

The Auditor-General
Audit Report No.32 2011–12
Performance Audit

Management of Complaints and Other Feedback by the Department of Veterans' Affairs

Department of Veterans' Affairs

Australian National Audit Office

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of Australia 2012

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Canberra ACT
3 May 2012

Dear Mr President
Dear Madam Speaker

The Australian National Audit Office has undertaken an independent performance audit in the Department of Veterans' Affairs in accordance with the authority contained in the *Auditor-General Act 1997*. Pursuant to Senate Standing Order 166 relating to the presentation of documents when the Senate is not sitting, I present the report of this audit, and the accompanying brochure, to the Parliament. The report is titled *Management of Complaints and Other Feedback by the Department of Veterans' Affairs*.

Following its presentation and receipt, the report will be placed on the Australian National Audit Office's Homepage—<http://www.anao.gov.au>.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian McPhee', is positioned above the printed name.

Ian McPhee
Auditor-General

The Honourable the President of the Senate
The Acting Speaker of the House of Representatives
Parliament House
Canberra ACT

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Abbreviations

ADF	Australian Defence Force
CFMS	Complaints and Feedback Management System
CLU	Client Liaison Unit
CSP	Contracted Service Provider
DSHI	Defence Service Homes Insurance
DVA	Department of Veterans' Affairs
FOI	Freedom of Information
IT	Information Technology
MRCA	<i>Military Rehabilitation and Compensation Act 2004</i>
QA	Quality Assurance
SRCA	<i>Safety, Rehabilitation and Compensation Act 1988</i>
VAN	Veterans' Access Network
VEA	<i>Veterans' Entitlements Act 1986</i>
VIEW	Veterans' Information Enquiry Window application
VRB	Veterans' Review Board
VVCS	Veterans and Veterans Families Counselling Service

Glossary

Clients	Veterans and other eligible people who receive payments, compensation, health care and other services from DVA.
Complaint	An expression of dissatisfaction made to DVA, related to its products (including services), or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected.
Compliment	An expression of satisfaction about DVA's staff, services or service providers on a specific occasion or relating to a particular matter or in relation to a general feeling of satisfaction with DVA due to the service received over a period of time.
Feedback	Complaints, compliments and suggestions for improvement about a service, experience or event. Feedback is typically provided in respect of a specific transaction with DVA or one of its service providers.
Suggestion	A proposal offered for acceptance or rejection.
Veteran	A person who is taken to have rendered eligible war service, defined as qualifying service in Section 7 of the <i>Veterans' Entitlements Act 1986</i> . This includes a person who is a Commonwealth veteran or an allied veteran or mariner.

Summary and Recommendations

Summary

Introduction

1. The Department of Veterans' Affairs (DVA) is part of the Defence portfolio and is responsible for developing, implementing and administering government policy and programs to fulfil Australia's obligations to the veteran community.¹ The department's day-to-day activities are directed by two Commissions—the Repatriation Commission² and the Military Rehabilitation and Compensation Commission.³ The department advises the commissions on policies and programs for beneficiaries, and administers these policies and programs. It also conducts commemorative programs to acknowledge the service and sacrifice of Australian servicemen and women.

2. DVA is administering \$12 billion of expenses in 2011–12 across three outcomes: Compensation and Support, Health and Commemorations.⁴ At 30 June 2011, there were 348 929 *Veterans' Entitlements Act 1986* beneficiaries and 15 469 *Military Rehabilitation and Compensation Act 2004* and *Safety, Rehabilitation and Compensation Act 1988* beneficiaries who had received benefits in the past two years.⁵

3. Each year DVA undertakes millions of transactions with both DVA beneficiaries and the general public.⁶ These transactions are conducted through telephone, letters, emails, and face-to-face contact with DVA staff across Australia. All staff in DVA are responsible for accepting, recording and dealing

¹ DVA provides a range of services to veterans, war widows and widowers, current and former defence force members and their families and eligible members of the Australian Federal Police with overseas service.

² Established in 1917, the Repatriation Commission is responsible for providing support to veterans under the *Veterans' Entitlements Act 1986* and delegates its powers to DVA to grant pensions and benefits, and treatment and other services to eligible clients. The department's formal role in supporting the Repatriation Commission has evolved over the years in order to meet the needs of subsequent generations of veterans.

³ The Military Rehabilitation and Compensation Commission was established in 2004 to support the more recent generations of serving and ex-serving members.

⁴ Department of Veterans' Affairs, *Budget Portfolio Statements 2011–12, Budget Related Paper No.1.5B*, p. 75.

⁵ Department of Veterans' Affairs, *Annual Report 2010–11*, pp. 14–15.

⁶ By way of illustration, in 2010–11, DVA received 3.6 million calls to its general enquiries phone numbers, provided around 2.8 million allied health services, and arranged almost 800 000 visits to eligible service providers.

with complaints, compliments and suggestions for improvement that are received by the department⁷, with 2167 complaints and 940 compliments recorded in 2010–11. Overall, the number of complaints recorded by DVA is relatively low when compared to the volume of transactions.

4. Errors, misunderstandings, client dissatisfaction and unexpected problems occur in all administrative systems. Effective complaints handling assists in resolving problems before they become worse, providing a remedy to clients who have suffered disadvantage, and nurturing good relations between government agencies and the public. Complaints, and suggestions for improvement, also provide agencies with information about potential program weaknesses and service delivery faults. Conversely, compliments provide information about potential program and service delivery strengths, which can be applied more broadly in an agency, and used to motivate staff. Good administration involves regular review of existing programs, and the lessons learned from client feedback can be used to continually improve processes and the standard of services provided to clients.

5. In 2010, DVA revised its complaints and feedback management policy and implemented new complaints handling arrangements following a number of reviews⁸ which identified that the department was not capturing and reporting a large proportion of the complaints and compliments received. The revised policy has been publicised among ex-service organisations and a link to the policy is available on the home page of the department's web site.⁹

6. For reasons of client confidentiality, complaints and compliments which are received by the Veterans and Veterans Families Counselling Service (VVCS) are recorded and managed separately from complaints and compliments for the department as a whole.¹⁰ Only VVCS staff have access to VVCS-related feedback data.

⁷ Department of Veterans' Affairs, *Complaints and Feedback Management Policy*, <http://www.dva.gov.au/contact_us/Pages/feedback.aspx#policy> [accessed 14 November 2011].

⁸ These included ANAO Audit Report No. 28, 2008-09 *Quality and Integrity of the Department of Veterans' Affairs Income Support Records*, which found that there was inaccurate recording and reporting of complaints and compliments in DVA's former Feedback Management System.

⁹ DVA consulted the Office of the Commonwealth Ombudsman in redeveloping its complaints and feedback management policy.

¹⁰ VVCS is a counselling service administered by DVA which is kept operationally separate from the department to preserve client confidentiality.

Audit objectives and scope

7. The audit objective was to assess the effectiveness of the Department of Veterans' Affairs management of complaints and other feedback to support service delivery. The audit criteria were that DVA has:

- a well-designed framework for managing complaints and other feedback;
- effective processes and practices to manage complaints; and
- appropriately analysed complaints to inform service delivery.

8. The audit considered guidance on effective complaints handling arrangements provided in the Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling* of April 2009 and in Australian Standard AS ISO 10002—2006, *Customer Satisfaction—Guidelines for complaints handling in organisations*.

9. Complaints to the Veterans' Review Board and Defence Service Homes Insurance are handled separately from complaints to DVA and the VVCS and their management was not included in this audit.

Overall conclusion

10. DVA has recently revised its complaints and feedback management framework in response to external review and in recognition that complaints, compliments and suggestions are useful sources of information which can contribute to the improvement of client services.

11. DVA has adopted a well-designed framework for managing complaints and other feedback, which took effect from 1 July 2010. A new unit has been given responsibility for the overall management of complaints and other feedback and the development of a revised Complaints and Feedback Management Policy. The revised policy has been brought to the attention of stakeholders and is readily accessible on DVA's website. The department has implemented effective processes to handle complaints and other feedback, with the revised management framework supported by an upgraded computer application for recording complaints and compliments (the Complaints and Feedback Management System (CFMS)). DVA staff have been provided with appropriate guidance and training on the revised policy, processes and CFMS, as a means of raising awareness and bedding-down the framework.

12. To date, DVA has undertaken little analysis of its feedback data to identify and address the main causes of complaints and further improve client service. While DVA is planning to conduct such analysis in the near future, the effectiveness of the process will be limited by the data currently recorded on the CFMS, which does not indicate the main cause of the complaint or its exact nature. There would be benefit in DVA reviewing the recording of complaints and other feedback data on the CFMS, to better support the information needs of DVA business groups.

13. Further opportunities to improve the administration and integrity of the framework could be considered by DVA to overcome the continued level of under-reporting of complaints and to better protect the privacy of complaints records in the CFMS. While there has been a significant increase in the level of awareness among DVA staff of the department's complaints management policy and the importance of recording complaints and compliments, not all instances are recorded in the CFMS.¹¹ There would be benefit in estimating the level of under-reporting, as a first step in considering appropriate remedial action to improve record keeping.¹²

14. DVA has also emphasised to staff the importance of privacy protection and the need for a legitimate business reason to access records in the CFMS. While DVA considers that the risk of privacy breaches is low, there is scope to improve the protection of complaints records in the CFMS by introducing an effective audit trail of staff access to records, which is monitored in accordance with DVA's information technology protocols.

15. To maintain the integrity of the framework, DVA performs quality assurance checks on data on completed complaints, which have identified a high error rate of 53 per cent of CFMS records in 2010–11. However, DVA's internal reporting does not address the reasons for the errors appearing in CFMS records or aggregate the results for each month as an aid to management. Information on these matters would assist DVA to more readily identify the prime causes of errors and so enable better targeting of training needs. There would also be benefit in DVA's quality assurance process

¹¹ Benchmarking against other Australian Government agencies—the Department of Human Services (Centrelink and child support programs) and the Australian Taxation Office—indicated to DVA that it could expect around 2500 to 3000 complaints per year, which is respectively 15 to 38 per cent higher than the 2167 recorded complaints in 2010–11.

¹² Remedial action could include reinforcing to DVA staff the importance of recording all complaints and compliments in the CFMS.

examining DVA's recording of whether complainants were satisfied with the process, as the ANAO's analysis found that these satisfaction rating assessments were not accurate or reliable.¹³

16. DVA's business processes and support to clients are enhanced by ensuring that the CFMS is both robust and accessible. Improving the search and reporting capabilities of the CFMS would provide DVA business groups with more flexibility to search the database and reduce the need to maintain separate local correspondence tracking systems (in the form of spreadsheets) to assist in tracking complaints. DVA business groups also indicated that there would be benefit in CFMS providing more detailed information on the service being complained about, particularly regarding the performance of contracted service providers, as an aid to monitoring performance and managing related contracts.

17. The ANAO has made three recommendations directed at supporting DVA's service delivery by improving the department's administration of the framework for managing complaints and compliments and the efficiency of the CFMS.

Key findings by chapter

Complaints and Feedback Management: Framework and Application (Chapter 2)

18. In deciding to redevelop its complaints and feedback management framework in 2009, DVA created a Veterans' Standards and Complaints Management Team to lead policy development and support the overall management of complaints and other feedback within the department.¹⁴

19. A revised complaints and feedback management policy supports the implementation of the revised framework by setting out standard definitions of complaints and compliments, establishing the cultural norm that DVA welcomes complaints and other feedback as a means of enhancing service delivery, describes the options available to complainants if they are dissatisfied

¹³ DVA records indicate that 61 per cent of complainants were recorded as satisfied with the handling and outcome of their complaints in 2010–11, two per cent were dissatisfied and, in the remaining 37 per cent of complaints, it was not known whether the complainant was satisfied or dissatisfied. The ANAO found that only 52 per cent of complaints records supported the satisfaction rating.

¹⁴ The section is located in Sydney, and following a departmental restructure from 1 March 2012 is part of the Client and Commemorations Division. The section has an allocation of three staff members.

with DVA's responses and establishes timeframes for responding to complaints. DVA has also developed detailed administrative arrangements for handling complaints and other feedback that are documented in written guidance to staff that is readily available on the DVA intranet.¹⁵ The revised framework is further supported by training provided to approximately one-third of DVA staff.

20. All DVA business units consulted during the course of the audit considered that their staff had a heightened awareness of the complaints and other feedback management policy and procedures following the implementation of the new policy. However, to maintain awareness by its staff of the complaints and other feedback management arrangements and of the importance of recording all complaints and compliments, there would be benefit in DVA implementing ongoing awareness training for new staff and for relevant staff who have still to undertake the training.

21. There is ready access by clients and other persons to DVA's complaints and other feedback policy though the DVA website and there are many channels available (in-person, by telephone, in writing, through an intermediary, such as a Member of Parliament or the Commonwealth Ombudsman) to provide feedback. There is also a dedicated complaints hotline, with calls to this hotline referred to the responsible business area for attention. Most feedback is provided by telephone.

22. DVA's policy requires that complaints be acknowledged within one day (except in the case of complaints which are received by post, when they must be acknowledged within five days) and be resolved within a period of 28 days from the date of the complaint (except for ministerial correspondence which can exceed the 28 day standard). This standard is based on DVA's service charter, which states that DVA will strive to action or acknowledge correspondence within 28 days. In 2010–11, 76 per cent of DVA complaints and 52 per cent of VVCS complaints were recorded as having been resolved within the 28 day timeframe for resolution of complaints.

