

Chair in Regulatory Practice

Annual Report July 2018 - June 2019

School of Government
Victoria University of Wellington

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Kia ora

Welcome to the first Annual Report of the Chair in Regulatory Practice.

The Chair in Regulatory Practice was launched in July 2018 at the School of Government, Victoria University of Wellington. The Chair is part of the [Aotearoa/New Zealand Government Regulatory Practice Initiative](#) (G-REG). G-REG is a network of central and local government regulatory agencies established to lead and contribute to regulatory practice initiatives.

G-REG is unique in the world. It is a follow up from a [2014 report by the Aotearoa/New Zealand Productivity Commission on regulatory institutions and practices](#). The authors of this report found that, while Aotearoa/New Zealand's regulatory system is often compared favourably with those in other countries, some improvements appear necessary. These relate to better regulatory practice and institutional design, and better regulatory management.

In response to this report, G-REG was created. Since 2014, G-REG has grown to a network of some 50 central and local Aotearoa/New Zealand government organisations. It works on actions that improve leadership, culture, regulatory practice and workforce capability in regulatory organisations and systems.

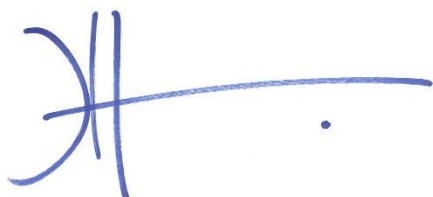
The Chair in Regulatory Practice contributes to G-REG actions through world-leading research on regulation and governance and active engagement with the G-REG community, and by contributing to the training of those involved in regulatory issues. Appendix A to this Annual Report gives an overview of the Chair's 5-year plan (2018-2023).

Like G-REG, the Chair in Regulatory Practice is unique in the world. To the best of our knowledge, no other national government (or group of government organisations) has supported the establishment of a dedicated Chair to engage critically with its regulatory regimes and systems on an ongoing basis.

The work of the Chair is both inward-looking and outward-looking. By looking inwards, in response to the Productivity Commission's report, the Chair is exploring questions of where, why and how improvements can be made to regulatory regimes in Aotearoa/New Zealand. The Chair is looking outwards by bringing state-of-the-art knowledge of regulatory practice and other areas of regulation and governance to Aotearoa/New Zealand. Finally, the work of the Chair is both inward-looking and outward-looking because Aotearoa/New Zealand has in place unique regulatory instruments, processes and institutions that the rest of the world can learn from.

This first Annual Report of the Chair in Regulatory Practice, covering the period of July 2018 to June 2019, takes a quick tour through the actions undertaken in the areas of research, engagement and education.

Thank you for your ongoing interest in the work of the Chair in Regulatory Practice.

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line and a dot.

Professor Jeroen van der Heijden, PhD

Chair in Regulatory Practice, School of Government, Victoria University of Wellington
Honorary Professor, School of Regulation and Global Governance, Australian National University

About the Chair

The Chair in Regulatory Practice in the School of Government, Victoria University of Wellington, is part of the Aotearoa/New Zealand Government Regulatory Practice Initiative (G-REG). G-REG is a network of central and local government regulatory agencies and has been established to lead and contribute to regulatory practice initiatives. It works on actions that improve leadership, culture, regulatory practice and workforce capability in regulatory organisations and systems. The Chair is sponsored by ten agencies within G-REG, the Treasury, and the Victoria University of Wellington.

Through world-leading research on regulatory practice, active engagement with the G-REG community, and contributions to the training of those involved in regulatory issues, the Chair aims to help improve Aotearoa/New Zealand's regulations and their impact on economic and social performance. The Chair defines regulation broadly as the institutions, processes and instruments put in place to steer the behaviour of individuals and collectives towards desirable societal ends.



Professor Jeroen van der Heijden, PhD, is the inaugural Chair in Regulatory Practice. He started his tenure at the Victoria University of Wellington in July 2018. He works at the intersection of public governance and regulation, with specific interests in regulatory stewardship and dynamic governance regimes, and urban climate governance.

His work is organised around innovations in regulation and the way in which good regulatory practice can deliver on Aotearoa/New Zealand's critical policy objectives. This allows him to draw lessons from Aotearoa/New Zealand and elsewhere to improve regulation and its impact on economic and social performance, and to showcase to the rest of the world the state of the art in regulatory practice in Aotearoa/New Zealand.

Professor van der Heijden is an architect by training, and he became interested in regulatory governance when he worked for a consultancy firm in the early 2000s. It struck him that, whenever a building-related incident occurred, it was not the contractor, the engineer or the architect who was blamed by the media and the general public, but the (often municipal) building inspector. Seeking an answer to why that is the case, and considering how regulatory practice and regulatory governance could be improved, he embarked on a PhD and a further academic career in public governance, with a focus on regulation, enforcement and compliance. This ultimately led him to his current quest to understand how governments and others can uphold and strengthen their 'social licence to regulate', and whether regulatory stewardship is a promising means for doing this.

Professor van der Heijden holds a position as Honorary Professor at the Australian National University (School of Regulation and Global Governance), and previously held positions at the University of Amsterdam (College of Law), Delft University of Technology (Faculty of Technology, Policy and Management), and Wageningen University (Environmental Policy Group). He has published widely on regulation and governance, having written five books and over 60 articles in leading academic journals. His books include *Urban Climate Politics* (Cambridge University Press, 2019, with Bulkeley and Certomà), *Innovations in Urban Climate Governance* (Cambridge University Press, 2017) and *Governance for Urban Sustainability and Resilience* (Edward Elgar, 2014).

