

Verifying Identity in the Citizenship Program

Department of Immigration and Border Protection

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Office of the Auditor-General for Australia



Canberra ACT
10 June 2015

Dear Mr President
Dear Madam Speaker

The Australian National Audit Office has undertaken an independent performance audit in the Department of Immigration and Border Protection titled *Verifying Identity in the Citizenship Program*. The audit was conducted in accordance with the authority contained in the *Auditor-General Act 1997*. Pursuant to Senate Standing Order 166 relating to the presentation of documents when the Senate is not sitting, I present the report of this audit 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, appearing to read 'Ian McPhee'.

Ian McPhee

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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Abbreviations and Glossary

ACIs	Australian Citizenship Instructions—provide guidance on policy in relation to the interpretation of, and the exercise of powers under, the <i>Australian Citizenship Act 2007</i> and <i>Australian Citizenship Regulations 2007</i> .
ACTRO	Australian Capital Territory Regional Office
ANAO	Australian National Audit Office
Ceremonies Code	Australian Citizenship Ceremonies Code
CTP	Citizenship Training Program
DIBP	Department of Immigration and Border Protection
DVS	Document Verification Service
EPU	Evidence Processing Unit
FOI Act	<i>Freedom of Information Act 1982</i>
GM Citizenship	Global Manager Citizenship
Human Services	Department of Human Services
ICSE	Integrated Client Service Environment—a departmental IT system that records the lodgement and consideration of requests for departmental services, including applications for citizenship.
IMA	Irregular Maritime Arrivals
IPA	<i>Integrity Partnership Agreement—Citizenship Program</i>
ISR	Identity Services Repository—an IT system used to collect, store and view document scans and facial images for DIBP clients, including citizenship applicants.

PVL	Pledge Verification List—a document containing personal identifiers, such as the name and date of birth for approved citizenship applicants, which DIBP provides to citizenship ceremony administrators for the purposes of identifying applicants at the ceremony registration.
STO	State and Territory office
the Act	<i>Australian Citizenship Act 2007</i>

Summary and Recommendations

Summary

Introduction

1. The concept of Australian citizenship has been enshrined in legislation since 1949.¹ Citizenship is viewed as a privilege and marks the beginning of a person's formal membership of the Australian community.² A person may become an Australian citizen automatically (generally persons born in Australia to one or more parents who are citizens or permanent residents) or by application. Persons can apply for one of four types of citizenship by application: descent; adoption; resumption; and conferral.³ Citizenship by conferral is the largest component.

2. In 2013–14, more than 185 000 people applied for citizenship by conferral, representing 90 per cent of the total number who applied for citizenship.⁴ In the period 2010–11 to 2013–14, the number of approvals for conferral increased by 85 per cent from 85 916 to 158 870. The program's expansion reflects the effects of large migration programs in recent years, changes to residence requirements, and, in part, the growing number of former irregular maritime arrivals becoming eligible to apply for citizenship. The majority of applications (around 80 per cent) for citizenship are approved.

3. The Department of Immigration and Border Protection (DIBP) is responsible for implementing the Government's immigration and citizenship policies. DIBP promotes and administers Australian citizenship in accordance with the *Australian Citizenship Act 2007* (the Act). The *Australian Citizenship Instructions* (ACIs) support the Act and outline the department's policy as it relates to citizenship. In 2014–15, the Citizenship Program had a budget of \$65 million.⁵

1 The *Nationality and Citizenship Act 1948* came into effect in January 1949 and was replaced by the *Australian Citizenship Act 2007*.

2 *Australian Citizenship Act 2007* Preamble.

3 Each application type includes unique circumstances: persons born outside Australia and with one or both parents being Australian citizens can apply for citizenship by descent; persons adopted outside Australia, by at least one Australian citizen, can apply for citizenship by adoption; and persons who ceased to be Australian citizens and wish to become citizens again can apply for citizenship by resumption. Persons who cannot apply under the other three categories can instead apply for citizenship by conferral.

4 This figure includes dependant applicants (such as children) who are assessed as part of their parent's or guardian's application, who are referred to as the principal applicant.

5 Department of Immigration and Border Protection, *Portfolio Budget Statements 2014–15*, Commonwealth of Australia, Canberra, May 2014, p. 28.

4. In general, to successfully apply for citizenship by conferral, a person must fulfil the Act's 'general eligibility' criteria⁶—that is, the person must be a permanent resident who satisfies the residence requirement and be of 'good character'.⁷ In addition to these requirements, an applicant must sit and pass the citizenship test to show, among other things, that they possess a basic knowledge of the English language and have an adequate knowledge of Australia and the responsibilities and privileges associated with Australian citizenship. Most applications for Australian citizenship are processed in DIBP's State and Territory Offices (STOs), which form the department's decentralised service delivery network. The majority of applications for citizenship by conferral are approved within a week of the applicant passing the citizenship test.

Verifying the identity of citizenship applicants

5. A key requirement for DIBP in administering Australian citizenship is verifying the identity of the person seeking citizenship. The Act requires that the Minister must not approve a person becoming an Australian citizen unless satisfied of the identity of the person.⁸ The department seeks to verify the identity of an applicant at three key stages, the:

- citizenship application: the department assesses the application, including determining whether it contains the required identity documents, which must include a photograph of the applicant and a completed identity declaration signed by a designated person.⁹
- citizenship test: prior to the applicant sitting the citizenship test and being approved for citizenship, DIBP verifies the identity of the applicant through face-to-face contact as well as by sighting/examining the applicant's original identity documentation. During the test appointment (or shortly thereafter), citizenship officers are also required to request a National Police Check to identify whether the applicant has committed offences against Australian law and/or been imprisoned.

6 *Australian Citizenship Act 2007* ss. 21(2).

7 The ANAO previously conducted an audit on the department's administration of the Act's character requirements. See ANAO Audit Report No. 56 2010–11, *Administration of the Character Requirements of the Australian Citizenship Act 2007*.

8 *Australian Citizenship Act 2007* ss. 24(3).

9 The identity declarant must not be a family member of the applicant, and must be an Australian citizen, have known the applicant for at least one year, and work in one of the 38 prescribed professions, available from <http://www.citizenship.gov.au/applying/files/pid_docs/occupations_list/> [accessed 19 March 2015].

- citizenship ceremony: prior to the applicant taking the pledge of commitment and becoming an Australian citizen, ceremony officers¹⁰ examine the identity document/s presented by the applicant and determine whether they are satisfied of the applicant's identity against the Pledge Verification List (PVL)¹¹ provided by DIBP.
6. After making the pledge of commitment, applicants legally become Australian citizens and receive a commemorative citizenship certificate. The citizenship certificate is commonly used as a primary source document for identification purposes.

Requests for amendments to personal details

7. A person can choose to amend their personal details (for example, their name or date of birth) during the application process and/or after they have acquired citizenship.¹² For cases arising during the application process, amendments can be sought under the *Freedom of Information Act 1982*¹³ and will be processed by DIBP's Freedom of Information (FOI) area. Citizens may apply to amend their personal details on their citizenship certificate, or to replace a lost certificate, through the 'evidence' of Australian citizenship process.¹⁴ These applications are administered by the Citizenship Program's centralised Evidence Processing Unit. All identity related outcomes made by citizenship officers (both pre-citizenship and post-citizenship) are governed by the Act and require the Minister to be satisfied of the person's identity.

Audit objective, criteria and scope

8. The objective of the audit was to assess the effectiveness of the Department of Immigration and Border Protection's identity verification arrangements for applicants in the Citizenship Program.

10 The majority of citizenship ceremonies are administered by local governments on behalf of DIBP.

11 The PVL contains personal identifiers of an approved applicant, including their name, address and date of birth.

12 Such applications for amendments may occur for many reasons, including for example, correcting erroneous or incomplete records, or updating details to reflect changed circumstances.

13 See *Freedom of Information Act 1982* Part 5.

14 The provision of evidence of citizenship does not make a person an Australian citizen if they are not already a citizen under the Act. An outcome of a valid evidence of citizenship application is referred to by DIBP as a 'finding of fact', rather than a decision. With respect to identity, a 'finding of fact' is based on the authority of ss. 37(4) of the Act.

9. To form a conclusion against this objective, the ANAO adopted the following high level criteria:

- administrative arrangements have been developed for verifying identity in the Citizenship Program; and
- arrangements have been implemented to effectively verify identity across the three key phases of the Citizenship Program: citizenship applications; the citizenship test; and the citizenship ceremony.

10. The audit covered the citizenship by conferral component, and within that component, focused on the 'general eligibility criteria', which includes applicants required to sit the citizenship test. Citizenship ceremonies conducted by local governments and DIBP were within the audit scope, however, the small proportion of ceremonies conducted by community organisations were excluded.

Overall conclusion

11. Citizenship offers persons born outside Australia the opportunity to make an ongoing commitment to Australia and grants privileges such as the right to vote and apply for an Australian passport. In administering the Citizenship Program, DIBP has been faced with an increasing volume of applications, with the number of applications approved for conferral increasing by 85 per cent (85 916 to 158 870) from 2010–11 to 2013–14. Recent cohorts of applicants, such as former irregular maritime arrivals, pose particular challenges because they may have limited or no identity documentation from their country of origin.

12. DIBP has put in place a range of processes that seek to establish and confirm the identity of persons when they apply for Australian citizenship; undertake the citizenship test; and make the pledge of commitment to become a citizen. While these arrangements to support identity verification are broadly sound, there are shortcomings in the implementation of the current administrative processes, including inconsistent practices in identity verification across DIBP's State and Territory Offices. These shortcomings limit the extent to which the department can be assured that its identity verification obligations for citizenship are being effectively fulfilled. DIBP's identity verification process would be strengthened by:

- providing decision-makers with clearer guidance on the key elements of identity that are to be considered when assessing citizenship applications;
- developing a risk based quality assurance program, which includes the appropriateness of decisions, so that DIBP can monitor the quality and consistency of citizenship decisions;
- including stronger personal identifiers¹⁵, such as the facial image of an applicant, as part of the Pledge Verification List provided to citizenship ceremony officers so that they can better verify an applicant's identity at the ceremony registration; and
- developing and reporting against performance indicators that assess the quality of DIBP's decisions.

13. Applicants who have not yet acquired Australian citizenship¹⁶ can seek to amend their personal details through Freedom of Information (FOI) requests, which are processed by DIBP's FOI area. Citizenship decision-makers are not currently alerted to changes to an applicant's details that need to be re-verified prior to conferral. From 2012–13 to 9 April 2015, 42 FOI requests for changes to a citizenship applicant's personal details were accepted through the FOI process. Formalising arrangements between the department's FOI area and citizenship decision-makers, would allow the personal identifiers ultimately included on an applicant's citizenship certificate to be appropriately verified.

14. To further improve DIBP's arrangements for verifying identity in the Citizenship Program, the ANAO has made five recommendations designed to strengthen and improve the: consistency of identity verification assessments; department's reporting against the objectives of the Citizenship Program; program's quality assurance activities; identity verification at citizenship ceremonies; and re-verification processes following amendments to personal identifiers prior to conferring citizenship.

15 'Personal identifiers' is a term used to refer to unique details about a person such as their name, date of birth, signature and facial image.

16 In this context, persons seeking amendments through FOI are those that are approved citizenship applicants, but have not yet been conferred citizenship.

Key findings by chapter

Administrative Arrangements (Chapter 2)

15. The department's administrative arrangements for delivering the Citizenship Program are decentralised, with national office responsible for program management and operational policy, and the citizenship network, responsible for processing citizenship applications.

16. Until the recent introduction of the *Integrity Partnership Agreement—Citizenship Program* (IPA)¹⁷ in March 2014, DIBP did not have a systematic approach to identifying and mitigating emerging and known risks to the Citizenship Program. IPAs have been implemented across the department and provide the specific program area, such as citizenship, with a risk management structure. However, further refinement is required to the citizenship IPA, so that the risk analysis methodology is tailored to the Citizenship Program, and quantifiable measures are developed to assess the effectiveness of risk treatments.

17. The *Australian Citizenship Instructions* (ACIs) guide decision-makers in their application of the Act, including the requirement that the Minister must be satisfied of the identity of a person applying for citizenship. While there will always be a need for citizenship officers to exercise their judgement according to the circumstances of each application, the ACIs, as they currently stand, do not provide decision-makers with sufficient guidance on the key elements that are to be considered when verifying the identity of citizenship applicants. Elements to be considered by citizenship officers verifying identity could be further illustrated through, for example, the inclusion of case studies in the ACIs. Furthermore, while the ACIs are available to all staff, advice on policy changes that occur between updates to the ACIs¹⁸ are stored in an information mailbox that is only available to management staff. Establishing a central repository for interim policy guidance that all staff across the citizenship network can access would strengthen the consistency of identity verification assessments across STOs.

17 IPAs have been developed across different program areas in DIBP, including for visa processing. Generally, IPAs outline the agreed fraud control, risk review and monitoring activities, including reporting to support informed decision-making on risk settings.

18 DIBP advised that updates to the ACIs are managed by the department's legislation area and have a regular cycle. As at April 2015, the ACIs were last updated in July 2014.

18. The department informs internal and external stakeholders on its performance in delivering the Citizenship Program. Internal reporting largely focusses on high level, quantitative management information such as citizenship processing statistics, providing some insight into workload management. DIBP's performance is publicly reported through its annual reports. These reports include key statistics for citizenship application and conferral rates. Results are also reported against the program's three key performance indicators (KPIs): percentage of refusal decisions overturned through an appeals process; increased awareness of, and interest in Australian citizenship; and percentage of client conferral applications decided within the 60 day service delivery standard. From 2010–11 to 2013–14, the department consistently met the first two KPIs, however, only met the third KPI once in 2011–12.

19. The three KPIs allow DIBP to publicly report on its achievements in the context of quantitative targets. The KPIs do not provide insight into the department's performance across other key areas of the program, such as the quality of approval decisions. In 2013–14, such decisions represented 83 per cent of the decisions made for citizenship by conferral. Expanding the KPIs to cover the quality of citizenship decisions, and reporting against these would provide assurance that the Citizenship Program is meeting its legislated requirements, including that the Minister must not approve a person becoming an Australian citizen unless satisfied of the identity of the person.

Arrangements for Verifying Identity (Chapter 3)

20. Citizenship officers in the STOs are to verify an applicant's identity at the initial application and citizenship test appointment stages. However, citizenship officers are not consistently implementing the department's identity verification processes for these two key stages.

21. For the initial application stage, the ANAO reviewed a sample of 400 paper and electronic applications.¹⁹ While 82 per cent of paper applications (126 of 153 applications) were pre-assessed according to the department's requirements, over half of the electronically lodged applications (61 per cent, or 151 of 247) were processed without the officer sighting or reviewing the supporting identity documentation. At the citizenship test

19 The ANAO reviewed a sample of 400 approved applications for citizenship by conferral from six STOs, to test the department's identity verification processes (refer Chapter 1, paragraph 1.26).

appointment stage, DIBP officers did not follow the key processes for identity verification for 26 per cent of applicants (105 of 400 applications). The most significant inconsistencies were that:

- no identity documents had been scanned and saved to the relevant DIBP database (10 per cent, or 42 of 400 applications); and
- a National Police Check was requested without the officer including all of an applicant's known aliases (eight per cent, or 31 of 400 applications).

22. DIBP's quality assurance checking activities²⁰ focus on compliance by decision-makers with key administrative processes. Checks for identity include, for example, whether a facial image of the applicant has been saved into DIBP's database. The quality assurance checking activities are devolved, and STOs are responsible for checking five per cent of applications decided each month across the different citizenship streams. In both 2012–13 and 2013–14, the department did not achieve the monthly sample rate of five per cent, instead achieving an average monthly sample rate of three per cent during these years. Nevertheless, the majority of process controls tested (82 per cent, or 167 of 204) resulted in a positive outcome, requiring no further attention from management.

23. DIBP's quality assurance checking does not assess the quality of citizenship decision-making, including whether the identity of citizenship applicants has been properly verified. For example, the checks do not assess whether the evidence provided with an application is sufficient to adequately support a decision on identity. Consequently, DIBP management obtains limited assurance as to the quality and integrity of DIBP's identification processes for citizenship applicants from the quality assurance checking process. The introduction of a quality assurance program that is risk based and focusses on the appropriateness of decisions made would better position the department to monitor the quality and consistency of citizenship decisions.

20 The Citizenship Program's quality assurance checking involves completing questions in six categories. Answers in response to these questions are used to calculate the number of errors made in relation to up to 12 'controls', including controls such as assessment criteria, documentation and integrity and security.

Citizenship Ceremonies and Evidence of Australian Citizenship (Chapter 4)

24. DIBP sees the citizenship ceremony stage as the final opportunity to satisfy itself of the identity of an applicant before they become a citizen. As the majority of citizenship ceremonies are conducted by local government councils, DIBP's administrative arrangements allow for local government officers to verify, on their behalf, the identity of an approved applicant registering at the time of the ceremony. To facilitate this arrangement, DIBP provides local government officers with the: Australian Citizenship Ceremonies Code (Ceremonies Code), which outlines the requirements for the conduct of ceremonies; and Pledge Verification List (PVL), which contains some of an applicant's personal identifiers such as name and date of birth, so that a cross-check can be undertaken at the time of the ceremony.

25. The Ceremonies Code guides those responsible for verifying the identity of applicants to 'use their best judgement' and to correctly identify applicants against the PVL. It does not however explicitly instruct ceremony officers to undertake a face-to-photo comparison of the applicant. Furthermore, the narrow range of personal identifiers in the PVL limits the extent to which officers can conduct a cross-check between the department's records and the person presenting at the ceremony. Including as part of the PVL, personal identifiers such as the facial images of approved applicants, would strengthen current practices, especially in circumstances where a person has presented without photographic identification.

26. The ANAO observed the registration process at five citizenship ceremonies held from August to October 2014.²¹ In total, 376 applicants sought registration, with the majority presenting photographic identification in the form of a driver's licence (78 per cent). Overall, the ANAO observed that the average time taken to verify the identity of applicants was between 10 and 20 seconds. Officers were observed using the applicant's photo identification primarily to locate the name of the applicant on the PVL and to cross-check the name and address of the photo identification with the information contained in the PVL.

21 Four of the ceremonies were conducted by local governments, while one was conducted by the department.

27. DIBP provides for the citizenship network to conduct quality checking activities for ceremonies through formal council liaison programs. STOs do not however maintain a formal liaison program with local government councils and do not attend citizenship ceremonies on a systematic basis for the purposes of quality assurance checking. Consequently, DIBP's insight into the quality of the identity verification undertaken on its behalf is limited.