23. ANAO examined a sample of 40 overdue responses to assess the reasons for the delay. For 23 (or 43 per cent of) responses, it was not possible to determine the reasons for the delay as there was insufficient documentation.

¹⁵ The VVCS used these guidelines as a basis for its handling of VVCS-related complaints in 2010-11, but has since adapted the guidelines to meet its own needs.

The reasons for the delay in other cases included delays in recording matters as finalised in the system or in obtaining information from the client, provider or other parts of DVA. To improve the accuracy of the information held by DVA and to help identify the reasons why complaints may not be finalised within the 28 day timeliness standard, there would be benefit in DVA considering amendments to the CFMS to require reasons for delayed responses to complaints to be recorded and to indicate when a response has been provided, as distinct from when a complaint record has been closed.

24. Recognising that the expected level of service will not be met on all occasions, some organisations, such as Medicare Australia, set performance targets based on the standard; that is, they seek to meet the target in a specified percentage of cases. This target can be reviewed regularly and adjusted as the organisation's performance against the standard improves, so helping the organisation improve its service delivery performance. There would be merit in DVA considering such an approach, to assist it in further refining its complaints management system and promoting continuous improvement.

Analysis and Reporting of Complaints and Other Feedback (Chapter 3)

25. Complaints and other feedback provide a potentially valuable source of information to an agency on the performance of their service delivery and can identify areas of possible weakness for future improvement.

26. DVA has undertaken little analysis of the complaints data to assist it to identify ways of improving its services, and DVA business groups have indicated that they would welcome more detailed information about complaints, such as the main areas of their responsibilities subject to complaint. Collecting information of this sort would require more detailed fields to be included in the CFMS database. While major changes to the CFMS may not be warranted until DVA has made a decision on the future of the system¹⁶, there would be benefit in DVA considering the type of information it would need to collect on the reasons for complaints and compliments in order to meet the preferences of business groups.

¹⁶ DVA is planning to examine the future of the CFMS in the context of a larger project—the Choice & Maintainability in Veterans' Services project—through which DVA is upgrading its information technology systems, primarily to provide greater opportunities for DVA clients to access services from the department online.

27. Monthly reports are provided to DVA's Executive Management Group on the numbers of complaints and compliments received during the month and on key aspects of these feedback data, such as the timeliness of resolving complaints. Information is also included in the department's annual reports to the Parliament, although these reports have to date not included information on complaints to the VVCS. DVA has indicated that it will include VVCS complaints in its 2011–12 annual report, and there would also be benefit in considering the inclusion of information on the timeliness of resolving complaints.

Complaints and Feedback Management System (Chapter 4)

28. The CFMS is a relatively simple database, which only records data on complaints and compliments received by DVA. Suggestions relating to the improvement of DVA services or policy matters are not currently recorded in the CFMS. This limits DVA's ability to analyse possible areas for service improvement or the policy implications arising from them. There would be benefit in DVA considering amendments to its complaints and feedback management policy and processes to include such suggestions for improvement in the CFMS.

29. DVA has emphasised to its staff that they must have a legitimate business reason to access records in the CFMS. However, the fact that DVA staff members have access to all DVA-related complaints records¹⁷ and the absence of an audit trail to identify staff accessing the system, raises privacy issues. In the course of implementing the revised feedback handling arrangements, DVA considered including an audit trail in the CFMS (which it was advised would cost around \$17 500), but determined that the overall risks associated with the CFMS not having an audit capability were low, and that no changes should be made to the system at that time. CFMS has been in use since mid-2010, and there would be benefit in reviewing the merits of including an audit trail, having regard to experience in the use of the system.

30. To improve the accuracy of CFMS records, DVA has implemented quality assurance protocols, under which a random sample of completed records is quality assured each month. DVA identified errors in 53 per cent of CFMS records for 2010–11. Forty-six per cent of records had errors relating to

¹⁷ With the exception of VVCS records, all DVA staff are expected to record complaints and compliments in the CFMS and for this reason have access to the system.

registration details, such as incorrect recording of the activity to which the feedback related, or recording an incorrect satisfaction rating. In two per cent of cases the records incorrectly contained sensitive information, such as the name of a staff member about whom a complaint had been made.¹⁸

31. DVA's quality assurance data does not enable more detailed information on the reasons for errors to be derived, and DVA does not aggregate the monthly results. The availability of such information would assist DVA to more readily identify the causes of errors and so enable better targeting of training needs and improvements in service delivery.

32. The ANAO undertook an analysis of the quality of CFMS records using a sample of 77 cases. While the analysis found that follow-up action by DVA staff was generally thorough, it also indicated that:

- in 48 per cent of cases sampled, the satisfaction assessment was not strongly supported by the documented information¹⁹, raising questions about the accuracy of the CFMS satisfaction ratings recorded by DVA staff; and
- in 18 per cent of cases, details of the complaint were unclear from the record.²⁰

33. The ANAO also found that DVA could improve its quality assurance arrangements by improving its monitoring of duplicate records and including input controls in the CFMS to ensure that DVA staff complete all the required fields in the database.

34. To improve the accuracy of satisfaction outcome assessments, and the clarity of DVA's records, the ANAO considers that there would be benefit in:

- DVA separately asking complainants whether they are satisfied with the outcome of their complaint and the way it was handled. These aspects are currently combined in the one question which does not enable a complainant to comment on each individual element;

¹⁸ Where a person complains about a particular DVA staff member, DVA requires that the name of that staff member not be recorded in the CFMS.

¹⁹ Based on the ANAO assessment and the sample size of 77, this means that there is a 90 per cent level of confidence that between 39 per cent and 58 per cent of the CFMS satisfaction ratings will be incorrect.

²⁰ Based on the ANAO assessment and the sample size of 77, this means that there is a 90 per cent level of confidence that between 12 per cent and 27 per cent of records do not contain clear details of the nature of the complaint.

- asking staff members to record in the database reasons for these satisfaction assessments (such as advice from the complainant); and
- reminding business groups of the need to maintain the integrity of CFMS records by including all relevant information, even in cases where business groups elect to use local internal correspondence tracking systems to manage complaints.²¹

DVA's response to the audit

35. DVA agrees in principle with the three recommendations of the ANAO report.

36. The audit of DVA's feedback system and processes was timely as the enhanced feedback system, revised policy and associated processes became operational in July 2010. DVA will use the audit's findings, observations and recommendations to ensure the management processes continue to improve feedback mechanisms for DVA clients. The audit will also assist DVA to consider how the management of complaints and other feedback can be used effectively in association with the recent organisational restructure within DVA. The restructure has focused attention on the client experience and an important element will be the analysis of feedback data to develop strategies for future service delivery opportunities.

37. DVA agrees that feedback data, and the ability to analyse this information, can enhance aspects of service delivery that will improve interactions with the client. With this in mind, DVA will also examine its feedback system capabilities as noted in the audit and develop opportunities to improve the scope of current recording to reflect business needs.

²¹ Some business groups indicated that they continue to use their own internal correspondence tracking systems to handle complaints because the search facility in the CFMS is difficult to use.

Recommendations

Set out below are ANAO's recommendations and the Department of Veterans' Affairs abbreviated responses. More detailed responses are shown in the body of the report immediately after each recommendation.

Recommendation No.1
Para 2.56

To enable more accurate monitoring and reporting and better analysis of feedback to improve services, the ANAO recommends that DVA implements arrangements to assess the level of under-recording of complaints and other feedback.

DVA response: Agreed with qualification.

Recommendation No.2
Para 3.14

To enable DVA business groups to effectively analyse the primary causes of complaints and consequently identify opportunities to improve service delivery, the ANAO recommends that DVA reviews the information it collects on the reasons for complaints and compliments.

DVA response: Agreed.

Recommendation No.3
Para 4.22

While having regard to the long-term future of the Complaints and Feedback Management System (CFMS), the ANAO recommends that DVA addresses high priority areas such as: better assuring the privacy of complaints records; improving the search and reporting functionality of the system to better meet the information needs of business groups; and implementing input controls for the completion of all relevant fields in the CFMS.

DVA response: Agreed with qualification.

Audit Findings

1. Introduction

This chapter provides background information on the Department of Veterans' Affairs feedback management arrangements, and outlines the audit approach and the structure of the report.

Background

1.1 Australia has a proud tradition of caring for and supporting its men and women who served in the defence of the nation in wars, conflicts and, more recently, in a number of peacekeeping operations.

1.2 The Department of Veterans' Affairs (DVA) is part of the Defence portfolio and is responsible for developing, implementing and administering government policy and programs to fulfil Australia's obligations to the veteran community.²² The department's day-to-day activities are directed by two Commissions—the Repatriation Commission²³ and the Military Rehabilitation and Compensation Commission.²⁴ The department advises the commissions on policies and programs for beneficiaries and administers these policies and programs. The department also administers legislation such as the *Defence Service Homes Act 1918* and the *War Graves Act 1980*, and conducts commemorative programs to acknowledge the service and sacrifice of Australian servicemen and women.

1.3 The department has offices in all capital cities and has a Veterans' Access Network comprising a number of local and regional area offices across the country. The department also seeks to enhance service delivery to veterans and their families living in rural and remote areas through agency arrangements to deliver DVA information and services where it has no

²² DVA provides a range of services to veterans, war widows and widowers, current and former defence force members and their families and eligible members of the Australian Federal Police with overseas service.

²³ Established in 1917, the Repatriation Commission is responsible for providing support to veterans under the *Veterans' Entitlements Act 1986* and delegates its powers to DVA to grant pensions and benefits, and treatment and other services to eligible clients. The department's formal role in supporting the Repatriation Commission has evolved over the years in order to meet the needs of subsequent generations of veterans.

²⁴ The Military Rehabilitation and Compensation Commission was established in 2004 to support the more recent generations of serving and ex-serving members.

permanent local presence. Veterans and their families are also able to telephone the department through the Veterans' Service Centre.

1.4 In 2011–12, the department was administering \$12 billion of expenses across three outcomes: Compensation and Support, Health and Commemorations.²⁵ Over \$5 billion was targeted to maintaining and enhancing the physical wellbeing and quality of life of eligible veterans and their dependants through health and other care services. Most of the almost \$7 billion remaining was allocated for compensation and payments. At 30 June 2011, there were 348 929 *Veterans' Entitlements Act 1986* (VEA) beneficiaries and 15 469 *Military Rehabilitation and Compensation Act 2004* (MRCA) and *Safety, Rehabilitation and Compensation Act 1988* (SRCA) beneficiaries who had received benefits in the past two years.²⁶

1.5 Each year DVA undertakes millions of transactions with both DVA beneficiaries and the general public. These transactions include payments, queries, submissions of documentation and requests for information. They are conducted through telephone, letters, emails, and face-to-face contact with DVA staff across Australia.

Importance of client feedback in effective service delivery

1.6 The importance of citizen-centric service delivery has long been recognised by government. For instance, as part of its *More Time for Business* Statement, the government in 1997 introduced service charters for all departments and agencies that deal with the public, with the aim of creating a more open and responsive service culture in the public sector.

1.7 The need for a responsive client service culture in Australian Government agencies continues to be a priority. On 8 May 2010, the Prime Minister announced that the government had accepted all of the recommendations of a review of Australian Government administration entitled *Ahead of the Game: Blueprint for the Reform of Australian Government Administration*. The review identified the need for the Australian Public Service to forge a stronger relationship with citizens through better delivery of services and through greater involvement of citizens in their government. In particular,

²⁵ Department of Veterans' Affairs (Defence Portfolio), *Portfolio Budget Statements 2011–12, Budget Related Paper No.1.5B*, p. 75.

²⁶ Repatriation Commission, Military Rehabilitation and Compensation Commission, Department of Veterans' Affairs, *Annual Reports 2010–11*, pp. 14–15.

it argued that services for citizens need to be better integrated and more appropriate to citizens' life experiences and needs.²⁷

1.8 The *DVA Corporate Plan 2010–11* identifies a number of themes that are consistent with these priorities, such as designing its programs to be client-centric and that DVA clients have greater choice in the way in which they interact with the department.²⁸

1.9 Errors, misunderstandings, client dissatisfaction and unexpected problems occur in all administrative systems. Effective complaints handling assists in resolving problems before they become worse, providing a remedy to clients who have suffered disadvantage, and nurturing good relations between government agencies and the public. Complaints and suggestions for improvement also provide agencies with information about potential program weaknesses and service delivery faults. Conversely, compliments provide information about potential program and service delivery strengths, which can be applied more broadly in an agency and used to motivate staff. Good administration involves regular review of existing programs, and that the lessons learned from client feedback are used to continually improve processes.

Arrangements to manage complaints and other feedback in DVA

1.10 DVA's Service Charter sets out its values and commitments to its clients, including a range of standards that it aims to meet. The performance of DVA to meet these standards is measured under relevant programs and by veterans' satisfaction surveys. The Service Charter states that clients have the right to lodge a complaint, outlines the process for lodging a complaint, commits to resolving any concerns, problems, enquiries and complaints quickly and provides advice on how to contact the Commonwealth Ombudsman where a client is dissatisfied with the handling of their complaint.

1.11 DVA clients include those veterans and other eligible people who receive payments, compensation, health care and other services from DVA.

²⁷ Advisory Group on Reform of Australian Government Administration, *Ahead of the Game: Blueprint for the Reform of Australian Government Administration*, March 2010, pp. v and ix.