Research

The research programme of the Chair in Regulatory Practice is built around four clusters and questions:

- **Regulation and governance of pressing societal problems.** In this cluster, we ask whether, and, if so, how, regulation (understood in its broadest sense as the institutions, processes and instruments put in place to steer behaviour towards desirable societal ends) can provide the appropriate incentives and disciplines to achieve desirable societal outcomes.
- **Advances in regulatory practice in central and local government regulatory agencies in Aotearoa/New Zealand.** Here we ask what the state of the art is in regulatory practice in Aotearoa/New Zealand (by international standards), and how this practice performs. We consider innovative regulators, regulatory instruments and regulatory processes in Aotearoa/New Zealand.
- **Advances in regulatory practice outside Aotearoa/New Zealand.** This cluster mirrors the previous one, and asks what the state of the art is in regulatory practice outside Aotearoa/New Zealand (by international standards), and how this practice performs.
- **Regulatory systemic change: Regulatory success and failure, and regulatory stewardship.** This cluster spans the others, and we ask what conditions positively or negatively affect regulatory performance, what combinations of these conditions are likely to result in regulatory success or failure, and what stewardship roles and functions may increase the likelihood of regulatory success and reduce the risk of regulatory failure.

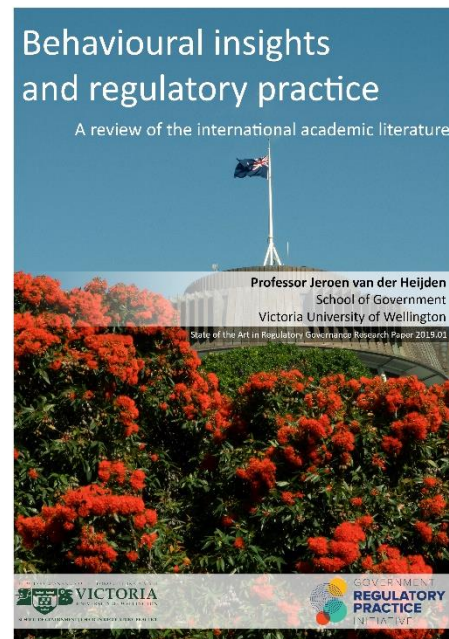
State of the Art in Regulatory Governance Research Paper Series

Each year two topics have central attention in the Chair's research programme. Through broad and systematic reviews of the international academic regulatory literature, the Chair seeks to transfer state-of-the-art knowledge on regulatory governance to executives, managers and frontline workers. In this first year of the Chair, the focus was on behavioural insights and risk:

- Insights from behavioural economics and the behavioural sciences have rapidly entered regulatory policy and practice—an approach to regulation colloquially known as 'nudging'. There remains a question, however, about the opportunities and constraints encountered by regulatory practitioners—including street-level bureaucrats and regulatory front-office workers—when implementing regulatory regimes that build on nudging-type incentives, and, particularly, about how these practitioners can overcome the constraints they experience.
- In regulatory governance and regulatory practice, 'risk' is probably one of the topics most talked about and least understood. The notion of risk is like the notion of time or happiness: we all know perfectly well what it is, until we try to explain it to others (or to ourselves, for that matter). Risk is intangible. It becomes somewhat unreal when we try to discuss and unpack it.

Behavioural insights and regulatory practice

To assist executives, managers and frontline workers in regulatory organisations and units who are interested in the behavioural approach to regulation, the Chair has carried out a systematic review of a broad range of international academic literature on the use of insights from the behavioural sciences in regulatory practice. The first State of the Art in Regulatory Governance Research Paper is the outcome of this review. The report addresses six themes: (1) the evolution of thinking about rational behaviour, (2) examples of the use of behavioural insights in regulation, (3) evidence of the workings of this approach, (4) experiments and randomised control trials to understand those workings, (5) ethical challenges, and (6) epistemic challenges.



Available as an open access publication:

- van der Heijden, Jeroen (2019). *Behavioural insights and regulatory practice: A review of the international academic literature. State of the Art in Regulatory Governance Research Paper – 2019.01*. Wellington: Victoria University of Wellington/Government Regulatory Practice Initiative. [Available online here](#).

Risk governance and risk-based regulation

To assist executives, managers and frontline workers in regulatory organisations and units who are interested in risk governance and risk-based regulation, the Chair has carried out a systematic review of a broad range of international academic literature on the use of risk governance and risk-based regulation. This review addresses six themes: (1) the evolution of thinking about risk, risk governance and risk-based regulation, (2) examples of risk governance and risk-based regulation, (3) evidence of the performance of risk governance and risk-based regulation, and (4) the epistemic challenges and (5) ethical challenges that come with this approach to regulatory governance and practice.



Available as an open access publication:

- van der Heijden, Jeroen (2019). *Risk governance and risk-based regulation: A review of the international academic literature. State of the Art in Regulatory Governance Research Paper – 2019.02*. Wellington: Victoria University of Wellington/Government Regulatory Practice Initiative. [Available online here](#).

Engagement

Besides research activities, the Chair in Regulatory Practice undertakes a range of engagement activities. Central to these are regulatory clinics and workshops, the blog *From the Regulatory Frontlines*, and ongoing engagement with the broader public through invited lectures, key-notes and different media outlets.

Regulatory clinics and workshops

The mission of the regulatory clinics and workshops is to improve the regulatory literacy of those involved in regulatory issues. To fulfil this mission, the Chair has organised a series of half-day meetings at the sponsoring agencies, with discussions and workshops on regulatory practice topics and question sessions with government staff involved in regulatory activities.

