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Australian Government

Department of Foreign Affairs and Trade



JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT INQUIRY INTO THE DEPARTMENT OF FOREIGN AFFAIRS AND TRADE'S CRISIS MANAGEMENT ARRANGEMENTS

Submission by the Department of Foreign Affairs and Trade

November 2022

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TERMS OF REFERENCE

The Joint Committee of Public Accounts and Audit will inquire into and report on matters relating to the Department of Foreign Affairs and Trade's (DFAT's) crisis management arrangements as contained in the [Auditor-General's Report No. 39 \(2021-22\) Overseas Crisis Management and Response: The Effectiveness of the Department of Foreign Affairs and Trade's Management of the Return of Overseas Australians in Response to the COVID-19 Pandemic](#).

The report found that "DFAT applied its crisis management arrangements to support the return of Australians and adapted these to deliver a new program of flights and financial assistance". The pandemic has, however, highlighted "weaknesses in responding to standard and complex, and large-scale crises" and that "DFAT's underlying crisis management structures and capabilities require strengthening to ensure it is prepared to respond to future major and complex crises".

The Auditor-General made nine recommendations, seven of which were agreed to by DFAT.

The Committee will report and make recommendations on any matters arising from consideration of the report and submissions, including examination of DFAT's response to the report and progress in implementing agreed recommendations.

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EXECUTIVE SUMMARY

DFAT welcomes the findings of the Overseas Crisis Management Response independent performance audit published by the Australian National Audit Office (ANAO) in June 2022.

DFAT remains committed to increasing its accountability and transparency in delivering consular and crisis management services for the Australian public. As with any crisis, there are lessons to learn. As we encounter global uncertainty and volatility, DFAT recognises it is important to model and build resilience in our capability and crisis management frameworks based on risk assessment and scalable solutions.

The scale and complexity of the COVID-19 pandemic was unprecedented. In its largest ever consular response, DFAT worked with other government agencies and airlines, responding to evolving international border settings, State and Territory managed quarantine and incoming passenger caps throughout the pandemic. The department is proud to have assisted 61,755 Australians to return home and facilitated 227 flights since the start of the pandemic in 2020.

The circumstances of the pandemic were extraordinary. DFAT welcomed the ANAO's report and the opportunity to build on efforts already underway when the report was published to strengthen crisis structures and capabilities through DFAT's consular modernisation and workforce management agendas.

Since publication of the ANAO's report (June 2022), DFAT has established a department-wide process to implement and track progress against the ANAO's recommendations. This submission provides an update on this progress. DFAT's engagement with the ANAO during the audit period was collegiate and responsive, achieved in the face of concurrent crises including the Afghanistan evacuation.

With geopolitical shifts and an increasingly complex global travel environment due to COVID-19 and other factors, scenario planning and preparedness strategies will be crucial. The department will continue to partner with other agencies and like-minded to prepare for and respond to emerging risks.

The department disagreed with two recommendations, as the department could not accept the framing of the recommendations as published. That is not to suggest there is not further room for improvement in the areas of crisis related procurement guidelines and registration systems. This submission provides progress updates against agreed and disagreed recommendations. DFAT has identified a range of activities to address all of the ANAO's recommendations, with many of these activities already completed and remaining activities to be completed by the end of the 2022/23 financial year. DFAT will continue to review and improve its processes beyond the scope of the ANAO's report to ensure the ongoing delivery of a high quality consular and crisis management service.

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PROGRESS AGAINST RECOMMENDATIONS

RECOMMENDATION 1

DFAT consolidate its policy and guidance for crisis management, drawing on the Australian Government Crisis Management Framework. The framework should set out key crisis management functions and assigns clear accountability for these, and for the development and assurance of key capabilities.

DFAT response to the recommendation (as shown in the published report):

AGREED.

DFAT agrees consolidation of its existing crisis management framework and associated guidance into a single, integrated system will improve crisis preparedness and response, including clarity of responsibilities.

Existing documents, including the Crisis Centre Incident Reporting Structure, Consular Policy Handbook and DFAT's procurement-related policies and guidelines, identify roles and responsibilities in Canberra and at post, and align with the overarching Australian Government Crisis Management Framework. DFAT's crisis management workforce strategy includes surge capacity through Crisis Response Teams and Crisis Cadre.

