



The Natural Resources  
Access Regulator  
(NRAR)

# NRAR's path to best practice

MDBA IAC  
December 2020





# Before NRAR, compliance was ineffective

## **Matthews and Ombudsman Reports 2017**

NSW water compliance and enforcement:

- Ineffectual, needing urgent improvement
- Loss of public confidence in compliance
- Inadequate resourcing to protect NSW water resources

## **ICAC 2020**

“..... a detrimental effect on the public’s confidence in the efficient management of the water sources of the state and in the integrity and good repute of public administration...”





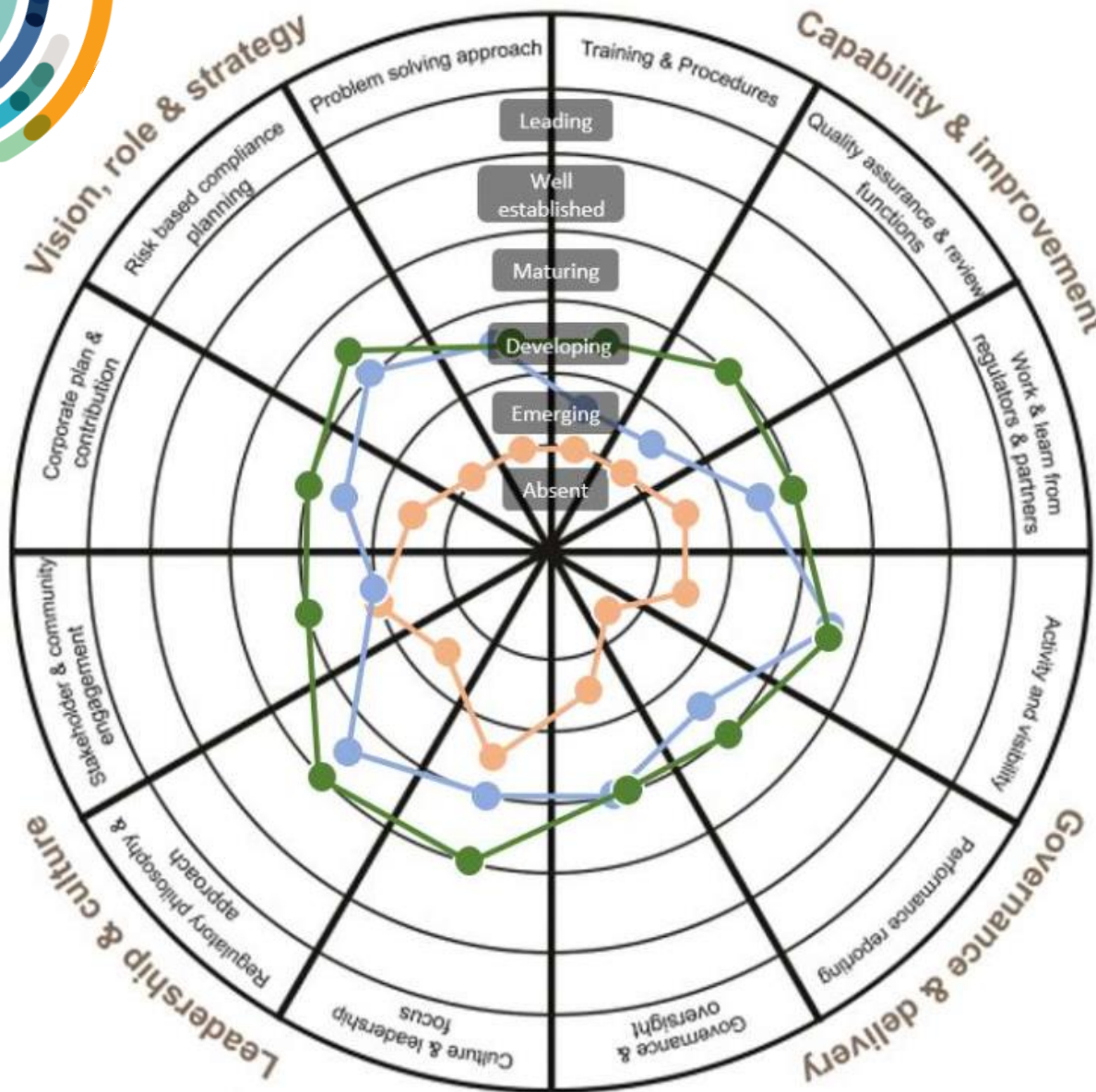
# Independent governance

Natural Resources Access Regulator 2017 est. NRAR as a body corporate, governed by a fully independent board, their focus;