In this first year of the Chair, the following regulatory clinics and workshops were held:

- *The nature and future of regulatory stewardship*, Maritime NZ, Wellington, New Zealand – 19 June 2019
- *From friction to facilitation: The defining paradigm shifts for regulation in the 21st Century*, Department of Internal Affairs, Wellington, New Zealand – 6 June 2019
- *4,000 years of regulatory theory and practice: Exploring the main paradigm shifts in regulation*, Environmental Protection Agency, Wellington, New Zealand – 14 May 2019
- *The nature and future of regulatory stewardship*, The Treasury, Wellington, New Zealand – 1 May 2019
- *Risk governance and regulatory practice*, Department of Internal Affairs, Wellington, New Zealand – 14 March 2019
- *Nudging NZ: The use of behavioural insights in effective regulation*, New Zealand Transport Authority, Wellington, New Zealand – 12 March 2019
- *Nudging NZ: The use of behavioural insights in effective regulation*, New Zealand Institute of Economic Research, Wellington, New Zealand – 22 February 2019
- *Nudging NZ: The use of behavioural insights in effective regulation*, Financial Markets Authority, Wellington, New Zealand – 14 November 2018
- *Nudging NZ: The use of behavioural insights in effective regulation*, WorkSafe, Wellington, New Zealand – 11 November 2018
- *Future thinkers: Global innovations in regulation*, Commerce Commission, Wellington, New Zealand – 31 October 2018
- *Nudging NZ: The use of behavioural insights in effective regulation*, Maritime NZ, Wellington, New Zealand – 5 October 2018
- *Nudging NZ: The use of behavioural insights in effective regulation*, Ministry of Business, Innovation and Employment, Wellington, New Zealand – 24 September 2018

These clinics have attracted approximately 400 participants, predominantly from the sponsoring agencies. Appendix B to this Annual Report gives an overview of all the clinics the Chair will develop and provide during the first funding period (2018-2023).

Invited lectures, key-notes and different media outlets

The Chair in Regulatory Practice has quickly gained interest beyond the initial engagement activities agreed on with its sponsoring agencies. In the first year, the Chair has received a broad range of requests to speak at policy and practitioner conferences and seminars, and to provide workshops on regulatory practice. The following have been provided:

- *4,000 years of regulatory theory and practice: Exploring the main paradigm shifts in regulation*, New Zealand Standards Approval Board, Wellington, New Zealand – 31 May 2019
- *Behavioural science and regulatory governance*, Law and Economics Association of New Zealand (LEANZ), Wellington, New Zealand – 29 May 2019
- *In search of good regulatory governance*, Federal Aviation Administration/Asia-Pacific Bilateral Partners Dialogue Meeting 2019, Queenstown, New Zealand – 16 April 2019
- *4,000 years of regulatory theory and practice: Exploring the main paradigm shifts in regulation*, Future Prospects for Charity Law, Accounting and Regulation Conference 2019, Wellington, New Zealand – 11 April 2019
- *Regulatory stewardship and implications for standards bodies*, Pacific Area Standards Congress (PASC) – PASC/ISO Workshop, Wellington, New Zealand – 8 April 2019
- *Nudging NZ: The use of behavioural insights in effective regulation*, Government Economics Network Annual Conference, Wellington, New Zealand – 9 November 2018
- *Academia in action – How will the Chair's work impact on regulators?*, Government Regulatory Practice Initiative Annual Conference, Wellington, Auckland and Christchurch, New Zealand – 1, 6 and 23 November 2018

These lectures and key-notes have publicised the work of the Chair to an audience of approximately 1,400 people.

In the media

In addition to the above, the following media outlets approached the Chair for opinions between July 2018 and June 2019:

- *National Geographic*, 11 June 2019, “How can city dwellers help with climate change? Buy less stuff”, www.nationalgeographic.com/environment/2019/06/cities-climate-impact-consume-less/
- *Dominion Post/Stuff NZ*, 26 January 2019, “Exclusive sports events risky for regulators: Expert”, www.stuff.co.nz/business/110184236/exclusive-sports-events-risky-for-regulators-expert
- *Dominion Post/Stuff NZ*, 15 January 2019, “A single sentence in a letter could earn Ministry of Justice \$1.7 million”, www.stuff.co.nz/national/crime/109928104/a-single-sentence-in-a-letter-could-earn-ministry-of-justice-17-million
- *Dominion Post/Stuff NZ*, 31 August 2018, “Science is shaping how you behave. Here’s how”, www.stuff.co.nz/science/106690280/science-is-shaping-how-you-behave-heres-how

Blog: From the Regulatory Frontlines

The mission of the *From the Regulatory Frontlines* blog is to be an online source of regulatory news, analysis and opinion for central and local government regulatory agencies in Aotearoa/New Zealand and overseas. It also serves as an online beacon to allow the general media (and other interested parties) to find the Chair and get relevant information on its work. Since its launch in August 2018, it has had over 4,000 views from over 1,100 visitors. The blog also has traction outside Aotearoa/New Zealand, with some 20% of its visits being from overseas. Professor Jeroen van der Heijden has posted the following 25 blogs:

- 24 June 2019, Risk governance and risk-based regulation review: Now available as open access paper
- 28 May 2019, Risk governance and risk-based regulation(6): Epistemic and ethical challenges
- 22 May 2019, Risk governance and risk-based regulation(5): Evidence of the performance of risk governance and risk-based regulation
- 19 May 2019, Risk governance and risk-based regulation(4): Frameworks for high-occurrence/low-impact risks, the precautionary principle, and benefit-cost analyses
- 16 May 2019, Risk governance and risk-based regulation(3): The International Risk Governance Council Framework
- 7 May 2019, Risk governance and risk-based regulation(2): The evolution of risk
- 29 April 2019, Risk governance and risk-based regulation(1): A review of the international academic literature
- 28 April 2019, Brief book review – Risk Management and Governance: Concepts, Guidelines and Applications
- 26 March 2019, Brief book review – Risk Regulation and Administrative Constitutionalism
- 24 March 2019, Brief book review – The Government of Risk: Understanding Risk Regulation Regimes
- 4 March 2019, Brief book review – Risk Society: Towards a New Modernity
- 18 February 2019, Brief book review – Managing Regulation: Regulatory Analysis, Politics and Policy
- 13 February 2019, Six months on the job
- 31 January 2019, Brief book review – Achieving Regulatory Excellence
- 26 January 2019, Brief book review – The Behavioural Insights Team Annual Report
- 17 December 2018, Brief book review – Regulatory Crisis
- 10 December 2018, Intrusive regulation and cultural change workshop
- 19 November 2018, Behavioural insights(4): Ethical and epistemic challenges
- 12 November 2018, Behavioural insights(3): Evidence and experiments
- 16 October 2018, Behavioural insights for effective regulation(2): Examples from around the world
- 8 October 2018, Behavioural insights for effective regulation: 10 of my favourite (popular science) books
- 1 October 2018, Behavioural insights for effective regulation(1): The evolution of (ir)rational behaviour
- 1 October 2018, Behavioural insights for effective regulation: Presentation and notes
- 10 September 2018, Launch of the Chair in Regulatory Practice
- 29 August 2018, First month on the job

Education

Through the regulatory clinics and workshops, the Chair in Regulatory Practice actively engages in professional and executive education and teaching. Other educational activities relate to the Chair's engagement with the Aotearoa/New Zealand Certificate in Regulatory Compliance, and PhD and MSc student supervision.

