

Chapter 1

Overview

1.1 This is the second report on annual reports of the Senate Community Affairs Legislation Committee (committee) for 2018, in which the 2016–17 annual report of the Australian Digital Health Agency (ADHA) is examined.

1.2 In accordance with Senate Standing Order 25(20)(a) and the Senate's resolution to allocate portfolios to standing committees, the committee is responsible for examining and reporting to the Senate on the annual reports of the departments and agencies of the Health Portfolio and Social Services Portfolio (including the Department of Human Services).¹

1.3 The committee examined and reported on the 2016–17 annual reports which were tabled in Parliament by 31 October 2017 in its first annual report of 2018.² The 2016–17 annual report of the ADHA was tabled in Parliament on 13 November 2017 and, in accordance with Senate Standing Order 25(20)(f), is examined in this report.³

1.4 The committee is pleased to report to the Senate that the 2016–17 annual report of the ADHA appears to conform to the current annual reporting arrangements for Commonwealth entities.

Terms of Reference

1.5 Under Senate Standing Order 25(20), annual reports of departments and agencies shall stand referred to the legislation committees in accordance with an allocation of departments and agencies in a resolution of the Senate. Each committee shall:

- (a) examine each annual report referred to it and report to the Senate whether the report is apparently satisfactory;
- (b) consider in more detail, and report to the Senate on, each annual report which is not apparently satisfactory, and on the other annual reports which it selects for more detailed consideration;
- (c) investigate and report to the Senate on any lateness in the presentation of annual reports;
- (d) in considering an annual report, take into account any relevant remarks about the report made in debate in the Senate;

1 *Journals of the Senate*, No. 84—12 February 2018, p. 2668; Note: on 28 August 2018 the Administrative Arrangements Order was amended to, in part, incorporate the Department of Human Services in the Social Services Portfolio.

2 Senate Community Affairs Legislation Committee, *Annual reports (No 1. of 2018)*, pp. 27–29.

3 *Journals of the Senate*, No. 68—13 November 2018, p. 2166.

- (e) if the committee so determines, consider annual reports of departments and budget-related agencies in conjunction with examination of estimates;
- (f) report on annual reports tabled by 31 October each year by the tenth sitting day of the following year, and on annual reports tabled by 30 April each year by the tenth sitting day after 30 June of that year;
- (g) draw to the attention of the Senate any significant matters relating to the operations and performance of the bodies furnishing the annual reports; and
- (h) report to the Senate each year whether there are any bodies which do not present annual reports to the Senate and which should present such reports.

Annual reporting requirements

1.6 In its first report on annual reports for 2018, the committee detailed the current annual reporting arrangements for Commonwealth entities.⁴

1.7 Senate Standing Order 25(20)(a) obliges the committee to examine annual reports using an 'apparently satisfactory' criterion. The committee interprets the apparently satisfactory criterion as broadly meaning that annual reports are presented in accordance with current annual reporting arrangements for Commonwealth entities. In particular, annual reports should meet the requirements of the:

- *Public Governance, Performance and Accountability Act 2013*;
- annual reporting provisions of other Commonwealth acts; and
- Government's annual reporting guidelines, such as those published by the Department of Finance.

1.8 Commonwealth entities are obligated to report to Parliament and through Parliament to the Australian public. Annual reporting is a key component of the enhanced Commonwealth performance framework.⁵ In the committee's view, annual reports are important documents that support accountability and transparency in government, and which should be prepared to an appropriate standard.

Structure of report

1.9 The report is structured as follows:

- this chapter provides an overview of committee's reporting requirements;
- Chapter 2 examines the 2016–17 annual report of the ADHA; and
- Appendix 1 lists documents referred to the committee, but which are not required to be examined under Senate Standing Order 25(20).

4 Senate Community Affairs Legislation Committee, *Annual reports (No 1. of 2018)*, pp. 2–4.

5 Department of Finance, *Resource Management Guide No. 130: Overview of the enhanced Commonwealth performance framework*, July 2016, pp. 3–5.