

Management of Migration to Australia — Family Migration Program

Department of Home Affairs

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Canberra ACT
27 March 2023

Dear Mr Speaker
Dear President

In accordance with the authority contained in the *Auditor-General Act 1997*, I have undertaken an independent performance audit in the Department of Home Affairs. The report is titled *Management of Migration to Australia — Family Migration Program*. I present the report of this audit to the Parliament.

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

Yours sincerely

A handwritten signature in black ink, reading 'Grant Hehir', is positioned below the 'Yours sincerely' text.

Grant Hehir
Auditor-General

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

AUDITING FOR AUSTRALIA

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Contents

| | |
|--|-----------|
| Summary and recommendations..... | 7 |
| Background | 7 |
| Conclusion | 8 |
| Supporting findings | 8 |
| Recommendations | 9 |
| Summary of entity response | 10 |
| Key messages from this audit for all Australian Government entities | 11 |
| Audit findings..... | 13 |
| 1. Background | 14 |
| Australia's migration program | 14 |
| Rationale for undertaking the audit | 17 |
| Administration of the migration program | 17 |
| Audit approach | 21 |
| 2. Planning..... | 22 |
| Does the department provide relevant and appropriate advice to the government? | 22 |
| Does the department's implementation planning provide a sound basis for achieving the government's policy and program objectives? | 29 |
| 3. Implementation | 38 |
| Are there appropriate processes to manage lodgement? | 38 |
| Does the department have appropriate and effective processes for managing the allocation of cases? | 50 |
| Does the department have appropriate processes for managing the assessment of Family Migration Program visa cases? | 64 |
| Does the department have appropriate processes for ensuring appropriate decision-making on Family Migration Program visa applications? | 76 |
| Appendices | 83 |
| Appendix 1 Entity response | 84 |
| Appendix 2 Improvements observed by the ANAO | 86 |
| Appendix 3 Permanent visas granted between 2010–11 and 2021–22 | 87 |
| Appendix 4 List of Family Migration Program visa categories | 88 |
| Appendix 5 Processing times for Partner, Parent, Child and Other Family visa categories | 89 |
| Appendix 6 Family Migration Program caseload from 2018–19 to 2021–22 | 90 |
| Appendix 7 Administrative Appeals Tribunal reviews of Partner, Parent and Child visa application decisions | 91 |



Audit snapshot

Auditor-General Report No. 16 2022–23

Management of Migration to Australia — Family Migration Program



Why did we do this audit?

- ▶ Almost 28 per cent of Australia's population is born overseas. The Department of Home Affairs (Home Affairs) administers Australia's permanent Migration Program (migration program).
- ▶ The Family Migration Program (Family program) makes up around 30 per cent of visa places made available by the government under the migration program each year.
- ▶ Effective management of the migration program supports achievement of the economic and social objectives of the government's migration policy.



What did we find?

- ▶ Home Affairs' arrangements for the design and delivery of the Family program are largely effective.
- ▶ The department's policy advice to the government to support the design of the Family program is largely effective.
- ▶ While the department has established appropriate arrangements for the delivery of the Family program, its implementation of these requires strengthening to ensure consistent and timely provision of family visa services.



Key facts

- ▶ During the COVID-19 pandemic (2019–20 to 2020–21), lodgements of Family program visa applications decreased by 13 per cent in 2019–20 and 10 per cent in 2020–21.
- ▶ In 2021–22, the Partner visa category accounted for 90.3 per cent of Family program visas granted. The number of applications in the Partner visa backlog reduced from 96,361 to 64,111 between 2019–20 and 2020–21.



What did we recommend?

- ▶ The Auditor-General made six recommendations aimed at improving Home Affairs' policies and governance for the management of the visa caseload and strengthening approaches to measuring operational efficiency.

\$1.4b

Home Affairs expenditure on the delivery of all visas from 2018–19 to 2021–22.

51,082–80,300

Range of available places under the Family program between 2018–19 and 2022–23.

250,484

Number of Family program applications on hand at 27 January 2023.

Summary and recommendations

Background

1. Almost 28 per cent of Australia's population is born overseas.¹ Since the 1970s Australia's migration programs have been based on a universal, non-discriminatory visa system.² Provided an individual meets the criteria to lodge a valid application, they can apply for a visa, regardless of their gender, race, nationality, ethnicity or religious belief.
2. The permanent Family Migration Program (Family program) provides for the migration of family members of Australian citizens, Australian permanent residents, or eligible New Zealand citizens.³ The Partner visa category is the largest component of the Family program, accounting for 90.3 per cent of Family program visas granted in 2021–22.⁴
3. The *Migration Act 1958*, Migration Regulations 1994 and Ministerial Instruments provide the legislative framework for Australia's permanent Migration Program (migration program). The migration program is administered by the Department of Home Affairs (Home Affairs or the department). Family program visas are processed in four Visa and Citizenship Offices located in Australia and 25 Australian overseas missions.⁵

Rationale for undertaking the audit

4. Effective management of the migration program supports achievement of the economic and social objectives of the government's migration policy. This audit provides assurance to the Parliament on the effectiveness of Home Affairs' management of the Family program.

-
1. Australian Bureau of Statistics, *Cultural diversity: Census (2021)* [Internet], ABS, Canberra, 2022, available from <https://www.abs.gov.au/statistics/people/people-and-communities/cultural-diversity-census/2021> [accessed 24 October 2022]. As at October 2022, 27.6 per cent of the population was born overseas. Australia was the third highest country for people born overseas as a percentage of the total population in the Organisation for Economic Co-operation and Development (OECD). See Organisation for Economic Co-operation and Development, *International Migration Outlook 2022* [Internet], OECD, Paris, 2022, Figure 1.11, available from https://www.oecd-ilibrary.org/social-issues-migration-health/international-migration-outlook_1999124x#:~:text=After%20a%20record%20decrease%20in,migration%20flows%20continued%20in%202022 [accessed 19 January 2023].
 2. Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs* [Internet], 10th edition, Home Affairs, Canberra, 2022, p. 3, available from <https://immi.homeaffairs.gov.au/programs-subsite/files/administration-immigration-program-10th-edition.pdf> [accessed 14 November 2022].
 3. *ibid.*, p. 27.
 4. Department of Home Affairs, *2021–22 Migration Program Report* [Internet], Home Affairs, Canberra, 2022, p. 12, available from <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2021-22.pdf> [accessed 16 November 2022].
 5. Family Migration Program (Family program) visa processing offices are located in Brisbane, Melbourne, Sydney and Perth. Staff in other locations may also process visa applications. Home Affairs' global delivery network for visa processing is distributed across six locations in Australia and 34 overseas locations. Overseas missions are divided into eight regions: Americas, North Asia, Europe and Sub-Saharan Africa, Middle East and North Africa, Mekong, Pacific, South Asia and South East Asia.

Audit objective and criteria

5. The objective of this audit was to assess the effectiveness of the department's management of family-related visas. To form a conclusion against the proposed objective, the ANAO adopted the following high-level criteria:

- Is the Family Migration Program effectively planned?
- Are Family Migration Program application lodgement and assessment processes effectively implemented?

Conclusion

6. Home Affairs' arrangements for the design and delivery of the Family Migration Program are largely effective. Planning for the delivery of the program provides a suitable basis for meeting government objectives. There are shortcomings in implementation which impact on the department's effectiveness and efficiency in delivering visa services. Aspects of policy and governance require further development and documenting to ensure performance in visa processing operations is appropriately monitored and evaluated.

7. Home Affairs provides largely effective policy advice to the government to support the design of the annual Family Migration Program, but consultation processes do not directly engage those affected by proposals. The department's business and risk planning largely support delivery of the program to meet government objectives.

8. While Home Affairs' arrangements to enable the delivery of the Family Migration Program are appropriate, its implementation of these requires strengthening to ensure the consistent and timely provision of family visa services. The department lacks clear frameworks for measuring efficiency for the purposes of improving business outcomes and systematically managing aged applications.

Supporting findings

Planning

9. Home Affairs' policy advice responds to government priorities and is largely informed by appropriate evidence. Submissions generally do not report to government on the outcomes of consultations conducted with stakeholders of family migration. Advice to support the review of the department's performance against annual Family Migration Program planning levels is not complete in its analysis of effectiveness and efficiency. (See paragraphs 2.3–2.28)

10. Home Affairs conducts appropriate implementation planning and has effective business planning processes to guide the implementation of the Family Migration Program. There is a need for the department to more clearly set out its planning for the delivery of demand-driven programs, including for managing increases in demand for visa places. (See paragraphs 2.29–2.64)

Implementation

11. Website information to assist applicants to lodge applications under the Family Migration Program is relevant and conveyed in plain language. Routine call centre and complaints reporting does not provide sufficient detail and analysis to support improvements to the delivery of the

Family Migration Program. The department determines whether an application is invalid quickly, but communication with clients whose applications move to further stages of assessment is limited. (See paragraphs 3.2–3.47)

12. Home Affairs' case allocation capabilities provide a basis for the effective and efficient management of its caseload. Its processes support it to meet processing objectives and changes in priority. Policies governing case allocation practices require strengthening to ensure the department can demonstrate conformance with all policy requirements. There is a need for the department to address inconsistencies in its approach to identifying and assessing risk within Family Migration Program visa categories. (See paragraphs 3.48–3.98)

13. Home Affairs' business process and quality management frameworks establish a partly effective basis for gaining assurance over the processing of visa applications. There is scope for Home Affairs to strengthen its analysis of efficiency in family visa processing. While the department collects and reports efficiency-related information, it has not established a consistent set of metrics as a basis for improving efficiency within the Family Migration Program. (See paragraphs 3.99–3.148)

14. Home Affairs has appropriate business and quality review controls to support decision-making and the notification of outcomes to Family Migration Program visa applicants. Processes for improving the quality of decision-making require strengthening to include a clear focus on the implementation and monitoring of improvements. There is a need for guidance to support the timely handling of notifications and cases remitted to the department for review. (See paragraphs 3.149–3.167)

Recommendations

Recommendation no. 1 Paragraph 3.34

The Department of Home Affairs establish processes for capturing meaningful client feedback from all sources to enable it to identify opportunities to improve the provision of service to clients of the Family Migration Program.

Department of Home Affairs response: *Agreed.*

Recommendation no. 2 Paragraph 3.68

The Department of Home Affairs ensure its prioritisation and risk-tiering processes are fit for purpose and consistently applied within Family Migration Program visa types, irrespective of the location of processing.

Department of Home Affairs response: *Agreed.*

Recommendation no. 3 Paragraph 3.91

The Department of Home Affairs develop an overarching policy and governance framework for its case allocation model to guide allocation decision-making and ensure that this supports effectiveness and efficiency in the handling of Family Migration Program visa applications.

Department of Home Affairs response: *Agreed.*

**Recommendation no. 4
Paragraph 3.135** The Department of Home Affairs establish a standard set of monitoring and evaluation metrics to support analysis and continuous improvement in the efficiency of Family Migration Program visa processing.

Department of Home Affairs response: *Agreed.*

**Recommendation no. 5
Paragraph 3.146** The Department of Home Affairs establish processes to identify, analyse and remediate potential processing inactivity to support the improvement of efficiency in its business process for finalising Family Migration Program visa applications.

Department of Home Affairs response: *Agreed.*

**Recommendation no. 6
Paragraph 3.165** The Department of Home Affairs establish systematic processes for detecting and remediating aged cases across all parts of the Family Migration Program caseload to ensure applications are appropriately finalised, wherever feasible.

Department of Home Affairs response: *Agreed.*

Summary of entity response

15. The proposed audit report was provided to Home Affairs. The full response is included at Appendix 1. The summary response is reproduced below.

The Department agrees with the broad direction of the recommendations, as part of its ongoing efforts to strengthen governance, and acknowledges the benefits of more clearly identified standards and oversight mechanisms to deliver visa programs to a high standard. The Department seeks to continuously improve the quality of its client service delivery to achieve better outcomes for Australians and for its diverse stakeholders.

The Department notes that a number of the ANAO's recommendations are dependent on Information Communications Technology (ICT)/systems functionality not currently available. Implementation requires investment in improvements to ICT capability to have a marked impact on the efficient and effective delivery of all visa programs. Some recommendations focus on parts of the overall visa assessment process where substantial process or efficiency improvements may be difficult to achieve, especially given the limitations of existing visa processing systems. The Department continues to explore options to improve visa processing and associated reporting within the constraints of existing ICT systems, while capitalising on opportunities to improve these systems when they arise.

The report notes the complexity of migration legislation and the end-to-end visa process. Decision making on subjective matters such as familial relationships are by nature complex and have varying degrees of compelling and compassionate elements. The Department is well progressed implementing a range of improvements which aim to strengthen the efficiency and effectiveness of Australia's family visa programs, and the management of risk.

16. Appendix 2 notes an improvement to policy and program management observed by the ANAO during the audit.

Key messages from this audit for all Australian Government entities

17. Below is a summary of key messages, including instances of good practice, which have been identified in this audit and may be relevant for the operations of other Australian Government entities.

Performance and impact measurement

- Entities delivering services through multiple teams should establish and maintain quality assurance frameworks that identify systemic issues, and ensure that these issues are communicated, addressed and monitored to provide consistent outcomes across the network.

Policy/program design

- People affected by policy and program proposals should have the opportunity to contribute to policy design, and decision-makers should be informed of the outcomes of this consultation.

Governance and risk management

- Entities delivering services from multiple sites should have in place governance and operational frameworks that provide consistent approaches to risk management and the measurement of efficiency to provide effective enterprise level assurance.

Audit findings

1. Background

Australia's migration program

1.1 Almost 28 per cent of Australia's population is born overseas.⁶ Since the 1970s, Australia's migration programs have been based on a universal, non-discriminatory visa system.⁷ Provided an individual meets the criteria to lodge a valid application, they can apply for a visa, regardless of their gender, race, nationality, ethnicity or religious belief.

1.2 The permanent Family Migration Program (Family program) provides for the migration of family members of Australian citizens, Australian permanent residents, or eligible New Zealand citizens.^{8,9}

The permanent Migration Program

1.3 Australia's permanent Migration Program (migration program) refers to the number of permanent and provisional family and skilled visa outcomes for each program year.¹⁰ The government determines the planning level, size and composition of the migration program each

6 Australian Bureau of Statistics, *Cultural diversity: Census (2021)* [Internet], ABS, Canberra, 2022, available from <https://www.abs.gov.au/statistics/people/people-and-communities/cultural-diversity-census/2021> [accessed 24 October 2022]. As at October 2022, 27.6 per cent of the population was born overseas. Australia was the third highest country for people born overseas as a percentage of the total population in the Organisation for Economic Co-operation and Development (OECD). See Organisation for Economic Co-operation and Development, *International Migration Outlook 2022* [Internet], OECD, Paris, 2022, Figure 1.11, available from https://www.oecd-ilibrary.org/social-issues-migration-health/international-migration-outlook_1999124x#:~:text=After%20a%20record%20decrease%20in,migration%20flows%20continued%20in%202022 [accessed 19 January 2023].

7 Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs*, 10th edition [Internet], Home Affairs, Canberra, 2022, p. 3, available from <https://immi.homeaffairs.gov.au/programs-subsite/files/administration-immigration-program-10th-edition.pdf> [accessed 14 November 2022].

8 *ibid.*, p. 27. The Skilled Migration Program provides places for secondary applications for accompanying family members. A discussion paper issued by Home Affairs in November 2022 states: 'the majority of places (approximately 55 per cent) [under the Skilled program] are granted to family members of the skilled person, which typically includes partners and children ... many of these partners are themselves highly qualified or skilled workers but this information is not collected in the migration process'. Department of Home Affairs, *A migration system for Australia's future* [Internet], Home Affairs, Canberra, 2022, available from https://www.homeaffairs.gov.au/reports-and-pubs/files/reviews-and-inquiries/discussion_paper.pdf [accessed 8 December 2022].

9 Australia also has temporary visa programs which allow people to come to Australia for specific purposes (including to visit, study or work). The Refugee and Humanitarian program provides permanent resettlement to refugees and others in humanitarian need. It also supports the government's responses to international events, such as Afghanistan in 2021 and Ukraine in 2022. See *ibid.*, pp. 32–33.

10 For the purposes of migration program reporting, outcome refers to the number of visas granted that count toward the migration program. The outcome includes primary applicants as well as secondary/dependant applicants. Some visas granted during a program year do not count toward the outcome, for example, if a visa has been granted, but is subsequently cancelled in the same program year. Department of Home Affairs, *2021–22 Migration Program Report* [Internet], Home Affairs, Canberra, 2022, p. 6, available from <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2021-22.pdf> [accessed 8 February 2023].

year as part of the Budget process.¹¹ The Family program has historically made up 30 per cent of the total migration program planning level.¹²

1.4 The Family program and Skilled Migration Program (Skilled program) together account for approximately 98 per cent of visas granted under the annual migration program.^{13,14} Appendix 3 shows the number of permanent visas granted each year from 2010–11 to 2021–22.

1.5 Family visas are organised into four categories that allow a family member to sponsor another family member to live with them in Australia.

- Partner visas sponsor a spouse, de facto or prospective partner.
- Child visas allow parents to sponsor their dependent or adopted child or orphans.
- Parent visas enable parents to be sponsored through either Non-Contributory or Contributory Parent visas.¹⁵
- Other Family visas enable the sponsoring of carers, remaining relatives or aged dependent relatives.¹⁶

1.6 The Partner visa category is the largest component of the Family program. Partners of Australian residents accounted for 90.3 per cent of Family program visas granted in 2021–22.¹⁷ Applicants apply for a temporary and permanent visa at the same time, also referred to as a first stage Partner visa and second stage Partner visa, respectively.¹⁸ Appendix 4 contains a full list of family-related visas.

11 Department of Home Affairs, *2020–21 Migration Program Report* [Internet], Home Affairs, Canberra, 2022, p. 8, available from <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2021-22.pdf> [accessed 16 November 2022].

12 *ibid.*, p. 9.

13 The ANAO's 2022–23 Annual Audit Work Program includes a potential audit of the Skilled program. See Australian National Audit Office, *Skilled Migration (excluded the agricultural sector)* [Internet], ANAO, Canberra, 2022, available from <https://www.anao.gov.au/work/performance-audit/skilled-migration-excluding-the-agriculture-sector> [accessed 13 December 2022].

14 Based on the 2020–21 program outcomes for the permanent migration program. The remaining two per cent are made up of Special Eligibility and Child visas. Outcomes for these categories are reported separately, but both contribute to the total migration program outcome. Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs* [Internet], 10th edition, p. 22.

15 'Contributory' refers to visa fee and financial assurance requirements.

16 Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs* [Internet], 10th edition, p. 27, available from <https://immi.homeaffairs.gov.au/programs-subsite/files/administration-immigration-program-10th-edition.pdf> [accessed 15 February 2023]. Before the 2022–23 program year, Orphan Relative visas were included in the Other Family visa category. These visas are now reported as part of the Child visa program.

17 Department of Home Affairs, *2021–22 Migration Program Report* [Internet], Home Affairs, Canberra, 2022, p. 12, available from <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2021-22.pdf> [accessed 16 November 2022].

18 Partner visa subclasses 820 (temporary) and 801 (permanent) are for applicants who are in Australia. Partner visa subclasses 309 (provisional/temporary) and 100 (migrant/permanent) are for applicants who are offshore. There is a requirement for two years to pass from the date on which a Partner visa application is assessed as valid before the department can assess it for the purposes of granting a permanent visa ('second stage').

The COVID-19 pandemic

1.7 As part of its response to the COVID-19 pandemic, the government restricted travel across Australia's border from March 2020 to February 2022.¹⁹ This led to a net outflow of 85,000 migrants in 2020–21.²⁰

1.8 Demand for Partner visa places in the migration program declined in 2019–20 and 2020–21.²¹ In addition, around 20,000 fewer temporary and permanent visas were granted in 2019–20 than in 2018–19 (a decline of 12 per cent).²²

1.9 The government introduced measures to manage the impacts of COVID-19 on the migration program to take account of fewer skilled migrants and reduced visa processing operations (both onshore and offshore).²³ This included increasing the number of Partner visas available under the Family program to 72,300 places in 2020–21 and 2021–22.²⁴ The number of family visas issued in 2020–21 increased to almost half of all visas granted under the permanent migration program, an increase of 84 per cent from 2019–20 and the largest number of places since 1987–88.^{25,26}

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- 19 This was the period from the introduction of travel restrictions on 20 March 2020 to the re-opening of Australia's border on 1 December 2021 for fully vaccinated eligible visa holders (skilled, humanitarian, working holiday maker and provisional family visa holders). The borders were reopened to all fully vaccinated visa holders on 21 February 2022.
- 20 This reversed the previous net inflow of 193,000 migrants. The departure of temporary visa holders also contributed to a decline in migration levels. As at May 2022, total overseas arrivals to Australia were 59 per cent lower than in May 2019. Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs* [Internet], 9th edition, pp. 8–9, available from <https://immi.homeaffairs.gov.au/programs-subsite/files/administration-immigration-program-9th-edition.pdf> [accessed 13 December 2022].
- 21 Lodgements of Partner visa applications decreased by 15 per cent in 2019–20 and also in 2020–21. The number of applications lodged for all visa types under the Family Migration Program (Family program) reduced by 13 per cent in 2019–20 and 10 per cent in 2020–21.
- 22 Department of Home Affairs, *2020–21 Annual Report* [Internet], Home Affairs, p. 94, available from <https://www.homeaffairs.gov.au/reports-and-pubs/Annualreports/home-affairs-annual-report-2020-21.pdf> [accessed 27 September 2022].
- 23 Department of Home Affairs, *The Administration of the Immigration and Citizenship Programs* [Internet], 9th edition, pp. 5–6.
- 24 *ibid.*, pp. 23, 30.
- 25 Department of Home Affairs, *2020–21 Migration Program Report* [Internet], p. 12.
- 26 The March 2022 Budget transferred 10,000 places from the Partner to the Skilled program, reducing the planning level to 40,500 places. Department of Home Affairs, *2021–2022 Annual Report* [Internet], Home Affairs, Canberra, 2022, p. 99, available from <https://www.homeaffairs.gov.au/reports-and-pubs/Annualreports/home-affairs-annual-report-2021-22.pdf> [accessed 9 November 2022]. See also *Budget Paper No.2, 2022–23* [Internet], Commonwealth of Australia, Canberra, 2022, p. 11, available from https://archive.budget.gov.au/2022-23/bp2/download/bp2_2022-23.pdf [accessed 9 November 2022].

Rationale for undertaking the audit

1.10 Effective management of the migration program supports achievement of the economic and social objectives of the government's migration policy.²⁷ This audit provides assurance to the Parliament on the effectiveness of Home Affairs' management of the Family program.

Administration of the migration program

Administrative arrangements

1.11 Australia's migration program is administered by the Department of Home Affairs (Home Affairs or the department) through the Immigration Group (IG). Home Affairs' expenditure for the delivery of visas was \$1.4 billion between 2018–19 and 2021–22. Funding allocated to the department for the Visas program is \$339.4 million in 2022–23.²⁸ In addition to this, the government allocated departmental funding of \$38.2 million over two years from 2022–23 to increase Home Affairs' visa processing capacity, including through the recruitment of an additional 500 staff.²⁹

1.12 Funding allocations through appropriations include a fixed amount and a variable funding amount. The variable funding amount is based on a unit price per visa finalisation and an estimate of the expected number of visa finalisations. The total amount is adjusted at the end of the financial year, if the number of visa finalisations varies from that planned for in the Budget.³⁰

1.13 The main divisions in IG responsible for the delivery of the migration program are:

- Immigration Policy, Integrity and Assurance division (IPIAD), responsible for the development of migration policy and advice to government on the design of the migration program, and assurance over program activity; and
- Immigration Programs Division (IPD), responsible for the delivery of the migration program (temporary, skilled and family components).

27 Mr Julian Hill MP requested an audit of the efficiency, effectiveness, quality, and integrity of Partner visa processing on 27 August 2021. See Australian National Audit Office, *Requests for audit — Family migration program* [Internet], ANAO, Canberra, 2021, available from <https://www.anao.gov.au/work/request/partner-visa-processing> [accessed 13 December 2022]. In responding to the Auditor-General's consultation on the ANAO's *Draft Annual Audit Work Program 2022–23* on 8 April 2022, the Joint Committee of Public Accounts and Audit identified Home Affairs' administration of the Family Migration Program as its highest audit priority.

28 The delivery of visas is stated in Home Affairs' budget documentation as 'Program 2.3: Visas' between 2018–19 and 2019–20 and 'Program 2.2: Visas' between 2020–21 to 2022–23. See: Australian Government, *Portfolio Additional Estimates Statements 2019–2020. Home Affairs Portfolio*, Commonwealth of Australia, Canberra, 2020, p. 29; *Portfolio Additional Estimates Statements 2020–2021. Home Affairs Portfolio*, 2021, p. 31; *Portfolio Additional Estimates Statements 2021–2022. Home Affairs Portfolio* 2022, p. 36; and *Portfolio Budget Statements 2022–23 Budget Related Paper No. 1.10*, 2022, p. 38.

29 This funding is an outcome of the government's Jobs and Skills Summit (1–2 September 2022) which focused on economic objectives and Australia's labour market. See Australian Government, *Budget October 2022–23. Budget measures: Budget Paper No.2* [Internet], Commonwealth of Australia, Canberra, 2022, p. 82 available from <https://budget.gov.au/2022-23-october/content/bp2/index.htm> [accessed 13 December 2022].

30 There is no direct link between charges and funding provided to the department. Revenue collected through the government's visa fees (Visa Application Charges) are returned to Consolidated Revenue. Adjustments in funding are provided through a Visa Variable Funding Model (VVM). The unit price under the VVM was set in 2007–08 and is indexed with inflation. Use of the model was suspended from 2019–20 to 2021–22 to take account of the reduced level of visa finalisations during the COVID-19 pandemic.

1.14 Family Migration Program visa applications are processed in four Visa and Citizenship Offices located in Australia and 25 Australian overseas missions.³¹ The average staffing level for the migration program decreased from 2015–16 to 2020–21.³² In 2021–22, there were 1959 staff allocated to support temporary and migration visa processing functions, with 1140 staff located in Australia and 819 operating offshore.³³

1.15 The department relies on two main systems to process visas. Its Integrated Client Service Environment (ICSE) system is used to process Partner and citizenship visa applications which are lodged online. Other visa applications for Family program visas, which can only be lodged using paper application forms, are processed in ICSE and its Immigration Records Information System (IRIS). In November 2022, Home Affairs advised the ANAO that:

IT systems remain a considerable impediment to the efficient and effective delivery of migration programs, particularly for family visa programs. Current systems are not what would be considered acceptable standards for modern service delivery, noting core systems are over 30 years old and several programs still require paper-based visa lodgement.

Some impediments identified by the department are the complexity and poor integration of its ICT systems which result in dispersed client information and inadequate support for decision-makers.³⁴

Legislative framework

1.16 The *Migration Act 1958*, Migration Regulations 1994 and Ministerial Instruments provide the legislative framework for Australia's migration program. The Act sets out requirements for the administration of visa applications and the Minister for Immigration, Citizenship and Multicultural Affairs' (Minister) obligations and their powers, which may be delegated.³⁵ Key provisions of the Act that relate to the limits to be applied to the granting of visas include³⁶:

- section 85 of the Act — allows the Minister to determine the maximum number of visas which may be granted in each financial year in specified visa classes, including Parent and Other Family visas;

31 Offices responsible for the processing of Family program visas are located in Brisbane, Melbourne, Sydney and Perth. Overseas missions are divided into eight regions: Americas; North Asia; Europe and Sub-Saharan Africa; Middle East and North Africa; Mekong; Pacific; South Asia; and South East Asia. Staff in other locations may also process visa applications. These offices are part of a global delivery network for visa processing distributed across six locations in Australia and 34 overseas locations.

32 Budget decisions in 2015–16 and 2016–17 required the department to deliver \$361.5 million in savings by 2019–20 from visa simplification and efficiencies.