The Aotearoa/New Zealand Certificate in Regulatory Compliance

The Chair seeks to contribute to the Aotearoa/New Zealand Certificate in Regulatory Compliance. This unique qualification framework provides core knowledge of regulatory compliance to people who are employed in, or who want to take up employment in, the regulatory compliance sector. The framework helps to build up the regulatory profession in Aotearoa/New Zealand, and serves as a world-leading (and, to the best of our knowledge, world-first) example of a systematic approach to the training of staff in government and non-governmental organisations working in a regulatory compliance environment.

The Chair seeks to map, explore, and interrogate the development of the Certificate and its implementation and performance. The results will help the future development of the Certificate, and will help international regulators and other interested parties to understand the Certificate's content and structure, as well as its opportunities and constraints.

Professor Jeroen van der Heijden has engaged as a learner in Level 3 and obtained certification in 2018. In the first half of 2019, [The Skills Organisation](#) has been collecting 'entry' data for the current cohort of Level 3 participants (January – June 2019). In the second half of 2019, the Chair will carry out interviews with several agencies to gain in-depth insights into the experience of learners and agencies with the Certificate.



PhD and MSc supervision

The Chair in Regulatory Practice is supervising the following students:

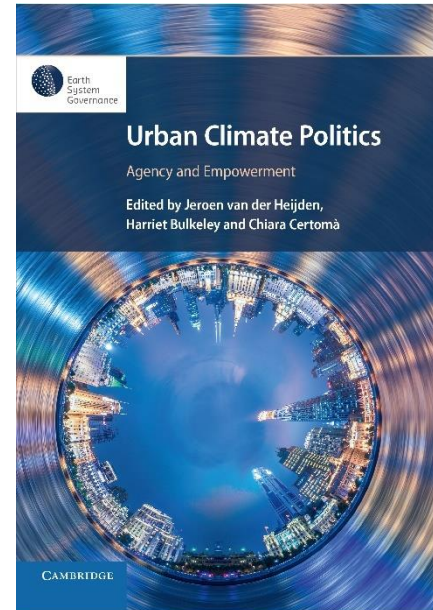
- Adriana Sanchez Gomez (University of New South Wales, PhD student)
- Ryan Wong (Australian National University, PhD student)
- Sayel Cortes (Wageningen University, PhD student)
- Craig Hobbs (Victoria University of Wellington, MSc student)

Academic publications and performance

Since he took up the position of Chair in Regulatory Practice at the Victoria University of Wellington in July 2018, Professor Jeroen van der Heijden has published a variety of peer-reviewed journal articles, conference papers and book chapters, and an edited book.

Book and book chapters

- Jeroen van der Heijden, Harriet Bulkeley, and Chiara Certomà (Eds.) (2019) *Urban Climate Politics: Agency and Empowerment*. Cambridge: Cambridge University Press.
- Jeroen van der Heijden, Harriet Bulkeley, and Chiara Certomà (2019) “Promises and concerns of the urban century: Increasing agency and contested empowerment”. In: van der Heijden, J. et al. (Eds.), *Urban Climate Politics: Agency and Empowerment*. Cambridge: Cambridge University Press, 1-20.
- Jeroen van der Heijden, Harriet Bulkeley, and Chiara Certomà (2019) “The politics of urban futures: Recognition, experimentation, orchestration”. In: van der Heijden, J. et al. (Eds.), *Urban Climate Politics: Agency and Empowerment*. Cambridge: Cambridge University Press, 231-242.
- Jeroen van der Heijden (2018) “The new governance for low-carbon buildings: Mapping, exploring, interrogating”. In: Lorch, R. et al. (Eds.), *Building Governance and Climate Change*. Milton Park: Routledge, chapter 14.
- In progress: in 2018, Professor Helen Sullivan and Professor Helen Dickinson (both of Australian National University) invited the Chair in Regulatory Practice to act as editor of a section of the forthcoming *Palgrave Handbook of the Public Servant*. This section will address *Public servants as regulators*, in eight dedicated chapters. All chapters for this section have been completed, and they include a contribution by a group of G-REG representatives. Professors Sullivan and Dickinson expect the book to go to print by the end of 2019.



Peer-reviewed journal articles

- Taedong Lee and Jeroen van der Heijden (2019) “Does the knowledge economy advance the green economy? An evaluation of green jobs in the 100 largest metropolitan regions in the U.S.”, *Energy and Environment*, 30(1), 141-155.
- Jeroen van der Heijden (2019) “Voluntary urban climate programmes: Should city governments be involved and, if so, how?”, *Journal of Environmental Planning and Management*, 62(3), 446-465.
- Gregory Trencher and Jeroen van der Heijden (2019) “Instrument interactions and relationships in policy mixes: Achieving complementarity in building energy efficiency policies in New York, Sydney and Tokyo”, *Energy Research & Social Science*, 54(August), 34-45.
- Jeroen van der Heijden (2019) “Using qualitative comparative analysis (QCA) logic and tools for theory testing and development in a medium-n urban climate governance research”, *SAGE Research Methods Cases*, Part 2(1), 1-17, DOI: 10.4135/9781526466259

- Marc Wolfram, Jeroen van der Heijden, James Patterson, and Sirkku Juhola (2019) “Learning in urban climate governance: Concepts, issues and challenges”, *Journal of Environmental Policy and Planning*, 21(1), 1-15.
- Gregory Trencher and Jeroen van der Heijden (2019) “Complementary but also contradictory: National and local imaginaries in Japan and Fukushima around transitions to hydrogen and renewables”, *Energy Research & Social Science*, 49(March), 209-218.
- Jeroen van der Heijden, James Patterson, Sirkku Juhola, and Marc Wolfram (2019) “Advancing the role of cities in climate governance: Promise, limits, politics”, *Journal of Environmental Planning and Management*, 62(3), 365-373.
- Jeroen van der Heijden and Johanna Kuhlmann (2018) “Assessing policy knowledge: A systematic review of three theoretical approaches that are applied to cases of policy change”, *European Policy Analysis*, 4(1), 72-93.
- Jeroen van der Heijden (2018) “From leaders to majority: A frontrunner paradox in built-environment climate governance experimentation?”, *Journal of Environmental Planning and Management*, 61(8), 1383-1401.

