



Joint Committee on Public Accounts and Audit

Inquiry into Efficiency and Effectiveness: Inquiry into Auditor-General's Reports 25, 29, 38, 42, 44, 45 and 51 (2018-19)

Department of Home Affairs responses to Questions on Notice.

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**HOME AFFAIRS PORTFOLIO
THE DEPARTMENT OF HOME AFFAIRS**

**PARLIAMENTARY INQUIRY
QUESTION TAKEN ON NOTICE**

Joint Committee of Public Accounts and Audit
Inquiry into Efficiency and Effectiveness: Inquiry into Auditor-General's Reports 25,
29, 38, 42, 44, 45 and 51 (2018-19)

15 November 2019

QoN Number: JCPAA/001

Subject: Citizenship Application Delays

Asked by: Julian Hill

Question:

Mr HILL: Eventually they do, and they say it's under active consideration, which doesn't give you much comfort if you haven't seen your kids for 9½ years and you're worried about a disease developing that they can't be treated for in the country they're in. I can imagine that would cause a bit of distress, and they might want something apart from three years of, 'It's under active consideration.' Is there something better you can do for these people?

Mr Colquhoun: If you don't mind, I might take that on notice to provide you, not because I don't have an opinion or a view but to look into it and understand it a little bit better. I will undertake to provide you with a thorough written answer.

Mr HILL: There are agencies, councils and others where they can at least give you a sense of where you are in a queue. For example, some of the larger black holes in the department are around carer visas, and you can actually get an answer from the department about where you are in the queue relative to the average processing time. There are better ways to deal with this.

CHAIR: I don't know if I'm clarifying what the Deputy Chair is saying, but on notice—

Mr HILL: You seem pretty clear.

CHAIR: It's an interesting question that the deputy chair is raising. My question—hopefully it reflects what the deputy chair is saying—goes to: is it possible to provide further clarification as to why there is a delay? If not, is there a reason? Is it because of security concerns? It won't be privacy, obviously, because it just goes to the individual. There may be other reasons. Is it possible, I think the deputy chair is saying, to even provide a little bit more of a breakdown to provide some level of comfort for those undergoing the process?

Mr Colquhoun: I understand. I am very happy to take that on notice. I would note that with some of the delays in the more complex cases, the clients are actively engaged because it requires the client to do something. There's a lot of that as well. Obviously the clients are aware in those cases. What I'm understanding of the question is that it's about the bits where we're doing something internally and we might be waiting on another government agency, and the client has no idea **and**

they've been waiting for a very long time.

Answer:

The citizenship program is working across multiple areas of the Department of Home Affairs to improve the provision of information for clients regarding the progress of their citizenship application. We are exploring options to:

- incorporate additional processing stages into clients' online ImmiAccounts to better demonstrate progression of applications;
- provide more regular client communication to reassure clients regarding the status of individual applications; and
- facilitate access to more detailed information to call centre staff so that they are able to provide more meaningful updates to clients on the progress of their citizenship applications.

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15 November 2019

QoN Number: JCPAA/002

Subject: Internal Processing Target

Asked by: Julian Hill

Question:

Mr HILL: Paragraph 2.9, where you sought and obtained ministerial approval to remove the 80-day standard in 2016 and replace it with the new internal processing target and regular publication of citizenship application processing times—what was the internal processing target?

Mr Colquhoun: I'll have to take that on notice. I wasn't in the job at the time.

...

Mr HILL: We don't leak stuff. It's always ministers who leak things. That's the golden rule. That's for any government. It's not political. What was the target that you proposed to the minister in 2.9?

Mr Colquhoun: I'll have to take that on notice.

Answer:

External citizenship service standards were removed as part of a consistent departmental approach to reporting average processing times for both visa and citizenship programs. In addition, service standards were often incorrectly perceived by clients as an actual processing time, which led to increased client anxiety and complaints.

