

Customer Experience Reference Group

Proof of Concept Report

July 2025

[OFFICIAL]

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Executive Summary

The suggestion for Services Australia (the agency) to consider establishing a Customer Experience Reference Group (CXRG) originates from Recommendation 12.2 of the Royal Commission into the Robodebt Scheme.

To deliver on the spirit of the recommendation, the Service Design and Innovation Branch (SDIB) took a human centred design approach with a 'rapid design sprint' in late 2024, ensuring the customer voice was put in the centre, informing decisions and the direction of the group. This included in-depth research and co-design elements with customers, advocacy groups and peak bodies.

Through this process, over 200 customers and 13 peaks and advocacy groups were involved.

A proof of concept (PoC) was agreed as the formal next step and commenced in January 2025 and concluded in May 2025. It comprised of five test sessions, with a mix of participant groups and topics, to thoroughly understand what might work best. Elements tested ranged from logistics, remuneration, facilitation, trauma support, and other concepts and ideas that might deliver value to the agency and the Australian community, as well as meet the intent of the recommendation.

The PoC was also included as a key deliverable under Strategic Shift 1 of the Customer 360° Strategy.

Overwhelmingly, the PoC test sessions were received well by everyone involved. There were as many learnings as there were highlights, along with touching customer and advocate moments.

"I felt heard, I felt hope and I felt like my time was well invested." – Group Participant

Early on, clear themes emerging from the PoC sessions included:

- Putting people before process
- The importance of empathy and personalised service
- The key role a lived experience workforce and customer advocates can play
- A need to prioritise compassion over compliance in communication
- Respect for people's time
- Environments can create barriers to effective communication and service.

Another success included the positive response the team received when showcasing and immersing stakeholders across the agency. By July 2025, the team have presented to over 1,200 staff.

Throughout the PoC, and with each session, the team identified learnings which would enhance future sessions. The sessions also consolidated and validated many of the elements of the sessions that were being tested, for example, the resounding value of the pre-session meetings and debriefings with participants.

The team identified a need to ensure that the psychological and psychosocial safety of both agency staff involved and participants was considered and prioritised. This resulted in the team negotiating with Social Work Services Branch to have a social worker present in the test session, ready to provide advice and support as needed.

An external assurance review was sought to better understand if the PoC was on the right track and to determine next steps. Overall, the assurance report concluded the agency "can take confidence that the concept (as scoped) has been effectively proven to be viable and to be able to provide insights regarding customer experiences".

Background

On 7 July 2023, the Royal Commission into the Robodebt Scheme handed down 57 recommendations. Recommendation 12.2 called for "the government should consider establishing a Customer Experience Reference Group, which would provide insight to government regarding the experiences of people accessing income support."

The agency considers the intent of the Royal Commission in making this recommendation was to create a forum where the agency can hear the stories from diverse members of the Australian community on how the policies, processes and decisions of the agency impact them.

The agency will then investigate the issues that led to these situations to determine if the experience of these individuals was caused through systemic problems.

As a way of building trust and demonstrating public value through accountability and responsiveness, the agency will report back to the group on how the agency has investigated and acted (or how it will act) on these issues and why. Over time, the group is expected to provide advice and input to the agency on ideas, opportunities, and changes to help the agency make decisions that improve the experience of all people accessing our services.

SDIB designed, developed and tested the model for operating a group through the 2024-2025 Financial Year. SDIB are now awaiting a decision from Customer Committee on the proposal to continue the group for 12 months to fully assess the benefits and value this group could provide the agency and the community.

The term 'Customer Experience Reference Group', used in the Royal Commission recommendation, did not resonate with any members of the community with whom it was tested. To most closely meet the preferences of the Australian community, it is being referred to as the 'Lived Experience Reference Group'. The intention is to let the group itself define its identity, including how it refers to itself.

Customer 360° and the CXRG

The Customer 360° Strategy places customers at the heart of our agency, and how we operate.

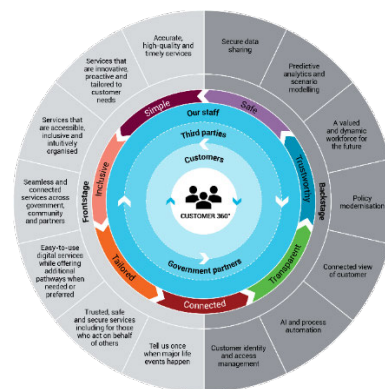
It supports government to meet the end-to-end needs of customers, regardless of which program, channel or service they may be interacting with.

Customer 360° is embedded in leading agency artefacts and supports the agency's 2030 Vision and Strategy. Exemplar projects are demonstrating its application in practical contexts.

Strategic Shift 1 calls for action in how we connect and act on customer and staff insights to monitor and manage the experience across our products and services.

CXRG PoC was identified as one of many deliverables undertaken under Strategic Shift 1. Having the CXRG under the Customer 360° banner provided opportunity for the concept to gain traction, agency awareness and achieve a tangible outcome.

The current state analysis undertaken under Strategic Shift 1 calls out **"there is a flood in how we listen, but a drought in how we act"**. Done well, the CXRG will support a shift from listening to tangible action that improves agency services.