A consular modernisation program (underway) is strengthening consular service and crisis response delivery, including through upgraded ICT.

Future efforts will target improved crisis registration capability, data capture and performance monitoring. The program will also address labour intensive service delivery models while maintaining a high-level consular service to Australians overseas.

Progress update:

DFAT is developing a consolidated crisis management framework with clearly articulated crisis management functions and accountability arrangements. This will better align with the Australian Government Crisis Management Framework, which articulates that DFAT is the lead agency for coordinating whole-of-government responses to international crises.

As the crisis management framework is implemented and refined, supplementary measures have been undertaken to enhance DFAT's key crisis management functions:

- DFAT has expanded its surge crisis workforce by almost 60 positions covering additional senior executive officers to enhance leadership and decision making capability, Canberra based Crisis Cadre officers, and ready to deploy Crisis Response Team personnel.
- In October 2022, a third crisis centre was established to provide redundancy during concurrent crises and in instances where the primary premises become compromised.

In response to the ANAO recommendation, existing documents, including the Crisis Centre Incident Reporting Structure, Consular Policy Handbook and DFAT's procurement-related policies and guidelines, have been integrated to provide an improved single reference point on crisis preparedness, and governance and responsibilities during crisis response. We continue to work

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with whole-of-government agencies and likeminded partner countries to ensure our information and procedures for crises remain clear, robust and current and allow for cooperation with international counterparts.

Timeframe for completion: June 2023

RECOMMENDATION 2

DFAT establish whole-of-department preparedness guidance to support crisis response and capability planning processes, linked to assessments of risk and supported by means of measuring and reporting on effectiveness.

DFAT response to the recommendation (as shown in the published report):

AGREED.

DFAT has existing whole-of-department preparedness guidance and will strengthen this, on the basis of this report. Refer to response for Recommendation 1.

Progress update:

Consular and Crisis Management Division (CCD) was formally restructured to include a dedicated Contingency Planning and Preparedness Section. This section focuses on crisis preparedness including crisis response exercises, managing Crisis Action Plans which set out contingency planning arrangements across the DFAT network and administering the regional consular officer network directly supporting our overseas posts. CCD ensures its whole of department preparedness guidance is communicated across the overseas network. Training is provided to officers deploying overseas on long-term postings, complemented by regular training provided by regional consular officers to A-based and Locally Engaged Staff on practical application and assessment of thematic risks.

Moreover, DFAT has expanded its network of Regional Consular Officers (RCOs) to support posts and has increased short term deployments to provide additional consular support when high numbers of Australians are rendered vulnerable by emerging crises. The crisis preparedness assurance visits program resumed in April 2022. This program provides significant support to posts in developing contingency plans, with visit locations informed by risk-based assessments.

CCD contributes to enterprise-wide performance reporting on crisis response and preparedness through quarterly monitoring of its progress towards meeting the 2022-23 Corporate Plan targets. The quarterly monitoring reports have been established to reflect s16EA of the PGPA Rule. In FY2022-23 these reports will be reviewed by DFAT's Internal Audit Branch and can be provided to the independent Annual Performance Statement Subcommittee and Audit and Risk Committee upon request. Results will be published in the 2022-23 Annual Report. DFAT's Enterprise Risk Register is also reviewed on a quarterly basis to ensure risks to consular service and crisis response delivery are assessed and mitigated at a departmental level where possible. This includes an annual risk deep dive by the Operations Subcommittee and an enterprise risk review by the Executive Committee.

Timeframe for completion: Completed

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RECOMMENDATION 3

DFAT establish a data and information strategy and capability to strengthen its capacity to rapidly and effectively source, analyse and use data from all sources for crisis planning and response.

DFAT response to the recommendation (as shown in the published report):

AGREED.

Consular and Crisis Management Division is developing a Data Strategy, as part of the Consular Modernisation Program. This will align with the broader DFAT (department wide) data strategy.

