

Productivity Commission's Regulator Engagement with Small Business Study
Brisbane City Council Response

1.0 Purpose

To provide a formal response on behalf of Brisbane City Council ('Council') to the Productivity Commission's Issues Paper on '*Regulator Engagement with Small Business*' Study, dated January 2013.

2.0 Background

The Federal Government's Productivity Commission is conducting a research study to identify leading practices in regulator engagement and determine whether there are opportunities for adoption of these practices to reduce the compliance burden on small business, while sustaining good regulatory outcomes. Specifically the Commission has been asked to:

- Provide evidence on the variety of approaches used by regulators to engage with small business
- Assess the effectiveness of different approaches and identify leading practices, including in overseas jurisdictions, considering:
 - the balance of facilitative, educative and compliance based approaches, including the use of risk-based compliance and enforcement strategies
 - whether approaches appropriately consider the characteristics of small business
 - the extent to which regulatory engagement approaches vary with the nature and objectives of regulations and with the way the regulatory regime is defined by policy makers
 - how the use of particular engagement approaches might shape regulatory culture
- Identify the levels of assistance and education provided to small businesses and assess whether such assistance could be better targeted to lower compliance costs for small business and improve the administrative efficiency of meeting regulatory objectives.

The study will look at regulator engagement with small business as an ongoing commitment to work with small business to cut red tape and increase productivity.

3.0 Compliance and Regulation in Brisbane City Council

Local Governments administer and enforce some regulations on behalf of the State Government. In Council, these functions are provided by Compliance and Regulatory Services (CARS) Branch within the Brisbane Lifestyle Division and Development Assessment Branch within the City Planning and Sustainability Division.

CARS Branch operates under a 24 hour a day, 7 day a week (24/7) model delivering a fairer, safer Brisbane for all residents. The Branch manages a wide range of workload including education and awareness activities, responding to complaints, issuance of licenses and permits, conducting audits, enforcing state and local legislation and regulations, responding to disaster events and providing a first response capacity across the City.

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4.0 Customer Focus

A key driver for Council is the Customer Focus Strategy. There are a number of ways that Council delivers a customer focused approach to its residents and customers, as follows:

- **Brisbane's Customer Charter**

The Customer Charter is Council's commitment to the quality of service delivered to the community and was developed in response to customer feedback. A copy of this Charter is attached at Appendix A. The Charter commits to the customer that when they contact Council, they can expect to be treated with honesty, fairness, sensitivity and dignity. All licensing regimes and compliance activity associated with those processes will be dealt with fairly, promptly and professionally. All customers can expect this level of service, including small business operators.

- **Customer Focus Vision 2016 (see copy at Appendix B)**

Council's Customer Focus Vision provides aspirational customer focus goals and a platform for how Council manages its day to day operational activities to ensure we keep customers at the forefront of all that we do. The Vision is for a Council that is 'Dedicated to Customers – Everyone, Everywhere, Every Time'. The key aspirations that relate specifically to small business include:

- The 'One Council' philosophy where Council works together as one team to provide a seamless service to our customers. Council has strong partnerships without silos and internal barriers. There is no wrong door to Council which means that customers can contact any employee and be assured that their issue, concern or complaint will be acknowledged and dealt with. An example of how this might work in a small business context could be highlighted by a CARS officer attending on site for an Eat Safe Brisbane food safety audit and the business operator seeks advice on outdoor advertising signage or the process for closing the footpath outside the business premises. The Council officer may not know the process or advice to provide to the small business operator, however they will take the queries onboard and ensure they are passed onto the relevant areas for follow up and a response.
- 'Customer Council' is about engagement and being open with the community as well as using customer feedback to change and consider the impact on the customer before implementing anything new. From a small business perspective, Council involves the operator wherever practicable for any change in major processes or new regulations or legislation. This customer engagement is often with industry bodies and advisory groups if they exist. In some cases there will be small business working groups established, which are a sub-set of the peak industry bodies.
- 'Personalised Council' is where we value customers equally and take individual circumstances and preferences into account. We want customers to know that their issue is important and will consider their language, their culture, their situation and their preferences. This does not mean we will change regulations to suit individual needs but we give the right guidance, information and support to resolve their issue or concern. For a small business operator this

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will mean that we achieve the same outcome, but the process or approach to get to the outcome may vary depending on their needs. An example is where a small business operator requires outdoor advertising signs outside their premises and does not understand or has the time to navigate through Council's websites, fact sheets or application processes. The customer obviously requires more information, assistance and support from Council staff and receives a more personalised service (often including individual meetings) to achieve the end outcome of complying with the advertising legislation.