28. The centralised Evidence Processing Unit, is responsible for dealing with citizenship matters after a person has acquired citizenship.²² The Unit's caseload has increased in volume by 39 per cent from 2011–12 (20 340 decisions) to 2013–14 (28 331 decisions) and also grown in complexity, with approximately 10 per cent of applications in 2013–14 requesting both the name and date of birth be changed on a citizenship certificate, compared to 7 per cent in 2012–13. The unit is required to apply the same evidentiary standard as for persons applying for citizenship when deciding whether to accept the amendments sought. However, the department does not conduct routine analysis to identify emerging trends or capture data that shows the risks associated with the increasing caseload.

29. As discussed previously, persons whose applications had been approved (but had not yet acquired citizenship), can request a change to their personal details through Freedom of Information (FOI) requests, which are processed by DIBP's FOI area. This process can result in changes being made to an applicant's key personal identifiers by DIBP's FOI area. Currently, there is no mechanism for citizenship decision-makers to be alerted to such changes, and consequently, the approved applicant could receive a citizenship certificate with amended personal identifiers that were not subject to re-verification. To date, DIBP has not monitored or reported on applicants requesting such changes. However, in response to this audit, DIBP sought a special report to be produced which showed that 42 personal identifier amendment requests were accepted through the FOI process from 2012–13 to 9 April 2014–15. The majority (29, or 69 per cent) of these request related to a change of name.

22 The Evidence Processing Unit deals with cases where citizens seek to replace or amend their citizenship certificate in circumstances which include where a citizen: has lost their original citizenship certificate; or wishes to change the personal details presented on their citizenship certificate such as a name and/or date of birth.

Summary of entity response

30. The proposed report was provided to DIBP and extracts were provided to the Department of Human Services (Human Services) in relation to Human Services' conduct of citizenship test appointments in regional areas. Summary responses to the audit are provided below and formal responses are included at Appendix 1.

Department of Immigration and Border Protection

The Department of Immigration and Border Protection acknowledges the findings outlined in the proposed audit report on Verifying Identity in the Citizenship Program and agrees with the five recommendations.

As the report noted, in March 2015 the department implemented a significant restructure as part of the portfolio reform process. The restructure effectively brought the programme management and service delivery elements of the citizenship programme under a single management structure, which will provide clearer programme accountabilities and additional support from the newly formed Community Protection Division, in areas such as complex identity assessments and caseload assurance.

As a result, the department is currently refining citizenship policy and business processes to further strengthen assessment of the identity of persons applying for Australian citizenship, undertaking the citizenship test and making the pledge of commitment to become a citizen.

The department has also commenced the development of a risk-based quality assurance framework for the citizenship programme which will include enhanced reviews of identity verification processes and decision-making. The development of key performance indicators to assess the quality of citizenship decisions will be addressed as part of this work.

More broadly, the department is expanding its biometric capability in visa programmes, which will provide a stronger identity platform for identity assessments when clients later apply for Australian citizenship.

Department of Human Services

The Department of Human Services (the department) welcomes the report and notes that there are no recommendations or major findings for the department.

The department also notes that the report states that the Department of Immigration and Border Protection's quality assurance results show a general improvement in this department's administration of regional test appointments from 2013–14 to 2014–15.

Recommendations

Recommendation No. 1

Paragraph 2.22

To strengthen the consistency of identity verification assessments, the ANAO recommends that the Department of Immigration and Border Protection:

- clearly outlines in the Australian Citizenship Instructions, the key elements of identity that decision-makers are to consider when assessing citizenship applications; and
- establishes a central repository for interim policy guidance that is accessible to all staff.

DIBP's response: *Agreed.*

Recommendation No. 2

Paragraph 2.52

To more effectively assess and report on the objectives of the Citizenship Program, the ANAO recommends that the Department of Immigration and Border Protection develops and reports against key performance indicators assessing the quality of the department's citizenship decisions.

DIBP's response: *Agreed.*

Recommendation No. 3

Paragraph 3.59

To improve the quality assurance process for the Citizenship Program, the ANAO recommends that the Department of Immigration and Border Protection extends its quality assurance program to include a risk based approach and consideration of the appropriateness of decisions, including whether the identity of the applicant has been properly verified.

DIBP's response: *Agreed.*

**Recommendation
No. 4****Paragraph 4.21**

To strengthen the identity verification activities conducted at citizenship ceremonies, the ANAO recommends that the Department of Immigration and Border Protection includes stronger personal identifiers, such as the facial image of approved applicants, in the Pledge Verification List provided to ceremony officers.

DIBP's response: *Agreed.*

**Recommendation
No. 5****Paragraph 4.44**

To provide greater assurance that the identity of citizenship applicants has been appropriately verified, the ANAO recommends that the Department of Immigration and Border Protection puts in place arrangements to alert citizenship decision-makers when an applicant amends their personal details under Freedom of Information provisions prior to citizenship conferral.

DIBP's response: *Agreed.*

Audit Findings

1. Background and Context

This chapter provides background information on the Citizenship Program, particularly the Department of Immigration and Border Protection's arrangements for administering the identity requirements of the program. The chapter also outlines the audit objective and approach.

Introduction

1.1 In 2013–14, over 200 000 people applied for Australian citizenship. Citizenship grants privileges such as the right to: vote in elections; apply for positions in the Australian Public Service and Australian Defence Force; seek election to Parliament; and hold an Australian passport.

1.2 The Department of Immigration and Border Protection (DIBP) is responsible for implementing the Government's immigration and citizenship policies to support the outcome of a prosperous and inclusive Australia. DIBP promotes and administers Australian citizenship in accordance with the *Australian Citizenship Act 2007* (the Act). The Act replaced the *Nationality and Citizenship Act 1948* which came into effect in January 1949, enshrining in legislation the concept of Australian citizenship.²³

1.3 The Act introduced changes to key eligibility requirements including: strengthening national security requirements and the department's powers to collect and store applicants' personal identifiers; and introducing a citizenship test. The *Australian Citizenship Instructions* (ACIs) support the Act and outline the department's policy as it relates to citizenship. In 2014–15, the Citizenship Program had a budget of \$65 million.²⁴

Australian Citizenship

1.4 Australian citizenship marks the beginning of a person's formal membership of the Australian community.²⁵ A person may become an Australian citizen automatically or by application. Generally, persons born in Australia to one or more parents who are Australian citizens or permanent

23 Prior to the 1948 Act, most people living in Australia were known as British subjects.

24 Department of Immigration and Border Protection, *Portfolio Budget Statements 2014–15*, Commonwealth of Australia, Canberra, May 2014, p. 28.

25 *Australian Citizenship Act 2007* Preamble.

residents acquire citizenship automatically. Persons born outside Australia can acquire citizenship by application. There are four types of citizenship by application:

- descent—for persons born outside Australia and with one or both parents being Australian citizens at the time the person was born;
- adoption—for persons adopted outside Australia, in accordance with the *Hague Convention on Intercountry Adoption* or by bilateral arrangements, by at least one Australian citizen;
- resumption—for persons who ceased to be Australian citizens and wish to become citizens again; and
- conferral—for persons who cannot apply under the other three categories and who meet the eligibility criteria.

Citizenship by conferral

1.5 The largest component of the Citizenship Program is citizenship by conferral.²⁶ People who have been lawfully present in Australia for four years and as a permanent resident in the final year may apply for citizenship by conferral.²⁷ Accordingly, citizenship by conferral is the most common pathway by which refugee and humanitarian entrants, skilled and other migrants become citizens. In 2013–14, more than 185 000 applicants applied for citizenship by conferral, representing 90 per cent of the total number of people that applied for Australian citizenship.²⁸ In contrast, approximately 21 000 applications are received per annum for citizenship by descent, and fewer than 450 per annum for citizenship by adoption and citizenship by resumption.

1.6 At the commencement of this audit, responsibility for administering the Citizenship Program and decision-making, was distributed between the Citizenship Branch in DIBP's national office and the citizenship service delivery network (the citizenship network)—consisting of the Global Manager

26 Unless otherwise stated, throughout this report citizenship by conferral applicants will be referred to as citizenship applicants.

27 Some exceptions to the general residency requirement apply to people engaged in activities of benefit to Australia, engaged in professions that require regular travel outside of Australia or people who have completed relevant defence service. See *Australian Citizenship Act 2007* ss. 22A, 22B and 22C.

28 This figure includes dependant applicants (such as children) who are assessed as part of their parent's or guardian's application, who are referred to as the principal applicant.

Citizenship (GM Citizenship)²⁹ and citizenship officers in the State and Territory Offices (STOs).³⁰

1.7 In March 2015, as part of the broader reform process in the Immigration and Border Protection portfolio³¹, a new organisational and management structure came into effect for a large number of areas across the portfolio, including citizenship. The key changes to the Citizenship Program's administrative arrangements are that:

- legislative and policy aspects of the program are administered as part of the department's Policy Group; and
- program management, service delivery, and operational policy are administered together under the Visa and Citizenship Services Group, ending the GM Citizenship role and operational management of the citizenship network.

Processing citizenship applications

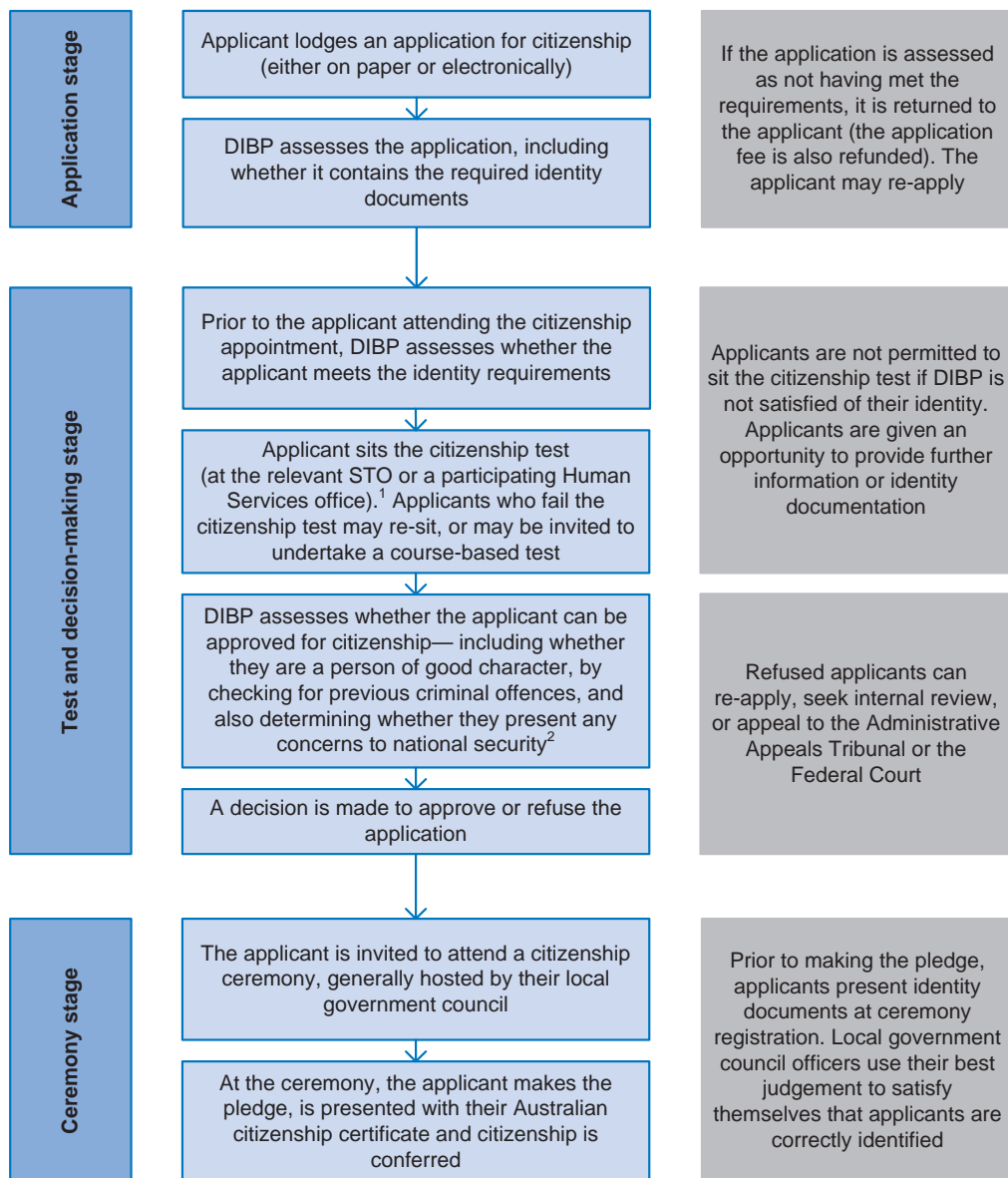
1.8 Most citizenship decisions, including the verification of an applicant's identity, are not complex. DIBP's decision-makers in the STOs (generally at the Australian Public Service 4 level) commonly approve the majority of citizenship by conferral applications within a week of the applicant passing the citizenship test. The approval pathway for the more complex citizenship applications can often take months or, in some cases, years for a decision to be made. Figure 1.1 sets out the key steps in the citizenship application process from DIBP's receipt of the application to an eligible applicant being legally conferred as an Australian citizen at a citizenship ceremony.

29 The GM Citizenship was part of DIBP's Client Services Group reporting to the First Assistant Secretary (FAS) Border, Refugee and Onshore Service, whereas the Assistant Secretary Citizenship reported to the FAS Migration and Citizenship Policy.

30 The Minister for Immigration and Border Protection (the Minister) delegates powers and authorises persons and classes of persons to make citizenship decisions. The citizenship decision-making model is decentralised. As at November 2014 there were 211 delegated decision-makers located in DIBP's STOs, where the majority of citizenship decisions are made. There were six delegated decision-makers in DIBP's national office.

31 From 1 July 2015, the functions of DIBP and the Australian Customs and Border Protection Service will be integrated into a new department and a new front-line operational agency, the Australian Border Force, will be established within DIBP.

Figure 1.1: Key steps in the citizenship process



Source: ANAO analysis of DIBP's processes.

Note 1: In July 2013, DIBP commenced a formal partnership with the Department of Human Services for citizenship tests to be conducted in regional areas. This is discussed in paragraph 1.11.

Note 2: The Minister for Immigration and Border Protection (the Minister) must not approve a person becoming an Australian citizen at a time when an adverse security assessment, or a qualified security assessment, in respect of that person is in force under the *Australian Security Intelligence Organisation Act 1979*. See *Australian Citizenship Act 2007* ss. 24(4) and 24(4D).

1.9 The majority of applications for citizenship are approved (around 80 per cent).³² In the period 2010–11 to 2013–14, the number of approvals for conferral increased significantly—from 85 916 to 158 870 (an 85 per cent increase). The increase can in part be attributed to the effects of changes to the residence requirements introduced by the Act³³ and the large migration programs in recent years.

1.10 Prior to approval for citizenship, most applicants are required to successfully complete the citizenship test.³⁴ The test was introduced with the Act and is intended to assess an applicant's knowledge of the English language and the rights and responsibilities associated with Australian citizenship. Citizenship tests are conducted at 11 STOs across Australia. In 2013–14, 121 304 applicants sat the citizenship test and 119 084 (98 per cent) passed.³⁵

1.11 In July 2013, DIBP established a partnership arrangement with the Department of Human Services (Human Services) to conduct citizenship tests in regional areas on behalf of DIBP.³⁶ Under this arrangement, DIBP refers clients in regional areas to Human Services sites (such as Centrelink and Medicare offices) for citizenship test appointments. In 2013–14, Human Services administered 6244 citizenship tests (four per cent of all tests undertaken). As at March 2015, Human Services provides citizenship testing at 33 sites, conducting approximately 300 tests per week.

1.12 As outlined in Figure 1.1, an applicant only legally becomes an Australian citizen on the day they make the pledge of commitment, which is generally at an Australian citizenship ceremony.³⁷ Ceremonies are usually conducted by local governments under the authority of the Minister responsible

32 Other decision outcomes include: refused; invalid; withdrawn or cancelled. Cancellations can occur after an applicant has been approved for citizenship but prior to their conferral.

33 The 2007 Act extended the residence requirements from two to four years, including a 12 month period of permanent residence. This resulted in the department receiving applications from a large pool of applicants that were required to wait an additional two years before becoming eligible to apply.

34 Eligibility categories other than 'general eligibility' provide for people with a range of different circumstances, with applicants in these categories not required to complete the test. See *Australian Citizenship Act 2007* ss. 21 and 23A for the full range of categories.

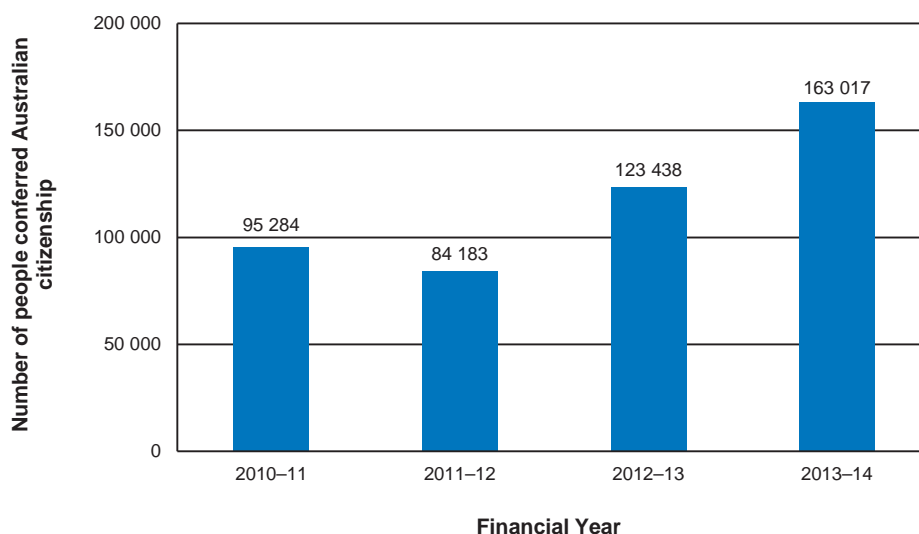
35 Applicants can re-sit the test if they do not pass on the first attempt. Generally, applicants are provided with three opportunities to sit the test. A course-based test is offered to applicants who experience language barriers and are unable to successfully sit the test after at least three attempts. In 2013–14, 788 applicants were enrolled in a course-based test and 746 (95 per cent) passed.

36 This partnership followed a pilot project between DIBP and Human Services that commenced in March 2012.

37 Children who were aged 16 or under at the time of their parent's/guardian's application are not required to make the pledge of commitment. See *Australian Citizenship Act 2007* ss. 28(3).

for citizenship. Figure 1.2 shows the number of applicants that have become Australian citizens from 2010–11 to 2013–14. In line with the trend in approvals, the conferral rate over the four years has also increased significantly, by 71 per cent. It should be noted that in any given year, the number of conferrals reported may differ from the number of approvals, as people can be conferred up to one year following the date their application was approved.

Figure 1.2: Number of conferrals for Australian citizenship, 2010–11 to 2013–14



Source: ANAO analysis of DIBP Annual Reports 2010–11 to 2013–14.