²⁸ Department of Veterans' Affairs, *DVA Corporate Plan 2010–11*, p. 2.

DVA manages client feedback in the form of complaints and other feedback such as compliments, suggestions for improvement, and responses from key stakeholders through various means.

Complaints

1.12 A complaint is ‘an expression of dissatisfaction made to DVA, related to its products (including services), or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected.’²⁹ As shown in Table 1.1, DVA had 2167 recorded complaints in 2010–11.

Table 1.1

Number of complaints recorded by DVA, 2007–08 to 2010–11

	2007–08	2008–09	2009–10	2010–11
Number of complaints	172	232	1 593	2167

Source: DVA *Annual Report 2010–11*, p. 68 and data for 2010–11 provided by DVA.

Notes: 1. These figures do not include complaints:

- to the Treatment Monitoring Committees in 2007–08 (190 complaints) and 2008–09 (206 complaints). These committees were established to monitor the integration or sale of former Repatriation General Hospitals into the public or private health sectors in the early to mid 1990s; and
- received by the Veterans and Veterans Families Counselling Service. The service began collecting information on the numbers of complaints it receives in 2010–11, where it recorded receiving 25 complaints. Of these, 19 complainants (76 per cent) were reported as being satisfied, five complainants (20 per cent) unsatisfied and one complaint (4 per cent) where it was not known whether the complainant was satisfied or dissatisfied.

2. The DVA annual report for 2010–11 reported 2170 complaints in that year. The figure of 2167 reflects adjustments made to the DVA complaints database since compilation of the data for the annual report.

1.13 The number of recorded complaints increased significantly in 2009–10 compared to previous years. This increase was largely due to greater staff awareness of obligations to record complaints as well as more comprehensive recording of complaints³⁰, as discussed in Chapter 2.

1.14 Complaints can be made by clients or their representatives directly to DVA or through an external party, such as the Minister for Veterans’ Affairs, a Member of Parliament or the Commonwealth Ombudsman. They can also be

²⁹ Department of Veterans’ Affairs, *Complaints and Feedback Management Policy*, <http://www.dva.gov.au/contact_us/Pages/feedback.aspx> [accessed 14 November 2011].

³⁰ Repatriation Commission, Military Rehabilitation and Compensation Commission, Department of Veterans’ Affairs, *Annual Reports 2009–10*, p. 94.

received from service providers and others. Details of complaints and compliments received by DVA and the Veterans and Veterans Families Counselling Service (VVCS) by feedback provider in 2010-11 are shown in Table 1.2.

Table 1.2

Complaints and compliments received by DVA and the VVCS in 2011–12 by feedback provider

Feedback provider	Complaints				Compliments			
	DVA	VVCS	Total	Share	DVA	VVCS	Total	Share
Veteran/ADF Member	1196	12	1208	55%	370	16	386	40%
Dependant (for example, spouse, war widow, dependent child)	280	3	283	13%	259	6	265	27%
Representative (for example, ex-service organisation, Member of Parliament, solicitor)	273	4	277	13%	75	3	78	8%
Other (for example, agent, power of attorney, family member)	418	6	424	19%	236	9	245	25%
Total	2167	25	2192	100%	940	34	974	100%

Source: ANAO analysis of DVA data.

1.15 Complaints can be provided by a number of means, including email, fax, telephone, in person or by post. Complaints include dissatisfaction with the performance of contractors and service providers, the timeliness, responsiveness and accessibility of client services, the provision of clear and correct information, and issues with policy and legislation.

1.16 While the department also receives compliments and suggestions for improvement, complaints represent the majority of recorded feedback from clients.

1.17 The 2167 complaints recorded by DVA in 2010–11 are relatively low when compared to the volume of transactions, as illustrated by Table 1.3.

Table 1.3

Volume of DVA service transactions, 2010–11

DVA reported that in 2010–11 it:

- received 3.6 million calls to its general enquiries phone numbers;
- processed 220 000 private and 114 000 public hospital separations (which is a count of the number of episodes of care for patients admitted to hospital);
- provided around 2.8 million allied health services;
- arranged 790 114 person trips and processed 156 854 claims for reimbursement of transport for health treatment of clients;
- assessed around 73 000 veterans for home care services;
- provided community nursing services to 31 122 card holders;
- processed an estimated 8300 new income support claims and 114 100 pensioner initiated income support reviews; and
- processed 2936 claims for permanent impairment compensation under the SRCA and 1935 claims under the MRCA.

Source: Repatriation Commission, Military Rehabilitation and Compensation Commission, Department of Veterans' Affairs, *Annual Reports 2010–11*.

Other feedback arrangements

1.18 Compliments³¹ and suggestions for improvements can be received through the same channels as complaints. Compliments are recorded in the Complaints and Feedback Management System, but suggestions for improvements are not recorded in the system. They are, however, forwarded to the managers of the relevant business areas for consideration. In 2010–11 DVA recorded receiving 940 compliments. DVA does not have information on the number of suggestions for improvements that were received.

1.19 DVA also receives feedback from clients and their representatives through consultations with external service organisations, biennial client satisfaction surveys, surveys of younger clients and feedback questionnaires on the quality of services received, such as the quality of counselling provided by the VVCS. Consultations with external service organisations are conducted at both national and state/territory levels.³²

³¹ A compliment is defined in DVA's *Complaints and Feedback Management Policy* as 'an expression of satisfaction about DVA's staff, services or service providers on a specific occasion or relating to a particular matter or in relation to a general feeling of satisfaction with DVA due to the service received over a period of time'.

³² The main national consultative forum is the Ex-Service Organisation Round Table. This forum is supported by four specific national forums: the National Mental Health Forum; the National Health, Aged and Community Care Forum; the Emerging Issues Forum; and the Operational Working Party.

Revised arrangements to manage complaints and other feedback

1.20 In late 2009, DVA initiated a project to consolidate and standardise its complaints and feedback management practices.³³ At the time, DVA recognised that complaints were handled, reported and analysed in a relatively ad hoc manner. The objectives of the project were to improve DVA's performance in handling complaints and to enable DVA to comply with its service delivery obligations in a cost effective manner.

1.21 The revised arrangements to manage complaints and feedback took effect on 1 July 2010. The revised policy contains definitions of complaints and compliments, describes the options available to complainants if they are dissatisfied with DVA's responses, and lists the times in which responses to complaints are expected to be provided.³⁴ Under the policy, DVA can accept a complaint from a third party on behalf of a client (for example, an interested family member of a veteran).³⁵

1.22 DVA also upgraded the computer application it uses to record complaints and compliments (the Complaints and Feedback Management System or CFMS). Under the revised policy, all complaints and compliments are expected to be recorded in that system. For reasons of client confidentiality, complaints and compliments received by the VVCS are recorded and managed separately from complaints and compliments for the department as a whole in the CFMS. Only VVCS staff have access to VVCS-related feedback data.

Previous ANAO audits

1.23 In 2008–09 the ANAO conducted a performance audit of the quality and integrity of DVA Income Support Records.³⁶ As part of that audit, the ANAO examined the integrity of DVA feedback data, including the

³³ The project was instigated in response to: findings by former Commonwealth Ombudsman, Ron McLeod, in 2007 that DVA complaints handling arrangements should be reviewed and improved; the results of a review of DVA complaints handling processes in October 2007 (the Wood Review); an ANAO recommendation (as discussed in paragraph 1.23); and a February 2009 Review of *oneDVA*.

³⁴ The 'Complaints' page on the DVA website was updated and now includes DVA's complaints and feedback management policy, together with steps on how to lodge feedback with DVA.

³⁵ Personal information cannot be disclosed to anyone without the client's permission, however, unless a relevant Power of Attorney or Guardianship order is in place and has been advised to DVA. Department of Veterans' Affairs, *Complaints and Feedback Management Policy*, <http://www.dva.gov.au/contact_us/Pages/feedback.aspx> [accessed 14 November 2011].

³⁶ ANAO, Audit Report No. 28 2008–09 *Quality and Integrity of the Department of Veterans' Affairs Income Support Records*.

department's policy, procedures and systems to manage stakeholder feedback data. The ANAO found then that there was inaccurate recording and reporting of complaints and compliments in the department's Feedback Management System (now the CFMS). Consequently, the ANAO recommended that DVA implement interim measures to enhance the quality of its feedback data while designing a new feedback system to manage stakeholder feedback.³⁷ DVA agreed with the recommendation.

1.24 The ANAO has previously examined complaints management in Centrelink in 2005 and 2009 and, in 2011–12, has undertaken an audit on feedback management in the Child Support Agency.

Audit objective, criteria, scope and methodology

1.25 The audit objective was to assess the effectiveness of the Department of Veterans' Affairs management of complaints and other feedback to support service delivery.

1.26 The audit criteria were that DVA has:

- a well-designed framework for managing complaints and other feedback;
- effective processes and practices to manage complaints; and
- appropriately analysed complaints to inform service delivery.

1.27 The audit also examined DVA's implementation of the recommendations of a 2007 independent review of its complaints handling system and policy.

1.28 The audit did not examine the effectiveness of the feedback that DVA receives through its biennial client satisfaction surveys and its stakeholder meetings with external service organisations. Complaints to the Veterans' Review Board and Defence Service Homes Insurance are handled separately from complaints to DVA and the VVCS and their management was not included in this audit.³⁸

³⁷ The recommendation also proposed that the interim measures involve: improving compliance by staff with the department's procedural policy; and raising staff awareness of the need for all complaints and compliments data to be recorded in the department's feedback management system.

³⁸ The Veterans' Review Board is independent of the department and so manages its own complaints. Requests for reviews of decisions by the Veterans' Review Board and its management of these reviews are not included in this audit, as this is an independent review process. Defence Service Homes Insurance is subject to separate industry-wide arrangements for reporting insurance complaints.

Audit methodology

1.29 The audit considered guidance on effective complaints handling arrangements provided in Australian Standard AS ISO 10002—2006, *Customer Satisfaction—Guidelines for complaints handling in organisations* and the Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling* of April 2009 and *Better Practice Guide to Managing Unreasonable Complainant Conduct* of June 2009.

1.30 The Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling*, which is broadly consistent with Australian Standard AS ISO 10002—2006, identifies five key elements in effective complaint handling. These key elements, as depicted in Figure 1.1, were used to assess the effectiveness of DVA's complaints handling arrangements.

Figure 1.1

Summary of Commonwealth Ombudsman's Better Practice Guide to complaints handling

Commonwealth Ombudsman's Better Practice Guide to Complaints Handling	
Element 1 Culture	An agency that cares about its clients and its reputation will have a culture that recognises the value of complaints and requires all staff to be committed to effective complaints resolution.
Element 2 Principles	2.1 Fairness A complainant must be treated fairly: impartial investigations, expectation that complainants' privacy will be respected, that they will know how their complaints will be handled and outcome of the investigation of their complaints.
	2.2 Accessibility The complaint handling system should be accessible by clients (in particular on agencies' web sites). Full and ready explanation of complaints handling process.
	2.3 Responsiveness The complaints handling system is responsive to the needs of all complainants, including having special measures in place to assist clients with particular needs (NESB clients and those with a disability) and for responding to unreasonable demands or behaviour.
	2.4 Efficiency Speedy resolution of complaints, regular reports to management on complaints, escalation of complaints that remain unresolved for some time, guidelines for staff on handling of complaints.
	2.5 Integration Complaint handling must be integrated within an agency's core business activities and agencies that deliver services jointly with other government agencies might need to integrate their complaints handling arrangements.
Element 3 People	Responsibility for handling complaints should be allocated to staff who are identified, well trained and supervised. There should be sound recruitment practices, continuing training and learning opportunities and systematic review and feedback.
Element 4 Process	Seven steps in effective complaints management process are: <ol style="list-style-type: none"> 1. Acknowledge all complaints quickly 2. Assess the complaint and give it a priority 3. Plan the investigation 4. Investigate the complaint 5. Respond to the complainant with a clear decision 6. Follow up any customer service concerns 7. Consider if there are any systemic issues.
Element 5 Analysis	Complaints data should be regularly analysed to see what is going wrong and what can be improved. Agencies should report on their performance against both quantitative and qualitative complaint handling measures.

Source: ANAO analysis of Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling*, 1 April 2009.

Note: non-English speaking background (NESB)

1.31 To form an opinion against the audit objective, the ANAO conducted audit fieldwork in the department's main office in Canberra and in the department's Sydney and Melbourne offices. Specifically, the audit team:

- examined policy documents, guidelines, procedures and operational documents;
- interviewed staff in the relevant divisions of the department;
- reviewed files, records (including emails) and publications held by the department;
- examined a selection of complaints cases to assess whether DVA policy and procedures were followed when processing cases;
- conducted interviews with key stakeholders in ex-service organisations to discuss issues relating to the department's management of complaints³⁹; and
- held discussions with the Commonwealth Ombudsman's office about the nature and outcomes of complaints it received concerning DVA.

1.32 The ANAO obtained a copy of the CFMS complaints management database in order to test data accuracy, the accuracy of DVA reporting on its processed complaints and the usefulness of data to inform service delivery.

Audit standards and cost

1.33 The audit was conducted in accordance with ANAO's auditing standards, at a cost of approximately \$250 000.

³⁹ The ANAO sought input from the Returned and Services League of Australia, the Vietnam Veterans' Association of Australia, the Vietnam Veterans Federation of Australia, the War Widows Guild of Australia and Canberra Legacy and conducted interviews with some of these organisations.