Two of the key deliverables that have arisen from the Customer Focus approach in Council include the launch of the Business Website and Hotline. Council is dedicated to supporting local businesses within the community and wants to ensure that doing business with Council is as easy and accessible as possible. The Business Hotline is available 24/7 and customers can phone with their queries and concerns which is supported by the 'Doing business in Brisbane' website. A Business Hotline business card has also been developed to ensure that the 133 BNE phone number is transparent and available to be handed out to business operators at business events and a variety of forums within Brisbane. The business card also includes a QR code which enables smart phone users to access the 'Doing business in Brisbane' website immediately.

In addition, Council is moving towards more online transactions which both simplifies application processes and allows customers to manage and complete paperwork online.

- **Contact Centre**

Council has an award winning and internationally recognised Contact Centre which comprises of a Call Centre and Customer Service Centres. When using our Call Centre, callers can contact us 24/7 and actually speak to a person rather than an automated service. The Contact Centre's vision is that we will 'provide world-class customer service that is innovative, flexible and accessible, by demonstrating a shared passion for our people and our customers'.

- **Toolbox – A Council Knowledge Network**

Customers are able to obtain free online access to all standards, guidelines and processes across South East Queensland Councils for Environmental Health and Disaster Management disciplines. This allows for small business operators to search for information and legislative requirements in their own time and in fact any time 24/7. The information and fact sheets provided are easy to understand, user friendly and accommodates both ends of the small business spectrum in terms of the detail required to develop business operational processes or just key pieces of information to ensure the small business operator complies with the regulations.

Toolbox is a result from collaboration across SEQ Councils, which provides an additional layer of consistency for small business operators who may operate across Council borders.

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5.0 Regulatory Approach

Council has developed a Community Engagement Centre of Excellence which guides staff in how to engage with the community to get them involved in Council's decision making process. The 'Brisbane City Council Community Engagement Policy' (Appendix C) outlines Council's commitment to meaningful engagement with the community on issues affecting the future of the city, and on local issues that significantly impact on the community.

The Policy guides Council engagement with industry, service users and other stakeholders to build an approach based on shared responsibility and mutual obligations as well as allowing the community to provide input into new legislation, regulations or policy wherever appropriate. In some instances, Council will test the outcomes and approach with small businesses to ensure that they understand the new regulatory requirements and obtain specific feedback about impact on implementation of these requirements. For example, the development of the Eat Safe Brisbane Framework had two layers of industry engagement - a Project Control Group consisting of industry bodies which was supported by a working group that included individual businesses, franchisee leads, and representatives of industry groups to ensure that a wide range of impacts and therefore solutions was part of the development.

Eat Safe Brisbane is a food safety rating scheme which was developed in partnership with the food industry and will ensure Brisbane's food continues to be among the world's best in safety standards. All licensed food businesses within Brisbane are issued with a food safety star 'rating' based on an assessment conducted by Council under the *Food Act 2006* and good management practices. There is a variety of brochures and online information available relating to the Eat Safe Brisbane scheme which accommodates a range of customers and is available in different languages. For example, the 'Eat Safe Brisbane Eat Safe Essentials' is a quick guide that outlines the 'essential' food safety requirements food operators need to be aware of for the food safety rating scheme (see Appendix D). This is specifically tailored for small businesses where the key focus is on day to day service delivery and for those who may not have an interest in developing ISO standard procedural documents.

In addition, there is a much more detailed comprehensive guide called the 'Eat Safe Brisbane Food Safety Made Easy Guide' which was developed to help food businesses in Brisbane comply with the *Food Act 2006*, *Food Safety Standards* and good food safety management practices in general. This document is a comprehensive information guide for those businesses that are keen to develop business processes around food handling controls and health and hygiene controls (see Appendix E).

