



**NATIONAL ARCHIVES OF AUSTRALIA**

# Governance in the Stewardship of Public Resources

**David Fricker**

29 January 2021



**Australian Government**

**National Archives of Australia**

## **CONTENTS**

|           |  |          |
|-----------|--|----------|
| <b>1.</b> | <b>EXECUTIVE SUMMARY</b>   | <b>3</b> |
| <b>2.</b> | <b>ANAO AUDIT REPORT 11 (2019-20) - IMPLEMENTATION OF THE DIGITAL CONTINUITY 2020 POLICY</b> | <b>4</b> |
|           | Audit objective  | 4        |
|           | Summary  | 4        |
|           | Recommendations  | 4        |
|           | National Archives Response   | 5        |
|           | National Archives implementation of audit recommendations                                    | 5        |
| <b>3.</b> | <b>IMPORTANCE OF INFORMATION MANAGEMENT IN THE STEWARDSHIP OF PUBLIC RESOURCES</b>           | <b>6</b> |
| <b>4.</b> | <b>ROLE OF THE NATIONAL ARCHIVES IN THE GOVERNANCE OF PUBLIC RESOURCES</b>                   | <b>6</b> |
| <b>5.</b> | <b>AGENCY INFORMATION MANAGEMENT MATURITY</b>  | <b>8</b> |
| <b>6.</b> | <b>BARRIERS TO EFFECTIVE STEWARDSHIP OF INFORMATION ASSETS</b>                               | <b>9</b> |
| <b>7.</b> | <b>CONCLUSION</b>  | <b>9</b> |

## 1. EXECUTIVE SUMMARY

Effective stewardship of public resources relies on effective information management. Accurate records must be created and managed for as long as needed to ensure continued accessibility to support sound governance, transparency and accountability. Without proper records, public resources may not properly be identified, valued, managed, accessed or maintained.

The National Archives of Australia (National Archives) provides leadership in best practice management of the official record of the Australian Government (Commonwealth) and ensures that Commonwealth information of enduring significance is secured, preserved and available to government, researchers and the community.

The Australian National Audit Office (ANAO) audit report 11 of 2019-20 (Audit Report 11) examined the implementation of the National Archives' *Digital Continuity 2020* (DC2020) policy. The ANAO made five recommendations to the National Archives, all of which were accepted and have been fully integrated into planning and delivery of the National Archives' current policy, *Building trust in the public record: managing information and data for government and community* (*Building trust in the public record* policy), which succeeded the DC2020 policy on 1 January 2021.

Based on its annual survey of Commonwealth agencies, the National Archives has seen an improvement in agency information management maturity over recent years. However, it is apparent that there is still a significant way to go to ensure that all Commonwealth data and information assets are effectively managed. Without effective information management, the proper stewardship of public resources is at risk. There are a number of factors that impede information management maturity across Commonwealth agencies. Inadequate resourcing, the absence of appropriate systems, insufficient prioritisation, cultural issues such as not valuing information, and a lack of professionally skilled staff all hinder the effective management and governance of the Commonwealth's information assets.

## 2. ANAO AUDIT REPORT 11 (2019-20) - IMPLEMENTATION OF THE DIGITAL CONTINUITY 2020 POLICY

### Audit objective

The objective of Audit Report 11 was to examine the extent to which Commonwealth entities have implemented the DC2020 policy, and how effectively the National

Archives is monitoring, assisting, and encouraging entities to meet the specified targets of the policy.

## **Summary**

To form a conclusion against Audit Report 11's objective, the ANAO adopted three audit criteria:

1. Has the National Archives established effective arrangements to administer the Digital Continuity 2020 policy?
2. Has the National Archives implemented effective monitoring and evaluation arrangements?
3. To what extent have selected Commonwealth entities implemented the Digital Continuity 2020 policy?

Audit Report 11 examined the administration, oversight, monitoring and evaluation arrangements for the DC2020 policy, and the extent to which three selected Commonwealth entities — the Attorney-General's Department (AGD), the Civil Aviation Safety Authority (CASA) and the Office of the Inspector-General of Intelligence and Security (IGIS) — have implemented the policy.

The ANAO concluded that the Commonwealth is unlikely to achieve the objectives of the DC2020 by the end of 2020. It also found that the National Archives' efforts to administer the policy were limited in effectiveness, as were the arrangements for monitoring and evaluating the implementation of the policy. The ANAO found that the National Archives did communicate with agencies through a number of channels and that our products to support agencies were largely fit-for-purpose.