Report structure

1.34 The audit findings are reported in three chapters, which examine key elements of DVA complaints management in supporting service delivery, as outlined in Table 1.4.

Table 1.4

Structure of the report

Chapter 2 Complaints and Other Feedback: Framework and Application	Examines DVA’s complaints and other feedback framework and the appropriateness of its recent application.
Chapter 3 Analysis and Reporting of Complaints and Other Feedback	Examines DVA’s analysis and reporting of complaints and other feedback to enable it to address the main causes of complaints and improve service delivery.
Chapter 4 Complaints and Feedback Management System (CFMS)	Examines DVA’s use of the CFMS to record and manage complaints and compliments.

Source: ANAO.

2. Complaints and Other Feedback: Framework and Application

This chapter examines DVA's complaints and other feedback framework and the appropriateness of its recent application.

Introduction

2.1 As mentioned previously, a number of reviews found that DVA was not capturing all complaints and other feedback and that a new framework should be established to provide a focus on welcoming and recording complaints and dealing with them effectively and efficiently. Figure 2.1 sets out key elements of the revised framework to manage complaints and other feedback.

Figure 2.1

Key elements of DVA's revised framework to manage complaints and other feedback

Key elements include:

- the creation of the Veterans' Standards and Complaints Management Team for overall management of complaints and other feedback.⁴⁰ However, the resolution of individual complaints remains the responsibility of individual business lines in DVA, as they are best placed to respond to complaints and assess what changes, if any, are required to their business processes;
- a revised policy, the *Complaints and Feedback Management Policy*, which was publicised widely among DVA staff and on the DVA website;
- upgrades to the former Feedback Management System—now called the Complaints and Feedback Management System (CFMS);
- development of guidance for staff on how to receive and record complaints and compliments in the CFMS and what to do with suggestions for improvement of DVA services and policies; and
- training of staff in the application of the revised policy and the use of the CFMS.

Source: DVA.

2.2 This chapter examines the effectiveness of the changes that DVA has implemented to respond to complaints and other feedback. In particular, it examines DVA policy for managing complaints and other feedback, the process and practices it uses to respond to complaints, and the effectiveness of

⁴⁰ The section is located in Sydney, and following a departmental restructure from 1 March 2012 is part of the Client and Commemorations Division. The section has an allocation of three staff members.

these arrangements, having regard to the guidance provided in Australian Standard AS ISO 10002—2006 and the Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling*. On this basis, the chapter examines:

- DVA policy and processes for managing complaints and other feedback;
- guidance and training of DVA staff and progress in embedding a culture of effective complaints management;
- fairness and responsiveness in resolving complaints;
- accessibility of the complaints handling arrangements;
- escalation of complex complaints; and
- the efficiency and integration of client feedback.

DVA policy and processes for managing complaints and other feedback

DVA policy on managing complaints and other feedback

2.3 The Australian Standard ISO 10002—2006 on complaints handling in organisations emphasises the importance of organisations establishing an explicit customer-focused complaints handling policy, which should be made available to customers and other interested parties and to the organisation's own staff.

2.4 In redeveloping its complaints and feedback management policy DVA consulted the Commonwealth Ombudsman's Office and advised that it had examined the complaints management policies of other agencies. The Commonwealth Ombudsman's Office advised the ANAO that it also briefed the DVA Executive on the handling of complaints and DVA-related complaints that it had received as part of the implementation of the revised arrangements.

2.5 DVA's revised complaints and feedback management policy was completed in April 2010 and came into operation on 1 July 2010. The 2010–11 financial year was therefore the first year in which the revised policy applied. Figure 2.2 outlines the key elements of the revised policy.

Figure 2.2

DVA complaints and feedback management policy

The revised policy states that:

- anyone can make a complaint or provide compliments or suggestions for improvement to DVA (by methods explained in the policy through any DVA officer);
- DVA aims to acknowledge complaints within one working day (five working days in the case of posted mail) and resolve complaints within 28 days (except for ministerial correspondence, which may take longer);
- the policy would be publicised widely;
- DVA staff would protect the privacy and confidentiality of complainants, enabling complaints to be lodged without fear of negative consequences. Anonymous complaints would also be accepted;
- all complaints would be assessed on their merits;
- responses to issues would deal with all the issues raised and provide suitable outcomes; and
- the system would be reviewed regularly to ensure the accuracy of record keeping.

Note: The policy also provides definitions or explanations of complaints and compliments and explains how DVA will deal with the feedback it receives.

Source: DVA, *Complaints and Feedback Management Policy*.

2.6 The revised policy provides DVA clients and other feedback providers with a clear description of the department's approach to responding to complaints and other feedback and the importance with which the feedback will be treated.

Processes for handling feedback

2.7 Element 4 of the Commonwealth Ombudsman's *Better Practice Guide to Complaints Handling* lists seven steps in an effective complaints handling process (see Figure 1.1), although it notes that straightforward complaints can often be resolved without going through the third and fourth steps. These processes are also expected to embody the five principles of fairness, accessibility, responsiveness, efficiency and integration embodied in Element 2 of the Guide.⁴¹

2.8 DVA has developed detailed arrangements for handling complaints and other feedback. These are set out in a guide for staff, which is available on the DVA intranet.⁴² The VVCS also used these guidelines as a basis for

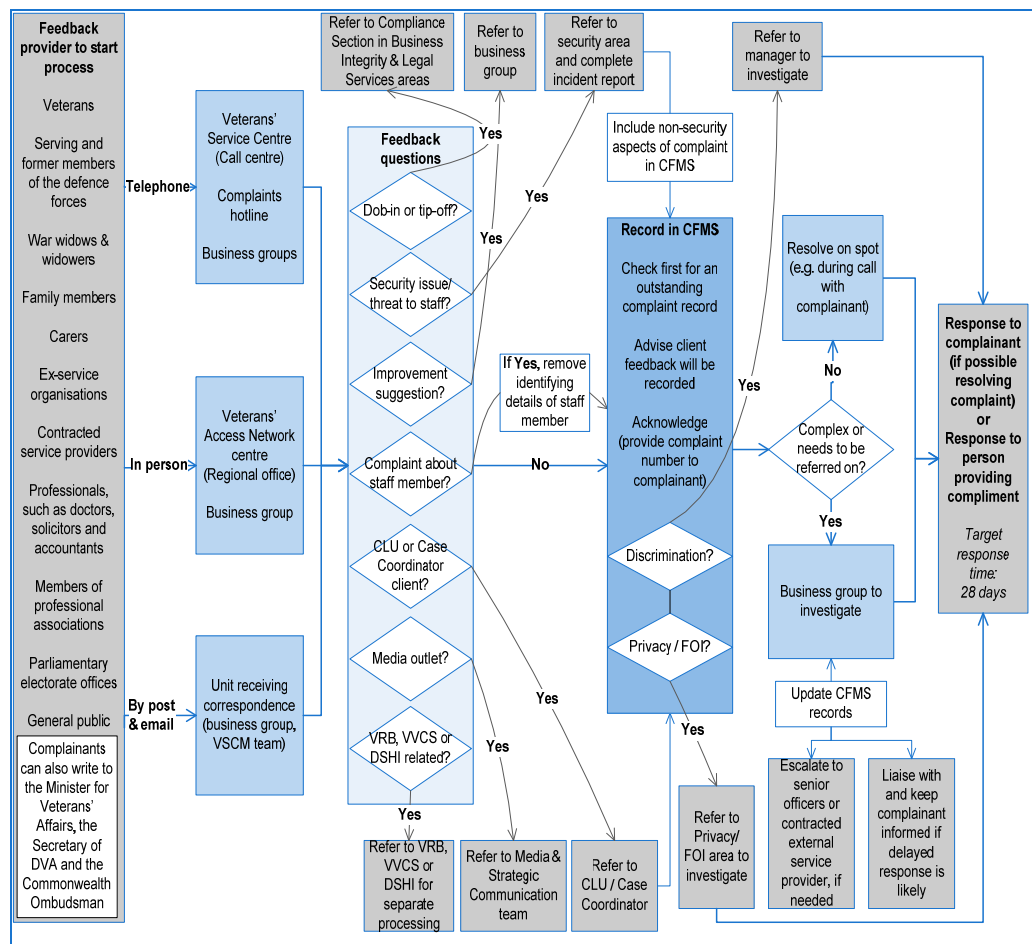
⁴¹ Commonwealth Ombudsman, *Better Practice Guide to Complaint Handling*, op cit, p. 21.

⁴² DVA internal document, *Complaints and Feedback Management System (CFMS), Administrative Procedures Operational Manual, Version 9*, 18 January 2011.

managing VVCS-related complaints in 2010–11, but has since adapted the guidelines to meet its own needs. The processes for handling DVA-related feedback is outlined at Figure 2.3

Figure 2.3

Outline of processes for handling complaints in DVA



Note: Refer to List of Abbreviations for acronyms.

Source: ANAO analysis of DVA processes.

2.9 Figure 2.3 illustrates that:

- where a complaint is made about a staff member, details of the complaint are expected to be recorded in the CFMS but identifying information about the staff member is expected to be removed for privacy reasons. The complaint is investigated separately and the outcome of the complaint is then recorded in the CFMS;

- where a complaint is received from a client who has previously been identified as requiring support from DVA's Client Liaison Unit or a case coordinator (these are areas of the department which assist clients who are vulnerable and/or have querulous/complex behaviours and so require a single point of contact with department), the complaint is referred to the Client Liaison Unit or case coordinator, who are expected to record details of the complaint in the CFMS;
- if a complaint cannot be resolved at the initial point of contact, the complaint is expected to be acknowledged and the complainant is expected to be provided with a receipt number to assist the complainant in their further dealings with DVA on the complaint; and
- if a complaint cannot be resolved quickly (for example, because it needs to be referred to a contracted service provider for advice or because of the complexity of the issues raised in the complaint), the complainant is expected to be kept informed about the reasons for the delays.

2.10 DVA receives many different types of complaints from clients and other complainants. Some can be resolved by DVA staff immediately, while others require further follow-up, perhaps with a service provider. Some case studies of DVA complaints handling are given at Figure 2.4. These case studies provide an indication of the approach taken by the department in responding to complaints and in addressing the concerns raised. They also provide examples of corrective action being taken to prevent recurrences of complaints.

Figure 2.4

Case studies of DVA complaints handling

- A client's daughter complained that, despite repeated requests, her mother, who uses a wheelchair, was not being provided with a maxi cab to take her to medical appointments. The maxi cab was being booked by the medical practice, rather than DVA, but the practice had not been requesting maxi cabs. DVA offered to book the maxi cab itself. However, it was decided in the first instance that the practice would highlight (enlarge and put in bold type) the requirement for a maxi cab in its faxed bookings.
- The complainant, the client's daughter, called DVA to complain that her father was being charged for a stay in a hospital because he had been provided with a single room for medical reasons. She considered that her father should not be charged for the single room. DVA raised the matter with the hospital, which agreed to waive the charges. DVA also requested that the hospital review the consent form because DVA clients sign it without realising that they may be consenting to pay additional costs for a private room, if provided.
- A client's daughter complained that her mother was no longer receiving community nursing support following a decision by the provider to sub-contract personal care to another provider. There was a breakdown in communication between the DVA provider and the sub-contracted provider, and the DVA provider failed to check that the required nursing support was being provided. The matter was rectified and the provider took steps to prevent a recurrence of this situation.
- An elderly client complained about not being provided with a car and driver to take him to an appointment with a health services provider on the grounds that he was not yet 80 years of age (although he was almost that age). After consideration of the client's medical circumstances, DVA agreed to provide a car and driver.
- DVA has established special arrangements, including a dedicated team of staff, to assist former RAAF F-111 de-seal re-seal workers and their families whose health was adversely affected by their work on the fuel tanks of the aircraft. DVA also arranges for complaints under the scheme to be processed by this team and for all complaints on complex matters to be considered at a senior level by staff based in their Canberra office. Complex cases often involve consideration of a number of issues, and the department seeks to address each of these issues in its responses to clients and to identify any systemic issues it needs to address.

Source: ANAO analysis of CFMS records and other information provided by DVA.

2.11 The overall process for responding to complaints is generally effective in that:

- complaints which cannot be resolved immediately are expected to be acknowledged and complainants kept informed if a response cannot be provided quickly;
- all complaints are expected to be resolved within specified timeframes, which means that, where needed, the complaints and complainant concerns must be investigated and the complainant provided with a clear response; and

- any systemic issues are expected to be analysed and corrective action taken, where needed.

2.12 Areas where the management of complaints and other feedback could be improved are considered in the following sections of this report.

People and culture

2.13 Commitment by staff at all levels to effective complaint handling, and the effective overall management and resourcing of complaints handling, are essential ingredients in developing a culture that recognises the value of complaints and promotes effective complaints resolution.⁴³ Having skilled staff is also essential for effective complaints handling and there should be sound recruitment practices, continuing training and learning opportunities and systematic review and feedback.⁴⁴ Training supports staff to better resolve customer complaints, which in turn can result in increased client satisfaction with the ways complaints are handled and lead to improvements in staff members' client contact skills.

2.14 All the DVA business units consulted during the course of the audit considered that their staff had a heightened awareness of the complaints and other feedback management policy and procedures following the implementation of the new policy in 2010. This heightened awareness was supported by the commitment demonstrated by senior management to the development and continued oversight of the revised policy⁴⁵ and to the establishment of the Veterans' Standards and Complaints Management Team to provide overall management of the policy.