Rapid Design Sprint

In late October through November 2024, a rapid design sprint was undertaken to assess how a reference group might be delivered, and what elements of such a group were desirable to the Australian community.

SDIB worked with peak body and advocacy groups who had engaged the agency on this recommendation. A co-design approach was used, which empowered these groups, and the people they represent, to have input into as many decisions as possible.

A critical part of this design sprint was engagement with actual customers and the general Australian community to ensure any proposals aligned with the actual needs of those who access our services.

Research

The Voice of Customers and Community Groups

The research during the rapid design sprint focussed on hearing the perspectives of three key groups:

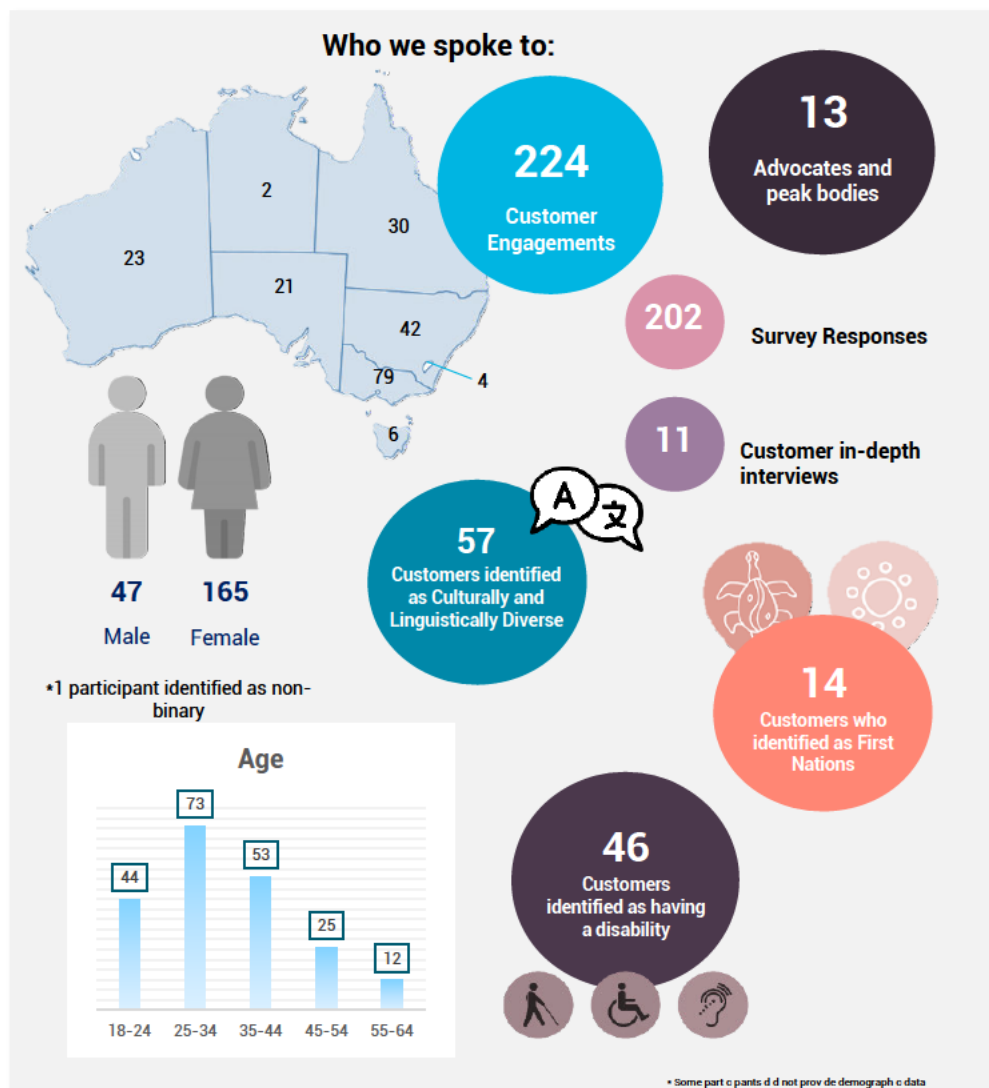
- 1) An online survey of 15 questions was put to over 200 people from the general Australian population.
- 2) 11 one-on-one in-depth interviews were conducted with current agency customers with lived experience of accessing services and payments for people of working age.
- 3) 13 interviews with representatives from peak bodies and advocacy groups.

For the survey, a general population group was targeted to ensure that any design of a CXRG was inclusive of customers of all walks of life. This takes into consideration that individuals will often access a range of different payments and services from the agency at different stages of their life. Additionally, engagement with the general population group enabled us to gauge public opinion and expectations towards the group more broadly to ensure that it met the "pub test".

Individual engagement with customers with lived experiences was essential to ensure that any proposed group met the needs of the people who most need our services. This included making sure we spoke to people who had specifically experienced challenges with accessing services in the past, including those who had been experiencing vulnerability at the time.

Given the expressed desire of a range of peak and advocacy groups for this recommendation to be actioned, and the agency CEO's commitment to co-design with them, it was important to gain their perspectives to incorporate into the design of the reference group. A broad range of groups were contacted to give them the option of engaging with us, and thirteen responded.

