Joint Committee of Public Accounts and Audit - Report No. 492
Governance in the Stewardship of Public Resources
National Archives of Australia Response to Recommendation 3

EXECUTIVE MINUTE

on

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Summary

The National Archives of Australia (National Archives) agrees with, and provides this response in relation to, Recommendation 3 of the Joint Committee of Public Accounts and Audit (JCPAA) Report No. 492 *Governance in the Stewardship of Public Resources*.

Overview

National Archives, established under the *Archives Act 1983 (Cth)* (Archives Act), provides leadership in best practice management of the official record of the Commonwealth and ensures that Australian Government information of enduring significance is secured, preserved and available to government agencies, researchers and the Australian community.

For over a decade, National Archives has focused on communicating and reinforcing the benefits of its information management policies. Agencies are encouraged and assisted by National Archives in a number of ways to manage records, information and data to the highest standards to meet their own needs. This establishes a solid foundation and framework to ensure that government and community can be confident and trust that the Australian Public Service (APS) has the tools and support required to promote best practice so they can make evidence-based decisions, provide sound advice, develop good policy and deliver services and programs effectively.

Building trust in the public record policy

The *Building trust in the public record: managing information and data for government and community policy* (the policy) builds on National Archives' previous information management policies, Digital transition (2011) and Digital continuity 2020 (2015), to support agencies to effectively manage information assets. The policy was developed with assistance from a number of key information and data policy agencies, and applies to non-corporate and corporate Commonwealth entities, and wholly owned companies including government business enterprises. These are collectively referred to as agencies.

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The policy identifies key information management requirements for agency heads, who are accountable for information governance in their agency. It provides supporting actions and guidance for information managers responsible for its implementation in agencies. In order to obtain the benefits of good information and asset management, agencies must implement and maintain the policy in its entirety. The policy includes a statement that places an obligation on agencies to:

- Manage information assets strategically with appropriate governance and reporting to meet current and future needs of government and community
- Implement fit-for-purpose information management processes, practices and systems that meet identified needs for information asset creation, use and re-use, and
- Reduce areas of information management inefficiency and risk to ensure public resources are managed effectively.

To facilitate better implementation of the policy, agencies are also encouraged to develop and support their information management professional capability and in-house expertise, where gaps are identified. In addition, by prioritising implementation of the policy, agencies are able to meet and maintain the requirements based on their evolving business needs.

Implementation of Building trust in the public record policy

National Archives, with consideration to current resourcing, has focused its efforts in implementing the policy to date on:

- Providing support and guidance along with learning and development modules
- Monitoring the external environment on emerging risks, issues, trends and solutions including any legislative reforms that may impact the policy and our functions, and
- Promoting good information management practices to agencies and the information management professional sector.

In addition, National Archives' administration of the policy includes a process of continuous improvement in which it reviews and updates its existing information management products, monitors the external environment, and refreshes its information management website pages and links, in order to ensure that they remain relevant and able to sustain the necessary alignment with programs of work to implement the policy managed by agencies.

National Archives re-uses its internal organisational content to support agencies, such as its advice on issues regarding preserving access to digital records through emulation. It also uses appropriate and applicable content from other sources that align to the policy actions in order to evolve best practice.

National Archives monitors whole-of-government progress in implementing the policy through its annual Check-up survey.

Communication of implementation requirements and activities

National Archives uses a number of different forums and channels to provide updates, conduct short focussed surveys and interviews, issue draft products for feedback and announce the release of products and advice for the policy. National Archives publishes this advice and information on its website under the Public Release Schedule (PRS).

The PRS is structured around the three key requirements and associated actions for agencies to implement. To date, National Archives has included 68 products and advice on the PRS, including

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templates that can be downloaded and modified by agencies to meet their own requirements. Some examples include the sentencing worksheet, internal progress-monitoring and the capability gap analysis templates. National Archives recently refreshed its advice on agency use of social media.

National Archives has run annual information management surveys since 2011. They indicate that, while good progress is being made across the Australian Government, there is still a need for improved information management capability to enable delivery on government objectives. In order to assist National Archives to mitigate emerging risks relating to information management capability and the extent to which agencies are implementing the policy, the 2022 Check-up survey questions were mapped to the policy actions.

Legislative limitations on policy implementation

It should also be noted that there are currently challenges to National Archives' ability to fully implement the policy and it will continue to encounter a number of practical constraints, notably limitations on enforcement ability and funding and resourcing constraints.

Although National Archives has a function to promote the creation, keeping and management of Commonwealth records, at present there is no express power in the Archives Act for it to set legislative standards, and no requirement for Commonwealth institutions to comply with National Archives' standards around information management established through policy. In the absence of such powers, National Archives must currently rely heavily upon consultation and education engagement in order to achieve its policy targets.

