

Australian Government Charging Framework

**Charging Risk Assessment (CRA) - New Charging Activity**

[ENTITY’S NAME and CHARGING ACTIVITY TITLE]

This template is to be used when there is no existing charging activity. For existing charging activity, use the CRA – Existing Charging Activity template. This template is to be used in conjunction with the [RMG-302 Implementing the Charging Framework](https://www.finance.gov.au/government/managing-commonwealth-resources/managing-money-property/managing-money/australian-government-charging-framework) and Risk Assessment Information Sheet.

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| --- | --- | --- | --- | --- | --- | --- |
| **Implementation risks** | **Low** | | **Medium** | | **High** | |
| 1. What is the expected annual revenue for the charging arrangement? |  | 0 - $2m |  | $2m < $10m |  | $10m + |
| 1. What type of charges will be used? |  | Fees only |  | Levies only or fees and levies |  | Fees, levies and other charges † |
| 1. What legislative requirements are necessary for imposition of regulatory charges?    * *Primary legislation (enabling Act or taxation Act)*    * *Subordinate legislation (Regulations, Determinations)* |  | Existing legislative mechanisms are in place, only amendment is to subordinate legislation to specify the $ value of the fees and/or charges. |  | Requires a change to existing legislative mechanism/s. |  | Requires a new primary legislative mechanism or new subordinate legislative mechanism |
| 1. How well developed is the information to determine the charge amount?   *Does your cost model include:*  *Business processes or outputs*  *Cost drivers or costs*  *Demand or volumes*  *Level of charge (partial or full cost recovery)* |  | Well-developed: Has all elements |  | In development:  Has some elements, still needs work |  | Not yet developed:  Still in discovery stage |
| 1. What is the relationship between the regulator and the industry?   *Are there pre-existing relationship between stakeholders?*  *Are there pre-existing engagement across other activities?*  *Are there sensitivities?* |  | Well-developed relationship between regulator and industry |  | Neutral relationship between regulator and industry |  | Unknown – new regulator and/or industry |
| 1. What will the impact on industry be?   *Have you considered:*  *Profile of the industry (individuals, S/M/L business)*  *The cumulative effect from government charges/regulation*  *Impact on innovation and competition for industry*  *The impact of economic conditions on the industry etc.* |  | Known |  | Partially known |  | Unknown |
| 1. What will the impact on payers†† be?   *Have you considered:*  *The number of people affected*  *The nature of who will be charged (individuals, S/M/L business)* |  | Known |  | Partially known |  | Unknown |
| 1. Will the proposal involve working with other Commonwealth, State/Territory and/or local government entities? |  | No |  | Other Commonwealth entities only |  | Commonwealth, State/Territory and/or local government entities |
| 1. What consultation has occurred with payers and other stakeholders about the proposed charges? |  | Consulted - no significant issues raised |  | Consulted-significant issues raised but can be addressed |  | Not consulted or consulted and significant issues raised but ongoing sensitivities |
| **Overall CRA rating:** |  | **LOW**  **(all “Low”)** |  | **MEDIUM** |  | **HIGH**  **(three or more “High”)** |

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| --- | --- | --- | --- |
| **Supporting analysis & risk mitigation strategy:** | | | |
| **Entity sign-off:** | **Date:** | **Finance comment:** | **Date:** |

† Other charges defined as a charge outside of the fee and levy category (for example, general taxation, resource or commercial charges).

†† Payer is defined as a person or organisation that gives someone money that is due for work done, goods received, or a debt incurred.