While a diverse range of views were presented from all research participants, there were several common themes and concepts that emerged.



What the research told us

- Most research participants** expressed a desire to have meetings for the group **held online**.
 Some participants expressed that they felt that an infrequent in-person meeting could help the group form better connections. The idea of travelling to an in-person meeting was potentially undesirable and/or inaccessible for some.
- Participants felt that the group should be comprised of agency customers with **lived experiences** of the topics being discussed. There was an expectation that group members would come from a **diverse range of backgrounds, abilities and life experiences**. This included advocates for those who may not be able to effectively speak for themselves.
 Participants were comfortable for the agency to be involved in the group as both participants and facilitators. However, there was an expectation of seniority from those who attended to **listen and act** on what is discussed.
- Participant views varied between whether the group should meet **monthly, quarterly or at some point in between**. However, the consistent view was that the group should meet regularly enough to ensure that they are able to **maintain momentum**, while not so frequently that it made it difficult to commit to involvement.
- Opinions on rate of payment varied between customers and advocates. However, there was a consistent view that participants should be **compensated adequately for their time** at an above minimum wage rate.

Views on method of payment were contingent on whether it would be assessed as income. There was a preference for payment in the form of gift vouchers if social security payments from the agency would be impacted by any monetary payment.

What we decided

As a result of the rapid design sprint research, and discussions with peak bodies and advocacy groups, it was determined that the agency needed to actively test running a group and proposed a six-month PoC, commencing January 2025. The intention was to hold multiple test sessions (up to 6), and test different elements of what might work efficiently and effectively for both the agency and the Australian community.

Advocacy and peak groups, as well as customers, were all supportive of this approach, especially the agency's commitment to **testing and iterating**. All supported the intention of a reference group and what it could achieve.

The following elements, based on the views and feedback from most research participants, were determined to be the most appropriate to test first:

- Duration: 2 hours active length, with 15-minute break and 15 minutes for any technical difficulties etc.
- Channel: Virtual event using Microsoft Teams.
- Number of participants: No more than 12, no less than 8.
- Make-up of group: Mix of customers and their support persons from peak and advocacy groups.
- Facilitator: Highly skilled agency facilitator.
- Senior Leadership presence: SES opening seen as critical, the higher up in the agency the better.
- Agenda: Two topics for discussion, one brought by participants, one brought by the agency.

Identified Challenges and Barriers

Several challenges were identified from the research which the agency would need to overcome to support viability and to embed any reference group.

While some of these could be explored and resolved through the PoC, several would require a longer-term assessment to see if they might impact the group's feasibility or viability.

It was determined that a risk plan was necessary to track these challenges. See the below section 'Risk Plan, Key Risks, and Mitigations' for more details on how the agency is handling this.

The key challenges identified were:

- **Participant remuneration:** It was seen as highly desirable that participants did not suffer any disadvantage for participating in the group and if possible, any remuneration should be exempt from the income test. There was also a reputational risk for the agency in the event any of the participants received a social security debt because of their participation in the group.
- **Participant recruitment:** It is uncertain whether the model for recruiting participants through peak body and advocacy groups will be sustainable longer term. Any method of recruitment needs to be ethical, fair and impartial, while meeting the needs and intention of the group. It was seen as unlikely that this would be resolved during the limited PoC.
- **Managing the expectations of peak bodies and advocacy groups:** There is an expectation of genuine and meaningful co-design of the group as well as a genuine and meaningful feedback loop. The former challenge could be addressed during the PoC; however, the latter was unlikely to be proven during the PoC. Understandably, advocates and peaks are wary of the agency's intentions based on their historical experience.
- **Diversity versus specificity:** Advocates and customers both raised the concern that a single group may not be able to, or be appropriate to, adequately address the impacts of issues affecting the diverse population of Australia. While this could be tested to some extent through the PoC, it was unlikely to be fully resolved during the limited process.

Proof of Concept

How we designed it

Using the Customer Experience (CX) Standards

The team applied the APS Experience Design Principles in designing and developing the reference group and planning for the test sessions. This ensured the design and delivery of the sessions met the Customer Experience Standard and helped improve how the sessions might work.

"Supported by in-depth guidance and assurance tools, the CX Standard is intended to ensure the customer experience is considered from the very beginning of the design and delivery process."



Simple



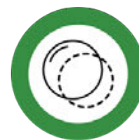
Inclusive



Tailored



Connected



Transparent



Safe



Trustworthy

Simple

Simple, in the context of the reference group, applies to making it easy for the members to participate, having clear communications, and making participation a low effort activity. Due to the nature of the accessibility needs and capability of some of the identified participants, clear and simple communication was critical. The team decided that any complexity facing participants of the group needed to be managed by the agency team and no burden to fall on the participants. The team created simplicity by providing participants with a single channel for contact, in the event anything was needed, with the team taking responsibility for action from there. This principle was also applied to the design of the group Charter, with significant effort applied in making sure it was written in plain and simple English (including an intention to translate into Easy Read) so that everyone could understand it.

