



# TPB Self-assessment

## *Regulator Performance Framework* 2015-16

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# TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

## Introduction

The Government's regulation reform agenda introduced a new Regulator Performance Framework (Framework) to help measure the performance of regulators and to reduce the burden of regulation on the community. The Government has developed the Framework to measure and test the performance of regulators with six outcome-based Key Performance Indicators (KPIs) of best practice, performance and administration. Such measures, along with public reporting are intended to give business, stakeholders, the community and individuals confidence that regulators effectively and flexibly manage risk in the work they perform.

The Framework seeks to facilitate performance assessment by; ensuring accountability; being transparent, flexible and cost-effective; and complement, rather than duplicate, other processes. Regulators are required to work in consultation with their agreed stakeholders and report annually on their performance against the six KPI's. The Tax Practitioner Board (TPB) has received approval to have the TPB consultative forum externally validate its metrics to measure and assess performance against the six KPIs. The TPB, in consultation with the consultative forum have developed a range of metrics against each of the KPIs before publishing them on the TPB website.

This reports sets out TPB's 2015-16 self-assessment against the Framework. To support the TPB's first annual self-assessment, the TPB has consulted with its consultative forum to validate its performance and its conclusions are reasonable and objective.

Six Key Performance Indicators	
<b>KPI 1</b>	Regulators do not unnecessarily impede the efficient operation of regulated entities.
<b>KPI 2</b>	Communication with regulated entities is clear, targeted and effective.
<b>KPI 3</b>	Actions undertaken by regulators are proportionate to the risk being managed.
<b>KPI 4</b>	Compliance and monitoring approaches are streamlined and coordinated.
<b>KPI 5</b>	Regulators are open and transparent in their dealings with regulated entities.
<b>KPI 6</b>	Regulators actively contribute to the continuous improvement of regulatory frameworks.

This self-assessment report provides an overall summary and conclusion on the TPB's performance against the Framework and the six KPIs outlined in the Framework. This report provides commentary on areas the TPB is working well on and areas of risk to the TPB. This is then followed by a separate summary and conclusion for each of the six KPIs in providing an objective assessment and summary of how the TPB has performed against each of the KPIs. Information and evidence to support our metrics is contained in our Annual Report 2015-16 and the associated Annual Performance Statement.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### Overview

In the overall assessment against the KPIs, the TPB is on track to show continuous improvement in enhancing the regulatory environment for registered tax practitioners across Australia. The TPB has demonstrated continuing drive to be consultative and interactive with key stakeholders and registered practitioners, and have made it a priority to better communicate and help practitioners comply with their obligations. The TPB continues with efforts to guide, and support new and existing registered practitioners to ensure they provide highly competent services to their clients.

The TPB does this through a variety of channels, including; publishing our eNews newsletters, new and updated guidance material on the TPB website, TPB Twitter feed, the use of LinkedIn, and TPB YouTube videos. The TPB also conducts regular consultative forum meetings with professional associations as a primary consultative mechanism to ensure their views are taken into account in our decision making process. The TPB also puts a high priority on public and practitioner awareness programs, including presenting at numerous engagements and conferences, and hosting webinars throughout the year.

The TPB considers the outcomes and results from its innovative and proactive approach to communications and engagement strategies provides strong support to the tax practitioner community and key stakeholders, and demonstrates TPB's commitment in these areas.

The TPB continues to focus efforts on streamlining the tax practitioner registration system, effectively administering the *Tax Agent Services Act 2009* (TASA) and upholding the tax profession's integrity. The TPB aims to simplify processes for registered tax practitioners and those looking to register, and to protect the interests of the consumers who use the services of tax practitioners.

The TPB have set a range of service standards ensuring its focus on streamlining efforts in areas such as registrations processing, to provide the best possible outcome for tax practitioners who want their applications processed in the quickest and simplest possible way. The TPB have implemented new streamlined processes, such as;

- new online annual declaration form which has seen over 20,000 lodged
- registering approximately 19,000 new tax (financial) advisers under the notification stage

The large increase in registered practitioners and the external budgetary constraints provide a challenging environment for the TPB to operate in and meet its statutory obligations. The TPB will continue to rationalise and upgrade its enabling infrastructure, as well as work with government partners to find efficiencies. The TPB continues to work on streamlining processes and coordinating resources to meet service delivery obligations demonstrated by the strong uptake of the annual declaration program and the integration of tax (financial) advisers into the regulatory regime. This is an area of key improvement for the TPB, with the focus on continuous improvement in working with all stakeholders and government partners in enhancing the regulatory environment for registered tax practitioners.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### Summary against the KPI's

#### KPI 1 - Regulators do not unnecessarily impede the efficient operation of regulated entities

The TPB directly engages with professional practitioner associations to help facilitate the efficient operation of registered tax practitioners by providing them with key opportunities to be informed of our processes and provides opportunities for them to have input into the TPB's service delivery operations.

The TPB's consultative forum meetings with recognised professional associations are the primary consultative mechanism used to ensure their views are taken into account in the TPB decision making process. The TPB conducts regular consultative forum meetings with the tax and BAS agent recognised professional associations, and with the recognised tax (financial) advisers professional associations to help facilitate dialogue on topics that are relevant to tax practitioners registration, obligations and industry concerns. To further consolidate this process, communiques are sent to the association representatives after forum meetings and are also published on the TPB website. Topics discussed at these forums include;

- registration and compliance updates
- communication activities
- policy updates

To further assist the efficient operation of registered tax practitioners, the TPB publishes policy guidance material in the form of; explanatory papers, guidelines and information sheets. All proposed policy material is issued as public exposure drafts as a means of seeking industry and public feedback. These public exposure drafts are first issued to the consultative forum members for their feedback, before being issued seeking public feedback.

The TPB considers the use of consultative forums as a key reference point for gathering industry feedback on our draft policy guidance material as a highly effective process in helping form our policy positions. We have received favourable feedback from forum members on their inclusion in our feedback processes. The TPB considers it has met the target for this KPI with the level of engagement with all key stakeholders and processes to receive feedback from them. The achievements in this area have enabled the TPB to positively interact with stakeholders and respond to their requirements in providing professional tax practitioners services for all consumers.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### KPI 2 - Communication with regulated entities is clear, targeted and effective

The TPB communication strategy involves engaging directly with key stakeholders and raising its profile. Board members and senior staff regularly participate in conferences, speaking events and webinars. The TPB continues to increase its extensive use of social and digital media channels to communicate with registered tax practitioners with the use of; Twitter feed, the LinkedIn company page and instructional videos available on YouTube. The TPB website includes policy guidance (explanatory papers, guidelines and information sheets) to help tax practitioners understand and comply with their obligations. Proposed policy material is issued as public exposure draft guidance material to seek feedback from professional associations, tax practitioners and consumers, which is taken into account in the TPB decision making process before finalised material is made available on the website.

The range of metrics used for this KPI demonstrate how we communicate and engage with stakeholders in the publication of guidance and explanatory material and highlights the efforts we use to support the tax practitioner community, such as;

- TPB's eNews newsletters are emailed to registered tax practitioners and subscribers, and made available on the website, with five tax and BAS agent editions, and five tax (financial) advisers editions being distributed during the year
- TPB produced YouTube instructional videos providing a range of helpful items for tax practitioners, such as; registration requirements for tax (financial) advisers and information supporting the BAS agent renewal process. There are 25 TPB YouTube videos now available
- the TPB webinar program delivered 19 webinar sessions during the year covering topics of interest to tax practitioners from; key obligations relating to registration to the TPB's approach to regulation
- speaking events organised by professional associations and the ATO where TPB Chair and Board members deliver sessions
- TPB Outreach sessions where practitioners have the opportunity to hear updates from TPB Board members and have the opportunity to ask questions and seek clarification on issues.