33 The overseas network comprised 83 departmental staff and 736 Locally Engaged Staff (LES), with around 24 per cent of LES dedicated to the Family program (LES support Australian Public Service staff at Australian embassies, high commissions and consulates). Processing staff work across a range of visas and may not be allocated to processing a single visa subclass.

34 While the government has previously agreed to procurement processes to enable the upgrade and/or replacement of elements of the department's platforms these have not resulted in the replacement of existing systems.

35 Section 496 of the Act. The Minister for Home Affairs and Minister for Cyber Security are also able to administer the powers provided under the Act.

36 Section 39 can be applied to limit the number of visas granted, with those exceeding the limit not carried over to the next year. Remaining visa applications are carried over to the next financial year.

- section 87 of the Act — prevents a cap applying to the Partner or Child visa categories³⁷;
- section 51 — allows the Minister to determine the order of consideration for the processing of visa applications; and
- section 499 — enables the Minister to give written directions to a person or body regarding the performance of functions, or the exercise of powers, under the Act. An example of a Direction given in accordance with section 499 is Ministerial Direction 102 which relates to the order for considering and disposing of family visa applications.

1.17 Except where otherwise directed by the Minister, visa applications should be processed in the order of the date on which they were lodged.³⁸ There is also an implied obligation under the Act for all visas to be considered and disposed of within a reasonable time.

Reviews of the migration program

1.18 Reviews and audits of Home Affairs' provision of visa and citizenship conferral services have recommended improvements to the effectiveness and efficiency of its operations.³⁹ The first recommendation made by the Senate in its March 2022 Inquiry report on visa processing was for the department to:

develop a long-term strategy to update its system for the processing of visas; to improve its efficiency, to reduce its complexities, reduce waiting times substantially, and to provide greater transparency for applicants.⁴⁰

1.19 Submissions to the Senate Inquiry and citizen contributions to this audit indicate that key areas of stakeholder concern are: extended processing times for some types of visas; lack of communication during the visa processing period; inconsistencies between processing locations; and management of the demand-driven Child and Partner visa programs.

1.20 In September 2022, the government announced that it would conduct a strategic review of the purpose, structure and objectives of Australia's migration system, with the outcomes to be

37 Since 2015–16, the Child visa program has been delivered outside the managed migration program. The government establishes an annual planning estimate of expected visa grants. If demand exceeds the initial estimate and visa processing capacity exists, grants may exceed the initial estimate, unlike the operation of a cap. The government decided that from 2022–23 the Partner visa program should also be administered as a demand-driven program.

38 Direction No. 103 – Order for considering and disposing of visa applications under section 91 of the Act.

39 The most recent parliamentary inquiry report was tabled in March 2022. See Legal and Constitutional Affairs References Committee, *The efficacy, fairness, timeliness and costs of the processing and granting of visa classes which provide for or allow for family and partner reunions* [Internet], Senate, Canberra, March 2022, p. xi, available from https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/FamilyandPartnerVisas/Report [accessed 14 November 2022]. Audits include: Auditor-General Report No.25 2018–19, *Efficiency of the Processing of Applications for Citizenship by Conferral*; and Auditor-General Report No.13 2015–16, *Managing Compliance with Visa Conditions*. Public government reviews include *Australian Public Service Commission Capability Review* (2012). The ANAO also reviewed relevant internal government reviews.

40 Legal and Constitutional Affairs References Committee, *The efficacy, fairness, timeliness and costs of the processing and granting of visa classes which provide for or allow for family and partner reunions* [Internet], p. xi.

provided to the government by the end of February 2023.^{41,42} Terms of Reference for the review state that a new migration strategy would be informed by a ‘review of the current visa framework ... and the processes and systems that support the administration of that framework’.⁴³ The department has established an Immigration Reform Taskforce and appointed an Associate Secretary to head this and its Immigration Group.

Processing times

1.21 The length of time taken to finalise a visa application can vary depending on the specific circumstances of the applicant and a range of factors. These include the number and completeness of applications received; level of demand and the number of places the government allocates to a program each year; and government priorities for processing (the Minister’s priorities are set out in a direction issued to the department, see paragraphs 3.80–3.85).

1.22 Home Affairs publishes the period of time taken to finalise a percentage of cases (25, 50, 75 and 90 per cent of cases) on its website to provide indicative timeframes for visa processing, based on cases recently finalised.⁴⁴ Appendix 5 shows the number of days to finalise 75 per cent of applications for Family program visa categories for 2018–19 to 2021–22 (see also paragraph 3.23–3.29).

Caseload

1.23 Wait times are influenced by the size of the existing caseload of visa applications. Factors contributing to the size and profile of the caseload are: the number of places allocated annually to a permanent visa program; the volume, completeness and complexity of applications lodged; the directed priority of processing; and the allocation of processing resources.

1.24 Home Affairs refers to visa applications which are being assessed as the ‘application pipeline’.⁴⁵ Appendix 6 shows the caseload for Family Migration Program categories for

41 The government announced the review as part of the outcomes of its Jobs and Skills Summit (1–2 September 2022). Recommendations are intended to be considered in the context of the 2023–24 Budget. Minister for Home Affairs and Minister for Immigration, *Australia’s migration future* [Internet], media release, Parliament House, Canberra, 2 September 2022, available from <https://minister.homeaffairs.gov.au/AndrewGiles/Pages/australias-migration-future.aspx> [accessed 9 November 2022]. The review report is now due to be delivered in March 2023.

42 On 23 November 2022, the Joint Standing Committee on Migration commenced an inquiry into the migration system. See Joint Standing Committee on Migration, *Migration, Pathway to Nation Building*. Terms of Reference are available from https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Migration/MigrationPathway/Terms_of_Reference [accessed 7 December 2022].

43 The Minister for Home Affairs, ‘A migration system for Australia’s future’ [Internet], media release, Parliament House, Canberra, 7 November 2022, available from <https://minister.homeaffairs.gov.au/ClareONeil/Pages/a-migration-system-for-australias-future.aspx> [accessed 12 November 2022].

44 Department of Home Affairs, *Visa processing times — Global processing times* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-processing-times/global-processing-times> [accessed 29 September 2022]. Capped and queued visas which have limits on the number of applications which can be finalised, such as the Parent visa category, are not published.

45 Department of Home Affairs, *2020–21 Migration Program Report* [Internet], Home Affairs, Canberra, 2022, p. 6, available from <https://www.homeaffairs.gov.au/research-and-stats/files/report-migration-program-2021-22.pdf> [accessed 16 November 2022].

2018–19 to 2021–22. At 27 January 2023, the Family program reported 250,484 on hand applications.⁴⁶

Audit approach

Audit objective and criteria

1.25 The objective of this audit was to assess the effectiveness of the department's management of family-related visas. To form a conclusion against the objective, the ANAO adopted the following high-level criteria:

- Is the Family Migration Program effectively planned?
- Are Family Migration Program application lodgement and assessment processes effectively implemented?

Audit scope

1.26 The audit focused on Home Affairs' administration of the Family program, including the Partner, Child, Parent and Other Family visa categories. The audit did not examine the role of migration agents or arrangements for the investigation of visa fraud and integrity.

Audit methodology

1.27 In conducting the audit, the ANAO:

- examined the department's policy documents, procedures and operational reports;
- conducted meetings with departmental staff, including staff in the Melbourne, Brisbane and Perth offices, as well as Dubai, Amman, Ankara, New Delhi and London offices;
- conducted walk-throughs of relevant visa processing systems; and
- considered citizen contributions to the audit.

1.28 The audit was conducted in accordance with ANAO Auditing Standards at a cost to the ANAO of \$630,000. Team members for this audit were Judy Lachele, Glen Ewers, Edwin Apoderado, Rebecca Helgeby, Jessica Kanikula, Dr Cristiana Linthwaite-Gibbins, Michael Dean, Stuart Atchison, Song Khor, Tex Turner, Zhiying Wen, and Alex Wilkinson.

46 First stage Partner visa applications made up 22 per cent of the caseload, and 20 per cent were second stage Partner visa applications. Parent applications comprised 53 per cent of the caseload.

2. Planning

Areas examined

This chapter examines whether the Department of Home Affairs' planning for the design and delivery of Australia's Family Migration Program is effective.

Conclusion

Home Affairs provides largely effective policy advice to the government to support the design of the annual Family Migration Program, but consultation processes do not directly engage those affected by proposals. The department's business and risk planning largely support delivery of the program to meet government objectives.

Areas for improvement

The ANAO identified three opportunities for improvement. It suggested that Home Affairs strengthen its annual reporting to government to include advice on the outcomes of community consultation and its performance in managing the visa caseload. The ANAO also suggested that divisional business plans clearly link operating risks and controls to the sources of risk affecting the delivery of the migration program.

2.1 Advice to government on Australia's Family Migration Program (Family program) should be based on evidence and include information about the views of those affected by policy proposals and the program's implementation.⁴⁷

2.2 Effective planning of the Family program better prepares Home Affairs to deliver against priorities set by government and meet the intent of its policies. Planning should be complemented by appropriate governance arrangements to ensure effective implementation of the program.

Does the department provide relevant and appropriate advice to the government?

Home Affairs' policy advice responds to government priorities and is largely informed by appropriate evidence. Submissions generally do not report to government on the outcomes of consultations conducted with stakeholders of family migration. Advice to support the review of the department's performance against annual Family Migration Program planning levels is not complete in its analysis of effectiveness and efficiency.

Home Affairs' support to the government's decision-making

2.3 The government determines the permanent migration program each year as part of the Budget process. It considers advice and options for granting Skilled and Family program visas for the next financial year set out in an annual submission.

2.4 The government sets an overall limit ('planning level' or 'ceiling') and specifies the number of places for each of the visa categories within the limit. From 2012–13 to 2018–19, the total

47 Department of the Prime Minister and Cabinet, *Policy Hub — 'Well-informed'* [Internet], PM&C, Canberra, available from <https://www.policyhub.gov.au/approach/well-informed#:~:text=What%20does%20it%20mean%20to,be%20affected%20by%20the%20policy.&text=Reviewing%20quantitative%20data%20is%20usually%20our%20first%20port%20of%20call> [accessed 29 October 2022]. See also C Althaus, P Bridgman and G Davis, *The Australian Policy Handbook*, 6th edition, New York, 2020, pp. 116–132.

number of visas available under the permanent migration program was 190,000.⁴⁸ This level was reduced to 160,000 between 2019–20 and 2021–22. On 2 September 2022, the government announced a planning level of 195,000 for 2022–23.⁴⁹

Consultation processes

2.5 Key considerations in government decision-making on migration include: population trends; its social and economic policy objectives; state and territory priorities; stakeholder advice; and public opinion. Home Affairs engages with its minister throughout the development of the annual submission. It also provides extensive information about the status and key issues affecting the visa caseload through: weekly dashboard reports; ‘deep dive’ briefings; and ministerial briefings.

2.6 The department proposes an annual plan to the Minister for consulting with stakeholders to inform the development of the submission. This consultation process involves:

- seeking the views of state and territory governments;
- facilitating roundtable discussions with industry stakeholders and academics;
- obtaining advice from Australian Government entities on the implications of migration policy and program activity for their portfolio; and
- releasing a discussion paper inviting submissions from the public.

2.7 The department does not engage directly with community representatives or organisations.⁵⁰ Home Affairs advised the ANAO that it brings its public discussion paper to the attention of community networks through its Regional Directors and Community Liaison Officers.⁵¹ Basic details of meetings are recorded in spreadsheets, but there is no specific record of consultation on Family program migration proposals.⁵² Submissions from members of the public in response to the department’s discussion paper were recorded and analysed for the 2021–22 migration program.

48 The 30-year average before 2012–13 was 120,000.

49 The March 2022 Budget set a planning level of 160,000 for 2022–23. See Minister for Immigration, Citizenship and Multicultural Affairs, ‘2022–23 Budget supports skilled migration to drive a stronger future’ [Internet], media release, Parliament House, Canberra, 29 March 2022. In September 2022, the planning level was revised to 195,000. Minister for Home Affairs and Minister for Immigration, Citizenship and Multicultural Affairs, *Australia’s migration future* [Internet], media release, Parliament House, Canberra, 2 September 2022, available from <https://minister.homeaffairs.gov.au/AndrewGiles/Pages/australias-migration-future.aspx> [accessed 9 November 2022].

50 The department conducts roundtables with researchers which may include discussion of specific initiatives proposed for the family component of the migration program. An example of this was a meeting with researchers on measures to address the exploitation of women that can occur in the visa application process.

51 The department’s website states that it engages with a wide range of cultural, religious and ethnic community stakeholders, including multicultural peak bodies, not for profit organisations and service providers. See Department of Home Affairs, *Community Engagement* [Internet], Home Affairs, Canberra, available from <https://www.homeaffairs.gov.au/about-us/our-portfolios/social-cohesion/community-engagement> [accessed 19 November 2022].

52 Issues are captured under category headings (e.g.: ‘Women’, ‘Visa–Other’, ‘Inclusion and Belonging’). Further information about Home Affairs’ community engagement processes is available in the ANAO’s performance audit of Home Affairs’ management of its public communications and media activities. See Auditor-General Report No.14 2022–23 *Department of Home Affairs’ Management of its Public Communications and Media Activities*, paras. 2.66–2.74.

2.8 While the main focus of consultation is the Skilled program, some advice on levels of support for family migration is included in annual submissions.⁵³ Home Affairs advised that it takes community feedback into account when it develops planning options for the government.

Opportunity for improvement

2.9 There is scope for the department to explicitly set out how its advice reflects consideration of community views.

Alignment with policy priorities

2.10 Entities should ensure that proposals put to government relate to the delivery of its priorities. The government's priorities for the delivery of the visa program were adjusted in 2017 and 2022.

2.11 In 2017, the government considered a 2016 report by the Productivity Commission on Australia's migrant intake. The report recommended improving advice to the government on annual migration by including consideration of Australia's capacity to 'absorb' levels of migration.⁵⁴ In response, the department provided advice to the government to support:

- engagement with state and territory governments on population planning⁵⁵;
- its consideration of a lower planning level to reduce pressure on infrastructure and essential services, particularly in major cities; and
- its understanding of the net economic outcomes delivered by migration.

2.12 In 2018, the department proposed to provide more comprehensive advice in its annual submission on the relative benefits and costs of migration from a 10-year perspective. This included drawing on a new costing model (developed by the Treasury) and enhanced consultation across

53 As an example, in March 2021, the department advised its minister of stakeholder interest in increasing the planning level for the Partner visa program and the department's processing capacity as an increasing backlog could reduce Australia's attractiveness as a destination for migrants.

54 Productivity Commission, *Inquiry Report Overview and Recommendations, No. 77, Finding 3.1* [Internet], PC, Canberra, 2016, pp. xvi, 37, available from <https://www.pc.gov.au/inquiries/completed/migrant-intake/report/migrant-intake-report.pdf> [accessed 9 November 2022]. The report described 'absorptive capacity' as 'the capacity of the market and non-market sectors to respond to the increased demand for goods and services induced by immigration and population growth' (p. xvi).

55 In November 2018, the Prime Minister announced an intention to consult with state and territory governments on the development of a longer-term population strategy. See Prime Minister, '2018 Project Sydney Bradfield Oration' [Internet], address, Sydney, 19 November 2018, available from <https://web.archive.org/web/20190305095511/https://www.pm.gov.au/media/address-2018-project-sydney-bradfield-oration> [accessed 19 January 2023]. On 12 December 2018, the Council of Australian Governments (COAG) agreed to consider a framework for national population and planning. The government released a Population Plan in 2018. COAG agreed to the National Population and Planning Framework in February 2020. See Australian Government Centre for Population, *Planning for Australia's Future Population* [Internet], Centre for Population, Canberra, 2020, available from <https://population.gov.au/publications/publications-planning-future> [accessed 9 November 2022].

government.⁵⁶ Migration proposals establish visa grant levels for a single financial year and have not incorporated the proposed 10-year perspective.

2.13 The department provided advice to support the government's decision-making on the 2022–23 migration program in August 2022, including presenting options aimed at addressing continuing workforce shortages and the longer-term implications of Australia's ageing population.⁵⁷ Advice to government since August 2022 has supported the development of a longer-term policy framework to guide annual decision-making.

Advice on responding to the COVID-19 pandemic

2.14 Home Affairs prepared appropriate advice to the government to reflect conditions for migration created by the COVID-19 pandemic. The government agreed to the department's proposals:

- a temporary shift from a 70–30 per cent split to a 50–50 per cent split between the Skilled and Family programs for 2020–21 to take account of reduced demand for skilled visas; and
- a return to a 70–30 per cent split between the Skilled and Family programs in 2021–22 to respond to critical labour shortages.

Setting planning levels

2.15 Decisions on the size and composition of the migration program enable the government to implement its migration policy. The department's advice to government includes information about the economic and social outcomes expected from its delivery against agreed planning levels.

2.16 In 2016–17, the government agreed to a proposal to adopt the term 'planning ceiling' to establish an upper limit rather than a minimum number of visas to be finalised by the end of the financial year. In 2018–19, the department advised the government to reduce the planning ceiling for the following year from 190,000 to 150,000 to better reflect its capacity to process visas.^{58,59} The government agreed to a planning level of 160,000, with the original level to be reinstated in 2023–24.

2.17 The use of annual planning ceilings may increase uncertainty about the actual number of visas likely to be granted by the end of the year, reducing the government's ability to determine if

56 The Treasury's model supports analysis of the lifetime fiscal impact of migrants and the expenditure and revenue budget implications of migration at Australian and state and territory government levels. Costs and benefits are assessed for individual visa categories and the program as whole. The submission noted that the Partner visa category delivered a net lifetime benefit of \$3.3 billion. By comparison, the Parent visa category cost \$1.2 billion. The planning level for this category was subsequently lowered from 7371 in 2019–20 to 4500 in 2020–21 in favour of Partner visa places.

57 The Treasury, *2021 Intergenerational Report* [Internet], Treasury, Canberra, 2021, p. viii, available from https://treasury.gov.au/sites/default/files/2021-06/p2021_182464.pdf [accessed 10 November 2022]. The report forecast slower population growth over the next 40 years and a decrease in the ratio of working-age people compared to those aged over 65 years from four to 2.7. Migrants are typically younger than the general population and help to increase the ratio of the working age population.

58 The department advised the government that by not treating planning levels as targets, it would not come under pressure to accept lower quality applicants.

59 Places available under the Family Migration Program (Family program) have ranged from 51,082 to 80,300 between 2018–19 and 2022–23.

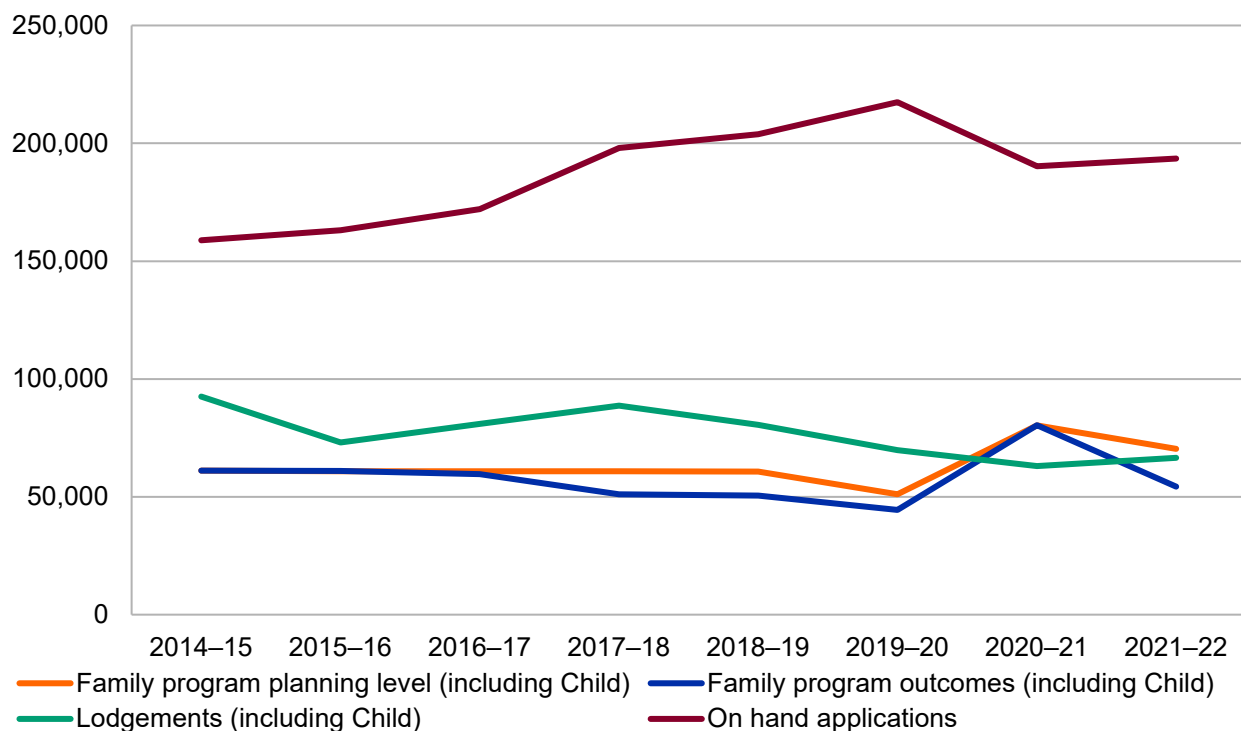
its policy and fiscal objectives will be achieved.⁶⁰ Advice to government should indicate the department's confidence in being able to achieve targets and deliver against its policy objectives. Home Affairs' advice to support the government's October 2022–23 Budget addressed these limitations. It included appropriate information about the likely level of risk associated with each of five planning ceiling options presented for the delivery of the migration program.⁶¹

Advice on program implementation

Achievement against planning levels

2.18 Analysis of past performance can help set appropriate expectations and inform decisions about delivery going forward. From 2016–17, the department's delivery against the overall planning level of 190,000 (for both Family and Skilled programs) began to decline.⁶² Figure 2.1 shows the number of Family program visas granted from 2014–15 to 2021–22 compared with the number of places made available by the government for that year. It also shows the number of lodgements and size of the caseload during this period.

Figure 2.1: Home Affairs' delivery against planning levels for the Family Migration Program from 2014–15 to 2021–22



Notes: The figure includes Child visa places, as the number of Child visas granted count toward the total migration program outcome.

The Family program planning level in 2014–15 was 61,085. Between 2015–16 and 2017–18 it decreased to 60,885. In 2018–19 the planning level was set at 60,750. This was reduced to 51,082 in 2019–20, before increasing to 80,300 in 2020–21 and 70,300 in 2021–22.

60 Fiscal objectives refer to the expected net economic benefits of the migration program, as well as levels of revenue generated through visa processing fees and charges.

61 The risks identified related to the delivery of the migration program as a whole.

62 Performance against the total planning level declined by 3.4 per cent in 2016–17, 14.5 per cent in 2017–18, 15.6 per cent in 2018–19.

Public migration program statistics and reports are available on the Home Affairs website at <https://www.homeaffairs.gov.au/research-and-statistics/statistics/visa-statistics/live/migration-program> [accessed 19 January 2023].

Source: ANAO analysis of public information and data provided by Home Affairs.

2.19 Achievement against Family visa planning levels declined from 2016–17 to 2019–20, and in 2021–22.⁶³ As the government generally requires the department to maintain a 30–70 per cent division between the number of Family and Skilled program places granted, the decline impacted both programs proportionately.

2.20 The temporary shift to an even split between the Skilled and Family programs for the 2020–21 migration year increased the number of available Family visa places by 57 per cent compared with the previous year.⁶⁴ The department achieved the planning levels for the Family program and the Skilled program.

2.21 In 2021–22, Home Affairs delivered 143,556 places against an overall ceiling of 160,000.⁶⁵ In this year, 10,000 Partner visa places were transferred from the Family to the Skilled program. This resulted in a reduction in the planning level for the Family program from 80,300 to 70,300 places, with the number of places available under the Partner visa program reduced from 72,300 to 62,300 places. The department delivered 77 per cent of the revised planning level for the Family program and 74 per cent of the Partner program level.⁶⁶

Analysis of performance

2.22 The department's advice to government from 2016–17 to 2019–20 did not detail the downward trend in achievement against planning levels or analyse its implications for the government's objectives. Since 2020–21, Home Affairs' advice to the government has provided information about its achievement of planning levels. This is referred to as a 'reconciliation' and consists of a table which shows the number of visa places made available by the government and the number granted for each of the Skilled and Family program visa categories.⁶⁷ Since 2019–20, the department has cited: higher numbers of high-risk cases; its increased attention to older and more complex applications; and increased rates of refusals as reasons for not achieving expected levels of finalisation.^{68,69}

63 The Family program planning levels announced by the government in October 2022 indicate an overall decrease in 2022–23 of around 20 per cent compared with 2021–22. See Department of Home Affairs, *Migration program planning levels* [Internet], Home Affairs, Canberra, 2022, available from <https://immi.homeaffairs.gov.au/what-we-do/migration-program-planning-levels> [accessed 20 February 2023].

64 A total of 80,300 places were allocated to the Family program (including Child) and 79,600 to the Skilled program.

65 Department of Home Affairs, *2021–2022 Annual Report* [Internet], Home Affairs, Canberra, 2022, p. 99, available from <https://www.homeaffairs.gov.au/reports-and-pubs/Annualreports/home-affairs-annual-report-2021-22.pdf> [accessed 9 November 2022].

66 A total of 54,294 Family program visas were granted against a revised planning level of 70,300 (including the Child visa category), with 46,288 Partner visas granted against the revised planning level of 62,300.

67 This was decided by the government, on the advice of the Treasury, as part of its consideration of 2019–20 migration planning.

68 In 2019 and 2020, submissions included a table showing the number of visas granted against the previous year's planning levels. In 2021, the submission included a combined summary of achievement for 2019–20 and 2020–21, noting the impacts of COVID-19 on delivery. In its 2022 submission for the 2022–23 migration package, the department provided a table showing lodgements, outcomes and the status of the caseload.

69 Only applications which are granted contribute to the planning level limit.

2.23 As part of its proposal for the 2021–22 migration program the department outlined the impacts of the COVID-19 pandemic on the rate of visa application lodgements and its processing capacity in 2019–20 and 2020–21. The department revised down its projections for delivering against the total planned migration outcome by the end of the program year. As reasons for this, the department pointed to a reduced rate of lodgement due to fewer migrants entering Australia and a large number of complex applications which could not be readily drawn on to meet the planning level.⁷⁰

2.24 The department's advice supporting the March 2022 migration program focused on addressing the government's objectives for economic recovery following the reopening of Australia's border. It did not provide information about achievement against planning levels to that point. No explanation was provided in advice to the government in August 2022 of underachievement in the previous year.⁷¹

Capacity to implement government objectives

2.25 Home Affairs' advice to government has commented on: factors affecting processing times, such as application risk; rates of lodgement; and the effect of limits on visas. When advising the Minister on the 2022–23 migration program in March 2022, the department advised that increasing the size of the program would affect visa processing times. It also identified processing inefficiencies relating to its ICT infrastructure (see paragraph 1.15).

2.26 In developing its advice, the department seeks information from visa delivery offices to gauge their capacity to deliver proposed planning levels. It is not evident that advice to the government is based on a systematic approach to analysing processing capacity and that this materially informs planning levels. Information about the efficiency of Home Affairs' operations would enable the government to better understand the department's ability to meet its expectations.⁷² While the department describes a range of activities aimed at increasing efficiency in its advice to government, it does not provide information about its actual level of efficiency.

2.27 Since April 2021, the department has provided information about the number of unfinalised applications (the caseload) for each visa category of the Skilled and Family programs as part of reporting on its achievement of set planning levels (see paragraph 2.22).⁷³ This reconciliation is not accompanied by an analysis of key factors affecting the size and age of visa caseloads.

70 Achievement against the agreed planning level for 2020–21 was approximately 30 per cent below the expected level for that point in the year. The department advised that while application numbers for onshore Partner visa classes (820 and 801) would remain relatively high at the end of the program year, travel restrictions affected the ability of offshore Partner visa applicants (subclasses 309, 100 and 300) to meet requirements to demonstrate they were in genuine relationships.