Inclusive

Accessibility, diversity, and equity were key principles in ensuring the success of the PoC and for any ongoing group. Through our engagement with peaks and advocates we were able to select a diverse range of participants from different backgrounds, with different lived experiences, capabilities and attitudes. We also consulted extensively with the individuals to ensure that any accessibility needs were met so that everyone could participate equitably, from things as simple as how to alert the facilitator you have a question, to ensuring equitable access to information for the visually impaired. As a result, everyone has been able to actively participate and contribute to each forum, regardless of individual capacity and capability.

Tailored

The team took lengths to proactively meet the individual needs of participants to ensure their experience was personalised. This was done through holding one on one pre-briefing and debriefing sessions with all participants to ensure that they were aware of the flexibility that was available to them, and ensure they fully understood their rights in relation to consent, and opting out of the process at any time. This also provided them with the opportunity to tell us what did and did not work for them so that we could further tailor future sessions to their needs.

Connected

Consistency and partnerships were the important design criteria for this experience principle. Interoperability was not a relevant feature for the reference group. The team applied consistency in how, when and why we communicated with participants, and how they managed the participants' experience during test sessions. This included, for example, clear explanations of any changes (both what and why), and meant a smoother experience for all. Partnership was a critical part of the design of the group. The agency engaged in genuine co-design on those elements of the group where co-design was possible and reasonable, e.g. frequency, channel, participant recruitment, and the group charter.

Transparent

The design criteria for the Transparent principle around the use of data, decision making and clear expectations were consistently applied throughout the PoC. The participants were advised at each step if any personal data was being collected and stored and how it would be used. As decisions were made and actioned, the reasons for these were explained to participants with opportunities provided to give feedback and input on those decisions. The group's charter is an excellent example of setting clear expectations, as this was co-designed and written in plain and simple English, so that everyone has the same opportunity to understand and be clear on their role in the group and what is expected of them.

Safe

Safety, in terms of physical, psychological, psycho-social, cultural and cyber safety, were important considerations throughout the PoC and informed and influenced time frames and the decisions that were made. "Do no harm" was not only a design criteria, but also a guiding principle for the team developing the PoC. One purpose of the pre-briefing sessions was to establish rapport and ameliorate the power imbalance between the participants and the agency, to help build comfort in talking to government. The feedback from the participants has been especially glowing in this regard, and it is testimony to the team's commitment to creating a truly safe space for the participants. This was evident as participants shared what were, at times, deeply personal stories. An example of the mechanisms the team put in place to ensure safety is the arrangement for a social worker to be present in session, both for the staff and participants in attendance.

Trustworthy

The team applied the design criteria of reliability, capability and accountability throughout the PoC. Having the trust of the participants, and the peaks and advocates, was necessary to ensure the success of the PoC. Reliability was present in the design of the PoC. Delivering on the intent of the Royal Commission recommendation is strongly aligned to the APS Vision for user-centred service excellence. Capability of staff was also one of the key factors in the success of the PoC. This was particularly evident in the role of the facilitator. So much so that this role, and the management of relationships with the participants, forms part of the recommendations for continuing the group and is seen as vital for ongoing success.

Risk Plan, Key Risks and Mitigations

The team created a detailed risk management plan following careful in-depth consultation with a variety of stakeholders in an interactive workshop in March 2025. Risks were further explored through the external assurance activity (see section below for more detail). Key risks are highlighted, though it is worth noting that this list is by no means exhaustive of all risks in the risk plan. The most significant consequence that could eventuate, if the risks are not mitigated appropriately, is reputational impact to the agency.

Funding

There is a risk that the agency cannot, or chooses not to, sustain investment in support for the reference group in a consistent manner that supports and professionalises the capability of the group.

This can be mitigated by ensuring future agenda topics have some form of commitment or funding envelope to be applied that will set the group up for success. The ideal estimated costs and resourcing of the group moving forward have been outlined in detail. If funding is an issue, alternatives such as group meetings being held exclusively 'as required' on very specific topics may need to be considered.

Impact

There is a risk that the agency does not respond effectively to advice received from the group.

This can be mitigated by ensuring future topics have a mechanism for participant views to be heard, actioned and responded to. This includes ensuring the group is informed and supported enough to give applicable advice, topics chosen are relevant (and time appropriate in their respective stages of progress), the necessary feedback loop with the group is closed regularly, and that there is buy-in and understanding of the group's value from the executive and relevant business areas.

Remuneration

Due to any form of remuneration potentially being considered as assessable income under Social Security Law, there is a risk that the remuneration for participants may cause a financial detriment through the impact on income support payments.

This can be mitigated by exploring how to appropriately remunerate individual participants outside of the PoC phase. This has been complicated and is still outstanding. It has included engagement with Chief Financial Officer Division, Legal Services and Procurement Branch in search of a viable, legal, and ethical way forward. Advice from the Means Test team within the agency and validated by the Department of Social Services (DSS), confirms that any regular payment made by the agency, regardless of format, will need to be declared and assessed as income for any participants in receipt of an income tested payment.

Trauma informed support

Due to the nature of personal narratives and discussion that will inevitably arise in a lived experience group of this kind, there is a risk that participants and staff may experience vicarious trauma in listening to stories and experiences presented in the sessions.