Peer-reviewed conference papers

- Alexandra Cherkasheva, Olesya Luckmann and Jeroen van der Heijden (2019) “Climate governance initiatives in Moscow and Saint Petersburg”, *Climate change in the Soviet Union and Russia: Approaches and debates in science, society, and politics, 1960s-2010s*, Moscow, Russia: German Historical Institute, Moscow and the UK’s Arts and Humanities Research Council.
- Adam Wellstead, Jeroen van der Heijden, Evert Lindquist, and Johanna Kuhlmann (2018) “Have European applications of policy process frameworks embraced causal mechanisms? An exploratory meta-review”, *International Public Policy Association Workshop on Public Policy*, Pittsburgh, USA: IPPA.

Other publications

- Sarah Burch, Aarti Gupta, Cristina Yumie Aoki Inoue, Agni Kalfagianni, Åsa Persson, Andrea K. Gerlak, Atsushi Ishii, James Patterson, Jonathan Pickering, Michelle Scobie, Jeroen van der Heijden, and Joost Vervoort (2018) *Earth System Governance. Science and Implementation Plan of the Earth System Governance Project*, Utrecht: Earth System Governance Project.

Academic performance

Professor Jeroen van der Heijden was ranked ‘A’ in the 2019-2024 NZ Performance Based Research Fund (PBRF). This is the highest PBRF ranking (representing ‘international standing’) that can be given to Aotearoa/New Zealand scholars in the 2019 tertiary education quality evaluation; in the Chair’s subject cohort, *Political Science, International Relations and Public Policy*, only 13% of scholars were ranked ‘A’.

Appendix A – Chair in Regulatory Practice – 5-year plan (2018-2023)

The Chair in Regulatory Practice ('the Chair') in the School of Government, Victoria University of Wellington, is part of the Aotearoa/New Zealand Government Regulatory Practice Initiative (G-REG). G-REG is a network of central and local government regulatory agencies that has been established to lead and contribute to regulatory practice initiatives. It works on actions that improve leadership, culture, regulatory practice and workforce capability in regulatory organisations and systems.

Professor Jeroen van der Heijden commenced his role as Chair in Regulatory Practice on 30 July 2018. This document sets out the overarching 5-year plan for the Chair (2018-2023) as agreed on with the sponsors of the Chair in August 2018.

