

Strategy 2025

Our statement of strategic intent sets out the next steps in achieving our vision for occupational associations to lead the way in continuously improving the high standard of professional services to Australian consumers.





Strategy 2025 – Table of contents

Foreword	1
Objectives	2
Values	2
Operating context	2
Stakeholder perspectives and expectations	3-4
Good practice principles	4
Performance measures	4
Strategy 2025	5

Foreword



The Professional Standards Councils and our regulatory agency, the Professional Standards Authority, work to improve professional standards and protect consumers of professional services across Australia.

In *Strategy 2025*, we are pleased to present our plan and priorities for the next three years as we lead the national system of professional standards regulation.

The Councils are established to independently approve and then supervise the operation of professional standards schemes by occupational associations. The Councils have statutory functions to encourage, assist, and advise occupational associations in the regulation of their members under those schemes, to facilitate the improvement of professional standards and better consumer protection. While the core work of the professional standards regime has remained consistent over the past 25 years, it is necessary for the regulatory system to continuously improve and to adapt to the evolving needs and expectations of governments, industries, and communities.

Strategy 2025 will build on the outcomes achieved over recent years to enhance our efforts as a rigorous regulator; promoting professional standards improvement and increased consumer protection, and making the national regulatory system robust and easy to deal with. It will also support us to make sure our regulatory system remains responsive into the future, meeting the needs of a broad range of occupational associations committed to leading their members in the delivery of trustworthy and quality services to Australian consumers.



Objectives

The Councils' aim is that, by 2025, the benefits of professional standards schemes are more widely recognised. We will assist diverse professions and occupations - both established and emerging - to participate in the national system and deliver better outcomes for consumers across Australia.

The Councils' aim is also that, by 2025, we are confirmed as a trusted and effective regulator with a clear approach to risk and performance.

MISSION

**The Councils' strategic plan and priorities remain anchored in its mission:
Regulating occupational associations to facilitate and promote consumer protection through improvement in professional standards under professional standards schemes**

Values

Our values underpin everything that we do to deliver on our strategic plan and priorities.

Accountability

Integrity

Collaboration

Operating context

The Councils have taken the following external and internal environmental factors into consideration in setting *Strategy 2025*.

Changes in the professional services market

As new markets and service delivery models emerge and existing environments evolve, professions need to adapt to changing risks, expectations, and global forces. There is a strong trend for professionals to work in settings and organisations in which multiple disciplines operate. This has challenges for the governance of professions as well as the governance of large national and multinational organisations comprising multiple professions and occupations.

Changes in ways of working following COVID

For many professions and occupations, the COVID-19 pandemic has fundamentally changed our ways of working. The move to incorporate remote and flexible working arrangements (such as anywhere, anytime) will bring a host of benefits as well as risks. These will require thoughtful responses to ensure the setting and supervision of professional standards adapt to support competent and ethical conduct in more diverse and virtual environments.

Digital and data as key drivers of change

Access to digital services and the use of data will characterise the world of work and how communities interact. While the rise of digitally enabled tools and artificial intelligence will be challenging for professional groups, there are opportunities for digital and AI innovation to create increased efficiencies and effectiveness and better meet consumer needs.



Stakeholder expectations of regulators

The expectations of the community and governments of what regulators can do and how effectively they do it are changing and, in some cases, increasing. The need for co-operative and evidence-based approaches, while reducing burden and driving better outcomes, are challenges all regulators must meet. In Australia there is a multijurisdictional approach to regulatory reform, which is challenging for a national regulatory system.

Economic pressures

Economic conditions post-COVID are likely to be dynamic, with increased competition and demand, together with pressures on professions regarding price and position in their marketplace. Additionally, the price of insurance in the global market is under pressure, in part due to emerging consumer harms and losses.

Stakeholder perspectives and expectations

At the end of 2021, the Councils invited views on the priorities for professional standards regulation from stakeholders representative of occupational associations, other consumer protection regulators, researchers, and consumer organisations.

A maturing approach

The Councils were considered to have matured in their approach, becoming more collaborative and engaged with stakeholders. The Councils were seen to be increasingly focussed on the regulatory system they oversee in the interests of consumers, rather than predominantly focussed on the interests of occupational associations.

Articulating and balancing the regulatory architecture

The Councils were called on to recognise the differences in the architecture of the regulatory system for each profession and each jurisdiction. Concerns regarding a risk of overregulation for some professions challenge the Councils to balance the needs of established and emerging professions, as well as of smaller and larger associations and jurisdictions.

