

# Regulator Statement of Intent

## Payment Times Reporting Regulator

July 2023

1. This Statement of Intent is the response of the Payment Times Reporting Regulator (the **PTR Regulator**) to the Ministerial Statement of Expectations (the **SoE**).

### **Payment Times Reporting Regulator's Role**

2. The PTR Regulator is responsible for the administration of the *Payment Times Reporting Act 2020* (the **Act**) and will meet the Government's expectation set out in the SoE by:
  - 2.1. updating the Payment Times Reports Register (the **Register**) in a timely manner and making it accessible online and free of charge on the PTR Regulator's website;
  - 2.2. independently undertaking activities to identify and address non-compliance, using its powers in an escalating and proportionate manner;
  - 2.3. supporting regulated entities to meet their obligations by providing:
    - 2.3.1. an online portal for regulated entities to manage and submit its payment times reports;
    - 2.3.2. a small business identification tool (**SBI Tool**) so regulated entities can identify small businesses. The PTR Regulator will regularly update the SBI Tool and continuously monitor and improve the quality of its data; and
    - 2.3.3. guidance materials and regular updates on the priorities of the PTR Regulator and its approach to delivering its regulatory functions;
  - 2.4. improving the accessibility and usability of Register data by:
    - 2.4.1. providing a search tool that allow small businesses and other users of the Register to quickly and easily find payment times reports of a regulated entity online;
    - 2.4.2. engaging and collaborating with representatives of small businesses and other users of the Register to identify opportunities for additional tools and resources to improve Register data accessibility; and
    - 2.4.3. publishing biannual updates to enhance transparency and encourage comparisons to incentivise improvements to payment times. Updates will include a summary of Register data, changes to reported payment times and practices over time and information to support comparisons between regulated entities and performance across industries.
3. The PTR Regulator will meet the Government's expectations by striving for continuous improvement against best practice principles for Commonwealth regulators. It will:

- 3.1. *continuously improve and build trust* by being transparent with its regulatory approach, ensuring procedural fairness when using its powers and being responsive to feedback and changes in its operating environment;
- 3.2. *be risk-based and data driven* by ensuring that, where possible, its compliance approach incorporates data-driven evidence and uses existing government data to support these activities. This will support enforcement activities that are commensurate with risk and proportionate to harm; and
- 3.3. *demonstrate collaboration and engagement* by providing regular opportunities for genuine consultation and engagement. It will also be transparent and accountable for its decision making and supporting entities to comply with their obligations by providing clear, concise and accessible guidance.

#### **The Government's Policy Priorities**

4. The PTR Regulator will support the Government to meet the policy objectives set out in the SoE by:
  - 4.1. engaging and consulting with a wide range of stakeholders to identify opportunities to promote the use of payment times data to influence improvements to payment times for small businesses. These will include small and large businesses and their representatives, advisers, industry bodies and other entities;
  - 4.2. implementing quality assurance processes to review the reliability and completeness of Register data;
  - 4.3. undertaking targeted compliance action where regulated entities are suspected of submitting inaccurate reports or failing to report based on supporting intelligence and careful risk assessment;
  - 4.4. exploring opportunities to enhance the Register by making data easier to access, interpret and put into context for small business and other Register users;
  - 4.5. independently performing its regulatory functions, including enforcement actions, in accordance with Commonwealth regulatory best practice principles and in a manner that is transparent and consistent with its approach to regulation as published on its website;
  - 4.6. providing advice and facilitating consistency between the policy objectives of the Government and practical implementation. This includes providing advice and support for implementation of the Government's response to the independent review being undertaken under section 57A of the Act.
5. The PTR Regulator will meet the expectations of maintaining a constructive and collaborative relationship with the Minister and support this by providing regular communication and being responsive to requests for briefings and advice.
6. The PTR Regulator will also inform the Minister of changes to the operating environment for the PTR Regulator and its regulated entities and give advice on initiatives to address the challenges impacting payment times.

## **Stakeholder Engagement**

7. The PTR Regulator will meet the Government's expectations for external stakeholder engagement by:
  - 7.1. ensuring its actions are not inconsistent with its obligations under the Act and other legislation that applies to the PTR Regulator;
  - 7.2. working closely with Government and Ministers and providing timely advice and information in its areas of expertise;
  - 7.3. providing regular opportunities for regulated entities to engage with the PTR Regulator and its management. This includes being clear and transparent about the PTR Regulator's priorities and how it intends on using its powers and providing guidance to assist regulated entities to meet their obligations;
  - 7.4. building collaborative relationships with other regulators and government bodies by ensuring alignment, reducing duplication and making a meaningful contribution to government initiatives and policy development;
  - 7.5. maintaining clear and effective channels of communications with:
    - 7.5.1. government agencies that have policy responsibilities for small business, including the Australian Small Business and Family Enterprise Ombudsman; and
    - 7.5.2. other regulators that interact with the entities regulated by the PTR Regulator including the Australian Taxation Office, the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission.

## **Organisational Matters**

8. The PTR Regulator will meet the Government's expectations for organisational matters as set out in the SoE. It will also publish this Statement and the SoE on its website and incorporate in Treasury's corporate plan and annual report.

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Payment Times Reporting Regulator