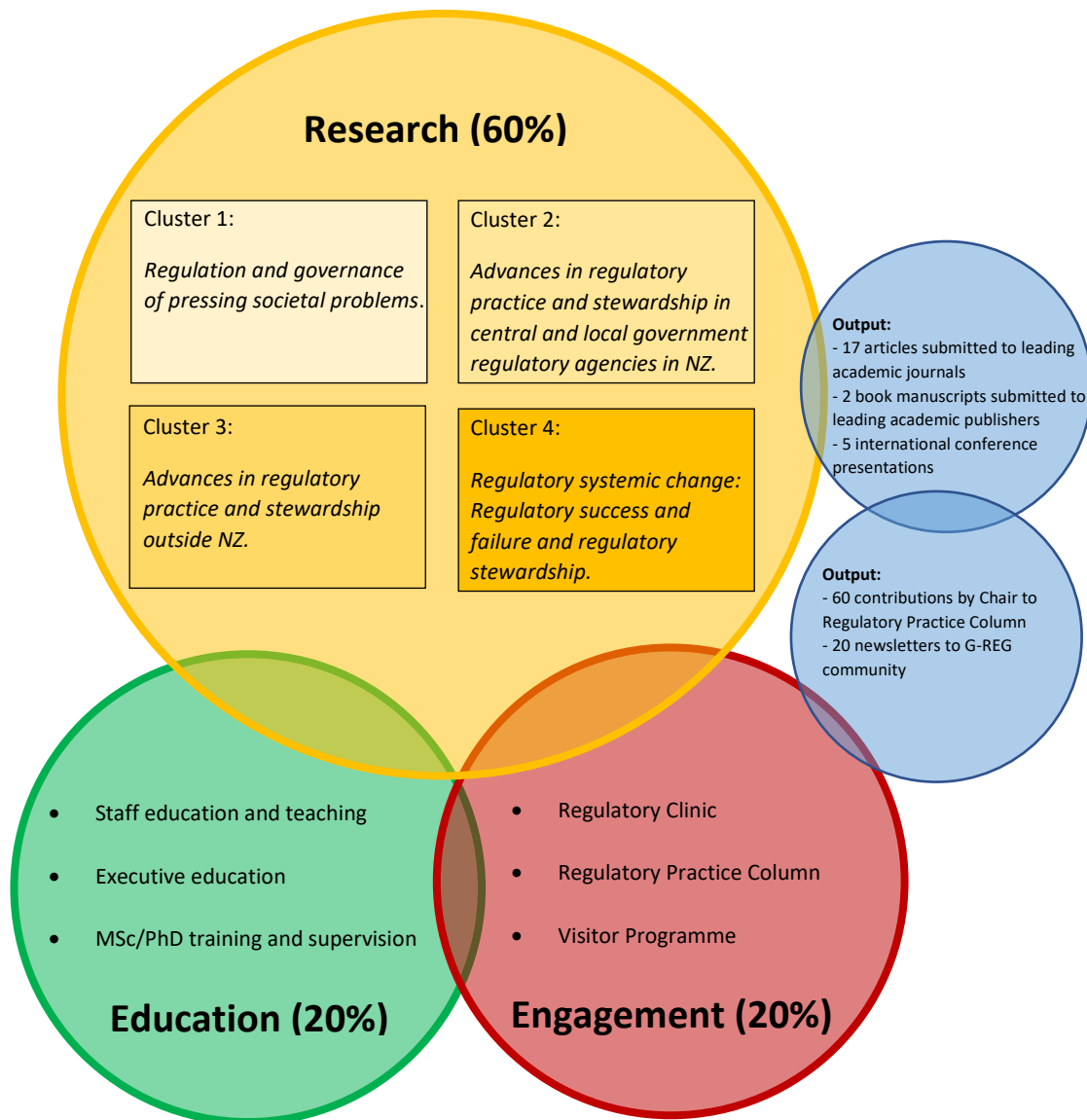


Figure 1 – Chair activities in 2018 - 2023

The aim of the Chair

Through world-leading research on regulatory practice, active engagement with the G-REG community, and contributions to the training of those involved in regulatory issues, the Chair aims to help improve regulation in Aotearoa/New Zealand and the impact of this regulation on economic and social performance. The Chair defines regulation broadly as the institutions, processes and instruments put in place to steer behaviour towards desirable societal ends.

Vision of success

The success of the Chair will be demonstrated by:

- A significant contribution to G-REG by the production of high-impact and novel research outputs that include conceptual and theoretical advances in understanding regulation and governance, regulatory practice and regulatory stewardship.
- The Chair being recognised by central and local government regulatory agencies in Aotearoa/New Zealand as a leading hub in regulatory research and knowledge dissemination.
- The Aotearoa/New Zealand government in general, and G-REG in particular, being recognised in the international academic community as a global frontrunner for its structured cross-government regulatory practice programme and its ongoing ambition to improve regulatory stewardship.
- Active engagement with and contribution to regulatory practice and regulatory stewardship in Aotearoa/New Zealand and elsewhere.
- A continuation of the Chair beyond its initial 5-year funding period, possibly as the Victoria University of Wellington Centre for Regulatory Governance.

Assessment criteria

- Alignment with the objectives and stated goals of the Terms of Reference to the Funding Agreement for the Chair (12 May 2017) and the G-REG annual work programmes (2018-2023).
- Potential to push the frontiers of regulatory practice research.
- The likelihood of the research achieving pioneering theoretical or methodological innovation.
- The capacity of the research to deliver outcomes that help to improve regulation in Aotearoa/New Zealand and the impact of this regulation on economic and social performance.
- The capacity of the engagement to deliver outcomes that help to improve regulation in Aotearoa/New Zealand and the impact of this regulation on economic and social performance.

Activities

To achieve success, the Chair will work on the following activities:

- Research programme (academic leadership; 60%)
 - Research cluster 1: *Regulation and governance of pressing societal problems.*
 - Central research question: Can regulation (understood in its broadest sense) provide the appropriate incentives, disciplines and institutions to achieve desirable societal outcomes and, if so, how can it do this?
 - The initial focus of this research is on climate change and cities. This broad topic allows for the involvement of, and will generate knowledge relevant for, all the sponsoring agencies.
 - Research cluster 2: *Advances in regulatory practice and stewardship in central and local government regulatory agencies in New Zealand.*
 - Central research question: What is the state of the art in regulatory practice in New Zealand (by international standards), and how does this practice perform?
 - This research will consider innovative regulators, regulatory instruments and regulatory processes in New Zealand. Each year, five in-depth case studies will be carried out to explore the development, implementation and performance of innovations that are of interest to regulatory practitioners and academics around the globe.
 - Research cluster 3: *Advances in regulatory practice and stewardship outside New Zealand.*
 - Central research questions: What is the state of the art in regulatory practice outside New Zealand (by international standards), and how does this practice perform?
 - This research will consider innovative regulators, regulatory instruments and regulatory processes outside New Zealand. Each year, five case studies will be carried out and compared to draw lessons for regulatory practitioners and academics in New Zealand.
 - Cluster 4: *Regulatory systemic change: Regulatory success and failure and regulatory stewardship.*
 - Central research questions: What conditions positively or negatively affect regulatory performance, what combinations of these conditions are likely to result in regulatory success or failure, and what stewardship roles and functions may increase the likelihood of regulatory success and reduce the risk of regulatory failure?
 - Building on data collected in Clusters 1-3 and using a comparative configurational methodology, selected cases will be systematically studied to uncover pathways towards regulatory success and regulatory failure. These pathways will inform mid-term and long-term policy development.
 - Anticipated output from research activities:
 - A total of at least 17 articles submitted to leading academic journals and at least two book manuscripts submitted to leading academic publishers over the period 2018-2023.
 - A total of at least five international academic conference presentations (one per year) to showcase the state of the art in regulatory practice and stewardship in New Zealand to an international academic audience.

- Engagement programme (organisational capability; 20%)
 - Regulatory clinics
 - A series of lectures and workshops at the sponsoring agencies for discussion and workshops on regulatory practice topics and question sessions with staff. On a rotating basis between the agencies.
 - Regulatory blog
 - The launch of an online source of regulatory news, analysis and opinion for central and local government regulatory agencies in New Zealand. The Regulatory blog will also serve as an online beacon to allow the general media (and other interested parties) to find the Chair and obtain relevant information on its work.
 - Visitor Programme
 - Development and management of a (funded) visitor programme. Prospective international visitors will be invited to apply for financial support to visit the Chair and carry out research within the Victoria University of Wellington for up to two weeks (longer visits need to be self-funded). International visitors are expected to participate in the Chair's engagement programme.
 - Anticipated output from engagement activities:
 - At least one contribution per month by the Chair to the regulatory blog. A total of 60 contributions over the course of the first five years.
 - Four newsletters per year for the G-REG community to summarise highlights and relevant further discussions in the regulatory blog. A total of 20 newsletters over the course of the first five years.
- Education programme (professional community; 20%)
 - Education and Teaching
 - Training of staff in government agencies through: (1) participation in, and support with shaping, G-REG annual conferences; (2) support for G-REG in development/implementation of Certificate in Regulatory Compliance; and (3) conducting seminars and workshops for junior and middle-ranking staff of funders of the Chair.
 - Executive education through: (1) conducting seminars and workshops for senior staff of funders of the Chair; and (2) executive training programmes.
 - Training and supervision of graduate and PhD students related to the activities of the Chair.
 - Guest lectures where relevant on Victoria University of Wellington courses.