This can be mitigated by having trauma informed support for staff and participants available in every session. This is critical, noting some participants have already shared extremely personal and traumatic events during the PoC sessions. This has been addressed through having a Social Worker present in session, who can provide advice and recommend further referral to appropriate providers for participants, or to the agency's EAP provider for staff. Additionally, all staff involved in the PoC have been provided with focused trauma-informed research practice training.

What we did

The concept of a reference group was tested over five separate sessions between January and May 2025. With each session, elements identified through the initial rapid design sprint as 'desirable' features of the group were tested to see whether they would work, how well, and what else needed to be included to help the group function and meet the intent of the Royal Commission recommendation.

While there were no defined, measurable success criteria for the PoC, the team had identified clear elements that would be considered 'failure'. These elements were identified as risks, and mitigations were put in place accordingly as per the Risk Plan discussed above, for example, causing psychological harm to participants, not meeting expectations of peaks and advocates, disengaged, or disengagement of, participants.



Test Session 1

In the first test session, elements identified through the rapid design sprint as the most desirable were tested to see how well they would work. This included:

- Using Microsoft Teams as the platform.
- Duration of meeting (2.5 hours).
- Number of participants (12 total).
- A mix of customers and advocates / peaks.

- Agenda (2 discussion items), where 1 item is determined by the participants, and 1 brought by the agency.
- Pre-meetings and de-briefs with all participants.
- Facilitator with proven expertise managing customers with diverse needs and backgrounds.
- Session opened by SES Band 3, in this instance the agency's Chief Customer Officer.

Test Session 1 was conducted with Group A. The first topic for discussion, determined through the pre-meetings with participants, was, "How might Services Australia better humanise our services?" The second topic was, "How might Services Australia better support people with complex needs?"

It is important to note here that the term 'complex needs' was used in place of 'vulnerability' due to the stigma attached to the word 'vulnerability.' For the session, the agency definition of vulnerability was used to also define complex needs.

All the elements tested for this session were shown to work, and barring a few minor tweaks to the facilitation, these elements were largely used throughout the test sessions. This session did highlight the importance of sticking as close to the agenda as possible and ensuring participants were provided with a reasonable break during the session.

Test Session 2

Test session two was also conducted with Group A. For this session the same elements were repeated to ensure that the success of the first session wasn't an anomaly.

In this session the topic selected by participants was framed as, "How might Services Australia better communicate with people accessing our services?" The topic brought to the group by the agency was a discussion around what the group's terms of reference might look like. It was determined in this discussion that the terms of reference should be considered a 'charter'.

This session demonstrated that those features such as duration, group make-up and channel were working very effectively as was the make up of the group.

Test Session 3

Test session three was conducted with a different group of participants, Group B. This group was similarly made up of customers and representative from peak and advocacy groups. The features used in this session were the same as with Group A, i.e. channel, duration etc.

To be a valid test to compare to the other group, the topics discussed were the same as those in session 1, i.e. "How might Services Australia better humanise our services?" and "How might Services Australia better support people with complex needs?"

While this session was successful as well, in that participants felt comfortable sharing their stories and provided valuable insights into the topics, it also highlighted the need for changes to some elements.

The most significant learning from this session was the need to have in place more robust mechanisms to ensure the psychological and psychosocial safety of staff and participants. This occurred because of a particularly confronting story that a participant chose to share.

See the below 'what we learned' section for what has been put in place because of this.

The other key learning from this session was a need to more closely work with peaks and advocates and be crystal clear on the requirements of participants, to ensure that participants are not in the middle of a crisis at the time they are suggested as a group member.

This session proved the value of the highly skilled facilitator. It also made the team realise that there was a risk of there not being a suitable facilitator, as the skills, knowledge and experience to undertake this role are not common within the agency and are generally never specifically sought after in recruitment.

Test Session 4

Test session four was the third and final session conducted with Group A. Again, the elements tested previously were used for this session as they had been proven to work, and by this point, the feedback from participants well and truly confirmed the agency's own observations.

The first topic discussed at this session, selected by the agency and suggested by the CCO, was, "What would it mean to you if the government offered more connected services?" The discussion topic requested by participants was framed as, "How might we ensure that the Services Australia website meets the diverse needs of those who use it?"

This session provided further evidence that the model we had settled upon was working. This was also the first session where the challenge we had raised around expectations of participants in seeing action came to the fore.

It was made abundantly clear that for the group to succeed, they needed to start hearing about what the agency was doing with the feedback it had received and responding to the group with what action, if any, had been taken, and if not, why not.

This session also highlighted the need to ensure that any topic brought by the agency will see realistic action. While discussing 'connected government services' is hypothetically interesting, as one participant bluntly put it, "Perhaps you should focus on cleaning up your own backyard before looking over the neighbour's fence?"

Test Session 5

Test session five was something of a control session, where we tested to see if the absence of elements that we had determined worked well had an impact on the value of the session, and was conducted with Group C.

This was also the first session where we were able to have the presence of a Social Worker as a mitigation against the risk of psychological and psychosocial harm to attendees.

For this session, the same topics as discussed in sessions 1 and 3 formed the agenda, however, participants were recruited through the agency's contracted market research provider. This differed from all previous sessions in that there was no vetting stage by peaks and advocates, nor the secondary vetting by the team in the pre-meeting sessions.

This made the presence of the Social Worker even more important, as well as the highly skilled facilitator, to mitigate risks to the agency and participants.