The TPB understands the constraints many registered practitioners face and believe the use of social and digital media provides an interactive approach to providing topics and information of relevance to tax practitioners in being able to better understand and meet their obligations. The TPB consider this and the other communication and engagement strategies to be highly effective in providing the support and assistance required for tax practitioners. The TPB considers its performance to be strong against this KPI and will continue to enhance and adapt methods of communications to better meet the needs of registered tax practitioners.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### KPI 3 - Actions undertaken by regulators are proportionate to the risk being managed

The TPB's compliance strategy is risk-based; compliance work and resources focused on issues where there is the greatest risk of harm to specific taxpayers and to the community. The strategy ensures that sanctions imposed are in line with the seriousness of any possible breaches. This risk-based approach is the best use of the TPB's resources and avoids unnecessary impacts on responsible tax practitioners who seek to comply with the Code of Professional Conduct and other obligations. The TPB will also seek where appropriate, civil penalty orders against registered tax practitioners, as well as entities who should but do not register with the TPB.

The TPB continues to work with the tax profession, professional bodies and the ATO to raise the profile of tax practitioners and the value they bring to taxation compliance. This is demonstrated through the metrics used in this report. In doing this, the TPB seeks to ensure that tax practitioners, who exhibit behaviours of concern to the community, are risk assessed and that targeted activities are actioned.

An important aspect of the TPB's compliance functions is to ensure that tax practitioners are aware of and understand their obligations and is highlighted by:

- the TPB Corporate Plan details the strategic risk based approach to compliance work, and also details key performance and service standards to assist in measuring the timeliness of compliance work
- TPB publishes key compliance results every quarter on its website and is an important measure in managing expectations for tax practitioners
- TPB provides updated compliance information at the consultative forums, including; TPB Operations monthly report containing compliance details and updates to the TPB Summary of penalties, sanctions and terminations report, which demonstrates our compliance work in upholding professional integrity to these key industry stakeholders
- TPB website provides tax practitioners with relevant information about their obligations and facilitates appropriate behaviour aligned with TPB's objectives and it continues to attract large number of visits.

The TPB puts a high priority on supporting tax practitioners to understand and comply with their obligations under the TASA and considers this to be an area that can continue to build on and support the tax practitioner community. The level of stakeholder engagement and compliance information provided actively assists registered tax practitioners in understanding their compliance obligations. The TPB views its performance against this KPI to be strong and will continue to work with all key stakeholders to strengthen the activities to manage and support the tax practitioner community in meeting their regulatory obligations. This is an area that TPB will continue to work on with all stakeholders to seek improvements in how to manage complaint handling and compliance work and assist the tax practitioners.

## **TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs**

### **KPI 4 - Compliance and monitoring approaches are streamlined and coordinated**

The TPB compliance and monitoring approaches are streamlined and coordinated through the coordinated activities of our independent Board members who participate in our operational committees and ensure a nationally consistent approach is taken to all registration and compliance outcomes. The metrics used for this KPI highlight the coordinated national approach TPB's compliance committees take when considering the matters they are deciding upon for the most appropriate outcome or sanction. This nationally coordinated approach also allows for the most efficient processes to be deployed and allows for additional streamlining of compliance work, as committee members have an end to end view of the TPB's compliance work.

The TPB promotes and facilitates relationships with other Commonwealth regulators, particularly the ATO and ASIC, to ensure a more streamlined and coordinated approach to issues of mutual interest. This extends to timely exchanges of information (where permitted) for matters of co-regulation, areas of shared risks and compliance referrals. The TPB coordinates this by regular liaison meetings with these regulators and particularly works closely with the ATO on compliance matters they have referred to us.

The TPB's implementation of the annual declaration program for registered tax and BAS agents in 2016 ensures an annual interaction with registered tax practitioners with a streamlined approach for tax practitioners to meet their ongoing registration requirements. The annual declaration form is an easy-to-complete online form that takes on average less than five minutes to complete. Each tax and BAS agent will be required to complete an annual declaration each year, except in their renewal year. The annual declaration is due on the anniversary of their renewal.

Since January 2016, over 20,000 annual declarations have been lodged with almost 100 per cent of tax practitioners who were required to lodge having done so. Improving the integrity of the tax practitioner profession as tax practitioners can ensure they have current information with the TPB on; professional indemnity insurance, personal tax obligations and satisfying fitness and priority requirements amongst others in an easy to complete online form.

The concept and design of the annual declaration form was done in a coordinated manner with information provided to, and feedback received from the consultative forums. Feedback received from the consultative forums was supportive of this new annual declaration process. The TPB continues to work on its compliance and monitoring approaches to ensure they are as streamlined and coordinated as possible. The TPB are on track to meet this performance indicator and the TPB considers it has performed strongly in the streamlining and coordinating of this work. The TPB will continue to make improvements to work processes to better support registered tax practitioners, subject to budgetary constraints.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### KPI 5 - Regulators are open and transparent in their dealings with regulated entities

The TPB uses an extensive range of communications channels to actively engage and inform key stakeholders, registered tax practitioners and consumers to ensure we are open and transparent in dealings with regulated entities. The metrics used for this KPI outline a range of channels used with registered tax practitioners to assist and guide them in their dealings with the TPB and understand their ongoing registration obligations.

The TPB provide a range of different methods to deliver this information including;

- the TPB Annual Report providing details on the strategic direction, new programs of work, our roles, functions, performance and achievements
- the TPB website which is the main channel for communicating with tax practitioners and the public. All other communication channels refer to the website as the key source of information as TPB works to make sure the website is as clear, accessible and information is as easy to locate as possible
- the TPB presented at 47 external speaking events last year across Australia, including; professional association conferences, universities, TAFE's and at ATO Open forum events
- TPB conducts regular webinars that practitioners can register for, and these webinars count towards required CPE hours
- TPB distributes eNews with separate editions for tax and BAS agents, and tax (financial) advisers. There are five editions of eNews each year for each group.

The TPB is committed to consulting and working with key stakeholders and registered tax practitioners, ensuring their experiences and industry knowledge help inform the TPB in its decision making and operations. This is a key theme in the communication program in helping to support registered tax practitioners. The TPB publishes guidance material and information sheets which are freely available to all interested parties. The TPB considers its performance against the KPI to be strong due to the engagement processes with all key stakeholders and the extensive communications channels to inform the tax practitioner community and consumers.



## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks

The TPB continues to focus its efforts on streamlining the tax practitioner registration system, effectively administering the TASA and upholding the tax profession's integrity. In everything we do, we aim to simplify processes for registered tax practitioners and those looking to register, and to protect the interests of the consumers who engage the services of tax practitioners.

The TPB continue to work with the professional associations to ensure focus on streamlining efforts in areas such as registrations processing, so that TPB can achieve the best possible outcome for tax practitioners who want their applications processed in the quickest and simplest possible way. The TPB have put considerable effort into setting up new and more streamlined process for tax practitioners to log in online and update their records. The use of the new annual declaration form which assists tax practitioners to provide TPB with up to date information in an easy-to-use online form.

The TPB have worked extensively with key stakeholders in the financial planning industry to raise awareness of this new regulatory arrangement for tax (financial) advisers, including ASIC and professional associations.

Due to the importance of supporting tax (financial) advisers, the TPB has consulted closely with the financial planning profession and practitioners and has;

- released a number of exposure drafts information sheets seeking feedback on registration and renewal requirements and obligations
- conducted a number of consultative forums for tax (financial) advisers associations and other stakeholders during the year
- liaised and worked with ASIC to increase awareness of this new regulatory arrangement

Since the new tax (financial) advisers arrangements became operative, the TPB has seen approximately 19,000 tax (financial) advisers register under the notification stage. These tax (financial) advisers will be due to submit their first renewal application between July 2017 and January 2018 to demonstrate they met the standard registrations requirements. This work will add additional strain to TPB's ability to meet this workload under the current resourcing constraints.

The TPB will continue to actively seek ways to improve its work processes in assisting registered practitioners with their registration obligations and will continue to consult widely with all key stakeholders for their feedback and suggestions. The TPB considers this an important function and is very proactive in seeking continuous improvements of its regulatory framework. The TPB considers its performance against this KPI to be strong as the TPB continue to develop new and enhanced processes to integrate new programs of work into current work environment. The TPB is aware of the impact of new programs on existing ongoing requirements and will continue to find innovative ways to manage this work. The TPB continue to work with the ATO and other government partners in finding new work capabilities.