2.15 DVA extensively trained its staff before and after the revised arrangements for responding to complaints and other feedback took effect on 1 July 2010. DVA advised that it organised 96 training sessions in 2010 (which were attended by an estimated 600 staff, or around 30 per cent of all DVA staff) and from January to August 2011 around 130 staff members attended other training sessions. Most of these sessions were delivered by videoconference, a cost effective means of communication. While a large number of DVA staff

⁴³ Commonwealth Ombudsman, *Better Practice Guide on Complaint Handling*, op cit, pp. 5-8.

⁴⁴ *ibid*, p. 17.

⁴⁵ The commitment to the revised policy was demonstrated through monitoring in monthly reports to the Executive Management Committee.

have therefore attended awareness sessions, more than two-thirds of DVA staff have still not attended a feedback awareness training session.

2.16 To provide guidance for staff, DVA has prepared material on how to handle complaints and other feedback, including how to record complaints and compliments in the CFMS. This material is available on the DVA intranet.

2.17 DVA advised that the nominated 'on the ground' contacts in each business area (not necessarily the CFMS contact officers) are crucial in any effort to provide hands-on IT training across all locations and that the possibility of an e-training module for new and other staff is being considered. Any client contact training would include a face-to-face training module.

2.18 It will be important for DVA to seek to maintain and develop awareness by its staff, including newly recruited staff, of the complaints and other feedback management arrangements and of the importance of recording all complaints and compliments. In April 2012, DVA advised that it was drafting a new training schedule, which was expected to commence following the release of the next version of the CFMS. This version will reflect the new DVA organisational structure that came into affect on 1 March 2012, and the training content will be altered to incorporate updated resources. DVA anticipated that this training will reach many of the departmental staff who did not receive training previously, and further promote the Department's complaints handling protocols and the CFMS.

2.19 Staff at all levels across DVA are involved in service provision to clients. At the frontline are staff in the Veterans' Access Network, together with staff who process claims and reimbursements plus those who manage service delivery with DVA's contracted service providers. There would be benefit in DVA implementing ongoing awareness training for new and existing service delivery staff yet to undertake the training about the complaints and other feedback management arrangements. This training, which could be incorporated with induction training for new staff, could emphasise the importance of accurately recording all complaints and compliments in the CFMS.

Fairness and responsiveness

2.20 An agency that deals with complaints fairly will respond to the complaints impartially, respect the privacy of complainants, be open about the process, keep complainants advised of progress, and give complainants the opportunity to respond and to seek internal review.⁴⁶

Satisfaction of complainants with the handling and outcomes of their complaints

2.21 An agency that is responsive to complaints can be expected to achieve high levels of satisfaction from complainants with the handling and outcome. When completing action on a complaint, the DVA action officer is required to indicate whether the complainant was satisfied or dissatisfied with the handling and outcome, if known. The results of these assessments, which are published in the department's annual reports and presented in Table 2.1, suggest that, overall, there is a high level of satisfaction and very low level of dissatisfaction with DVA's handling and outcomes of complaints.

Table 2.1

Level of satisfaction with DVA's handling and outcomes of complaints, 2007–08 to 2010–11

	2007–08	2008–09	2009–10	2010–11
Satisfied (%)	49	86	65	61
Unknown (%)	47	13	27	37
Dissatisfied (%)	4	1	8	2

Source: Repatriation Commission, Military Rehabilitation and Compensation Commission, Department of Veterans' Affairs, *Annual Reports 2010–11*, p. 68.

2.22 Similarly, 76 per cent of VVCS⁴⁷ complaints in 2010–11 were recorded as being resolved to the satisfaction of complainants, 20 per cent of complaints were not resolved to the satisfaction of complainants, and the satisfaction outcome was unknown in the remaining four per cent of complaints.

⁴⁶ Commonwealth Ombudsman, *Better Practice Guide to Complaint Handling*, op cit, p. 29.

⁴⁷ The revised complaints and other feedback policy was adopted by both DVA and the VVCS. While the VVCS is formally a part of DVA, VVCS services are delivered separately from those of the rest of DVA. Information on complaints and compliments for the VVCS, therefore, are collected and managed separately by the VVCS and not reported by DVA.

2.23 The ANAO conducted an analysis of a random sample of 77 of the 2167 complaints records to assess how well DVA handles complaints. The ANAO examined:

- the accuracy of satisfaction ratings (a comparison was made of the CFMS reporting of the satisfaction ratings of the complainant and the ANAO's assessments of the satisfaction ratings of the complainant based on the information available in the complaint record);
- the appropriateness of follow-up action taken;
- compliance with the department's privacy policy in relation to CFMS records;
- the accuracy of registration details, such as the classification of the matter dealt with in the complaint⁴⁸; and
- the clarity of the records (that is, whether the nature of the complaint is clear from the record).

2.24 The results are shown in Table 2.2, with the accuracy of registration details and clarity of records being considered in Chapter 4.

⁴⁸ Collected in the 'Feedback was broadly concerned with' field in the CFMS.

Table 2.2

Results of ANAO analysis of sample of DVA complaints

Category	Result
Satisfaction	In 37 cases (or 48 per cent of the sample), the satisfaction assessment was not strongly supported by the information contained in the record. In some cases it was clear that the client was dissatisfied with the outcome, however the satisfaction rating was incorrectly stated as being 'satisfied'. In other cases, it was not possible to ascertain from the record whether the person was satisfied or dissatisfied (for example, when a written reply had been sent and the client had not responded to that reply). ⁴⁹
Follow-up action	Follow-up action was usually quite thorough (for example, arranging for a client to be moved to another nursing home on discharge from a hospital because of perceived problems with the nursing home she was in before she entered hospital).
Privacy	The sample contained three records where complaints had been made against DVA staff members. In none of these cases were the names or other personal details of the staff members mentioned in the records. Similarly, a number of complaints were made about the perceived attitude of taxi drivers, and no names of taxi drivers were included in the records.
Registration	In 6 cases (or 8 per cent of the sample) the classification of the matter with which the complaint dealt was questionable and in 10 cases (or 13 per cent of the sample) additional details could have been included. For example, when a contractor sends a taxi to an incorrect address, this is often classified as 'clear and correct information'. However, while clear and correct information might be a factor, from DVA's viewpoint, the matter primarily relates to the performance of the contractor. In one case a 'dob-in' of an unqualified person offering physiotherapy services to DVA clients was incorrectly classified as a complaint.
Clarity of records	In 14 cases (or 18 per cent of the sample), details of the complaint were unclear from the record. ⁵⁰ Most of the unclear records were in the Community Health Group and the Rehabilitation and Compensation Group. Correspondence had been attached in 15 records (19 per cent of records in the sample) and not been attached in 17 records (or 22 per cent of records). In 45 cases (or 58 per cent of records in the sample), there was no correspondence to attach to records.

Source: ANAO analysis of a sample of 77 DVA complaints, as recorded in the CFMS.

⁴⁹ Based on the ANAO assessment and the sample size of 77, this means that there is a 90 per cent level of confidence that between 39 per cent and 58 per cent of the CFMS satisfaction ratings will be incorrect.

⁵⁰ Based on the ANAO assessment and the sample size of 77, this means that there is a 90 per cent level of confidence that between 12 per cent and 27 per cent of records do not contain clear details of the nature of the complaint.

2.25 As noted in Table 2.1, DVA records indicate that 61 per cent of complainants were recorded as satisfied with the outcome of their complaints in 2010–11, two per cent were dissatisfied and, in the remaining 37 per cent of complaints, it was not known whether the complainant was satisfied or dissatisfied. The ANAO found that only 52 per cent of complaints records supported the satisfaction rating, which suggests that DVA’s satisfaction rating assessments are not reliable and that action should be taken to improve the accuracy of these assessments.

2.26 The recorded DVA outcome of client satisfaction is determined by asking staff completing the records to indicate whether the client was ‘satisfied with the way feedback was handled and the resulting outcome’. A difficulty with this question is that a complainant may be satisfied with the way the department handled the complaint, but not with the outcome (or vice versa). There would, therefore, be value in DVA separately recording complainants’ levels of satisfaction with the way the complaint was handled, and with the outcome of the complaint. It is also desirable that the reasons for satisfactory outcome assessments (such as advice from the complainant that they were satisfied with the outcome) be recorded so as to provide evidence for the assessment. DVA advised in April 2012 that it will consider upgrading the CFMS to separate the satisfaction rating into two questions—on the feedback process and the outcome of the complaint. The department also reminded staff to include details of the reasons for their assessments of satisfaction.

2.27 DVA also obtains feedback from clients on their level of satisfaction with the services it provides through its biennial client satisfaction surveys. DVA last completed a general satisfaction survey of veterans in March 2010, sending questionnaires covering health care, income support, and rehabilitation and compensation to 5045 clients. Of the 1718 clients who responded, more than 93 per cent were satisfied with DVA’s services, four per cent were neither satisfied nor dissatisfied, and three per cent were dissatisfied. DVA concluded that the results indicate that satisfaction with the quality of its service delivery remains high.⁵¹

2.28 In 2009–10, DVA also completed its third survey of clients aged 45 years or less. The survey involved a telephone questionnaire completed by 1028 clients in receipt of services under the SRCA, MRCA and VEA. Following

⁵¹ DVA, *Annual Report for 2009-10*, p.64.

the survey, two focus groups and two in-depth interviews were conducted to obtain additional information about the quality of services provided by DVA. Overall, 55 per cent of participants were satisfied with DVA's services, 23 per cent were neither satisfied nor dissatisfied, and 22 per cent were dissatisfied. DVA considers that these results are largely consistent with those recorded in April 2008, although respondents indicated improved satisfaction with aspects of telephone contact and the claims process. DVA advised that it intends to use the survey results to undertake ongoing improvements to service delivery arrangements across the department and in the design of policies and programs targeted specifically at the younger veteran group.⁵² It would be desirable for feedback from the department's complaints and feedback management system to also be used with the survey results to identify possible service delivery improvements.

Privacy

2.29 As noted in Table 2.2, analysis of the sample of records examined by ANAO indicated that the names of staff or other persons that needed to be protected within the CFMS were not included in the system, as required by DVA procedures. However, five instances of inappropriate inclusion of the names of staff were identified in DVA's own quality assurance checks in 2010–11 (see Table 4.1).⁵³ In all cases the results of the quality assurance checks were drawn to the attention of the relevant business area.

2.30 The protection of the privacy of CFMS records is considered further in Chapter 4.

Support for clients with special needs

2.31 An agency which is responsive to client complaints can be expected to put arrangements in place to assist clients with special needs in making complaints. DVA has established a Client Liaison Unit to support clients who have been identified as vulnerable and/or with querulous/complex behaviours and so require a single point of contact with the department. Case coordinators also provide case management support to vulnerable clients with complex needs (and their families) who are identified through the claims process. Like the Client Liaison Unit, case coordinators are intended to be the single point of

⁵² *ibid.*

⁵³ Quality assurance checks were conducted each month in 2010–11, with the exception of July 2010 and May 2011. A total of 267 cases were checked in that year.

contact for all of a client's DVA related business. If these clients have complaints, they are referred to those areas as a means of providing continuity of support for these clients.

Accessibility

2.32 To be effective, a complaints and other feedback management system needs to be readily accessible. This requires that clients and others are aware of the feedback management policy and how to provide complaints and other feedback.

Accessibility of DVA's complaints handling policy to DVA clients

2.33 DVA's revised complaints and feedback management policy was completed in April 2010 and shortly afterwards made available to the public on the DVA website, where there is a quick link to complaints and the complaints and feedback management policy. The policy is also available to DVA staff on the DVA intranet. It is therefore readily accessible to the public and to staff in the department.

2.34 DVA briefed ex-service organisations on the development of the revised complaints and feedback management arrangements.⁵⁴ It also publicised the new policy in the June 2010 edition of *Vetaffairs*, DVA's newspaper for veterans and their families. DVA again promoted the feedback process, including an updated factsheet on how to lodge feedback, in the summer 2011 edition of *Vetaffairs*.⁵⁵ Ex-service organisations consulted during this audit advised that they were aware of the complaints and feedback management policy, having been briefed on it before it was implemented, and advised that they were broadly satisfied with DVA's handling of complaints.

Channels for providing complaints and other feedback

2.35 Complainants and other feedback providers may prefer to use different methods to contact an agency, and so agencies should provide a range of accessible channels to meet these preferences.

2.36 DVA receives feedback from clients and others through a number of channels—face-to-face and by telephone through the Veterans' Access

⁵⁴ An avenue for briefing ex-service organisations on the development of the revised arrangements was through the Deputy Commissioner Consultative Forums with ex-service organisations.

⁵⁵ *Vetaffairs*, Summer 2011, p.4,
<http://www.dva.gov.au/aboutDVA/publications/corporate/vetaffairs/2011/Documents/vol27_no4_4.pdf>.

Network, and by correspondence (including through emails and facsimile messages). DVA's approach seeks to ensure that complaints are identified no matter where they are received in the department and are escalated to senior staff, when warranted. This means that a complainant can telephone the Veterans' Access Network or write to the department about their complaint and can expect to receive a response to the complaint. The complaint should also be recorded in the CFMS.

