



Victorian
Competition & Efficiency
Commission

25 November 2011

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Dear Ms Edwards

ADVICE ON THE ADEQUACY OF REGULATORY IMPACT STATEMENT

Thank you for seeking advice on the Regulatory Impact Statement (RIS) on the proposed Supported Residential Services (Private Proprietors) Regulations 2011.

The Victorian Competition and Efficiency Commission (VCEC) advises on the adequacy of RISs as required under section 10 of the *Subordinate Legislation Act 1994* (the Act). I advise that the final version of the RIS received by the VCEC on 25 November 2011 meets the requirements of section 10 of the Act.

The VCEC's advice is based on the adequacy of the evidence presented in the RIS and is focused on the quality of the analysis rather than the merits of the proposal itself. **Therefore, the VCEC's advice that the RIS is adequate does not represent an endorsement of the proposal.**

The VCEC notes that estimated costs for several of the proposed Regulations are based on assumptions made by the Department of Health. The RIS is transparent in acknowledging the uncertainty about those estimates and invites stakeholders to comment on the Department's assumptions, including the current business practices of supported residential services and the costs of complying with the proposed Regulations. This feedback will help to validate the cost assumptions in the RIS.

In the interests of transparency, most departments and agencies publish this letter alongside the RIS when it is released for consultation. The VCEC recommends that you do the same.

If you have any questions, please contact RegulationReview@vcec.vic.gov.au.

Yours sincerely

Andrew Walker

Assistant Director

Victorian Competition and Efficiency Commission