table 5).

Across the stakeholder groups, a lower proportion of Water pricing (85%) and Water licencing (80%) stakeholders agreed or mostly agree that IPART's decision-making processes are of high quality. Water pricing stakeholders were also less likely to agree or mostly agree that decision-making processes are independent (62%) and fair (67%).

Figure 7. Overall perceptions of whether IPART's decision-making processes are of high quality

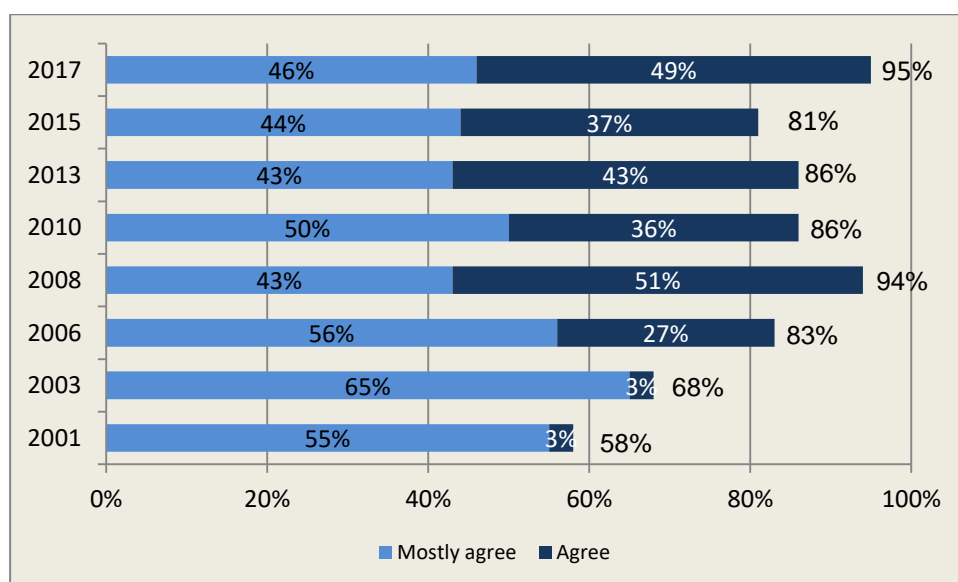


Table 6. Stakeholder perceptions of specific attributes of IPART's decision-making processes (percentage who agreed or mostly agreed)

Num	Survey question	2001	2004	2006	2008	2010	2013	2015	2017	Change
4_1	Decision making processes are independent	59%	59%	81%	90%	82%	92%	89%	88%	-1%
4_2	Decision making processes are fair	66%	63%	73%	91%	73%	82%	78%	91%	13%
4_3	Decision making processes comply with their legislative framework	85%	76%	93%	97%	95%	99%	96%	99%	3%
4_4	Decision making processes are timely	52%	71%	75%	83%	88%	80%	78%	84%	6%
4_4	Overall, IPART's decision making processes are of high quality	58%	68%	83%	94%	86%	85%	81%	94%	15%

3.4.1 Stakeholder comments

Thirty-two stakeholders provided feedback around IPART's decision-making processes, with nearly half the comments coming from Water stakeholders from both the licensing and pricing areas (8 from Water licensing and 7 from Water pricing). Comments were mainly around the time taken to make decisions; the extent to which IPART's decision-making processes are independent; and the extent to which they are of high quality and are transparent.

Concern that IPART's decision-making processes are too slow was the most commonly expressed comment (expressed by 13 stakeholders, half of whom were Water stakeholders). Some stakeholders suggested reasons for why decisions took so long, including 'the inability of senior officers to make any real decisions', 'I suspect because it is taking a long time to get legal things sorted out', and an acknowledgement that 'government is slow'. One stakeholder felt that IPART asks for a significant amount of information and this slows down the decision-making process and thus impacts on business—they commented that in other jurisdictions the information required is more formulaic, contributing to reduced decision-making time, and they suggested IPART should adopt this model and streamline internal processes.

Nine stakeholders (across stakeholder groups) commented on the extent to which IPART's decision-making processes are independent. Opinions were fairly evenly divided, with four stakeholders agreeing that IPART's decision-making processes are independent, 'impressed to see that IPART were able to make recommendations that were free from traditional industry bias', although one stakeholder said this is not always the situation and that at times reports are 'captured by a particular stakeholder.' Other stakeholders had concerns about the perceived undue influence of government, although one considered this unavoidable (also mentioned in the 2015 stakeholder survey).