As the stewards of a national regulatory system, the Councils must articulate the policy principles and regulatory requirements for a diverse range of participants. They must also bring occupational associations together to improve their schemes' performance, appreciating the nuances of associations who face similar challenges but may need differentiated regulatory responses.

A stronger profile so that the community understands how it is protected

The Councils enjoy a positive reputation amongst those stakeholders with whom they have immediate dealings. However, professional standards schemes as a form of consumer protection are not well understood in the wider community. There needs to be enhanced awareness so that those in government, those leading professional and occupational groups, industry players such as the insurance sector, and consumer advocates appreciate the protection such schemes can offer - assurance to the community that professions are "doing the right thing" and acting in the public interest.



Pathways for complaints

Clear pathways for complaints and disputes resolution are an important part of consumer protection. The Councils could plot trends in complaints, identify risks and ensure that there is a proactive and effective approach to dealing with complaints and achieving constructive outcomes within each scheme. What is critical is that the core elements that comprise consumer protection are clear, so that consumers can navigate the regulatory system of a profession.

Good practice principles

The Councils act according to principles of good regulatory practice. These are established by Australian governments, in varying forms, to drive effective and efficient regulatory performance. The three good practice principles¹ implemented by the Councils are summarised as:

1. **Continuous improvement and building trust:** regulators adopt a whole-of-system perspective, continuously improving their performance, capability, and culture to build trust and confidence in Australia's regulatory settings.
2. **Risk based and data driven:** regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden, and leveraging data and digital technology to support those they regulate to comply and grow.
3. **Collaboration and engagement:** regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.

Performance measures

The Councils have developed a set of measures (metrics) that are used to evaluate performance against this strategy as well as the objects and statutory functions contained in professional standards legislation. Performance is reported publicly each year in the combined Annual Report to ministers and parliaments of each jurisdiction. Key measures are included in the Councils' strategy.



¹ Department of Prime Minister and Cabinet, July 2021, Regulator Performance Guide

Role	To lead the national system of professional standards regulation by enabling the creation of professional standards schemes, and by assisting and supervising their operation, balancing the interests of consumers of professional services and of professions and occupations.				
Leadership	Our role is supported by sound management of risk and resources, and the development of our core capabilities and stakeholder relationships.				
Strategic goals	Strategic initiatives			Success indicators	Performance measures
1. Extend professionalisation through professional standards schemes	Encourage the Councils and occupational associations to focus more strongly on consumer protections and communicating the benefits of professional standards schemes to consumers and the community	Raise awareness of the benefits of schemes in protecting consumers, including through better complaints systems of occupational associations and more active engagement with the insurance industry	Develop and implement tailored models that assist smaller or emerging occupational associations to develop professional standards regulatory capacity.	Decision makers in government, occupational associations and consumer groups promote & pursue professional standards schemes Occupations are using the national system for professional standards regulation	Increasing participation: schemes and members Improving visibility of schemes and consumer benefits Improving accessibility of occupational association complaints systems
2. Strengthen the value proposition of professional standards regulation to occupational associations.	Clarify stakeholder needs and perspectives on what constitutes 'benefit' from professional standards schemes.	Invest in data and digital products and services that support the value proposition from the Councils to occupational associations.	Design and deliver accessible and useable forums, guidance, research, and resources that facilitate collaboration and knowledge sharing.	All participating occupational associations are collaborating to share good practice and knowledge to continuously improve regulatory capacity, consumer protection and professional standards	Decreasing seriousness in consumer complaints and claims Improving stakeholder confidence from occupational associations and others who represent consumer interests, including those in government
3. Actively supervise scheme compliance and performance, standards, and risk management strategies of occupational associations	Engage and equip occupational associations to proactively identify and treat compliance obligations, consumer harms and professional risks.	Develop, monitor and manage broad measures of professional standards scheme compliance and performance.	Analyse long-term trend data to ascertain the level of protection of consumers, policies of insurance, effect of risk management strategies and improvement of standards of members of occupational associations.	The Councils monitor compliance with professional standards schemes and publish performance results, including the way occupational risks and consumer harms are treated.	Publication of longitudinal data and trends Improvements in key performance indicators assessed from occupational association Annual Professional Standards Reports



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