71 In relation to the Partner visa program, Home Affairs granted 46,288 visas against a planning ceiling of 62,300. Its 2021–22 annual report explained that this was due to reduced pipelines, particularly for the first stage Partner visa program. It also noted that the number of applications in the backlog had reduced to 64,111 by the end of 2020–21. Department of Home Affairs, *2021–2022 Annual Report* [Internet], Home Affairs, Canberra, 2022, p. 99.

72 The Auditing and Assurance Standards Board defines efficiency as 'the performance principle relating to the minimisation of inputs employed to deliver the intended outputs in terms of quality, quantity and timing'. See Auditing and Assurance Standards Board, *Standard on Assurance Engagements ASAE 3500: Performance Engagements* [Internet], AUASB, Melbourne, 2017, p. 10, available from https://www.auasb.gov.au/admin/file/content102/c3/ASAE-3500_10-17.pdf [accessed 7 October 2022].

73 The department set out the impacts of the COVID-19 pandemic on visa finalisations and provided information about levels of on hand cases for each visa category from 1 July 2020 to 28 February 2021.

Opportunity for improvement

2.28 Home Affairs could provide complete information to the government relating to the department's performance against planning levels and its management of the visa caseload, as part of its reconciliation of performance in delivering the annual migration program.

Does the department's implementation planning provide a sound basis for achieving the government's policy and program objectives?

Home Affairs conducts appropriate implementation planning and has effective business planning processes to guide the implementation of the Family Migration Program. There is a need for the department to more clearly set out its planning for the delivery of demand-driven programs, including for managing increases in demand for visa places.

Planning for the delivery of the migration program

Strategic planning

Corporate Plan

2.29 An entity's corporate plan is its primary planning document.⁷⁴ Corporate plans are developed at the beginning of an annual reporting cycle to set out how an entity will achieve its purposes and success will be measured.⁷⁵

2.30 Under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the purposes of a Commonwealth entity are defined by its objectives, functions or role. The description of purposes and activities in the corporate plan is the basis of meaningful performance reporting.⁷⁶ The plan should outline how the entity's activities will lead to the achievement of its purposes.

2.31 Purpose 2 of Home Affairs' Corporate Plan is to 'support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs'.⁷⁷ Two key activities contribute to Purpose 2, the first of which is the 'effective design,

74 Department of Finance, *Resource Management Guide No. 132 — Corporate plans for Commonwealth entities* [Internet], Finance, available from <https://www.finance.gov.au/government/managing-commonwealth-resources/new-corporate-plans-commonwealth-entities-rmg-132/what-corporate-plan> [accessed 16 November 2022].

75 *ibid.*

76 The Commonwealth performance framework consists of the *PGPA Act*, the accompanying PGPA Rule 2014 and guidance issued by the Department of Finance. Department of Finance, *Resource Management Guide 131 — Developing good performance information* [Internet], Finance, Canberra, 2015, p. 10, available from <https://www.finance.gov.au/sites/default/files/2019-12/Resource%20Management%20Guide%20No.%20131%20%281%29.pdf> [accessed 16 November 2022].

77 Department of Home Affairs, *2022–23 Corporate Plan* [Internet], Home Affairs, Canberra, 2022, p. 43, available from <https://www.homeaffairs.gov.au/commitments/files/corporate-plan-2022-23.pdf> [accessed 2 October 2022]. This aligns with the department's Portfolio Budget Statements for 2022–23. See Australian Government, *Portfolio Budget Statements 2022–23 Budget Related Paper No. 1.10* [Internet], Commonwealth of Australia, Canberra, 2022, p. 38, available from <https://www.homeaffairs.gov.au/reports-and-pubs/budgets/2022-23-home-affairs-pbs-full.pdf> [accessed 18 November 2022].

delivery and assurance of immigration programs’.⁷⁸ This activity, when carried out effectively, is intended to directly support the creation of ‘a prosperous and united Australia’.

2.32 For 2022–23, Home Affairs has established four performance measures, expressed as targets, which relate to activities relevant to the design, implementation and evaluation of the permanent migration program (see Table 2.1).⁷⁹

Table 2.1: 2022–23 Home Affairs Corporate Plan

| Activity 2.1: Immigration and Humanitarian Programs | | |
|--|----------------|--|
| Measure: 2.1.1: Effective design, delivery and assurance of immigration programs | | |
| # | Phase | Targets |
| 14 | Design | 70 per cent of surveyed public and state government stakeholders are satisfied with the consultation process used to develop policy advice for government on the Annual Migration Program (size and composition). |
| 15 | Implementation | The Migration Program is delivered within the planning ceiling and is consistent with priorities set by the government. |
| 16 | Implementation | Visa processing times (from application to point of finalisation) for new applications are reduced. |
| 17 | Assurance | The proportion of visa and status resolution decisions subject to quality assurance activities, and the proportion of errors identified through these activities, is consistent with the pre-determined sample size and error rate set by programs across all locations. |

Source: Department of Home Affairs Corporate Plan 2022–23.⁸⁰

Business planning

2.33 Internal planning ensures there is a shared understanding of how the government’s strategic priorities are to be achieved through the department’s management and service delivery approach. Divisions within the Immigration Group (IG) develop business plans as part of the department’s annual planning cycle. The plans describe the division’s operating environment and set out its budget, work priorities and responsibilities.

2.34 Immigration Programs Division (IPD) is the lead division responsible for delivering the permanent and temporary immigration programs. Its business plan for 2022–23 describes government objectives and operational priorities. Business plan objectives include ‘efficient and accurate visa decisions, at a pace and volume that will see reductions in on-hand caseloads and improvements in visa processing times’, as well as specific and measurable targets.⁸¹

2.35 The ANAO’s review of business planning indicates divisional priorities were aligned with corporate plan objectives. Effective business planning for the migration program relies on clear

78 Department of Home Affairs, *2022–23 Corporate Plan* [Internet], p. 37. The second performance measure under Purpose 2 is: ‘Effective design and delivery of humanitarian and settlement programs, and resettlement’.

79 Department of Finance, *Resource Management Guide 131 — Developing good performance information* [Internet].

80 Department of Home Affairs, *2022–23 Corporate Plan* [Internet], pp. 43–44.

81 An example of a measurable target is ‘reduc[ing] the first stage Partner visa application on hand caseload by four per cent to 45,000, with processing times at seven months for median processing and 11 months for 75 per cent of caseload’.

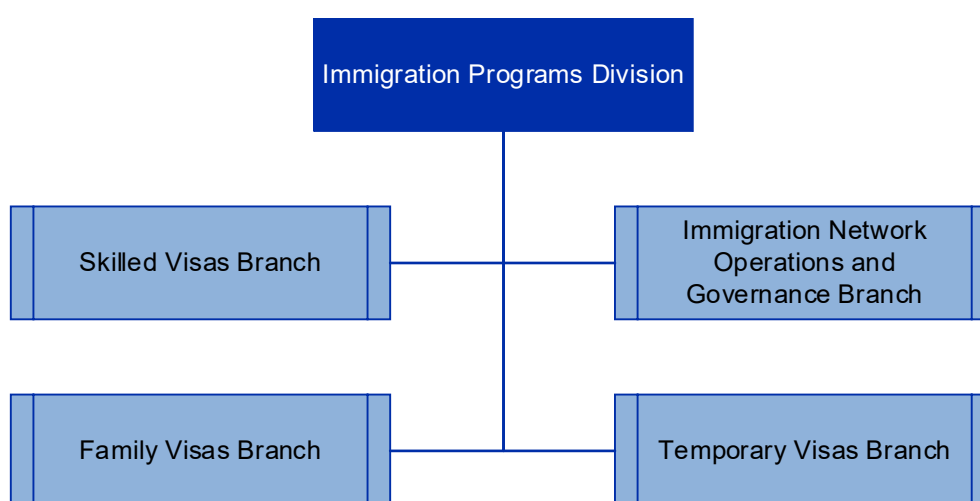
understandings of how elements of the program contribute to the achievement of the Group's objectives. Home Affairs advised the ANAO in October 2022 that it had commenced work on establishing a program management framework to clarify roles, responsibilities and functions within the Group. This is also intended to support standardising operational policies and processes and its management of stakeholder engagement, program quality, risk and performance across the migration program.

Operational planning

Branch level planning

2.36 Key branches responsible for delivering the migration program are shown in Figure 2.2.⁸² Until 2020–21, the Skilled and Family programs were administered by a single branch.

Figure 2.2: Key areas responsible for managing the migration and temporary visas program



Source: ANAO analysis of information provided by Home Affairs.

2.37 The Family program is managed as a sub-program by the Family Visas Branch. Branches are not required to have a business or sub-program plan. To demonstrate program planning, Home Affairs provided the ANAO with a document produced by the Family Visas Branch in May 2022 to support a 'Deep Dive' discussion of the 2021–22 Family program. The document provided information on the status of program delivery, including:

- the number of lodgements, finalisations, grants and refusals;
- visa processing times;
- citizenship country of visa applicants; and
- the age of cases (up to and greater than 24 months).

2.38 The deep dive process indicates the branch identified processing priorities and analysed delivery issues and constraints.

82 There are four other branches in the division, with responsibilities for governance, outreach and engagement, and aspects of program management. Department of Home Affairs, *Organisational structure* [Internet], Home Affairs, Canberra, 2023, available from <https://www.homeaffairs.gov.au/about-us-subsite/files/home-affairs-org-structure.pdf> [accessed 20 February 2023].

Network planning for delivery

2.39 The ANAO examined Home Affairs' processes for delivering directions set by the government and management based in Canberra through the visa processing network. Since 1 March 2023, Regional Directors have been accountable to the new position of Group Manager Immigration Operations for achieving processing objectives.

2.40 Home Affairs' national office in Canberra consults with Regional Directors when developing the department's annual submission to government. Following the government's decision on the migration plan, delivery offices are consulted on the allocation of processing targets. Regional Directors and their respective regions, comprising several offices each, are responsible for planning and managing local resources to achieve their targets. The Immigration Network Operations and Governance Branch monitors the allocation of resources over the program year, and may request changes to the distribution of resources to manage delivery of the division's priorities.

2.41 In meetings with the ANAO, staff in processing offices indicated that operational planning is undertaken after the size and composition of the annual program has been determined.⁸³ This includes: developing processing strategies which consider their existing caseload; operating conditions; and staffing numbers and capabilities. Allocations may be adjusted at different points in the year to reflect changes in processing capacity.

2.42 The ANAO identified activities which support day-to-day operational planning and alignment of activity with business objectives:

- communication between the division head of Immigration Programs and Regional Directors, and a reporting line back to this position;
- the use of a Community of Practice forum to discuss planning issues and share information about operations and performance;
- centralised allocation of cases to delivery offices and on-going monitoring of allocations to offices;
- appointment of officers responsible for ensuring delivery against each visa program for each office⁸⁴; and
- regular monitoring of delivery against planning priorities, targets and efficiency measures.

2.43 The Immigration Network Operations and Governance Branch (INOG) regularly provides advice to the Minister and the Executive on the department's progress in achieving planning targets. It also distributes information to policy and delivery managers on visa processing activity across delivery units.

Planning to manage demand — Child and Partner visa programs

2.44 Section 87 of the *Migration Act 1958* (the Act) exempts Partner and dependent Child visa applicants from limits imposed under section 85. However, in determining the size, composition and resourcing of the annual migration program, the government establishes an administrative

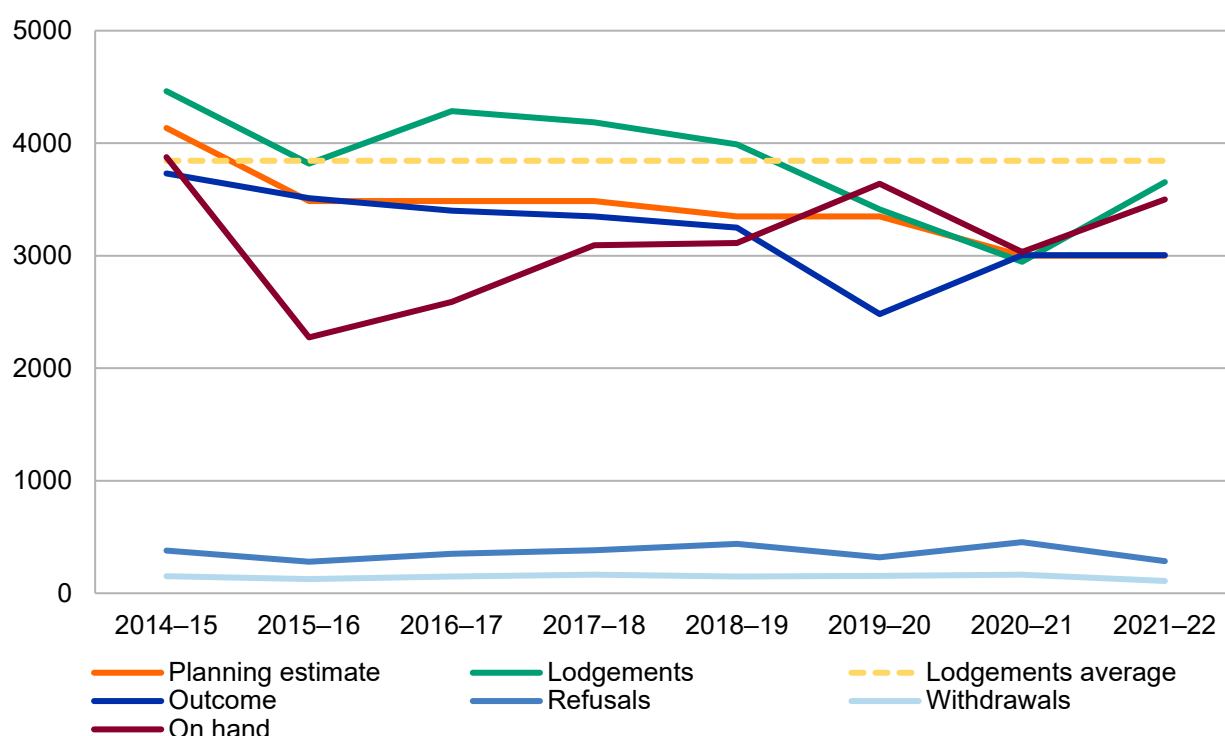
83 The government has not always made decisions on migration planning before the commencement of the financial year.

84 Offshore Regional Directors are responsible for delivery against all migration programs by offices in their region.

upper limit (total migration ceiling). Planning for the delivery of the Child visa program considers the ceiling set for the migration program, and the number of visas granted count toward this.

2.45 Since 2015–16, the government has determined that the Child visa program is to be managed on a demand-driven basis. The department establishes planning estimates as part of its budget proposal and for the purposes of allocating processing resources. Annual planning estimates proposed to government should broadly align with the level of demand for Child visa places.⁸⁵ Figure 2.3 shows the planning estimates and the number of visa applications lodged and on hand from 2014–15 to 2021–22.

Figure 2.3: Child visa program planning levels and outcomes compared with lodgements and on hand between 2014–15 and 2021–22



Note: Only visas granted contribute to the program year outcome. The outcome does not include refused or withdrawn applications.

Source: ANAO analysis of data provided by Home Affairs.

2.46 Figure 2.3 indicates that planning proposals have not reflected demand for Child visas, except during the COVID-19 pandemic when there were fewer applications lodged. From 2014–15 to 2021–22, the average number of applications lodged was 3844.

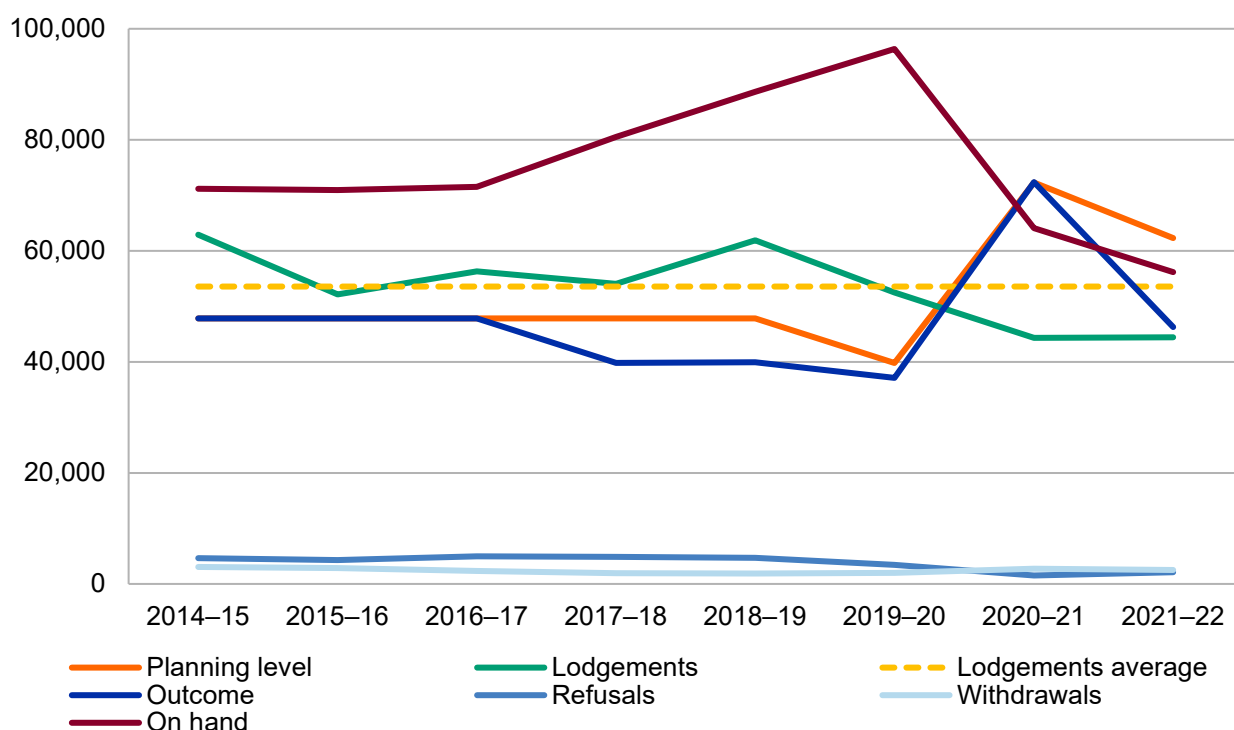
2.47 Home Affairs advised the ANAO that Child visa cases are generally complex and may take longer than a year to finalise. As complexity affects each year's caseload, these factors should be factored into planning. The department should set out for the government the existing visa caseload and its forecast of future demand and capacity to meet this, considering likely resourcing and the complexity of on hand applications. Planning which does not fully take account of applications

⁸⁵ If demand for places is greater than the planning estimate, grants may exceed the estimate, unlike the operation of a cap.

carried over from previous years is unlikely to result in the annual level of demand being met. In practice, the delivery of the program is planned in the same way as limited visa programs.

2.48 Before 2021–22, migration program outcomes for Partner program visas have either aligned with or under-delivered against annual planning levels, resulting in increases in the caseload and processing times (see Figure 2.4). Following the shift to an even split in available places between the Family and Skilled programs in 2020–21, the Partner visa caseload reduced from 96,361 in 2019–20 to 64,111 by the end of June 2021.

Figure 2.4: Partner (first stage) visa program planning levels and outcomes compared with lodgements and on hand between 2014–15 and 2021–22



Notes: Partner visas are two-stage visas which include a provisional (first stage) visa and a permanent (second stage) visa. To avoid double counting, only first stage Partner visa grants count toward the migration program. The data in this figure captures first stage Partner visa grants only.

Only visas granted contribute to the program year outcome. The outcome does not include refused or withdrawn applications.

Source: ANAO analysis of data provided by Home Affairs.

2.49 In February 2022, the government agreed to a proposal by the department to manage the Partner visa program on an on-going, demand-driven basis. Home Affairs advised that this would assist in mitigating growth in the application pipeline and processing times.

2.50 Demand-driven programs are required to be managed within the funding provided through the annual Budget process. Funding allocated to the department for visa processing may be subsequently adjusted in accordance with the government's Variable Visa Funding Model (see paragraph 1.12). The number of applications lodged for demand-driven visa categories is unlikely to remain the same from year to year, with potentially large variances affecting the delivery of the Partner visa program. This could result in unanticipated increases in the level of funding required, if key planning assumptions are not made clear to the government and stakeholders.

Planning for capped programs — Parent

2.51 Section 85 of the Act permits the Minister to determine the maximum number of visas of a specified class or classes in a specified financial year. The capping provision is applied to the Contributory Parent visa, Non-Contributory Parent visa and Other Family visa classes. Home Affairs advised the ANAO that the planning ceilings set by the government reflect government policy.⁸⁶

2.52 Table 2.2 shows the number of lodgements and grants made from 2016–17 to 2021–22, and the number of unfinalised applications for Parent visa applications remaining on hand each year.

Table 2.2: Parent visas — processing activity and program outcomes

| Activity type | 2016–17 | 2017–18 | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|----------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Planning level | 8675 | 8675 | 8675 | 7371 | 4500 | 4500 |
| Outcome | 7563 | 7371 | 6805 | 4399 | 4500 | 4500 |
| Lodgements | 25,000 | 13,590 | 13,246 | 12,664 | 14,827 | 17,606 |
| On hand | 97,065 | 99,965 | 102,854 | 108,659 | 114,359 | 125,233 |
| Grant rate | 94 per cent | 94 per cent | 94 per cent | 81 per cent | 93 per cent | 94 per cent |

Notes: Parent visa figures are a sum of Contributory Parent and Non-Contributory Parent visa categories.

The cap for Parent visa applications increased to 8500 for 2022–23.

Source: ANAO analysis of data provided by Home Affairs.

2.53 The number of unfinalised Parent visa applications in the Parent caseload increased from 2016–17 to 2021–22. However, the number of visas granted between 2016–17 and 2019–20 was less than the cap set by the government. In 2020–21, the cap was reduced from an average of 8349 over the previous four years to 4500 for 2020–21, closer to the department's actual rate of finalisation in the previous year.⁸⁷ Table 2.3 shows the average level of achievement for Family program visa categories between 2016–17 and 2019–20.

Table 2.3: Average achievement against planning levels for Child, Partner, Parent and Other Family visa categories from 2016–17 to 2019–20

| Visa category | Average achievement between 2016–17 and 2019–20 |
|---------------|---|
| Child | 91 per cent |
| Partner | 90 per cent |
| Parent | 78 per cent |
| Other Family | 73 per cent |

Source: ANAO analysis of data provided by Home Affairs.

86 Home Affairs advised the ANAO that: 'The intergenerational report (developed by the Treasury) outlines that the family visa program serves a social purpose, but that migrants in this category generally have lower economic and fiscal dividends. As such, the program must balance the social contributions, departmental resourcing and the economic and fiscal impacts of the program'. See the Treasury, *2021 Intergenerational Report* [Internet], Treasury, Canberra, 2021, available from https://treasury.gov.au/sites/default/files/2021-06/p2021_182464.pdf [accessed 7 December 2022].

87 The department advised the government that an increase in the Parent visa cap for 2022–23 would allow more parents to migrate to Australia and provide support to skilled workers and their spouses.

Identifying and managing risks to delivery

2.54 Risk is the effect of uncertainty on objectives and can be defined as ‘the possibility of an event or activity preventing an organisation from achieving its outcomes or objectives’.⁸⁸ Home Affairs’ Risk Management Framework requires it to identify three types of risk:

- strategic risks posed by external threats;
- enterprise risks which are internal risks that affect delivery against objectives; and
- operational risks resulting from the day-to-day activities of a business at the program and sub-program level.

Strategic context

2.55 Sources of strategic risk are considered in an internal document setting out a 10-year view of broad social, economic and environmental trends most likely to affect Home Affairs’ portfolio operations.⁸⁹ It describes migration as a key component of economic recovery from the pandemic, and identifies Australia’s ageing population; global competition for labour; and the displacement of people as key sources of risk.⁹⁰

2.56 The 10-year outlook is intended to inform policy and planning priorities and the identification of risks by individual business areas. Home Affairs’ Corporate Plan for 2022–23 identifies ‘Manag[ing] Migration and Travel’ as one of 10 priorities.⁹¹ Home Affairs advised the ANAO that its 10-year view and Corporate Plan provide a framework for considering risk at the enterprise, divisional and branch levels.

Risk management approach

2.57 Between 2019–20 and 2020–21, the department identified nine strategic risks, including a strategic risk associated with the migration program. Strategic Risk 9 was: ‘Visa and Migration – Australia’s economic prosperity, security and social cohesion are compromised by a poorly designed, implemented or managed migration and visa program’.

2.58 In 2021, Home Affairs altered its approach to managing risk. Its new framework aims to more closely link operational and enterprise-level risks. Enterprise risks relate to factors within the department’s control which may affect the implementation of government decisions and priorities. Accountability for strategic risks is considered to reside at a whole-of-government level. While internal guidance recognises that effectively managing shared risks requires agreement and the allocation of risk management responsibilities, Home Affairs has not clearly identified how it will

88 Department of Finance, *Implementing the Commonwealth Risk Management Policy — Guidance* [Internet], Finance, Canberra, 2016, p. 5, available from <https://www.finance.gov.au/sites/default/files/2019-11/implementing-the-rm-policy.pdf> [accessed 21 March 2022]. Home Affairs’ Corporate Plan for 2022–23 states that ‘active risk identification and management ... ensures that the Department is effectively addressing the most significant internal risks that may impact the delivery of our key priorities’. See Department of Home Affairs, *2022–23 Corporate Plan* [Internet], p. 26.

89 Key trends relate to: geopolitics; economy and trade; demography and people movement; environment; infrastructure; and science and technology.

90 The median age in Australia is forecast to increase from 37 in 2019 to 40 years in 2031, and the proportion of people aged 65 and over is predicted to increase from 15.9 per cent in 2018–19 to 19.5 per cent by 2030–31.

91 Department of Home Affairs, *2022–23 Corporate Plan* [Internet], p. 16. This states that ‘during 2022–23, the Department will continue to support Australia’s post-pandemic recovery through the effective delivery of its visa and migration programs — specifically, the return of visa holders and tourists’. Its aims include ‘filling critical supply chain and talent gaps and addressing labour shortages’.

manage shared risk relating to the delivery of the migration program with other government entities.

2.59 The department has identified six enterprise risks which relate to enabling functions for its programs and are considered to be within its control to manage. These risks are: people management; security and integrity; organisational compliance; business integration; health, safety and well-being; and business planning.⁹²

2.60 Divisions are required to identify risks that may impact on their ability to achieve their business objectives.⁹³ Immigration Programs Division (IPD) has identified two risks which relate to the enabling function of 'security and integrity'. These are: 'failure to prevent and detect and respond to caseload fraud and risk'; and 'failure to prevent, detect and respond to fraud and corruption within the Department'. Mitigation of these risks is supported by relevant controls, for example: regular program monitoring; analysis and reporting on trends; collaboration with external stakeholders; and targeted investigations.

2.61 The department's risk management framework requires risks to be identified and managed at the business level, with risk reporting integrated with business planning. The intent of this approach is to utilise specialist skills within business units to identify and manage risk on a day to day basis. The Family Visas Branch risk register for 2021–22 identified risk aligned with the division's objectives for the delivery of the migration program. Risks related to: fraud and integrity in the management of the visa caseload; workforce effectiveness; and ensuring decisions are made in accordance with legal, policy, operational and administrative requirements.

Alignment of strategic and enterprise risks

2.62 Enterprise risks identified in division-level business plans do not directly relate to Home Affairs' assessment of sources of social, economic and environmental risk which may impact on the delivery of the migration program. When reviewing and reporting on enterprise risks, divisions may not provide adequate visibility of impediments to achieving program objectives and assurance over how these are being mitigated.

2.63 In June 2022, the Executive of the Immigration Group identified that since the adoption of enterprise risks, business areas no longer reported in a structured way to enterprise-level committees on migration program risks, and there was a lack of coordinated reporting on the efficacy of risk controls. Home Affairs has not clearly articulated how its identification and management of migration program risks align with the potential sources of strategic and shared risk described in its strategic guidance.