Seven stakeholders provided feedback on the quality and transparency of IPART's decision-making processes, with most providing positive feedback—decision-making processes were described as 'high quality', 'transparent', 'fair', and 'balanced'. The two stakeholders who provided negative feedback felt that the decision-making processes were not transparent and it was difficult to know what data the decisions were based on.

Three stakeholders had concerns they had received inconsistent or contradictory advice from IPART staff. Another two stakeholders were concerned with the confidentiality of information that was provided as part of submissions, with one wanting more transparency around information provided and the other wanting information provided by private businesses to be protected.

Two stakeholders were concerned that IPART did not fully take into account the impact of their decisions on those most affected by them. One stakeholder was concerned that IPART did not give enough consideration to the impact of its decisions on business, e.g. if rulings are applied with insufficient notice and/or retrospectively applied; and another was concerned that IPART's emphasis on market-based analysis can lead to a lack of understanding of the impact of proposed recommendations on vulnerable consumers and the potential for any recommendations to increase/ decrease inequality.

3.5 Administrative processes

This was the third time administrative processes have been included in the survey. Overall, 90% agreed or mostly agreed that they are of a high quality. The overall proportion of stakeholders who were positive about IPART's administrative processes has increased (+6%) since 2015.

Across the stakeholder groups, Waster licensing stakeholders were less likely to agree or mostly agree that IPART's systems make it easy to do business with IPART (50%), that IPART has a strong focus on its stakeholders (70%), or that IPART's administrative processes are of a high quality overall (70%).

Figure 8. Overall perceptions of whether IPART's administrative processes are of high quality

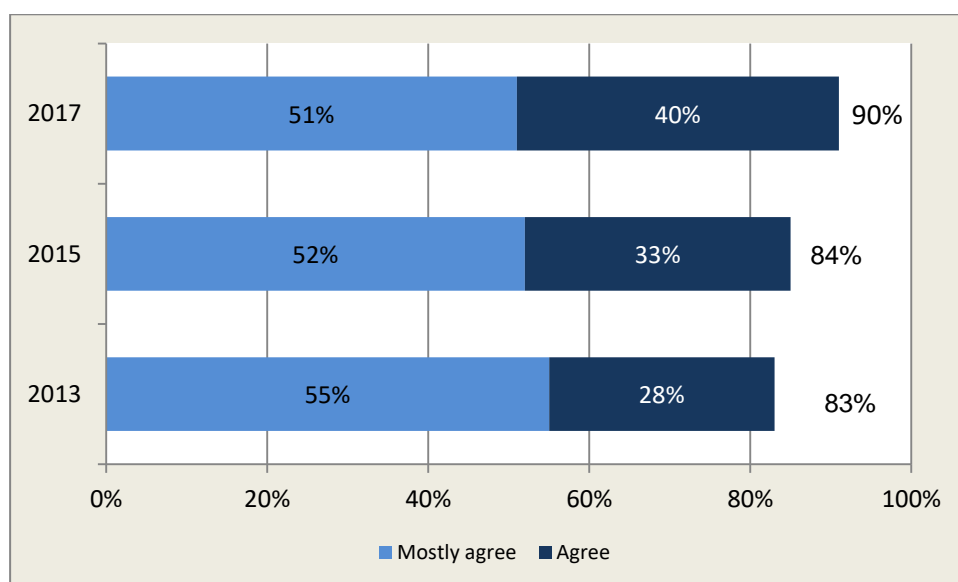


Table 7. Stakeholder perceptions of specific attributes of IPART's administrative processes

Survey question	2013	2015	2017	Change
IPART'S system make it easy to do business with IPART	72%	80%	82%	+2%
IPART has a strong focus on the needs of its stakeholders	78%	84%	85%	+1%
Overall, IPART's administrative processes are of high quality	83%	84%	90%	+6%

3.5.1 Stakeholder comments

Twenty-one stakeholders commented on IPART's administrative processes, with around half of these from Water stakeholders.

Stakeholders made more negative comments than positive, and the most commonly expressed concern was around timeliness, e.g. that it took too long to process approvals or to release final reports. Although some stakeholders acknowledged that timeframes are often out of IPART's hands, they felt that IPART should make those responsible aware that it is an issue. One stakeholder suggested that IPART could implement a system where people could track their submission, e.g. submit online through a portal and be able to see where the process is up to so don't rely on IPART to let you know the progress. In contrast to these comments, one E&T stakeholder made a positive comment about timing, describing project management as excellent and that timeframes were adhered to, 'Delivered what they said they would and when they said they would.'