- Restate compliance function and exercise of prosecutorial powers
- Oversight of efficiency and effectiveness
- Pursuit of adequate resourcing to protect NSW water resources



# Regulatory assessment tool



## 2017

- Most elements of best practice compliance regulation were “absent” or “emerging”

## 2019

- Most elements of best practice regulation now “emerging” or “developing”

## 2020

- Most elements ‘maturing’

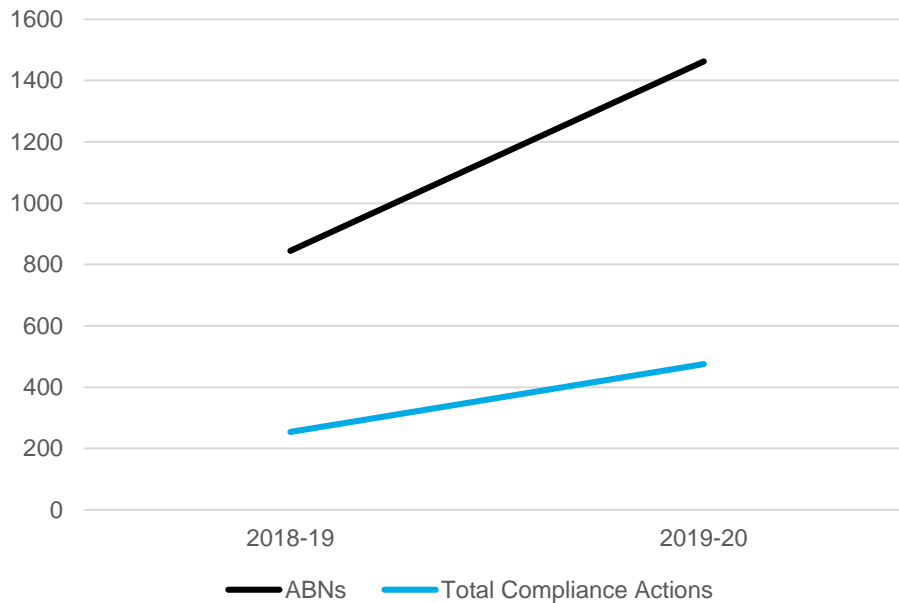
2017

2019\*

2020

# NRAR's establishment turned things around

NRAR activity – the first two years



**73%**  
annual increase in  
ABNs

**87%**  
annual increase in  
total compliance  
activity

**26**  
prosecutions  
commenced by NRAR



# NRAR Strategic Plan 2021-2023

## Our purpose

We build public trust and confidence as a regulator by:

**Educating, enabling, and encouraging people** to actively comply with natural resources laws

**Enforcing the law** to provide a deterrent, and to **ensure fairness** for the compliant; and

**Championing improvements** to the management of natural resources

## Our vision

Together, we create thriving environments, communities and economies

## Our values

Daring,  
Collaborative,  
Creative, Kind,  
Inclusive,  
Integrity

## What we do

Ensure **effective, efficient, transparent and accountable** compliance and enforcement measures for the natural resources' management legislation

**Maintain public confidence** in the enforcement of the natural resources' management legislation

## Strategic goals



Outcomes and benefits to the people, environment, and economy of NSW

Outcomes driven by innovation and targeted programs-based work, that enable lawful activity and encourage widespread voluntary compliance

*Change will come by delivering strategic outcomes and benefits from service driven by innovation and continuous improvement*

### People and culture



An organisational culture that embraces learning, innovation and achieves outstanding results reflected by actions

*A confident regulator is a regulator that develops and improves*



Regulatory systems and information

An intelligent use of analytics and systems to inform, guide and increase our reach and impact

*A stride towards maximising and measuring our impact and contributions to enduring outcomes*



External relationships

Effective engagement with stakeholders to promote transparency and accountability in the management of natural resources in NSW