Opportunity for improvement

2.64 Business plans at divisional level should clearly link identified risks and controls to sources of social, economic and environmental risk which may affect the delivery of the annual migration program.

92 The six enterprise risks 'recognise that how it operates as an organisation affects its ability to deliver on its purpose, functions and priorities'.

93 Objective 1 of IPD's business plan is to 'deliver Australia's Migration Program' to address skill shortages, improve skill diversity and support higher productivity and wages'. Objective 3 is to 'deliver on government commitments, including by identifying and implementing process improvements to reduce processing times and deliver quality outcomes'. These objectives align with the department's Corporate Plan targets.

3. Implementation

Areas examined

This chapter examines whether the Department of Home Affairs has appropriate arrangements for ensuring it is effective and efficient in its delivery of the Family Migration Program.

Conclusion (and/or findings)

While Home Affairs' arrangements to enable the delivery of the Family Migration Program are appropriate, its implementation of these requires strengthening to ensure the consistent and timely provision of family visa services. The department lacks clear frameworks for measuring efficiency for the purposes of improving business outcomes and systematically managing aged applications.

Areas for improvement

The ANAO made six recommendations aimed at strengthening the department's: analysis of client feedback; arrangements for the prioritisation, risk-tiering and allocation of visa applications; monitoring and assessment of efficiency; remediation of potential delays in visa processing and the finalisation of aged cases. The ANAO also identified seven opportunities for improvement for the department to: strengthen its management of the visa caseload through the documentation of allocation decisions and oversight of mechanisms used at the local level to allocate applications; ensure the department has appropriate policies and processes for monitoring and reporting on potentially delayed applications; clarify processes for remediating areas of errors outside its set tolerance; and address timeliness in the processing of visa applications as part of its quality management processes.

3.1 Effective and efficient visa processing services reduce the time and resources required by the government to process applications and wait times for applicants. Appropriate services to assist clients to lodge a valid application, together with effective case allocation, support efficient visa processing. Effective processes for deciding on visa applications provide assurance that applications are appropriately assessed and clients are advised of outcomes in a timely manner.

Are there appropriate processes to manage lodgement?

Website information to assist applicants to lodge applications under the Family Migration Program is relevant and conveyed in plain language. Routine call centre and complaints reporting does not provide sufficient detail and analysis to support improvements to the delivery of the Family Migration Program. The department determines whether an application is invalid quickly, but communication with clients whose applications move to further stages of assessment is limited.

Access to information before and after lodgement

3.2 To obtain a visa, applicants must first lodge an application. The requirements for a valid application are set out under the *Migration Act 1958* (the Act) and Migration Regulations 1994.⁹⁴

3.3 Accessible public information can support applicants to lodge valid applications. Several documents establish the department's approach to ensuring the accessibility of its public information, including information about the migration program.

- Home Affairs' *Media and Communication Strategy 2021* states that 'information must be accessible to all, taking into account ... diverse audiences'. Its *Channel Strategy 2017–20* (channel strategy) states that the department aims for people to be able to 'access information and services anywhere, at any time, and on a range of devices'.⁹⁵
- The department's *Multicultural Access and Equity Policy Guide* states Home Affairs aims to 'take primary responsibility for identifying, understanding, and responding to the needs of their clients'.⁹⁶

The government's *Digital Service Standard* states that services should be accessible to all users regardless of their ability and environment.⁹⁷

Digital channels

Home Affairs' website

3.4 Home Affairs' channel strategy is directed at encouraging people to 'self-serve through the digital channel for the majority of information and services'. The department advised the ANAO that its website is the preferred method for communication as this is: available 24 hours a day; a lower cost channel; and enables resources to be directed to processing visas.

3.5 The government's Style Manual sets out detailed standards entities should follow when publishing information for the public.⁹⁸ Websites should:

- use short, simple sentences in the active voice;
- provide information relevant to answering key questions; and
- use familiar search terms and be easy to navigate.

94 Section 47(3) of the Act states that the Minister is not to consider an application that is not a valid application. Validity requirements include that the client: has filled in the required form; has paid the first instalment of the Visa Application Charge; is in or outside Australia depending on the requirements of the visa type; if onshore, the client has not previously been refused a visa since last arriving in Australia; and can be appropriately identified.

95 Home Affairs advised the ANAO that its channel strategy 'sets the vision for the [department] for seamless service delivery interactions across channels [and] ... the direction for how the [d]epartment will deliver high quality consistent, cross-channel experiences that leverages technology and digital offerings to deliver migration, custom and trade services'. A new strategy (*Service Delivery Strategy 2023–27*) is being developed as 'a broader high-level document to guide overarching strategic intent and principles for service design and delivery'.

96 Australian Government, *Multicultural Access and Equity Policy Guide* [Internet], Department of Home Affairs, Canberra, 2018, available from <https://www.dta.gov.au/help-and-advice/digital-service-standard/digital-service-standard-criteria/9-make-it-accessible> [accessed 6 October 2022].

97 See Digital Transformation Agency, *Digital Service Standard criteria, 9. Make it accessible* [Internet], DTA, Canberra, available from <https://www.dta.gov.au/help-and-advice/digital-service-standard/digital-service-standard-criteria/9-make-it-accessible> [accessed 30 October 2022].

98 Australian Government, *How to use Style Manual* [Internet], Commonwealth of Australia, Canberra, available from <https://www.stylemanual.gov.au/about-style-manual/how-use-style-manual> [accessed 18 October 2022].

3.6 In November 2021, the department identified that online content was not resolving client queries about Partner visas.⁹⁹ In response, Home Affairs reviewed relevant webpages and made improvements to the content and structure of information and the design of navigation, with changes published on 9 August 2022.

3.7 ANAO testing of the department's website in October 2022 found that information about different visa types and eligibility conditions could be readily located. There was broadly consistent use of plain language, with around 10 per cent of content determined to be 'hard to read'.¹⁰⁰ An interactive feature allowed the user to answer questions that help with identifying options relevant to their circumstances. Information about costs could be accessed via a price estimator or by following links to pricing information for specific visas. Under 'Help and support', information was provided about 'Who can help you with your application?'.

3.8 ANAO testing indicated that while the website could be readily accessed using a mobile device, this reduced the functionality of some navigation menus.¹⁰¹ Information about visas was not available in languages other than English. In advice to the government in 2020, the department noted that the number of migrants who self-identified as not speaking English well had increased. There were also more people migrating from countries whose native language was not closely related to English (e.g.: Mandarin or Arabic).

3.9 To ensure public information is also available to people from non-English speaking backgrounds, the Style Manual recommends user-research.¹⁰² Feedback sought by Home Affairs on its website has informed a project to deliver online translation services. It intends to develop an On-Demand Web Translation tool to allow clients to visit web pages and select to view content in their own language (user testing is scheduled to occur by June 2023).¹⁰³ This would extend the department's capacity to make essential information about Australian visas and visa application processes available to its diverse audiences.

3.10 Since 2021, Home Affairs' website includes advice to prospective clients to provide complete and accurate information at the time of application.¹⁰⁴ This is aimed at reducing the need to issue

99 The department's analysis found that 15 per cent of complaints and 15 per cent of service centre calls related to the Partner visa program.

100 Using a plain language assessment tool, the level of readability was found to be year seven level of education. The government's Web Content Accessibility Guidelines (WGAG) set a plain language requirement that includes text to be accessible to people with a lower secondary education reading level (year seven, or between 12 and 14 years old).

101 Digital Service Standard 9 requires that services 'must be accessible to users regardless of their digital confidence and access to a digital environment. This includes users in remote areas and users with different devices'. See Digital Transformation Agency, *Digital Service Standard criteria, 9. Make it accessible* [Internet]. The ANAO observed some distortions using a latest version mobile phone with navigation menus not always displaying correctly. See 'success criterion' 3.1.5, available from World Wide Web Consortium, *How to meet WCAG (Quick reference), 3.1.5 Reading Level — Level AAA* [Internet], USA, 2019, available from <https://www.w3.org/WAI/WCAG21/quickref/#reading-level> [accessed 7 December 2022].

102 Australian Government, *User research and content* [Internet], Commonwealth of Australia, Canberra, available from <https://www.stylemanual.gov.au/writing-and-designing-content/user-research-and-content> [accessed 18 October 2022].

103 The ANAO's performance audit of the *Department of Home Affairs' Management of its Public Communications and Media Activities* provides further detail about this initiative. See Auditor-General Report No.14 2022–23 *Department of Home Affairs' Management of its Public Communications and Media Activities*, paras. 3.27–3.29.

104 The department advised that since June 2022 more documents are described as 'required', but not providing them does not prevent a visa application from being able to be lodged.

requests for additional information and the time needed to determine validity. The department has not evaluated whether this approach is achieving its objectives.

ImmiAccount

3.11 Applications for Partner and Sponsored Parent (Temporary) visas are required to be lodged using an online account called ImmiAccount.¹⁰⁵ The account guides the applicant in providing mandatory information and allows them to see if their application has been received and is undergoing assessment by the department.¹⁰⁶

3.12 Applicants who lodge an electronic application through ImmiAccount receive an automated letter acknowledging that their application has been received (this does not state that the application is valid). Applications with potential validity issues are referred for manual processing by a central team. Home Affairs advised that it aims to determine the validity of applications within a week of lodgement. If an application is deemed invalid at this time and does not require follow-up, the processing officer issues an invalid notification letter (see paragraphs 3.44–3.47).

3.13 Some family visa clients may wait more than a year for a final decision on their application. During the first 12 months, most applicants do not receive further updates about the status of their application unless there is: a requirement to provide further documentation; the application has been assessed as invalid; or the visa is granted or refused.¹⁰⁷ The department advised the ANAO that its ability to provide updates to clients digitally is limited by its systems, and that ‘the nature of visa processing makes it difficult to breakdown information that would be meaningful and helpful’.

3.14 Applicants do not receive advice that their application is still being progressed in meaningful timeframes. An ‘Application in Progress’ (‘reassurance email’) is automatically generated if a year has passed since the application was lodged or at least six months since the last reassurance email was issued. The letter advises the applicant to log on to their ImmiAccount to check on the status of their application or access website information about global processing times.

105 Department of Home Affairs, *Contact Us* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/help-support/contact-us/offices-and-locations/offices-outside-australia> [accessed 24 August 2022].

106 Some client information is automatically checked through inbuilt controls and matching against the department’s existing information holdings.

107 An internal audit report in 2018 found that lack of updates to the client resulted in processing officers receiving a large number of emails from clients asking for information about the status of their application. Time spent responding to emails reduced efficiency in finalising visa applications.

Call centre services

3.15 Web information may not be sufficient in helping clients to understand all requirements for lodging a valid visa application.¹⁰⁸ Home Affairs' offices are generally not open to the public.¹⁰⁹ Clients are advised to contact its Global Service Centre (GSC) if they cannot find information on the website or their issue is complex. The GSC responds to enquiries from clients in Australia and overseas during standard business hours in the client's local time zone.¹¹⁰

3.16 GSC call operators have access to call handling guidelines and information (termed 'knowledge articles') to help them be consistent in responding to common enquiries. The ANAO reviewed 50 knowledge articles relevant to responding to the top five categories of enquiry to the call centre relating to Family Migration Program (Family program). Where information can be located on the Home Affairs' website, the operator is encouraged to direct the client to this. Operators may escalate issues within the call centre or with a visa team for response. A client who indicates they cannot access the internet is advised of alternative options, for example, to 'visit a friend's house or their local library/internet café'.

3.17 Home Affairs' call centre produces reports which capture the percentage of enquiries for individual visa categories. Standard reporting does not capture:

- the stage of a client's application at the time of enquiry or specific client issue;
- the location of the caller (beyond 'Australia' and 'overseas'); and
- the extent of consistency or quality of call centre responses.¹¹¹

Home Affairs advised the ANAO that requiring this information to be captured would be 'impractical, costly, and would unduly lengthen call answering, handling and response times if applied broadly across all types of calls'.

3.18 The most frequent enquiry to the GSC is a client wanting to check the status of their visa application.¹¹² A call centre operator is able to access information about whether: the application

108 Government policy requires entities to provide alternative ways of communicating with people who cannot access the internet. See: Digital Transformation Agency, *Digital Service Standard criteria, 12. Don't forget the non-digital experience* [Internet], DTA, Canberra, available from <https://www.dta.gov.au/help-and-advice/digital-service-standard/digital-service-standard-criteria/9-make-it-accessible> [accessed 30 October 2022]; and Digital Transformation Agency, *Digital Government Strategy* [Internet], DTA, Canberra, 2021, available at https://www.dta.gov.au/sites/default/files/2021-12/Digital%20Government%20Strategy_web-ready_FA.pdf [accessed 8 October 2022].

109 Home Affairs introduced an 'appointment only model' as part of its *Channel Management Strategy 2017–20*. The department may invite an applicant to schedule an appointment at an office for a specific purpose. Home Affairs advised the ANAO that the approach 'ensures clients do not make unnecessary journeys, do not need to wait for service, and when they do attend Departmental offices, they do so with required information and documents to enable relevant services to be delivered'.

110 From February to April 2022, the GSC received an average of 77,000 calls per month. During the period 1 January 2022 to 31 August 2022, 84 per cent of its calls were from within Australia and 16 per cent from overseas locations.

111 Home Affairs advised the ANAO that limitations in systems capability mean it is unable to report information about the stage of a client's application.

112 A targeted analysis of complaints received through all channels in March 2021 in relation to visa processing found that complaints related to clients: asking about visa processing timeframes or complaining that processing was taking too long (54 per cent); seeking acknowledgement that their application was being progressed; or complaining about a lack of accessible information regarding their application.

has been granted, refused or found invalid; correspondence has been sent; or the application is still being processed.

3.19 Home Affairs advised the ANAO that operators are unable to provide detailed information to clients about when their application is likely to move to the next step or when their visa may be granted because of the limitations of the department's information systems. Operators are advised to inform clients that the department cannot provide status updates and direct them to 'self-service' via the website.

- The only circumstances where an operator may access the client's file for further information about processing times is if the client has waited 'more than double the standard processing time for 90% of applications'. The operator is to '[a]void over-servicing or repeating information, and to close the call'.
- If an application is still being processed, the client is advised that no timeframe can be provided. The client can submit an enquiry to a processing office.¹¹³

Web-based time estimation tool

3.20 Clients may also be directed to a visual tool on the department's website for estimating how long their application could take to finalise (also referred to as the 'Global Visa Processing Time Guide' or 'Guide'). When a client enters the date on which they lodged their application, the Guide indicates whether it falls within or outside the 'standard processing timeframe' for their type of visa. The department's analysis of user feedback in August and September 2022 indicates that there was benefit in providing information in a visual way for non-English speakers. Figure 3.1 provides an example of a visa application that is outside the current processing timeframe, as at 28 October 2022.¹¹⁴

Figure 3.1: Home Affairs website visa processing time estimation tool

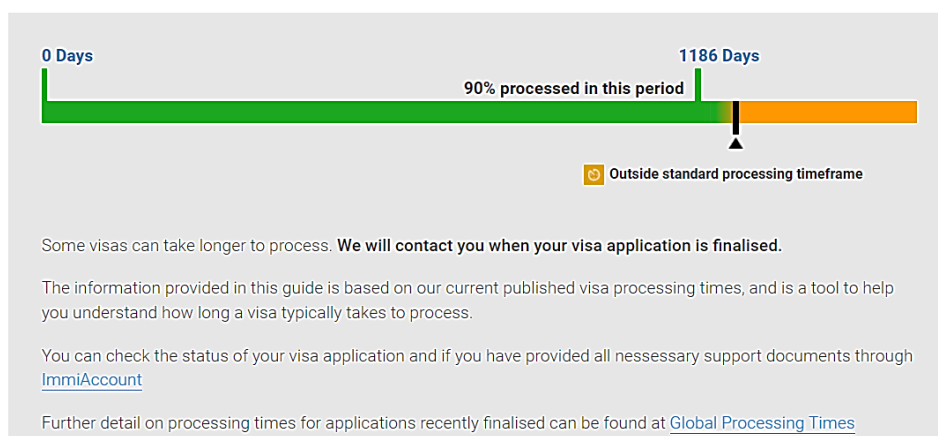
Partner visa (subclass 820)

90% of the visas are processed in 39 Months

Your visa may take longer to process if:

- information required for your application is incomplete or missing
- your application is complex.

Processing time for a Permanent Partner visa (subclass 801 or 100) starts from the date of eligibility. This is 2 years after the combined subclass 820/801 or 309/100 visa



Note: The source information for the estimator is updated when new data is available.

113 In November 2021, the department identified that offices received around 2500 enquiries each week in Partner program group mailboxes.

114 Department of Home Affairs, *Visa processing times guide* [Internet] Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-processing-times/global-visa-processing-times> [accessed 28 October 2022]. The department introduced the publishing of visa processing times in March 2017. This replaced previously published service standards.

Source: Department of Home Affairs, *Visa processing times guide* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-processing-times/global-visa-processing-times> [accessed 28 October 2022].

3.21 The Guide does not provide information on processing times for around half of the Family program visa types.¹¹⁵ The department does not publish information for visa types:

- affected by long processing times;
- for which reported times are not available due to low monthly finalisation rates; and
- for which reported times vary the most from month to month.

These are mostly the capped visa categories which have limits on the number of applications which can be finalised within a program year, such as the Parent visa category. For the visa types included in the Guide, the website provides a link to further detail about the time (shown in days or months) currently required to process a percentage of visas. For clients who fall outside the time in which 90 per cent of applications are processed, there is no ability to check on their visa or seek further information via the website.

3.22 Home Affairs conducted beta testing of the website tool from 26 August to 25 September 2022. During this time, it was used over 343,000 times across all visa types. Feedback from users indicated 28 per cent found the tool useful. Around 36 per cent of comments were from visa applicants who were primarily interested in obtaining specific information about the processing time for their application.¹¹⁶ The department reported a reduction in the overall volume of calls it received on processing times of approximately five per cent.

Global processing times

3.23 In addition to the time estimation tool, Home Affairs' website provides information on a linked webpage which indicates how much time a percentage of visas takes to be finalised, based on recently finalised cases.¹¹⁷ For most of the visa types listed, the website details the number of months required to process a percentage of visas (25th, 50th, 75th and 90th percentiles).¹¹⁸

3.24 The difference in time taken to process 25 per cent of visa applications compared with 90 per cent of visa applications varies according to the type of visa. For example, in February 2023:

- 25 per cent of offshore Partner program visas (first stage, subclass 309) were finalised within four months, with 90 per cent finalised within 30 months; and

115 The times indicated by the estimator do not cover the range of percentiles that may be provided on other web pages for individual visa types.

116 The report did not provide specific information about use of the Guide by Family Migration Program (Family program) visa applicants.

117 Department of Home Affairs, *Visa processing times guide* [Internet]. Processing time is calculated from the date an application is assessed as valid (not the date the application was lodged) to the date on which a final decision is made on the application. For the two stage Partner visa, the processing time for the second (permanent) stage starts from the day the applicant becomes eligible for permanent residency. The United Kingdom's Visas and Immigration Service times the processing of an application from when it is received. See Government of the United Kingdom, National Audit Office, *Reforming the UK border and immigration system* [Internet], London, 2014, p. 19, available from <https://www.nao.org.uk/wp-content/uploads/2014/07/Reforming-the-UK-border-and-immigration-system.pdf> [accessed 8 December 2022].

118 See Department of Home Affairs, *Visa processing times — Global processing times* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-processing-times/global-processing-times> [accessed 19 January 2023].

- 25 per cent of onshore Partner program visas (first stage, subclass 820) were finalised within six months, and 90 per cent were finalised within 37 months.

3.25 Appendix 5 shows the number of days taken to finalise 75 per cent of applications for Partner, Parent, Child and Other Family visa categories for 2018–19 to 2021–22.

3.26 While aimed at managing client expectations, the processing times indicated on Home Affairs' website may not provide a clear picture of the likely wait time, as there can be significant variances from month to month. The ANAO identified that for the first stage Partner visa program in 2021–22, there was a 118-day difference between April 2022 and May 2022, a change in processing time of 18 per cent.¹¹⁹ Home Affairs advised the ANAO that variances indicating increased processing time may reflect the finalisation of older applications.

3.27 In October 2022, Home Affairs provided information about its management of long processing timeframes for the Parent program visa on a separate webpage for that category, including actions taken to resolve discrepancies between onshore and offshore processing times.

3.28 The United Kingdom Visas and Immigration Service introduced service standards in 2014 for the expected time to complete different application types to improve its focus on service outcomes.¹²⁰ The service provides information on its website about its performance against standards for particular visa categories. Clients are advised if their application will not be finalised within the standard.

3.29 Home Affairs previously published time goals for the processing of visas, but abolished these in March 2017 citing client support for reporting global processing times. It reported that this was because 'it has increased transparency and provided clients with current processing times rather than aspirational service standards'.¹²¹

Reporting and analysis of client feedback

3.30 Home Affairs does not monitor caller enquiries at the Family migration sub-program level to identify call trends such as: the country of origin of calls; wait times for offshore Family program visa clients; or repeat calls by applicants.

3.31 Routine analysis of complaints can support business areas in making targeted improvements to their services. The Commonwealth Ombudsman advises entities to record complaints data accurately and in a way that facilitates the identification of trends. There should also be clear responsibility for responding to identified systemic issues and a tracking system to ensure remedial action occurs.¹²² The department's Service Delivery Operations Branch has reported to the

119 This included visa subclasses 300, 309 and 820.

120 Government of the United Kingdom, *About our services* [Internet], Government of United Kingdom, London, available from <https://www.gov.uk/government/organisations/uk-visas-and-immigration/about-our-services#service-standards> [accessed 18 October 2022]. See also United Kingdom, National Audit Office, *Reforming the UK border and immigration system* [Internet], p. 6.

121 Department of Home Affairs, *Annual Report 2016–17* [Internet], Department of Home Affairs, available from, Canberra, 2017, p. 32, available from <https://www.homeaffairs.gov.au/reports-and-pubs/Annualreports/2016-17/Complete.pdf> [accessed 15 October 2022]. The annual report noted 'increasing complexity and risk, resource pressures, and lodgement volumes present challenges in many caseloads', affecting its ability to achieve set performance standards.

122 Commonwealth Ombudsman, *Lessons in good complaint handling* [Internet], Commonwealth Ombudsman, Canberra, 2020, p. 23, available from https://www.ombudsman.gov.au/data/assets/pdf_file/0023/110597/Lessons-in-good-complaint-handling.pdf [accessed 8 December 2020].

department's Executive providing analysis of client feedback received from all channels with the aim of 'driv[ing] changes to content ... and business processes from an evidentiary perspective'.¹²³

3.32 In March 2021, the Service Delivery and Operations Branch observed that 'complaints about processing times stem from a combination of factors, including legislation, Government policy, program priorities, and resourcing'. It proposed addressing complaints about poor information through greater consistency and coordination in the presentation of content, and more information about factors impacting on processing times.¹²⁴

3.33 Staff of the Family Visas Branch are able to subscribe to a report database maintained by the department's central complaints area (the Global Feedback Unit, GFU). Database dashboards provide quarterly complaints statistics under broad categories (e.g.: digital service; policy; processing times; and decision). This data does not provide a sufficient basis for analysing feedback, and there is no evidence that program management regularly identifies issues specific to the Family program. The department advised the ANAO that the GFU had not directly contributed to briefings, or other documents on policy or procedural improvements to the Family program.

123 See also the ANAO's report of Home Affairs' management of public communications and media for information about its identification of areas for improvement. Auditor-General Report No.14 2022–23 *Department of Home Affairs' Management of its Public Communications and Media Activities*, para. 3.43 and Table 3.3. The Executive committee to which reports had been provided (Client Service Delivery and Transformation Committee) was disbanded on 1 November 2022 following changes to the department's higher-level governance arrangements. As at 13 February 2023, new arrangements had not been confirmed.

124 Home Affairs' analysis identified that two of three processing enquiries to the call centre related to visa processing times, and 84 per cent of clients contacting its parliamentary liaison network sought reassurance that their application was being progressed.

Recommendation no. 1

3.34 The Department of Home Affairs establish processes for capturing meaningful client feedback from all sources to enable it to identify opportunities to improve the provision of service to clients of the Family Migration Program.

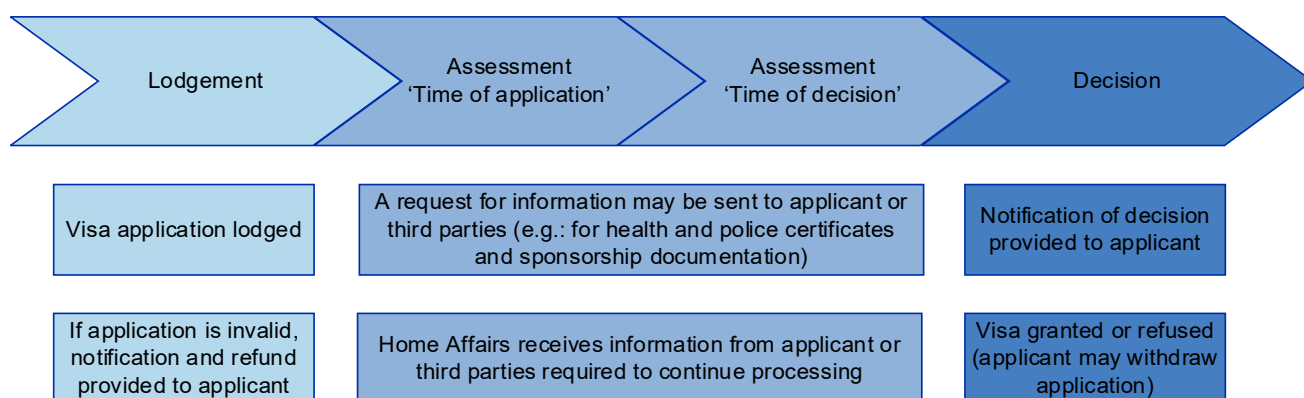
Department of Home Affairs response: *Agreed.*

3.35 *The Department agrees with the broad direction of this recommendation. The Department is satisfied that such processes are currently in place, but will work to strengthen the way in which the feedback is used to inform potential service delivery improvements across multiple client cohorts. As advised during the audit, the Department seeks regular feedback to understand the needs and customer service experience of our clients, and to support efforts to identify and implement service delivery improvements. This includes analysing feedback from the in-page feedback function across the Department's websites, the online Virtual Assistant, and through more formal complaints, compliments and suggestions mechanisms coordinated by the Department's existing Global Feedback Unit (GFU). The Unit is the Department's central point for receiving, tracking and facilitating responses to formal client feedback and also performs a key external accountability role through regular engagement with the Office of the Commonwealth Ombudsman. In 2021–22, following the Department's voluntary participation in a survey conducted by the Ombudsman's Office, the Department's feedback function was assessed by the Ombudsman as 'delivering'. The Department will continue to work to enhance the contribution of the GFU to whole-of-Department service delivery improvements.*

Arrangements for processing lodged applications

3.36 The first step in assessing a visa application is determining whether the client has submitted a valid application and the application can continue to be assessed against visa application requirements.¹²⁵ Figure 3.2 illustrates at a high level the department's process for finalising a lodged application.

Figure 3.2: Home Affairs process for finalising visa applications



¹²⁵ The ImmiAccount used for online Partner visa applications automatically checks basic client information, such as passport numbers and credit card details. This reduces the incidence of applications being rejected due to incorrect details. The department reviews the handling of a sample of paper-based applications as part of its quality management processes.

Notes: If an applicant does not meet a criterion the application may progress to a decision to refuse.

There is no limit on the number of requests for information which may be issued, or there may be no request, if further information is not required.

An applicant may withdraw their application at any point (no visa decision is recorded).

Source: ANAO analysis of information provided by Home Affairs.