2.37 A large share of complaints and compliments are made via the telephone. In 2010–11, 58 per cent of recorded complaints to DVA, 36 per cent of recorded DVA compliments, 52 percent of complaints to the VVCS and 35 per cent of VVCS compliments were received by phone. Nearly all other recorded complaints and compliments were written (including ministerial correspondence, emails and faxed complaints and compliments), as shown in Table 2.3 for DVA and Table 2.4 for VVCS.

Table 2.3**Channels used to lodge complaints and compliments to DVA in 2010–11**

Received Via	Complaints		Compliments		Total
	Number	Share	Number	Share	Number
Telephone	1252	57.8%	334	35.5%	1586
Written Correspondence	345	15.9%	327	34.8%	672
Email	317	14.6%	218	23.2%	535
Ministerial Correspondence	161	7.4%	4	0.4%	165
Face-to-face	64	3.0%	42	4.5%	106
Facsimile	11	0.5%	4	0.4%	15
Counter	7	0.3%	3	0.3%	10
Outreach	4	0.2%	3	0.3%	7
Secretarial Correspondence	4	0.2%	4	0.4%	8
Client Liaison Unit Referral	2	0.1%	-	-	2
Survey Results	-	-	1	0.1%	1
Total	2167	100.0%	940	100.0%	3107

Source: ANAO analysis of feedback data provided by DVA.

Table 2.4**Channels used to lodge complaints and compliments to VVCS in 2010–11**

Received Via	Complaint		Compliment		Total
	Number	Share	Number	Share	Number
Telephone	13	52%	12	35%	25
Written correspondence	2	8%	7	21%	9
Email	7	28%	9	26%	16
Face-to-face	3	12%	5	15%	8
Survey results	-	-	1	3%	1
Total	25	100%	34	100%	59

Source: ANAO analysis of feedback data provided by DVA.

2.38 In 2010–11, 74 per cent of recorded complaints were received through DVA's capital city-based offices⁵⁶ and 10 per cent through its regional centres. The remaining 16 per cent of recorded complaints were received through DVA's Canberra office.

⁵⁶ These offices include the Canberra Veterans' Affairs Network office.

2.39 While complaints can be lodged with the department through any channel, DVA also operates a feedback hotline to assist people who are unsure of how to make a complaint or provide other feedback. This hotline is operated by the Veterans' Standards and Complaints Management unit in Sydney. The Veterans' Standards and Complaints Management staff do not respond to complaints themselves, but refer them to the responsible areas for attention. DVA does not record statistics on the number of calls received through the hotline and there would be some value in collecting this information to provide an indication of its role in directing feedback.

2.40 Complainants can contact the Minister for Veterans' Affairs, the departmental Secretary, the Commonwealth Ombudsman, a stakeholder organisation or their local Member of Parliament to provide feedback and request these parties to advocate on their behalf at any point in the complaints management process. Such complaints are automatically considered by DVA business groups and receive senior level consideration. DVA have members of staff in state Deputy Commissioner offices who respond to representations from local Members of Parliament.

2.41 Table 2.5 shows the number of DVA-related complaints received by the Commonwealth Ombudsman from 2006–07 to 2010–11.

Table 2.5

Number of DVA-related complaints to the Commonwealth Ombudsman, 2006–07 to 2010–11

	2006–07	2007–08	2008–09	2009–10	2010–11
Department of Veterans' Affairs	256	139	160	167	172

Source: Commonwealth Ombudsman Annual Reports.

2.42 The Commonwealth Ombudsman's Office investigated 45 of the 172 DVA-related complaints it received in 2010–11. Reasons why other complaints were not investigated included that the complainant had not first raised the issue with DVA, the complaint had previously been investigated by the Commonwealth Ombudsman's Office, there was insufficient detail or evidence to investigate the complaint and the matter was already being considered by DVA.

2.43 The VVCS also receives feedback through surveys of clients who participate in counselling sessions. While the CFMS makes provision for the recording of complaints and compliments received through these surveys, the

VVCS has elected not to use this facility to date. The ANAO suggests that VVCS examine whether complaints and compliments are contained in the survey results that should appropriately be included in the CFMS.

Escalation of complex complaints

2.44 While complaints are not given a priority rating, as proposed in the Commonwealth Ombudsman's Better Practice Guide to complaint handling, DVA's administrative procedures provide for complex, urgent or high profile issues to be escalated to senior officers or to other relevant areas. Complaints received by telephone are referred to business groups if they cannot be resolved by the Veterans' Access Network Client Service Officer.

2.45 DVA advised in April 2012 that, as a result of the recent organisational restructure, a new Case Escalation Branch was introduced for the short-term management at senior level of a small number of cases at any one time for clients with complex issues. In addition, Deputy Commissioners oversee cases involving complex or sensitive issues which require short term management, and provide a report for executive consideration on a fortnightly basis.

2.46 DVA's *CFMS Administrative Procedures Operational Manual* notes that complex complaints include issues relating to: contracted service providers, where it is necessary to consider dispute resolution clauses in provider agreements; threats of harm following a complaint; high profile issues, veterans, ex-service organisations or media issues; staff members; privacy breaches; or discrimination.⁵⁷

2.47 Complaints identified in correspondence to the Minister for Veterans' Affairs, the Secretary of DVA or the Commonwealth Ombudsman receive senior-level attention in the department.

2.48 DVA does not separately differentiate between simple and complex complaints in the CFMS. Including such a categorisation in the CFMS may assist the department to analyse how effectively simple and complex complaints are being handled. However, the Department advised that the identification of whether a matter is simple or complex is not often apparent at the time the complaint is initially received and recorded in the CFMS.⁵⁸ To

⁵⁷ DVA, *CFMS Administrative Procedures and Operational Manual*, p. 5.

⁵⁸ DVA advice to ANAO, 13 April 2012.

ensure that complex cases are being addressed at the appropriate levels within the department, DVA could also explicitly examine the escalation processes and practices when conducting its quality assurance of CFMS records.

Efficiency and integration of feedback

2.49 An agency which efficiently processes feedback will accurately record all feedback, have a process which is integrated into its normal business operations and so minimise operational costs, and respond to complaints in a timely way.

Processes for capturing and recording complaints and compliments

2.50 From 2010–11, DVA staff are expected to record all complaints and compliments in the CFMS. While complaints and compliments were recorded in an earlier version of this system (then known as the Feedback Management System), this was not being done consistently, resulting in a relatively high level of under-recording of complaints. As a result, 2010–11 is the first year for which reliable data are expected to be available from the system. As the changes to DVA's policy for handling complaints and other feedback were prompted by recognition that the department was not recording all complaints and compliments, the revised policy was therefore expected to result in a significant increase in the number of recorded complaints and compliments. This increase did eventuate, with the 2167 complaints recorded in 2010–11 being more than eight times higher than the 232 complaints recorded in 2008–09.

2.51 Until 2008–09, before DVA began to emphasise to its staff the importance of recording accurate complaints data, the numbers of complaints received by the Commonwealth Ombudsman (139 in 2007–08 and 160 in 2008–09) were not greatly different to the overall number of complaints recorded by DVA (172 in 2007–08 and 232 in 2008–09). Since complaints to the Commonwealth Ombudsman are essentially complaints which have previously been unable to be resolved satisfactorily with DVA, they can be expected to be only a small proportion of the complaints actually received by DVA. This suggests that there was a significant under-reporting of complaints in DVA's annual reports until 2008–09.

2.52 In its 2009–10 annual report, DVA foreshadowed that the number of recorded complaints and compliments would continue to increase from those

previously reported, but that it was more confident about capturing and responding to feedback.⁵⁹ In its 2010–11 annual report, DVA stated that the increased number of recorded complaints and compliments in 2010–11 reflected improved staff compliance and awareness regarding obligations in recording feedback and feedback management processes.⁶⁰

2.53 DVA internal business groups advised that, while there has been a significant increase in the level of awareness among DVA staff of the department's complaints management policy and the importance of recording complaints in the CFMS, not all complaints are recorded in the CFMS. Veterans' Access Network statistics indicate that 56 per cent of telephone calls received in the 2010–11 financial year were recorded in the Client Contact Facility (although since then this figure had increased to 78 per cent of calls recorded in January and February 2012). A proportion of those telephone calls not recorded are likely to have been complaints and compliments. The number of complaints and compliments recorded by DVA therefore understates the number of complaints and compliments actually received, but with the increased recording of calls in the Client Contact Facility in 2011–12, this underestimate is being diminished. Without further examination, however, it is not possible to assess the extent of these understatements.

2.54 To gain an insight on its performance, DVA has benchmarked the incidence of complaints against other Australian Government agencies—the Department of Human Services (Centrelink and child support programs) and the Australian Taxation Office. This analysis indicated that DVA could expect around 2500 to 3000 complaints per year, which is respectively 15 to 38 per cent higher than the 2167 complaints recorded in 2010–11.

2.55 DVA advised that it is currently in the process of considering the procurement of equipment that will enable it to record and quality assure calls to the Veterans' Access Network. As most complaints in DVA (around 58 per cent in 2010–11) are received by telephone, there would be benefit in business groups assessing the under-reporting of complaints when reviewing recorded telephone calls as part of their regular quality assurance processes and providing the Veterans' Standards and Complaints Management Team with the results of these assessments. Similarly, business groups could provide

⁵⁹ *ibid.* p. 93.

⁶⁰ Repatriation Commission, Military Rehabilitation and Compensation Commission, Department of Veterans' Affairs, *Annual Reports 2010-11*, p. 68.

estimates of the level of under-reporting of complaints for which they have direct responsibility. This would enable the Veterans' Standards and Complaints Management Team to derive estimates of the level of under-reporting of complaints and to identify where corrective action may be needed.

Recommendation No.1

2.56 To enable more accurate monitoring and reporting and better analysis of feedback to improve services, the ANAO recommends that DVA implements arrangements to assess the level of under-recording of complaints and other feedback.

Department of Veterans' Affairs response: *Agreed with qualification.*

2.57 DVA agrees that there may be a level of under-reporting, although it should be noted that there is no conclusive evidence of this. Since the enhancements to the CFMS, there continues to be improvements in the amount of feedback recorded each year. DVA believes that these increases reflect an improvement in staff awareness of the need to accurately record all forms of feedback, rather than actual increases in feedback. Staff at all levels are reminded through regular communications of their obligations to record feedback in CFMS.

2.58 Further feedback policy and systems training sessions are planned, targeting new staff as well as offering refresher training for staff who may have attended previous sessions. It is expected that this will further improve the quality and levels of reporting in the CFMS. In particular, these sessions will focus on providing training and support to frontline service provision staff who may not have attended previous sessions.

Integration of client feedback handling into DVA's operations

2.59 As noted at paragraph 2.36, DVA seeks to ensure that client feedback is identified no matter where it is received in the department. Furthermore, responses to feedback are expected to be addressed, wherever possible at the first point of contact, in order to provide a high standard of customer service and minimise costs to the department. Where it is not possible to resolve complaints at the initial point of contact because the complaint requires further investigation, they are referred to the relevant business group for examination and analysis as part of their day-to-day operations. In this way, responding to complaints is part of the core business of DVA's business groups.

Timeliness of complaints handling

2.60 Complaints should be resolved as quickly as possible, having regard to the complexity of the complaint. This helps to assure complainants that their concerns are being taken seriously and improve satisfaction with the services provided by the agency.

2.61 DVA's policy requires that complaints be acknowledged within one day (except in the case of complaints which are received by post, in which case they must be acknowledged within five days) and be resolved within a period of 28 days from the date of the complaint (except for ministerial correspondence which can exceed the 28 day standard). DVA does not collect data on the dates on which complaints are acknowledged, which would enable it to monitor compliance with its standard for acknowledging complaints, but it does monitor compliance with the standard for resolving complaints.

2.62 In 2010–11, 76 per cent of all DVA-related complaints (including ministerial correspondence) and 52 per cent of VVCS complaints were recorded as having met the timeliness standard for resolution of complaints. Excluding ministerial correspondence, 78 per cent of DVA-related complaints were recorded as having been resolved in 28 days. Further information on the timeliness of DVA's processing of complaints is provided in Table 2.6.

Table 2.6

Timeliness of responses to complaints, DVA and VVCS, 2010–11

		Within 28 days standard	Days			
			0-14 days	15-28 days	29-60 days	>60 days
DVA	Including ministerial correspondence	75.9%	57.6%	18.3%	14.8%	9.3%
	Excluding ministerial correspondence	78.0%	60.4%	17.5%	12.8%	9.3%
VVCS	Including ministerial correspondence	52.0%	40.0%	12.0%	12.0%	36.0%

Source: ANAO analysis of DVA data.

Note: VVCS records did not identify any complaints from ministerial correspondence in 2010–11.

2.63 The ANAO examined a sample of 40 complaints that had exceeded the 28 day timeframe for providing responses to determine the reasons for delay.

The results of this analysis are shown in Table 2.7. It indicates that, for the 17 complaints where the reason could be determined, three responses to complaints were not actually overdue, but the CFMS record had not been closed in a timely way. In a further five cases (29 per cent) there were delays in obtaining information from a provider or from the client.

Table 2.7

Reasons for response delay in ANAO sample of overdue responses for DVA in 2010–11

Reason for response delay	Total
Delay in finalising in system—actually overdue by only a small period	5
Delay in finalising in system—not actually overdue	3
Delay in obtaining information from provider	3
Delay in obtaining information from client	2
Delay in following up with provider	1
Delay in transfer to CFMS from Client Contact Facility used by Veterans' Service Centre staff—not actually overdue	1
Delay in business group consideration	1
Complexity and consultations with client representative	1
Unknown	23
Total	40

Source: ANAO analysis of feedback data provided by DVA.