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

### Attachment A - TPB Metrics tables

The TPB has used 2015-16 metrics for this report and has provided 2014-15 metrics for comparative purposes.

KPI 1 - REGULATORS DO NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATION OF REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>The TPB conducts regular consultative forum meetings to ensure stakeholder views are considered when changing policies and practices.</p>	<p>The TPB conducts regular consultative forums with TPB accredited tax and BAS agent recognised professional associations, and has commenced ongoing consultative forums with tax (financial) adviser recognised professional associations and other stakeholders.</p>	<p>The TPB held six consultative forum meetings with industry stakeholder and professional associations during 2014-15:</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers</li> <li>• four for tax and BAS agent recognised professional associations.</li> </ul> <p>Stakeholders agree that the forums provide a valuable opportunity for them to have input into and be informed of TPB policies.</p>	<p>The TPB held four consultative forum meetings with professional associations during 2015-16:</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers professional associations – in November 2015 and April 2016</li> <li>• two for tax and BAS agent recognised professional associations – in November 2015 and April 2016.</li> <li>• <i>The TPB issued communiques summarising key messages after each consultative forum meetings to association representatives (who then distribute key messages to their members). Four communiques were issued during the year.</i></li> <li>• <i>The TPB provided consultative forum members with draft copies of all proposed policy guidance materials for feedback before they are publicly released for feedback. Feedback from consultative forum members indicates that they can see how their feedback has been taken into account once these documents are published.</i></li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 1 - REGULATORS DO NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATION OF REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>Registration and renewal applications are processed within TPB service standards to reduce delays for tax practitioners.</p>	<p>The TPB performance and service standards are met to minimise delays and costs for tax practitioners. Updated TPB performance and service standards are published on our website enabling tax practitioners to assess the likely timeframes involved in processing new or renewal applications.</p> <p>The service standard for registration of tax and BAS agent applications (new and renewal) of receiving a complete application are:</p> <ul style="list-style-type: none"> <li>• 80% decided within 30 days; and</li> <li>• 95% decided within 60 days</li> </ul> <p>• <i>On a quarterly basis the TPB publish figures on the website to show processing times for applications and renewals, and numbers of applications processed, as well as compliance case outcomes and processing times for complaint cases.</i></p>	<p>During 2014-15, the TPB processed:</p> <ul style="list-style-type: none"> <li>• 79% of all new and renewal applications within 30 days; and</li> <li>• 95% were completed within 60 days.</li> </ul>	<p>During 2015-16, the TPB processed:</p> <ul style="list-style-type: none"> <li>• 76% of all new and renewal applications within 30 days; and</li> <li>• 93% were completed within 60 days.</li> </ul> <p>Although there has been a small decrease in service standards they are still considered within acceptable limits. This is due to a significant increase in work over the last six months in Operations:</p> <ul style="list-style-type: none"> <li>• high number of pre-88 renewals</li> <li>• lodgement of over 20,000 Annual Declaration forms</li> <li>• large increase in the number of responses to enquires</li> </ul> <p><i>Operations continue to invest in strategies to influence these results, including:</i></p> <ul style="list-style-type: none"> <li>• <i>diversifying work across our Registrations teams</i></li> <li>• <i>requesting more labour hire staff and short term arrangements</i></li> <li>• <i>conducting overtime.</i></li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 1 - REGULATORS DO NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATION OF REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>TPB publishes policy guidance material to support tax practitioners and reduce costs of compliance.</p>	<p>The TPB publishes policy guidance (explanatory papers, guidelines and information sheets) to help tax practitioners understand and comply with their obligations. Proposed policy material is issued as public exposure draft guidance material to seek feedback from professional associations, tax practitioners and consumers. Which is taken into account in the TPB decision making process before finalised material is published.</p>	<p>During 2014-15, the TPB released:</p> <ul style="list-style-type: none"> <li>• three public exposure draft guidance materials for comment and feedback</li> <li>• seven finalised or updated guidance papers</li> </ul> <p>Guidance materials:</p> <ul style="list-style-type: none"> <li>• <i>Payroll service providers</i></li> <li>• <i>Software providers and the Tax Agent Services Act 2009</i></li> <li>• <i>Labour hire firms</i></li> <li>• <i>Course in Australian taxation law that is approved by the Board for tax (financial) advisers</i></li> <li>• <i>Course in commercial law that is approved by the Board for tax (financial) advisers</i></li> <li>• <i>Code of Professional Conduct – Confidentiality of client information</i></li> <li>• <i>Fee or other reward for tax (financial) advisers</i></li> <li>• <i>Sufficient number requirement for partnership and company registered tax (financial) advisers</i></li> <li>• <i>Relevant experience for tax (financial) advisers</i></li> <li>• <i>Applying for registration during the transitional period: sufficient experience to be able to provide tax (financial) advice services to a competent standard.</i></li> </ul>	<p>During 2015-16, the TPB released:</p> <ul style="list-style-type: none"> <li>• six public exposure draft guidance materials for comment and feedback</li> <li>• two finalised guidance papers</li> </ul> <p>Guidance materials:</p> <ul style="list-style-type: none"> <li>• <i>Software providers and the Tax Agent Services Act 2009</i></li> <li>• <i>Code of Professional Conduct – Confidentiality of client information for tax (financial) advisers</i></li> <li>• <i>Cloud computing and the Code of Professional Conduct</i></li> <li>• <i>Labour hire/on-hire firms</i></li> <li>• <i>Code of Professional Conduct – Acting lawfully in the best interests of clients for tax (financial) advisers</i></li> <li>• <i>Code of Professional Conduct – Reasonable care to ascertain a client's state of affairs for tax (financial) advisers</i></li> <li>• <i>Code of Professional Conduct – Reasonable care to ensure taxation laws are applied correctly for tax (financial) advisers</i></li> <li>• <i>Code of Professional Conduct – Having adequate arrangements for managing conflicts of interest for tax (financial) advisers.</i></li> </ul> <p>Stakeholder feedback from these consultative forums indicate they are satisfied that their views had been taken into consideration when the finalised products have been published.</p>