Progress update:

CCD is developing a Divisional Data Strategy as part of its Consular Modernisation Program. This will align with DFAT's Data Strategy and governance framework (in development), and with the broader whole-of-government data strategy.

The Divisional Data Strategy will commit to stronger data practices, capability, and culture; formalise data sharing arrangements with relevant Australian Government agencies; set out data governance arrangements and identify roles that require specific data skills and ensure appropriate training.

The Divisional Data Strategy will ensure the department is well placed to quickly report on crises and provide relevant, reliable data and analysis to support response activities and Government decision making. The strategy is near complete, with the next step being to formalise data sharing arrangements with key Australian Government agencies.

Timeframe for completion: March 2023

RECOMMENDATION 4

DFAT plan for and build a fit-for-purpose crisis management workforce strategy and ensure appropriate systems are implemented to support the management of staff during crisis response.

DFAT response to the recommendation (as shown in the published report):

AGREED.

DFAT's existing crisis management workforce structures will be reviewed and revised. Also refer to response to Recommendation 1.

Progress update:

A project team has been established with key stakeholders across the department to build a fit-for-purpose crisis management workforce strategy. The workforce strategy will establish clear and sustainable workforce management frameworks, policies and tools that enable the effective and timely mobilisation of people capability to deliver the department's consular and crisis management functions to support Australians overseas during international crises. The strategy will look at skills gap analysis, identify risks and mitigation strategies and ensure integration into broader department and APS arrangements, including:

- workforce preparedness – planning for and building the crisis workforce

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- workforce management governance structures and frameworks – enabling rapid and consistent approaches to crisis response
- workforce mobilisation – rapid deployment of the right skills and capabilities to support crisis response
- operationalisation – managing the crisis workforce during the response, including wellbeing and workplace health and safety
- evaluation – assessing the effectiveness of the mitigation strategies.

Timeframe for completion: June 2023

RECOMMENDATION 5

DFAT develop emergency procurement guidelines to support officials to meet their obligations when paragraph 2.6 of the Commonwealth Procurement Rules (CPRs) is set aside during a crisis.

DFAT response to the recommendation (as shown in the published report):

DISAGREED.

DFAT has in place existing information and advice on their obligations regarding procurement and contractual arrangements. In responding to COVID-19, CCD complied with its obligations under the CPRs and DFAT's procurement-related policies and guidelines.

ANAO comment on DFAT response (as shown in the published report):

DFAT's statement that it complied with its obligations under the CPRs and DFAT's procurement-related policies and guidelines does not reflect evidence obtained by the ANAO during this audit. The CPRs require entities to adhere to the core principle of value for money even when, under specific circumstances, procurements are sourced from a single provider. DFAT did not set out how value for money would be achieved at any point in its procurement activity when applying paragraph 2.6 of the CPRs (see paragraphs 3.60–3.61). It also did not maintain sufficient records of procurement arrangements for another 27 contracted flights from 31 March 2020 to 6 June 2020 (see paragraph 3.61). The ANAO was unable to verify DFAT's compliance with the CPRs and other requirements for these flights.

DFAT comment:

DFAT disagreed with this recommendation as the department had in place existing information and advice on obligations regarding procurement and contractual arrangements. DFAT continues to review policies and procedures to strengthen adherence to the CPRs and ensure maximum value for money. In June 2022, the DFAT Procurement Policy was updated and includes instructions on compliance with record requirements as stated in the CPRs.

The consolidation of the department's crisis documents into a single framework (refer Recommendation 1) will reference the DFAT Procurement Policy.

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RECOMMENDATION 6

DFAT develop clear policies and procedures for assessing and recording vulnerability to ensure it is able to appropriately demonstrate the basis of its decision-making on the provision of benefits to the public.

DFAT response to the recommendation (as shown in the published report):

AGREED.

Australians most in need are at the forefront of DFAT consular service delivery, including during crises. DFAT has in place established fit-for-purpose policies and procedures for assessing vulnerability. DFAT's existing policy provides that consular officers assess and record vulnerability relating to consular cases. DFAT will strengthen this advice to demonstrate decision-making processes during crisis responses, with consideration of the specific circumstances and scale applicable to the relevant crisis.