Many stakeholders, across stakeholder groups, had concerns about the complexities of doing business with IPART. These concerns covered a number of areas, particularly application and reporting processes. A couple of GGAS-ESS stakeholders described IPART systems as onerous and complex, particularly the processes for applying for accreditation—one commented that the burden of cost and time involved 'discourages participation to a large extent.' A small number of Water stakeholders described the licensing guidelines as dense and confusing, with one saying 'I find the licensing guidelines bamboozling, and I've been dealing with them for years. They are dense, detailed and yet somehow really difficult to use. When I ask for clarification the IPART analysts don't really seem to have a solid understanding of them either.' This stakeholder suggested that IPART should look at what they really need licence holders to report on and why, and then develop a more appropriate process. Two stakeholders were concerned with the large amount of information requested from stakeholders and whether it was all utilised, with suggestions for tailoring the application process to the size of the organisation, e.g. more complex application required for a larger organisation, and vice versa. There were a couple of comments from Water licensing stakeholders about technical issues—the IPART website not functioning properly, e.g. links in emails not opening correctly; and user un-friendly forms that stakeholders have to use, with a suggestion that IPART 'unlocks' its forms.

Positive comments around processes were that 'IPART processes are of high quality', 'auditing process is robust and a good example to the industry' (although another stakeholder, from a different stakeholder group, described the auditing process as 'unnecessarily complicated'), and 'very clear what they want in the RFI and give you timelines that are reasonable'.

A small number of stakeholders commented on the extent to which IPART focuses on its stakeholders; these comments were more negative than positive. While one stakeholder appreciated that IPART provided support, others considered that IPART focused more on the economic process or potential efficiency gains at the expense of the stakeholder's interests.

There were a small number of other comments—two GGAS-ESS stakeholders were concerned with the bureaucratic nature of the transition from old rules to new rules, e.g. concern with the delay in updating forms after rule changes; and concern with the siloing of some IPART sections, when efficiencies could be gained if they worked together.

3.6 Quality of IPART's reports

An overwhelming majority (97%) of stakeholders agreed or mostly agreed that IPART's reports are of a high quality. Compared with 2015, this has increased by 8%. Satisfaction was high among all stakeholder groups.

Figure 9. Overall perceptions of whether IPART's regulatory reports are of high quality

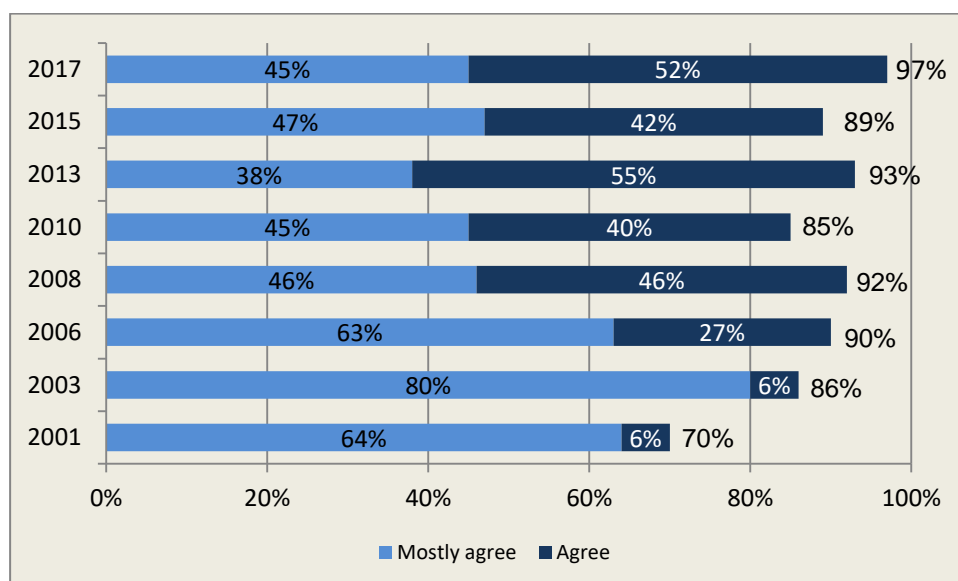


Figure 10. Stakeholder perceptions of specific attributes of IPART's reports (percentage who agreed or mostly agreed)