Verifying identity in the Citizenship Program

1.13 Once conferred, citizenship can be revoked by the Minister in only limited circumstances, including where an applicant has been convicted of engaging in fraud or false representation in applying for citizenship, or where a person is convicted of a serious criminal offence prior to becoming a citizen.³⁸ DIBP informed the ANAO that in the 66 years in which Australia has offered citizenship, revocation has occurred in only 16 cases. Given the near irrevocable status of citizenship, it is important that DIBP confers citizenship to only those applicants that fully satisfy the requirements established to support the integrity of the Citizenship Program.

³⁸ See *Australian Citizenship Act 2007* ss. 34 and 34A for other circumstances in which the Minister's discretion may be exercised.

1.14 A key aspect of the decision-making process relates to the identity of the person seeking citizenship. The Act requires that the Minister must not approve a person becoming an Australian citizen unless satisfied of the identity of the person.³⁹ To give effect to this requirement, DIBP seeks to verify the identity of applicants at three key stages: on application, when sitting the test and at the citizenship ceremony.

1.15 When determining a person's identity, DIBP decision-makers are supported by the *Australian Citizenship Instructions* (ACIs). In addition to being a requirement within the legislation, the ACIs provide that 'the Australian community expects that decision makers will not approve a person for citizenship if they are not satisfied of the person's identity'.⁴⁰

1.16 The majority of citizenship ceremonies are conducted by local governments, with local government staff responsible for registering applicants who present to make the pledge of commitment.⁴¹ At citizenship ceremonies, new citizens are presented with an Australian citizenship certificate, which carries significant weight in the community as an identity document.

1.17 At any time after obtaining citizenship, citizens have the right to apply for: amendments to their biographical details as held by DIBP and recorded on their Australian citizenship certificate; or the replacement of a lost or stolen citizenship certificate. Applications of this nature—known as applications for evidence of Australian citizenship—are also governed by the Act and are processed by DIBP's centralised Evidence Processing Unit. As with applications for citizenship, evidence of Australian citizenship must not be given unless the Minister is satisfied of the person's identity.

Proposed legislative amendments

1.18 Until recently, the *Citizenship Act 2007* and DIBP's processes have remained largely unamended. However, in 2014, the Australian Citizenship and Other Legislation Amendment Bill 2014 (the Bill), proposed substantial changes

39 *Australian Citizenship Act 2007* ss. 24(3).

40 Department of Immigration and Border Protection, Commonwealth of Australia, *Australian Citizenship Instructions*, 1 July 2014, p. 38.

41 DIBP administers some public and private ceremonies, mostly to address the high demand for citizenship ceremonies in local government areas with substantial waiting lists. Some community organisations also conduct citizenship ceremonies, which account for a small percentage of total ceremonies performed and were not examined as part of the audit.

to the Act.⁴² The Bill contains a suite of amendments expanding the Minister's powers to cancel or revoke citizenship, including additional circumstances in which identity assessments can affect the outcome of a citizenship application. Specifically, the proposed amendments include that:

- for applicants required to make the pledge of commitment, the Minister must cancel an approval for citizenship where the Minister ceases to be satisfied of the person's identity;
- the Minister can revoke citizenship without the person or a third party having been convicted where satisfied that the person obtained approval to become an Australian citizen as a result of fraud or misrepresentation (including fraud or misrepresentation connected with the person's entry into Australia or with the granting of a visa), and where it would be contrary to the public interest for the person to remain an Australian citizen; and
- where DIBP has refused or cancelled an application on identity grounds, and the Administrative Appeals Tribunal (AAT) has decided in favour of the applicant, the Minister can set aside the decision of the AAT. Furthermore, a review by the AAT can no longer be performed for citizenship decisions made personally by the Minister.⁴³

1.19 The Bill, which is currently before the Parliament, emphasises the risk that questions of identity pose to the successful delivery of the Citizenship Program.⁴⁴ In this context, it is essential that DIBP's administrative arrangements for verifying identity, support decision-making processes that uphold the integrity of the program, particularly within the parameters set by the Government.

1.20 On 26 May 2015 the Prime Minister and the Minister jointly announced new measures to strengthen Australian citizenship. The Australian Government proposes to amend the Act so dual nationals who engage in terrorism can lose their citizenship. It is proposed that the Minister will be able to exercise these powers in the national interest where a dual citizen

42 In September 2014, the Act was amended by the *Migration Legislation Amendment Act (No. 1) 2014* and in November 2014, by the *Counter-Terrorism Legislation Amendment (Foreign Fighters) Act 2014*. These amendments increased the Minister's power to seize 'bogus documents' provided to the department for the purpose of applying for citizenship, and also allowing information obtained under the *Crimes Act 1914* to be considered by citizenship decision-makers. See the *Australian Citizenship Act 2007* ss. 45A and 51A.

43 See *Australian Citizenship and Other Legislation Amendment Bill 2014*, clauses 47, 66, 72 and 73.

44 Explanatory Memorandum, *Australian Citizenship and Other Legislation Amendment Bill 2014*, 62 [452].

participates in serious terrorist-related activities. The department advised that the changes will be consistent with Australia's international legal obligation not to leave a person stateless and that there will also be safeguards, including judicial review, to balance these powers. Also launched was a 'national conversation' to improve understanding of the privileges and responsibilities of Australian citizenship and to seek the public's views on further possible measures, including the suspension of certain privileges of citizenship for those involved in serious terrorism.⁴⁵

Recent audits and reviews

1.21 Elements of the Citizenship Program have been the focus of audits and reviews conducted internally by DIBP and externally by the ANAO. While not confined to the Citizenship Program, a recent internal audit *Identity Management* (June 2014) examined the management of identity across the department's programs and functions, concluding that there was not a coordinated approach across the department for managing identity policy, risks and initiatives and that the use of identity services was variable across the department. More specific to the Citizenship Program, an internal fraud control audit (*Review of Fraud Control in the Citizenship Programme* July 2014) identified areas of citizenship's fraud control arrangements that could be improved, including the program's quality assurance regime.

1.22 The ANAO's previous audit of the Citizenship Program⁴⁶, focused on the Act's character requirements. Overall, the audit identified that the department had established an appropriate framework for administering the character requirements, but found that:

- there was variability in the application of processes for decision-making; and
- the term 'good character' was not defined, for administrative purposes, in policy and guidance materials.

The department agreed to the ANAO's recommendations to address these matters.

45 Department of Immigration and Border Protection, *Australian Citizenship: Your Right, Your Responsibility* [Internet], DIBP, available from <www.immi.gov.au> [accessed 3 June 2015].

46 ANAO Audit Report No. 56 2010–11, *Administration of the Character Requirements of the Australian Citizenship Act 2007*. ANAO performance audits of the Citizenship Program prior to this date were conducted in respect of the superseded *Nationality and Citizenship Act 1948*.

Audit objective, criteria, scope and methodology

1.23 The objective of the audit was to assess the effectiveness of the Department of Immigration and Border Protection's identity verification arrangements for applicants in the Citizenship Program.

Audit criteria

1.24 To form a conclusion against this objective, the ANAO adopted the following high level criteria:

- administrative arrangements have been developed for verifying identity in the Citizenship Program; and
- arrangements have been implemented to effectively verify identity across the three key phases of the Citizenship Program: citizenship applications; the citizenship test; and the citizenship ceremony.

Audit scope and methodology

1.25 The audit covered the citizenship by conferral component, and within that component, focused on the 'general eligibility criteria', which includes applicants required to sit the citizenship test. Citizenship ceremonies conducted by local governments and DIBP were also within the audit scope. However the small proportion of ceremonies conducted by community organisations were excluded.

1.26 The ANAO's methodology included:

- reviewing relevant DIBP documentation and analysing a sample of 400 approved paper and electronic applications⁴⁷ (from six STOs⁴⁸) for citizenship by conferral, to test the department's verification of identity on application and at the citizenship test;
- consulting and observing DIBP staff and local government officials verifying the identity of applicants at five citizenship ceremonies; and

47 While the ANAO reviewed 400 applications, the total number of applications requested was higher (504) as DIBP was unable to provide all applications initially requested. Also as a consequence of the data-set provided by the department, some applications provided were outside the audit's parameters.

48 The STOs included in the sample were the: ACT Regional Office, Melbourne State Office, Parramatta Regional Office, Queensland State Office, South Australian State Office, and the Western Australia State Office. The number of citizenship by conferral applications decided in these six offices account for 85 per cent of all citizenship by conferral applications decided in 2013–14.

- interviewing key personnel at DIBP's national office in Canberra, as well as at three STOs: the ACT Regional Office; the Parramatta Regional Office; and the Queensland State Office. Fieldwork also involved observing citizenship test appointments at Human Services sites at Newcastle (New South Wales) and Kawana Waters (Queensland).

1.27 The audit was conducted in accordance with the ANAO Auditing Standards at a cost to the ANAO of \$416 000.

Report structure

1.28 The structure of this report is outlined below.

Chapter	Chapter overview
Chapter 2: Administrative Arrangements	Examines DIBP's administrative arrangements to support accurate and consistent decision-making as it applies to assessing the identity of citizenship applicants.
Chapter 3: Arrangements for Verifying Identity	Examines DIBP's processes for verifying an applicant's identity from the time of applying for Australian citizenship to the department approving the applicant for citizenship.
Chapter 4: Citizenship Ceremonies and Evidence of Australian Citizenship	Examines DIBP's arrangements for the verification of the identity of applicants at citizenship ceremonies and elements of DIBP's administration of applications for evidence of Australian citizenship.

2. Administrative Arrangements

This chapter examines DIBP's administrative arrangements to support accurate and consistent decision-making as it applies to assessing the identity of citizenship applicants.

Introduction

2.1 Applicants for Australian citizenship must fulfil the eligibility criteria outlined in the Act to become an Australian citizen. Putting in place appropriate arrangements to administer the Act's identity requirements and to support decision-making processes is particularly important, as the Minister for Immigration and Border Protection (the Minister) must not approve a person becoming an Australian citizen unless satisfied of the identity of the person.⁴⁹

2.2 The ANAO examined DIBP's administrative arrangements to support accurate and consistent decision-making as it applies to assessing the identity of citizenship applicants. Particular emphasis was given to the:

- assessment and management of risks in the Citizenship Program;
- guidance and policy documents, primarily the *Australian Citizenship Instructions* (ACIs), that support decision-makers' interpretation of, and exercise of powers, for verifying identity under the Act;
- advice and training to support decision-makers' assessing identity across the citizenship network; and
- performance monitoring and reporting arrangements for the Citizenship Program.

Assessing and managing risks in the Citizenship Program

2.3 Identifying, assessing and mitigating risk is fundamental for good public sector governance. The *Integrity Partnership Agreement—Citizenship Program* (IPA), introduced in March 2014, outlines the agreed fraud control, risk review and monitoring activities for the Citizenship Program.⁵⁰ Prior to the

49 *Australian Citizenship Act 2007* ss. 24(3).

50 IPAs have been developed across different program areas in DIBP, including for visa processing. At the time of the audit fieldwork, the Risk, Fraud and Integrity Division (RFID) had carriage of the Citizenship Program's Integrity Partnership Agreement, however, as a consequence of the broader portfolio reform process, the RFID no longer exists as a separate Division.

implementation of the IPA, DIBP did not have a systematic approach to identifying, analysing or responding to risks specific to the Citizenship Program.

Integrity Partnership Agreement—Citizenship Program

2.4 The objectives of the IPA include to: detect and respond to significant and serious fraud in the Citizenship Program; and accurately map risks through evidence based analysis and reporting, to support streamlined processing and appropriately target resources. The risks identified for action are that citizenship is acquired by an applicant:

- using a false or stolen identity (or evidence of citizenship is acquired by such means);
- who previously obtained a visa on fraudulent grounds;
- who has made false declarations in their application;
- who does not meet eligibility requirements;
- who is not of good character; and
- who has used an impostor or deception to obtain their citizenship.

2.5 As part of the IPA, the Citizenship Risk Management Group (RMG)⁵¹ meets each quarter to discuss the results of the review activities undertaken and ‘provide high level oversight and collaboration in identifying and treating emerging risks’ in the citizenship network. DIBP has also developed and undertaken projects to fulfil the objectives of the IPA and address the risks identified. As at March 2015, the department reported two ongoing projects that specifically relate to identity management in the Citizenship Program:

- Identity Assessment—which involves the development of protocols and the capability for dealing with identity resolution issues, including treatment of complex IMA cases in citizenship processing; and
- Identity Refusal Caseload—which involves analysing citizenship refusals recorded as not meeting identity requirements to determine whether risk profiles can be developed.

2.6 The Citizenship IPA includes a range of measures for its risk treatment and review activities. These measures are summarised in Table 2.1.

⁵¹ At the time of audit fieldwork, the RMG’s membership included DIBP officers from its operational integrity, citizenship policy and citizenship network areas.

Table 2.1: IPA—Measures for risk treatment and risk review activities

Risk treatment—activity	Risk treatment—measure
<i>Integrity referral activity</i>	Better targeted referrals
<i>Utilisation of reference tools</i>	Number of fraudulent documents confirmed
<i>DNA testing</i>	Number of relationship fraud instances detected
<i>Visa cancellation</i>	As per Visa Cancellation Priority Matrix
<i>Approve cancellations - where fraud confirmed post-approval but pre-conferral</i>	Number of deferrals resulting in cancellation
Risk review—activity	Risk review—measure
<i>Risk review and monitoring</i>	Quarterly 'Risk Review Report'
<i>Risk rule analysis</i>	6 monthly
<i>Projects</i>	Varying - see Project Register

Source: ANAO representation of the risk treatment and risk review activities from DIBP's *Integrity Partnership Agreement—Citizenship Program*.

2.7 The ANAO reviewed the measures set out in Table 2.1 and noted that while they are relevant, they do not include quantifiable measures to assess the effectiveness of the corresponding risk treatments. Consequently, reports provide DIBP management with only limited insights into the effectiveness of the risk treatments developed for the Citizenship Program, and limited assurance that the IPA is achieving its intended outcomes.

2.8 The IPA establishes quarterly reporting requirements. However, as at December 2014, only one Risk Review Report had been formally accepted by the RMG. The Group did not accept the second Risk Review Report (4th Quarter 2013–14), with the Citizenship Policy area (the responsible risk lead for the group) providing extensive feedback on perceived shortcomings in the report.⁵² The Citizenship Policy area's key concern regarding the second Risk Review Report was that the risk analysis methodology to detect fraud replicated the approach taken for the migration program and could not produce meaningful reporting for the Citizenship Program without adjustments. For example, in respect of:

- risk treatment activities—the information would be more useful if it were provided by the five citizenship streams (Conferral, Descent, Adoption, Evidence and Resumption) rather than being amalgamated; and

52 The Citizenship Policy area is also focussed on amending RMG's Terms of Reference, which will assist in clarifying the responsibilities of the parties involved and what is to be achieved through the IPA.

- Freedom of Information requests with both name and date of birth changes—the information reported would be more useful if it indicated the significance of the change. For example, whether it was a minor variation to the spelling of a name or a correction to a recorded date of birth, or whether it was something more substantial.

2.9 The introduction of the IPA is a useful first step in providing DIBP with a more structured approach to managing the risks to the Citizenship Program. However, it will be important that the IPA is tailored to the Citizenship Program. As at March 2015, a 2014–15 IPA had not been developed or implemented. DIBP informed the ANAO that ‘further development is required to ensure that the IPA is sufficiently broad and correctly linked to new stakeholders to support the citizenship program’ and that it will be reviewed in light of the departmental restructure.

Specifying identity verification requirements

2.10 The Act provides the legislative basis for Australian citizenship.⁵³ Supporting the legislated citizenship identity requirements are the ACIs, as well as guidance for staff processing applications, primarily through the Citizenship Procedures Manual.

Australian Citizenship Instructions

2.11 The ACIs are not legally binding, but are designed to guide decision-makers⁵⁴ in relation to the interpretation of, and the exercise of power under, the Act and the Regulations. The ACIs address each of the Act’s components, providing high level policy guidance as well as allowing citizenship officers flexibility in applying policies, as appropriate, to individual circumstances. In terms of providing guidance for staff who are processing applications for citizenship by conferral, the ACIs briefly cover identity, restating the Act’s requirement that applicants can be refused citizenship on a number of grounds, including where the Minister is not satisfied of the identity of the person. The instructions also broadly state that the Australian community ‘expects’ that approval would not be given to applicants that cannot satisfy the department as to their identity.

53 See *Australian Citizenship Act 2007* ss. 24(3). The *Australian Citizenship Regulations 2007* do not elaborate on this requirement.

54 Decision-makers are DIBP officers or management staff at an Australian Public Service 4 level and above.

2.12 In contrast, for the smaller caseload relating to requests for evidence of citizenship, the ACIs contain specific instructions for decision-makers dealing with identity issues, such as changes of name, and alert decision-makers to potential referral avenues where they are in ‘doubt’ about a person’s identity.⁵⁵

2.13 It is recognised that there is a limit to the extent to which DIBP policy can prescribe all the elements for verifying identity. Diverse and often complex individual scenarios can arise and there will always be the need for decision-makers to exercise a degree of discretion and judgement. However, the ACIs, as they currently stand, do not provide sufficient guidance in relation to the key elements decision-makers, particularly those processing citizenship by conferral applications, are to consider when verifying the identity of citizenship applicants. Restating the high level requirements of the Act and expectations of the broader community does not provide standalone guidance for citizenship officers assessing the identity of an applicant.

2.14 There would be merit in the department amending the ACIs to clearly outline for all citizenship application types, the key elements that decision-makers should consider to be satisfied of an applicant’s identity. Elements to be considered by citizenship officers verifying identity could be further illustrated through, for example, case studies being included in the policy guidance. Such improvements would support greater consistency across the network and further improve the integrity of the citizenship network’s delivery of citizenship services.

2.15 STOs consulted during the audit also raised the challenges faced regarding a particular aspect of the ACIs—that applicants must apply for citizenship using their current ‘legal name’ and where appropriate, provide official evidence of any name change.⁵⁶ In the absence of specific guidance in the ACIs, the approach of STOs has been guided by their strict interpretation of ‘legal name’, applying limited discretion for applications involving differences between the ‘legal name’ of the applicant (such as that presented on a birth certificate or passport) and the name presented on other identity documents such as an Australian issued driver’s licence or Medicare card. The ANAO’s observation of this interpretation and approach by one STO visited is discussed in the following case study.

55 Refer to Chapter 4 paragraphs 4.31–4.33 for a further discussion on the adequacy of the ACIs for processing evidence of Australian citizenship applications.

56 Unless an applicant has changed their name during their lifetime, the (draft) Citizenship Identity Policy describes for the Australian Government context that a person’s legal name is the name in which their birth was recorded on the birth certificate or equivalent document.