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15 November 2019

QoN Number: JCPAA/003

Subject: Citizenship program review

Asked by: Julian Hill

Question:

(p 47) In 2016 the Department of Home Affairs conducted a review to measure the work effort required to deliver the citizenship program, including processing activity for citizenship by conferral. The report included 13 recommendations aimed at business improvement opportunities to increase consistency and efficiency. The first stage of the agreed implementation and monitoring process was for an action plan to be put in place by mid-January 2017.

a. At the time of the 2018- 19 ANAO report no action plan had been put into place to implement the 13 recommendations, why is it that after 12 months a plan was not put into place to implement recommendations?

b. Home Affairs advised the ANAO in August 2018 that another review would be conducted 'to baseline the current process and undertake ongoing monitoring to assess best practices and gains for further efficiency initiatives planned' which was expected to be completed in the first quarter of 2019.

i. Has this review been completed?

ii. Has an action plan now been put into place?

iii. Could you provide the committee with the findings of this review?

Answer:

A. The 2018-19 Citizenship Business Reform Program largely overtook the recommendations from the earlier 2016 Business Process and Practice Review.

B. (i) The Business Process Practice Review was completed in February 2019.

(ii) Action planning resulting from the Process and Practice Review was integrated into the broader Citizenship Business Reform Program. The agreed processing times included in the 2019 Process and Practice Review were used

as the basis for the development of the Citizenship Program's internal key performance measures. The Department of Home Affairs conducts monthly performance reporting against these. The Department also regularly monitors other elements of citizenship program performance regularly.

(iii) The Business Process Practice Review found that citizenship by conferral processing was relatively efficient in the context of the 2018-19 Citizenship Business Reform Program. It identified a number of further business efficiencies designed to reduce processing effort, most of which were already included in the broader reforms. The Review has informed the development of a number of improvements, including targeted KPIs designed to improve quality and efficiency.

Other implemented elements of the Citizenship Business Reform Program include:

- a Program Management Pipeline Tool (ProMPT) to better manage the citizenship caseload according to risk;
- an internal performance framework to monitor and build processing efficiencies;
- improved program reporting to provide meaningful and current information to program senior executive, managers and staff;
- review and streamlining of business processes;
- systems-based improvements, including a Work Management Tool to increase program oversight of the location and status of the citizenship caseload;
- increased automation of appointment booking systems and client letters;
- Quality Assurance (QA) activities to review citizenship decision-making;
- centralization of complex caseloads to increase consistent treatment of like cases; and
- program capability enhancements, including recruitment of additional staff.

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15 November 2019

QoN Number: JCPAA/004

Subject: Evidence of Quality in Performance

Asked by: Julian Hill

Question:

According to the Home Affairs Quality Framework, quality assurance checks are to be conducted on at least two percent of the citizenship applications finalised each month using the departments EQuIP tool (Evidence of Quality in Performance). However in 2015-16, 742 of the 153,879 applications finalised (0.5 per cent) were checked, and in 2018- 19, one out of 101,422 applications finalised (0.001 per cent) were checked. Home Affairs advised the ANAO on August 2018 that: 'The decline was due to perception across the citizenship program that the established formal QA process through the EQuIP tool was not producing meaningful outcomes. Quality Assurance activities declined in anticipation of an improved process.'

- a. has the Quality assurance process been improved and put in place now?
- b. has a Quality assurance process substituted in the interim whilst improvements were made to the original process?

Answer:

- a. Yes. Quality Assurance (QA) on two per cent of conferral finalisations (based on 2018-19 finalisation numbers) took place in July 2019, using revised question sets in the EQuIP tool.
- b. Prior to July 2019, a range of other processes were routinely undertaken by the citizenship delivery network to support the quality of citizenship decisions. These processes included:
 - regular review of delegations for decision-makers under the *Australian Citizenship Act 2007*;
 - inbuilt checks and balances in departmental IT systems to support lawful decision-making;

- feedback loops, such as regular review of Administrative Appeals Tribunal decisions to identify implications for decision-makers and to inform procedural instructions;
- regular communications to the citizenship network regarding policy or procedural changes to support quality and consistency;
- review and development of updated procedural instructions to support decision-makers;
- team leader review of refusal decisions;
- escalation points for complex cases; and
- one-on-one mentoring activities.