The assumption going into this session was that it would not work as effectively. This assumption was validated, in that the depth and richness of stories was lacking. Similarly, the backgrounds and experiences of participants were not as diverse as had been observed in Groups A and B.

What we learned

What worked

Throughout the tests there were several elements that clearly just worked. Based on the observations made during the PoC there are several features that will form the backbone of the recommendations for continuing the group and how that group should be formed and operate. This was also validated by observations and feedback shared with the agency by the participants themselves. For the ongoing management of the group, a 'Playbook' will be developed to provide instruction on timings and processes to ensure the group is run efficiently and effectively.

- **Platform and channel:** Microsoft Teams has been successful as a platform. While participants generally stated a preference towards Zoom, due to increased familiarity and perception of better or more features, no participants had strong objections to using Teams, and the measures put in place to support participants during the sessions were all considered favourably.
- **Duration and frequency of meetings:** The two hours of active meeting time with a 15-minute break, plus the 15 minutes for any delays or technical issues works well. It means there has been a good amount of dedicated time to discuss each issue in some depth, while providing the flexibility to not cut discussion

short, while at the same time enabling the agency to meet its commitment to participants in relation to the duration.

The frequency of meetings was discussed as part of the 'charter' and Group A had a consensus that a frequency of 8 weeks would be appropriate. This provides the agency time to conduct follow up of issues as well as prepare for the next session.

- **Make-up of group:** Based on the observations of particularly Groups A and B, the group would be viable with 10-12 customer participants, regardless of number of support persons present. The role of the support persons has been to either validate what the customer has said, or on occasion prompt the customer to tell their story, as well as support them before, during and after the session. There is a risk as participants and support people change, that the support people may not realise what their role is. This can be mitigated by ensuring the role of support person is made clear. This level of instruction will form part of the playbook.
- **Recruitment of members:** Collaboration with peaks and advocacy groups to identify appropriate people for the group was clearly the most effective way of identifying participants. Ongoing, the process and criteria for selection will be made clear and simple, and a pool of suitable members will be established.
- **Relationships with participants:** The pre-meetings and de-briefings were critical to the success of the PoC. The pre-meetings gave the team leading the PoC and the participants a chance to build rapport and gain an understanding of each other. The pre-briefing also helped determine if a person was likely to be an appropriate inclusion in the group. It gave a chance to discuss any specific accessibility issues the participant might experience and a chance to discuss how the agency might address these most effectively to ensure equitable participation. Similarly, the de-brief sessions continued the opportunity to build relationships while giving participants the opportunity to provide feedback about the session in a one-on-one environment.
- **Agenda:** Having two discussion items on the agenda worked well. This did require the facilitator to occasionally draw discussions to a close to keep to time, but it also provided all participants the opportunity to tell their story relevant to the topic. Keeping the 15-minute break as close to the scheduled time as possible is important, due to impact of mental fatigue on participants. It is also important to maintain the opening introduction from SES and a short section at the end to discuss action items and the next meeting. While the mechanism for determining the agenda item brought by the agency will be iterated and tested over the next 12 months, the break-up of one agenda item brought by the agency and one chosen by participants was seen to work well by the participants and is their preferred model.
- **Facilitator skills and experience:** The quality of the facilitator was very clearly one of the factors that led to the success of the PoC sessions. Ongoing, the skills and experience demonstrated by any facilitator will need to be comparable. It is seen as critical by both the PoC Team and the participants in the group that the facilitator has proven expertise managing sessions involving customers with diverse needs and backgrounds, as well as the ability to respond appropriately and compassionately when confronting stories are shared. The facilitator also requires the flexibility to address accessibility needs as they arise through the sessions.
- **SES opening and introduction:** While there was some initial difference of opinions around the presence of agency SES at the sessions, it was proven from the outset that a senior leader introducing and opening the session added value. At several of the test sessions this officer was able to remain for the duration and hear the customer stories. This had the added benefit of those stories being shared at a senior level to highlight the challenges faced by our customers, as well as further validate the concept with areas sceptical of the value of the group.

What we iterated and changed

Maximising flexibility, co-design and being willing to adapt were important principles applied through the PoC. There were, however, occasions where firm decisions were needed to mitigate risks and their potential outcomes.

The following is a list of those things we learned and either made changes to future sessions or will have in place for ongoing sessions.

- 1) Clarity on the role and expectations of the advocate / peak body representatives as primarily support people will be pivotal. For example, the team had an instance where an advocate was no longer able to attend a test session and passed the invitation to a colleague at short notice. This colleague had not been briefed in any way. This clarity will be provided in the onboarding process included in the CXRG Playbook.
- 2) Clear criteria for selecting participants. In two instances, the advocate provided people who were amid a crisis. In one instance, the team were able to identify this during the pre-briefing session, however, in the other, this only became apparent mid-session. While the agency is highly appreciative of the role peaks and advocates have played in the CXRG, this is one instance where the agency cannot be overly accommodating as it may compromise the integrity of the group's function. These criteria will be included in the CXRG Playbook.
- 3) Mechanism in place to mitigate risk of trauma. Following the issue referred to above, the agency has put in place a mechanism whereby a Social Worker will be present at all future sessions.
- 4) Adequate resourcing and suitably experienced staff. Viability of the group will be dependent upon the agency dedicating the correct resources to the function. This is especially critical of the skills required to undertake the facilitator role. It had not been the intention to be dependent upon the facilitator through all the sessions; however, it became immediately apparent that their skills were critical to success.