Appendix B – Regulatory Clinics, Workshops, Symposia and Executive Training

The Chair in Regulatory Practice at Victoria University of Wellington’s School of Government is a world first. It is a collaboration of Aotearoa/New Zealand government agencies and the Victoria University of Wellington. The Chair delivers world-leading research on regulation and governance associated with the most pressing challenges of our time.

The Chair in Regulatory Practice offers various options for training in regulatory governance. This training targets frontline staff, policymakers, managers and executives working in a regulatory environment—including the public sector, the private sector and the third sector.

Dr Jeroen van der Heijden, Professor of Public Governance, is the inaugural holder of the Chair. He brings over 15 years of international governance research and regulatory practice experience to the role. He works closely with governments, businesses and civil society to improve regulatory practice and regulatory stewardship in Aotearoa/New Zealand and elsewhere.

Training units range from historical overviews to future outlooks, and from practical application to substantive theorising. The Chair delivers each unit as a 60- or 90-minute lecture, with 30 minutes of Q&A (‘Clinic’). Clinics can be followed by a 60-minute discussion of a targeted case study or checklist to ensure a close relationship between the material of the Clinic and the daily environment in which the audience operates (‘Workshop’). Workshops challenge the audience to think whether, how, and with what results innovations in regulatory governance can be applied in their respective areas of regulation.

Clinics combine as half-day symposia. For example, Unit 1 (*4,000 years of regulatory theory and practice*) and Unit 15 (*The nature and future of regulatory stewardship*) combine in a half-day Symposium on *Past, current, and future developments in regulatory governance*. Also, the Clinics combine into three sets of multi-day executive training programmes: the first set of five Clinics as an introductory programme on regulatory theory and practice; the second set as an intermediate programme on regulatory governance; and the third set as an advanced programme on regulatory philosophy.

Introductory units

Unit 1: 4,000 years of regulatory theory and practice: Exploring the main paradigm shifts in regulation
For a long time, it was considered that regulatory governance was a task for governments that had to be carried out following a strict command-and-control approach. This ‘blueprint’ has guided the design and implementation of regulatory regimes since at least the rule of King Hammurabi in ancient Egypt in around 1,750 BC. However, in the second half of the twentieth century our thinking about what constitutes an effective regulatory regime has rapidly changed. This unit touches on the critical paradigm shifts in our thinking of what regulation is and what it can be. These shifts include: compliance-based regulation, regulatory intermediaries, responsive regulation, risk-based regulation, and regulation informed by behavioural insights.

Unit 2: From policy to practice: Regulatory tools and strategies

If a government wants to achieve specific policy outcomes, it may apply various regulatory tools and strategies. This unit builds on the seminal work of Professors Robert Baldwin, Martin Cave and Martin Lodge to explore a variety of tools and strategies. These include command and control, incentives, market-harnessing controls, disclosure, direct action, and 'nudge'-type interventions. Current examples from around the world illustrate these tools and strategies and address their strengths and weaknesses.

Unit 3: Working at the regulatory frontlines: Enforcement

Our thinking about enforcement and how to achieve compliance has changed considerably over time. This unit builds on the seminal work of Professors Peter May and Søren Winter on enforcement strategies and enforcement styles. It discusses the spectrum from deterrence to compliance strategies and the spectrum from formalistic to facilitative styles. Current examples from around the world illustrate the strategies and styles and address their strengths and weaknesses.

Unit 4: Why people obey: Compliance motivations

Why do people and organisations comply with regulations? This Clinic builds on the seminal works of Professors Tom Tyler, Christine Parker and Vibeke Lehmann Nielsen on compliance motivations. It challenges assumptions that people and organisations comply because they fear the consequences of deterrence, and explores suggestions that they may instead do so when they feel a 'moral duty to obey' (for instance, because they consider a particular rule to be a legitimate intervention). The unit introduces various compliance motivations, and the audience is challenged to think about the compliance motivations that they should trigger in their respective areas of regulation.

Unit 5: Global trends in regulation: A future outlook*

In this Clinic, five key global trends in regulation are identified and explored in some depth: experimental regulation and governance (key scholars: Professors Charles Sabel and Jonathan Zeitlin), collaborative governance (key scholars: Professors Chris Ansell and Alison Gash), risk governance and risk-based regulation (various scholars), responsive regulation (key scholars: John Braithwaite and Ian Ayres) and regulatory intermediaries (key scholars: Professors Kenneth Abbott, David Levi-Faur and Duncan Snidal). For each trend, theoretical underpinnings are addressed and illustrated with international examples, and performance outcomes are discussed.

Intermediate units

Unit 6: Risk governance and risk-based regulation

In regulatory governance and regulatory practice, 'risk' is probably one of the topics most talked about and least understood. This unit explores the foundations of risk as an approach to regulatory governance and practice, and the tools, processes and strategies of contemporary risk governance and risk-based regulation. The workshop explores the evolution of thinking about risk, risk governance and risk-based regulation, following the work of leading risk scholars Professors Terje Aven, Orwin Renn and Eugene Rosa. It discusses examples of risk governance and risk-based regulation and touches on the ethical and epistemic challenges that come with this approach to regulation.