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<b>KPI 1 - REGULATORS DO NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATION OF REGULATED ENTITIES</b>			
<b>Measures</b>	<b>Metric</b>	<b>2014-15</b>	<b>2015-16</b>
<p>The TPB works with the ATO to streamline practices and processes to continually enhance and support tax practitioner services.</p>	<p>The TPB liaises and works with the ATO in a range of forums and working groups. This ensures that electronic data transfer arrangements and messaging are aligned, when appropriate, and to provide better assistance to tax practitioners.</p> <p>This is done in order to reduce any possible impact on registered tax practitioners by reducing administrative delays for them, such as: detecting any data transmission errors quickly and updating relevant tax agent portal details.</p>	<p>During 2014-15, the TPB continued to consult with the ATO on a number of working parties and other working bodies:</p> <ul style="list-style-type: none"> <li>• Reinventing the ATO program of work</li> <li>• working with the ATO on their program of changing technology, including software for when tax practitioners interact with the ATO</li> <li>• working closely with the ATO on compliance related referrals to ensure tax practitioners are meeting their obligations under the TASA.</li> </ul>	<p>During 2015-16, the TPB continued to consult with the ATO on a number of working parties and other working bodies:</p> <ul style="list-style-type: none"> <li>• Reinventing the ATO program of work - in particular the Future of the Tax Profession forums</li> <li>• working with the ATO on their program of changing technology, including software for when tax practitioners interact with the ATO</li> <li>• working closely with the ATO on compliance related referrals to ensure tax practitioners are meeting their obligations under the TASA.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 2 - COMMUNICATION WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE			
Measures	Metric	2014-15	2015-16
<p>TPB's communication strategy involves multiple digital media channels to provide targeted and clear information to tax practitioners.</p>	<p>The TPB regularly provides updated information to tax practitioners and other stakeholders to minimise costs and delays by:</p> <ul style="list-style-type: none"> <li>• eNews – is published regularly and distributed to registered tax practitioner subscribers</li> <li>• Twitter feed – to distribute news and information, and respond to general inquiries; including tax practitioners, industry associations, government agencies and consumers</li> <li>• TPB produces YouTube videos to host and share TPB information</li> <li>• TPB LinkedIn profile page to build on our consultation and public awareness strategies</li> <li>• responding to social media enquiries and clarifying issues raised</li> <li>• TPB conducts webinar information sessions with polling and surveys of participants to provide information to tax practitioners</li> <li>• TPB distributes media releases throughout the year to provide up to date information – with further distribution through the associations.</li> </ul>	<p>During 2014-15, the TPB provided the following information:</p> <ul style="list-style-type: none"> <li>• eNews – is published regularly and seven editions were distributed. Each edition was distributed to over 57,000 subscribers</li> <li>• Twitter feed - 278 retweets of TPB tweets generated 121, 000 impressions</li> <li>• TPB produced 24 YouTube videos and had over 5,674 views</li> <li>• TPB LinkedIn profile page had 564 followers. Sharing of posts resulted in about 110,000 impressions</li> <li>• social media enquires – the TPB continues to respond to 100 percent of social media queries within two business days</li> <li>• TPB conducted six pilot webinar information sessions and will continue with a program of two webinars per month</li> <li>• TPB distributed 15 media releases.</li> </ul>	<p>During 2015-16, the TPB provided the following information:</p> <ul style="list-style-type: none"> <li>• eNews – 10 editions were distributed with an average 38.9% open rate and is above the industry rate of 24.9%</li> <li>• August 2015 editions to 57,998 subscribers</li> <li>• October 2015 editions to 58,193 subscribers</li> <li>• Issues in December 2015 and February and June 2016 to over 58,500 subscribers</li> <li>• Twitter feed - 351 retweets generated 212,880 impressions</li> <li>• TPB produced one (Annual Declaration) YouTube video which had 3,521 views, along with the 24 other videos already available, TPB's YouTube channel received a total of 6,476 views providing more than 210 viewing hours</li> <li>• TPB LinkedIn profile page had 948 followers. Sharing of posts resulted in 148,068 impressions</li> <li>• Social media enquires – the TPB continues to respond to 100 percent of social media queries within two business days</li> <li>• TPB conducted 19 webinar information sessions reaching 2,988 participants. The number will be increased for 2016-17</li> <li>• TPB distributed 12 media releases.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 2 - COMMUNICATION WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE			
Measures	Metric	2014-15	2015-16
<p>TPB conducts and attends regular outreach events as part of its engagement policy with tax practitioners and other stakeholders to ensure its communications are clear, targeted and effective.</p>	<p>The TPB continues to conduct regular outreach events for targeted audiences across Australia and receive feedback from these events as part of the TPB's decision making process.</p> <p>Regular outreach events include:</p> <ul style="list-style-type: none"> <li>• TPB sponsored outreach events held in various locations across Australia</li> <li>• professional association related conferences</li> <li>• attend speaking forums, such as ATO Open Forum events</li> <li>• webcasts; and</li> <li>• university and TAFE events.</li> </ul>	<p>During 2014-15, the TPB presented at 49 external speaking events at forums and conferences across Australia, including:</p> <ul style="list-style-type: none"> <li>• professional association conferences</li> <li>• registered training organisation events, such as university and TAFE</li> <li>• ATO Open forums.</li> </ul>	<p>During 2015-16, the TPB presented at 47 external speaking events at forums across Australia, including:</p> <ul style="list-style-type: none"> <li>• professional association conferences</li> <li>• registered training organisation events, such as university and TAFE</li> <li>• ATO Open forums</li> </ul> <p>The TPB also conducted eight face-to-face outreach sessions with tax practitioners in Sydney, Melbourne, Frankston and Geelong.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 2 - COMMUNICATION WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE			
Measures	Metric	2014-15	2015-16
<p>The TPB conducts regular consultative forums with stakeholders as an important communication channel to ensure our messaging is targeted and effective.</p>	<p><b>[Note: assessment of this measure is also used in KPI1 and is used here as it forms a key method of communicating key stakeholders.]</b></p> <p>The TPB conducts regular consultative forums with TPB accredited tax and BAS agent recognised professional associations, and has commenced ongoing consultative forums with tax (financial) adviser recognised professional associations and other stakeholders.</p>	<p>The TPB held six consultative forum meetings with industry stakeholder and professional associations during 2014-15:</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers</li> <li>• four for tax and BAS agents.</li> </ul>	<ul style="list-style-type: none"> <li>• The TPB held four consultative forum meetings with industry stakeholder and professional associations during 2015-16:</li> <li>• two for tax (financial) advisers professional associations – Nov 2015 and April 2016</li> <li>• two for tax and BAS agents recognised professional associations – Nov 2015 and April 2016</li> <li>• The TPB issues communiques summarising key messages from the consultative forum meetings to association representatives (who then distribute key messages to their members).</li> <li>• The TPB provided consultative forum members with drafts of all proposed policy guidance materials for feedback before they are publicly released for feedback.</li> <li>• Feedback from consultative forum members indicates that they can see how their feedback has been taken into account once these documents are published</li> <li>• Stakeholders agree that the forums provide a valuable opportunity for them to have input into and be informed of TPB policies</li> </ul>



## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 2 - COMMUNICATION WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE			
Measures	Metric	2014-15	2015-16
The TPB website is the main channel for communicating with tax practitioners and consumers.	<p>The TPB website is clear and accessible. Information is easy to locate and the site conforms to the Australian Government accessibility guidelines. The website provides comprehensive information on:</p> <ul style="list-style-type: none"> <li>• registration and renewing your registration</li> <li>• tax practitioner obligations and qualifications</li> <li>• registration and renewal service standards</li> <li>• TPB public register containing details of registered and deregistered tax and BAS agents, and tax (financial) advisers</li> <li>• lodging a complaint about a tax practitioner's service.</li> </ul>	<p>During 2014-15:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 408,989 unique visits</li> <li>• the TPB public register was used for 860,965 searches.</li> </ul>	<p>During 2015-16:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 418,941 unique visits</li> <li>• the TPB public register was used for 911,787 searches.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 2 - COMMUNICATION WITH REGULATED ENTITIES IS CLEAR, TARGETED AND EFFECTIVE			
Measures	Metric	2014-15	2015-16
<p>TPB publishes clear policy guidance material which is targeted to support tax practitioners in complying with their obligations</p>	<p><b>[Note: assessment of this measure is also used in KPI1 and is used here as it forms a key method of communicating key stakeholders and consumers.]</b></p> <p>TPB publishes policy guidance (explanatory papers, guidelines and information sheets) to help practitioners understand and comply with their obligations. Proposed policy material is issued as public exposure drafts to seek feedback from professional associations, tax practitioners and consumers, which is taken into account in the TPB decision making process before material is finalised.</p>	<p>During 2014-15, the TPB released:</p> <ul style="list-style-type: none"> <li>• three public exposure draft guidance materials for comment and feedback</li> <li>• seven finalised or updated guidance materials.</li> </ul> <p>Guidance materials:</p> <ul style="list-style-type: none"> <li>• Payroll service providers</li> <li>• Software providers and the Tax Agent Services Act 2009</li> <li>• Labour hire firms</li> <li>• Course in Australian taxation law that is approved by the Board for tax (financial) advisers</li> <li>• Course in commercial law that is approved by the Board for tax (financial) advisers</li> <li>• Code of Professional Conduct – Confidentiality of client information</li> <li>• Fee or other reward for tax (financial) advisers</li> <li>• Sufficient number requirement for partnership and company registered tax (financial) advisers</li> <li>• Relevant experience for tax (financial) advisers</li> <li>• Applying for registration during the transitional period: sufficient experience to be able to provide tax (financial) advice services to a competent standard.</li> </ul>	<p>During 2015-16, the TPB released:</p> <ul style="list-style-type: none"> <li>• six public exposure draft guidance materials for comment and feedback</li> <li>• two finalised guidance papers</li> </ul> <p>Guidance materials:</p> <ul style="list-style-type: none"> <li>• Software providers and the Tax Agent Services Act 2009</li> <li>• Code of Professional Conduct – Confidentiality of client information for tax (financial) advisers</li> <li>• Cloud computing and the Code of Professional Conduct</li> <li>• Labour hire/on-hire firms</li> <li>• Code of Professional Conduct – Acting lawfully in the best interests of clients for tax (financial) advisers</li> <li>• Code of Professional Conduct – Reasonable care to ascertain a client's state of affairs for tax (financial) advisers</li> <li>• Code of Professional Conduct – Reasonable care to ensure taxation laws are applied correctly for tax (financial) advisers</li> <li>• Code of Professional Conduct – Having adequate arrangements for managing conflicts of interest for tax (financial) advisers.</li> </ul> <p>Stakeholder feedback at consultative forums indicate they are satisfied that their views been taken into consideration when the finalised products have been published.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 3 - ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED			
Measures	Metric	2014-15	2015-16
<p>TPB performance and service standards for complaint handling are met to ensure different levels of risk are managed effectively.</p>	<p>The TPB Strategic Plan details the strategic risk based approach to compliance work, and also details key performance and service standards to assist in measuring the timeliness of compliance work. The risk based compliance approach is aiming to ensure that the correct treatment strategy is assigned to each category of risk.</p> <p>The TPB publishes key compliance results every quarter on its website. This is an important measure in managing expectations for tax practitioners so they know how long it takes to finalise complaints.</p> <p>During 2013–14 and 2014-15 the TPB's performance standards for compliance cases were:</p> <ul style="list-style-type: none"> <li>• Risk and Issues Management (RIMS) matters – finalise within 30 days of receipt</li> <li>• preliminary enquiries – finalise within 120 days of receipt</li> <li>• investigations – finalise within 210 days of receipt.</li> </ul> <p><i>TPB has set new service standards for 2015-16 for compliance work to improve timeliness:</i></p> <ul style="list-style-type: none"> <li>• 80% of all complaints received are finalised within 150 days: and</li> <li>• 90% of complaints received are finalised within 210 days.</li> </ul>	<p>During 2014-15, the TPB's performance against the standards were:</p> <ul style="list-style-type: none"> <li>• 78% of cases finalised at the RIMS stage were completed within 30 days of receipt</li> <li>• 86% of cases finalised at the preliminary enquiry stage were completed within 120 days of receipt</li> <li>• 25% of cases finalised at the investigation stage were completed within 210 days.</li> </ul> <p><i>Formal investigations are high risk cases and can involve complex matters. Investigations can involve many levels of enquiries and consideration by a Board delegate, and where appropriate, the TPB legal Unit. Decisions and sanctions are then determined by the Board Conduct Committee or appropriate delegate</i></p>	<p>During 2015-16, the TPB's performance against the standards were:</p> <ul style="list-style-type: none"> <li>• 42% of cases finalised at the RIMS stage were completed within 30 days of receipt</li> <li>• 84% of cases finalised at the preliminary enquiry stage were completed within 120 days of receipt</li> <li>• 90% of cases finalised at the investigation stage were completed within 210 days.</li> </ul> <p>Although there has been a decrease in some of the performance standards they are still considered within acceptable limits. This is due to a significant increase in work over the last six months in Operations:</p> <ul style="list-style-type: none"> <li>• lodgement of over 20,000 Annual Declaration forms</li> <li>• large increase in the number of enquires responded to</li> </ul> <p><i>Operations continue to invest in strategies to influence these results, including:</i></p> <ul style="list-style-type: none"> <li>• Diversifying work across our Registrations teams</li> <li>• Requesting more labour hire staff and short term arrangements</li> <li>• Conducting overtime.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 3 - ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED			
Measures	Metric	2014-15	2015-16
<p>The TPB website provides tax practitioners with relevant information about their obligations and facilitates appropriate behaviour aligned with TPB's objectives.</p>	<p>The TPB website provides information on their strategic objectives and policies so tax practitioners can see the balance between meeting our obligation to protect consumers and avoiding unnecessary burdens on tax practitioners.</p>	<p>During 2014-15:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 408,989 unique visits</li> <li>• the TPB public register was used for 860,965* searches.</li> </ul>	<p>During 2015-16:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 418,941 unique visits</li> <li>• the TPB public register was used for 911,787 searches.</li> </ul> <p>Relevant guidance is published on the obligations of tax practitioners, including:</p> <ul style="list-style-type: none"> <li>• code of professional conduct, fit and proper, professional indemnity insurance and continuing professional education</li> <li>• an overview of the TPB's compliance model and the TPB's complaints handling process. Helping manage expectations for tax practitioners, including in relation to what actions they can expect from the TPB when they are the subject of a complaint</li> <li>• the Summary of penalties, sanctions and terminations report, providing case examples of action taken against tax practitioners who have breached the legislation. Demonstrating the TPB's compliance work in upholding professional integrity.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 3 - ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED			
Measures	Metric	2014-15	2015-16
<p>TPB compliance work is risk based and there is a graduated response depending on the level of risk involved.</p>	<p>The TPB's compliance work is risk based with a graduated range of outcomes or sanctions imposed depending on the level of risk involved and the behaviour of the tax practitioner. The TPB focuses its compliance program on areas where there is the greatest risk to community.</p> <p>TPB seeks outcomes or impose sanctions that are commensurate with the seriousness of any breach of the law:</p> <ul style="list-style-type: none"> <li>• <i>The TPB compliance model demonstrates the graduated approach to compliance outcomes</i></li> <li>• <i>The TPB publishes the outcomes to compliance work showing the graduated results for compliance work.</i></li> </ul>	<p>Treatment levels for compliance work completed at different risk levels:</p> <ul style="list-style-type: none"> <li>• Risk and Issues Management RIMS (low risk matters) - 339 cases completed</li> <li>• preliminary enquiries (medium risk) – 771 cases completed</li> <li>• investigations (high risk) – 90 cases completed, resulting in 105 sanctions being imposed.</li> </ul>	<p>2,083 compliance cases commenced in 2015-16. We had 221 cases on hand at the start of the year and we had 649 cases on hand at the end of the year.</p> <p>Treatment levels for compliance work completed at different risk levels:</p> <ul style="list-style-type: none"> <li>• RIMS (low risk) - 365 cases completed</li> <li>• preliminary enquiries (medium risk) – 977 cases completed</li> <li>• investigations (high risk) – 309 cases completed, resulting in 317 sanctions being imposed - the large increase in investigation cases over the previous year is from annual declaration process of practitioners lodging their annual declarations late or not at all – resulting in an increased number of sanctions being imposed.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 3 - ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED			
Measures	Metric	2014-15	2015-16
<p>To manage the risk to consumers when using the services of registered tax practitioners.</p>	<p>Information and intelligence obtained from the TPB compliance management systems enables us to identify the different levels of risk and trends involved in non-compliant behaviour, and to plan and allocate resources effectively to better manage these risks.</p> <p>Performance standards reflect the different time frames and treatments associated with different levels of risk:</p> <ul style="list-style-type: none"> <li>• with low risk cases handled at the Risk and Issues Management Stage that aims for resolution or progression within 30 days.</li> <li>• an extra 90 days are then allocated to medium risk cases which are often resolved in the preliminary enquiry stage.</li> <li>• cases that proceed to a full investigation for a Board Conduct Committee decision have an additional 90 days to meet the performance standard.</li> </ul>	<p>The TPB will also use the federal Court, where warranted, for high risk unregistered agents, for example:</p> <p><i>The TPB initiated Federal Court action against a high risk unregistered agent and his company who had prepared and lodged numerous income tax returns, business activities statements and made amendments for a fee.</i></p> <p><i>The Federal Court ordered the unregistered agent to pay a penalty of \$150,000 and his company to pay \$750,000 for breaches of the TASA. This is the largest penalty imposed for breaches of the TASA.</i></p>	<p>The TPB will also use the federal Court, where warranted, for high risk unregistered service providers, for example:</p> <p><i>The TPB initiated Federal Court action against a registered BAS agent and their company, for unlawfully providing and advertising tax agent services.</i></p> <p><i>These services included preparing and lodging income tax returns and amendments to income tax returns, while charging a fee.</i></p> <p><i>In determining the appropriate penalty, the court stated that 'these offences occurred over an extended period of time'. Some of these taxpayers had subsequently been the subject of ATO audits and incurred administrative penalties.</i></p> <p><i>The Federal Court imposed \$81,500 penalty for providing and advertising tax agent services.</i></p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 3 - ACTIONS UNDERTAKEN BY REGULATORS ARE PROPORTIONATE TO THE REGULATORY RISK BEING MANAGED			
Measures	Metric	2014-15	2015-16
<p>The TPB conducts regular consultative forum meetings to engage members in its compliance program and ensure their feedback is considered.</p>	<p>The TPB provides compliance information to the ongoing consultative forum with accredited recognised tax and BAS agent associations, and the tax (financial) adviser forum. This helps to inform and engage professional associations and their members, with the TPB's compliance program and to consider feedback on proposals.</p> <p><i>The TPB provides updated compliance information at the consultative forums, including:</i></p> <ul style="list-style-type: none"> <li>• <i>TPB Regulatory Assurance monthly report</i></li> <li>• <i>the updates to the TPB Summary of penalties, sanctions and terminations report</i></li> <li>• <i>demonstrating the TPB's compliance work in upholding professional integrity to key industry stakeholders (who then communicate key messages to their members).</i></li> </ul>	<p>The TPB held six consultative forum meetings with industry stakeholder and professional associations during 2014-15</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers</li> <li>• four for tax and BAS agents.</li> </ul> <p>Key compliance items discussed include:</p> <ul style="list-style-type: none"> <li>• <i>Administrative Appeals Tribunal results for TPB compliance cases</i></li> <li>• <i>numbers and types of sanctions imposed by the TPB.</i></li> </ul>	<p>The TPB held four consultative forum meetings with professional associations during 2015-16</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers professional associations - in November 2015 and April 2016</li> <li>• two for tax and BAS agents recognised professional associations - in November 2015 and April 2016.</li> </ul> <p>Key items discussed include:</p> <ul style="list-style-type: none"> <li>• Administrative Appeals Tribunal results for TPB compliance cases</li> <li>• numbers and types of sanctions imposed by the TPB</li> <li>• the rollout of the Annual Declaration process</li> <li>• introduction of the standard and transitional TFA registration processes</li> <li>• The TPB has commenced a dedicated unregistered BAS agent project - focusing on entities who advertise as providing BAS agent services who are unregistered</li> <li>• Feedback from consultative forum members indicates that they can see how their feedback has been taken into account once these documents are published</li> <li>• Stakeholders agree that the forums provide a valuable opportunity for them to have input into and be informed of TPB policies.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 4 - COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND CO-ORDINATED			
Measures	Metric	2014-15	2015-16
<p>Compliance activities are coordinated by independent Board members or Board committees. In which our work is assessed against the TPB compliance model and strategic risk management approach.</p>	<p>The TPB streamlines and coordinates its compliance activities by the involvement of independent Board members in all formal investigations, ensuring a national consistent approach is taken to all compliance work.</p> <ul style="list-style-type: none"> <li>• <i>Single Delegate process (national model) is in place ensuring early guidance for all formal investigations from an independent Board member (independent Board members provides early guidance in 100 per cent of formal investigations, apart from the Annual Declaration project work which is a specific streamlined process)</i></li> <li>• <i>Board Conduct Committee operates as an independent decision making body that considers all potential reviewable breaches of the Code of Professional Conduct and fit and proper issues. The Board Conduct Committee takes a graduated approach to imposing sanctions, depending on the level of risk involved</i></li> <li>• <i>To streamline Single Delegate and Board Conduct Committee work, the TPB holds three Single Delegate meetings each month and (at least) monthly Board Conduct Committee meetings.</i></li> </ul>	<p>During 2014-15 the Single Delegate and Board Conduct Committee meetings resulted in 105 sanctions being imposed.</p> <ul style="list-style-type: none"> <li>• 80 matters were considered at Single Delegate meetings, and</li> <li>• 101 matters were considered at the Board Conduct Committee meetings.</li> </ul>	<p>During 2015-16 the Single Delegate and Board Conduct Committee meetings resulted in 317 sanctions being imposed.</p> <ul style="list-style-type: none"> <li>• 115 matters were considered at Single Delegate meetings, and</li> <li>• 70 matters were considered at the Board Conduct Committee meetings.</li> <li>• the large increase in sanctions over the previous year is from annual declaration process of practitioners lodging their annual declarations late or not at all – resulting in an increased number of sanctions being imposed.</li> </ul>



## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 4 - COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND CO-ORDINATED			
Measures	Metric	2014-15	2015-16
<p>The TPB promotes and facilitates relationships with other Commonwealth regulators for the advancement of our compliance objectives.</p>	<p>The TPB works with and shares information with certain Commonwealth regulators to co-ordinate approaches to compliance work, where permitted. Staff liaise and works with Commonwealth agencies to assist in the timely exchange of information.</p> <ul style="list-style-type: none"> <li>• ATO – TPB compliance staff regularly liaise and co-ordinate compliance case work with the ATO to ensure the timely progression of referrals of compliance cases from the ATO</li> <li>• Australian Securities Investment Commission (ASIC) – the TPB/ASIC Project Group was set up to co-ordinate the co-registration of tax (financial) advisers with the TPB in July 2014</li> <li>• Inspector General of Taxation (IGoT) – the TPB now works with IGoT since the transfer of tax administration complaints from the Commonwealth Ombudsman to the IGT in May 2015.</li> </ul>	<p>The TPB continues to work with ATO ensuring an efficient flow of compliance referrals. During 2014-15 the TPB received 97 referrals from the ATO, resulting in:</p> <ul style="list-style-type: none"> <li>• 6 formal investigations</li> <li>• 64 preliminary enquiries cases</li> <li>• 13 Risk and Issues Management (RIMS) low risk matters, and</li> <li>• 2 compliance monitoring cases.</li> </ul>	<p>The TPB continues to work with ATO ensuring an efficient flow of compliance referrals. During 2015-16 the TPB received 141 referrals from the ATO, resulting in</p> <ul style="list-style-type: none"> <li>• 3 formal investigations</li> <li>• 101 preliminary enquiries cases</li> <li>• 12 RIMS cases.</li> </ul> <p>TPB works with ASIC on regular working group meetings to help coordinate work and data between both organisations.</p> <p>IGoT referred nine complaints to the TPB during 2015-16 and all nine referrals were finalised during the year.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 4 - COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND CO-ORDINATED		
Measures	Metric	Ongoing
<p>The TPB Strategic Plan details our compliance model and its strategic risk management approach to compliance work.</p>	<p>The TPB Strategic Plan is published on our website and referred to in our Annual Report, following consultation with the consultative forum members. By publishing the Strategic Plan, the TPB are aiming to facilitate an open and consultative approach to our compliance work and to assist tax practitioners understand their obligations.</p> <p>The Board is developing a Corporate Plan 2016-2020 to outline the objective, purposes and strategies for the 4 year period</p>	<p>The TPB conducts regular consultative forums (for tax and BAS agents recognised professional associations and tax (financial) advisers professional associations) during the year. Providing demonstrated avenues for stakeholders to provide feedback on our Strategic Plan before it is published. Feedback has been supportive of this process.</p> <p>Allowing these key industry stakeholders to see how their feedback has been taken into account once the TBP's Corporate Plan is published.</p>

KPI 4 - COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND CO-ORDINATED			
Measures	Metric	2014-15	2015-16
<p>In order to improve the level of service to complainants and streamline the complaints handling process, the TPB has an Independent Review process.</p>	<p>The Independent Review process provides an avenue for complainants to seek another option if they are not satisfied with the resolution of their complaint. Independent Reviews are conducted by senior staff to re-examine a case and ensure all aspects of the matter have been considered by the TPB. This process reduces the need for complainants to contact external agencies if they wish to have the outcome to their matter reconsidered.</p>	<p>There were 15 Independent Reviews conducted during 2014-15. Only one case was reopened to consider additional information provided during the review</p>	<p>There were 25 Independent Reviews conducted during 2015-16. Only one case was reopened to consider additional information provided during the review.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