Q No	Survey question	2001	2004	2006	2008	2010	2013	2015	2017	Change
5_1	Reports are transparent	56%	76%	82%	93%	86%	90%	92%	95%	+3%
5_2	Reports are credible	52%	71%	78%	91%	84%	88%	91%	95%	+4%
5_3	Reports are easy to read and understand	70%	86%	94%	94%	84%	89%	92%	93%	+1%
5_4	Overall, regulatory reports are of high quality	59%	79%	90%	93%	85%	92%	89%	97%	+8%

3.6.1 Stakeholder comments

Nineteen stakeholders provided feedback about IPART's reports; most of these were from the Water (37%), Local Government (26%) and E&T (26%) sectors.

Although an overwhelming majority of survey respondents rated IPART's reports as easy to read and understand, comments from the survey and interviews were mixed—three stakeholders described the reports as easy to read, '(the reports) have a lot of footnotes – this is good as it makes the report shorter and more concise', with another stakeholder saying the report included fact sheets that 'were appropriate to our clients as they were precise and easy to understand.' Seven stakeholders described IPART reports as not easy to read or

understand. Their concerns were mainly about the complexity of language used, e.g. readers would need expert knowledge in the area; the language was too economic-based. Suggestions were made to improve 'the clarity of expression', and also that 'a point form and alternative structure could improve better comprehension of the paper'. One Water stakeholder said that reports have become more accessible in recent times, although an E&T stakeholder said that IPART reports 'aren't as easy to read as they used to be'. Another stakeholder described IPART reports as long and sometimes difficult to navigate.

Seven stakeholders commented on the credibility of IPART's reports, and again the feedback was mixed. While six stakeholders were positive, describing the reports as high quality and credible, with one saying they were transparent and another that 'reports aren't based on their opinions but on people's views', two stakeholders were concerned the reports did not incorporate sufficient evidence to represent the views of all relevant stakeholders.

Three stakeholders commented on the usefulness of IPART's reports, with one describing the reports as a useful reference for regulated businesses. Two other stakeholders were concerned that the reports were not as useful as they could be, with one saying that although most reports were useful the occasional report was not very practical or was 'captured by special interests without a critical independent eye being provided.'; the other stakeholder also said the report they received was not practical as it had 'big and sweeping generalisations' which made the recommendations difficult to implement on the ground.

There were a couple of other comments, with one stakeholder wanting a draft copy of the report before it went to the minister; and the other concerned that errors or inaccuracies that were corrected by experts were not incorporated into the report.

3.7 Importance of attributes

For the second time, the survey included a section about stakeholders' perceptions of the importance of various IPART attributes. There were minimal changes in perception between 2015 and 2017, with a high proportion of stakeholders rating all attributes as important or very important (Figure 12).

Knowing the relative importance of different attributes can be important when formulating responses to the survey findings. In particular, if there are attributes that stakeholders say are important and where IPART's performance at the same time is below expectation, such attributes should be the priority for action.

In the 2017 survey, stakeholders rated all the attributes as almost equally important, so they provide little guidance for relative prioritisation.

Figure 11. Overall perceptions of the importance of IPART attributes



3.7.1 Stakeholder comments on importance

Interviewees were asked the question 'Generally speaking, what attributes or qualities should IPART have to do its job effectively?'; seventeen interviewees provided answers.

Some of the qualities suggested by interviewees were similar to those in the survey—professionalism of staff, transparency, and effective administrative processes—but interviewees also suggested other attributes that they considered important. These included knowledgeable staff, independence, the right level of resources, and integrity. Most stakeholders agreed that IPART has these qualities.

Most commonly, stakeholders said it was important that IPART staff are knowledgeable (9 interviewees) and that IPART is independent (8 interviewees). Knowledgeable staff were described as those who are up-to-date with current policies and changes to legislation (with one interviewee saying it was important that IPART staff have industry experience so their knowledge is contemporary); clear thinkers who can distinguish individual arguments; and able to make rigorous and evidence-based decisions. A couple of interviews commented on the high quality of consultants that IPART uses. Two interviewees commented that the level of knowledge of IPART staff has increased over the last few years. One stakeholder said that as IPART moves into new areas it is important that IPART staff have appropriate skills and experience in those areas.