Wherever required, Council Environmental Health Officers tailor their advice and information by spending one-on-one time with businesses that need more assistance until they comply with the regulations.

Council utilises a Regulatory Framework Compliance Strategy which provides a range of enforcement tools from education, acceptable solutions and self-assessment options, negotiation to resolve complaints and

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neighbourhood disputes, through to the more prescriptive options such as infringements, compliance notices and ultimately prosecution. Please find a copy of this Regulatory Framework at Appendix F. Council uses all available options within the Regulatory Framework in an integrated way to achieve successful compliance outcomes for the community.

As a Local Government, one of the messages we receive from key Industry Groups is that they want a level playing field for all. From a regulatory perspective, Council is committed to ensuring that we are consistent in our approach and achieving the best outcome, however it is the solution that is negotiated which is appropriate to that particular situation or circumstance. This means that those customers (including small business) that need additional support, information, guidance, or extra time regarding a compliance matter may receive it, and the enforcement approach (if needed) is appropriate to the situation.

Other ways of how Council accommodates small business needs in terms of compliance matters is highlighted as follows:

- Council holds the Lord Mayor's Business Forums which are a series of free workshops held across Brisbane for businesses. At these forums, successful local business owners provide valuable insights from their own experiences and offer practical tips to help local businesses grow. CARS staff attend these forums to discuss any business needs and respond to questions local business operators may have regarding licenses, permits, applications, processes or just to provide general information and advice.
- Many permit and license application forms are now available online making it easy and accessible for all customers including small business operators. An example can be found at Appendix G, which is the Advertising Sign Information Kit and application form on Council's website. In addition, Council provides this information kit to small businesses by soft copy or hard copy if required. Another example can be found at Appendix H which is the Advertising Signs Express Assessment application which assists small business owners to make applications for assessments for a range of lower risk signs including awning, ground, roof and banner signage.

To ensure a consistent approach for customers when we are responding to and investigating compliance and regulatory matters, Standard Operating Procedures (SOPs) have been developed. Staff are provided training in the SOPs through structured training as well as: on-the-job training; access to online SOPs and supporting documents; ongoing support from Supervisors and Team Leaders; and scenario based training which takes place in team meetings.

Staff are required to undertake refresher training on a regular basis and particularly when SOPs are amended. CARS Branch has a competency based framework called 'Planning for Progression'. This framework provides officers with some structured learning and development goals to enable progression

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based on certain criteria and providing evidence of work (learning is self-paced). This ongoing learning and development opportunity builds strength and provides some rigour into the various disciplines across CARS Branch.

In addition, the CARS Branch Business Plan outlines yearly training priorities which includes on-the-ground training and refresher training for topics such as Powers of Entry, investigation and interview techniques, conflict resolution, technology based courses, time management, report writing, legislation changes.

Our SOPs are also reviewed regularly as part of our commitment to continuous improvement. This also reinforces our achievement towards the Council's Customer Focus Vision and 'Personalised Council' aspiration by reassuring small business operators that we will treat their issue as important but we will take individual circumstances and preferences into account. Council employees are able to take a similar approach to each circumstance but vary it according to the small business operator's needs including time and resource availability to work with us on the regulations and compliance requirements for that small business.

6.0 Performance Leadership

When developing regulations, legislation or rolling out State-driven requirements, Council applies a process to ensure a framework is developed to support the new legislation. Once this framework (which includes the development of operational policy and SOPs) has been developed, the delivery on the ground to match the framework is key to ensuring equity and fairness for all. In order to assist this process, an effective approach to managing performance is required.

Performance leadership is Council's proactive approach to managing performance. It is about effective day-to-day people management where everyone knows what is expected of them and what good performance means, receiving and offering regular feedback, and staff are able to obtain the development, support and recognition they need to do a great job. Underpinning performance leadership is strong working relationships as well as rewarding and recognising achievements.

Effective performance leadership helps to ensure everyone continues to embrace a customer focused outcome for all customers. It can also be one mechanism to ensure that staff are cognisant of their performance expectations which includes understanding and following all work procedures including Standard Operating Procedures.

Another key aspect of effective performance leadership is reward and recognition opportunities and having empowered staff that are supported to make sound and good decisions. Having an effective performance leadership program within Council is fundamental to ensuring staff are able to undertake their role to the best of their ability and creates the foundations for providing excellence in customer service including supporting small business regulation.