National Archives is working with the Office for the Arts to bring forward amendments to the Archives Act for consideration by Parliament. The amendments are critically required in order to modernise the legislation to ensure that it maintains currency in a digital world, to resolve areas of ambiguity and to improve the effectiveness of the Act, including the ability of National Archives to perform its existing obligations under the Archives Act by providing greater certainty around National Archives' functions, powers and responsibilities, including information management.

Funding and Resourcing Constraints

Like most National Collecting Institutions (NCIs), National Archives continues to face significant ongoing financial sustainability constraints. It is important to note that unlike other NCIs, National Archives has additional financial pressures as it does not control or have the ability to select the volume of Commonwealth records which comes into its collection. This is because the transfer of Commonwealth records of national significance and/or public interest to National Archives is a legislated responsibility, as is the requirement to secure, preserve and make these records available. There is risk associated with National Archives meeting its legislated role if its core appropriation is not increased due to the significant challenges and costs associated with ongoing physical storage, the increasing costs of digitisation and electronic record keeping and growing ingest of born-digital records.

Implementation and administration of the policy and its supporting information management policy advice, guidance and material forms part of the National Archives' core business functions, and is therefore funded through the agency's core appropriation.

National Archives welcomed the temporary increase in funding of $67.7m over 4-years, which will conclude at the end of the 2024-25 financial year, as part of the former Government's response to the *Functional and Efficiency Review of the National Archives of Australia*. While the former

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Government agreed or agreed in principle to the recommendations of the review, not all recommendations were initially funded for implementation, with the $67.7m allocated to National Archives to:

- Digitise and preserve at-risk items in the national archival collection over an accelerated 4-year digitisation program
- Provide additional staffing and capability to address backlogs for access examination application for Commonwealth records and provide improved digitisation-on-demand services, and
- Invest in cybersecurity and further development of National Archives' Next Generation Digital Archive to facilitate secure and timely transfer of records to National Archives' custody, their preservation and digital access.

This funding has provided a boost for National Archives to deliver some critical functions as the custodian of Australia's history through the preservation of Commonwealth records and National Archives has established a program of work to deliver the initiatives funded. While it is noted that the funding was not allocated to supplement the delivery of all of National Archives' core functions, it is recognised that this program of work is complementary to the broader information management policy advice, guidance and material provided by the National Archives through implementation of the policy.

National Archives' Response to Recommendation 3

Recommendation 3

The Committee recommends that the National Archives of Australia (NAA) report back:
- with details of its risk management plan for the Building Trust digital policy, and on how NAA is identifying, managing and reporting risks to implementation of the policy
- on its monitoring and evaluation plan for implementation of the Building Trust policy, including details of:
  - how the performance measures it has established are relevant, reliable and adequate; are consistent with the policy objectives, to enable accurate assessment of NAA performance against objectives and accurate analysis of Commonwealth entity performance in implementing targets; and clearly define how success will be measured and reported
  - how its annual surveys have been redesigned to reflect the objectives of the Building Trust policy and gauge entity progress in implementing the policy, to enable direct comparison of survey results with policy targets, and ensure consistent and comparable data is collected
  - the findings of its review of implementation of the policy (due in 12 months), including performance reporting on NAA's effectiveness in monitoring and assisting entities to meet the targets of the policy
- on its assurance framework for verifying the accuracy of reported data in Commonwealth entity self-assessments from annual surveys, in terms of implementation of the Building Trust policy.

[D]etails of its risk management plan for the Building Trust digital policy, and on how NAA is identifying, managing and reporting risks to implementation of the policy

Summary of response: *Agreed*

National Archives is using a project management framework to manage the implementation of the policy, which includes oversight from a Project Board which meets four times a year. A risk management plan has been developed, which includes a risk register, and this is subject to ongoing

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monitoring and review by the project team, and is a standing agenda item for Project Board meetings. The Board provides guidance on how to manage and mitigate risks.

National Archives considers there is a key strategic risk associated with agency management of Australian Government Records if they do not implement the requirements of the policy. The mitigation strategies and controls in place align with the risk register monitored and subject to review by the Project Board. The Director-General and the Executive Board of National Archives also monitors the implementation of the policy and management of risks through a number of channels, including updates shared by the Project Sponsor and regular reporting. In addition, the Project Sponsor receives regular project reports and ad-hoc updates that highlight any current or emerging risks and their treatment. Any significant changes to the project must be approved by the Project Sponsor.

National Archives also monitors agency enquiries, submitted to National Archives' Agency Service Centre or dedicated email account, for emerging risks and issues. National Archives responds to these enquiries to provide advice, support and resources.

National Archives creates opportunities for agencies to comment on their implementation of the policy and National Archives' management of the policy. These include meetings of the Agency Advisory Group (AAG) and Government Agency Information Network (GAIN) and news e-bulletins as well as private sector events that focus on the information management profession.