3.37 Home Affairs' procedural instructions set out requirements for receiving and determining the validity of applications. A registration team determines whether an application includes sufficient information to be accepted and confirms the payment of applicable fees and charges.¹²⁶

Determining validity

3.38 When a visa application is determined to be valid it is progressed for assessment. Departmental policy allows staff to give the applicant an opportunity to rectify the invalidity of their visa application, if defects can be quickly and easily remedied (for example, if insufficient payment has been made).¹²⁷

3.39 The ANAO analysed 847,648 lodged Family program applications finalised or on hand between 1 July 2018 and 30 June 2022.¹²⁸ Of these, 9676 (one per cent) were determined to be invalid by the department. In assessing the time taken by the department to make an assessment of invalidity, the ANAO found:

- the average time between lodgement and when an application was recorded as invalid was 14 days across family visa subclasses; and
- invalidity had been determined for 53 per cent of invalid applications within three days, and 80 per cent within seven days.

3.40 Table 3.1 shows the distribution of calendar days in determining invalidity across visa categories. The table indicates, that for the onshore Partner visa category, 75 per cent of applications were determined to be invalid within four days, with 90 per cent determined to be invalid within seven days.¹²⁹ The department advised the ANAO in February 2023 that it takes between one and four weeks to make an assessment of whether an application for the Parent, Child or Other Family visa categories is invalid.

126 Validity may not be assessed immediately after an application has been received. This may be due to the time taken for a paper file to be digitised by an external provider or for lodged applications to be handled in batches.

127 Guidance on visa application procedures states that 'generally a visa applicant should be given only one opportunity to rectify their invalid application'.

128 Applications were for the following visa types: 143 Contributory Parent (Migrant); 801 Partner; 820 Partner; 100 Partner; 309 Partner (Provisional); 804 Aged Parent; 103 Parent; 864 Contributory Aged-Parent (Residence); 836 Carer; 115 Remaining Relative; 300 Prospective Marriage; 117 Orphan Relative; 835 Remaining Relative; 116 Carer; 114 Aged Dependent Relative; 173 Contributory Parent (Temporary); 837 Orphan Relative; 838 Aged Dependent Relative; and 884 Contributory Aged-Parent (Temporary).

129 Home Affairs advised the ANAO that exceptions to this may occur if online applications encounter technical issues and require technical support to enable them to progress through the lodgement system, which may take several business days. These applications also have an initial assessment conducted within one business day from when they are available for assessment.

Table 3.1: Calendar days to determine invalidity (percentile)

| Visa category | 25th percentile | 50th percentile ^a | 75th percentile | 90th percentile |
|---|-----------------|------------------------------|-----------------|-----------------|
| Partner (Onshore) (population: 7232) ^b | 1 day | 2 days | 4 days | 7 days |
| Partner (Offshore) (population: 119) ^c | 1 day | 4 days | 124 days | 493 days |
| Other Family (population: 392) | 2 days | 7 days | 18 days | 30 days |
| Parent (population: 1933) | 7 days | 12 days | 21 days | 32 days |

Note a: The 50th percentile is the median number of days.

Note b: 'Onshore' Partner visa subclasses require the applicant to be in Australia when they apply.

Note c: 'Offshore' Partner visa subclasses require the applicant to be outside of Australia when they apply.

Notes: This table excludes Child visas and legacy subclasses.

The percentile is included for the number of days at which it is reached. As a result, the actual percentile may be higher than presented in the table.

Visa category is based on internal reporting by the department.

Source: ANAO analysis of data provided by Home Affairs.

3.41 The ANAO observed variances in the average time taken to determine invalidity for some visa subclasses. It took an average of nine days to determine invalidity for Partner visa applications for the onshore subclasses (820 and 801), with 1.6 per cent and two per cent determined to be invalid, respectively.¹³⁰ The Partner visa applications for the offshore subclasses (309 and 100) required an average of 105 and 107 days, respectively, to determine invalidity.¹³¹ Less than one per cent of the offshore visa subclasses were determined to be invalid.

3.42 The highest proportion of lodged applications determined to be invalid was for Orphan Relative (subclass 837) applications, with 64 of 150 (43 per cent) assessed as invalid. It took an average of eight days for these to be determined as invalid.

3.43 Overall, the proportion of lodged applications which took over a year to determine invalidity, was less than one per cent of the total number of on hand applications between 2018–19 and 2021–22 (77 of 9676). Home Affairs advised the ANAO that making a final decision on validity in some cases may take longer if complex matters need to be resolved before validity can be determined.

Correspondence issued to applicants

3.44 The department's policies include requirements to issue a letter acknowledging the receipt of a visa application. There is no legal requirement to notify a client that their application has been assessed as valid.

3.45 If an application is determined to be invalid, Home Affairs policy requires the processing officer to inform the client of this in a timely manner. Timeliness is important because a client may need to: act quickly to avoid being barred from applying for a visa in the future; meet a requirement to leave Australia; or make other practical arrangements for themselves and family members.¹³²

130 Applicants are required to be in Australian when they apply for these subclasses.

131 Applicants are required to be outside of Australia when they apply for these subclasses.

132 Failure to lodge a valid application before the cessation of a current substantive visa may affect an applicant's eligibility for a new visa. A bridging visa granted before 19 November 2016 will cease 28 days after the date of invalidity is notified. A bridging visa granted after this date ceases 35 days after notification of invalidity.

Home Affairs' policy does not set out what a 'timely manner' means, or how a manager would identify that a delay in notification has occurred.

3.46 For Parent, Child and Other Family visa types, visas are lodged by paper and required to be manually registered and assessed for validity. The department issues a letter notifying the applicant of the outcome of this assessment. The receipt of a Partner program visa application is automatically acknowledged. Where an application is found to be invalid, a notification is sent on the same day.

3.47 For the Sponsored Parent visa (subclass 870) applications are lodged online and a systems-generated acknowledgement letter is issued notifying the applicant that their application has been received. An initial assessment of validity requirements occurs at this time, but does not identify all reasons for invalidity. The letter does not notify the applicant that the application is valid. Home Affairs advised the ANAO that it assesses the Sponsored Parent application for validity between one and two months after the application has been received. If the application is found to be invalid the applicant is notified.

Does the department have appropriate and effective processes for managing the allocation of cases?

Home Affairs' case allocation capabilities provide a basis for the effective and efficient management of its caseload. Its processes support it to meet processing objectives and changes in priority. Policies governing case allocation practices require strengthening to ensure the department can demonstrate conformance with all policy requirements. There is a need for the department to address inconsistencies in its approach to identifying and assessing risk within Family Migration Program visa categories.

Distribution and management of applications

Home Affairs' case management model

3.48 Valid applications are assigned to processing offices for further assessment. Since 2019 Home Affairs has used 'global case management' principles to support its management of the visa caseload. All processing staff are considered potentially available to support the processing of an application, with several officers likely to be involved in conducting assessments.¹³³ However, one officer is responsible for deciding whether to grant or refuse to grant the visa. As an example, a processing officer may undertake checks for a visa application and be satisfied that the applicant meets relevant criteria. The final decision on the application to grant or refuse the visa may be made by another processing officer.

3.49 Home Affairs' central management, in consultation with its delivery network, directs lodged applications to its processing sites. Onshore cases are directed to processing sites in Australia.¹³⁴ Offshore applications flow directly to relevant posts based on nationality/citizenship of the applicant and local processing expertise.

¹³³ Partially actioned cases are returned to a pool to be automatically re-allocated to the next available officer when it is ready to be progressed.

¹³⁴ Offshore sites with additional capacity may be allocated cases which have been lodged onshore.

3.50 Partner visa applications are distributed using a case workflow system called Work Management System, (WMAN), implemented in 2014.¹³⁵ An application may be held in the central pool for up to three months before being allocated due to various factors, including the availability of resourcing or government priorities.

3.51 For onshore cases, the department makes an initial determination on the complexity of the application and manually assigns a label of 'streamlined', 'standard' or 'high' complexity to each in WMAN before allocating to a processing office. Offshore cases are categorised according to the presence of 'streamlined-risks' or 'non-streamlined risks'. (These processes are discussed at paragraphs 3.57–3.59).

3.52 Decisions about the volume and composition of allocations consider an office's: annual processing targets; the profile of its caseload; and the size and capabilities of its workforce. During the COVID-19 pandemic, the department adjusted allocations across its network according to the availability of processing staff in different locations.

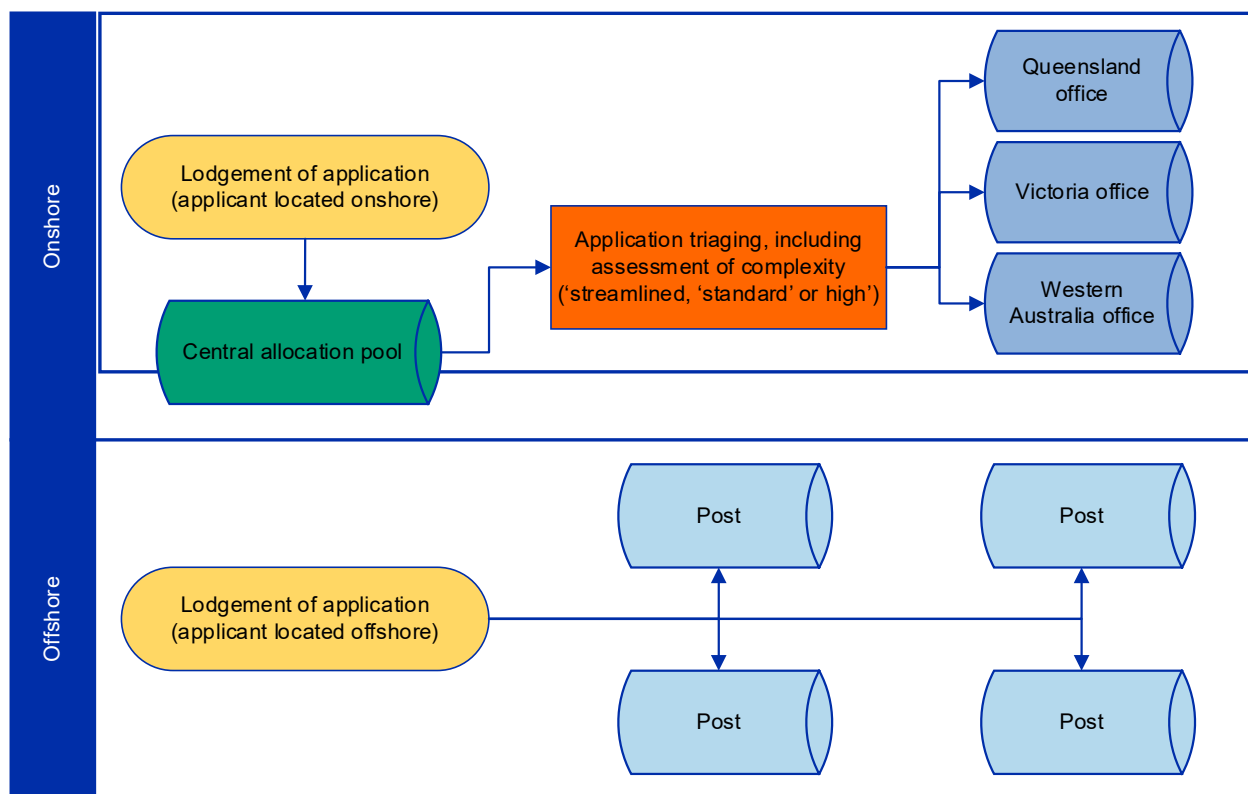
3.53 The distribution of Partner visa applications to offices is illustrated in Figure 3.3. Applications directed offshore may be re-distributed by an overseas office to other processing units in its regional network.¹³⁶ The department advised the ANAO that once an application is allocated to an office or offshore regional network, it typically remains in that location until it is finalised. Within an office, applications are directed to teams and individual officers. Processing officers are unable to select cases themselves.¹³⁷ WMAN uses the date on which an application is lodged as the first criterion for ordering applications.

135 Before the implementation of WMAN, the Partner visa caseload had been managed using a number of disconnected databases and excel spreadsheets.

136 As an example, Home Affairs' London office is a processing hub and the administrative centre of a regional network encompassing countries in Europe and Sub-Saharan Africa.

137 A 2018 internal audit report found that WMAN filters could be used to circumvent controls and allocate particular cases to specific officers. In response, the department established measures to prevent processing staff giving preference to applications, for example, by controlling access to the WMAN filtering function.

Figure 3.3: Home Affairs' case allocation system for the Partner visa program



Notes: Offshore assessment of risk generally occurs at the post to which an application has been allocated.

An application may be redirected to the central allocation pool.

Source: ANAO analysis of data provided by Home Affairs.

3.54 Home Affairs' process guide for the Partner visa program details steps for transferring cases between offices. Cases transferred offshore are recorded, but the filters used at local office level to select and distribute applications to visa processing officers (except for rules governing the processing of applications in date order and preventing the self-selection of applications), are not systematically recorded.¹³⁸ Home Affairs lacks explicit guidance on monitoring and reviewing allocation practices at the local level. Recording of this information is important to ensure decisions can be monitored and verified by program management, as necessary.

Opportunity for improvement

3.55 Home Affairs should develop further guidance to assist managers and staff at the local level to maintain records of case allocation practices to ensure decisions can be centrally monitored and verified, if required.

3.56 Home Affairs' policies emphasise the importance of consistency in business processes. The ANAO examined whether it achieves consistency by ensuring:

¹³⁸ Bulk transfers between offices or posts are organised ahead of time through written communications and saved in the department's record management system. An excel spreadsheet is used to record transfers of the majority of cases and the reasons for these. WMAN records key data about transfers, including the sending and receiving locations. The history of case allocation within an office can be viewed in the WMAN system to enable the monitoring and review of visa application decisions, but WMAN does not record the rationale for decisions taken.

- the same method is used for prioritising and/or risk-tiering applications of a particular type; or
- where different methods are used for valid reasons, these apply the same standard and result in an equivalent assessment within a visa category.

Prioritisation methods

3.57 Before being allocated from the central pool to processing offices, onshore Partner visa applications are categorised as having either a 'streamlined', 'standard' or 'high' degree of complexity.¹³⁹ These ratings enable Home Affairs to triage its caseload and direct applications, based on their complexity, to offices with the appropriate resourcing level and mix of skills to process them.¹⁴⁰

3.58 Table 3.2 details the department's approach to prioritising Partner visa applications. The table indicates that Partner visa applications are handled differently depending on whether they are lodged onshore or offshore. For onshore applications, a product called the Program Management Pipeline Tool (ProMPT) is used. The department advised the ANAO that the tool has not been used to determine the complexity of applications lodged offshore due to ICT limitations. Instead, offshore offices apply a series of risk factors against which an application can be matched. Offshore applications are categorised as either 'streamlined' or 'non-streamlined'.

Table 3.2: Prioritisation methods used onshore and offshore for the Partner visa program

| Onshore | Offshore |
|--|---|
| <ul style="list-style-type: none"> • Output from ProMPT is used to determine the relative complexity of an application (streamlined, standard or high).^a • The assessment of the likely level of work effort involved in processing may be informed by the application of risk indicators. • ProMPT cannot be used to update complexity ratings during processing. • ProMPT is not integrated or supported by other departmental systems. It does not draw on real-time connections to departmental systems and client information.^b | <ul style="list-style-type: none"> • ProMPT is not applied. • Risk-tiering may inform understanding of complexity. Risk-tiering may indicate the level of scrutiny and staff skill required to finalise an application. • Risk-tiering can be applied throughout the processing of an application. |

Note a: The ProMPT draws on historical data holdings and information relevant to determining potential application complexity.

Note b: As ProMPT is not integrated with, or supported, by Home Affairs' ICT infrastructure it would not receive ICT support in the event of an ICT or business continuity failure.

Source: ANAO analysis of information provided by Home Affairs.

3.59 Home Affairs advised the ANAO that it intends to discontinue use of the ProMPT tool.¹⁴¹ The department has not formally evaluated its efficacy (a review planned for May 2019 was not

¹³⁹ A visa application may be rated complex because of the need for certain requirements to be met, rather than due to risk factors (for example, identity or character concerns). The relative complexity of an application may change over the course of processing, with risk one component of the overall assessment of complexity.

¹⁴⁰ Parent, Child and Other Family programs do not use prioritisation tools to triage their caseloads.

¹⁴¹ On 6 December 2022, Home Affairs advised the ANAO that it intends to develop an alternative to ProMPT that will utilise integrated departmental systems.

completed). Home Affairs advised the ANAO that offshore risk-tiering approaches are considered to be more effective, and that it recognises there is a need for a consistent process across the entire Partner visa caseload.

Risk-tiering

3.60 Caseloads contain applications which have different levels of risk relating to factors such as the potential for fraud or compromise to public safety or national security. Home Affairs uses risk-tiering processes to determine the level of risk that may be attached to an application.¹⁴² Risk-tiering occurs before applications are allocated and can be applied by visa processing officers at any point during processing. Applications carrying elevated risk typically require more scrutiny and a higher level of staff skill and time to finalise.

3.61 Approaches to risk-tiering should be continually reviewed to ensure they remain fit for purpose. This includes ensuring underlying data and assumptions remain appropriate.¹⁴³ Risk-tiering processes within the Family program are supported by appropriate arrangements for the regular analysis, reporting and remediation of caseload risk.

3.62 In December 2020, Home Affairs established a strategy for the management of immigration integrity risks. The strategy aims to ensure quality, and consistency where appropriate, in its approaches to caseload integrity; monitoring and reporting on risks and controls; and to support program management in mitigating risks.

3.63 Under the strategy, the Caseload Risk and Integrity Capability (CRIC) section within the Immigration Programs Division (IPD) manages a network of teams. These are co-located with processing hubs which are tasked with identifying and analysing risks affecting specific program caseloads and/or geographic cohorts. The section's activities include reviewing and analysing risk indicators (such as visa cancellations or refusals); sampling caseloads to identify emerging risks; and developing and applying risk treatments.

3.64 Since May 2021, the CRIC has supported the Family Visas Branch through the provision of program risk-related services. The section conducts training for visa processing officers; responds to concerns identified and escalated by them during the processing of an application; and reviews visa decisions to test risk settings and improve decision-making within a caseload. Its activities and products focus on identifying current and emerging risks; recommending treatments to mitigate these risks; and include the review of risk-tiering approaches.

Risk-tiering models — onshore and offshore

3.65 Table 3.3 details the department's risk-tiering of Partner visas. The table indicates Home Affairs uses different approaches to identifying risk for the same visa type. These differences can influence the location and how soon an application is processed.

142 Risk ratings cannot be used as the basis for making a decision on an application. Visa decisions must be based on evidence that directly relates to the legal criteria for the specific visa type.

143 An internal review completed in 2015 identified there was a need for an enterprise view of risk; clear guidance for staff on how to manage risk using available risk tools; and confidence that information provided by the tools adequately supports decision-making.

Table 3.3: Home Affairs' use of risk-tiering for the Partner visa program

| Onshore | Offshore |
|--|---|
| <ul style="list-style-type: none"> • Risk-tiering is applied, but not consistently as part of an established model. • Home Affairs plans to implement the offshore Partner visa risk assessment model to onshore applications. | <ul style="list-style-type: none"> • A Partner visa risk management model was implemented in September 2020. • Before this, each offshore office had designed and implemented its own risk mitigation system. |

Source: ANAO analysis of information provided by Home Affairs.

3.66 In May 2019, the department determined that 68 per cent of first stage Partner applications were low or medium risk. In 2021–22, Home Affairs reported the proportion of medium to high-risk cases as approximately 65 per cent of its caseload.¹⁴⁴ The ANAO was unable to verify Home Affairs' reporting on caseload complexity and risk using the visa caseload data provided by Home Affairs. It is unclear whether Home Affairs can accurately determine the overall risk profile of different parts of its visa caseload.

3.67 The department has not identified standard timeframes and costs involved in processing applications of varying complexity. This prevents it from determining the efficient cost of processing streamlined compared with complex applications. It also creates a risk that funding adjustments do not accurately reflect changes in the complexity profile of the visa caseload (the government's Variable Visa Funding Model is discussed at paragraph 1.12).

¹⁴⁴ This was partly attributed to the increased level of Partner visa application processing during the COVID-19 pandemic. The department reported that the processing of a large volume of streamlined applications resulted in a proportionately larger number of older and more complex cases in the remaining caseload.

Recommendation no. 2

3.68 The Department of Home Affairs ensure its prioritisation and risk-tiering processes are fit for purpose and consistently applied within Family Migration Program visa types, irrespective of the location of processing.

Department of Home Affairs response: *Agreed.*

3.69 *The Department agrees with the broad direction of this recommendation. The Department is satisfied that such processes are currently in place to ensure that prioritisation and risk tiering processes are fit for purpose and effective, but agrees that governance could be strengthened to ensure greater consistency across programs and processing locations. The endorsement of the Caseload Risk and Integrity Strategy in 2020 laid the foundations for a consistent approach to risk-tiering and prioritisation across the global delivery network. This strategy outlines review mechanisms for risk controls across all temporary and migration visa programs, and is complemented by a Caseload Risk and Integrity Partnership Agreement which sets out the key priorities and outputs in this area. This document will be reviewed in 2023 to incorporate a more comprehensive governance framework. The Department has provided a range of evidence to demonstrate the strong progress in implementing the Caseload Risk and Integrity Strategy, including the regular review of risk controls and risk tiering processes in the Partner visa program. With specific reference to the Partner program, a new approach to risk-tiering for the offshore Partner caseload was implemented in 2020 to enhance consistent risk-tiering of this caseload. Given the success of this model, it is currently being replicated for the onshore Partner caseload.*

Delivering against business objectives

Meeting targets — planning levels and composition

3.70 Home Affairs is required to deliver the migration program within the agreed planning ceiling, consistent with priorities set by the government.¹⁴⁵ The department adjusts its visa processing activity over the course of the financial year to meet the annual planning target for the migration program as a whole and for each visa class.¹⁴⁶

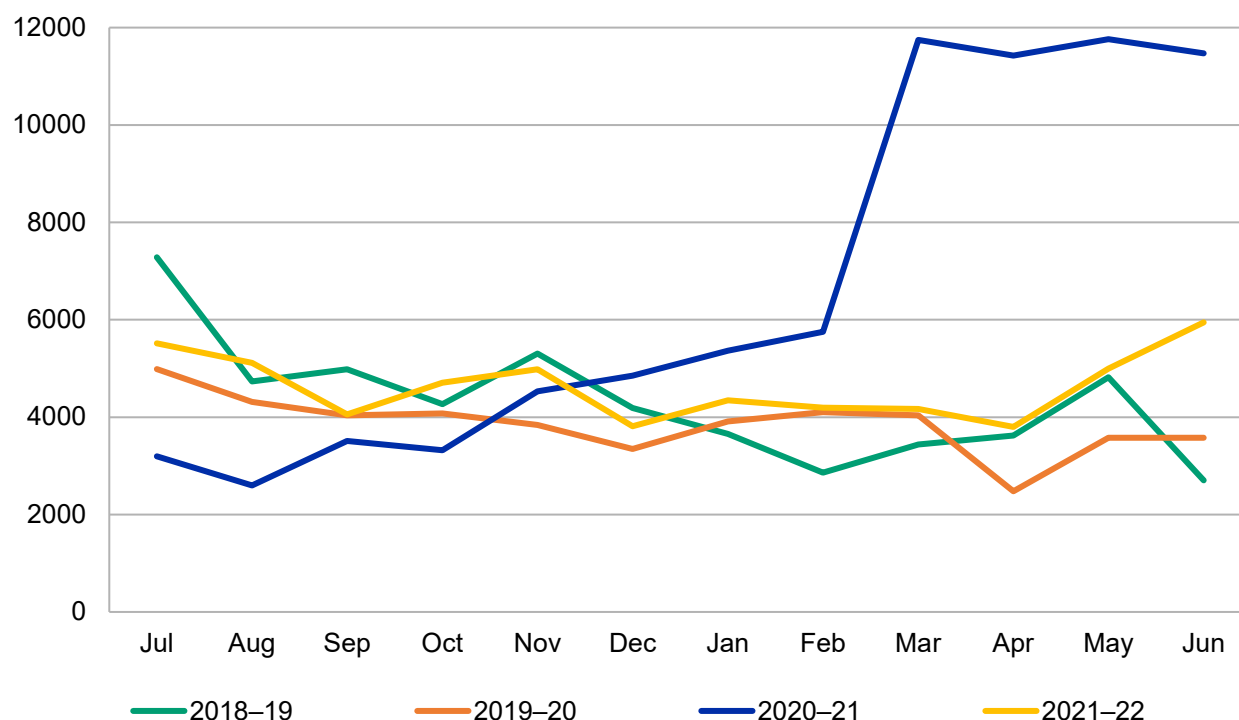
3.71 Figure 3.4 shows Partner visa applications (first stage) completed each month in the years 2018–19 to 2021–22. The significant increase in the rate of processing from March 2021 to the end of June 2021 was due to the allocation of additional places to the Family program during the COVID-19 pandemic.¹⁴⁷

145 The department works toward delivering within: the overall migration program planning ceiling; the respective planning levels for the Family and Skilled programs; and levels determined for each visa category. Visa categories which are managed on a demand-driven basis are not subject to a planning ceiling. The number of visas granted must not result in the overall agreed planning ceiling being exceeded.

146 This also takes into account the proportional split between Skilled and Family program visa places.

147 From 2018–19 to 2021–22, the caseload for first stage and second stage Partner visas reduced by 36 per cent and 28 per cent, respectively. The Partner visa pipeline reduced from approximately 96,000, at 30 June 2021 to around 56,000 at 30 June 2022.

Figure 3.4: Partner program visa applications (first stage) finalised by month from 2018–19 to 2021–22



Source: ANAO analysis of caseload data provided by Home Affairs.

3.72 Figure 3.4 indicates an increase in the finalisation of Partner visa applications (first stage) in May and at the start of the new financial year. This reflects:

- increased processing activity to meet planning ceilings ahead of a stock-take by central management, before the end of the program year;
- central management checking of the number of finalisations for each category, with processing offices advised on the number of places that may still be granted and;
- central management advice to processing offices to pause the granting of visas when the number and type of visas finalised align with the planning ceiling.¹⁴⁸

3.73 The department prioritises applications which contribute to meeting planning ceilings. First stage Partner visa grants contribute to the planning ceiling, whereas second stage Partner visa grants do not. At the end of September 2022, the department determined that median processing times for first stage Partner visa applications had significantly reduced. However, the median processing time for second stage Partner applications had increased.¹⁴⁹ This was a result of the

148 Visas continue to be processed up to the point of grant and are then recorded in the new program year. Urgent applications may continue to be considered. This does not apply to Child or Partner visa applications, as these categories are not subject to planning ceilings. Grants made for these categories contribute to the total migration planning level.

149 At 30 September 2022, the median processing time for first stage Partner visas had reduced by 98 days in 2022–23 compared to the same period in 2021–22, and 185 days compared to the same period in 2020–21. The median time taken for processing second stage Partner applications had increased by 53 days in the 2022–23 program year when compared to the same period in the 2021–22.

de-prioritisation of second stage applications in 2020–21 and 2021–22 to enable an increased focus on the first stage Partner visa caseload.

Management of older and complex cases

3.74 The direction of resources to meeting annual targets can result in a build-up of older and more complex cases in the caseload, and longer average processing times. Once planning targets are achieved, visa processing shifts to addressing these cases, and those identified as likely to be refused.¹⁵⁰

3.75 Home Affairs advised the ANAO that it manages this risk through strategies, such as requiring an office to finalise older cases in order to meet its end of program year target. Central management may also ensure that a third of new allocations are older cases selected from the central pool. Home Affairs has not documented its case allocation strategies to enable their effectiveness to be formally monitored and evaluated.

3.76 In order to manage older cases effectively, Home Affairs' managers require appropriate, regular information and analysis of the age profile of the caseload. Monthly internal reports provide an aggregate number for 'cases greater than 24 months'.¹⁵¹ Family program caseload data provided to the ANAO showed 184,490 unfinalised visa applications as at 30 June 2022, excluding second stage Partner.¹⁵² ANAO analysis identified that 97,883 (53 per cent) were between three and 10 years old, and 7302 (four per cent) were 11 years or older.