2.64 To improve the accuracy of the response information and to help identify the reasons why complaints may not be finalised within the 28 day timeliness standard, there would be benefit in DVA reminding staff of the need to provide reason(s) for delays in resolving complaints and whether they have contacted the client to explain the reasons for any delayed response.⁶¹ DVA could also improve the accuracy of its timeliness data by recording the date the complaint was resolved (as distinct from the date the record is finalised).⁶²

⁶¹ The inclusion of a separate field could assist in recording reasons for delays in resolving complaints. Currently, such information is expected to be included in the Notes field.

⁶² While the date the complaint was resolved and the date the record was finalised should be the same, as noted in paragraph 2.63, the ANAO found instances where the CFMS record was finalised some time after the complaint was resolved.

2.65 DVA's timeliness standard for resolving complaints is longer than those of some other comparable Commonwealth service delivery agencies (as shown in Table 2.8).

Table 2.8

Timeliness standards for resolving/responding to complaints of selected Commonwealth agencies

Agency	Timeliness standard
Department of Veterans' Affairs	Aims to resolve complaints within 28 days from the date of the complaint, except for ministerial correspondence which can exceed the 28 day standard.
Department of Human Services	
<ul style="list-style-type: none"> • Centrelink 	Aims to respond to complaints within 24 hours and, where the matter is complex, within 5 days. Centrelink's income support services are similar to the income support provided to DVA clients.
<ul style="list-style-type: none"> • Medicare Australia 	Aims to respond to at least 90 per cent of all complaints within 10 days.
<ul style="list-style-type: none"> • Child Support Agency 	Aims to resolve complaints within 14 days, except for complaints referred to the Minister (21 days) or the Ombudsman (28 days).
Department of Immigration and Citizenship	Aims to resolve complaints made by telephone or email within 10 working days and complaints made by letter, courier or fax within 20 working days.
Australian Taxation Office	Benchmark of resolving 85 per cent of claims in 21 days.
Department of Education, Employment and Workplace Relations	
<ul style="list-style-type: none"> • Trades Recognition Australia 	Aims to resolve complaints in 28 days.

Source: Annual reports of the listed agencies.

2.66 DVA advised that the 28 day standard for resolving complaints was derived from its service charter, which states that DVA will strive to action or acknowledge correspondence within 28 days. DVA notes that its standard recognises that many of its services are delivered through contracted service providers⁶³ and that it is often necessary to obtain advice from those agencies before it can seek to resolve a complaint. This process can take time and can result in complaints not being able to be resolved within 28 days.

⁶³ By way of illustration, hospital services are provided by state/territory and private hospitals, and DVA uses contracted medical and other health practitioners.

2.67 Timeliness standards should desirably be set having regard to the level of service expected by customers and the potential consequences of a drawn-out response. Some organisations set different standards for different types of services, which they then benchmark against those of other comparable organisations. On this basis, rather than having a single standard for all complaints, DVA could elect to set a standard for resolution of income support complaints which would be less than that for resolution of primary health complaints, recognising that most income support complaints are less complex to resolve than the majority of primary health complaints. However, DVA takes the view that having a single standard of 28 days is less confusing for clients.

2.68 It is recognised that the expected level of service will not be met in all cases (although organisations should strive to meet the standard and so ensure that their customers are satisfied with the service provided). Some organisations, such as Medicare Australia, therefore set performance targets based on the standard; that is, they seek to meet the target in a specified percentage of cases. This target can be reviewed regularly and adjusted as the organisation's performance against the standard improves. In this way, targets can be used to help an organisation improve its service delivery performance. There would be benefit in DVA considering the adoption of a target-based approach, to further refine its complaints management system and promote continuous improvement.

3. Analysis and Reporting of Complaints and Other Feedback

This chapter examines DVA's analysis and reporting of complaints and other feedback to enable it to address the main causes of complaints and improve service delivery.

Introduction

3.1 Complaints and other feedback provide a potentially valuable source of information to an agency on its service delivery and can identify areas of possible weakness for future improvement. To make effective use of feedback data as an aid to improving performance, agencies need to collect relevant data and analyse it appropriately.

3.2 This chapter examines DVA's analysis of complaints data to improve services, and the mechanisms for reporting on complaints and other feedback.

Analysing complaints data to improve services

3.3 The Australian Standard ISO 10002—2006 on complaints handling notes that effective and efficient handling of complaints reflects the needs of the organisations supplying services and the recipients of those services. Information gained through the complaints handling process can lead to improvements in those services.⁶⁴ Element 5 of the Commonwealth Ombudsman's *Better Practice Guide to Complaint Handling* provides that agencies should analyse complaints data to determine what is going wrong and what can be improved. Effective analysis of complaints data can establish a valuable feedback loop to improve service delivery and client satisfaction.

3.4 When designing the Complaints Management Project in 2009, DVA observed that the complaints and compliments feedback could be used to identify service delivery issues quickly and would allow the department to take action to prevent problems escalating. Positive feedback would also permit managers to recognise high performing staff. DVA's revised complaints and feedback management policy subsequently noted the importance of using complaints and other feedback to assist in improving service delivery:

⁶⁴ Australian Standard, *Customer Satisfaction—Guidelines for complaints handling in organizations* (ISO 10002:2004, MOD), AS ISO 10002—2006, p. v.

Complaints, compliments and suggestions for improvement are the most immediate and effective forms of feedback that will assist efforts to improve our service.⁶⁵

3.5 A person's complaint or compliment may reflect poorly or well on DVA's performance in a number of areas, such as responsiveness of client service or timeliness of the service. For each complaint, DVA records all the areas complained about. By way of illustration, where a person complains about a service provided by a contracted service provider, the DVA officer recording the complaint might indicate that the complaint concerned not just the 'performance of the contractor/provider', but also 'clear and correct information' and 'timeliness', if the officer considered that the complaint also raised these issues.

3.6 The main areas of DVA services complained about in 2010–11 are summarised in Table 3.1. These indicate that:

- the largest area of complaint related to the performance of contractors/providers (21 per cent); and
- other significant areas of service complained about were the timeliness and responsiveness/accessibility of client service, the provision of clear and correct information, and policy/legislative matters.

⁶⁵ Complaints and Feedback Management Policy, p.1.

Table 3.1**Areas of DVA services complained about and complimented in 2010–11**

Area of service	Complaints		Compliments		Total
	Number	Share	Number	Share	
Performance of contractor/provider	736	20.9%	199	10.5%	935
Timeliness	519	14.7%	227	12.0%	746
Accessibility/responsiveness of client service	507	14.4%	555	29.2%	1062
Clear and correct information	439	12.5%	267	14.1%	706
Policy/legislation	392	11.1%	39	2.1%	431
Administration	298	8.5%	119	6.3%	417
Payment	306	8.7%	61	3.2%	367
Staff attitude	276	7.8%	422	22.2%	698
Privacy/Freedom of information	50	1.4%	5	0.3%	55
Unknown	-	-	4	0.2%	4
Total	3523	100.0%	1898	100.0%	5421

Note: A single complaint or compliment can cover more than one area. For this reason, there were 3523 areas of complaint in the 2167 complaints and 1898 areas of compliment in the 940 compliments recorded in 2010–11.

Source: ANAO analysis of feedback data provided by DVA.

3.7 Many areas of complaint about DVA services—in particular accessibility and responsiveness of client service, lack of clear and correct information, and the timeliness of a decision or service—are also the main areas of compliment about the services.

3.8 Over a third of the complaints recorded by the VVCS related to services provided by a contractor and a quarter to the accessibility or responsiveness of client service. These two factors also accounted for most of the recorded compliments (see Table 3.2).

Table 3.2

Areas of VVCS service complained about and complimented in 2010–11

Area of service	Complaint		Compliment		Total
	Number	Percentage	Number	Percentage	
Performance of contractor/provider	10	36%	13	25%	23
Accessibility/responsiveness of client service	7	25%	20	39%	27
Staff attitude	3	11%	9	18%	12
Clear and correct information	3	11%	3	6%	6
Privacy/Freedom of Information	2	7%	1	2%	3
Administration	1	4%	3	6%	4
Timeliness	1	4%	1	2%	2
Policy/legislation	1	4%	0	0%	1
Payment	0	0%	1	2%	1
Total^A	28	100%	51	100%	79

Note: (A) The percentage of each service area complaint and compliment of the total number of complaints and compliments, respectively, are rounded to the nearest whole number and do not precisely sum to 100.

Source: ANAO analysis of feedback data provided by DVA.

3.9 While this analysis indicates the broad areas of complaint, it does not provide sufficient detail to indicate the main cause of the service complaint or compliment. To derive this information, either more specific information would need to be collected or further analysis of individual records would need to be undertaken. To facilitate improvements in the analysis of complaints (such as trend analysis), it would be desirable for the necessary information to be collected in the Complaints and Feedback Management System (CFMS).

3.10 Some DVA business groups also advised that they like to have more detailed information on the reasons for complaints. At present, statistical information on the areas of DVA services which are complained about is general in nature, and business groups would prefer more detailed information. Improved knowledge of the DVA service being complained about (such as lateness of taxis or driver behaviour in particular locations) would assist business groups in analysing the causes of complaints and improving service delivery. Information on the performance of contracted service providers is particularly useful as an aid in monitoring the performance of contractors and managing the associated contracts.

3.11 The Commonwealth Ombudsman's Office categorises complaints by the primary area of complaint, and there would be benefit in DVA also considering such an approach. Table 3.3 shows the primary areas of complaint in the 45 DVA complaints that were investigated by the Commonwealth Ombudsman's Office.

Table 3.3

Complaints investigated by the Commonwealth Ombudsman in 2010–11 — DVA primary areas of complaint

Primary area of complaint	Number
Pensions	10
Incapacity benefits or payments	6
Delay in DVA's response to request made by complainant to DVA	5
Rehabilitation	5
Freedom of Information request	4
Health care	3
CDDA – sought review of decision	3
Defence Housing Loan	2
Ancillary benefits & cards	2
Permanent Impairment payments	1
Aids & modifications	1
Deseal/reseal	1
War Graves	1
Access to records	1
Total	45

Source: Advice to ANAO from the Commonwealth Ombudsman's Office.

3.12 In addition to recording all the relevant areas of complaint or compliment, identifying the primary reason for the complaint would assist DVA to analyse the causes of complaints. This could help in identifying the primary causes of complaints and assist DVA in comparing its data with those of the Commonwealth Ombudsman.

3.13 While major changes to the CFMS may not be warranted until DVA has made a decision on the future of the system (see paragraph 4.21), there would be merit in DVA reviewing the nature of information it needs to collect on the reasons for complaints and compliments in order to meet the preferences of business groups.

Recommendation No.2

3.14 To enable DVA business groups to effectively analyse the primary causes of complaints and consequently identify opportunities to improve service delivery, the ANAO recommends that DVA reviews the information it collects on the reasons for complaints and compliments.

Department of Veterans' Affairs response: *Agreed.*

3.15 Following the internal restructure effective 1 March 2012, a DVA-wide request was made to all business groups to examine the current CFMS categories that describe business group activities, services and programs. Feedback provided by business groups and other recommended enhancements will be incorporated into the next version of CFMS.

3.16 This will be an opportunity for each branch within DVA to have CFMS options that better reflect the nature and reasons for both complaints and compliments. Branches have also been reminded of the need to ensure that staff who record feedback in CFMS provide as many details as possible in the free text 'Notes' field, to allow a more thorough understanding of the reasons why feedback was provided.

3.17 Further, the inclusion of the Veterans' Standards and Complaints Management Team in the Client and Commemorations Division will present new opportunities regarding the feedback management process, its key role within DVA's strategic direction, and how these link with service provision for all client groups. Moreover, there will be greater scope in the Division to collaborate with, and influence where necessary, other service delivery Branches in terms of recording, reporting and analysing feedback data.

Role of the Veterans' Standards and Complaints Management Team in analysing complaints and compliments

3.18 DVA established the Veterans' Standards and Complaints Management Team to, among other things:

- generate reports for managers and staff to raise their awareness of issues and concerns arising from complaints and other feedback; and
- undertake Root Cause Analysis of complaints (through facilitation of discussions with all program areas), to gain an understanding of the systemic causes of complaints.

3.19 The Veterans' Standards and Complaints Management Team, which coordinates action on the Complaints and Feedback Management Policy, has advised that it has not been in a position to carry out detailed analyses of CFMS complaints data to date—partly because its focus has been on implementing the new policy and partly because it first needed to collect data for a full year. However, in November 2011 it did complete an examination of complaints received via the Commonwealth Ombudsman's Office and it further advised that analysis of feedback data would be a focus for its activities in 2011–12. There would be benefit in the Complaints and Feedback Management Team incorporating such analysis in its ongoing work program.

3.20 Until relevant data are routinely collected in the CFMS, the analysis of feedback data will necessarily entail detailed analysis of individual feedback records on existing categories. The Veterans' Standards and Complaints Management Team's analysis of complaints data would be further assisted by changes to the CFMS discussed in Chapter 4.