Interviewees saw it as important that IPART is independent—this was described as being separate from government. One stakeholder said that not only does IPART need to be independent, but it is also important that they are perceived to be independent by stakeholders.

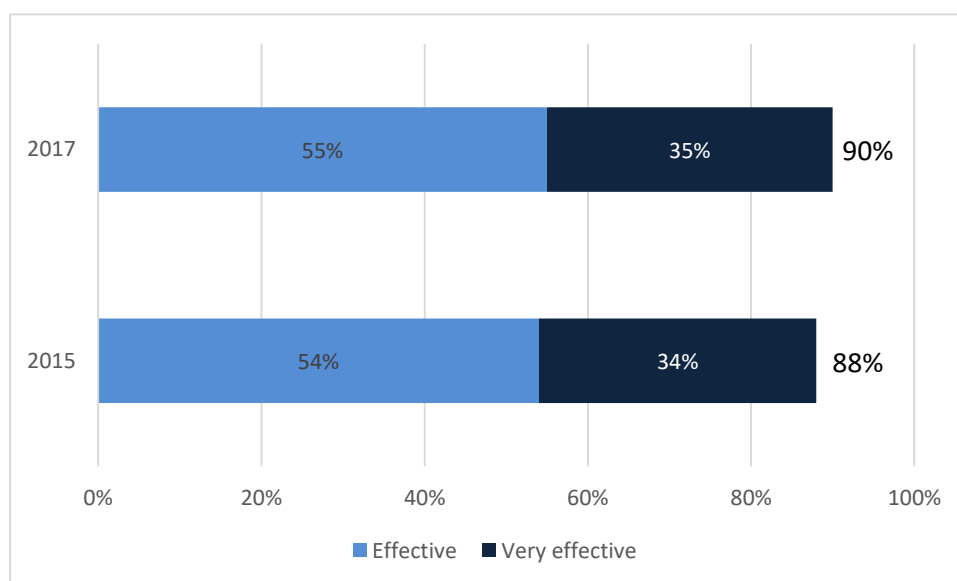
Five stakeholders said it was important that IPART is transparent in how it comes to its determinations. Three stakeholders expect staff to be professional, e.g. turning up on time, being prepared, courteous and polite; and two said it is important that IPART has the right number of staff to be able to do its job effectively and efficiently.

Qualities that were each mentioned by two interviewees, were integrity; ability to enforce compliance; and clear and structured administrative processes. Other comments, each mentioned only once, were being clear communicators; being supportive of stakeholders (one interviewee would like to work more collegially with IPART and felt that IPART sometimes takes a defensive position); acting in the public interest; and ensuring a thorough review process.

3.8 Overall effectiveness

A new question was introduced in 2015 asking stakeholders to rate the overall effectiveness of IPART's engagement with them and their organisation. Overall, 90% of stakeholders rated IPART's engagement with them as effective or very effective. This was slightly lower among Water licensing stakeholders (70%). There has been a small improvement in stakeholder perceptions since 2015 (Figure 13).

Figure 12. Overall effectiveness of IPART's engagement with stakeholders and their organisations



Appendix 1: Summary of survey responses

Q ID	Question	Per cent positive	n	Agree	Mostly agree	Mostly disagree	Disagree
Leadership							
Q1	Tribunal members take a 'light-handed' approach to regulation within their statutory obligations	56%	75	11%	45%	5%	39%
Q2	The Tribunal's decisions are practical and can be achieved without major operational difficulties	73%	82	20%	54%	11%	16%
Q3	Tribunal members maintain their independence from government and regulated industries	91%	77	51%	40%	9%	0%
Q4	Tribunal members demonstrate understanding of the significant issues affecting our agency/organisation	82%	77	26%	56%	9%	9%
Q5	Tribunal members can be trusted in performing their roles and responsibilities	99%	79	57%	42%	1%	0%
Q6	Tribunal members use the minimum regulation to effectively meet their statutory obligations	71%	72	18%	53%	14%	15%
Q7	Overall, Tribunal members demonstrate leadership in implementing their legislative responsibilities	89%	73	37%	52%	8%	3%
Consultation processes							
Q8	IPART's consultation processes are appropriately promoted (i.e. all relevant stakeholders are aware of reviews and ongoing issues)	96%	96	53%	43%	1%	3%
Q9	IPART's consultation processes are accessible (i.e. stakeholders have adequate information and appropriate avenues and time to express their views)	94%	93	54%	40%	2%	4%
Q10	IPART's consultation processes are transparent (i.e. with public access to submissions and hearings)	94%	94	55%	38%	1%	5%
Q11	IPART's consultation processes are impartial (i.e. the full range of stakeholder views and all competing claims are included in considerations)	90%	93	55%	35%	5%	4%
Q12	Overall, IPART's consultation processes are of high quality	91%	92	51%	40%	5%	3%
Effectiveness of consultation methods							
		Per cent positive	n	Very Effective	Not very effective	Not at all effective	
Q13	Effectiveness: Email	96%	93	46%	49%	4%	0%
Q14	Effectiveness: Website documents	84%	94	31%	53%	15%	1%
Q15	Effectiveness: Website videos	54%	37	14%	41%	41%	5%
Q16	Effectiveness: Social media	38%	29	7%	31%	34%	28%