Case study: name discrepancies and identity verification processes

A citizenship applicant presented to a STO counter to sit the citizenship test and presented the following identity documentation:

- Country X birth certificate;
- Country Y passport; and
- Australian driver's licence.

Identity assessment

The citizenship officer identified that the applicant's birth certificate included a middle name that did not appear in the applicant's passport or driver's licence, or their application form.

The applicant was advised that they could not sit the citizenship test that day and that the inconsistency would need to be addressed before they could be accepted to sit the test.

Actions requested of the applicant

The citizenship officer advised the applicant to visit the state's Registry of Births, Deaths and Marriages to officially change their name so that either their:

- middle name was removed from the birth certificate; or
- middle name was included in the passport and driver's licence.

2.16 While the STO's approach focussed on the integrity of an applicant's name—the most widely used and accepted identifier of an individual—there has been a number of unintended consequences:

- Medicare has received thousands of requests from DIBP clients seeking to include the details of their full name on their Medicare enrolment for the purpose of applying for Australian citizenship; and
- a higher number of applications have been received requiring multiple assessments.

2.17 DIBP's national office adopts a more holistic interpretation. As a consequence, tensions between the guidance, the STOs' interpretation and national office's approach to 'legal name' have existed for quite some time. In April 2014, Citizenship Policy sought comments from STOs regarding some possible amendments to the ACIs to deal with 'small variations' in applicants' names.⁵⁷

⁵⁷ The amendments proposed greater flexibility in accepting small variations in names 'like Ana and Anna or Garry and Gary' and that a middle name or initial missing from some documents would not automatically mean that the decision-maker cannot be satisfied of a person's identity.

2.18 A recent policy advice email (November 2014) acknowledged that there has been ‘some confusion concerning the required identity documents and the extent to which they may “collectively” indicate an applicant’s identity and current legal name’. The advice states that while documents presented by applicants should collectively support their identity, they do ‘not need to all be in the same name’ (as shown in the previous case study) provided that there are clear linkages between names or name changes (supported by official documents). The advice stated that:

There is no higher level of risk associated with processing an application where all documents are not in one name but there is a coherent client story which is supported by appropriate, plausible documentation. Likewise, having a series of documents in the same name does not reduce the risk the client may pose.

2.19 The same policy advice email also identified that the ACIs contain particular inconsistencies in respect of assessing applicants for evidence of Australian citizenship⁵⁸, referring to three different types of naming requirements: ‘full name’ (which the application form requires); ‘legal name’; and ‘legal identity’. The department advised that it is planning to address this issue in the next update of the ACIs and, in the interim, the matter will be covered in a ‘Citizenship Red Notice’ (emails notifying of an official change of policy or existing policy).⁵⁹

2.20 Citizenship Red Notices are useful for DIBP to communicate interim policy changes directly to all citizenship staff as they occur.⁶⁰ However, once sent, Citizenship Red Notices are stored in the Global Manager information mailbox, which is only available to management staff. In the absence of a central repository for interim policy changes that is accessible to all staff, new starters may not be aware of interim policy changes and may not implement the latest advice.

2.21 DIBP advised that it is creating a specific identity policy for citizenship, and accompanying guidance on name change scenarios that applicants may present when applying for citizenship.⁶¹ However, there has been little

58 Successful applications for evidence of Australian citizenship result in the department reissuing a citizenship certificate. Chapter 4 contains a more detailed discussion on identity verification and evidence of Australian citizenship.

59 DIBP also circulates ad-hoc advice through policy emails. Policy emails are immediate and are designed to raise awareness of policy elements and are usually developed in response to policy matters that are brought to attention through inquiries to the Citizenship Help Desk.

60 DIBP advised that where appropriate, Citizenship Red Notices are forwarded to all citizenship staff.

61 A person’s name is currently the most widely used and accepted identifier of an individual, acknowledging that they are supplemented by other biographical identifiers such as date of birth and sex, and in the DIBP context, place of birth and nationality.

progress in finalising the policy since September 2013. Finalising the citizenship identity policy—consistent with broader departmental identity and naming policies⁶²—will provide a firmer foundation for the implementation of effective and consistent operational practices across the citizenship network.

Recommendation No.1

2.22 To strengthen the consistency of identity verification assessments, the ANAO recommends that the Department of Immigration and Border Protection:

- clearly outlines in the Australian Citizenship Instructions, the key elements of identity that decision-makers are to consider when assessing citizenship applications; and
- establishes a central repository for interim policy guidance that is accessible to all staff.

DIBP's response: *Agreed.*

2.23 *The department will amend the Australian Citizenship Instructions to include further policy advice on identity matters as required by the Australian Citizenship Act 2007. Interim policy guidance is centrally stored on the department's file management system. The department will undertake actions to ensure that relevant staff know where to find this stored advice.*

Citizenship Procedures Manual

2.24 The Citizenship Procedures Manual (the manual) represents the primary guidance document underpinning the step-by-step processes decision-makers are to undertake when administering citizenship applications. While the manual focuses on process, it provides some guidance in relation to confirming an applicant's identity when they present at the citizenship test appointment. The manual contains an extensive list of the 'physical' qualities of an applicant's passport (or other proof of identity documents) that a citizenship officer might consider when assessing whether it may require further checking by expert document examiners to verify its legitimacy.

62 At the time of audit fieldwork, the Identity Branch (part of the Risk, Fraud and Integrity Division) was responsible for department-wide identity and naming policies—*Identity Policy: Principles and strategies 2013–16*; *Name Entry Guidelines* and the *Naming conventions guide* published in 2014. While the guide is designed to help DIBP officers across all program areas 'understand the variety of naming conventions of diverse cultural and linguistic backgrounds', it does not, however, include instructions for decision-makers dealing with the treatment of inconsistencies in the names presented across an applicant's various identity documents.

2.25 Other specific instructions for verifying an applicant's identity at the test appointment include that the:

- citizenship officer administering the appointment must confirm that the client presenting at the appointment is the same person as depicted in the facial image provided; and
- citizenship officer photographs the client at the appointment.

2.26 The manual also highlights that in cases where the citizenship officer is not satisfied of an applicant's identity at the test appointment, or the applicant does not provide the required documents, the applicant should not sit the test and the next steps are to be discussed with the applicant.

Supporting decision-makers: advice and training

2.27 The Citizenship Help Desk (the Help Desk) in national office provides advice to officers across the citizenship network on Australian citizenship policy, procedural and case related issues. The Help Desk is the first point of contact for inquiries that require expertise outside the network. In some instances, the Help Desk also refers inquiries from other areas of the program such as Citizenship Policy.

2.28 DIBP reports on the number of inquiries made to the Help Desk with statistics aggregated into high level categories—citizenship test, citizenship eLodgement and totals for all Help Desk inquiries received and completed. The collated data is presented in the monthly Executive Management Report, which provides a high level summary of key administrative and processing outcomes for citizenship management.

2.29 DIBP does not routinely analyse Help Desk statistics and currently reports data in a format that provides limited insight into trends or emerging issues that may require further attention across the citizenship network. The ANAO's analysis shows that the percentage of identity related inquiries referred from the Help Desk to Citizenship Policy⁶³, while low, has increased threefold from 13 in 2012–13 (one per cent of all queries referred to Citizenship Policy) to 101 in 2013–14 (three per cent). The Help Desk data collected by DIBP does not identify what factors have contributed to this increase, including the influence or trend of any new or emerging identity related risks. There would be benefit in

63 The Citizenship Integrity Unit (CIU), which is part of the Citizenship Policy area, also keeps an informal spreadsheet of cases referred from officers in STOs and other areas that have bypassed the Help Desk.

the department periodically analysing its Help Desk statistics to better understand the types of identity issues being raised, and to inform management decisions and policy amendments.

2.30 In addition to the Help Desk, decision-makers can access a number of DIBP resources when processing applications, particularly citizenship cases with complex identity scenarios.⁶⁴ Decisions in relation to complex cases may be informed by advice and work undertaken by, for example, the:

- Document Examination Unit—which provides forensic document examination to identify genuine, fraudulent and counterfeit documents;
- Identity Resolution Centre—which provides specialist facial image and fingerprint comparisons, and can apply enhanced name searching and data matching tools;
- National Identity Verification and Advice (NIVA)—which provides assistance or advice to citizenship officers on alternative lines of enquiry where identity concerns are being assessed; and
- Identity Integrity—which helps to assess an applicant’s identity using internet and database research, as well as document assessment.

2.31 System alerts also signal to decision-makers instances where the features of a case may match a known high risk caseload, prompting decision-makers to refer the case to expert areas such as Identity Integrity for a ‘full identity assessment’.⁶⁵

2.32 However, DIBP has not documented the range of expert referral services that are available. The only guidance available to decision-makers is through the citizenship program’s *Master Case Escalation Matrix*. The case escalation matrix advises decision-makers to contact the Help Desk and for cases specifically involving identity issues, prompts citizenship officers to seek advice from only one of the expert referral areas, NIVA. DIBP informed the ANAO in March 2015 that referral pathways are currently being documented for the new departmental structure.

64 There is no agreed definition of a complex case in the Citizenship Program, however, the department informed the ANAO that factors that contribute to a case being complex include where: the characteristics of a case fall outside the experience of the decision-maker; where a case involves taking into account a recent policy change; and a feature of the case is rare or unusual.

65 DIBP is working to issue formal advice so that all decision-makers refer a specific high risk cohort of persons seeking citizenship to Identity Integrity for an identity assessment.

Citizenship training

2.33 Citizenship officers have access to a range of training courses and materials, largely delivered face-to-face or increasingly through e-learning modules. The Citizenship Branch Training Strategy (2011) underpins the training catalogue for the short to medium term (one to three years) and aims to support the program's strategic goals.

2.34 While on-the-job training forms a large part of the training delivered to citizenship officers, the principal training course is the Citizenship Training Program (the CTP). The CTP is a comprehensive, three and a half day training course for staff with three to 12 months experience in the citizenship program. Half a day of the CTP is dedicated to identity training and includes content in relation to: the importance of verifying identity; how a decision-maker may satisfy themselves of a person's identity; document verification and facial recognition; and how to proceed when suspicious of a person's identity.⁶⁶

2.35 National office records staff attendance for the CTP, however, STOs are responsible for determining which staff are required to attend and monitoring those that have not yet attended. The department informed the ANAO that the CTP was delivered: three times in 2013, with a total of 55 attending; and twice in 2014, with a total of 39 staff attending.⁶⁷ There was an 11 month gap between the last CTP offered in 2013 (December) and the first offered in 2014 (November).

2.36 While the CTP provides formal and consistent training across the citizenship network, citizenship decision-makers may have performed their duties for a considerable period prior to attending the CTP. In this context, induction training (along with on-the-job training) delivered when new citizenship staff commence, is important for providing appropriate support to decision-makers across the network. An STO learning and development strategy (in draft since March 2013) identified the need to develop a nationally consistent Citizenship Induction Program. Consequently, in October 2013, DIBP conducted a trial launch to all STOs of an induction program framework and an accompanying induction workbook. While the induction program has not been formally implemented, DIBP informed the ANAO that the induction materials assist managers to

66 In addition to the identity training delivered in the CTP, citizenship officers are also offered department-wide identity training including: document examination training; facial image comparison training; complex identity desktop assessment skills; identity awareness training; and identity integrity interviewing skills.

67 While the department has some information on staff that have not attended a CTP, this information is not complete.

determine the training and development needs of new staff and that the program has been used as a resource by managers ‘on an as-needs basis’.

2.37 Currently, DIBP does not formally monitor learning and development across the citizenship network. Given that the aim of the network-wide STO learning and development strategy and complementary induction program is to promote consistency in approach and processes, there would be merit in DIBP considering implementing formal monitoring arrangements.

2.38 To supplement the CTP, DIBP informed the ANAO that refresher training is delivered to STOs on an as-needs basis—where the need for the training has been identified by national office or the relevant STO manager. In 2014, two refresher training half-days were conducted in one STO. Staff from two of the STOs visited by the ANAO highlighted the need for training to be delivered more frequently. As discussed in Chapter 3, the ANAO’s review of a sample of 400 applications for citizenship by conferral highlighted inconsistent identity verification practices across STOs, which could, in part, be addressed through staff training.

2.39 The citizenship program is continually responding to emerging complex issues, particularly in relation to identity. Formally implementing the induction program as well as more frequent and targeted refresher training would better support consistent administration by increasing awareness among decision-makers of changes in policies and practices as well as areas requiring additional attention.

Measuring and reporting performance

2.40 DIBP is responsible for delivering three government outcomes, with one of these relating to citizenship:

Outcome 1 – Support a prosperous and inclusive Australia through managing temporary and permanent migration, entry through Australia’s borders, and Australian citizenship.⁶⁸

2.41 The 2014–15 Portfolio Budget Statements (PBS) set out the program objectives, deliverables and key performance indicators (KPIs) relevant to

⁶⁸ Australian Government, *Portfolio Budget Statements 2014–15, Budget Related Paper No. 1.11*, Immigration and Border Protection Portfolio, p. 21. The number of outcomes was recently revised from six to three and the number of supporting programs from 23 to 13. For reporting purposes, the new outcome and program structure will apply from 2014–15.

Outcome 1. Table 2.2 outlines the relevant indicators as well as the program's objectives and deliverable.

Table 2.2: Citizenship objectives, deliverable and performance indicators 2014–15

Program objectives	Deliverable	Key performance indicators	Targets
<ul style="list-style-type: none"> • Delivery of the migration and citizenship programs within the parameters set by government. • Promote the value of Australian citizenship. 	<ul style="list-style-type: none"> • Continue to provide a communication strategy that promotes the value of Australian citizenship and encourages eligible non-citizens to become Australian citizens.¹ 	<ul style="list-style-type: none"> • Percentage of refusal decisions for Australian citizenship overturned through an appeal process. 	< 1%
		<ul style="list-style-type: none"> • Increased awareness of, and interest in, Australian citizenship—measured through visits to the Citizenship Wizard.⁶⁹ 	300 000 visits to Citizenship Wizard
		<ul style="list-style-type: none"> • Percentage of client conferral applications decided within service delivery standard (80 days). 	80%

Source: Australian Government, *Portfolio Budget Statements 2014-15, Budget Related Paper No. 1.11*, Immigration and Border Protection Portfolio, pp. 26-30; and Department of Immigration and Border Protection, *Citizenship processing time service standards*, 13 February 2015, available from <www.immi.gov.au> [accessed 2 June 2015].

Note 1: The *Portfolio Budget Statements 2013-14*, included a deliverable that was not carried through to 2014–15—Deliver lawful citizenship decisions under Australian citizenship legislation.

Key performance indicators for citizenship

2.42 All three of the department's KPIs apply quantitative targets to measure performance. Notwithstanding the importance of DIBP informing the Parliament and key stakeholders on its performance against service delivery standards and the percentage of refusal decisions upheld, the current indicators provide limited insight into the department's overall performance in delivering the citizenship program. Indicators for measuring and reporting on performance in other areas of the program that are integral to the successful delivery of citizenship are not included.

69 The Citizenship Wizard is accessed through the DIBP website. Based on a series of questions answered by the user, the Citizenship Wizard suggests the type of citizenship application for which the user might be eligible and provides information about how to apply for Australian citizenship.

2.43 One of the program objectives is the delivery of the citizenship program within the parameters set by government. The parameters encompass the legislative requirements underpinning the Government's citizenship policy, including that the Minister must be satisfied of the identity of each applicant prior to conferral of citizenship. The PBS, and Annual Report, do not refer to the identity requirement set by the Act, nor do they include objectives or indicators that specifically relate to these requirements.

2.44 Monitoring and reporting on the quality and consistency of decisions resulting in the conferral of citizenship, including decisions related to identity verification, is central to the integrity of the department's program delivery. The indicator—percentage of refusal decisions overturned through an appeal process—provides some insight into the quality of the department's decision-making process for refusing applications. However, refusals account for only a small percentage of citizenship decisions. There is no indicator that reports on the quality of approval decisions. In 2013–14, approval decisions represented the majority of citizenship conferral decisions (83 per cent of conferral applications). As such, there is no analysis of decision-makers' assessments or reporting to confirm that the correct decision was made. While the department undertakes quality assurance activities⁷⁰, these quality checks only focus on whether key processes have been followed but do not determine whether the decisions made at key points of the process are fully supported by the information reviewed.⁷¹

External reporting

2.45 DIBP reports publicly on its performance in delivering the citizenship program in its annual reports, which include:

- the number of applications for citizenship approved, and the number of people conferred as citizens (see paragraphs 1.9 to 1.12 and Figure 1.2);
- outlining key changes to the Citizenship Program, such as DIBP's partnership arrangement with the Department of Human Services and amendments to the Act, as well as challenges faced by the increased

70 See Chapter 3 for a detailed discussion on citizenship's quality assurance framework and related activities.

71 For example, quality checking is undertaken to determine whether the three required identifying documents for an applicant are stored in the department's case management system, however, a check is not undertaken to determine whether the identifying information presented in these documents support the decision-maker's assessment.

rate of applications received for citizenship and the corresponding demand for citizenship ceremonies; and

- high level information about budget allocation and expenditure; the number of applications approved for citizenship; and the number of applicants that become Australian citizens.

2.46 The department also reports on its performance in delivering citizenship against the program's three KPIs (as outlined in Table 2.2). From 2010–11 to 2013–14, DIBP consistently met the targets for two of the three citizenship performance indicators—percentage of refusal decisions overturned through an appeal process, and increased awareness of Australian citizenship.

2.47 However, between 2010–11 and 2013–14, the department only once met the target of 80 per cent of client conferral applications being decided within the 60 day service delivery standard, in 2011–12 (82 per cent).⁷² In 2012–13, there was a significant decline (63 per cent) in DIBP's result against the service delivery target. The department's annual report comments that this result was 'due to a sustained increase in the number of applications received', highlighting a 33 per cent increase in applications received from 2011–12 to 2012–13. In 2013–14, DIBP's performance against the service delivery target was 75 per cent. From 1 July 2014, DIBP's service standard for processing conferral applications is for 80 per cent to be decided within 80 days.

Internal management reporting

2.48 For internal management reporting, DIBP produces each month three main reports—an Executive Management Report; a Citizenship Applications Report (otherwise referred to as the 'Yellow Book'); and a Quality Report.⁷³ Table 2.3 outlines the content and purpose of these reports, as well as their frequency.

72 The results for the three years that the target was not met are: 2010–11, 79 per cent; 2012–13, 63 per cent; and 2013–14, 75 per cent.

73 In addition to systematic management reporting, the department informed the ANAO that it undertakes ad-hoc reporting on complex or sensitive cases.

