

**Joint Committee of Public Accounts and Audit
Inquiry into the Annual Performance Statements 2021-22 – 28 July 2023
Answers to questions on notice from the Veterans' Affairs portfolio**

Question 1

Outcome: 3 Program: 3.1

Topic: Performance measures related to maintenance of war graves

(Written Question on Notice)

The Committee asked:

ANAO's report on DVA's performance statements was qualified with respect to two performance measures related to the maintenance of war graves, for which DVA stated it was 'unable to report' its performance. Did DVA have a plan in place to support accurate information and reporting on this?

Answer

The system the Department of Veterans' Affairs (DVA) currently uses to manage its war graves assets is approaching its end of life. It became clear near the end of the 2021-22 Australian National Audit Office audit that it did not have the necessary functionality for DVA to have assurance that the data is reliable, verifiable and free from bias as required under the Public Governance, Performance and Accountability Rule.

DVA is progressing a new system that will provide stronger data integrity and assurance. Implementation of the new system is expected to take around two years. In the interim, from 2023-24 DVA will report on two additional performance measures for program 3.1 that do not rely on data from the existing war graves system.

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Question 2

Topic: Realising the benefits of reporting changes
(Written Question on Notice)

The Committee asked:

DVA's submission to the inquiry noted it made improvements to its performance reporting, but it may take several reporting cycle to fully realise the benefits. Why will the benefit of these changes likely take several reporting cycles to be realised for DVA's performance statements overall, and more specifically for the two performance measures related to DVA's maintenance of war graves?

Answer

The planning and performance cycle requires entities' performance information for the upcoming reporting year to be finalised in May in order to be published in Portfolio Budget Statements. This is well before the current reporting years' audit is finalised (usually in October). This means improvements may not be implemented until the following reporting year.

Further, the benefits of improved performance reporting can often only be seen through longitudinal analysis over several reporting cycles, to identify underlying trends.

In relation to the maintenance of war graves, once the new system is implemented (refer to Question 1), it will take several reporting cycles to assess whether the percentage of official commemorations meeting the Commonwealth War Graves Commission standards is increasing or decreasing over time and why.

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Question 3

Topic: Approach to performance statements reporting
(Written Question on Notice)

The Committee asked:

The audit noted the value in greater planning for performance reporting, including a strategic approach. What is DVA's approach to performance statements reporting?

Answer

The Department of Veterans' Affairs' (DVA's) approach to performance statements reporting is set out in its Performance Reporting Framework. The Framework describes out how DVA complies with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), PGPA Rule and Commonwealth Performance Framework.

DVA's key performance reporting activities articulated in the Framework include:

- Maintaining a suite of performance measures that are:
 - reviewed annually to ensure they are fit for purpose and aligned to DVA's strategic objectives; and
 - underpinned by data that is reliable, verifiable and free from bias to provide an accurate view of the department's planned and actual performance over time.
- Reporting progress three times a year to DVA's Executive Management Board and the Audit and Risk Committee to ensure appropriate strategic oversight and assurance.
- Providing strategic analysis and narrative in the annual performance statements to support the reported results and ensure the Parliament and the public are informed of DVA's achievements against its purpose.