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An example of how this is applied is within the Development Assessment (DA) Branch in Council. DA have identified that positive programs to promote regulatory cultural change in the attitude of staff that regulate development can be of great assistance to improving regulatory and customer outcomes. To help promote and reinforce positive cultural change, since 2011 DA has undertaken Customer Focus Awards ('the Awards') twice yearly. The Awards are designed to reward behaviours which demonstrate to DA's customers (development applicants and Brisbane's residents) that DA officers are committed to working with customers to assess development applications as fast as possible and in a collegiate manner with applicants.

DA officers are able to be nominated (see Appendix I - DA Customer Focus Awards Nomination Form) - by Council staff and applications under three categories of *Engagement*, *Simplicity* and *Integrity*. Judges comprise a Team Manager from DA, the Chair of the Neighbourhood Planning and Development Assessment Committee, and a senior representative from the development industry, typically a Principal or Partner of one of DA's top 10 applicants. The winners of each category and the overall winner receive a gift to a suitable monetary value as well as certificates. Winners are also celebrated by DA as lead examples of what behaviours DA seeks to emulate for all staff, providing a positive example of regulatory cultural change.

The Awards complement more traditional regulatory cultural change initiatives by providing a positive, rewards based initiative that is open to all staff and that is also open to customers to nominate and judge. Over the two years since the Awards' inception, the behaviours and attitudes of DA officers have improved across the board, in keeping with other cultural change initiatives and with Council's approach to positively and proactively work with customers to improve the economic development of Brisbane.

7.0 Brisbane's Economic Development

One of the key priorities for the current Administration is boosting Brisbane's economic development. Council is dedicated to supporting local businesses within the community. Currently small business operators account for approximately 96% of the business community within Brisbane. With this in mind, all Brisbane economic development activities and initiatives will target a very high number of small business operators and is relevant to Council's response to the Issues Paper around *Regulator Engagement with Small Business*.

In addition to the 'Doing Business in Brisbane' website and phone hotline and the Lord Mayor's Business Forums (which have been discussed above), Council has an Economic Development program to enhance Brisbane's capacity to support long-term economic growth. It co-ordinates and implements projects to attract investment and jobs, promote business expansion in Brisbane and build Brisbane's international reputation as a place to visit, study, work and do business in.

The Lord Mayor's Business Awards are a platform to acknowledge the contribution of businesses and individuals to Brisbane's economy. In terms of small business awards, Council is committed towards and

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sponsors the Moreton Bay and Islands Tourism Awards. These Awards recognise excellence in tourism service delivery from across local government areas of Brisbane, Redland and Moreton Bay. It is important to recognise the role that local tourism industry plays in product and destination awareness and as a significant economic contributor to the region.

The Lord Mayor's Multicultural Round Table identifies and facilitates opportunities for business and economic development in Brisbane's multicultural community. This initiative encompasses Entrepreneur Awards, Business Scholarships, and an annual business dinner to raise funds in support of multicultural business development programs in Brisbane.

Urban Futures Brisbane provides Council with strategic and independent advice to help shape the future of Brisbane. The Urban Futures Brisbane Board aims to integrate and co-ordinate all planning including town planning, traffic and transport, economic, infrastructure and urban design perspectives.

In September 2011 the Lord Mayor's Economic Development Steering Committee (LMEDSC) was formed to provide recommendations about what Brisbane City Council can do (within its regulatory framework) to support Brisbane business growth. The Committee is representative of the Brisbane business community and has facilitated three industry forums which were attended by 200 representatives from a wide spectrum of Brisbane's economy. The *Brisbane's Unique Window of Opportunity* report (Appendix J) has been released which encompasses the findings of the industry forums as well as recommendations from the LMEDSC. This report indicates that businesses want Council and the Lord Mayor to provide strong leadership in driving economic development for Brisbane. Council needs to commit to adopting longer term recommendations as part of the continuous delivery of a shared Brisbane Economic Vision. In response to this, Council developed the Brisbane Economic Development Plan 2012-2031 which sets out the priorities and actions required to support Brisbane's successful economic development to 2031.