<b>KPI 4 - COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND CO-ORDINATED</b>		
<b>Measures</b>	<b>Metric</b>	<b>2015-16</b>
<p>Uses the Annual Declaration process to streamline the collection of information from tax practitioners and verify they are meeting their registration obligations.</p>	<p>The Annual Declaration form will ensure TPB records are up to-date and accurate and minimising potential delays to tax practitioner's renewal processing. It provides an annual check for the TPB to verify that registered practitioners are on track with meeting their ongoing registration obligations and ensuring the TPB has updated contact details.</p> <ul style="list-style-type: none"> <li>• the electronic Annual Declaration form has been designed to minimise the amount of time taken for tax practitioners to complete it and has been the subject of usability testing</li> </ul>	<p>The first release of the Annual Declaration forms occurred for those practitioners with a renewal date of 1 January 2016. The form was released in November 2015 allowing practitioners 45 days to lodge the form. This process is in place each month. Over 20, 000 Annual Declaration forms have been lodged between 1 November 2015 and June 2016.</p> <p>The Annual Declaration is a simple way for all registered tax and BAS agents to show they meet ongoing registration requirements, including:</p> <ul style="list-style-type: none"> <li>• <i>having professional indemnity insurance cover (with pre-filled details where the agent has previously provided this information to the TPB)</i></li> <li>• <i>undertaking continuing professional education (individuals only)</i></li> <li>• <i>any changes in practice structure and/or personal details (including information voluntarily provided by the practitioner concerning recognised association affiliation)</i></li> <li>• <i>satisfying fitness and propriety requirements</i></li> <li>• <i>meeting personal tax obligations.</i></li> </ul> <p>TPB consulted recognised professional associations through the consultative forums over the concept and processes of the Annual Declaration form. Feedback was supportive of this new process. The Annual Declaration process replaces the previous requirement to update TPB about Professional Indemnity Insurance each year.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 5 - REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>Publication of TPB policy guidance material in promoting accountability to tax practitioners, stakeholders and consumers.</p>	<p><b>[Note: assessment of this measure is also used in KPI1 and is used here as it forms a key method of communicating key stakeholders and consumers.]</b></p> <p>The TPB publishes a range of new and updated policy guidance (explanatory papers, guidelines and information sheets) to help tax practitioners understand and comply with their obligations. All proposed policy guidance is provided as public exposure draft guidance materials for the purpose of seeking stakeholder feedback for consideration in the TPB decision making process.</p>	<p>During 2014-15, the TPB released:</p> <ul style="list-style-type: none"> <li>• three public exposure draft guidance materials for comment and feedback</li> <li>• seven finalised or updated guidance materials.</li> </ul>	<p>During 2015-16, the TPB released:</p> <ul style="list-style-type: none"> <li>• six public exposure draft guidance materials for comment and feedback</li> <li>• two finalised or updated guidance materials.</li> </ul> <p>The TPB uses a range of media channels to publish exposure draft guidance materials or announce they are open for public comment or submissions. This approach to publishing exposure draft guidance materials forms part of the TPB's consultative process in the development of its policies</p> <p>Channels include:</p> <ul style="list-style-type: none"> <li>• tax and BAS agent consultative forums</li> <li>• tax (financial) advisers consultative forums</li> <li>• announcements in the TPB website</li> <li>• updates in the relevant edition of eNews</li> <li>• Twitter announcements</li> <li>• LinkedIn commentary.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 5 - REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>All TPB communication channels refer to the TPB website and it is the main channel for communicating with tax practitioners and consumers.</p>	<p>The TPB website is the first point of contact for over 80% of enquiries for tax practitioners and the wider community. The website directs tax practitioners and consumers to information on: registrations, compliance information, tax practitioner obligations, and registration processing and compliance statistics. The website allows for tax practitioners and other stakeholders to readily access this information.</p> <ul style="list-style-type: none"> <li>• the TPB website content is reviewed and updated when required and has been the subject of independent reviews to improve usability</li> <li>• a range of registrations and compliance performance measures and service standards results are published in a timely manner</li> <li>• the TPB website is clear, accessible and information is easy to locate.</li> </ul>	<p>During 2014-15, the TPB conducted website usability testing:</p> <ul style="list-style-type: none"> <li>• the TPB worked with external providers to test the website's functionality with registered tax and BAS agents, accountants, financial advisers and consumers</li> <li>• the TPB used these findings to refine the website's structure and content. Improvements include reducing the amount and complexity of content, and providing clear pathways to help practitioners complete their registrations and renewals quickly and accurately</li> </ul> <p>During 2014-15:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 408,989 unique visits</li> <li>• the TPB public register was used for 860,965* searches.</li> </ul>	<p>During 2015-16, the TPB conducted website usability testing:</p> <ul style="list-style-type: none"> <li>• the TPB worked with external providers to test the website's functionality with registered tax and BAS agents, accountants, financial advisers and consumers</li> <li>• the TPB used these findings to refine the website's structure and content. Improvements include reducing the amount and complexity of content, and providing clear pathways to help practitioners complete their registrations and renewals quickly and accurately</li> </ul> <p>During 2015-16:</p> <ul style="list-style-type: none"> <li>• the TPB website attracted 418,941 unique visits</li> <li>• the TPB public register was used for 911,787 searches.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 5 - REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>Publication of TPB Annual Report which details a broad range of TPB strategies and processes.</p>	<p>The TPB Annual Report provides details of the TPBs strategic, operational and business directions to enhance stakeholder and public accountability. It also contains a range of performance measures and service standards, and related results for stakeholder and public scrutiny.</p> <p>Main themes published include:</p> <ul style="list-style-type: none"> <li>• <i>the TPB legislative framework and powers</i></li> <li>• <i>the TPB's program objectives and deliverables</i></li> <li>• <i>communications and public awareness</i></li> <li>• <i>registrations and compliance work.</i></li> </ul>	<p>The TPB Annual Report for 2014-15 provides details of key achievements, including:</p> <ul style="list-style-type: none"> <li>• 31 per cent increase in the registered tax practitioner population</li> <li>• regulation of tax (financial) advisers from 1 July 2014</li> <li>• launch of the registered agents symbol for tax and BAS agents</li> <li>• continued improvements in registration processes including the expanded use of automatic emails in the renewal process</li> <li>• compliance program of work including risk based strategies and compliance results.</li> </ul>	<p>The TPB Annual Report for 2015-16 provides details of key achievements, including:</p> <ul style="list-style-type: none"> <li>• regulation of tax (financial) advisers through the transition and standard registration options available from 1 January 2016</li> <li>• launch of the registered practitioners symbol now available for tax agents, BAS agents and tax (financial) advisers who are registered under the standard option</li> <li>• continued improvements in registration processes including the expanded use of automatic emails in the renewal process</li> <li>• compliance program of work including a project to focus on potential unregistered BAS service providers.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 5 - REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>The TPB conducts regular consultative forum meetings as part of its consultative framework to be open and responsive to stakeholder needs.</p>	<p><b>[Note: assessment of this measure is also used in KPI1 and is used here as it forms a key method of communicating key stakeholders.]</b></p> <p>The TPB conducts regular consultative forums with tax, BAS agents and tax (financial) adviser recognised professional associations to ensure their views and experiences are taken into account regarding our processes and compliance programs:</p> <ul style="list-style-type: none"> <li>• <i>the Government's deregulation program to consider options for reducing the time tax practitioners spend interacting with the TPB</i></li> <li>• <i>the TPB registration processes to further improve the service for tax practitioners.</i></li> </ul>	<p>The TPB held six consultative forum meetings with industry stakeholder and professional associations during 2014-15</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers</li> <li>• four for tax and BAS agents.</li> </ul>	<p>The TPB held four consultative forum meetings with professional associations during 2014-15</p> <ul style="list-style-type: none"> <li>• two for tax (financial) advisers professional associations - in November 2015 and April 2016</li> <li>• two for tax and BAS agents recognised professional associations - in November 2015 and April 2016.</li> </ul> <p>Stakeholders agree that the forums provide a valuable opportunity to have input into and be informed of TPB policy and practises</p> <ul style="list-style-type: none"> <li>• <i>The TPB provides copies of the Regulatory Assurance monthly report and the TPB Summary of penalties, sanctions and terminations report. Demonstrating the TPB's compliance work in upholding professional integrity.</i></li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 5 - REGULATORS ARE OPEN AND TRANSPARENT IN THEIR DEALINGS WITH REGULATED ENTITIES			
Measures	Metric	2014-15	2015-16
<p>The TPB conducts regular outreach activities which forms an integral part of the TPB's ability to engage openly with tax practitioners.</p>	<p><b>[Note: assessment of this measure is also used in KPI2 and is used here as it forms a key method of communicating key stakeholders.]</b></p> <p>The TPB conducts regular outreach events, conferences and webinars to provide additional forums for engagement and feedback. This forms part of the TPB's strategy to engage with tax practitioners and industry as part of its decision making process. Board members are invited to, and speak at a range of external events.</p> <p>Regular outreach events include:</p> <ul style="list-style-type: none"> <li>• TPB sponsored outreach events held in various locations across Australia</li> <li>• professional association related conferences</li> <li>• attend speaking forums, such as ATO Open Forum events</li> <li>• webcasts; and</li> <li>• university and TAFE events.</li> </ul>	<p>During 2014-15, the TPB presented at 49 external speaking events at forums and conferences across Australia, including:</p> <ul style="list-style-type: none"> <li>• professional association conferences</li> <li>• registered training organisation events, such as university and TAFE</li> <li>• ATO Open forums.</li> </ul>	<p>During 2014-15, the TPB presented at 47 external speaking events at forums and conferences across Australia, including:</p> <ul style="list-style-type: none"> <li>• professional association conferences</li> <li>• registered training organisation events, such as university and TAFE</li> <li>• ATO Open forums.</li> </ul> <p>The TPB also conducted eight face-to-face outreach sessions with tax practitioners. Sessions for tax (financial) advisers in Sydney and Melbourne. Sessions for tax and BAS agents in Frankston and Geelong in Victoria.</p>



## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 6 - REGULATORS ACTIVELY CONTRIBUTE TO THE CONTINUOUS IMPROVEMENT OF REGULATORY FRAMEWORKS			
Measures	Metric	2014-15	2015-16
<p>TPB stakeholder engagement policy and stakeholder dissemination processes used to implement and improve the co-regulation of tax (financial) advisers.</p>	<p>The TPB uses its extensive range of communications channels to engage key stakeholders in the financial planning industry to raise awareness of the new regulatory arrangement for tax (financial) advisers, including ASIC and professional associations.</p> <ul style="list-style-type: none"> <li>• <i>the TPB is committed to ongoing consultation and developing further guidance material to support tax (financial) advisers. The TPB now conducts consultative forums for tax (financial) adviser recognised professional associations and other stakeholders to inform and receive feedback with improvements in this process.</i></li> </ul>	<p>During 2014-15, the TPB used a range of stakeholder engagement processes to assist with the regulation of tax (financial) advisers, including:</p> <ul style="list-style-type: none"> <li>• conducted two consultative forums for tax (financial) adviser recognised professional associations and other stakeholders to inform and receive feedback with improvements in this process</li> <li>• the TPB released two proposed guidelines and three information sheets for tax (financial) advisers</li> <li>• advising tax (financial) advisers and related stakeholders of the transitional and standard registration phase commencing 1 January 2016.</li> </ul>	<p>During 2015-16, the TPB used a range of stakeholder engagement processes to assist with the regulation of tax (financial) advisers, including:</p> <ul style="list-style-type: none"> <li>• conducted two consultative forums for tax (financial) adviser professional associations and other stakeholders to inform and receive feedback with improvements in this process</li> <li>• the TPB released three proposed guidelines and two information sheets for tax (financial) advisers</li> <li>• advising tax (financial) advisers and related stakeholders of the transitional and standard registration phase commencing 1 January 2016.</li> </ul>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 6 - REGULATORS ACTIVELY CONTRIBUTE TO THE CONTINUOUS IMPROVEMENT OF REGULATORY FRAMEWORKS		
Measures	Metric	Ongoing
The TPB establishes cooperative and collaborative relationships with tax and BAS agent recognised professional associations to help facilitate continuous improvements.	The TPB conducts regular consultative forums with tax and BAS agent recognised professional associations, ensuring their views and experiences are taken into account regarding TPB processes and compliance work:	<ul style="list-style-type: none"> <li>• consultative forum members are provided with draft copies of policy guidance material before it is publicly released for feedback and submissions</li> <li>• communiqués summarising the key messages from these forums are sent to the association representatives to help communicate the key theme discussed. These are also published on the TPB website.</li> </ul>
To engage key stakeholders to provide an enhanced level of service for registered tax (financial) advisers.	<p>The TPB worked in collaboration with ASIC to develop its registration and co-regulation policies for tax (financial) advisers. The TPB and ASIC set up the TPB/ASIC Project Group to exchange information and reduce the regulatory burden for tax (financial) advisers.</p> <ul style="list-style-type: none"> <li>• <i>To hold at least three TPB/ASIC joint meetings annually to facilitate this.</i></li> </ul>	<p>The TPB continues to work with ASIC in an ongoing basis to facilitate data exchanges of up to date information on registered tax (financial) advisers. Meetings cover a range of items to enhance the level of service to tax (financial) advisers, key items discussed:</p> <ul style="list-style-type: none"> <li>• improvements to the weekly data exchanges of registrations information between ASIC and the TPB</li> <li>• enhancements to ASIC and TPB communications to ensure common messaging e.g. updates to ASIC's website and grant letters to include references to the TPB</li> <li>• ASIC and TPB sharing compliance information where relevant</li> <li>• items for inclusion for potential updates to the ASIC/TPB MOU.</li> </ul>
Continue to build and enhance our suite of online application and renewal forms to provide a more effective service to tax practitioners.	<p>The TPB is currently working on a continuous improvement plan for our suite of online application forms for registration and renewal processes, and regular information requirements.</p> <p>This will enhance the user experience for tax practitioners by saving time and effort with the electronic lodgement of their registration and renewal applications.</p>	<p>The TPB is progressing preparations of the six new tax (financial) adviser online forms for transitional and standard registration renewals. As well as the forms and systems design requirements, this work includes related correspondence and expansion of communications activities. Information will also be published on the TPB website in relation to what is included within the online renewal forms.</p> <p>This advice will also outline what is required for the purpose of submitting a renewal application to assist those entities seeking to renew their registration. The forms will be built with the help of an external contractor. A separate independent body has provided governance and oversight of this process to ensure the most suitable processes are employed in the design and build of new online forms.</p>

## TPB Annual Self-Assessment 2015-16 against the Regulator Performance Framework's six KPIs

KPI 6 - REGULATORS ACTIVELY CONTRIBUTE TO THE CONTINUOUS IMPROVEMENT OF REGULATORY FRAMEWORKS		
Measures	Metric	Ongoing
<p>Engage as appropriate with policy departments, especially Treasury, on possible reforms to regulatory frameworks.</p>	<p>Treasury feedback confirms that there was appropriate engagement on possible reforms to regulatory frameworks, particularly with a view to reducing regulatory burden.</p> <ul style="list-style-type: none"> <li>• <i>The number of matters we have consulted on.</i></li> </ul>	<p>The TPB received approval from the Assistant Treasurer in June 2015 on the metrics to be used against the Regulator Performance Framework (Framework) six KPI's. These will be used by the TPB in an annual self-assessment of performance against the Framework.</p> <p>The TPB has consulted with Treasury over a range of items including technical issues over expanding services for BAS agents through a legislative instrument – this is the first time the TPB has issued an legislative instrument and expands the definition of a BAS agent service</p> <p>The TPB has also consulted with Treasury over the Regulatory Reform Agenda to help cut the red tape. The TPB has achieved a deregulation saving of around \$1.54 million through the:</p> <ul style="list-style-type: none"> <li>• Improvements to online forms</li> <li>• Reviewing the way we engage electronically with practitioners</li> <li>• Improving practitioners access their information.</li> </ul>