

EXECUTIVE MINUTE

on

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

REPORT No. 481

EFFICIENCY AND EFFECTIVENESS: INQUIRY INTO AUDITOR-GENERAL'S REPORTS 25, 29, 38, 42, 44, 45 AND 51 (2018-19)

GENERAL COMMENT

The Department takes the responsibility to efficiently and effectively process citizenship by conferral applications in accordance with the *Citizenship Act 2007* (the Act) very seriously. While we acknowledge the importance of providing timely outcomes, each application must be assessed individually against the requirements set out in the Act. This position reflects the enduring nature of Australian citizenship, the limited circumstances under which it can be revoked, and its ongoing role in supporting security and social cohesion in the Australian community.

The Department notes but does not agree with the Auditor-General's finding, which was subsequently supported by the Committee, that the processing of citizenship by conferral applications has not been conducted efficiently. The Citizenship Program is dedicated to program efficiency and continues to implement extensive business improvement measures where doing so does not compromise program integrity.

Recently, the Citizenship Program's innovation, agility and commitment to service has been exemplified by its continued operation through the COVID-19 period. Despite the citizenship by conferral application process generally requiring in-person interaction between clients and citizenship officers, as well as attendance at a citizenship ceremony, service delivery has continued wherever possible with outstanding results. Specifically;

- The development of an online citizenship conferral capability that has allowed the delivery of over of 90,000 online citizenship ceremonies (as at 31 October 2020).
- This new capability helped to reduce the number of approved applicants awaiting conferral from a peak of over 97,000 at the start of the COVID-19 period, to a low of 22,403 by 31 August 2020.
- Improved business processes that have allowed rapid resource re-prioritisation and reallocation of applications across a national delivery network.
- Rapid adjustment to citizenship client service areas, business processes, as well as enhanced training for staff to facilitate a return to in-person client services under COVIDSafe arrangements.

The Department remains committed to ongoing improvement, to ensure the efficient and effective delivery of the Citizenship Program.

Response to the recommendations

Recommendation 1

The Committee recommends, in line with Recommendation 1, Australian National Audit Office, Report No. 25 (2018-19), Efficiency of the Processing of Applications for Citizenship by Conferral, that the Department of Home Affairs:

- *reintroduce externally reported key performance indicators of the time taken to decide applications for citizenship by conferral; and*
- *expand its published processing times to also report the time being taken to decide applications for citizenship by conferral per month, including decisions to refuse citizenship.*

Response

Partially disagree

The Committee has re-iterated Recommendation 1, Australian National Audit Office, Report No 25 (2018-19) *Efficiency of the Processing of Applications for Citizenship by Conferral*.

With regard to Recommendation 1 part (a), to reintroduce externally reported key performance indicators (KPIs) on processing times, the Department maintains its position that it does not agree. The issues cited in response to the Auditor-General's report and to the Committee remain relevant, namely:

- Service standard KPIs are often incorrectly perceived by clients as a maximum processing time, leading to unnecessary concern for the client, and undue administrative burden in responding to resultant enquiries.
- The Department publishes actual timeframes from lodgement to decision, and approval to acquisition, of Australian citizenship by conferral applications, within the 75th and 90th percentiles, with data available and updated monthly on the Department's website. This data provides a more meaningful and realistic indication to clients regarding the time it may take to process their application without causing undue confusion or setting definitive expectations.
- The existing Citizenship Program reporting framework aligns with visa reporting formats and is therefore consistent with the client's previous experience of reported processing times.
- Unlike permanent visa programs, the citizenship program does not have a ceiling on applications meaning processing times are subject to fluctuations in application volumes.

Further to these reasons, the subsequent advent of COVID-19 and the ongoing disruption it causes to both service delivery capability and client attendance at citizenship client service centres renders a predictive service standard unfeasible in the current operating environment. Processing times vary significantly across sites currently, in addition to the usual variability due to the complexities or otherwise of each individual application.

With regard to Recommendation 1 (b), that the Department expand its published processing times to report on the time taken to decide applications per month, and include decisions to refuse, the Department partially agrees. Following the Auditor-General's original recommendation, the Department has implemented monthly reporting from lodgement to finalisation that includes consolidated 'approved', 'refused' and 'invalid' decisions.

However, the Department maintains disagreement with the recommendation to publish refusal times, consistent with its submission to the Committee. The Department does not currently publish specific timeframes for refusals because;

- Refusal decisions often require very complex assessments, and clients with applications that require extended consideration may make incorrect assumptions about the future outcome of their application where the stated timeframe is exceeded.

- This position is consistent with publication of data for refusal of visas.

Following recent business improvements, the average time taken to identify invalid applications for the 2020-21 program year to date, to 31 October 2020, is now approximately eight business days. This means that applicants are made aware of issues sooner, and do not waste time waiting on an outcome for an application that cannot proceed.

Recommendation 2

The Committee recommends that the Department of Home Affairs implement an electronic system in which applicants may track the progress of their application for citizenship by conferral remotely, and that this system be updated weekly, to ensure that timely advice is provided to applicants on the status of their application.

Response

Agree.

The Department agrees with this recommendation and has taken steps to implement this system capability. The proposed system changes would see the introduction of more citizenship processing milestones in ImmiAccount, enabling clients to track the progress of their application in real time. The proposed change is being progressed, subject to ICT prioritisation decisions at a whole-of-Portfolio level.