*To build public trust and confidence and protect our independence*



Leadership

A sharp focus on leading regulation and being a role model

*To become a leading regulator*

## Key Targets



**100%**

of **compliance programs** show improvement in compliance rates



**5,000**

monitoring site inspections



**90%**

rate of **compliance action for high risk cases**; year on year reduction in case duration



Proactive release of **20** planned compliance program **final reports** to industry and public



**80%**

of all **licensing and approvals determined within 3 months**



**10** planned programs show industry are actively participating in compliance improvement



**>75%**

of **employee engagement** aspiring to be a top 10% public sector agency

# NRAR's approach targets compliance attitudes

## Compliance attitude

*Have decided not to comply:* criminal intent and illegal activity; recidivist, reckless, wilful conduct and/or serious harm

*Don't want to comply:* propensity to offend; deliberate, intentional non-compliance, and/or harm

*Try to, but don't always succeed:* unintentional non-compliance; willing to comply, but not sure what is expected

*Willing to do the right thing:* know what is expected and willing/ incentivised to do what is right

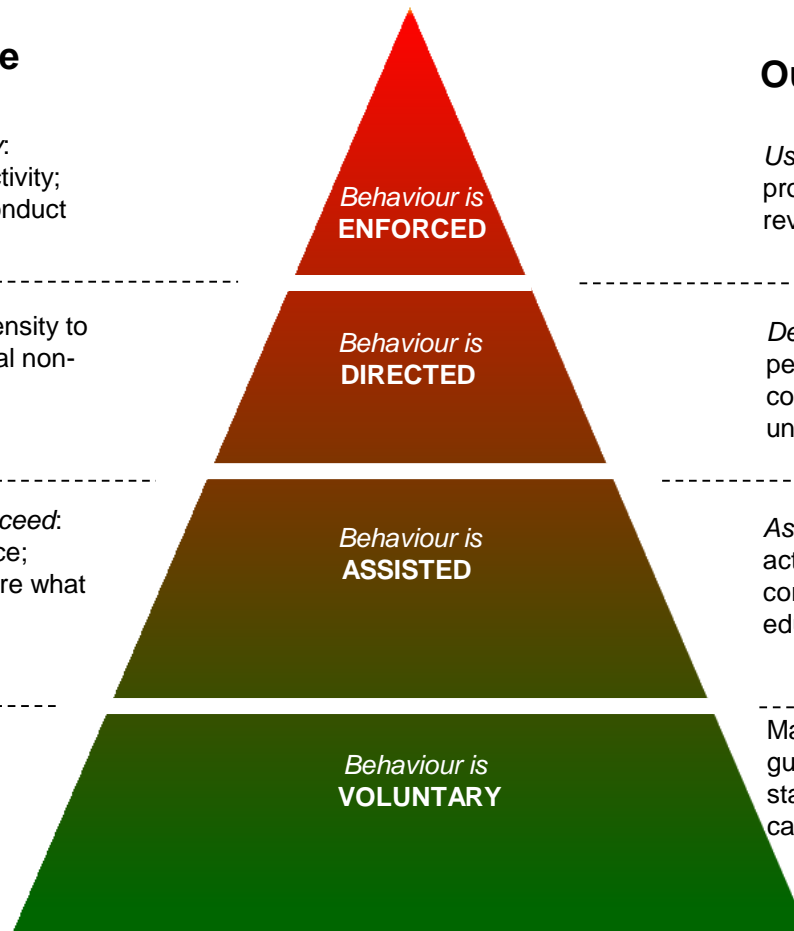
## Our regulatory tools

*Use full force of the law:* – prosecution, licence suspension or revocation.

*Deter by detection then action:* - penalty infringements, directions, compliance orders, enforceable undertakings, financial recoveries.

*Assist to comply:* - use risk-based active monitoring, system audit, corrective actions, guidance and education

*Make it easy:* - advice and guidance through digital means, stakeholder outreach, promotional campaigns



**Actions at the top of the pyramid support actions at the bottom by clarifying expectations and demonstrating that those who don't comply will be held to account**

# .....And different risk profiles



## An effective regulatory approach requires both:

- **Focusing on the right things** – targeting efforts at the areas where there is the greatest risk and potential harm
- **Applying the right approach** – selecting the compliance tool based on the attitude and motivation of regulated parties towards compliance

Effective intelligence gathering and data analysis informs our focus and the approach we take.