What the group told us

Six key themes emerged from the Proof of Concept meetings:

People over process: accessibility of communications, forms, and online services

Participants have a strong impression that documents and processes are created with solely the policy intent instead of the user in mind. This hinders comprehension and the effective use of services, for example the use of bureaucratic languages in letters and forms. This creates stress for customers and delays both correct outcomes, and the customer's understanding of the outcome.

"There is a gulf between the interactions people experience with your staff, which are generally good, and the cold documentation that then follows." - Participant

"If people don't understand, there's not much extra information for them. In some instances, they may not even know their payment has stopped until they go to spend money." - Advocate

Empathy and personalised service

All participants felt there is a need for the agency to 'meet customers where they're at'. This involves acknowledging the multitude of individual circumstances a customer presents with, demonstrating empathy, and catering to individual needs. It was noted by several participants that they felt staff were doing their best but were themselves hampered by internal processes and policies.

"Humanising would have a huge impact. The current systems are not working at all for people. People are in hardship largely due to these systems." -Advocate

"Due to a coronial inquest, as my daughter had been a missing person, I had no death certificate for her. But Centrelink said, 'we can't do anything without it'. No alternatives, no options, just that." -Participant

Lived experience workforce and customer advocates

There was consensus from participants that the agency should incorporate the use of lived experience in our workforce to assist with empathy and effective servicing of our customers. This was likened to 'customer advocate' roles that some banks and other institutions have.

"Lived experience workers are very very important. There should be some in every government space."

-Participant

"Staff should be trauma informed to start. There's lots of layers to someone going through FDV: getting out, no home, no refuge. Their brain is not functioning. They're in trauma." -Participant

A focus on compliance over compassion in current agency communications

The agency appears to prioritise ensuring compliance from customers, rather than considering how the message may impact the recipient, or their capability to comply.

"You tend to hear from Centrelink when there is a compliance issue. It's always about compliance or enforcement." -Participant

"None of the letters feel human. On the back of the letter, it lists your rights. That's kind of weird as on one side you are hammering us, but then you are like 'oh by the way' and read us our rights on the back." -Participant

Respect for people's time

Customer compliance and availability is demanded at times that suit the agency, often with no alternative given. No other essential service does this. On the other hand, the agency has an expectation that people wanting our services wait for lengthy periods. Participants felt that this shows not only a lack of respect but can be threatening, as it highlights the power imbalance.

"There is the assumption that people receiving income support payments have all the time in the world, or that they don't work, which is not true. This attitude has driven the idea that Services Australia will control when they speak to you which creates trouble when you're not actually available and given no option of when works for you." -Advocate

Negative environment assumptions can make barriers to communication

All the visible signs in service centres, both written and non-verbal, are about protecting staff, not assisting customers e.g. behavioural warnings, security guards, etc.

"Every sign said, 'please respect us, we deserve to be treated with respect' or 'we have security here.' It was based on Services Australia's own perceived need. I understand where it comes from, but that's all you're reading and seeing. You don't feel welcome." -Participant

"In terms of how the agency communicates these things, it doesn't have to be so confrontational and negative." -Advocate

Customer Stories

The following is an example of a customer story from a Group A participant and their experience at a service centre. It highlights the distinction between meeting KPIs and a positive customer experience.

This customer had an issue that they would normally resolve online, their preferred channel, but had encountered an insurmountable barrier and so decided to go to the Service Centre. The customer is legally blind and approached their local service centre with their guide dog. The security guard on the door gruffly informed them that they would not be allowed to enter with the dog. The customer gave their well practiced speech regarding their rights to enter a public building with a support animal and that they *will* be entering, and they will lodge a complaint if they are not allowed to do so. They were allowed in.

At reception after giving their reason for attendance, the staff member said, "Do you know you can do this online," to which the customer replied that they did but had encountered a problem. The staff member then indicated with their hand and said, "Please wait over there." The customer found their way to the chairs in the waiting area with the assistance of another customer.

Within a few minutes, a further staff member called their name, but the customer did not know where the staff member was. After a short additional wait the staff member called their name again, and the customer found their way to them. The staff member, once back at the customer service desk was otherwise kind, efficient and thorough, and resolved their issue quickly and accurately.

From the agency perspective, in terms of being seen in a timely manner, and correct outcome achieved first time, this customer's interaction would appear in quantitative data as a 'success'. However, the actual customer experience of their interactions was overwhelmingly negative, and they left the Service Centre feeling devalued and demoralised.

External Assurance

Engaged to provide assurance regarding the design and execution of the Proof of Concept and the extent to which it has effectively proved the concept and provides useful input to the agency.

Approach

In May 2025, SDIB sought an external assurance process for the PoC. The objective of the assurance activity was to provide assurance and (if appropriate) recommendations that allows SDIB to be best positioned to finalise the PoC and understand if the work meets the intent of the Royal Commission recommendation. In addition, it sought to provide practical, valuable and enduring advisory capability for the agency.