A new evaluation method and weighting scale is being designed by the project team to assess an agency's implementation of the policy using their annual Check-up survey results from 2022. Evidence of failure or success associated with policy implementation will be incorporated in the risk register. The findings will be reported to the Project Board and the Project Sponsor.

[Information about the] monitoring and evaluation plan for implementation of the Building Trust policy, including details of:

- *how the performance measures it has established are relevant, reliable and adequate; are consistent with the policy objectives, to enable accurate assessment of NAA performance against objectives and accurate analysis of Commonwealth entity performance in implementing targets; and clearly define how success will be measured and reported*
- *how its annual surveys have been redesigned to reflect the objectives of the Building Trust policy and gauge entity progress in implementing the policy, to enable direct comparison of survey results with policy targets, and ensure consistent and comparable data is collected*
- *the findings of its review of implementation of the policy (due in 12 months), including performance reporting on NAA's effectiveness in monitoring and assisting entities to meet the targets of the policy*

Summary of response: *Agreed*

A monitoring, evaluation and reporting (MER) framework is in place to measure delivery of the policy across three high level streams:

1. The progress and effectiveness of National Archives' support for agencies to implement requirements and actions of the policy
2. The progress and effectiveness of agency implementation and maintenance of the requirements and actions, and

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3. The success of the policy in achieving its intended outcomes and its broader impact for the government and community.

An implementation plan supports the delivery of the MER framework. The plan describes the performance measures under each of the three delivery streams. Some targets and measures are highlighted below and are updated when considered necessary using the results of Check-up surveys:

1. 75% of agencies to be surveyed in 2024 report that they have implemented nine or more policy actions
2. By December 2025, 100% of policy products released by National Archives have been used based on a number of surveys
3. By December 2025, all agencies score an index rating of at least three in their Check-up survey results (relating to the information management maturity measures) compared to their 2019 survey results, and
4. By December 2025, the Check-up survey national report (for all agencies) reports 50% improvement in the information management maturity rating for the Australian Public Service, compared to the 2019 rating.

National Archives notes that from 2022, the annual Check-up survey data should provide evidence of progress against the benchmark that 100% of agencies report by 2026 that they have implemented all 17 actions of the policy.

National Archives has a number of measures in place to determine if the policy is on track to be a success in achieving its intended outcomes and its broader impact for the government and community, including:

- The policy is framed around activities that will help agencies develop or sustain their information management maturity. The policy design should lead to an improvement in public trust using an average Check-up information management index reported as a national figure
- Short survey results, feedback from agency forums, agency meetings and the types of enquiries lodged with the Agency Service Centre will show a positive trend in the last 12 months of the policy (2025)
- The Project Board endorses the end-of-project report (due in 2026)
- The Australian National Audit Office (ANAO) audits the implementation of the policy and concludes that National Archives performed well and responded effectively to all the recommendations made by ANAO in comparison to the previous performance audit, and
- National Archives will monitor changes in trust in Australian Government public services as reported annually by the Department of Prime Minister and Cabinet using its Citizen Experience Survey. This survey does not directly relate to the policy actions but is a measure of public trust.

Qualitative and quantitative data for performance measurement will be derived from the following sources now and in the future:

- Agency requests for policy-related meetings, presentations and support
- Agency feedback during consultation on advice and products drafted by National Archives designed to assist agencies to implement the policy
- Agency feedback during GAIN (the national network supporting agency information and records managers in the Australian Government)

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- Monitoring reports on agency transfers and deliverables under the National Transfer Strategy and Implementation Plan
- Changes measured in annual Check-up survey results from 2022 to 2026 and index performance ratings show improvements in information management maturity and implementation of the policy
- National Archives will review programs, policies, product releases and announcements made by other agencies that can be linked to the policy, and
- National Archives will continue to identify any ANAO performance reports and recommendations for agencies that are linked to National Archives and its policy. National Archives will use those findings to identify agencies that may be experiencing difficulty in building or sustaining good information management practices and offer support and guidance.

In order to support agencies in implementation of the policy, the whole-of-government Check-up survey was redesigned in 2022.

So that agencies better understand the relationship of the survey to the policy, a number of questions were included in the survey to correspond to each of the 17 policy implementation actions (three mandatory and 14 recommended). The mapping of these questions to policy actions is also included into the survey.

The survey is scheduled to run in 2021-22, 2022-23, 2023-24 and 2024-25 financial years. The data supplied by agencies will be used to measure the Australian Government agencies' progress towards the continuous implementation of policy actions and to calculate the whole-of-government information management maturity indexes.