3.77 Table 3.4 shows the: total size of the Family visa caseload at 30 June 2022; proportion of the caseload which was older than three years for each visa category; and proportion within the visa category that was older than three years. The ANAO has calculated the age of applications from the date on which these were lodged.

Table 3.4: Family visa caseload aged three years and older, as at 30 June 2022

| Visa category | Total number of on hand applications | Percentage of total caseload aged three years or older | Percentage of visa category aged three years or older |
|-----------------------|--------------------------------------|--|---|
| Parent ^a | 124,651 | 47 | 69 |
| First stage Partner | 51,363 | 7 | 25 |
| Other Family | 7220 | 3 | 77 |
| Child | 1256 | 0.4 | 58 |
| Total caseload | 184,490 | 57 | — |

Note a: Low annual caps for this visa category impact on the department's ability to finalise these applications in shorter timeframes.

150 WMAN case allocation filters can facilitate the 'allocation of the oldest/highest priority cases'.

151 Home Affairs' Data division generates weekly and monthly reports which show the number of 'on hand' applications as of a specific date. For on hand applications less than 24 months, reports can be filtered to show shorter time ranges (for example: 14 days or less; one to two months; or 18 months to 24 months). These reports do not show how many applications are of a specific age beyond 24 months'.

152 This number does not include second stage Partner applications. Caseload data provided by Home Affairs to the ANAO included second stage applications. These applications only become eligible for processing as a second stage application when the mandatory two-year waiting period following the grant of a first stage Partner visa has expired. This means that the date on which a combined first and second stage application is lodged cannot be taken as the starting point for calculating the age of a second stage Partner application.

Notes: Caseload data provided by Home Affairs to the ANAO included second stage Partner applications. This table does not include second stage Partner applications. These applications only become eligible for processing when the mandatory two-year waiting period following the grant of a first stage Partner visa has expired.

Sponsored Parent (Temporary) (subclass 870) is not included in this figure. No visa applications for this subclass were identified in Home Affairs' caseload data.

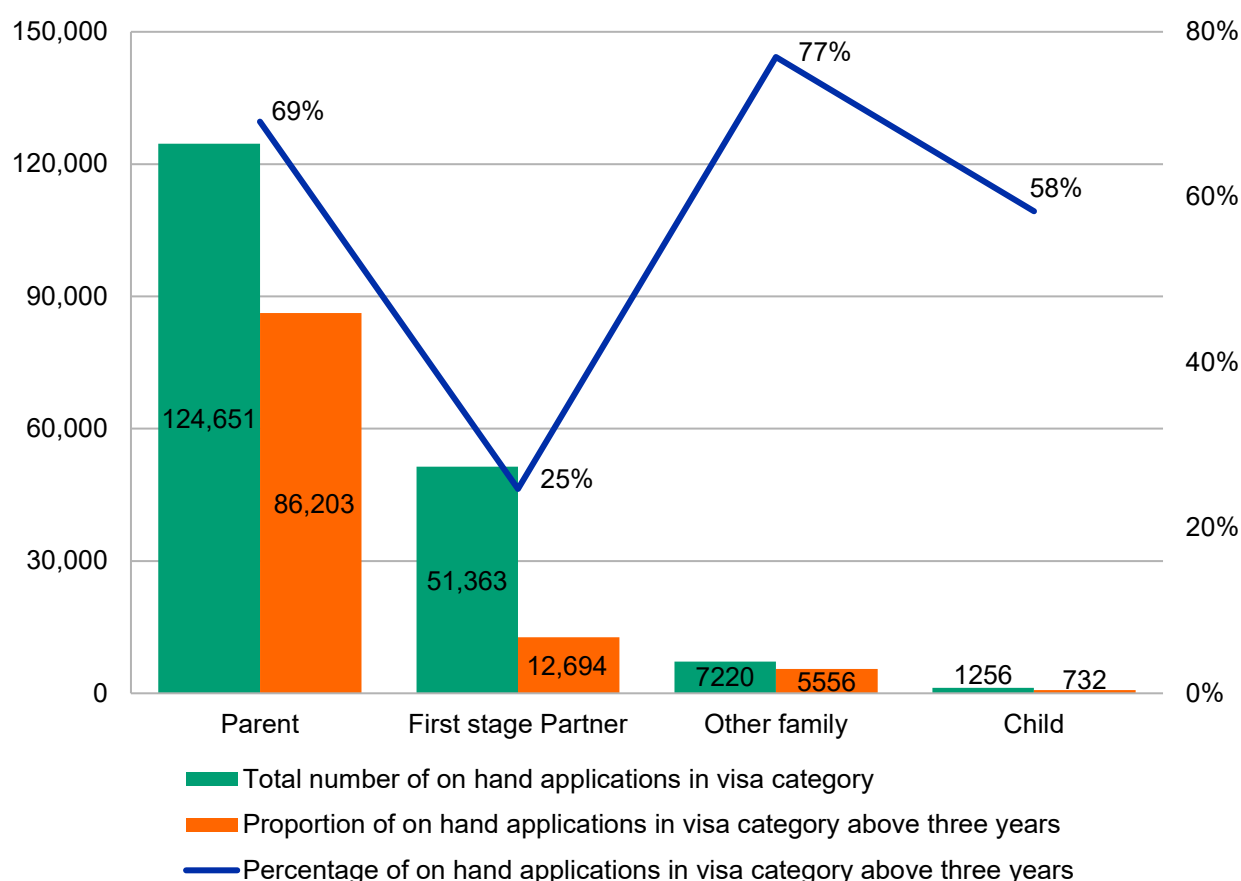
Other Family includes: Aged Dependent Relative (subclass 114 and 838); Remaining Relative (subclass 115 and 835); and Carer (subclass 116 836). No visa applications for New Zealand Citizenship Family Relationship (Temporary) were identified in Home Affairs' caseload data.

Child (subclass 101 and 802), Adoption (subclass 102) and Dependent Child (subclass 445) are not included in this figure. No visa applications for these subclasses were identified in Home Affairs' caseload data.

Source: ANAO analysis of data provided by Home Affairs.

3.78 Figure 3.5 shows the size and age of caseload for the Family program by visa type at 30 June 2022 according to Home Affairs caseload data. This figure indicates that 25 per cent of first stage Partner visa applications were older than three years. These applications are a year or more older than the two-year mandatory wait time to become eligible for permanency via the second stage component of the visa application. The ANAO has calculated the age of applications from the date on which these were lodged.

Figure 3.5: Size and age of Family program visa application caseload as at 30 June 2022



Notes: This figure does not include second stage Partner applications. Caseload data provided by Home Affairs to the ANAO included second stage applications. These applications only become eligible for processing when the mandatory two-year waiting period following the grant of a first stage Partner visa has expired.

Sponsored Parent (Temporary) (subclass 870) data is not included in this figure. No visa applications for this subclass were identified in Home Affairs' caseload data.

Child (subclass 101 and 802), Adoption (subclass 102) and Dependent Child (subclass 445) data is not included in this figure. No visa applications for these subclasses were identified in Home Affairs' caseload data.

Other Family includes: Aged Dependent Relative (subclass 114 and 838); Remaining Relative (subclass 115 and 835); and Carer (subclass 116 and 836).

Source: ANAO analysis of data provided by Home Affairs.

Opportunity for improvement

3.79 Home Affairs should monitor and report on applications in the visa caseload older than 24 months to support targeted identification and remediation of potential outlier cases, taking into account categories subject to low planning ceilings.

Implementation of Ministerial Directions

Order of processing

3.80 Ministerial Direction No. 103 states that high levels of demand in certain visa classes have created a need to manage the grant of visas in an orderly and equitable fashion.¹⁵³ Ministerial Direction No. 102 prescribes the order for considering and disposing of Family visa applications according to visa class.¹⁵⁴

3.81 Under Direction No. 102, visa applications specifically determined by the Minister under the Act are to be given the highest priority, followed by Partner visa applications and the remaining family visa classes. Direction 102 came into effect on 9 February 2023, revoking a requirement of the previous Direction (Direction No. 80) for applications sponsored by an applicant who entered Australia as an Illegal Maritime Arrival (IMA) to have the lowest priority.^{155,156} The ANAO's analysis of the visa caseload is based on Direction No. 80 and is unaffected by the issuance of Direction No. 102.

3.82 In practice, Direction No. 102 does not affect the order in which visa applications are processed, except where these fall into the highest or lowest priority categories. All Family program visa categories are processed in parallel to meet annual planning levels.

3.83 Direction No. 103 requires visas affected by annual capping arrangements to be processed, within their respective categories, in the order in which they are received by the department (in

153 These are capped visa classes. For the purposes of processing Family visa applications, Ministerial Directions 102 and 103 are intended to work together, with Direction 102 setting out the overall priorities for processing and Direction 103 providing more specific directions in relation to the finalisation of applications affected by capping under section 85 of the Act.

154 The order of processing is published on the department's website at <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-processing-times/family-visa-processing-priorities> [accessed 22 October 2022].

155 The highest priority goes to 'applications where the Minister has exercised powers of intervention under sections 351 and 417 of the Act, in the order that those powers have been exercised'.

156 In November 2022, the government announced that it would replace Ministerial Direction 80. IMA sponsors who are the holders of a permanent visa would not receive the lowest processing priority. Minister for Immigration, Citizenship and Multicultural Affairs, 'Goodwill measures for TPV/SHEV holders' [Internet], media release, Parliament House, Canberra, 19 November 2022, available from <https://minister.homeaffairs.gov.au/AndrewGiles/Pages/goodwill-measures-for-tpvshev-holders.aspx> [accessed 24 November 2022]. On 9 February 2023 Direction 80 was replaced by Direction 102 giving effect to the policy change announced by the government in November 2022.

‘queue date order ... to the extent ... reasonably practicable’).¹⁵⁷ The WMAN system is programmed at the local level to use lodgement date as the first criterion for ordering applications and ensure ‘the next available case (first come, first served)’ is presented to the processing officer. As the department prioritises the processing of accurate and complete applications, this means the date on which an application is lodged does not necessarily determine how soon it is processed.

3.84 When an application satisfies requirements but is not progressed in line with when it was lodged, it may be considered delayed. The Federal Court of Australia has decided that a delay will be unreasonable if, on the face of the case: the delay has been longer than the process required; the applicant is not responsible for the delay; and there is no satisfactory justification by the entity for the delay.¹⁵⁸

3.85 Ministerial Direction No. 80 (issued in 2018) removed reference in the previous direction to the option of prioritising an application affected by ‘unreasonable delay’. While the common law obligation to process cases in a reasonable time continues to apply, the department no longer makes the option of addressing an application affected by ‘unreasonable delay’ explicit.¹⁵⁹

Opportunity for improvement

3.86 Home Affairs should appropriately address the potential for unreasonable delay and the requirement to remediate this in its policy and procedural documents.

Assurance over case allocation practices

3.87 The ANAO examined labels for folders and filters used for processing 1000 Family program visa applications.¹⁶⁰ Its analysis identified 2603 unique folder labels and 1137 unique filter labels, indicating a high degree of non-standardisation.¹⁶¹ Folders are electronic containers used by teams and processing officers to store, allocate and track progress in the processing of an application. The use of multiple customised folders creates a risk of applications being stored by processing officers without clear visibility of their handling.

3.88 Filters enable applications to be automatically allocated for processing. Home Affairs lacks clear guidance and oversight arrangements for ensuring the use of filters at the local level are consistent with policy and processing priorities.

157 There is no further detail provided in Direction 103 on determining what is ‘reasonably practicable’. Home Affairs has stated that ‘the circumstances of each application will largely determine how soon the department is able to finalise it’. See Department of Home Affairs, *Department of Home Affairs submission to the Inquiry* [Internet], Home Affairs, Canberra, 2021, pp. 10–11, available from https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/FamilyandPartnerVisas/Submissions [accessed 24 October 2022].

158 Bromberg J in *BMF16 v Minister for Immigration and Border Protection* [2016] FCA 1530 (‘BMF16’), para. 27.

159 Section 9 of Direction No. 80 allowed for the departure from the order of priority if a delegate is satisfied that: the application involves special circumstances of a compassionate nature; and there are compelling reasons to depart from the order of priority, having regard to the special circumstances and to any other matters that the delegate considers relevant. This section has been retained in Direction No. 102.

160 These were drawn from a total caseload of 1,289,612 visa applications via a database query that selected the 1000 records in a random order.

161 Home Affairs advised the ANAO that WMAN does not allow the use of the same filters by different teams.

Opportunity for improvement

3.89 Home Affairs should establish processes for overseeing the use of filter and folder functions to ensure applications are managed in accordance with government direction and are not unduly influenced by local processing considerations.

3.90 The department has established a range of case management practices that support greater effectiveness and efficiency in meeting government requirements. There is a need for these to be fully documented. This would ensure the authority for specific case management strategies is clear and practices can be formally reviewed and evaluated, as part of an explicit policy and governance framework.

Recommendation no. 3

3.91 The Department of Home Affairs develop an overarching policy and governance framework for its case allocation model to guide allocation decision-making and ensure that this supports effectiveness and efficiency in the handling of Family Migration Program visa applications.

Department of Home Affairs response: *Agreed.*

3.92 *The Department agrees with the broad direction of this recommendation. Written guidance is currently provided in regards to the work management/case allocation tool, but would be usefully complemented by the addition of a broader governance document setting out the high level principles underpinning case allocation. The Work Management Procedural Instruction already includes broad best practice principles for use of the work management/case allocation tool. This is also covered in training provided on the work management tool. A Community of Practice has been established to further refine these principles and ensure that the tool is being used to deliver further efficiencies. Learnings from the Community of Practice will inform the development of broader principles underpinning case allocation. Further work on this, including greater oversight of the use of the case allocation tools, is being built into the current project to bolster and document critical program management capabilities and responsibilities.*

Case allocation outside the global allocation system

Other visa types

3.93 The Home Affairs Perth Office processes Parent and Other Family visa applications. In August 2020, the department added the Child and Orphan Relative visa categories to its responsibilities.¹⁶² As these application types make up less than five per cent of the total caseload, the department has determined there are greater efficiencies and consistency in outcomes to be achieved by consolidating their processing.

Middle East complex cases

3.94 In September 2021, the department established a specialist Middle East Onshore Complex Team (MEOCT) to manage more than 8000 complex and ageing (dating back to 2013) family visa

¹⁶² These applications can only be lodged in paper form and are processed using the department's Integrated Client Service Environment (ICSE) and Immigration Records Information System (IRIS). Some applications may still be processed offshore if they are 'legacy' cases, previously allocated to an office.

applications from the Middle East (the majority of applications are from Afghan citizens).¹⁶³ These applications are managed as a single caseload and outside Home Affairs' main case allocation system.

3.95 In August 2021, around 6000 unfinalised applications were transferred from the Amman office to the Victorian office. The majority of these are applications by sponsors who were IMAs affected by Ministerial Direction 80 (refer to paragraph 3.81).¹⁶⁴ As the department had significantly reduced the number of Partner visa applications over the main period of the COVID-19 pandemic (2019–20 and 2020–21), it was feasible to give attention to processing IMA cases.¹⁶⁵

3.96 Cases within this cohort require research and risk evaluations before they can be progressed due to their age, risk and complexity. As of June 2022, the team had considered 8000 Afghan partner applications and identified priorities for processing. Approximately 878 family visas had been granted.

IRIS caseload

3.97 In 2019, the department advised the government that operating both its main processing system (ICSE) and Immigration Records Information System (IRIS) for paper-based applications was costly, inefficient and limited functionality in processing. In 2022, the department commenced a project to de-commission IRIS over three years.¹⁶⁶ An initial stocktake of IRIS identified that, as at October 2022, there were 215,291 cases, of which 37,299 (17 per cent) were Family program visas. Around 98 per cent (36,330) of the family visas are allocated to the Perth office, with 89 per cent of these Parent visa applications.

3.98 In addition to the central IRIS, offshore offices operate local versions of IRIS which hold family visa cases dating back to 1993. Of the 215,291 visa applications held in IRIS, there were a total of 41,631 applications stored on offshore servers as of 16 October 2022, with 856 of these being family visa cases.¹⁶⁷ Home Affairs intends to transfer any remaining on-hand, undecided cases to the ICSE processing system in 2024. As at October 2022, 23 per cent of applications were unfinalised.

163 These cases are considered complex due to factors including: applicants being unable to provide required documents and/or certifications; difficulties associated with establishing identity; and the nature and integrity of family relationships.

164 On 9 February 2023, Ministerial Direction No. 80 was replaced by Ministerial Direction No. 102. The new Direction removed paragraph 8 (g) pertaining to the processing priority of applications in which the applicant's sponsor is a person who entered Australia as an IMA and holds a permanent visa.

165 In July 2021, the MEOCT estimated that around 6000 applicants were affected by Ministerial Direction 80, with around 2800 applications older than five years. At the end of June 2022, the MEOCT reported there were 8082 Family visa applications affected by Ministerial Direction 80, comprising 7100 applications for Afghan citizens and 982 for citizens of the Middle East (Pakistan, Iran and Iraq).

166 The IRIS de-commissioning project involves: ceasing new lodgements; finalising applications; archiving records; and decommissioning hardware and software.

167 The majority of these are Humanitarian and Refugee cases (39,260).

Does the department have appropriate processes for managing the assessment of Family Migration Program visa cases?

Home Affairs' business process and quality management frameworks establish a partly effective basis for gaining assurance over the processing of visa applications. There is scope for Home Affairs to strengthen its analysis of efficiency in family visa processing. While the department collects and reports efficiency-related information, it has not established a consistent set of metrics as a basis for improving efficiency within the Family Migration Program.

Processes that support conformance

Business process controls

3.99 Home Affairs policy requires consistency and efficiency in visa processing. Controls are to be consistently implemented across all visa categories and processing locations, and to be sufficient in managing the risks of the program.¹⁶⁸

3.100 The business process for finalising visa applications is directed at enabling a delegate to determine whether an applicant meets the legal and regulatory requirements for obtaining a visa. Assessment of conformance with eligibility criteria occurs at the time the application is lodged and again, at the time a decision is made.¹⁶⁹

3.101 Identifying and mapping critical points in a business process enable an entity to assess the effectiveness and efficiency of its activity, and to identify business risks and opportunities for improvement. Home Affairs requires all immigration programs to develop business process maps. Maps for the Family program outline key components of each stage of the assessment process and the control mechanisms which support these.

3.102 The department has assessed the maturity of system-based controls. Maturity is defined as the effectiveness of a control to mitigate risk and ensure consistency in decision-making. Its assessment indicates, that for the lodgement and assessment phases, not all processes and standards are defined and consistently implemented.¹⁷⁰

3.103 Guidance on how to undertake visa processing activities is set out in Standard Operating Procedures and Procedural Instructions which can be sourced from a central register on the department's intranet and team SharePoint sites. A separate repository (called LEGEND), which can be accessed via the intranet, provides information relevant to ensuring legislative, regulatory and policy requirements are met.

168 Home Affairs bases its approach on ISO9001:2015 (E) *Quality management systems — Fundamentals and vocabulary* and ISO 9001:2015(E) *Quality management systems — Requirements*. This defines a process approach as 'the systematic definition and management of processes, and their interactions, so as to achieve the intended results'. The approach is outlined in a 2021 document that sets out a 'quality model' for the Immigration Group.

169 Home Affairs' main processing systems (ICSE and IRIS) guide and enable the recording of a visa processing officer's interactions with an applicant throughout the lodgement, assessment and decision stages of visa processing. The processing officer also accesses several other linked systems to source information needed to complete checks.

170 Levels of control maturity and effectiveness are determined as green, amber or red. The Partner visa (onshore) business map rated five of six systems as amber for the lodgement phase and four of seven as amber for the assessment phase.

Quality review of actions taken by processing officers

3.104 Criteria for a quality management system include a ‘commitment to continuous improvement such as managing nonconformities, solving problems ... and taking corrective action when required’.¹⁷¹ Home Affairs’ control framework for ensuring compliance with obligations identifies continuous improvement as an underpinning principle.

3.105 Home Affairs conducts reviews to support ‘consistency, lawfulness and quality’ in its visa processing activities. Its framework for conducting quality management activities was established in 2019 in response to ANAO audit findings.¹⁷² It aims to manage operational risks to the quality of onshore and offshore visa processing through three lines of assurance:

- Line 1: Internal control measures and management control at the program delivery level;
- Line 2: Risk oversight, performance oversight, integrity and fraud management; and
- Line 3: Independent assurance provided by internal or external auditors.

3.106 The ANAO examined the department’s approach to quality management at the program level to determine whether this has contributed to improving its ability to address risk in the delivery of visa services.¹⁷³

3.107 Risks identified by Home Affairs include failure to ensure assessments and decisions are made in accordance with ‘legal, policy, operational and administrative requirements’. Another five identified areas of risk relate to: risks to the community; fraud; visa non-compliance; and the potential for exploitation.

Quality management framework and processes

3.108 Quality management aims to identify non-compliance with requirements and business improvements through a combination of Quality Control (QC) and Quality Assurance (QA) reviews. This involves checking samples of visa applications before and after decisions are made. The key elements of Home Affairs’ quality reviews are shown in Table 3.5.

Table 3.5: Elements of Quality Control and Quality Assurance reviews

| Review elements | Quality Control (QC) | Quality Assurance (QA) |
|-----------------|--|--|
| Purpose | Correct potential errors before finalisation | Assess the lawfulness and quality of decisions |
| Point of review | Before finalisation | After finalisation |
| Sample | Random or targeted | Random (at least 25 per cent) and targeted |

Source: ANAO analysis of information provided by Home Affairs.

171 See International Organization for Standardization, *ISO 9001:2015 Quality Management Systems* [Internet], ISO, Geneva, 2015, available from <https://saiaassurance.com.au/iso-9001> [accessed 27 October 2022].

172 Auditor-General Report No.20 2019–20 *The Financial Statements of Australian Government Entities for the Period Ended 30 June 2019* identified non-compliance with Home Affairs’ quality management framework for visa processing. Non-adherence to requirements undermined the department’s ability to provide assurance that appropriate visa assessments and decisions were being made.

173 The department states the aims of quality management are to: improve quality and consistency in decision-making; manage known and emerging business risks; and support assessments of whether controls are being implemented as intended, and are preventing and mitigating risks.

3.109 QC and QA reviews are conducted throughout the program year and reported quarterly. Reviews are required to (cumulatively) sample two per cent of applications finalised by each processing office for each Family program visa category (e.g.: Partner). The results of reviews are reported to the Executive.

Review questions

3.110 Processing activity is assessed against a series of standard and targeted questions which are categorised as either ‘critical’ or ‘procedural’.¹⁷⁴ Critical questions relate to requirements which, if not met could result in an incorrect visa application decision. Procedural questions relate to administrative actions which may not influence a visa application decision (for example, record-keeping or communication with the applicant). Targets for accuracy in processing are set at 100 per cent for critical questions and 95 per cent for procedural questions.

3.111 Home Affairs uses a suite of 170 questions for conducting QC and QA checks, with 146 (86 per cent) of these critical.¹⁷⁵ Between 50 and 95 questions are asked in each review for Partner, Parent, Other Family, and Child subclasses. The questions appropriately address compliance with legal, policy, operational and administrative requirements across all visa processing stages.

Sampling approach

3.112 Auditor-General Report No.20 2019–20 *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2019* identified significant non-compliance with the required two per cent sample rate for quality reviews.¹⁷⁶ Home Affairs’ Corporate Plan for 2021–22 includes an objective to conduct assurance activities in line with sampling requirements and for error rates to be within tolerances (see Table 2.1).¹⁷⁷

3.113 QC and QA quarterly reports from December 2019 to September 2022 show that the overall number of reviews conducted for the Family program exceeded the two per cent sampling threshold (see Figure 3.6).¹⁷⁸ Figure 3.6 shows that, except for the September quarter of 2019, the Family program exceeded the requirement to achieve the two per cent sample rate.

174 Questions are either standard (‘core’) across all programs or targeted for specific programs or subclasses or to address specific risks.

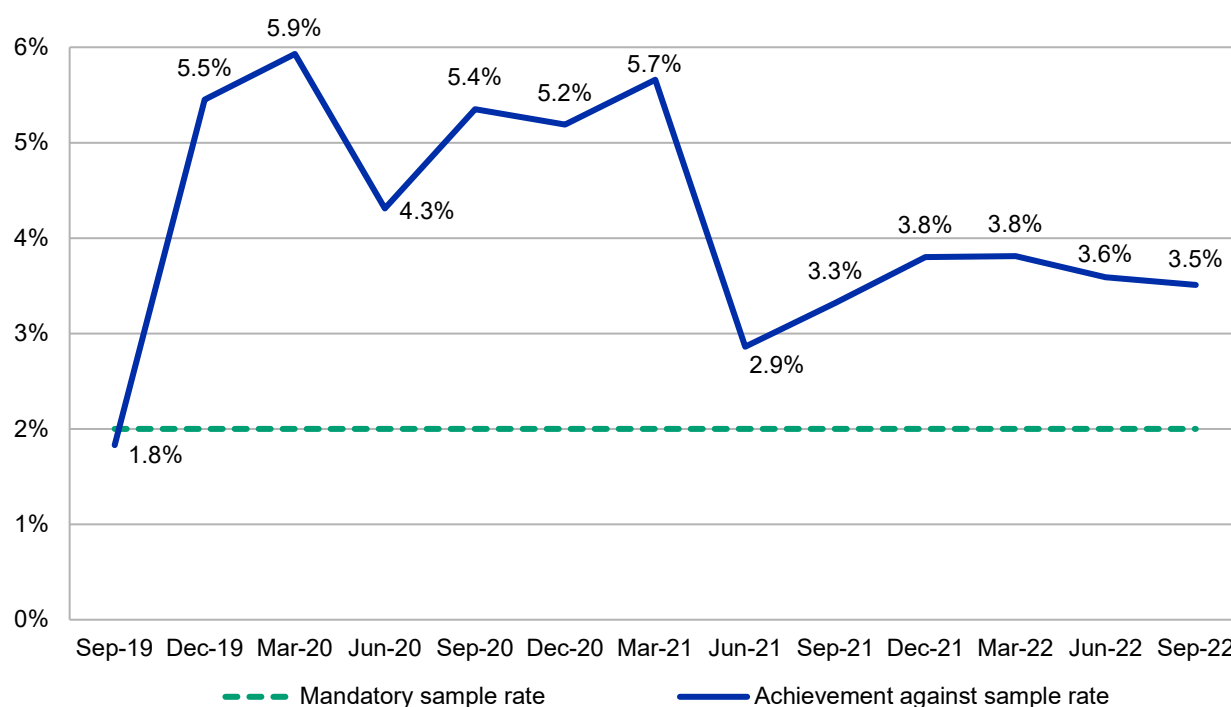
175 Of the 170 questions, there are 95 which may be used for QC and 88 for QA reviews across family visa subclasses.

176 Auditor-General Report No.20 2019–20, *Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2019* [Internet], para. 4.11.21. The two per cent sampling rate was mandated for all immigration programs from 1 July 2019.

177 Target 17 states: ‘The proportion of visa and status resolution decisions subject to quality assurance activities, and the proportion of errors identified through these activities, is consistent with the pre-determined sample size and error rate set by programs across all locations’. Department of Home Affairs, *2022–23 Corporate Plan* [Internet], Home Affairs, Canberra, 2022, p. 43, available from <https://www.homeaffairs.gov.au/commitment/s/files/corporate-plan-2022-23.pdf> [accessed 2 October 2022].

178 Eleven of 13 reports during this period did not state the population size from which the sample percentage was derived. None of the reports during this period stated how many applications made up the sample.

Figure 3.6: Family Migration Program achievement against the mandatory two per cent sample rate between September 2019 and September 2022



Source: ANAO analysis of data provided by Home Affairs.

3.114 The requirement to test each processing site provides insight into the performance of different offices. Sample sizes at different processing sites vary considerably.¹⁷⁹ Applying a uniform two per cent sampling rate to different population sizes may not allow results of different offices to be compared. As an example, a June 2021 review of the Brisbane office indicated an 11 per cent error rate for a test question based on 27 applications reviewed, whereas the Amman office recorded a 50 per cent error rate for the same question based on the review of two applications. Decisions about where additional support should be directed may require more detailed analysis of testing results.