Table 2.3: Citizenship Program internal management reports

Internal management reports	Content and purpose
Executive Management Report (EMR)	Provides quantitative statistical reporting covering: application caseload processing, including performance against the service delivery standard; administration of the citizenship test; quality activities; Citizenship Help Desk inquiries; litigation caseload; feedback data; and Citizenship Wizard webpage views. The EMR is disseminated to relevant management staff including the two Deputy Secretaries responsible for delivery of the Citizenship Program.
Citizenship Applications Report (Yellow Book) ⁷⁴	Provides quantitative reporting on application processing and workflow statistics for each citizenship application stream and each STO, including age analysis of applications on-hand. The Yellow Book informs the EMR and as well as high level reporting to the Minister and is disseminated to relevant management staff.
Quality Report ⁷⁵	Provides a high level snapshot of performance against the citizenship quality activity targets and benchmarks, including whether the network achieved the overall sample rate of five per cent of applications. For quality activities associated with delivery of the citizenship test by the Department of Human Services, DIBP also maintains a spreadsheet with results against the basic administrative checks undertaken weekly. While results are not provided in a formal report, they are however discussed at fortnightly operational meetings.

Source: ANAO analysis of DIBP internal management reports.

2.49 These reports contain high level, quantitative management information. The data reported in the EMR and Yellow Book largely focuses on citizenship application processing statistics, providing some insight with regard to workload management. While useful, the EMR and Yellow Book do not include analysis of emerging issues or trends that would assist DIBP to better understand processing delays, complex scenarios or emerging issues that may necessitate changes to administrative arrangements or policy.

2.50 The Evidence Processing Unit, responsible for processing applications for evidence of citizenship⁷⁶, informed the ANAO that there were issues with the

⁷⁴ A weekly scorecard is also produced for citizenship conferral applications that shows each STOs' performance against application processing workloads as well as tracking the number of citizenship tests administered and quality activities completed.

⁷⁵ A more detailed discussion of the Quality Report is provided in the quality assurance section of Chapter 3.

reliability of figures presented in the Yellow Book for 2013–14 and 2014–15. Until 21 March 2014, one application outcome ‘Citizenship Evidence Not Issued’ was available through the Integrated Client Service Environment (ICSE) (DIBP’s data storage system) to record both refused and invalid applications for evidence of citizenship. DIBP rectified this limitation by creating two new outcomes (invalid and refused) and conducted remedial work to correct errors in reporting. As at 31 January 2015, DIBP advised that 35 cases were still to be corrected.

2.51 DIBP has a range of quantitative performance indicators and a number of reporting mechanisms, for both external and internal stakeholders, to capture and report on its performance in delivering the Citizenship Program. However, the current performance measures and reporting arrangements do not inform key stakeholders of the department’s performance across key areas of the program, such as the quality of decisions for citizenship conferrals, and the management of risks to the program. Expanding the KPIs to cover the quality of citizenship decisions, and reporting against these would provide the department with greater assurance that the Citizenship Program is meeting its legislated requirements, including that the Minister must not approve a person becoming an Australian citizen unless satisfied of the identity of the person.

Recommendation No.2

2.52 To more effectively assess and report on the objectives of the Citizenship Program, the ANAO recommends that the Department of Immigration and Border Protection develops and reports against key performance indicators assessing the quality of the department’s citizenship decisions.

DIBP’s response: *Agreed.*

2.53 *The department will develop and implement key performance indicators to more effectively assess the quality of citizenship decisions and will identify appropriate means to report on the department’s performance against them.*

76 The Evidence Processing Unit is responsible for: confirming the citizenship status of an applicant; and amending, or refusing to amend, a citizenship certificate in response to a request from the citizen for a change of name and/or date of birth. Detailed discussion on evidence of citizenship is included in Chapter 4.

Conclusion

2.54 DIBP has put in place administrative arrangements to support decision-makers undertaking identity verification activities for the Citizenship Program. However, there is scope to improve key components of the department's administrative arrangements—managing risks, policy guidance and performance reporting—to promote greater consistency in decision-making and assurance of the reliability of assessment outcomes.

2.55 The recently introduced *Integrity Partnership Agreement—Citizenship Program* (IPA) provides a starting point for a structured approach to managing risk in the program. However, the IPA needs to be tailored to the requirements of the Citizenship Program and include quantifiable measures to assess the effectiveness of the risk treatments being implemented.

2.56 DIBP's *Australian Citizenship Instructions* (ACIs) do not articulate the key elements decision-makers are to consider when verifying the identity of a person applying for citizenship by conferral. Amending the ACIs so that they clearly outline, for all application types, the key elements upon which decision-makers are to deliberate, would provide greater assurance in respect of decision-makers being either satisfied or not satisfied of an applicant's identity and the consistency of such decisions across the network.

2.57 Currently, DIBP measures and publicly reports on its delivery of the Citizenship Program using three key performance indicators, including the department's performance against service delivery standards and the percentage of refusal decisions upheld. While these performance indicators inform key stakeholders on the department's achievements against quantitative targets, they do not provide insight into the department's performance across other key areas of the program, such as the quality of citizenship approval decisions. Developing and reporting against performance indicators that capture the quality of decisions, including those related to verifying an applicant's identity, would provide greater assurance about the decisions being made to support the effective delivery of the Citizenship Program.

3. Arrangements for Verifying Identity

This chapter examines DIBP's processes for verifying an applicant's identity from the time of applying for Australian citizenship to the department approving the applicant for citizenship.

Introduction

3.1 Prior to approving citizenship, a key aspect of DIBP's decision-making process is to assess the identity of the person seeking citizenship. The ANAO examined DIBP's processes for:

- verifying an applicant's identity at the application stage and the citizenship test appointment;
- referring applications involving complex identity scenarios to expert areas within the department; and
- assessing the quality of citizenship decisions.

Verifying identity—application stage

3.2 Citizenship by conferral is one of the four types of citizenship that persons born outside Australia can acquire by application. Applicants can either lodge a paper application or submit an application electronically (e-lodged application). The department captures similar information across the two processes, including personal information to assist in establishing an applicant's identity. Applicants are required to provide:

- at least three identity documents that collectively contain an applicant's: full name, any changes to their name, date of birth, current address, signature, photograph and evidence of first arrival in Australia. For paper lodgements, the three identity documents are also to be certified by a designated person; and
- a completed identity declaration signed by a designated person⁷⁷, including an endorsed passport size photograph of the applicant.

⁷⁷ The identity declarant must not be a family member of the applicant, and must be an Australian citizen, have known the applicant for at least one year, and work in one of the 38 prescribed professions, available from <http://www.citizenship.gov.au/applying/files/pid_docs/occupations_list/> [accessed 19 March 2015].

Pre-assessing applications

3.3 Once an application is received, the citizenship officer is required to undertake a pre-assessment to determine whether all of the application requirements have been met.⁷⁸ In relation to identity, this involves checking that identity documents have been provided, the identity declaration is fully completed, and key personal information has been included.⁷⁹ At the pre-assessment stage, the citizenship officer does not determine whether they are satisfied as to the identity of the applicant. Rather, the decision-maker makes this determination when the applicant presents for their citizenship test appointment and after having examined the original identity documents presented at the time of the test appointment. For applicants in regional areas, the Department of Human Services (Human Services) conducts test appointments on behalf of DIBP.⁸⁰

3.4 The ANAO's review of a random sample of 400 approved paper and electronic applications—for the 'general eligibility' component of citizenship by conferral—examined whether DIBP's State and Territory Offices (STOs) assessed the applications in accordance with the key identity requirements. DIBP's identity pre-assessments met the department's requirements for 222 applications (or 56 per cent). Discrepancies between these requirements and the department's practices were identified in 178 applications (or 44 per cent). Table 3.1 breaks down the results of the ANAO's analysis, for paper and e-lodged applications.

78 DIBP's practice is to repay the citizenship application fees for applications determined to be invalid. The department advised that the 'repayment of fees for invalid applications is undertaken in accordance with Section 77 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) where common law permits the return of an amount where the department did not have, or no longer has, a lawful entitlement to the amount received.'

79 Other than identity, citizenship officers perform a number of system based checks to determine the applications validity against key eligibility requirements such as residency. Other checks include whether the applicant is required to also submit an offshore police clearance; and to check an applicant's status against the Central Movement Alert List (CMAL). The checks undertaken through CMAL are discussed further in paragraphs 3.31-3.34.

80 Paragraphs 3.35-3.43 discuss the separate set of identity requirements and processes DIBP has developed for regional applicants.

Table 3.1: ANAO sample results—compliance with the identity requirements for application pre-assessments

	Paper applications	E-lodged applications	Total
Identity requirements fulfilled	126 (82%)	96 (39%)	222 (56%)
Identity requirements not followed	27 (18%)	151 (61%)	178 (44%)
Total applications reviewed	153	247	400

Source: ANAO sample review results.

3.5 The ANAO's analysis highlighted a significant difference in DIBP's pre-assessments for paper and e-lodged applications. Table 3.1 shows that for a significant majority of paper applications (82 per cent) the department's identity pre-assessments aligned with requirements. In contrast, DIBP pre-assessed over half of the e-lodged applications (61 per cent) without the sighting or reviewing the supporting identity documentation.

Paper applications

3.6 For paper applications, the main requirement that was not met across the six STOs was that the citizenship officer pre-assessed applications that did not include three certified identity documents. The applications processed in this manner ranged from six per cent in Adelaide to 50 per cent in the ACT Regional Office (ACTRO).

E-lodged applications

3.7 For e-lodged applications, the main requirement that was not met was that the citizenship officer did not require applicants to provide (upload) the identity declaration form. Five of the STOs (ACTRO, Melbourne, Parramatta, South Australia and Western Australia) completed the pre-assessments for e-lodged applications without the citizenship officer sighting or reviewing the identity declaration form for over 50 per cent of applications processed.⁸¹

3.8 The three STOs visited (ACTRO, Parramatta and Queensland) informed the ANAO that citizenship officers invalidate paper applications where they do not contain the required identity documentation and/or are submitted without a completed identity declaration. However, for e-lodged applications, notwithstanding the same requirement exists to obtain and

⁸¹ In South Australia, a significant majority (73 per cent, or 11 of 15 applications) were completed without the citizenship officer reviewing the identity declaration form.

review at least three identity documents and the identity declaration, in practice, applicants are scheduled for a citizenship test appointment regardless of whether the required identity documents have been provided at the application stage.

3.9 The citizenship network's rationale for the pre-assessment approach for e-lodged applications is primarily that a check on the validity of the application and verification of an applicant's identity can be undertaken when an applicant presents for their citizenship test appointment. Applicants (aside from those in regional areas) presenting in person to a DIBP office for their citizenship test appointment, are expected to provide the originals of their supporting identity documents for citizenship officers to scrutinise prior to being allowed to sit the test. However, it should be noted that paper lodged applicants are also required to present their original identity documents at their citizenship test appointment.

3.10 During the audit (October 2014), DIBP centralised its pre-assessment arrangements for e-lodged applications in its Melbourne State Office (Melbourne Office). Procedures issued for the Melbourne Office maintained the position that an e-lodged application is invalid if it does not contain an identity declaration, a photo, or identity documentation. However, the Melbourne Office confirmed that the previous practice of not invalidating e-lodged applications that do not include the required identity information has continued. The department did not take the opportunity to align the practice of pre-assessing e-lodged applications with its requirements when centralising its operations.

3.11 While recognising the practicalities of DIBP's approach for pre-assessing e-lodged applications, the ANAO's sample results highlight the inconsistency between the citizenship network's pre-assessment practices and the department's requirements. The analysis also shows that DIBP is applying a different standard for pre-assessing the identity requirements for paper and e-lodged applications. Aligning processes for the two application streams would provide the department with greater assurance that all:

- applicants are being treated consistently; and
- potential identity concerns are identified at the same point in the application process, minimising the risk that pathways for further examination are not sought in a timely manner.

Record keeping

3.12 Citizenship officers are instructed that as soon as an application is finalised and the decision letter sent, it should be recorded in the department's records management system (TRIM) and for those applications that have been approved, filed in hardcopy in an Application Storage Box. The TRIM reference number for the Application Storage Box is to be entered as part of the applicant's ICSE record.

3.13 The ANAO identified shortcomings with the department's records management practices in respect of the sample of citizenship applications reviewed. The department was unable to provide the original documentation for 28 applications from five of the six STOs (six per cent of the applications requested). Considering that the time-period for the applications requested was relatively recent (2012–13 and 2013–14) this reflects poorly on the department's record management practices for the Citizenship Program.

Verifying identity—citizenship test stage

3.14 Successful applicants are required to present at a DIBP office for their test appointment (or for those in regional areas, a Human Services office) and pass the citizenship test to show that they meet the following legislated criteria:

- understanding the nature of the application for citizenship;
- possessing a basic knowledge of the English language; and
- having an adequate knowledge of Australia and of the responsibilities and privileges of Australian citizenship.⁸²

Citizenship test appointment

3.15 At the citizenship test appointment, citizenship officers have the opportunity to verify the applicant's identity through face-to-face contact as well as by sighting/examining an applicant's original identity documentation. As set out in DIBP's Procedures Manual, for identity verification purposes, the citizenship officer is expected to establish the applicant's identity by:

82 As outlined in Chapter 1, the scope of the audit encompassed the citizenship by conferral component, and within that component, the audit focussed on applicants that fall under the 'general eligibility' category. See s. 21(2) of the *Citizenship Act* for the general eligibility criteria.

- examining at least three original identity documents. The examination is to confirm whether the three original documents contain the applicant's photograph, signature, current residential address, birth name, date of birth and gender, and determine whether travel documents such as a passport, might need further expert document examination.⁸³ If applicable, documents showing linkages between name changes are to be examined to determine whether name changes are fully supported;
- confirming that the applicant presenting at the test appointment is the same as the person represented in the facial image provided with the application or the identity declaration. If the person has previously presented at a DIBP counter, the facial image previously uploaded to DIBP's Identity Services Repository (ISR)⁸⁴ can also be used; and
- examining whether the original identity declaration form, presented by an e-lodged applicant is correctly completed.

3.16 Citizenship officers that are satisfied of an applicant's identity are required to scan and upload original identity documents to the ISR, and collect and upload a digital (biometric) facial image. Following these activities, applicants are able to sit the citizenship test and must score at least 75 per cent to pass.⁸⁵

3.17 The ANAO observed citizenship officers administering tests for 27 applicants in three STOs (ACTRO, Parramatta and Queensland). The key steps of the process were consistently applied by citizenship officers in the three STOs, including citizenship officers examining and uploading the original identity documents, conducting a facial recognition test and capturing a digital facial image. For five of the 27 applicants, citizenship officers were not satisfied of the applicant's identity and did not allow the applicant to sit the test at that time. Minor administrative errors largely contributed to this outcome, including:

83 As part of this examination, and to establish and verify an applicant's identity, citizenship officers undertake a check of Australian issued identity documents through the Document Verification System. The Document Verification System is discussed in more detail in paragraphs 3.24-3.26.

84 The ISR is the system used to collect, store and view document scans and facial images for DIBP clients, including citizenship applicants.

85 While the ANAO did not review the management of the citizenship test in detail, it was observed that if an applicant fails the test with a score of 50 per cent or more, DIBP will generally allow the applicant to re-sit the test a further two times on the same day. Citizenship officers may assist applicants with language difficulties or computer skill limitations by reading out the questions, or operating the computer during the test.

- that the identity declaration form was not completed correctly, such as the passport sized photo being taken over six months prior to the appointment, or that liquid paper had been used by the designated identity declarant signing the photo; and
- inconsistencies in an applicant's name across the identity documentation provided.

3.18 In Queensland and Parramatta, the ANAO also observed citizenship officers making contact with designated identity declarants to cross-verify the identity presented by the applicant with their identity in the community.⁸⁶ Instances where this occurred included where the applicant could not clearly answer how they knew the identity declarant or where the signature of the identity declarant on the applicant's photo did not match the signature on the identity declaration form.

3.19 Furthermore, during the citizenship test appointment or shortly after, citizenship officers are required to request a National Police Check (from the National Police Checking Service administered by CrimTrac) to identify whether the applicant has committed offences against Australian law and/or been imprisoned.⁸⁷ For the process to be effective, citizenship officers must accurately include the applicant's legal name and all other known aliases.

3.20 The ANAO's observations of 27 citizenship test appointments showed that the key steps of the process were consistently applied in the three STOs visited. However, the results of the ANAO's analysis of the sample of 400 approved applications, outlined in Table 3.2, revealed:

- key steps in the process were not being followed in all cases; and
- some inconsistent practices across the citizenship network.

86 ACTRO informed the ANAO that the citizenship officer contacts the identity declarant at the pre-assessment stage if they have only known the applicant for the minimum time required—one year.

87 DIBP Procedures Manual – *Citizenship Application Assessment & Decision*, pp. 5-6. Refer to paragraphs 3.31-3.34 for additional discussion on the department's activities to identify whether an applicant is a risk to Australia's security.

Table 3.2: ANAO sample results—compliance with the identity verification requirements for citizenship tests

Key processes for identity verification not followed	Total
Total applications reviewed	400
No identity documents scanned and saved to the ISR	42 (10%)
Fewer than three identity documents scanned and saved to the ISR	16 (4%)
Identity documents saved to the ISR did not include applicant's address and/or signature	3 (1%)
A facial image of the applicant was not saved to ISR	1 (0%)
Incorrect facial image was saved to the ISR	2 (1%)
National Police Check requested without including all known aliases	31 (8%)
Variation of spelling of first name in an applicant's identity documents	1 (0%)
Record keeping requirements for regional applications not complied with	9 (2%)
Results total	105 (26%)

Source: ANAO analysis and results sample review.

Note: For 14 of the 105 applications (or 13 per cent), more than one key process for identity verification was not followed.

3.21 DIBP did not follow the key processes for identity verification for 26 per cent of applicants (105 applications). The results for Western Australia represented the highest percentage of applications where the key processes had not been followed (62 per cent, or 45 of the 73 applications reviewed for that STO). In contrast, of the 92 Melbourne applications reviewed, key processes were not followed for seven applications (eight per cent). Overall, the most significant inconsistencies were that:

- no identity documents had been scanned and saved to the ISR for 42 applications (10 per cent); and
- the National Police Check was requested without including all known aliases for 31 applications (eight per cent).

3.22 A large percentage (74 per cent) of the 42 applications that had no identity documents saved to the ISR were processed in Western Australia. Additionally, DIBP officers in Western Australia and three other STOs, (Parramatta, Queensland, and South Australia) scanned and saved fewer than three identity documents to the ISR for four per cent of the total applications reviewed. As such, for 14 per cent of the total applications reviewed by the ANAO, DIBP either had no formal record or an incomplete record of documents in its designated system supporting the department's identity assessment of Australian citizenship. This is

of particular concern given the ANAO's findings in respect of the retention of original application documents (see paragraphs 3.12–3.13).

3.23 Parramatta processed over half of the 31 applications for which a National Police Check was requested without including all known aliases.⁸⁸ It is the responsibility of the citizenship officer to make sure that all known aliases are recorded in the department's ICSE so that a complete National Police Check can be undertaken. However, ICSE does not automatically capture and record all the known aliases of applicants. In November 2014, system changes were implemented allowing citizenship officers to manually transfer aliases from other data systems, such as the Client Services Portal, to ICSE.