The ANAO found that the three other agencies examined (AGD, CASA, and IGIS) had partially implemented policy targets due by 31 December 2018.

## **Recommendations and National Archives Response**

The ANAO made seven recommendations, five of which applied to the National Archives:

1. Establish effective internal arrangements to administer the DC2020 policy and successor policies.
2. Develop and implement a stakeholder engagement and communication strategy in relation to the targets of the policy.
3. Develop a risk management plan for the implementation of the DC2020 policy and successor policies.
4. Establish appropriate monitoring and evaluation arrangements for the policy and successor policies.

5. Develop and implement a regime to provide appropriate assurance of agency reported data on progress in implementation of the policy.

The National Archives welcomed the findings of Audit Report 11 and accepted the recommendations. Specific actions undertaken by the National Archives to implement the five Audit Report 11 recommendations follow:

***Recommendation 1:***

The National Archives implemented revised governance and administrative arrangements for the DC2020 policy in line with this recommendation and the broader findings of the audit. A project management plan was approved and a Project Control Group established.

***Recommendation 2:***

The stakeholder engagement and communication strategy was endorsed and implemented. Target actions were reviewed to clearly identify them as mandatory, suggested or optional and the outcome was communicated to all entities in February 2020.

***Recommendation 3:***

Existing risk management arrangements were reviewed and a comprehensive and coordinated risk management plan was developed for the implementation of the DC2020 policy.

***Recommendation 4:***

Agency targets were reviewed. Reporting on the 2019 Check-up survey included progress against DC2020 recommended actions.

***Recommendation 5:***

Options for reviewing agency reported data are being considered as part of planning for the completion of the agency survey, which will close on 31 March 2021.

The ANAO recommendations also applied to any successor policies to DC2020. The *Building trust in the public record* policy took effect on 1 January 2021, and succeeded DC2020. Accordingly, Audit Report 11's recommendations have been fully implemented for the development of the *Building trust in the public record* policy, and will guide its implementation from 2021.

### **3. IMPORTANCE OF INFORMATION MANAGEMENT IN THE STEWARDSHIP OF PUBLIC RESOURCES**

Effective stewardship of public resources relies on effective information management. Accurate records must be created and managed for as long as needed to ensure continued accessibility to support sound governance, transparency and accountability. Without proper records, public resources may not properly be identified, valued, managed, accessed or maintained.

Without accurate and accessible records it would be impossible to account for the financial resources of the Commonwealth. The same applies with respect to any public resources, including the information and data which themselves constitute a significant public resource.

The Commonwealth response to the current COVID-19 pandemic illustrates the critical need for sound information asset management, supporting the recording, finding, sharing and re-use of information assets for national benefit. This information is vital not only in real-time, to inform evidential, accountable and best-possible decision making, but to inform future such responses.

Trust in the Commonwealth is related to its capacity to deliver. As Steve Sedgwick AO<sup>1</sup>, former Australian Public Service Commissioner, has pointed out, the quality of both what is delivered and how delivery is achieved are each crucial to that trust. Only with sound information management can quality outcomes be achieved.

### **4. ROLE OF THE NATIONAL ARCHIVES IN THE GOVERNANCE OF PUBLIC RESOURCES**

The creation and management of records underpins good governance. The National Archives provides leadership in best practice management of the official record of the Commonwealth and ensures that Commonwealth information of enduring significance is secured, preserved and available to government, researchers and the community.

Trusted, reliable information is at the heart of seamless service delivery and informed decision-making. While various Commonwealth agencies are responsible for specific aspects of information management – for example, data sharing, security or privacy – only the National Archives is mandated to determine standards for information management across its life cycle.

---

<sup>1</sup> Steve Sedgwick AO. (2020). [unpublished], quoted in the APSC State of the Service Report 2019-20

The *Building Trust in the public record* policy aims to further improve how Commonwealth agencies create, collect, manage and use information assets as authentic records of government. This new policy continues to promote good information management as essential to building trust in Commonwealth information, and to maximise its value to meet the current and future needs of the government and community. It also enables government to continuously improve how it creates, collects and manages its information and data assets.

In delivering the *Building trust in the public record* policy, the National Archives has and will continue to implement the recommendations of Audit Report 11. Sound governance procedures are in place to oversee the policy delivery, including the adoption of a project management approach with supporting project documentation, overseen by a project board.