Reporting on risk

3.115 The ANAO found weaknesses in Home Affairs' reporting.

- Quarterly dashboard reports do not specify the category of risk they address. This reduces the ability of managers to assess the department's level of risk exposure.¹⁸⁰
- While Home Affairs' guidance notes that multiple procedural errors could have the same impact as a critical error, procedural errors are not reported in quarterly dashboard reports.

¹⁷⁹ As an example, in one report reviewed by the ANAO the Brisbane office reviewed 71 applications, recording an error rate of 3.7 per cent. The report compares this with a 33.3 per cent error rate for the Sydney office on the basis of three reviewed applications.

¹⁸⁰ Home Affairs advised the ANAO that its ICT system does not support including this information in quarterly dashboard reports.

- Quarterly reports do not state whether error rates for critical errors indicating performance of less than 100 per cent accuracy are still within acceptable tolerance ranges. Clear statements about the extent of risk exposure created by different rates of error would assist in determining the significance of reported error rates. Reporting on the Family program does not include detailed analysis, linking trends in error rates to specific risks.

Performance against review questions

3.116 The ANAO reviewed statistics for the ‘top 5 critical errors’ for questions recorded in Family program reports from September 2019 to September 2022. Seventy-one per cent of reported QA errors related to visa assessment processes: determining public interest and risk; establishing applicant details and identity; and ensuring data integrity and efficiency in processing (see Table 3.6).

Table 3.6: ‘Top 5 critical errors’ from QA reviews identified in quarterly Family program reports between September 2019 and September 2022

| Top 5 critical errors | QA question categories | Number of times reported (out of 13 reports) |
|---|--------------------------------|--|
| If there is evidence that the delegate identified more than ONE record (identity), was action taken to merge the records? | Data integrity | 13 |
| Were any requests for additional documentation or information necessary, accurate, clearly documented and include the appropriate response period? ^a | Process efficiency | 10 |
| If there was a [risk-tiering] match, is there evidence that appropriate action was taken? | Public interest and risk | 9 |
| If there was a ‘Client of Interest’ note, is there evidence appropriate action was taken? | Public interest and risk | 7 |
| Are all the applicant/s details in the record correct? | Applicant details and identity | 7 |

Note a: Multiple requests for information by visa processing officers is a potential source of inefficiency in processing.
Source: ANAO analysis of data provided by Home Affairs.

3.117 Nine of the 13 reports from this period included commentary and analysis of the results, or recommendations for improvement (e.g.: closer engagement with offices or additional training). The Family program does not have processes for ensuring recommendations are followed through on and that improvements are monitored and evaluated to determine if error rates are reduced (see also paragraph 3.155).

Opportunity for improvement

3.118 Home Affairs should establish clear processes for ensuring that recommendations for improvement for the Family program are followed through, and that improvements are monitored and evaluated to determine if error rates are reduced.

Efficient handling of applications

3.119 Efficiency is achieved by minimising inputs relative to outputs as measured in terms of quantity, quality and timing.^{181,182}

3.120 Home Affairs' Corporate Plan for 2022–23 establishes a goal to reduce the time it takes the department to process visas. Target 16 states: 'Visa processing times (from application to point of finalisation) for new applications are reduced'.¹⁸³ Performance against the measure is to be determined by: 'the average time taken to process a new visa application, compared to the average time taken to process a new visa application in the previous financial year'.¹⁸⁴

3.121 The target does not in itself provide a complete basis for reporting levels of efficiency as it does not relate the rate of visa finalisation to its use of inputs to achieve greater timeliness in processing.

Home Affairs' monitoring and assessment of efficiency in processing

3.122 Home Affairs reports extensively on its visa processing activities. Weekly delivery reports for the Family program provide information relevant to monitoring efficiency in processing. Reports include data about: historical and current rates of lodgement and grants; numbers and age of on hand cases by month; and comparisons of actual versus forecast visa grants per week.

3.123 Reports available to managers on planning levels and applications granted set out delivery against monthly pro rata targets and progress toward achieving office planning levels.¹⁸⁵ Central management uses this information to adjust annual processing targets to better align these with actual processing rates achieved by offices. Variations from targets are not recorded. This means the department does not have clear baselines for determining efficiency and identifying the possible reasons for variances between offices.

3.124 Home Affairs' processing efficiency cannot be measured in terms of increased outputs due to annual caps placed on most visa categories. Improvements in efficiency therefore require monitoring of the inputs used to achieve fixed targets. Before March 2022, reporting did not

181 Auditing standard (Standard on Assurance Engagements, SAE 3500) defines efficiency in terms of the performance principle relating to the minimisation of inputs employed to deliver the intended outputs in terms of quantity, quality and timing. Auditing and Assurance Standards Board, *Auditing standard (Standard on Assurance Engagements, ASAE 3500)* [Internet], Melbourne, 2017, p. 10, para. 16 (h), available from https://www.auasb.gov.au/admin/file/content102/c3/ASAE-3500_10-17.pdf [accessed 25 October 2022].

182 Department of Finance guidance states that efficiency is 'generally measured as the price of producing a unit of output and is generally expressed as a ratio of inputs to outputs'. Department of Finance, *Measures of outputs, efficiency & effectiveness* [Internet], Finance, Canberra, 2022, available from <https://www.finance.gov.au/government/managing-commonwealth-resources/developing-good-performance-information-rmg-131/measures-outputs-efficiency-effectiveness> [accessed 20 October 2022].

183 Department of Home Affairs, *2022–23 Corporate Plan* [Internet], pp. 43–44.

184 The 2022–23 metric applies to cases across all visa classes that meet the criteria of being submitted and completed before the end of the financial year. This caps the metric to 365 days, which is below the average yearly processing time taken for most visa categories in the Family program. There is also a risk that the metric may only capture low risk cases. Home Affairs' reporting against the target notes that as the metric refers to an annual average target, it cannot be measured pro-rata each quarter to determine whether the department is on track to achieving it.

185 Pro rata reports compare actual delivery with estimated delivery, based on an assumption of a steady rate of delivery through the year. A 'pro rata variable' is calculated weekly and monthly (based on the time from beginning of program year to current report date).

compare information about inputs (such as funding levels or number of staff) with office outputs (finalisations and time taken for these).¹⁸⁶

3.125 The department produces some reports which provide insight into its efficiency. Monthly reports show the number of staff assigned to the processing of each visa category and the number of applications finalised.¹⁸⁷ Managers can compare the rates of finalisation achieved by their office with other offices in the delivery network. Reporting also indicates how rates of finalisation compare with the size of the caseload for that category. As the ratio between the number of applications lodged and finalised determines the size of its caseload, this reporting indicates whether the department is keeping pace with lodgements or whether the backlog is increasing.

3.126 Internal reporting for the first quarter of 2022–23 on progress toward the department’s Corporate Plan target cites: increased recruitment activity; improvements in communicating with applicants; and its management of processing as indicators of increased efficiency. Home Affairs has not established a means of determining the effect of these activities on the time taken to finalise applications.

Comparing efficiency across offices

3.127 Home Affairs does not have benchmarks or targets for efficiency in finalising applications.¹⁸⁸ Reporting on the internal allocation of resources was suspended at the onset of the COVID-19 pandemic and recommenced in July 2022.¹⁸⁹ It advised the ANAO on the lack of this reporting during the pandemic:

[this] was an interim measure only while the un-equal impacts of COVID on processing in some locations continued. The department ... currently uses internal reporting of performance across its network to encourage close attention by managers to the efficient handling of applications.¹⁹⁰

3.128 As discussed at paragraph 3.53 and shown at Figure 3.3, applications distributed to the network are allocated to onshore offices and offshore regions (which may comprise several offices). The department’s global case allocation methodology is aimed at matching allocations to an office with its capacity to process these. This should result in generally consistent rates of processing across offices.

186 Home Affairs advised the ANAO that before March 2022 it calculated aspects of efficiency on an ‘as needed’ basis for specific purposes. Efficiency was not measured during the COVID-19 pandemic due to changes in work priorities and the reduced number of staff.

187 Reports show rates of finalisation for the previous three months for the ‘Child’ category and an aggregated ‘Family’ category. The department advised the ANAO that ICT limitations prevent it from reporting against all Family visa categories.

188 A 2018 internal efficiency review suggested establishing a ‘time standard’ reflective of best practice. This would represent an ideal standard with no waste, but which is sustainable and repeatable for a trained person following a standard method.

189 The Parent, Child and Other Family teams have specific targets or benchmarks that an experienced staff member is expected to meet. It is unclear how the achievement of targets is monitored.

190 Until 2018–19, Home Affairs conducted reviews of business process and practices to quantify and evaluate the work effort required to deliver visa and citizenship processing across different offices. Reviews were also aimed at promoting consistent and efficient business operations and providing an evidence base for improvement.

3.129 The ANAO analysed on hand first stage Partner visa applications across all offices between 1 July 2018 to 30 June 2022.¹⁹¹ Table 3.7 shows that processing times from lodgement have varied between regions and over financial years.

Table 3.7: Average processing times (in days) for first stage Partner visa applications

| Region | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|-------------------------------|------------|------------|------------|------------|
| Americas | 430 | 357 | 389 | 380 |
| Europe and Sub-Saharan Africa | 370 | 462 | 533 | 510 |
| Mekong | 467 | 491 | 577 | 662 |
| Middle East | 423 | 408 | 680 | 705 |
| North Asia | 358 | 414 | 576 | 558 |
| Pacific | 358 | 491 | 493 | 618 |
| South Asia | 391 | 492 | 465 | 483 |
| South-East Asia | 498 | 602 | 601 | 535 |
| Offshore | 424 | 474 | 564 | 561 |
| Onshore | 555 | 584 | 490 | 456 |

Notes: A first stage Partner visa refers to the temporary visa issued before a permanent visa is granted (second stage). This table includes subclasses: 820 (Partner visa, temporary); 309 (Partner visa, provisional); and 300 (Prospective Marriage).

Visa subclass 300 (Prospective Marriage) allows a person offshore to come to Australia to marry their prospective spouse and then apply for a Partner visa.

The average processing times for the regions shown in Table 3.7 are calculated by adding the number of days taken by a region to finalise applications allocated to it and dividing this by the number of applications finalised by that region.

The average number of days shown for 'offshore' and 'onshore' processing is the number of days taken by offices, offshore and onshore respectively, divided by the total number of applications processed offshore or onshore.

Source: ANAO analysis of data provided by Home Affairs.

3.130 Between 2019–20 and 2020–21 overall processing times increased offshore and decreased onshore.

- During the COVID-19 pandemic (2019–20 and 2020–21), the capacity of the offshore network to process applications was reduced. Home Affairs used its global case management processes to transfer applications onshore.
- The shift to an even split in the delivery of Family and Skilled programs in 2020–21 increased resourcing for the processing of family visa applications, reducing overall processing times (see paragraphs 2.14 and 2.20).

¹⁹¹ These cases included subclasses: 309 Partner (Provisional); 820 Partner; and 300 Prospective Marriage.

3.131 Offshore offices may distribute applications to different locations within their region. This should result in generally consistent outcomes within a region. Table 3.8 indicates that processing times can vary between offices within the same region.¹⁹²

Table 3.8: Average processing times (in days) for first stage Partner visa applications — Europe and Sub-Saharan Africa region

| Office | 2018–19 | 2019–20 | 2020–21 | 2021–22 |
|---------------------------------|------------|------------|------------|------------|
| Belgrade | 289 | 355 | 506 | 542 |
| Berlin | 444 | 463 | 471 | 494 |
| London | 283 | 438 | 449 | 320 |
| Nairobi | 471 | 417 | 732 | 942 |
| National office (Canberra) | — | 375 | 476 | — |
| Pretoria | 609 | 620 | 666 | 654 |
| Tel Aviv | 140 | 329 | 408 | 437 |
| Average total for region | 370 | 462 | 533 | 510 |

Notes: The table includes subclasses: 820 (Partner visa, temporary); 309 (Partner visa, provisional); and 300 (Prospective Marriage).

Blank fields represent no cases finalised by the office in that financial year.

The 'average total for region' is calculated by adding the number of days taken by the region to finalise applications allocated to it and dividing this by the number of applications finalised by that region.

Source: ANAO analysis of data provided by Home Affairs.

3.132 Internal Home Affairs reporting shows inconsistencies between processing offices in terms of the number of applications finalised per staff member in that office. While this relates outputs (finalisations) to the inputs used (staffing resources), more targeted analysis is needed to identify and address differences between offices.

3.133 Home Affairs advised the ANAO:

Different offices in a region may specialise in different cohorts, risks within their cohort, resourcing and different delegations for Locally Engaged Staff ... meaning that they deal with materially different caseloads, operating environments and as such may have different processing times.

The various factors which impact on the department's processing capacity are intended to be mitigated by active case management across its network of offices. There is a need to monitor and evaluate the efficiencies achieved by global case management practices over time.

3.134 Home Affairs generates a large amount of data potentially relevant to monitoring efficiency and has improved the utility of its reports. It does not use this information to drive improvements or to determine the true costs involved in meeting government priorities. It requires a standard set

192 In April 2022, the department advised at Senate Estimates that while central management of processing system reduces differences in performance across offices, office closures due to COVID-19 lockdowns (for example, Shanghai and Hong Kong), affected its offshore operations. See Senate Legal and Constitutional Affairs Legislation Committee, *Official Committee Hansard*, Canberra, 4 April 2022, p. 26, available from [Legal and Constitutional Affairs Legislation Committee 2022 04 04 Official.pdf;fileType=application/pdf](https://aph.gov.au/legislation/committee/2022/04/04/Official.pdf;fileType=application/pdf) [aph.gov.au] [accessed October 2022].

of key metrics that relate inputs and outputs for each visa category within the Family program to determine whether it is increasing its efficiency in processing.

Recommendation no. 4

3.135 The Department of Home Affairs establish a standard set of monitoring and evaluation metrics to support analysis and continuous improvement in the efficiency of Family Migration Program visa processing.

Department of Home Affairs response: *Agreed.*

3.136 *The Department notes there are established processes for analysing and evaluating efficiency and delivering continuous improvement. This is demonstrated by the development of new reporting tools, which has been accompanied by improved efficiency in a large range of visa programs. The Department also notes that its key focus is on the efficiency of the entire visa processing network, rather than individual offices — especially given that the global processing model means that visa applications may move between offices during processing. The Department agrees that a more clearly documented set of metrics for internal use would bolster its ability to measure and drive efficiency in visa processing. The Department will continue to mature the development of internal metrics related to efficiency and service delivery processes, noting that efficiency of Visa Processing at large is already captured within the Annual Report/Corporate Plan.*

Business process analysis

3.137 Home Affairs' business process maps provide a starting point for analysing whether the design of a process supports efficiency. They are not a sufficient basis for analysing whether the department is efficient or effective in finalising applications. This requires data about the execution of activities.

3.138 The ANAO analysed time taken for a specific sequence of steps to be completed as part of the assessment of Partner application visas to determine whether this data could provide a basis for determining processing efficiency. The ANAO's analysis focused on Requests for Information (RFIs) issued to applicants to obtain information needed for assessment and decision-making.¹⁹³

3.139 In its submission to the 2022 Senate inquiry *The efficacy, fairness, timeliness and costs of the processing and granting of visa classes which provide for or allow for family and partner reunions*, Home Affairs identified client responsiveness to RFIs as a reason why an application may take more time to process than may be expected:

The time taken to process visa applications can vary according to the individual circumstances of each case. The quality and completeness of applications, applicants' responsiveness to requests

193 ANAO analysis of citizenship applications in 2019 found several cases where there were periods of time where no processing activity was evident even though the information required for processing was available. Auditor-General Report No.25 2018–19 *Efficiency of the Processing of Applications for Citizenship by Conferral*.

for information, and the complexity often involved in assessing ‘genuineness of relationship’, character, health and security requirements, can influence processing times.¹⁹⁴

3.140 The ANAO analysed visa caseload data from 1 July 2018 to 30 June 2022 to determine how long the department took to act on applications after it had received a response to a RFI.¹⁹⁵ It identified the period of time from when information was provided by a client in response to a RFI and the department undertaking a processing action.¹⁹⁶

3.141 Except in cases where extensions are granted, an applicant generally has 28 days to provide evidence in response to a RFI. The ANAO’s analysis found:

- approximately 28 per cent of clients responded to the department within 28 days or less, with 31 per cent of these clients responding on the same day as the request;
- for these applications, the department took an average of 24 days to initiate a further processing step; and
- in instances, where clients provided information on or after 28 days, it took the department an average of 40 days to take the next processing step.

3.142 Visa processing officers are not legally obligated to reply to applicants within specific timeframes. Prescribed time periods for RFI requests apply only to visa applicants. However, training documents state that ‘in keeping with good administrative practice, applications should be dealt with as quickly and efficiently as possible’. The department advised the ANAO that it has implemented measures to help prevent delays in managing the RFI process.

- WMAN automatically activates cases after 28 days, or sooner if the client has submitted documents.¹⁹⁷
- Training documents encourage processing officers to regularly monitor the return of client information so that applications can be finalised as soon as information is available.
- The Melbourne Office advised the ANAO that it uses a specific WMAN filter to identify cases for review where there have been multiple requests for information.
- Visa processing officers’ handling of the RFI process is examined as part of its quality management processes.

3.143 The 2019 ANAO audit of the processing of citizenship applications recommended Home Affairs establish and monitor performance standards addressing periods of processing inactivity.¹⁹⁸

194 Legal and Constitutional Affairs References Committee, *The efficacy, fairness, timeliness and costs of the processing and granting of visa classes which provide for or allow for family and partner reunions* [Internet], Senate, Canberra, March 2022, pp. 10–11, available from https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/FamilyandPartnerVisas/Report [accessed 14 November 2022].

195 Requests for information can occur at multiple times for each application. Each request may have more than one response from the applicant and multiple requests could result in a single response.

196 The ICSE system is not configured to capture data in a form which would allow this form of business process analysis to be conducted efficiently. The department should consider specifying this functionality in any future procurement of visa processing capabilities.

197 Home Affairs’ training model for caseload management states: ‘[t]hrough regular monitoring or processing of client emails and/or e-attachments, applications can be finalised in advance and on-hand numbers generally reduce before the due date’.

198 Auditor-General Report No.25 2018–19 *Efficiency of the Processing of Applications for Citizenship by Conferral*, Recommendation 2, p. 9.

When responding, the department indicated it would introduce internal performance targets by March 2019. While it agreed in principle to the Auditor-General's recommendation, the department has not implemented targets for the citizenship or visa programs.

Information from third party entities

3.144 Home Affairs may request information from other agencies, including Services Australia, the Department of Foreign Affairs and Trade and the Australian Security Intelligence Organisation. The department does not monitor timeframes for responding to its requests, and it does not identify the impacts of delayed responses on processing times. There are no formal agreements in place and therefore no commitments for information to be provided in a timely way. Consequently, Home Affairs exercises little control over these processes.

3.145 The department does not analyse the timeliness of its handling of RFI processes and other steps in the business process where there is potential for 'inactivity'.

Recommendation no. 5

3.146 The Department of Home Affairs establish processes to identify, analyse and remediate potential processing inactivity to support the improvement of efficiency in its business process for finalising Family Migration Program visa applications.

Department of Home Affairs' response: *Agreed.*

3.147 *The Department broadly agrees with this recommendation as a general principle however notes that it already regularly reviews its processes and has tools in place to ensure cases progress in a timely manner. The Department assesses that changes to departmental systems to acquit this recommendation would not likely generate benefits or efficiencies commensurate with the effort required. This assessment takes into account the systems environment, the complexity of implementing this recommendation and the potential implications of deprioritising other critical systems changes that deliver more substantial improvements to visa programs. The Department will continue to explore options to improve visa processing and associated reporting within the constraints of existing ICT systems, while capitalising on opportunities to improve these systems when they arise.*

ANAO comment on Department of Home Affairs' response

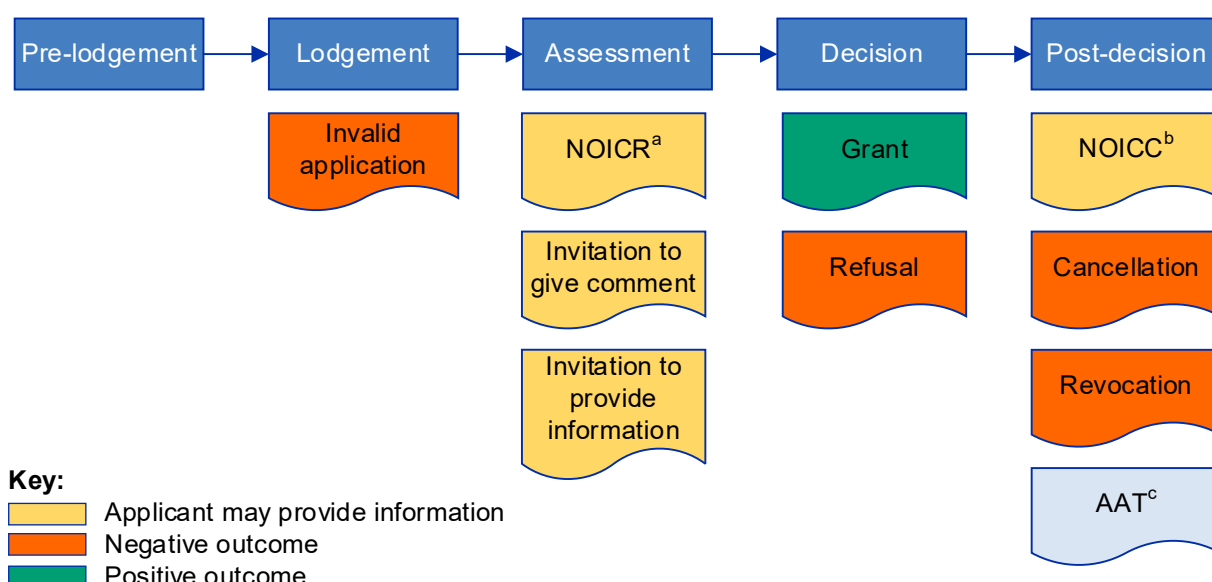
3.148 In its analysis of Home Affairs' caseload data, the ANAO identified periods of time during which the department may not be processing applications as quickly or efficiently as possible (see paragraph 3.141). It has recommended the department determine means of identifying and addressing this. Home Affairs states in its responses that changes to departmental systems to acquit the ANAO's recommendation would not likely generate benefits or efficiencies commensurate with the effort required. The ANAO interprets this response as the department disagreeing with the recommendation.

Does the department have appropriate processes for ensuring appropriate decision-making on Family Migration Program visa applications?

Home Affairs has appropriate business and quality review controls to support decision-making and the notification of outcomes to Family Migration Program visa applicants. Processes for improving the quality of decision-making require strengthening to include a clear focus on the implementation and monitoring of improvements. There is a need for guidance to support the timely handling of notifications and cases remitted to the department for review.

Notifications

3.149 Applicants can provide information at any point during the lodgement and assessment stages in support of their case. They may also be invited by the department via a formal notification to comment or provide information during the assessment stage of processing. When information is provided, a delegate must consider this before making a decision on the visa application. Figure 3.7 shows the different stages at which notifications may occur in the processing of a visa application.

Figure 3.7: Different types of visa notifications under migration legislation

Note a: Notice of Intention to Consider Refusal.

Note b: Notice of Intention to Consider Cancellation.

Note c: Administrative Appeals Tribunal.

Source: ANAO analysis of information provided by Home Affairs.

3.150 Home Affairs' quality management framework includes questions relevant to issuing a notification to an applicant during the assessment phase of processing for the purposes of reaching a decision on an application. Five of the 13 quality management reports reviewed by the ANAO included a question (categorised as 'critical') relevant to this notification process: 'Was the letter requesting information (s56) or asking the applicant to comment on relevant information (s57) sent to the correct person at the correct address and compliant with legislation?'.¹⁹⁹ The error rate ranged from 2.9 per cent to 6.8 per cent. This exceeds the department's tolerance for error which is set at zero per cent for critical questions (see paragraph 3.110).²⁰⁰

Notification process at the time of decision

3.151 For decisions to grant or refuse a visa, there are statutory requirements for delegates to give effective notification of this to the applicant. A notification may also be issued before a decision is made to advise an applicant of a delegate's intention to refuse or cancel a visa and to invite them to provide further information in support of their application.²⁰¹

199 Section 57 of the Act requires the delegate to provide the applicant with relevant information relating to an intention to refuse a visa.

200 Error rates for the top five questions recorded in Family program quality management reports reviewed by the ANAO ranged between 0.5 per cent and 60 per cent.

201 A notification is 'outbound correspondence' from the department to the person legally entitled to receive it (the applicant or other authorised person). Notifications are issued on the decision to grant or refuse on non-character grounds (s66) or character grounds (s501G). The notification must contain the decision outcome (refusal), the reason for refusal and the process to apply for a merits review of the decision. Further legal requirements relate to methods of communicating decisions.

3.152 A notification that is not issued in accordance with requirements may have adverse consequences for the applicant.²⁰² The outcome of a decision on a visa application should be communicated as soon as practicable and support procedural fairness.²⁰³ Home Affairs has appropriate guidance for staff on notifying applicants of the outcome of their visa application. Its policies and procedures detail processes for notifying applicants for each visa category. Staff are required to use a correspondence system with templates to ensure accuracy and consistency when communicating decisions.

3.153 Table 3.9 shows the top five critical questions identified in Home Affairs' quarterly quality assurance reports for the Family program between September 2019 and September 2022 relevant to making a decision on an application and issuing notification of this to the applicant.²⁰⁴

Table 3.9: 'Top 5 critical errors' from Home Affairs' Family program quality assurance reviews of decision-making and notification between September 2019 and September 2022

| Top 5 critical errors | Number of times reported (out of 13 reports) | Error rate (per cent) |
|---|---|--------------------------|
| Were the correct visa conditions, period of stay and validity applied? | 3 | 0.6, 0.7 and 0.9 |
| Is the decision record factually correct and understandable? | 1 | 7.0 |
| Based on the evidence provided, was a lawful decision made? | 1 | 0.8 |
| Was the notification letter generated using the Enterprise Correspondence Service (ECS), Auto correspondence or provided on a legally cleared template (IRIS, Bordernet)? | 1 | 1.4 |
| Was the decision notification (and decision record if applicable) sent to the correct person at the correct address? | 1 | 1.5 |

Source: ANAO analysis of data provided by Home Affairs.

3.154 The ANAO's review of quarterly reports provided to Home Affairs' Executive in 2022 found these identified common errors across the subprograms of the Immigration Program and detailed activities for remediation.²⁰⁵ While the department has set its tolerance for error at zero per cent for critical questions, it does not define how varying levels of deviation from its tolerance for error should be addressed through its processes for continuous improvement.

202 As an example, a notification is defective when it is sent to the wrong address and is delayed in reaching the applicant. A consequence for an applicant may believe the time limit for appeal has expired when it has not due to the notice being defective. Where further information is requested but the request is sent to the wrong address, the applicant may be denied natural justice.

203 Commonwealth Ombudsman, *Commonwealth Ombudsman Insights — Effective communication with the public* [Internet], Commonwealth Ombudsman, Canberra, 2020, p. 1, available from https://www.ombudsman.gov.au/_data/assets/pdf_file/0025/111697/Commonwealth-Ombudsman-Insights-October-2020.pdf [accessed 25 October 2022].

204 In total, these questions were reported seven times (11 per cent) of the 65 QA questions identified in the 13 reports during this period.

205 The reports reviewed by the ANAO were produced between January and September 2022.

3.155 Since July 2022, areas of error identified as requiring remediation at the program level have been monitored using a register of actions for improvement. Limited information is provided on improvements in visa processing resulting from quality management activities. Reports generally include analysis at the subprogram/branch level on the rate of sampling achieved, as well as areas of concern and activities to address these. This analysis does not identify whether changes to program delivery have led to lower error rates (see also paragraph 3.117).