Checking identity documents using the Document Verification Service

3.24 The Document Verification Service (DVS) is a national online system that allows entities, both public and private to compare client's identifying information with a government record.⁸⁹ DIBP informed the ANAO that currently the DVS is used to match key details from the following Australian issued identity documents: driver licences; birth certificates; marriage and change of name certificates; passports; citizenship certificates; and visas.

3.25 DIBP's Procedures Manual states that the DVS is one of the tools to support citizenship officers in establishing and verifying an applicant's identity. The manual does not, however, explicitly indicate whether it is mandatory for citizenship officers to perform a DVS check. The ANAO's analysis of the 400 applications reviewed highlighted that, where an eligible document was provided (for 367 of the 400 applications), citizenship officers only undertook a DVS check for 28 per cent of the applications (or 102 of the 367 applications).

3.26 The recent report on the joint review of the Martin Place Siege, contained two recommendations on identity, one of which stated that 'Agencies should adopt name-based identity checks to ensure that they are using the National Identity Proofing Guidelines and the Document Verification Service ...'.⁹⁰ The

88 The ANAO's assessment of this key process was conducted by checking whether the known aliases recorded for each applicant in DIBP's Client Services Portal were also included in the applicant's ICSE record. This check confirmed whether the National Police Check had appropriately included all aliases known to DIBP.

89 Document Verification Service, *About DVS*, available from <<http://www.dvs.gov.au/about-dvs/Pages/default.aspx>> [accessed 23 February 2015].

90 Department of the Prime Minister and Cabinet and Premier and Cabinet (NSW Government), *Martin Place Siege: Joint Commonwealth–New South Wales review*, p. vi, available from <<https://www.dpmc.gov.au/pmc/publication/martin-place-siege-joint-commonwealth-new-south-wales-review>> [accessed 23 February 2015].

report's recommendation provides DIBP with an opportunity to introduce clearer instructions and reinforce to decision-makers the importance of conducting DVS checks for each citizenship application processed.

Guidance for decision-makers

3.27 DIBP operates within a decentralised delivery environment. The ANAO's analysis demonstrates the inconsistent practices being adopted for identity verification across the STOs.

3.28 The guidance that is promulgated across the citizenship network should assist STOs to administer the Act's identity requirements consistently. While the Procedures Manual provides step-by-step instructions on how to scan and save documents to the ISR, it does not explicitly instruct officers to check the Client Services Portal so that all known aliases are identified prior to requesting a National Police Check (see paragraph 3.23). Instead officers are prompted to ensure that: aliases listed on the form have been entered into ICSE; aliases listed in ICSE have been included in the form; and licence and passport information on the form has been entered into ICSE correctly.

3.29 ICSE also contains an 'Assessment Checklist' that decision-makers must complete prior to approving an applicant for citizenship. Decision-makers are required to manually enter a status (such as Met, Not Met) for key eligibility requirements, including that the identity of the applicant has been verified. There is no functionality which performs or prompts automated system checks to provide assurance that basic requirements such as identity documents or a facial image have been saved to the ISR.

3.30 The ANAO's analysis demonstrates the limitations of the current controls for processing citizenship applications. The assessment checklists for all 400 applications showed that the citizenship officer recorded that they had been satisfied of the applicant's identity. While the decision-maker may have been satisfied with an applicant's identity, the key processes required to come to such a decision were not followed for 26 per cent of the applications reviewed (or 105 of 400 applications) and the evidence to support these decisions was not adequate.

Criminality and risks to Australia's security

3.31 The Act contains measures to prevent conferral of Australian citizenship on persons who are directly or indirectly a risk to Australia's security and the Minister must not approve a person becoming a citizen in such circumstances.⁹¹ While this audit focused on the department's verification of identity in the Citizenship Program, the ANAO's sample of 400 citizenship applications included some high level checks of DIBP's processes in relation to the Act's national security and offences provisions.

3.32 Decision-makers must consider applicants' disclosures in response to questions demonstrating whether they are of 'good character' and whether they have committed any criminal offences.⁹² In addition to the applicant volunteering this information through the application process, DIBP runs a National Police Check (delivered by CrimTrac in partnership with Australian police agencies), to ascertain whether any applicant over the age of 16 years has a criminal history. A system check is also undertaken to determine the status of the applicant on the Central Movement Alert List (CMAL).⁹³

3.33 A red CMAL status indicates a match and the information contained therein must be taken into account by the decision-maker. An amber CMAL status indicates a potential match. Applications that have returned an amber CMAL status cannot proceed until DIBP's Border Operations Centre area resolves the amber CMAL status to be either red or green. Ninety-nine per cent (or 395 of the 400) of the applications reviewed had a green CMAL status prior to approval.⁹⁴

3.34 Of the 400 citizenship applications reviewed by the ANAO, 17 applicants (four per cent) answered 'Yes' to at least one of the 'good character' and criminal offences questions and provided details of their relevant offence/s or criminal history. In addition, four instances were identified where information that had

91 See *Australian Citizenship Act 2007* ss. 24(4) and ss. 24(6).

92 Previously, the ANAO conducted a performance audit of the Act's character requirements. See ANAO Audit Report No. 56 2010–11, *Administration of the Character Requirements of the Australian Citizenship Act 2007*.

93 CMAL is an electronic watch list, containing information about individuals who pose either an immigration or national security concern to the Australian Government as well as information on lost, stolen or fraudulent travel documents. For more information on CMAL see ANAO Audit Report No. 20 2013–14 *Management of the Central Movement Alert List: Follow-on Audit*.

94 For the five applications that returned a red CMAL status, the CMAL status had been overridden with supporting notes. For these five instances: three included that the alert was not relevant to citizenship; one included that the alert was not related to the primary applicant; and one included that the applicant's lost passport was confirmed as per the Document Alert List.

not been volunteered by the applicant was brought to the attention of DIBP as a result of the National Police Check. Provided all known aliases are included (see paragraph 3.23), the National Police Check provides DIBP with an important safety net as well as access to information that has not been disclosed by the applicant.

Verifying identity—regional applicants

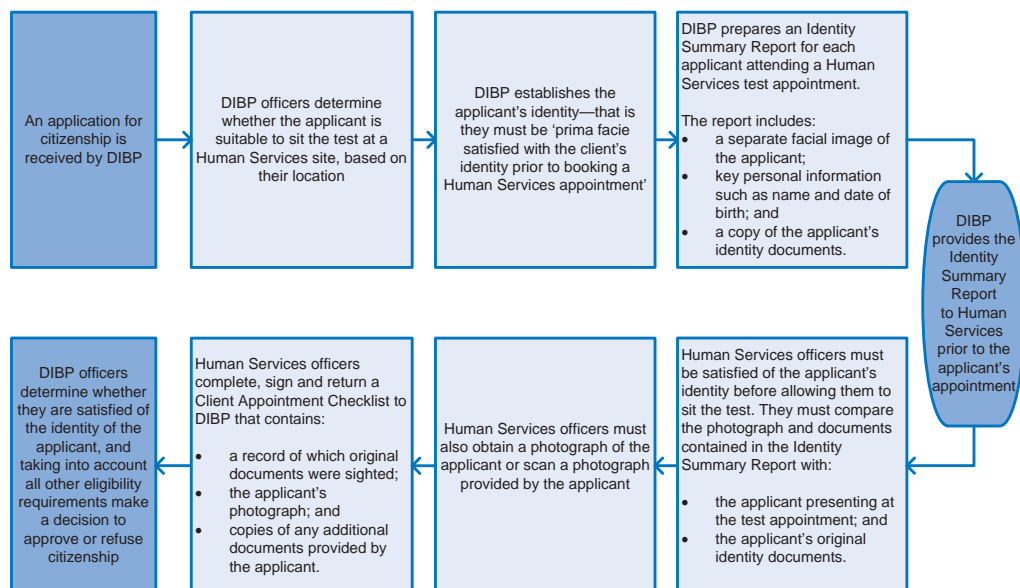
3.35 Human Services currently conducts citizenship test appointments for regional applicants on behalf of DIBP, eliminating the need for DIBP officers to travel to regional areas to conduct testing.⁹⁵ As at March 2015, Human Services provides citizenship testing at 33 sites, conducting approximately 300 tests per week. In 2013–14, Human Services administered 6244 citizenship tests (four per cent of all tests administered).

3.36 Unlike for applicants in metropolitan areas, DIBP decision-makers do not meet the applicant face-to-face or sight the original identity documents they present at their citizenship test appointment. Under the third party delivery arrangements, this responsibility is devolved to Human Services. As such, the department's documented identity requirements and processes for regional applicants are different than for those sitting the test in metropolitan areas. One of the major differences is the identity requirements to be followed by DIBP officers at the pre-assessment stage. Citizenship officers are instructed that they must be 'prima facie satisfied with the client's identity prior to booking a [Human Services] appointment'.

3.37 The department's requirements for assessing regional applicants are documented in the DIBP Procedures Manual—*Department of Human Services Citizenship Appointments*. Figure 3.1 outlines the identity requirements and DIBP's processes for regional applicants.

⁹⁵ The partnership between DIBP and Human Services commenced with a pilot program in 2012. On 1 July 2013 both departments signed a Head Agreement, underpinned by a Services Schedule for the continued provision of regional citizenship testing by Human Services.

Figure 3.1: Identity requirements and processes for regional applicants



Source: ANAO representation of DIBP's processes for regional test applicants.

3.38 Figure 3.1 shows that DIBP officers apply a level of scrutiny when pre-assessing the identity of regional applicants that is higher than that applied to the pre-assessment of applicants who will present to DIBP. Citizenship officers advised that they do not compile or send out the Identity Summary Report before applicants (whether lodging with a paper form or electronically) provide at least three identity documents that cover the identity requirements. This approach, if followed, should assist DIBP to mitigate the risks associated with the third party delivery arrangements, particularly as Human Services officers conduct a the face-to-face validity check with the applicant.

3.39 The ANAO's sample included 11 regional applicants.⁹⁶ The Human Services locations attended by the 11 applicants featured in the pilot program (conducted between March and December 2012).⁹⁷ For eight of the 11 applications, the department could not locate its copy of the Identity Summary Report sent to Human Services, and could also not locate its copy of the Client

⁹⁶ The ANAO's sample was drawn from the earlier stages of DIBP's arrangements with Human Services.

⁹⁷ The majority of the applicants represented in the sample (82 per cent, or nine of 11 applicants) attended their test appointments following the completion of the pilot period and the department's Post Implementation Review.

Appointment Checklist for two of these applications. Additionally, for one other application there was no evidence of Human Services sighting and examining the applicant's original name change certificate. Overall, for 82 per cent (or nine of the 11 applications) of the regional applications reviewed, processes for pre-assessing and verifying applicants' identities were not followed.

3.40 The ANAO also observed citizenship testing at two Human Services locations: seven applicants in Newcastle (New South Wales) and six applicants in Kawana Waters (Queensland). In all cases, Identity Summary Reports had been provided prior to the applicant's appointment and Human Services officers were observed comparing the original identity documents presented by the applicant with the documents contained in the Identity Summary Report. At both locations, the officer/s was satisfied of the identity of the applicant and allowed each applicant to sit the test. Following the test, the Human Services officer/s completed and returned the Client Appointment Checklist, along with the photograph taken of the applicant and any additional identity documents provided by the applicant, to DIBP.

3.41 Since the introduction of this arrangement, DIBP's quality assurance results show general improvement in the administration of regional test appointments from 2013–14 to 2014–15. Results are presented in Table 3.4 as part of a more detailed discussion on DIBP's quality assurance activities.

3.42 There are limitations to the extent that Human Services offices can run the same systems as DIBP to administer test appointments. One of the differences is the technology used by DIBP to capture an applicant's facial image. DIBP officers obtain an image of the applicant using the Biometric Acquisition and Matching System (BAMS). BAMS assesses the quality of captured photographs against DIBP's facial image acquisition standards and the International Civil Aviation Organization standards. If a photograph does not meet the standards, BAMS prompts DIBP officers to capture the image again. Human Services officers do not have access to BAMS and, instead, take a photo of the applicant using a digital camera which is then electronically uploaded and emailed back to DIBP. While DIBP's written procedures for Human Services citizenship testing outline the elements of an acceptable photograph, DIBP is frequently dissatisfied with the quality of facial images captured by Human Services (refer to Table 3.4 which shows that DIBP was not satisfied with the quality of the facial images for 18 per cent of the 764 applications reviewed in 2014–15).

3.43 Regional applicants were required to sign the Client Appointment Checklist when they presented at a Human Services test appointment. However,

DIBP removed this requirement in August 2014. While applicants sitting the test at the department's STOs are not required to provide a signature at that time, officers processing regional applications at two STOs informed the ANAO that the former design of the Client Appointment Checklist represented an opportunity for DIBP officers to compare the applicant's signature on the Client Appointment Checklist with the signature contained in the application documents. This cross-check process provided further assurance to DIBP that the person presenting at a Human Services location was the same person that had applied for citizenship.

Quality Assurance

3.44 Quality assurance processes are designed to ensure the quality and consistency of decisions by identifying issues and trends that might point to weaknesses or gaps in systems, policies or processes. The Citizenship Program's Business Plan 2014–15, outlines 'strengthening QA (quality assurance) across all citizenship business lines' as a business priority.

3.45 The Citizenship Program's quality checking process uses the Evidence of Quality in Performance (EQuiP) tool.⁹⁸ Quality checking activities are devolved and STOs are responsible for checking five per cent of cases decided each month across the different citizenship streams—conferral, evidence, descent, resumption and renunciation. It is at the discretion of the officer performing the quality check (generally part of the STO's management group) rather than any assessment of risk, to choose which cases are to be included. One STO visited informed the ANAO that cases processed by new staff members were often targeted as a way to gain insight into whether the officer was accurately following the key processes and so that any issues could be quickly identified and addressed.

3.46 For the Citizenship Program the questions to be answered are divided into six categories: identity and security; processing; documents; data; notification; and payment. Questions from each of the six categories form part of the quality activities for each month⁹⁹ and the answers are used to calculate the

98 The EQuiP tool is a web-based quality assurance application designed to track the quality of decisions and processes for the department's onshore and offshore caseloads.

99 Every quarter additional questions from two categories are added to allow a more thorough coverage. From November 2012 to January 2015, additional questions from the identity and security category have featured in three of the nine quarters.

number of errors made in relation to up to 12 ‘controls’.¹⁰⁰ The accuracy rate for each control tested is recorded as a percentage and assigned a ‘traffic light’ rating.

3.47 The ‘traffic light’ ratings and the actions required in response are shown in Table 3.3.

Table 3.3: ‘Traffic light’ rating system for quality checks

Traffic light designation	Accuracy	Control rating and/or action required
Green	>=95%	Some controls effective
Amber	>=90% and <95%	Some controls ineffective—review control environment
Red	<90%	Control framework ineffective—immediate action required

Source: DIBP Citizenship Quality Reports and Decision Assurance Reports.

3.48 The ANAO’s examination of DIBP’s reporting of quality checking activities highlight shortcomings in the Citizenship Program’s conduct of the quality activities, the questions used to determine quality outcomes, and the reports produced. In both 2012–13 and 2013–14, the department did not achieve the monthly sample rate of five per cent. The average monthly sample rate during these years was three per cent.

3.49 The questions also provide only limited insight into the quality of citizenship decision-making. The three STOs visited by the ANAO raised concerns in relation to the quality checking activities, including their capacity to provide assurance as to the accuracy of decision-making and that significant risks to the Citizenship Program are not targeted. For example, questions in the ‘identity and security’ category do not provide for an assessment as to whether the evidence provided with an application is sufficient to adequately support a decision on identity. Instead, the questions provide management with information as to whether citizenship officers have followed high level administrative processes for identity verification. The questions include whether:

- a facial image of the applicant is saved in the ISR;
- the signature on the application form is the same as the signature on the applicant’s identity document; and

¹⁰⁰ The 12 controls are: Authorised Recipient; Biodata; Contact Details; Assessment Criteria; Documentation; Duty of Care; Integrity and Security; Notification; Payments and Refunds; Program Processing; Record Keeping; and Decision. The number of controls tested varied from month to month in financial years 2012–13 and 2013–14, ranging from seven to twelve.

- the hard copy documents used to support the applications (in addition to those in the ISR) are certified as true copies of originals.

3.50 The quality checking questions are process-focused and the checks undertaken do not assess the quality of citizenship decision-making, including whether the identity of citizenship applicants has been appropriately verified. Consequently, the quality assurance process provides DIBP's management with limited assurance as to the quality and integrity of the department's identification processes for citizenship applicants.

3.51 DIBP's oversight group, the Migration and Citizenship Programme Leadership Group (MCPLG), for the migration and citizenship programs is tasked, among other things, with providing assurance that these programs focus on 'outcomes, client service, efficiency and integrity.' Aligning with the ANAO's finding, the MCPLG noted in June 2014 that the EQuIP questions focussed on process rather than outcome. However, the current quality checking program, including the questions used to determine quality outcomes remains unchanged.

3.52 Additionally, DIBP's monthly reporting of quality checking activities present high level outcomes with results from across the citizenship network largely limited to the sample rate achieved by each STO as well as each citizenship stream. The monthly reports include a table of results, collating the outcomes of the activities performed across the STOs and categorising the rate of compliance for each control tested using the 'traffic light' rating system. The monthly reports also provide an overall quality result—that is, an average of the individual accuracy rates for each control tested. In 2012–13 and 2013–14 only one overall quality result fell below the green light level of 95 per cent.

3.53 Trend analysis across the different controls is not undertaken and where a control has received an amber or red light result, the following month's report does not contain information regarding the response the department implemented to address the issue. While the majority—82 per cent of the 204 process controls tested by DIBP—resulted in a green light rating in 2012–13 and 2013–14¹⁰¹, red and amber ratings still accounted for 18 per cent of the total controls tested. From July 2012 to June 2014, the two controls that most commonly resulted in red or amber lights were: record keeping (10 of 22 reports, or 45 per cent); and contact details (six of 22 reports, or 27 per cent).

101 DIBP redesigned its monthly quality reporting in January 2014, which eliminated the presentation of disaggregated results for the different citizenship streams, including conferral.

Quality checking for regional applications

3.54 The ANAO examined DIBP's quality checking activities for the Human Services caseload for 2013–14 and 2014–15 (as at March 2015). DIBP's quality activities for citizenship tests conducted by Human Services focuses on the documented correspondence required between DIBP and Human Services. The quality checks include DIBP examining:

- the quality of the Identity Summary Report supplied by DIBP to Human Services, including whether it contained high quality scanned images of a minimum of three proof of identity documents;
- the satisfactory completion of the Client Appointment Checklist returned by Human Services; and
- the quality of the facial images of the applicant provided by both DIBP and Human Services.