Decision making processes		Per cent positive	n	Agree	Mostly agree	Mostly disagree	Disagree
Q17	IPART's decision-making processes are independent (i.e competing claims are analysed without undue influence from vested interests)	88%	90	44%	43%	7%	6%
Q18	IPART's decision-making processes are fair (i.e. due weight is given to competing claims to reach a balanced outcome)	91%	88	41%	50%	7%	2%
Q19	IPART's decision-making processes comply with the relevant legislative framework	99%	87	69%	30%	1%	0%
Q20	IPART's decision-making processes are timely	84%	91	34%	49%	7%	10%
Q21	Overall, IPART's decision-making processes are of high quality	95%	92	49%	46%	3%	2%
Reporting		Per cent positive	n	Agree	Mostly agree	Mostly disagree	Disagree
Q22	IPART's reports are transparent (i.e. the rationale for decisions are made explicit and it is clear how competing claims have been considered)	95%	92	49%	46%	3%	2%
Q23	IPART's reports are credible (i.e. decisions are convincingly argued and based on a comprehensive review of all relevant evidence)	95%	92	47%	48%	2%	3%
Q24	IPART's reports are easy to read and understand	93%	92	41%	52%	4%	2%
Q25	Overall, IPART's regulatory reports are of high quality	97%	93	52%	45%	2%	1%
Professionalism		Per cent positive	n	Agree	Mostly agree	Mostly disagree	Disagree
Q26	IPART's staff are courteous in any dealings with our agency/organisation	99%	97	81%	18%	0%	1%
Q27	IPART's staff conduct their dealings with our agency/organisation with honesty and probity	99%	97	82%	16%	0%	1%
Q28	IPART's staff conduct their dealings with our agency/organisation with diligence and efficiency	92%	97	69%	23%	6%	2%
Q29	IPART's staff are competent to fully analyse industry, economic, financial and legal regulatory issues	90%	96	46%	44%	8%	2%
Q30	IPART is adequately resourced to undertake its regulatory roles and responsibilities	89%	82	49%	40%	10%	1%
Q31	Overall, IPART's staff demonstrate a high level of professionalism	98%	96	74%	24%	1%	1%
Admin processes		Per cent positive	n	Agree	Mostly agree	Mostly disagree	Disagree
Q32	IPART's systems make it easy to do business with IPART (e.g. licence or ESS accreditation or local government applications, auditing, monitoring and reporting).	82%	72	31%	51%	7%	11%
Q33	IPART has a strong focus on the needs of its stakeholders	85%	86	31%	53%	8%	7%
Q34	Overall, IPART's administrative processes are of	90%	83	40%	51%	7%	2%

high quality							
Importance of attributes		Per cent positive	n	Very imp.	Imp.	Not very imp	Not at all imp.
Q35	Independence from government and regulated industries	97%	96	68%	29%	3%	0%
Q36	Fairness in consultation and decision-making	100%	97	77%	23%	0%	0%
Q37	Consideration of practical implications of decisions	100%	96	89%	11%	0%	0%
Q38	Trustworthiness	98%	96	82%	16%	2%	0%
Q39	Transparency of rationale for decisions	100%	97	75%	25%	0%	0%
Q40	Quality of consultation processes	98%	97	60%	38%	2%	0%
Q41	Quality of reports	96%	97	46%	49%	4%	0%
Q42	Professionalism of staff	98%	96	56%	42%	2%	0%
Q43	Ease of administrative processes	91%	96	45%	46%	9%	0%
Q44	Overall, to what extent do you think IPART's engagement with you and your agency/organisation is effective?	90%	97	35%	55%	9%	1%