The National Archives will deliver advice and guidance to assist agencies to implement the policy actions. Engagement with agencies will continue to ensure that products and advice are fit for purpose and that the National Archives support is targeted and effective.

The National Archives will measure the progress of policy implementation by Commonwealth agencies through the established whole-of-government surveys of information management capability. The National Archives plans to consultatively review the policy's implementation after the first 12 months of its release to ensure its relevance, practicality and effectiveness.

## **5. AGENCY INFORMATION MANAGEMENT MATURITY**

For over a decade, the National Archives has surveyed Commonwealth agencies to assess their information management capability maturity. The 2021 Check-up PLUS survey is currently underway, and will conclude in March 2021. This will inform a final assessment of the status of agency implementation of the DC2020 Policy at the end of its term (31 December 2020).

The 2019 Check-up PLUS survey indicates that the National Archives' DC2020 policy achieved significant progress in transitioning agencies to digital information management and whole-of-government information management capability. Key improvements towards policy objectives were:

- 81 per cent of agencies manage most information and data digitally, up from 30 per cent in 2010;

- 71 per cent of agencies have implemented processes to remove paper and automate the collection and creation of information and data, up from 58 per cent in 2018; and
- 45 per cent of agencies use appropriate technologies to automate processes, up from 31 per cent in 2018.

The 2019 survey identified a number of gaps in capability and an estimated one-third of agencies were not expected to meet all requirements of the policy by December 2020. A similar number have indicated there are insufficient resources to identify information assets of long-term value or arrange the destruction of material of shorter-term value.

These agencies risk loss of information and face increased storage costs. The information assets they hold cannot be readily located, used or transferred between systems. This results in operational inefficiencies and a reduced capacity for responsive service delivery. Accordingly, these agencies are less equipped to meet the demands of government, the expectations of citizens, or to ensure sound stewardship of their information assets.

These agencies cannot guarantee the effective and appropriate management of their information and data. Although digital options are available, some agencies are still using paper processes – resulting in the creation and storage of duplicate, redundant, obsolete and trivial information.

Addressing these gaps will enable well-managed information and data to be available for use and re-use to support the Commonwealth's digital transformation and Australian public service reform agendas.

In addition to the National Archives' survey data, there is further evidence to indicate that recordkeeping and information management needs to improve across the Commonwealth. Numerous reports by the ANAO, Royal Commissions, Ombudsman and others that have found inadequate recordkeeping and information management by Commonwealth agencies.

## **6. BARRIERS TO EFFECTIVE STEWARDSHIP OF INFORMATION ASSETS**

Based on the National Archives formal and informal assessments, there are a number of barriers to achieving effective management of information assets. In December 2019, the National Archives conducted a series of roundtable discussions with a broad range of Commonwealth agencies. Many agencies reported that they do not have the



resources required to implement or maintain appropriate information management arrangements. Some agencies do not have adequate records management functionality for their business systems. In an environment where agencies are under pressure to deliver quickly it appears at times that insufficient attention is given to creating and maintaining records effectively. A lack of appropriately skilled staff with a dedicated records management function was also identified.

Within the National Archives, resource constraints limit our capacity to provide the level of support that agencies require. The number of staff available to support agency information management and oversee Commonwealth recordkeeping has reduced by half in the last few years.

## **7. CONCLUSION**

The National Archives' annual survey of Commonwealth agencies shows a gradual positive trend in information and data management maturity since the introduction of the DC2020 policy in 2015. However, it is vital that agencies continue to build capability to ensure sound governance of information assets and to enable the Commonwealth to deliver on its key commitments and meet the expectations of the Australian people.

The National Archives will seek to address capability gaps identified through its annual survey by continuing to assist and guide agencies within its available resourcing. It will provide advice to agencies about how long information needs to be kept, help them assess the value of their information and assist them to identify information which can be disposed of. The National Archives will also facilitate the sharing of lessons learned between high-performing agencies and less mature agencies.

Ongoing investment by government is essential so that agencies can implement arrangements to manage their information assets effectively, and so that information management professionals can develop the skills and capability their agencies, and their Accountable Authorities, need to meet the requirements of the *Building trust in the public record* policy. This is particularly vital for information interoperability which underpins the Commonwealth's ability to share information across common platforms. While common standards and formats support interoperability, systems capability also needs to be further developed as provided for under the Digital Transformation Strategy.

The National Archives' current information management policy is about building trust in the public record. It follows that without trust in the public record, there can be no trust in the stewardship of public resources.