3.55 Table 3.4 provides a summary of results of DIBP's quality checks.

Table 3.4: Summary of DIBP's quality checks of Human Services regional citizenship testing, 2013–14 and 2014–15

Quality assessment	2013–14	2014–15 ¹
Number of applications subject to DIBP QA	548²	775²
Correspondence prior to the citizenship test—DIBP to Human Services		
DIBP not satisfied with the quality of the applicant's facial image in the Identity Summary Report	26 of 539 (5%)	10 of 760 (1%)
DIBP not satisfied that the Identity Summary Report contained high quality scans of at least three proof of identity documents	60 of 539 (11%)	13 of 769 (2%)
DIBP unable to locate Identity Summary Report	8 of 548 (1%)	9 of 775 (1%)
Correspondence after the citizenship test—Human Services to DIBP		
DIBP not satisfied that the Client Appointment Checklist was completed correctly by Human Services	101 of 537 (19%)	74 of 764 (10%)
DIBP not satisfied with the quality of the facial image of the applicant obtained by Human Services	37 of 537 (7%)	136 of 764 (18%)
DIBP unable to locate the Client Appointment Checklist	10 of 548 (2%)	1 of 775 (<1%)

Source: ANAO analysis of DIBP records.

Note 1: Results for 2014–15 include up to 25 March 2015.

Note 2: Not all questions were answered for each application subject to a quality assessment. Results in this table are expressed with reference to the number of applications for which particular questions were answered.

3.56 In 2013–14, DIBP identified concerns with the quality of the correspondence created by both DIBP and Human Services, in particular, the Identity Summary Report (DIBP) and the Client Appointment Checklist and facial image at the citizenship test appointment (Human Services). Human Services advised that, as part of the working relationship, DIBP raised the issues it identified with the quality of key documentation since the partnership arrangement commenced. Human Services highlighted that the continuous roll-out of new sites since the pilot program was launched may have contributed to the quality assurance results.

3.57 Since 2013–14, the department's quality assessments show substantial improvement with regard to the quality of the Identity Summary Report (a decrease from 11 per cent of checks receiving a 'not satisfied' outcome, to two per cent). However, while some improvements to the quality of the Client Appointment Checklist have occurred (from 19 per cent to 10 per cent not satisfied), the dissatisfaction rate for the quality of the facial image captured by Human Services has increased from seven per cent to 18 per cent. Now that the expansion of sites for regional citizenship testing has stabilised, DIBP should, in consultation with Human Services, implement practical solutions so that the quality of key documentation continues to improve. The quality checking activities will also provide a useful source for the department to track its progress against process enhancements and identify and respond to other issues that may emerge.

3.58 Quality assurance activities should seek to provide assurance that decisions made in response to applications for citizenship are made on the same basis regardless of the citizenship officer or STO responsible for the decisions. Currently, the department's quality checking activities provide management with insights into the citizenship network's compliance with key administrative processes. The department is, however, yet to incorporate into its quality assurance activities:

- a risk based approach, so that quality assurance efforts focus on higher-risk cases; and
- a focus on the appropriateness of the decision, so that the department has insight into the quality and consistency of decision-making across the decentralised citizenship network.

Recommendation No.3

3.59 To improve the quality assurance process for the Citizenship Program, the ANAO recommends that the Department of Immigration and Border Protection extends its quality assurance program to include a risk based approach and consideration of the appropriateness of decisions, including whether the identity of the applicant has been properly verified.

DIBP's response: *Agreed.*

3.60 *The department has commenced the development of a risk based quality assurance framework for the citizenship programme. The proposed framework will include quality assurance activities which will have a greater focus on identity.*

Conclusion

3.61 DIBP has arrangements in place to verify the identity of an applicant at both the application and citizenship test appointment stages. The ANAO's analysis shows that the implementation of these arrangements is inconsistent across the citizenship network, particularly when pre-assessing e-lodged applications. Furthermore, key processes for verifying identity at an applicant's citizenship test appointment, including for regional applicants, are not being consistently followed.

3.62 Improving system controls and addressing shortcomings in the guidance provided to decision-making officers would strengthen the department's management of the identity component for citizenship. It would also enable DIBP to gain a greater level of assurance that decisions to approve or refuse citizenship fully satisfy the identity requirements established to support the integrity of the Citizenship Program.

3.63 While the department conducts quality checking activities for the Citizenship Program these activities provide management with only limited insights into the quality of the decisions made across the citizenship network. Given the decentralised delivery model, a risk based program of quality assurance activities that also included the appropriateness of decisions would allow the department to better monitor the consistency and quality of decisions over time and respond to issues as they emerge.

4. Citizenship Ceremonies and Evidence of Australian Citizenship

This chapter examines DIBP's arrangements for the verification of the identity of applicants at citizenship ceremonies and elements of DIBP's administration of applications for evidence of Australian citizenship.

Introduction

4.1 Citizenship applicants who pass the citizenship test and are approved for citizenship become Australian citizens on the day they make the pledge of commitment (the pledge).¹⁰² Most pledges are made at public ceremonies generally conducted by local government councils. Applicants who have acquired citizenship must also apply to DIBP for a replacement or amended certificate if they have lost the original document or wish to amend the personal details presented on their original certificate. The *Australian Citizenship Act 2007* (the Act) refers to these applications as seeking 'evidence' of Australian citizenship. As with all types of citizenship applications, evidence of Australian citizenship must only be given where the Minister is satisfied of the person's identity.¹⁰³ Within this context, the ANAO examined:

- whether DIBP's processes provide adequate assurance that the identity of the person presenting to make the pledge at the ceremony is consistent with that of the person approved to become an Australian citizen;
- the guidance provided by DIBP to support local council staff administering ceremonies on behalf of the department; and
- DIBP's processes for administering requests by applicants to amend the personal details presented on their citizenship certificates.

Citizenship ceremonies

4.2 While DIBP verifies an applicant's identity at various stages prior to their attendance at a citizenship ceremony, it is essential that applicants are correctly identified immediately prior to making the pledge. Failure to correctly identify a person making the pledge may increase the risk that a person who has not been

102 See ss. 26(1) and 28(1) *Australian Citizenship Act 2007* for exceptions to this requirement.

103 Subsection 37(1) *Australian Citizenship Act 2007*.

approved may acquire citizenship or inappropriately obtain an Australian citizenship certificate.¹⁰⁴ The pledge is generally made by applicants at a public citizenship ceremony.

4.3 DIBP informed the ANAO that approximately 95 per cent of citizenship ceremonies are conducted by local governments with the presiding officer, generally a Lord Mayor or Mayor, authorised to receive an applicant's pledge of commitment on behalf of the Minister.¹⁰⁵ Local governments do not receive specific funding from the Australian Government to conduct citizenship ceremonies.¹⁰⁶ DIBP views the arrangement as one built on goodwill and mutual agreement. Generally, DIBP staff members do not attend ceremonies conducted by local governments and the verification of the applicant's identity is undertaken by local government officers. While the Act does not specifically provide for presiding officers or local government officers to refuse an applicant's participation in a ceremony, DIBP considers that the purpose of the legislation supports the view that it is reasonable for local government officers to perform identity checks to determine that the applicant making the pledge of commitment has in fact been approved for citizenship.

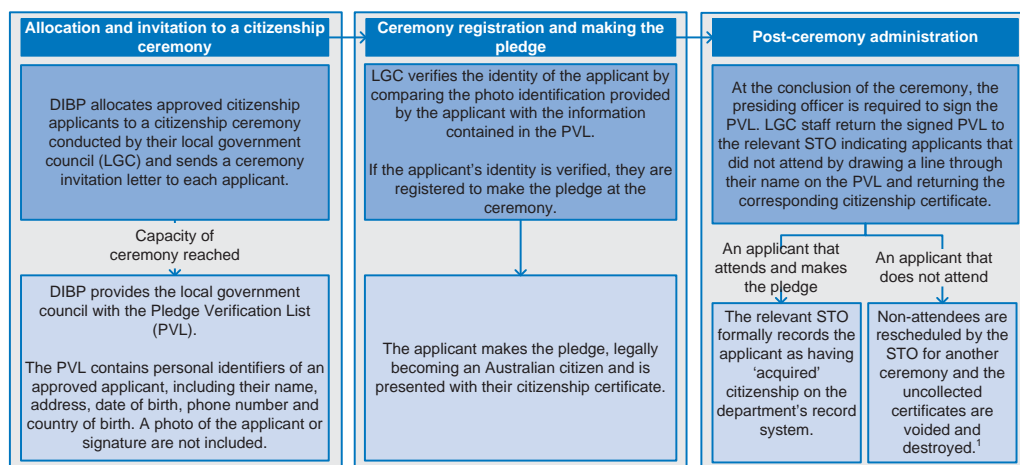
4.4 DIBP's process for local governments conducting citizenship ceremonies is outlined in Figure 4.1.

104 Subsection 26(2) *Australian Citizenship Act 2007* provides that a pledge made by a person who has not been approved by the Minister is of no effect. Therefore a person who makes the pledge without having been approved for citizenship does not become a citizen.

105 DIBP administers some public and private ceremonies, mostly to address the high demand for citizenship ceremonies in local government areas with substantial waiting lists. Some community organisations also conduct citizenship ceremonies, which account for a small percentage of total ceremonies performed and were not examined as part of the audit.

106 DIBP informed the ANAO that funding is provided to local governments under the Financial Assistance Grant program, and can be used according to local priorities.

Figure 4.1: Administering citizenship ceremonies



Source: ANAO representation of DIBP's processes.

Notes: DIBP's *Accountable Documents Policy* requires citizenship certificates to be registered and stored in an appropriate security container. Two officers are to be present for the destruction of certificates and to appropriately record certificates that have been destroyed.

Australian Citizenship Ceremonies Code and support for local governments

4.5 Local governments administering citizenship ceremonies must conform to a number of requirements established by the Act, including the words of the pledge to be spoken by applicants. DIBP's primary means for communicating these requirements is the Australian Citizenship Ceremonies Code (the Ceremonies Code).

4.6 The Ceremonies Code instructs those responsible for verifying the identity of applicants to 'use their best judgement' and, specifically to, 'identify the candidates correctly against the Pledge Verification List (PVL) and their identity documents'. Preferred identity documents include a driver's licence, passport or other official document that includes an applicant's photograph. In the circumstance that an applicant does not have photographic identification, the local government officer can instead accept three documents that include the applicant's name, address and signature (such as bank statements, credit cards or bills). Given that all applications for citizenship must include photographic identification, instances where a potential citizen seeks to register without photo identification should be rare.

4.7 While many applicants will present with photo identification, the Ceremonies Code falls short of instructing ceremony officers to conduct a

face-to-photo comparison as part of exercising their 'best judgement'. DIBP informed the ANAO that it is currently reviewing the Ceremonies Code. As part of the consultation for this review, local governments reported to DIBP that, where applicants present at ceremonies with little or no identification, local government officers are unsure how to apply their 'best judgement'.

4.8 DIBP has also received queries from local governments in relation to applicants presenting without identity documents or with identity documents that are inconsistent with the information contained in the PVL. One local government informed the ANAO that applicants can present with photo identification that features an old photograph, making the task of identifying the person challenging. In response to this feedback, DIBP advised that it is proposing to revise the Ceremonies Code's instructions with regard to identifying applicants at ceremony registration. In particular, consideration is being given to including advice covering situations where a registering applicant attends without photographic identification, or cannot be correctly identified. At the time of this report, the review had not been finalised.

4.9 In addition to the Ceremonies Code, DIBP provides support to local governments by running ceremony information sessions. The sessions are hosted by STOs and cover the requirements for citizenship ceremonies. Five of the eight STOs informed the ANAO that they conducted information sessions for local governments in either 2013 or 2014.¹⁰⁷ While attendance at these sessions is not mandatory, they provide an opportunity for local government officers to ask questions and receive guidance from DIBP officers, as well as share knowledge and experiences.¹⁰⁸ However, DIBP's information material does not always provide instructions on the processes to be followed to verify an applicant's identity.¹⁰⁹

Verifying identity at citizenship ceremonies

4.10 The ANAO observed the registration process at five citizenship ceremonies held from August to October 2014 across the Australian Capital Territory, New South Wales and Queensland. Four of these ceremonies were

107 One STO reported that while they do not run information sessions open to all councils, they run targeted sessions in specific areas in response to issues local governments may have raised or due to staff turnover.

108 Further support is provided by a number of STOs. One sends out a newsletter to local governments, while two others maintain an email mailbox to manage queries related to ceremonies.

109 Two of the STOs did include in their information material that 'Candidates who are unable to be identified should not be included in the ceremony and may be referred back to the department'.

conducted by local governments while one was conducted by the department.¹¹⁰ In total, the ANAO observed 376 applicants seek registration. In all but one case, applicants presented photo identification and their identity was verified to the satisfaction of the registering officer.¹¹¹ The majority of applicants seeking registration presented with a driver's licence (78 per cent). Of the remaining population observed, 18 per cent presented with a passport, while four per cent presented other photographic identification such as an Adult Proof of Age Card (18+ card) or a Document For Travel To Australia.

4.11 Across the five ceremonies, the ANAO observed ceremony officers largely undertaking consistent identity checks. Overall, the ANAO observed that the average time taken to verify the identity of applicants was between 10 and 20 seconds. Officers were observed using the applicant's photo identification primarily to locate the name of the applicant on the PVL and to cross-check the name and address on the photo identification with the information contained in the PVL. Officers generally did not ask the applicant to verbally confirm any of the information contained in the PVL. However, in five instances (about one per cent), officers identified that the applicant's address or name on their photo identification did not match that contained in the PVL. In all such instances, applicants explained to the officers' satisfaction that they had married or changed address since their last interaction with DIBP.

4.12 At four of the five ceremonies, officers were not observed performing a purposeful comparison of the photo contained in the identification with the face of the person presenting for registration. At one ceremony—conducted by DIBP—some officers were observed performing such a comparison.

Quality checking activities at citizenship ceremonies

4.13 As discussed in Chapter 3, DIBP conducts quality checking activities as part of administering the Citizenship Program. However, the current quality checking activities do not extend to the ceremony component of the program.

4.14 The ACIs provide that each STO should have an ongoing council liaison program. As part of this program, DIBP staff should (as a minimum) attend

110 For the purposes of this report, the government of the Australian Capital Territory is referred to as a local government.

111 In one case, a person sought to make the pledge on behalf of their spouse who was not in attendance. The person was told that this would not be possible and that the spouse must attend a ceremony at a later date and make the pledge themselves.

ceremonies at least once per year for each local government that confers over 300 citizens, and twice per year for each local government that confers over 1000 citizens. All STOs informed the ANAO that they do not operate a formal liaison program with local governments but do attend citizenship ceremonies on an ad-hoc basis. The STOs visited by the ANAO advised that resourcing constraints largely contributed to their limited attendance. One local government informed the ANAO that DIBP staff had not attended a ceremony in the last four years, noting that in that four years the officer was not offered training or the opportunity to attend a departmental ceremonies information session.

4.15 DIBP officers in Brisbane informed the ANAO that they attended all Brisbane City Council ceremonies (on average six each year) but are not responsible for performing identity checking at the point of registration. Another STO stated that officers attend citizenship ceremonies ‘now and then’, but only those conducted by the territory’s government and never in the regional areas that it is also responsible for managing.

4.16 DIBP staff were present at two of the five ceremonies observed by the ANAO. During one of these ceremonies, DIBP officers were observed undertaking quality checking tasks in relation to the conduct of the ceremony—including making a record of the applicants in attendance at the ceremony (in addition to the PVL) and collecting the signed PVL and any uncollected Australian citizenship certificates at the conclusion of the ceremony. At the ceremony performed in Brisbane, STO staff assisted local government officers to register applicants, which involved handing the applicant their citizenship certificate prior to the ceremony commencing.¹¹²

4.17 Within a resource constrained environment, DIBP should review the requirement for a council liaison program, and in conducting the review, consider the benefits of adopting a liaison program that is risk focused. A risk based approach would enable DIBP to target higher risk ceremonies, such as larger ceremonies (300 applicants or greater) and ceremonies conducted infrequently by local governments.

¹¹² As a consequence of the large number of applicants attending ceremonies in Brisbane (on average 500 per ceremony), applicants are given their citizenship certificate at the time they register, instead of being called up individually to receive their certificate during the ceremony. Arrangements are in place to help control the movement of people so that applicants do not leave the ceremony with their certificate, prior to making the pledge.

4.18 The current review of the Ceremonies Code provides the department with an opportunity to clarify procedures for identity verification at citizenship ceremonies. As identified previously, the Ceremonies Code does not explicitly instruct officers to perform a face-to-photo comparison as part of exercising their ‘best judgement’. Amendments to the Code for verifying an applicant’s identity, such as more explicit instructions for performing a face-to-photo comparison, would provide DIBP with greater assurance that the appropriate person is being registered to make the pledge.

4.19 The Code’s identity verification instructions would also be improved by DIBP including stronger personal identifiers in the PVL, such as the facial images of applicants. Adding the facial images to the PVL would complement the existing details in the PVL and allow local government staff to clearly identify that the person approved by DIBP is the person presenting at the ceremony.

4.20 The inclusion of a photo in the PVL would also address the circumstances where applicants do not provide photo identification at registration. In this instance, an applicant is required to produce three documents that collectively contain their name, address and signature. However, the PVL does not contain the applicant’s signature and local government officers are unable to verify and compare the applicant’s signature with the signature recorded by DIBP during the citizenship process. The option allowing applicants to provide identification other than photo identification creates two different standards of proof with greater potential for the latter to be exploited by people seeking to make the pledge on behalf of another, or people seeking to obtain another person’s Australian citizenship certificate.

Recommendation No.4

4.21 To strengthen the identity verification activities conducted at citizenship ceremonies, the ANAO recommends that the Department of Immigration and Border Protection includes stronger personal identifiers, such as the facial image of approved applicants, in the Pledge Verification List provided to ceremony officers.

DIBP’s response: *Agreed.*

4.22 *The department agrees with strengthening identity verification activities conducted at citizenship ceremonies and will consider the inclusion of personal identifiers in the Pledge Verification List.*

Amending personal details

Evidence of Australian citizenship

4.23 The Australian citizenship certificate carries significant weight in the community as a form of identity and can be essential when seeking to access particular government payments and privileges.¹¹³ There may be circumstances where citizens seek to replace or amend their certificate. This may occur where a citizen:

- has lost their original citizenship certificate;
- has never been issued a certificate as they were living in Australia as British subjects prior to the introduction of Australian citizenship; or
- wishes to change the personal details presented on their citizenship certificate such as name and/or date of birth (DOB).¹¹⁴

4.24 The provision of evidence of Australian citizenship does not make a person an Australian citizen if they are not already a citizen under the Act.¹¹⁵ Rather, decisions in relation to evidence can confirm the citizenship status of an applicant (that is, the person is or is not an Australian citizen), and amend, or refuse to amend a citizenship certificate in response to a request from the citizen for a change of name and/or DOB. In both cases, if the request is accepted, the department will provide an Australian citizenship certificate.

