

Settlement Grants Program

Audit Report No. 36, 2008-09

Opening comments by Peter White, Group Executive Director

JCPAA Review 16 November 2009

1. Thank you Chair. The objective of this audit was to assess the effectiveness of the Department of Immigration and Citizenship's management of the Settlement Grants Program.
2. The Settlement Grants Program (SGP) commenced on 1 July 2006 following a review of DIAC's settlement services.¹ SGP's aim is to deliver services that assist eligible clients to become self-reliant and participate equitably in Australian society as soon as possible after arrival. Generally, the target groups for SGP assistance are humanitarian entrants, family stream migrants and dependants of skilled migrants with low English proficiency, some temporary residents, and certain eligible communities.
3. Three types of services are provided under SGP. They are: Orientation to Australia—practical assistance to promote self-reliance; Developing Communities; and Integration—inclusion and participation. SGP service providers must be a not-for-profit community-based organisation, a local government organisation, funded under the Adult Migrant English Program, and/or a government service delivery organisation in a rural or regional area.

¹ Department of Immigration and Citizenship, *Report of the Review of Settlement Services for Migrants and Humanitarian Entrants*, Commonwealth of Australia, May 2003.

4. At the time of the audit there had been three annual SGP funding rounds (2006-07, 2007-08 and 2008-09), with just over \$30 million allocated in each round, amounting to a total of \$95.5 million.
5. We concluded that, overall, DIAC developed an effective framework for managing SGP. We identified some good administrative practice and several areas for improvement, which I will outline for you.
6. DIAC had implemented the program in a manner that was consistent with Government policy and DIAC's strategic objective. It had clearly defined the parameters of the program and established a strategic risk management framework focusing on managing whole-of-program risks. DIAC had also developed sound administrative procedures to promote funding rounds, assess applications, allocate grants and monitor recipients' compliance with funding agreement conditions.
7. However, DIAC had not developed or implemented effective performance indicators and a performance management framework. Such a framework would assist DIAC to measure, monitor and assess the performance of individual projects and the program as a whole. Also, DIAC needed to provide more meaningful settlement needs information to assist applicants to better target settlement needs. Some administrative procedures were applied inconsistently across state offices and the Grants Management System (GMS) did not support the effective administration of the program. Finally, DIAC poorly documented the basis of key funding decisions.
8. The ANAO made six recommendations to improve DIAC's management of SGP. These were aimed at:
 - improving the provision and use of settlement needs information;
 - adequately documenting key decisions;

- implementing an effective process for acquitting grants;
- periodically evaluating the program;
- developing and implementing an effective performance management framework;
and
- formally deciding the future of GMS

9. Finally, to assist the Committee in its inquiry, I have with me today Mr Peter White, Group Executive Director, and two members of the audit team, Dr Tom Clarke, Executive Director, who oversaw this audit, and Ms Deborah Jackson, the Audit Manager.