



Support for departmental operations and claims processing and enhancing legal capacity and program evaluation

As part of the Government's significant reforms in recent years encouraging veterans to lodge claims and making it easier to do so, the Department of Veterans' Affairs (DVA) has seen claims more than double between the financial years 2017-18 to 2019-20, which has created a backlog. The Government is committed to managing this backlog and this initiative provides DVA with additional resources to manage the increased workload.

A number of initiatives will be funded through the 2021–22 Budget to ensure the department strengthens governance, has sustainable funding, and that funding is available to address existing shortfalls.

Addressing existing budget shortfalls and pressures within DVA has three components:

- Funding in 2021-22 to continue the delivery of the Veterans' Recognition Program (VRP)
- Two years funding for increasing ICT Shared Services costs with Services Australia
- Two years funding for a Commissioner to strengthen strategic engagement with Department of Defence to improve transition and planning.

Strengthening governance improves DVA's capacity to make timely and accurate decisions about entitlements to ensure quality and appropriateness of services being delivered to support veterans and strengthen the governance and accountability for Commonwealth funding.

Why is this important?

Ensuring the department has sustainable funding recognises that there has been a significant increase in claims for compensation over the past 2-3 years. This is due to the success of the Veteran Centric Reform – Putting Veterans and Families First Program and other initiatives, such as the Veterans' Recognition Package (VRP).

DVA's compensation claims processing continues to improve, with the number of compensation claims determined increasing by around 15 per cent, from 2018-19 to 2019-20.

These combined initiatives will see an increase to DVA's staffing by more than 440 positions, primarily to address the backlog of claims and manage the increased workload.

Addressing existing budget shortfalls and pressures provides additional funding to the department to support the increasing costs of business, including VRP and Shared Services. Funding for this initiative will enable the Department to continue to improve the health and wellbeing of veterans and their families.

Under the VRP, veterans can access business offers and discounts. DVA partnered with the Australian Partners of Defence (APOD) to administer the program, liaise with businesses, and provide free registration and access to veterans. Continued funding demonstrates the Government's commitment to the Covenant and the acknowledgement and support for veterans.



Services Australia has been providing DVA with ICT infrastructure services since 2010. In 2017-18, DVA and Services Australia entered a shared services arrangement for the provision of all ICT services and DVA is now faced with cost pressures for legacy application support, increased ICT for service delivery, and COVID-19 impacts. This funding will provide two years of certainty for both DVA and Services Australia, with a review scheduled for late 2023.

A dedicated Commissioner will further strengthen strategic engagement with Defence to support greater understanding of suicide risk factors for Australian Defence Force (ADF) members and veterans and evidenced-based systemic interventions to mitigate these risks. This includes rapid learning and improvement to services for vulnerable veterans. It will also ensure greater transparency of the long-term costs associated with ADF operations and commitments.

Improving the governance of the DVA's fraud functions, decision-making and evaluation of programs will promote more timely, more accurate and higher quality decision-making on veterans' entitlements to ensure veterans and their families can access the support they need. This initiative also strengthens the prevention, detection, investigation, and response to fraud, improving the efficiency and efficacy of public resources.

Who will benefit?

All veterans, their families, ADF members, and in particular some 20,000 veterans who currently have claims for compensation lodged with DVA.

Date of effect?

1 July 2021.

How much will this cost?

- \$137.2 Million over two years for sustainable departmental funding.
- \$27.4 million over two years in funding for existing departmental budget shortfalls.
- \$21.0 million over four years for strengthening governance.

