

<b>CUSTOMER COMPENSATION DECISION STATEMENT</b>
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**Reference:** [CC#####]  
**Claimant:** [Name of claimant]  
**Representative:** [Name of representative] or N/A  
**Payment/loss type:** [Insert the payment or loss type]  
**Decision:** Choose an item.

**Decision**

I find Services Australia was defective in its administration and that this caused the claimant to suffer a loss for which there is no other available remedy.

OR

I find Services Australia was not defective and the compensation requested by the claimant is not payable. [Amend as appropriate, if defective administration has been identified but compensation is not payable this should be stated here].

I have decided to offer [name of claimant] \$[insert dollar figure] compensation [delete as appropriate]. My reasons are below.

**Material considered**

1. In making my decision, I have had regard to:
  - a) [Name of claimant's] Compensation Application dated [insert date]
  - b) documentation on [Name of claimant's] customer record
  - c) record of discussion between the Case Manager and [Name of claimant] on [insert date]
  - d) Preliminary Statement of Facts and Evidence dated [insert date] [where applicable noting preliminary statements will be issued only in cases where the recommendation is to vary or reject the claim]
  - e) The Department of Finance's *Resource Management Guide No. 409*
  - f) Services Australia's administrative procedures (Operational Blueprint) specifically:
    - i) – list each relevant procedure by reference number and name), and
  - g) [other e.g. record of discussions between the Case Manager and another third party or refer to any other written or oral submission or comments made by the Claimant, for example, in relation to any adverse material put to them by Services Australia].

**Criteria for assessing the claim under the Scheme for Compensation for Detriment Caused by Defective Administration**

2. The Department of Finance sets out the criteria for payments under the Scheme for Compensation for Detriment Caused by Defective Administration (the CDDA scheme) in Resource Management Guide No. 409 (the CDDA guidelines).

3. The CDDA scheme provides for compensation where a person has suffered a reasonably foreseeable financial loss or psychiatric injury and where there is no legal requirement to make a payment. To be compensable under the CDDA scheme, the detriment suffered by the claimant must have arisen due to:
  - a) a specific and unreasonable lapse in complying with existing administrative procedures that would normally have applied to the claimant's circumstances, or
  - b) an unreasonable failure to institute appropriate administrative procedures to cover the claimant's circumstances, or
  - c) giving advice to (or for) a claimant that was, in all the circumstances, incorrect or ambiguous, or
  - d) an unreasonable failure to give to (or for) a claimant, the proper advice that was within the official's power and knowledge to give (or was reasonably capable of being obtained by the official to give).
4. As the decision maker, I must also consider whether the claimant could have taken any reasonable action to avoid or minimise the loss, or whether the claimant contributed to, or caused, the loss or detriment suffered.
5. Consequently, the issues to be decided are:
  - a) Is compensation under the CDDA scheme excluded?
  - b) Was there defective administration, within the meaning of the CDDA guidelines?
  - c) Has the claimant suffered a financial loss?
  - d) Was the loss caused by the defective administration?
  - e) Did the claimant contribute to that financial loss?
  - f) What is the appropriate compensation amount?

#### **Why the claimant believes compensation should be paid**

6. [Provide a brief outline of the relevant parts of the claim as presented by the claimant. If the claim includes issues that are not relevant, they can be referred to here, and in the key facts and evidence section it can be explained why those issues are not relevant.]

#### **Key background facts**

7. [The decision statement must contain the findings on all key facts (that can affect the outcome of a decision). Consequently, the findings on key facts are those that support the decision, based on the consideration of all relevant evidence. This section will reflect the key background facts as provided to the claimant in the preliminary statement of facts and evidence.
8. Where additional evidence which impacts negatively on the decision has been gathered after issuing the preliminary statement, it should be discussed with the claimant prior to drafting the decision statement. Any relevant additional facts or evidence, and how those facts link to the decision should be discussed here.

9. The decision statement must also include the actual reasons relied upon at the time of making the decision. The statement must detail all steps in the reasoning process that led to the decision, linking the facts to the decision. The statement should enable a reader to understand exactly how the decision was reached. The statement must go further than merely expressing conclusions: it must give reasons for those conclusions.]

#### **Is compensation under the CDDA Scheme precluded?**

10. [See Resource Management Guide (RMG) 409, paragraph 18, 22 and 23. You must determine whether in the circumstances CDDA will be precluded. Ensure you consider closely whether legal liability or a legislative remedy exists]
11. Compensation under the CDDA Scheme will be precluded if:
- a) Services Australia is legally liable to pay compensation;
  - b) there is a legislative remedy;
  - c) the claim seeks to offset a recoverable debt;
  - d) the claim arises from a flawed legislative provision; or
  - e) the claim has previously been determined under act of grace.
12. I am satisfied there is nothing in the facts of the case that would give rise to a legal liability to pay compensation.
13. I have also considered if there is a legislative remedy. I am satisfied that this is not the case because [insert reason/s].
14. For the above reasons, I am satisfied that there are no circumstances that would preclude the assessment of this claim under the CDDA scheme.

#### **Was there defective administration?**

15. [Assess whether there was defective administration.
16. If there was, specify:
- a) the specific acts or failures that gave rise to the defective administration – if it is a failure to follow the Operational Blueprint or a PI, refer to or quote that instruction]; and
  - b) the type of defective administration involved - i.e. which one of the categories in paragraph 16 of RMG 409:
    - i) a specific and unreasonable lapse in complying with existing administrative procedures that would normally have applied to the claimant's circumstances; or
    - ii) an unreasonable failure to institute appropriate administrative procedures to cover the claimant's circumstances; or
    - iii) giving advice to (or for) a claimant that was, in all the circumstances, incorrect or ambiguous; or

- iv) an unreasonable failure to give to (or for) a claimant, the proper advice that was within the official's power and knowledge to give (or was reasonably capable of being obtained by the official to give).]

**Was there a loss?**

17. [Identify any losses confirmed/accepted by the investigation.]

**Was the loss caused by the defective administration?**

18. [This section can deal with whether Services Australia's actions caused the loss.]

**Did [claimant name] contribute?**

19. [This section can deal with whether the claimant's actions contributed to the loss suffered.]

**What is the appropriate compensation amount?**

20. In working out a compensation amount I have:

- a) [This section needs to clearly set out the issues considered in calculating the amount of compensation payable. Use dot points and keep as succinct as possible.
- b) If the claimed amount is to be paid in full, include the total and general explanation in the letter.
- c) Records of detailed calculations should be kept on the database record, either in the case manager notes or a separate document.
- d) Have your calculations checked by a colleague if they:
  - i) total over \$5000; or
  - ii) are complex enough to require an attachment; or
  - iii) involve entitlements of more than one person; or
  - iv) involve offsetting benefits lost against other benefits received.]

21. Applying that methodology, I arrive at a compensation offer of \$[insert amount].

Assistant Director/Authorised Officer  
Review Investigations Team  
FOI and Reviews Branch  
Legal Services Division  
Services Australia

30 March 2026