4.25 Since 1 July 2013, all applications for evidence of Australian citizenship are centrally processed by the Evidence Processing Unit (EPU) in DIBP's Parramatta office. The EPU is required to apply the same evidentiary standard as for persons applying for citizenship when deciding whether to accept the amendments sought. Table 4.1 shows the evidence of Australian citizenship caseload and decision types from 2011–12 to 2013–14.

¹¹³ An Australian citizenship certificate is required to obtain a passport for people who have become a citizen by conferral. For the purposes of verifying an identity to receive a Centrelink payment, the Australian citizenship certificate is worth 70 of a requisite 100 points.

¹¹⁴ Since November 2012, DIBP prints the citizen's current legal name and DOB on the front of the certificate and, on the back, lists the names and DOB in which they obtained previous certificates.

¹¹⁵ The ACIs state that any person can apply for evidence of their Australian citizenship and that a finding of fact can be made on whether a person is in fact an Australian citizen.

Table 4.1: Evidence of Australian citizenship caseload and decision types, 2011–12 to 2013–14

Year	Evidence issued	Evidence refused	Application invalid ¹¹⁶	Application withdrawn	Total number of decisions
2011–12	19 044	1296	-	-	20 340
2012–13	18 447	1893	2174 ¹	-	22 514
2013–14	16 222	1867	10 239	3	28 331

Source: DIBP internal reports—‘Yellow Book’.

Note 1: Invalidated applications prior to December 2012 and withdrawn applications prior to March 2014 were included in the ‘Evidence refused’ decision category.

4.26 As shown in Table 4.1, the evidence caseload has increased by 39 per cent from 2011–12 (20 340 decisions) to 2013–14 (28 331 decisions). However, in the same period the number of successful applications decreased from 94 per cent of decisions in 2011–12 to 57 per cent of decisions in 2013–14. Table 4.1 also shows that the principal difference in the evidence caseload since 2011–12, has been the significant increase in the number of ‘invalid’ applications.

4.27 DIBP informed the ANAO that the department’s Parramatta office, in which processing of Evidence of Citizenship has now been centralised, has always taken a stricter approach to determining the validity of applications than other STOs. This approach is to deem an application to be invalid where key information, including identifying information, is missing from the application rather than to hold on to the application and request additional documentation be provided. In this context, the 39 per cent increase in the total evidence caseload between 2011–12 and 2013–14 may be affected by applicants reapplying multiple times following the invalidation of their initial application. DIBP does not analyse the caseload to identify and explain trends or emerging risks.

Evidence caseload—requests to amend personal details

4.28 As previously outlined, applications for evidence of citizenship may involve an applicant wishing to amend the personal details presented on their citizenship certificate such as name and/or DOB.

4.29 In the absence of DIBP undertaking targeted analysis or reporting of their evidence caseload, the department responded to the ANAO’s request for

116 DIBP considers that while the term ‘invalid’ is not included in the Act, returning applications that do not include the three identity documents required by the application form is, nevertheless, defensible given the significance of identity within the citizenship process.

data by providing estimated figures for the percentage of evidence applications seeking changes to name, DOB or both. These estimates are shown in Table 4.2.

Table 4.2: DIBP estimates for composition of evidence caseload

Year	Applications seeking a change of name	Applications seeking a change of date of birth	Applications seeking a change of name <u>and</u> date of birth	Total number of evidence applications processed
2012–13	10% (2252)	8% (1801)	7% (1576)	22 515
2013–14	12% (3068)	10% (2257)	10% (2257)	25 570

Source: DIBP.

Note: The total number of evidence applications processed in this table were provided by the EPU and are not taken from the 'Yellow Book'. As discussed in Chapter 2, paragraph 2.50, the EPU informed the ANAO of issues with the figures reported in the Yellow Book for the evidence caseload. As such there are discrepancies in the totals provided in this table with those in Table 4.1.

4.30 Changes to personal information may be straightforward, such as name changes as a result of marriage or divorce. Applications for these types of changes are often uncomplicated and DIBP's assessment and decision generally involves reviewing the documented evidence such as a marriage certificate or divorce orders issued by a court. Other requests for changes to personal details may be more complex. The case study below outlines an applicant's request to amend the DOB presented on their citizenship certificate and illustrates the manner in which identity matters are resolved by the department.

Case Study: Applicant X

Departmental records indicate that Applicant X was issued with an Australian visa in the 1980s with the DOB recorded as DD-MM-1958 and the country of birth recorded as Country Y. With these biographical details, Applicant X obtained Australian citizenship in 1987.

In 1991, Applicant X sought amended evidence of their Australian citizenship, with the DOB to be shown as DD-MM-1968. A new certificate was issued but the request for a change of DOB was not successful. Also in 1991, Applicant X was issued a Change of Name Certificate from a state Registry of Births, Deaths and Marriages that showed a change of name, change of DOB (to DD-MM-1968) and change of country of birth. In 1993 and 2002, Applicant X obtained an Australian passport showing the personal details as contained in the Change of Name Certificate.

In 2012, for the purposes of renewing their Australian passport, Applicant X was required to obtain evidence of citizenship from DIBP to support the claim that the DOB was MM-DD-1968. Consequently, Applicant X lodged an application for evidence of Australian citizenship requesting that the date of birth be recorded as DD-MM-1968. Consideration of the application involved sighting certified copies of five identity documents. In February 2013, DIBP refused the application for evidence of citizenship with an amended DOB because there was insufficient documentation to support the change requested and the decision-maker was not satisfied of Applicant X's identity.

In March 2013, Applicant X requested an internal review of the decision to refuse the application for amended evidence of Australian citizenship. Consideration of Applicant X's claims for the purposes of the review included extensive correspondence, interviews with Applicant X, the sighting of multiple identity documents, review of departmental files and internet research. In the course of the review, Applicant X claimed:

- to have provided a false age when seeking entry into Australia in the 1980s, explaining the change to DOB requested; and
- to have been born in Country Z, not Country Y.

Neither of these two claims were accepted by the department.

In September 2014, the internal review affirmed the original decision as the second decision-maker was not satisfied of Applicant X's identity. Applicant X was not provided with evidence of Australian citizenship showing the DOB as DD-MM-1968.

Source: DIBP documentation.

Training and guidance for the Evidence Processing Unit

4.31 The ACIs provide decision-makers with a concise summary of the processes and considerations that should contribute to a decision. They outline readily available resources for EPU officers to seek assistance when deciding on applications for evidence of citizenship (Chapter 3 outlines additional options for the referral of citizenship applications).

4.32 The ACIs state that for most cases:

... changes to personal details are minimal and genuine, for instance, the addition or subtraction of a letter to a name or a change of name after marriage ... However, a change to personal data is a serious matter if the change leads to a different identity.

4.33 The ACIs provide clear instructions for decision-makers such as for an applicant seeking a change of name following marriage or divorce. Guidance in relation to changes that may be characterised as leading to a different identity is not comprehensive. The EPU informed the ANAO that the absence of clear policy guidance has led to inconsistent decision-making. While the ACIs refer to decision-makers having ‘doubt’ about a person’s identity and alert decision-makers to potential referral avenues where such doubt exists, they do not illustrate the types of scenarios that might cause this situation. Information outlining key features or indicators of cases involving a different identity would better prepare decision-makers for dealing with those cases, including the need for more extensive scrutiny and verification.

4.34 While there are shortcomings in the guidance for EPU officers, the department informed the ANAO that in 2014, EPU staff attended two specific training courses—facial recognition (June) and document examination (October)—that both had an assessment component. The EPU also noted that (as at September 2014) training in interview skills, which officers may need to conduct to appropriately consider applicants seeking to amend personal details, has not been provided to officers in the EPU.

4.35 Improvements to the guidance could also positively affect the outcomes of the decision reviews requested by evidence applicants. Decisions made in relation to evidence of Australian citizenship cannot be subject to a formal merits review conducted by the Administrative Appeals Tribunal.¹¹⁷ In the absence of an external review mechanism, Citizenship Policy conducts internal reviews of refused evidence applications upon an applicant’s request. Table 4.3 details the internal review results for the identity related cases reviewed in 2012–13 and 2013–14.

117 Section 52 *Australian Citizenship Act 2007* provides the types of applications that can be made to the Administrative Appeals Tribunal.

Table 4.3: Results of internal review of refused evidence applications, 2012–13 and 2013–14

Year	Decisions reviewed	Outcome of review ¹			
		Approved	Affirmed	Approved in part and affirmed in part ²	Review ongoing
2012–13	19	13 (68%)	6 (32%)	0	0
2013–14	38	22 (58%)	5 (13%)	1 (3%)	10 (26%)

Source: ANAO analysis of DIBP documents.

Note 1: Where a review is 'Approved', the second decision-maker approved the change that the applicant was seeking. A review is 'Affirmed' where the second decision-maker affirms the finding of fact made by the first decision-maker.

Note 2: In this instance, the applicant sought a change of name and DOB. The change of name was approved but the finding of fact in relation to the DOB was affirmed.

4.36 The review results highlight that in over 50 per cent of the cases reviewed by national office (in both 2012–13 and 2013–14) the review outcome did not support the original decision and agreed to the change that the applicant was seeking.

Amendments to personal details made under Freedom of Information

4.37 The *Freedom of Information Act 1982* (the FOI Act) provides a general right for people to apply to have Commonwealth entities amend the records of their personal information.¹¹⁸ Such applications for amendments may occur for many reasons, including for example, correcting erroneous or incomplete records, or updating details to reflect changed circumstances.

4.38 For people who have acquired citizenship, the Citizenship Act makes it an offence to amend an Australian citizenship certificate other than through amendments made pursuant to the Citizenship Act.¹¹⁹ Where these requests are received by the department's FOI section, citizens are advised that they must apply to amend their certificate through the EPU, and their FOI request is returned.¹²⁰

4.39 However, DIBP does not have in place any formal processes for those people whose citizenship application has been approved but they have not yet

¹¹⁸ See *Freedom of Information Act 1982* Part 5.

¹¹⁹ *Australian Citizenship Act 2007* s. 39.

¹²⁰ The department's FOI application form also instructs Australian citizens to request amendments by applying for evidence of Australian citizenship.

been conferred a citizen, and are seeking to amend their personal details pursuant to the FOI Act. The FOI area informed the ANAO that while there are no formal policies or instructions, FOI officers are expected to treat a citizenship applicant's details as 'locked in' at the time of approval and to advise the applicant to amend their personal details once they have become a citizen through the EPU.

4.40 Under existing processes and reporting arrangements, DIBP advised that it does not specifically 'collate data and report on those clients whose details the FOI section may have amended where they were approved but awaiting conferral ... [and] would expect the numbers to be very small'. During the course of the audit, DIBP sought a special report to be produced giving the number of successful FOI requests relating to approved, but not yet conferred applicants. The report showed that from 2012–13 to April 2014–15, there has been 42 FOI requests that were finalised successfully for applicants that were approved, but had not yet acquired citizenship. Of these 42 requests, 29 (69 per cent) related to a change of name, while 10 (24 per cent) related to a change in DOB.

4.41 In these instances the FOI officer would directly amend the personal details of the applicant recorded in ICSE. DIBP informed the ANAO that ICSE does not currently include functionality that will automatically alert citizenship decision-makers of these amendments. Citizenship officers can manually view the 'notes' section in ICSE, where the FOI decision-maker is required to enter all FOI related activity, but at present there is no mechanism for triggering such a review.

4.42 An applicant changing their personal details by FOI after having been approved for citizenship presents risks to the integrity of the department's citizenship assessment process, including that the applicant:

- attends a ceremony and is conferred citizenship without a citizenship officer re-running identity, national security and character checks in relation to their amended personal details (name/DOB); and
- receives a citizenship certificate with the details as amended by FOI, but which have not been re-verified by a citizenship officer.

4.43 In May 2014, the Citizenship Risk Management Group proposed a project to analyse FOI name and DOB change data to more accurately identify high risk cohorts within the citizenship caseloads. This proposal was in response to

anecdotal reports that there were cases where name and DOB changes through FOI have been ‘accepted at face value’¹²¹ and there may be identity concerns for those applicants that would result in them not satisfying the identity requirements of the Citizenship Act’. In May 2015, the department informed the ANAO that this project would progress as part of an updated work plan for the *Integrity Partnership Agreement—Citizenship Program* (see paragraphs 2.4 to 2.9).

Recommendation No.5

4.44 To provide greater assurance that the identity of citizenship applicants has been appropriately verified, the ANAO recommends that the Department of Immigration and Border Protection puts in place arrangements to alert citizenship decision-makers when an applicant amends their personal details under Freedom of Information provisions prior to citizenship conferral.

DIBP’s response: *Agreed.*

4.45 *As a result of issues identified in this audit, the department has revised its procedures regarding Freedom of Information requests from citizenship applicants seeking an amendment to their personal details during citizenship processing so that the citizenship program is alerted to such requests.*

Conclusion

4.46 DIBP recognises the risk of fraud at citizenship ceremonies may lead to shared or duplicate identities, or identity documents, existing in the community. The department has arrangements in place to verify the identity of an approved applicant presenting to make the pledge of commitment at a citizenship ceremony. However, there is scope for improvement in a number of areas.

4.47 The department’s current review of the Ceremonies Code presents an opportunity to provide practical instructions to local government officers and to strengthen the identity verification processes to be followed. Including stronger personal identifiers, such as the facial images of approved applicants collected as part of the application process in the Pledge Verification List (PVL), would also better position local government officers to conduct a purposeful face-to-photo

121 A decision to amend personal information pursuant to the FOI Act does not bind subsequent decision makers operating under the Citizenship Act. The ACIs instruct decision-makers ‘to avoid feeling compelled to lower their threshold of evidentiary requirements where a client’s request to amend their details has already been approved under FOI’.

comparison and would assist in DIBP mitigating verification risks where a person presents without a photographic identity document.

4.48 Despite the requirement for STOs to put in place a council liaison program, interaction with councils and attendance at ceremonies is on an ad-hoc basis only, nor do they routinely conduct quality checks at citizenship ceremonies. In the context of a resource constrained environment, DIBP would benefit from reviewing the requirement for a council liaison program, and in conducting the review, consider the value of adopting a liaison program that is more risk focused.

4.49 Additionally, there are a number of shortcomings in DIBP's arrangements for administering applications for evidence of citizenship. Guidance in the ACIs distinguishes minimal changes to personal details from changes that may lead to a different identity, however, the instructions do not outline the factors that might characterise this distinction. Also, while the evidence caseload is growing in both volume and complexity, the department has not undertaken any analysis to identify emerging trends or risks in this caseload.

4.50 The department's current arrangements for dealing with Freedom of Information (FOI) requests by approved applicants (who are not yet citizens), present risks to the integrity of citizenship assessments. Given the significant weight the Australian citizenship certificate carries as a form of identity, it is important that the department examine options to strengthen controls and implement, in consultation with the FOI area, formal arrangements to better alert citizenship officers to any changes to an applicant's personal details prior to conferral.



Ian McPhee

Canberra ACT

10 June 2015

Appendices

Appendix 1: Entity Responses



Australian Government
Immigration and
Border Protection Portfolio

DEPUTY SECRETARY

Dr Tom Clarke
Executive Director
Australian National Audit Office
GPO Box 707
Barton ACT 2601

Dear Dr Clarke

Thank you for your letter dated 5 May 2015 and the opportunity to provide comments on the proposed audit report on Verifying Identity in the Citizenship Program.

The Department of Immigration and Border Protection (DIBP) agrees with the five recommendations as presented in the Section 19 report.

Attached is the department's response to the recommendations and summary of our comments to be included in the report under Appendix 1.

I would like to thank the Australian National Audit Office team for the co-operative and professional manner they have adopted in working with us on this matter. I look forward to continuing the good working relationship developed during this performance audit.

If you would like further information on this matter, please contact Kathy Bourne, Director, Citizenship Operations Section on (02) 6264 1111.

Yours sincerely

Michael Manthorpe PSM
Deputy Secretary
Visa and Citizenship Services Group

29 May 2015



Australian Government
Department of Human Services

Kathryn Campbell CSC
Secretary

Ref: EC15/146

Ms Barbara Cass
Group Executive Director
Performance Audit Services Group
Australian National Audit Office
GPO Box 707
CANBERRA ACT 2601

Dear Ms Cass

Thank you for the opportunity to comment formally on the redacted copy of the proposed 'section 19' audit report arising from the Australian National Audit Office's audit on Verifying Identity in the Citizenship Program.

Attachment A to this letter details the Department of Human Services' (the department) response to the provided sections of the proposed report.

If you would like to discuss the department's response please do not hesitate to contact Ms Sue Kitchin, Acting National Manager, Multicultural Services Branch, on (02) 9455 2679.

Yours sincerely

Kathryn Campbell

2 June 2015

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Administration of the Australian Apprenticeships Incentives Program

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ANAO Report No.32 2014–15

Administration of the Fair Entitlements Guarantee

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Organ and Tissue Donation: Community Awareness, Professional Education and Family Support

Australian Organ and Tissue Donation and Transplantation Authority

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Administration of Enforceable Undertakings
Australian Securities and Investments Commission

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Promoting Compliance with Superannuation Guarantee Obligations
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Transport Services for Veterans
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Administration of the Australian Childhood Immunisation Register

Department of Human Services

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Verifying Identity in the Citizenship Program

Department of Immigration and Border Protection

Better Practice Guides

The following Better Practice Guides are available on the ANAO website:

Public Sector Financial Statements: High-quality reporting through good governance and processes	Mar. 2015
Public Sector Audit Committees: Independent assurance and advice for Accountable Authorities	Mar. 2015
Successful Implementation of Policy Initiatives	Oct. 2014
Public Sector Governance: Strengthening performance through good governance	June 2014
Administering Regulation: Achieving the right balance	June 2014
Implementing Better Practice Grants Administration	Dec. 2013
Human Resource Management Information Systems: Risks and Controls	June 2013
Public Sector Internal Audit: An Investment in Assurance and Business Improvement	Sept. 2012
Public Sector Environmental Management: Reducing the Environmental Impacts of Public Sector Operations	Apr. 2012
Developing and Managing Contracts: Getting the Right Outcome, Achieving Value for Money	Feb. 2012
Fraud Control in Australian Government Entities	Mar. 2011
Strategic and Operational Management of Assets by Public Sector Entities: Delivering Agreed Outcomes through an Efficient and Optimal Asset Base	Sept. 2010
Planning and Approving Projects – an Executive Perspective: Setting the Foundation for Results	June 2010
Innovation in the Public Sector: Enabling Better Performance, Driving New Directions	Dec. 2009
SAP ECC 6.0: Security and Control	June 2009
Business Continuity Management: Building Resilience in Public Sector Entities	June 2009
Developing and Managing Internal Budgets	June 2008