Opportunity for improvement

3.156 Home Affairs should establish a clear process for determining how varying levels of deviation from its set tolerance should be addressed. Reporting should detail areas identified for remediation by the Family program and the effectiveness of actions taken to address errors.

3.157 As refused applications do not contribute to the department's achievement of annual targets for visa grants there is a risk of these applications not being finalised in a timely way. The Act and regulations do not specify time limits for notifying an applicant of a decision to grant or refuse a visa or replying to applicant correspondence. Timeliness in the processing of visas is required under the department's policy and training documents that state 'all departmental officers have a responsibility to communicate in a professional and timely manner'.

3.158 The department's procedural instruction for the implementation of its visa processing model (*Immigration Programs: Global Case Management*) sets out five guiding principles. These include a requirement that 'whenever an application is actioned, the case officer progresses it as far as possible and finalises the application at the earliest possible opportunity'. Two quality management review questions ask at a broad level whether applications have been processed or refused 'in line with Global Case Management (GCM) principles?'

Opportunity for improvement

3.159 Home Affairs could more specifically address timeliness in the processing of Family program visa applications, as part of its quality management process, by dedicating specific review questions to this.

External review

3.160 The level of refusal for the Family program between 2018–19 and 2020–21 varied between two per cent for first stage Partner visa applications in 2020–21 to 19 per cent for Parent visa applications in 2019–20.²⁰⁶ The most consistent rate of refusal across these years was for the Child visa category which recorded refusals of around 12 per cent each year. The department has reported that increased numbers of high risk visa cases have led to higher rates of refusal.

3.161 The Administrative Appeals Tribunal (AAT) has provided an external mechanism of merits review for administrative decisions, including visa applications refused by Home Affairs officers.²⁰⁷ This review process has resulted in a majority of the department's decisions brought to the AAT

²⁰⁶ The refusal rate is calculated by dividing visa refusals by the total number of grants and refusals.

²⁰⁷ The government announced on 16 December 2022 that the AAT would be abolished and replaced by a new administrative review body. See Administrative Appeals Tribunal, *Reform of the federal administrative review system* [Internet], AAT, Canberra, 2022, available from <https://www.aat.gov.au/news/reform-of-the-federal-administrative-review-system> [accessed 20 January 2023].

being set aside.²⁰⁸ Family visa applications comprised 11 per cent of visa decisions reviewed by the AAT between 2018–19 and 2021–22. Of these, 53 per cent of decisions were set aside. Appendix 7 details the number of applications the AAT reviewed and set aside for the Partner, Parent and Child subclasses between 2018–19 and 2021–22.

3.162 In February 2022, the department centralised its arrangements for managing cases remitted from the AAT, including for providing applicant information to the AAT. The ANAO reviewed Home Affairs' stocktake of departmental client files which were overdue in being provided to the AAT. Section 352(2) of the Act requires the department to forward the decision record of a case lodged with the AAT (including relevant records of evidence) to the AAT within a 10-working day timeframe.²⁰⁹ Table 3.10 shows the ANAO's analysis of this information.

Table 3.10: Home Affairs files overdue in being provided to the AAT as of February 2022

| Overdue files | All visa subclasses captured in stocktake | Family visa subclasses | Proportion (per cent) |
|--------------------------------------|---|------------------------|-----------------------|
| Total overdue files | 143 | 66 | 46 |
| Total overdue by more than 1000 days | 12 | 11 | 92 |
| Average days overdue | 297 | 517 | N/A |

Notes: The visa subclasses captured in the stocktakes included those relevant to: Refugee and Humanitarian; Studying and Training; Family and Partner; Working and Skilled; Visitor; Other; and Repealed visa categories. For a full list of visa categories see Department of Home Affairs, *Visa list* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing> [accessed 9 December 2022].

Family visa subclasses identified in stocktakes included: Partner (Provisional) (subclass 100); Parent visa (subclass 103); Partner (Migrant) (subclass 309); New Zealand Citizen Family Relationship (Temporary) (subclass 461); Partner visa (subclass 801); Aged Parent (subclass 804); Partner visa (subclass 820); and Contributory Aged Parent (subclass 864).

At 31 December 2022, there were 5043 cases being managed by the AAT for Family visa subclasses.

Source: ANAO analysis of data provided by Home Affairs.

3.163 The Family Visas Branch receives reports on AAT decisions for Partner visas which provide details of the returned application and the processing office allocated to review it. They do not include detailed analysis or proposals for improvement.²¹⁰ It also meets with the AAT on a bi-annual basis. The purpose of these meetings is for the AAT to provide an update of issues relating to family visas. The department advised that it discussed processing priorities and the caseload, but meeting documentation does not indicate this.

208 The Act and the Regulations specify which visa decisions the AAT can review. The AAT is required to 'stand in the shoes' of the original decision-maker and freshly consider the relevant facts, law and policy aspects of the original decision. The AAT may affirm or set aside the department's original decision. An AAT decision is not binding beyond the decision on that particular case.

209 If, for any reason, the file or papers cannot be sent at the same time as the decision record, s352(4) requires the department to forward to the AAT as soon as practicable all documents and parts of documents in the department's possession that are relevant to the application for review.

210 Reporting on remittals does not differentiate between decisions set aside due to departmental error and those where the applicant provided new information to the AAT, resulting in an application satisfying the criteria for granting a visa.

Management of the aged caseload

3.164 In conducting its analysis, the ANAO identified instances in different parts of the department's visa processing operations when cases have not been finalised in a timely way:

- determination of invalidity of Partner visa applications (see paragraph 3.41);
- offshore cases processed in local processing systems (see paragraphs 3.97–3.98);
- variances in processing times between offices (see Table 3.7 and Table 3.8); and
- handling of some cases remitted from the former Administrative Appeals Tribunal (see Table 3.10).

As discussed in paragraph 3.76, internal reports only provide an aggregate number for 'cases greater than 24 months' and do not detail the number and age profile of older cases in the caseload.

3.165 The department does not have a clear policy for determining at which point a case may be considered excessively delayed. In addition, Home Affairs requires a central process for detecting, reporting and remediating these cases. This would ensure the entire caseload is visible to program managers; appropriate assurance is provided over the management of outlier and/or aged cases; and accountability for outcomes is preserved.

Recommendation no. 6

3.166 The Department of Home Affairs establish systematic processes for detecting and remediating aged cases across all parts of the Family Migration Program caseload to ensure applications are appropriately finalised, wherever feasible.

Department of Home Affairs response: *Agreed.*

3.167 *While the Department already has a number of existing reports and processing tools in use to monitor the age of cases across Family visa programs, it would welcome systems enhancements to further strengthen its reporting capability. The Department will continue to explore opportunities for systems enhancements to improve its capacity in this area, noting that core systems are over 30 years old and several Family visa programs still require paper-based visa lodgement.*



Grant Hehir
Auditor-General

Canberra ACT
27 March 2023

Appendices

Appendix 1 Entity response



Australian Government
Department of Home Affairs

Mr Grant Hehir
Auditor-General
Australian National Audit Office
GPO Box 707
Canberra ACT 2601

Dear Mr Hehir

Thank you for the opportunity to provide feedback and comments on the Australian National Audit Office's (ANAO) report on the *Management of Migration to Australia - Family Reunion and Partner Related Visas* that was provided to the Department of Home Affairs (the Department) on 22 December 2022.

It has been the longstanding practice of successive governments to manage the orderly delivery of Migration Program outcomes against planning levels. The size and composition of Australia's permanent Migration Program is set on an annual basis. When planning the Migration Program, a wide range of factors are considered including stakeholder views, immediate and longer-term economic and social needs, and the family reunion needs of Australians. However, high demand of certain Family visas has for a number of years exceeded annual migration planning levels and impacted the volumes of un-finalised applications and processing times.

During the peak of the COVID-19 pandemic, increased planning levels for Partner visas within the Family Stream supported the reunification of Australians with immediate family members. The Department approved around 72,300 Partner visas in 2020-21, which was the largest Partner program delivered in over 25 years. Over 117,300 first and second stage Partner visas were finalised in 2021-22, which is the third largest number of Partner finalisations in at least 20 years. The on-hand pipeline of Partner visas has fallen around 41 per cent, from 98,000 in June 2020 to just over 56,000 by 30 June 2022.

This track record of delivering key Government priorities demonstrates the Department's strong commitment to the careful and ongoing management of quality, risk, efficiency and client service in a complex operating environment. In this context, the Department acknowledges the value of the ANAO's independent analysis of, and insights into, the Department's management of Australia's family visa programs.

The Department agrees with the broad direction of all six recommendations of the ANAO, as part of its ongoing efforts to strengthen governance, and acknowledges the benefits of more clearly identified standards and oversight mechanisms, to deliver visa programs to a high standard.

The Department seeks to continuously improve the quality of its client service delivery and the governance arrangements that guide activity, to achieve better policy and outcomes for Australians and for our diverse stakeholders. In line with the ANAO recommendations, the Department will continue to work to enhance the contribution of the Global Feedback Unit (GFU) to these whole-of-Department service delivery improvements.

In relation to the management of risk, the Department notes that it has established and implemented a Caseload Risk and Integrity Strategy, which lays the foundations for a consistent approach to risk-tiering and prioritisation across the global delivery network. This strategy outlines review mechanisms for risk controls across all temporary and migration visa programs, and is complemented by a Caseload Risk and Integrity Partnership Agreement, which sets out the key priorities and outputs in this area. More than 200 integrity

reports have been produced by this capability since inception, which outline action taken to review and update risk settings. In 2023, this will be complemented by a more comprehensive governance framework.


The Department notes that a number of the ANAO's recommendations are dependent on Information Communications Technology (ICT)/systems functionality not currently available. Implementation requires investment in improvements to ICT capability to have a marked impact on the efficient and effective delivery of all visa programs. The Department will continue to explore options to improve visa processing within the constraints of existing ICT systems, while capitalising on opportunities to improve these systems when they arise.

The Department also notes that any changes it makes in response to the ANAO audit must take into account the need to deliver consistent visa and client service across the entirety of its visa programs and ensure that any changes implemented do not have unintended consequences to other visa programs. Moreover, at the Jobs and Skills Summit in September 2022, the Government announced a comprehensive review of Australia's migration system, to ensure it meets the challenges of the coming decade. A *Migration System for Australia's Future* will outline the objectives of Australia's immigration system and will guide future immigration reform, including that of Family visa programs.

Please find attached a summary response to the report for inclusion in the formal report (**Attachment A**), as well as a response to the recommendations (**Attachment B**). Editorial comments are also provided at **Attachment C**.

The Department acknowledges the ANAO's efforts throughout the audit process.

Yours sincerely



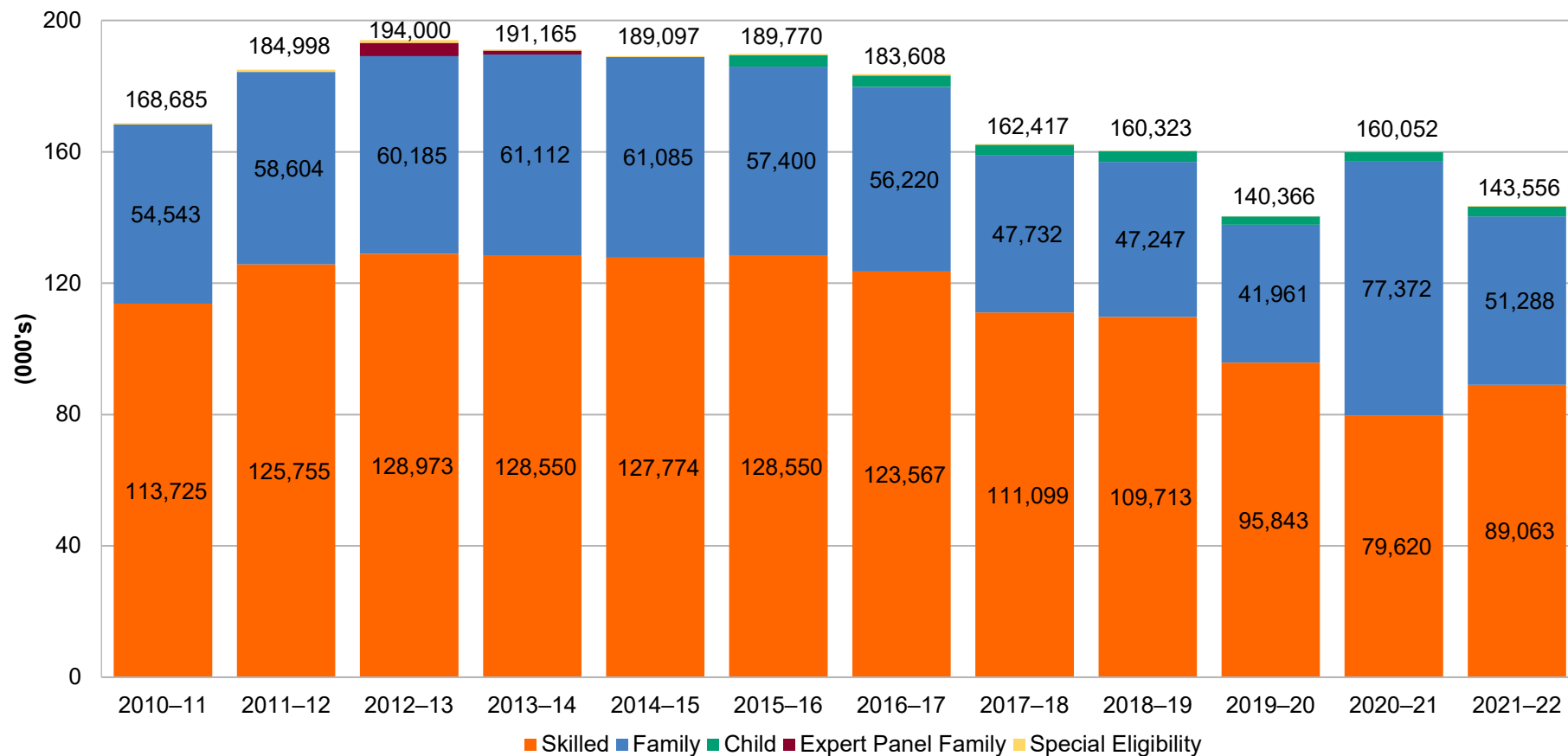
Robyn Miller
Acting Chief Audit Executive
15 March 2023

Appendix 2 Improvements observed by the ANAO

1. The existence of independent external audit, and the accompanying potential for scrutiny improves performance. Improvements in administrative and management practices usually occur: in anticipation of ANAO audit activity; during an audit engagement; as interim findings are made; and/or after the audit has been completed and formal findings are communicated.
2. The Joint Committee of Public Accounts and Audit (JCPAA) has encouraged the ANAO to consider ways in which the ANAO could capture and describe some of these impacts. The ANAO's 2021–22 Corporate Plan states that the ANAO's annual performance statements will provide a narrative that will consider, amongst other matters, analysis of key improvements made by entities during a performance audit process based on information included in tabled performance audit reports.
3. Performance audits involve close engagement between the ANAO and the audited entity as well as other stakeholders involved in the program or activity being audited. Throughout the audit engagement, the ANAO outlines to the entity the preliminary audit findings, conclusions and potential audit recommendations. This ensures that final recommendations are appropriately targeted and encourages entities to take early remedial action on any identified matters during the course of an audit. Remedial actions entities may take during the audit include:
 - strengthening governance arrangements;
 - introducing or revising policies, strategies, guidelines or administrative processes; and
 - initiating reviews or investigations.
4. The below action was observed by the ANAO during the course of the audit. It is not clear whether this action and/or the timing of this action was planned in response to proposed or actual audit activity. The ANAO has not sought to obtain assurance over the source of the action or whether it has been appropriately implemented.
 - The department initiated a project to 'define immigration program management through the development of a framework'. The framework is aimed at aligning 'available resources to the highest priority activities and improve the efficiency, integrity, and quality (accuracy) of immigration programs'.

Appendix 3 Permanent visas granted between 2010–11 and 2021–22

Figure A.1: Permanent visas granted between 2010–11 and 2021–22^{abc}



Note a: Numbers above the stacked bars are the total migration program outcomes for permanent visas granted during this period. The specific number of visas issued for Child, Expert Panel Family and Special Eligibility are not included in this graph.

Note b: Before 2015–16, the number of Child visas issued was included in the total number of visas issued for the Family Migration Program.

Note c: Expert Panel Family refers to family members sponsored by former Illegal Maritime Arrivals. These were reported separately in 2012–13 and 2013–14.

Source: ANAO analysis of public and Home Affairs information.

Appendix 4 List of Family Migration Program visa categories

Table A.1: List of Family Migration Program visa categories

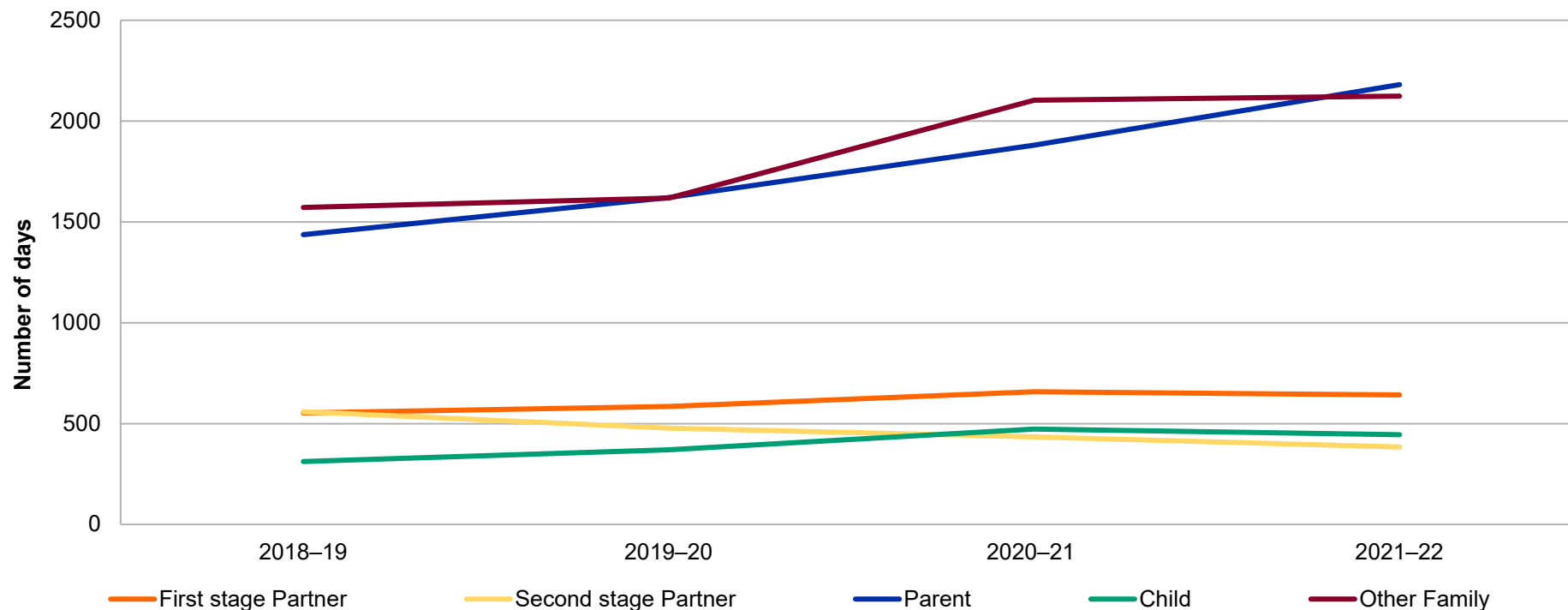
| Visa category | Subclass number |
|--|-----------------|
| Partner visa | |
| Partner (provisional) visa (temporary, offshore) | 309 |
| Partner (migrant) visa (permanent, offshore) | 100 |
| Partner visa (temporary, onshore) | 820 |
| Partner visa (permanent, onshore) | 801 |
| Prospective Marriage visa (temporary, offshore) | 300 |
| Child visa | |
| Adoption visa (permanent, offshore) | 102 |
| Child visa (permanent, offshore) | 101 |
| Child visa (permanent, onshore) | 802 |
| Dependent child visa (temporary) | 445 |
| Orphan Relative (permanent, offshore) | 117 |
| Orphan Relative (permanent, onshore) | 837 |
| Parent visa | |
| Aged Parent visa (permanent, onshore) | 804 |
| Contributory Aged Parent visa (temporary, onshore) | 884 |
| Contributory Aged Parent visa (permanent, onshore) | 864 |
| Contributory Parent visa (temporary, offshore) | 173 |
| Contributory Parent visa (permanent, offshore) | 143 |
| Parent visa (permanent, offshore) | 103 |
| Sponsored Parent visa (temporary) | 870 |
| Other Family visas | |
| Aged Dependent Relative (permanent, offshore) | 114 |
| Aged Dependent Relative (permanent, onshore) | 838 |
| Remaining Relative visa (permanent, offshore) | 115 |
| Remaining Relative visa (permanent, onshore) | 835 |
| Carer visa (permanent, offshore) | 116 |
| Carer visa (permanent, onshore) | 836 |

Note: 'Onshore' and 'offshore' are used to indicate whether an applicant is required to be inside or outside of Australia when an application is and/or granted. The Migration Regulations 1994 Schedule 1 and Schedule 2 criteria require applicants of some family visa subclasses to be located outside Australia at the time of visa grant.

Source: Department of Home Affairs, *Visa list* [Internet], Home Affairs, Canberra, available from <https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing> [accessed 31 October 2022].

Appendix 5 Processing times for Partner, Parent, Child and Other Family visa categories

Figure A.2: Number of days taken to finalise 75 per cent of applications for Partner, Parent, Child and Other Family visa categories from 2018–19 to 2021–22



Notes: The processing times for each visa type is the average of the relevant subclasses.

First stage Partner includes: Prospective Marriage (subclass 300); Partner (Provisional) (subclass 309); and Partner (subclass 820).

Second stage Partner includes: Partner (Migrant) (subclass 100); and Partner (subclass 801).

Parent includes: Parent (subclass 103); Contributory Parent (Migrant) (subclass 143); Contributory Parent (Temporary) (subclass 173); Aged Parent (subclass 804); Contributory Aged Parent (subclass 864); and Contributory Aged Parent (Temporary) (subclass 884).

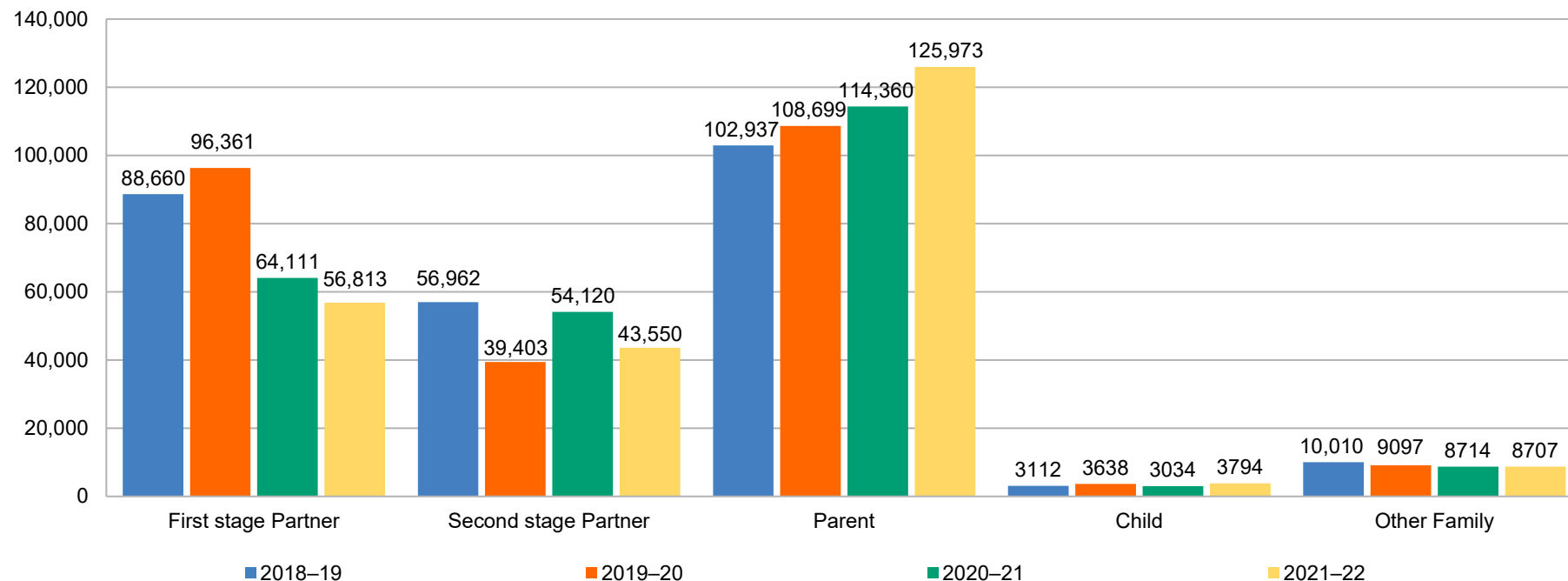
Child includes: Child (subclasses 101 and 802); Adoption (subclass 102); and Dependent Child (subclass 445).

Other Family includes: Aged Dependent Relative (subclasses 114 and 838); Remaining Relative (subclasses 115 and 835); Carer (subclasses 116 and 836); and Orphan Relative (subclasses 117 and 837).

Source: ANAO analysis of data provided by Home Affairs.

Appendix 6 Family Migration Program caseload from 2018–19 to 2021–22

Figure A.3: On hand visa applications for the Family Migration Program for program years 2018–19 to 2021–22, as at 30 June 2022



Notes: Home Affairs defines an on hand visa application as '[a] visa application that has been lodged but has not been finalised at a point in time'. An application that is on hand may also be referred to as 'in the pipeline'.

Data for second stage Partner relates to those applications eligible for processing (i.e.: have met the requirement of a mandatory two-year waiting period).

The planning levels for the Partner visa program during this period were: 47,825 (2018–19); 39,799 (2019–20); 72,300 (2020–21); and 62,300 (2021–22) (revised level, see paragraph 2.21).

The planning levels for the Parent visa program during this period were: 8675 (2018–19); 7371 (2019–20); and 4500 (2020–21 and 2021–22).

The Child visa program is demand-driven. Planning levels are indicative. The planning levels during this period were: 3350 (2018–19 and 2019–20); and 3000 (2020–21 and 2021–22).

The planning levels for the Other Family program during this period were: 900 (2018–19); 562 (2019–20); and 500 (2020–21 and 2021–22).

Source: ANAO analysis of caseload reporting provided by Home Affairs.

Appendix 7 Administrative Appeals Tribunal reviews of Partner, Parent and Child visa application decisions

Table A.2: Administrative Appeals Tribunal (AAT) reviews of Partner and Child visa application refusals (2018–19 to 2021–22)^a

| Subclasses | AAT reviewed | AAT set aside | Proportion set aside |
|--|--------------|---------------|----------------------|
| Partner (820, temporary, onshore) | 3300 | 1905 | 58 per cent |
| Partner (801, permanent, onshore) ^b | 650 | 293 | 45 per cent |
| Partner (309, provisional, offshore) | 1902 | 1103 | 58 per cent |
| Child (802, onshore) ^c | 257 | 130 | 51 per cent |
| Child (101, offshore) | 275 | 126 | 46 per cent |
| Orphan Relative (117, offshore) | 134 | 59 | 44 per cent |
| Total | 4415 | 2418 | 55 per cent |

Note a: The figures in the 'proportion set aside' column are the number of decisions categorised 'set aside' divided by the sum of decisions categorised as 'set aside', 'affirmed', 'withdrawn' or 'other' in the AAT's public reporting.

Note b: AAT statistics were not reported for this subclass in 2020–21 and 2021–22.

Note c: AAT statistics were not reported for this subclass in 2018–19.

Source: ANAO analysis of public information. See Administrative Appeals Tribunal, *Statistics* [Internet], AAT, Canberra, available from <https://www.aat.gov.au/about-the-aat/corporate-information/statistics> [accessed 20 January 2023].