**Regulatory practice: Ethics and discretion* replaces Unit 5 if a full 15-unit programme is provided.

Unit 7: Mixing tools, strategies and styles: Responsive regulation

Over the last 50 years, our thinking about regulation, enforcement and compliance has changed dramatically. Rather than using ‘one-size-fits-all’ tools, strategies and styles, regulators are challenged to mix these and to provide responsive forms of regulation. This unit builds on the seminal work of Professors Ian Ayres and John Braithwaite (responsive regulation) and Professors Neil Gunningham and Peter Grabosky (smart regulation). The unit takes a step back to obtain a better understanding of the theoretical assumptions underpinning the ‘responsive’ approach to regulation, and explores the evidence of its performance across the world.

Unit 8: Behavioural science and regulatory governance

The behavioural sciences and behavioural economics indicate that people often make choices that are not in their own best interests, and that they do so in a predictable manner. In other words, humans are ‘predictably irrational’. Regulators around the world have embraced these insights and seen an opportunity to use them to achieve better regulatory outcomes. This unit discusses the evolution of our thinking about ‘rational behaviour’, examples of regulation informed by behavioural insights, evidence of the performance of such regulation, and the epistemic and ethical challenges that come with this approach to regulation. It builds on seminal works from a range of scholars, including Professors Cass Sunstein, Richard Thaler, Daniel Kahneman, and Amos Tversky.

Unit 9: Regulatory intermediaries

Governments often involve non-governmental individuals and organisations to develop and implement regulation. They can do this by outsourcing regulatory tasks, by collaborating with regulated parties, or by allowing parties to self-regulate. In these situations, regulation is no longer a two-party interaction between a regulator and its target, but is an interaction between three or more parties: regulators, intermediaries, and targets. Scholars have for a long time been interested in the involvement of non-governmental individuals and organisations in the development and implementation of regulation, but it is only recently that an encompassing research programme on regulatory intermediaries has been started by Professors Kenneth Abbott, David Levi-Faur and Duncan Snidal. This unit explores the recent insights from this global research programme.

Unit 10: Dynamic regulatory regimes

Regulators and those subject to their regulation sometimes feel that the latest regulatory reform was already outdated before it came into force. Changes in technology, policy preferences and expectations from society at large often move much faster than formal regulatory reforms. How can regulators develop and implement regulatory regimes that can cope with such dynamics in the regulatory context? This unit addresses different approaches that have been trialled by regulators around the globe to deal with such changes, as well as suggestions provided by academics including Professors Charles Sabel and Jeroen van der Heijden. These include approaches to keep regulation ‘sharp’, such as sunset clauses, rolling rule regimes, and pull-leaders/push-laggards models.

Advanced units

Unit 11: The philosophy of regulation and the social licence to regulate

In this unit, we look at regulation through the eyes of Enlightenment philosophers such as Thomas Hobbes and Jean-Jacques Rousseau, as well as leading legal and political philosophy scholars such as John Rawls and Friedrich von Hayek. We explore one of the most fundamental questions of regulatory governance: how can governments and others in regulatory positions maintain and strengthen their social licence to regulate?

Unit 12: Collaborative governance and regulation

The notion of collaborative governance and regulation can be traced back to scholarly work well before the 1990s, but Professors Chris Ansell and Alison Gash popularised it in the early 2000s. Collaborative governance involves government, the community and the private sector communicating and working together on the development and implementation of regulation. The expectation is that in collaboration they can achieve more than they could by themselves. The unit explores the normative and theoretical assumptions underpinning this model, and examines the evidence of its performance across the world.

Unit 13: Experimental governance and regulation

Trial and error in the development and implementation of regulation is nothing new, but Professors Charles Sabel and Jonathan Zeitlin suggest a systematic approach to trialling regulatory innovations. In its most developed form, their model of experimental governance brings together four elements in an iterative cycle. The model has been followed mainly at the transnational level, but also holds promise at the national and local levels. This unit explores the theoretical assumptions underpinning the model, discusses the four elements, and explores experiences with the application of the model in an international setting.

Unit 14: Systems thinking and regulatory governance

At the turn of the millennium, the United Kingdom and the European Commission launched the Better Regulation Initiative, and the United States explored the Regulatory Accountability Initiative. Both these initiatives introduce a whole-of-government, systems-thinking approach to regulatory design and implementation. In this unit, we explore these initiatives, informed by systems theory as developed by Ludwig von Bertalanffy and Niklas Luhmann, and its more contemporary form, complex adaptive systems theory.

Unit 15: The nature and future of regulatory stewardship

The notion of stewardship is common to legal scholars (e.g., constitutional stewardship), environmental scholars (e.g., environmental stewardship) and management scholars (e.g., stewardship theory). The concept has, however, not had much attention in regulatory scholarship. Aotearoa/New Zealand is a world leader, in that it has made 'regulatory stewardship' a statutory obligation for all government departments. What regulatory stewardship could look like, and how to achieve it, is not yet crystal clear. In this unit, we explore three models of stewardship, to understand its full potential for regulators in Aotearoa/New Zealand and elsewhere.

Mode of delivery and fees

The Chair in Regulatory Practice is funded by ten G-REG agencies (the Aotearoa/New Zealand Government Regulatory Practice Initiative), the Treasury and the Victoria University of Wellington. Among other tasks, the Chair has a responsibility to improve the regulatory literacy of staff working in a regulatory environment, and to carry out research and provide advice on regulatory governance. The clinics, workshops, symposia and training discussed here are part of the Chair's work programme.

All training is delivered in a lecture theatre setting, to be organised by the commissioning organisation. For parties who are not sponsors of the Chair, Clinic fees are NZD 2,000-2,500; Workshop fees are NZD 2,500-3,000; and half-day Symposium fees are NZD 4,000-5,000. Fees for Executive Training programmes and international training can be provided upon request. Lecture theatre space can also be arranged upon request.

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Further information

For more information on the Chair in Regulatory Practice, please visit

- www.victoria.ac.nz/sog/researchcentres/chair-in-regulatory-practice

For regular updates on the work of the Chair, please visit

- www.regulatoryfrontlines.blog/

For more information about Professor Jeroen van der Heijden, please visit

- www.jeroenvanderheijden.net