Progress update:

DFAT's existing policy provides that experienced consular officers assess and record vulnerability relating to consular cases.

In response to the recommendation, DFAT is enhancing policies and procedures for assessing vulnerability. DFAT has strengthened procedures and guidance in its Consular Handbook to ensure we can better demonstrate the basis of decision-making during crisis response, with consideration of the specific circumstances, and scale applicable to the relevant crisis. DFAT has also reviewed and expanded the vulnerability 'markers' that can be recorded against clients in its consular information systems.

Timeframe for completion: Handbook and Systems enhancements completed, others ongoing.

RECOMMENDATION 7

DFAT capture and retain accurate and complete data from its engagement with clients in accordance with government information management standards, and for the purposes of monitoring its effectiveness in engaging with the public.

DFAT response to the recommendation (as shown in the published report):

AGREED.

ANAO found that DFAT is largely effective in engaging with overseas Australians. We provided timely and relevant information to Australians about travel risks; government assistance; and means of returning to Australia using a range of channels. Nonetheless, DFAT is strengthening its data capability. Also refer to response to Recommendation 3.

Progress update:

DFAT has optimised the reporting parameters within its client registration system to ensure more accurate reporting to government on client numbers/status. This work was completed on 1 July 2022.

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CCD has commenced a robotics project to improve efficiency and consistency of data capture. These automations will ensure intrinsic work activities continue in a fast-paced work environment, such as crisis response. Access to complete client records in DFAT Electronic Document and Records Management System (EDRMS) will ensure accurate and comprehensive case management.

Timeframe for completion: June 2023

RECOMMENDATION 8

DFAT establish a complaints handling model that enables it to appropriately manage consular complaints across the department, during periods of standard operations and crisis, in accordance with Commonwealth requirements and better practice principles.

DFAT response to the recommendation (as shown in the published report):

AGREED.

The department has established processes in place to respond to, or refer as appropriate, feedback which does not relate to DFAT's actions or decisions. Following the unprecedented volume of correspondence received during the height of the pandemic, Consular and Crisis Management Division is implementing an improved feedback handling model. DFAT notes consular feedback received is of a varied nature, not limited to complaints about the actions and decisions of DFAT.

Progress update:

In May 2022, DFAT completed a functional review of its consular feedback processes and is midway through implementing revised consular feedback handling system, including consular complaints management. This will include a simplified public-facing online webform and improved guidance information for an enhanced client experience. All incoming feedback items will be automatically categorised to improve workflow and prioritisation of correspondence received. Internal educational documents, including standard operating procedures in line with Commonwealth Ombudsman better practice guidance on complaints handling, will better inform officers on effective complaints management.

Enhanced procedural guidance will improve scalability where supplementary resources are drawn in to manage feedback.

Timeframe for completion: June 2023

RECOMMENDATION 9

DFAT develop, implement, and routinely test a fit-for-purpose crisis registration system that sufficiently validates registrant data to support business planning, program evaluation and reporting.

DFAT response to the recommendation (as shown in the published report):

DISAGREED.

In April 2020, DFAT launched a new crisis registration system in response to the COVID-19 pandemic. This system was adapted and enhanced as the department's consular response evolved. The value of

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this system was demonstrated during the Ukraine crisis. DFAT will continue to routinely test this fit-for-purpose system. This system is being considered in the development of Consular and Crisis Management Division's Data Strategy.

ANAO comment on DFAT response (as shown in the published report):

ANAO comment on Department of Foreign Affairs and Trade response 3.156 The audit found that the system implemented in April 2020 has material deficiencies (see paragraph 3.150–3.151 and Appendix 8). Without remedial action, DFAT is likely to continue to experience problems in maintaining appropriate records and generating reliable reports for government.

DFAT comment

DFAT adapted and enhanced its registration system over the course of the pandemic and continues to do so.

As outlined in this submission under Recommendation 7, DFAT has optimised the reporting parameters within its client registration system to ensure more accurate reporting to government on client numbers/status. This work was completed on 1 July 2022.

As outlined in this submission under Recommendation 1, DFAT's future consular modernisation efforts will continue to focus on improved crisis registration capability and data capture.

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