As with previous surveys, the revised survey will be used to measure the progress of Australian Government information management maturity and performance in managing their information assets (records, information and data). In particular, the survey will measure progress towards the outcomes, and implementation actions, of the current policy.

Despite the changes in the survey, much of its content will be familiar to those who have completed it in the past. The maturity sections are more closely aligned with the Information Management Standard – Australian Government and the policy. A number of these questions are identical, or very similar, to questions asked in the 2021 survey, thereby enabling longitudinal data for particular questions.

The survey will continue to be used as a benchmark from which to measure agency information management maturity progress, including their progress in implementation of the policy requirements and actions.

In relation to the findings of the implementation review, in addition to the annual Check-up survey, National Archives undertook a short, focussed survey of members of the AAG asking questions relating to its implementation of the policy in 2021. National Archives intends to repeat the survey to measure any changes in responses but note that the responses are anonymous. A summary of the findings is below.

Results from the survey indicated that 46% (six of 13 agencies) believe they can fully implement the policy. Some of the reported barriers to full implementation include:

- Resource (budget and staffing) constraints
- Competing priorities, and

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- Minimal consequences for agencies if not implemented.

These responses were shared with the Project Board, Executive Board and AAG and are being used to update the Stakeholder Consultation and Communication Plan and Schedule for 2022-23. The responses will be on the agenda for a focus group meeting (Senior Executive Roundtable) proposed for early 2023 regarding the policy and its implementation.

The project team will also compare the AAG survey responses with each Check-up survey conducted from 2022-2026 to determine if there are any changes or trends identified in the implementation of the policy by agencies.

National Archives' Internal Audit program for 2022-23 includes a performance review of the policy implementation to date. On 17 November 2022, the Director-General was notified by the Auditor-General that the ANAO included a cross-entity performance audit Management of Information Assets in its planned Audit Work Program for 2022. The objective of the performance audit is to examine the effectiveness of National Archives' implementation of the policy, and selected entities' management of information assets.

National Archives is an entity subject to this audit, with the criteria being:

- Is the National Archives of Australia effectively implementing the *Building trust in the public record: managing information and data for government and community* policy?
    - Has National Archives established fit-for-purpose arrangements to support implementation of the policy?
    - Does National Archives have effective monitoring, evaluation and reporting arrangements including providing assurance on the accuracy of reported data on entity progress?
    - Does National Archives have fit-for-purpose arrangements to support entity compliance with the policy?

The ANAO commenced fieldwork for this audit in December 2022 and it is anticipated this will be concluded in February 2023, with the report expected to be presented for tabling in the Autumn session of the Parliament. As a result of the ANAO performance audit, National Archives has revised its Internal Audit program for 2022-23 to shift the timing of the audit. National Archives will use the findings and recommendations from this ANAO performance audit to scope the internal audit and continue to shape and focus its implementation of the policy to meet its objectives.

[The] assurance framework for verifying the accuracy of reported data in Commonwealth entity self-assessments from annual surveys, in terms of implementation of the Building Trust policy

Summary of response: *Agreed*

National Archives instructs and expects agencies to complete the annual Check-up survey accurately based on the best available sources and current understanding of information management within their agency. Accordingly, the Check-up survey questionnaire includes a section on accuracy and assurance of survey responses, to ensure that agencies understand their responsibilities in providing accurate and verified data. The survey submission can only be approved by the Agency Head before it is submitted to National Archives. No submission is possible without such authorisation, unless otherwise agreed by National Archives where extenuating circumstances exist preventing the Agency Head from completing this function. Although rare, on such occasions, the next most senior officer in the agency will provide authorisation.

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National Archives regards authorisation by the recognised Agency Head as assurance that the survey has been completed accurately and accountably by the agency in accordance with governance responsibilities, including the *Public Governance Performance and Accountability Act 2013*.

To help agencies with ensuring the quality of their survey responses, they are advised, where practical, to keep a record of sources used in the completion of the survey. This may include, as examples, reference numbers of: governance frameworks and policies, strategies, registers, guidance and advice for staff, reports, contracts, approvals, audit documentation, training programs or capability skill assessments, system procurement, specification and assessment documents, system performance monitoring documentation, business rules, metadata documentation and other sources used.

Prior to the launch of every survey, National Archives writes to all Agency Heads advising of the survey timetable and their responsibilities towards authorising their agency survey submission. Towards the end of the survey open period, a follow-up letter is sent to those agencies yet to finalise their survey.

The onus is upon the agencies to accurately report their information management capabilities and behaviours. However, National Archives' survey provider (ORIMA Research) may contact agencies to verify data which appears inconsistent. Under *Archives Regulations 2018*, National Archives may also request individual agencies to provide information to validate their survey responses. If required, National Archives may consider other mechanisms by which to assure quality and reliability of agency responses and will advise agencies if and when other mechanisms are adopted.

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