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15 November 2019

QoN Number: JCPAA/005

Subject: Processing of applications for citizenship by conferral

Asked by: Julian Hill

Question:

The Department of Home Affairs disagreed with the ANAO's finding that the processing of applications for citizenship by conferral has not been done efficiently.

- a. What measures does the Department use to determine whether or not processing of applications is done efficiently, in terms of both time and resources?
- b. What measures does the Department use to check the quality of decisions to approve or refuse Australian citizenship?

Answer:

- a. The Department of Home Affairs has internal Key Performance Measures in place to drive efficiencies, and to measure processing efficiency trends (time and resource utilisation). The Citizenship Program has had strong outcomes in 2019-20, including:
 - From 1 July 2019 to 31 October 2019, the Department finalised 121,756 applications, equating to more than three quarters of the total number of applications finalised in the entire 2018-19 financial year (160,117).
 - This represents a 167 percent improvement when compared to the same period last year.
- b. There are a number of measures in place to support quality in the citizenship program:
 - a Quality Assurance (QA) Program, which is conducted on two per cent of conferral applications;
 - Quality Control (QC) will be introduced in early 2020 for citizenship by conferral applications;

- regular review of delegations for decision-makers under the Citizenship Act;
- inbuilt checks and balances in Departmental IT systems to support lawful decision-making;
- feedback loops, such as regular review of Administrative Appeals Tribunal decisions to identify implications for decision-makers and to inform procedural instructions; and
- regular communications to the citizenship network regarding policy or procedural changes to support processing consistency.

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15 November 2019

QoN Number: JCPAA/006

Subject: Performance indicators

Asked by: Julian Hill

Question:

The ANAO recommended that the Department of Home Affairs establish performance indicators and publish further information about the time taken to decide applications for citizenship by conferral. However, the Department disagreed with this recommendation.

- a. Why does the Department consider that publishing further information about application processing times 'would not be meaningful and may be misleading'?
- b. The Department previously had a target of making 80 per cent of decisions within 80 days of the application being lodged. Why was this target removed? Was it replaced with any other target?

Answer:

- a. External citizenship service standards were removed as part of a consistent departmental approach to reporting average processing times for both visa and citizenship programs. In addition, service standards were often incorrectly perceived by clients as an actual processing time, which led to increased client anxiety and complaints.
- b. See part (a) for reasoning underpinning the removal of external service standards. The Citizenship Program has introduced internal key performance measures to drive further processing improvements and improved client outcomes. The Department of Home Affairs publishes average processing times for the 75th and 90th percentiles.

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15 November 2019

QoN Number: JCPAA/007

Subject: ANAO findings

Asked by: Julian Hill

Question:

Do you agree with the ANAO's finding that, overall, the relative complexity of the applications lodged has decreased? Why or why not?

Answer:

While the overall number of complex cases has fluctuated over time, both the proportion of complex cases on-hand and the depth of complexity have increased in recent years. Concurrently, the Department of Home Affairs' focus on identity and integrity across the citizenship caseload has increased over recent years, due to changes in the risk environment, and the findings of previous audits and reviews, including:

- Australian National Audit Office Report (2011) No. 56: *Administering the Character Requirements of the Australian Citizenship Act 2007*;
- Australian National Audit Office Report (2015) No.47: *Verifying Identity in the Citizenship Program*;
- State Coroner of New South Wales (2017): *Inquest into the deaths arising from the Lindt Café siege*; and
- Commonwealth Ombudsman's Report (2017): *Delays in processing of applications for Australian Citizenship by conferral*.

Together, these factors and recommendations have required significantly increased time and resources to resolve complex applications.