Reporting on feedback

3.21 Monthly reports are provided to DVA's Executive Management Group on the: numbers of complaints and compliments received in the month; broad categories of these complaints and compliments; and numbers of outstanding complaints that exceed the 28 day timeframe for resolving complaints. This reporting informs the Executive Management Group of the numbers of complaints being received and how quickly they are being processed. It also helps give complaints management a relatively high profile in the department and underlines the expectation that appropriate corrective action will be taken, when necessary. As a result of these oversight arrangements, one business group advised that it had become aware that it had not been closing off completed complaints records and had since addressed this issue.

3.22 In February 2011, the Executive Management Group also received a report on the first six months⁶⁶ of operation of the revised complaints and feedback management arrangements. A report on the results for the first year's operations has, however, not been provided. DVA advised that a 12 month analysis was planned for completion in early 2012.

⁶⁶ The six-month period was from 1 July 2010 to 31 December 2010.

3.23 DVA currently reports to the Parliament on the numbers of complaints and compliments it receives each year in its annual reports. However, to date these reports have not included the numbers of complaints and compliments received by the VVCS—although DVA has advised that the VVCS will report separately on the complaints and compliments it has received in the department's 2011–12 annual report. Further, the 2010–11 annual report, while indicating that the average time taken to resolve complaints was 15 days, did not report on the number and percentage of complaints that were resolved within the 28 day performance timeframe.⁶⁷ There would be benefit in reporting on this key performance measure.

⁶⁷ The CFMS presently does not have the capacity to report on the number of complaints that were resolved within the 28 day timeframe. DVA advised in April 2012 that this functionality will be considered in any system redevelopment business case into the future.

4. Complaints and Feedback Management System (CFMS)

This chapter examines DVA's use of the CFMS to record and manage complaints and compliments.

Introduction

4.1 An electronic system is needed to enable complaints and compliments to be recorded, the timeliness of their handling to be monitored, and statistical information to be collected on the numbers of complaints and compliments by a number of parameters. DVA has implemented a relatively simple system, the Complaints Management Feedback System (CFMS), for these purposes. The database was first developed in 2001 and was modified in 2010 to reflect the requirements of DVA's revised complaints and feedback management policy.

4.2 Notes about the complaint are able to be made in the system to assist in the management of the feedback (such as a record of follow-up action taken). Relevant documents, such as copies of a written complaint, advice from a provider and a written response to a complainant, can also be attached.

4.3 There has been no post-implementation review of the CFMS following the revisions to the system in 2010. However, changes have been made to some of the data being collected in the light of feedback received from DVA staff. DVA advised that a post-implementation review of CFMS will be conducted in 2012.

4.4 This chapter reviews key aspects of the system, including the privacy of CFMS records, the quality assurance of CFMS records and the usability and possible future development of the system.

Privacy of CFMS records

4.5 All DVA staff members (and VVCS staff in the case of the VVCS) have access to the CFMS through their departmental and corporate applications menu. This enables DVA and VVCS staff to record complaints and compliments which they receive.

4.6 CFMS access rules only allow DVA staff to access complaints relating to DVA. That is, DVA staff cannot create or access VVCS records or reports. This is done to protect the privacy of VVCS clients, given the sensitive nature

of the counselling services provided by the VVCS. However, VVCS members of staff have been able to record complaints and compliments for other DVA business areas and have been able to access all records in the system. To provide further protection of complaints data, DVA advised ANAO that, as of 26 January 2012, the latest version of CFMS has been amended to remove the opportunity for VVCS staff to record and access records for non-VVCS related complaints.⁶⁸

4.7 The current access arrangements raise potential privacy issues, as there is no audit trail in place to monitor access to the system. In contrast, an audit trail is built into the department's client management system, known as VIEW (Veterans' Information Enquiry Window application). DVA considered the need to include an audit trail in the CFMS, when redeveloping the system. However, it considered that the absence of an audit trail was a relatively low risk and that the privacy aspect had been, and would continue to be, emphasised with staff.⁶⁹

4.8 While the CFMS has no audit trail of persons who view CFMS records, it does have a limited audit trail of persons who make changes to the records.⁷⁰ It does this by adding details of the person amending the record to the 'Notes' field in the record.

4.9 While recognising that DVA has emphasised to its staff that they must have a legitimate business reason to access records in the CFMS, and that DVA considers that the risk of privacy breaches is low, there is scope to improve the integrity of the CFMS to more effectively protect complaints records in the system. This could be achieved by limiting access to those staff with a demonstrated business need to record complaints or access complaints records, and/or the introduction of an effective audit trail of staff who access records in the system. DVA advised that it considers that limiting access to the CFMS to only some DVA staff could reduce the number of complaints being recorded. It considers that this was a factor in the low number of complaints being recorded in previous years. DVA has, however, examined the possible

⁶⁸ DVA advice to ANAO, 13 April 2012.

⁶⁹ In particular, the administrative procedures require complaints against staff to be recorded in the CFMS but the staff member's name is not to be included in any CFMS 'Notes' field. The procedures also remind DVA staff that the CFMS should be accessed only for legitimate business purposes. Minutes of Feedback and Complaints Management Project Steering Committee meeting, 10 June 2010.

⁷⁰ In addition, any changes to the CFMS that also lead to a change in the department's record management system, TRIM, are recorded in that system.

inclusion of an audit trail. An audit trail would need to be monitored in accordance with appropriate internal protocols for IT security.

Quality assurance of CFMS records

4.10 The usefulness of the information included in the CFMS is only as good as the accuracy and completeness of the information included in the system. For this reason, DVA performs quality assurance (QA) checks on data on finalised complaints. One of the aims of the QA program is to 'provide confidence in the degree of accuracy and consistency of the data recorded in CFMS'.⁷¹

4.11 Under DVA's QA program, which is administered by the Veterans' Standards and Complaints Management Team, DVA reviews the accuracy of a random sample of five per cent of completed recorded feedback (complaints and compliments) for: each of the five larger business groups; and the remaining business groups collectively.

4.12 Any errors in the records that are identified in the QA checks are corrected and business groups are advised of the results of the QA checks. Incomplete records are not sampled for accuracy, which reduces the opportunity for timely corrective action to be taken.

4.13 The results of QA checks undertaken by DVA in the 2010–11 financial year are summarised in Table 4.1. As shown in this table, DVA identified a high error rate of 53 per cent of CFMS records. Forty-six percent of records had errors in the registration details, such as incorrect recording of the activity to which the feedback relates, or the satisfaction rating was incorrect. In two per cent of cases the records incorrectly contained sensitive information, such as the name of a staff member about whom a complaint had been made.

⁷¹ DVA, *Complaints and Feedback Management System—Quality Assurance Protocols*, p. 1.

Table 4.1**Results of DVA quality assurance checks in 2010–11**

Business Group	Cases Checked	Errors	Registration	Sensitive information	Communication	Not stated
Rehabilitation and Compensation	65	33	31	0	2	0
Deputy Commissioners	48	25	24	0	1	0
Community Health	43	32	28	1	3	0
Combined Groups	42	19	16	0	3	0
Income Support	35	22	15	3	3	1
Primary Health	34	11	10	1	0	0
Total	267	142	124	5	12	1
Percentage of errors		53%	46%	2%	4%	0%

Source: ANAO analysis of DVA's monthly QA reports.

Note: DVA undertakes separate checks of complaints which are recorded by Veterans' Service Centre telephone call staff in the Client Contact Facility and which are then transferred into the CFMS. These checks are combined with the checks of other CFMS records in this table. DVA did not undertake QA checks for each month in 2010-11. No general QA checks were completed in July 2010 and May 2011 and no CCF checks were completed from July to December 2010 and in May 2011.

4.14 The QA results do not enable more detailed information to be derived on the reasons for errors, and do not aggregate the monthly results. Such information would assist DVA in more readily identifying the causes of errors and so enable better targeting of training needs.

ANAO analysis of CFMS records

4.15 As noted at paragraph 2.23, the ANAO conducted its own analysis of a random sample of 77 of the 2167 complaints records. The results are shown in Table 2.2 and the implications of this analysis for DVA's classification of the satisfaction outcomes of complaints are considered at paragraphs 2.25 and 2.26. The analysis also suggests that there is a need for DVA to improve:

- the accuracy of registration details, such as the classification of the matter dealt with in the complaint; and

- the clarity of the records (that is, whether the nature of the complaint is clear from the record).⁷²

4.16 A further area where the accuracy of CFMS records can be improved is by reducing the number of duplicate records in the CFMS. Duplicate records mainly occur when staff of the Veterans' Access Network record calls in the Client Contact Facility and then refer the complaint or feedback to more than one business area for attention. When the Client Contact Facility record is transferred to the CFMS, more than one CFMS record is created. Duplicate records can also be created if a DVA staff member fails to check whether a record about a complaint already exists in the CFMS and then creates a duplicate record.

4.17 While Veterans' Standards and Complaints Management Team staff remove some duplicate records, including on the advice of business groups, the ANAO found numerous examples of duplicate records in the CFMS database. It is possible to develop reports that would readily identify duplicate records arising from the transfer of records from the CCF to the CFMS, since these records have sequential record numbers for the same complainant.⁷³ The accuracy of CFMS records would be improved by effectively checking for duplicate records, particularly newly-created records.

4.18 Finally, the ANAO noted that some fields in the database (such as a client's file number where the complaint related to a client) had not been completed. In some cases, this may have been because the complainant wished to remain anonymous. In other cases, where it was clear that the complaint was not anonymous, it may have been because the DVA staff member failed to complete all of the required information. DVA advised that it intends to amend the CFMS to enable information on the number of anonymous complaints to be collected. Once this has been completed, DVA would also have the opportunity to include controls in the system to ensure that all required fields are completed. The completion of all required fields would improve the functionality of the CFMS, including the ability to search records.

⁷² In 14 (or 18 per cent) of the cases examined, details of the complaint were unclear from the record, and attachments were also not attached, in contravention of DVA guidelines, in 17 (or 22 per cent) of records.

⁷³ DVA advised the ANAO in April 2012 that it will examine the creation of a new report for this purpose.

Usability of the CFMS

4.19 Some DVA business groups advised that they continue to use their own correspondence tracking systems (spreadsheets) to track complaints because the CFMS does not give them sufficient flexibility to search the database. For example, business groups found it difficult to search accurately for an individual complainant's record⁷⁴ and they do not have sufficient flexibility in searching for groups of records.⁷⁵ These limitations result in some duplication of effort and insufficient information about a complaint being included in the CFMS record (the more detailed information being included in the other correspondence tracking system). Improving the search and reporting capabilities of the CFMS may therefore reduce the extent to which business groups rely on other tracking systems to manage complaints.⁷⁶

4.20 DVA acknowledged that the CFMS has a limited search capability and advised that it will remind staff that they can search on more than one parameter to narrow down the number of results returned from their searches.

Future development of CFMS

4.21 DVA advised that it is planning to examine the long-term future of the CFMS in the context of a project—the Choice & Maintainability in Veterans' Services project—through which DVA is upgrading its information technology systems, primarily to provide greater opportunities for DVA clients to access services from the department online. Pending the outcome of this review, major changes to the CFMS may not be warranted. However, as the new information technology project is unlikely to deliver the functionality to manage complaints and feedback for a number of years, there would be benefit in considering the implementation of a small number of incremental improvements to the CFMS in high priority areas.

⁷⁴ The fields for the client's and contact's names combine their first names and surnames, rather than having separate fields for first names and surnames. According to the business groups, this combination results in incorrect search information being used in records searches.

⁷⁵ One limitation when searching for groups of records was an inability to obtain a report of records for a specified period.

⁷⁶ DVA advised that there may be capacity to improve the search capacity of CFMS, and that opportunities to include this enhancement will be considered as part of the next upgrade of CFMS. DVA advice to ANAO, 13 April 2012.

Recommendation No.3

4.22 While having regard to the long-term future of the Complaints and Feedback Management System (CFMS), the ANAO recommends that DVA addresses high priority areas such as: better assuring the privacy of complaints records; improving the search and reporting functionality of the system to better meet the information needs of business groups; and implementing input controls for the completion of all relevant fields in the CFMS.

Department of Veterans' Affairs response: *Agreed with qualification.*

4.23 DVA acknowledges and supports the intent of this recommendation.

4.24 Staff are aware that they must have a business need to view CFMS records, and training and communications with staff constantly reinforces the requirement to protect and maintain a client's privacy. While there is no audit trail for staff viewing CFMS records, there is a functionality within TRIM, DVA's central record storage system, that records any changes to individual CFMS records.

4.25 CFMS is a legacy Access database and is constrained by technical limitations. Further enhancements or re-developments of CFMS that address the identified functionality improvements may be possible and will certainly be considered in the future.

4.26 To ensure staff are aware of the full range of functional capabilities of CFMS, future staff training sessions will continue to emphasise the need to complete all relevant fields in a CFMS record, as well as the need to update the record as required, attaching all relevant documentation and supporting evidence.

Suggestions for improving DVA processes and policies

4.27 Suggestions received for improving DVA processes and policies are not recorded in the CFMS. As a consequence, DVA does not have data on the number of suggestions which are received as part of the complaints and feedback management policy. DVA business groups advised that the number of such suggestions would be small, and that most suggestions for improvement arise through its consultative forums with ex-service organisations. There would be benefit in recording suggestions for improvement (including suggestions for improvement identified in the department's consultative forums with ex-service organisations) in the CFMS, as a means of assisting the department to analyse possible areas for service

improvement or policy change. DVA advised that it will consider including fields to record suggestions received in future upgrades to the CFMS.



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3 May 2012

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