In most cases, complexity in the citizenship caseload is related to establishing an applicant's identity or character issues, which must be resolved before a decision is made.

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15 November 2019

QoN Number: JCPAA/008

Subject: Update on citizenship review

Asked by: Julian Hill

Question:

The Department stated that it plans to review citizenship costs and funding arrangements as part of the Government's broader immigration reform program. Can you provide an update on this work?

Answer:

The Department of Home Affairs is working with the Commonwealth Department of Finance to update costing models and develop a revised Cost Recovery Implementation Statement (CRIS) to support Audit Recommendation 3 – *The Department of Home Affairs agree with the Department of Finance a revised funding model for citizenship activities that is based on updated activity levels and efficient costs*. The Department is updating Activity Listings for all citizenship streams to provide an evidence base for the CRIS, to ensure that cost recovery for the Citizenship Program better reflects actual expenditure.

This work forms part of the Commonwealth Portfolio Charging Review implementation program and is expected to be completed before the end of 2019-20.

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04 December 2019

QoN Number: JCPAA/009

Subject: Discouraging applicants

Asked by: Julian Hill

Question:

Mr HILL: The message to the community is very clearly—by my recollection, but perhaps you could take it on notice—was that there was a change to the online system and messaging and that applicants were discouraged from lodging applications online if they didn't meet the new criteria.

Mr Mansfield: We can take on notice specific wordings of the website, just to clarify that. But that's not my understanding.

Answer:

The Department of Home Affairs (the Department) did not discourage applicants from lodging citizenship applications following the Australian Government's announcement of proposed changes to citizenship eligibility on 20 April 2017. Record lodgements of 239,413 conferral applications were received in 2017-18.

Immediately following the announcement, Departmental systems were unable to keep pace with demand following substantially increased online lodgements. At this time a range of messages were provided to prospective citizenship applicants, such as:

'The system is currently unavailable please try again later'

'We are currently experiencing high volumes of transactions and are unable to complete your request. Please try again later.'

ImmiAccount messages around the same period included:

'Due to high demand ImmiAccount may be temporarily unavailable. Please try again later.'

'The changes to the requirements to become an Australian citizen will come into effect, and apply to applications made from the date of the Government's announcement on 20 April 2017. The changes will not apply to applications made before 20 April 2017. Applicants will receive communication on the implementation of these measures and any additional information and documentation that may be required to support their application.'

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04 December 2019

QoN Number: JCPAA/010

Subject: Drop in the rate of approval of various ethnicities

Asked by: Julian Hill

Question:

Mr HILL: Let's take the humanitarian out of it, because we talked about that last time and I understand there are difficulties with ID there, which came from the ombudsman's report and so on. You're right; that's not necessarily a drop, because you need to look longer, but my recollection of the other dataset you provided is that there was definitely a drop from when these national security checks came into effect.

Mr Colquhoun: I'd have to check that, but that could be—

Mr HILL: Can you take that on notice?

Mr Colquhoun: Yes. I'm happy to.

Answer:

All applicants for Australian citizenship must meet the legislative requirements set out in the *Australian Citizenship Act 2007* and associated policies and procedures. These requirements must be met, irrespective of an applicant's country of birth.

The lower rate of citizenship acquisition from a number of nationalities in 2017-18 is primarily related to the introduction of Enhanced Security Screening (ESS). Following refinement of ESS processes, rates of citizenship acquisitions have returned to baseline levels.

From 2012-13 to 2019-20, Chinese nationals ranked in the top three to five nationalities to lodge citizenship applications. In the same period, Chinese nationals have consistently ranked in the top three to five in citizenship acquisitions, with the exception of 2017-18 when they dropped to number ten. China resumed number four ranking in 2018-19. From 1 July 2019 to 30 November 2019, Chinese nationals represented the third most common country to acquire Australian citizenship (7,578 Chinese nationals acquired citizenship).

Citizenship acquisition rankings for Indian and United Kingdom nationals have remained consistently in the top two nationalities over the same period.