The review included the following:

- HCD co-design and management aspect of the CXRG, including participant recruitment
- compliance with privacy and confidentiality obligations
- overall risk management approach
- co-design approach with peak bodies and advocacy groups
- the group's draft Charter.

It is worthwhile noting the same external assurer (Sententia Consulting) who undertook this review was also engaged as the Independent Assurer for the agency's closure of all the Robodebt Royal Commission recommendations, including recommendation 12.2.

"Services Australia can take confidence that the concept (as scoped) has been effectively proven to be viable and to be able to provide insights regarding customer experiences."

External Assurance Recommendations

The recommendations from the assurance process are:

1. **Wrap the Proof of Concept**

The agency has accumulated sufficient evidence to close the PoC and provide reporting to the Executive on findings. This should be in the form of a submission to the Executive which outlines findings and recommendations based on evidence collected.

The report should be clear on what has and has not been proven, what residual risks exist and how they are proposed to be managed and provide a recommendation on next steps.

2. **Determine value for money**

As part of the reporting above, the agency should define what has been the cost of the PoC, what is the anticipated cost to manage the CXRG, and how that represents value for money.

3. **Transition to pilot phase**

As part of the recommendation referenced above, the agency should consider proposing a period in which the preferred approach to the CXRG is piloted.

This will allow time for the agency to determine how risk and aspects of the integration of the CXRG into the management arrangements of the broader Agency are worked through.

Conclusion

- i. The agency has undertaken a **comprehensive research-driven approach** to the PoC and has demonstrated that the agency can **assemble, facilitate and obtain relevant insight** from a customer experience reference group (which it is referring to as Lived Experience Reference Group). In so doing, it

has considered relevant issues associated with such a group, including membership, terms of reference, remuneration of members, management of welfare of members, management of privacy of information, frequency and format of meetings and how to engage with members.

- ii. The PoC has been limited to the design, consideration and operation of the CXRG in the spirit of the recommendation and has not extended to **how such a group would be integrated into the governance and management of Services Australia**. As a result, it has not fully assessed the extent to which the agency would engage in referring matters to the CXRG or would engage in responding to insights from the CXRG. It is noteworthy that the design of the PoC was such that it was not intended to assess this broader integration. This represents a material risk to the sustainability of the CXRG as well as the willingness for members of the Group to continue to participate.
- iii. The PoC has considered the **level of resources and investment** that should be dedicated to the CXRG. This is an important consideration in terms of ensuring the agency gets sufficient value to justify an investment. The concept of value should be considered in the context of the agency already having a wide range of sources of insight and feedback from customers, beyond the CXRG.

Remuneration

As at July 2025 participants are to be paid \$300 per 2.5-hour session with up to 30 minutes of pre-reading included. Throughout the PoC, the method of payment has been in the form of a gift voucher to a major supermarket chain of the customer's choice.

Challenges and barriers

Customers during the design sprint/research and PoC phases expressed comfort with (and even preference for) supermarket vouchers as an ongoing form of incentive for participation. To meet best practice and industry standards, participants should be remunerated with a monetary payment for ongoing participation.

However, policy advice has confirmed that any such ongoing payments (whether monetary or gift cards) would have to be reported for those on income tested Social Security payments. This poses a risk of disadvantaging participants through lowering their income support payments or discouraging them from being willing to participate in the first place. The worst-case scenario in this instance is that a participant may fail to accurately report the income and have a debt raised.

The advice from DSS via the Income Support Means Test team in the Social Security Cross Programs Branch is that there is no known precedent for exempting payments of this kind from income testing and that even gift vouchers would be considered as income for reporting purposes.

Possible ways forward

The team is awaiting advice from the Chief Financial Officer's (CFO) Division on what is the best legal and ethical way forward that aligns with agency and government guidelines and rules.

Legal advice confirmed there are only limited means by which the agency can pay non-employees, and the CXRG is forging new ground with what it is attempting to do.

The CFO Division's advice is expected to provide clarity on the viability, and even feasibility, of the ongoing group in terms of remuneration.

Recruitment of members

Benefit of using peaks and advocates

Participants recruited through advocates and peak bodies were on balance far more prepared and better suited to their roles within the group. Their contributions and interactions were richer and more valuable in nature than those of participants recruited through the market research recruitment panel providers. The participants recommended by peak bodies and advocates were generally well-known by their representative.

One risk associated with continuing recruitment exclusively through advocates and peak bodies is the possibility that the pool of prospective participants runs dry. This is unlikely to be an issue for the next 12 months, assuming there is not significant attrition.

The other risk associated with this method is that not all peaks and advocates with whom the agency engages have elected to take part. This means that the pool of participants may not be representative of the diversity in the Australian population. This risk will be mitigated by approaching peak body forums (CSAG, NMAG and Disability Peaks) to raise their awareness of the group and seek their willingness to be involved. Some may expect to be financially compensated for undertaking this role and may not participate without such incentive. However, the purpose of their involvement is part of the co-design, and payment for 'service' would not be appropriate, indeed, would create a risk of bias.

Challenges of using the research recruitment panel

The selection criteria of external recruitment panels are effective for a variety of research requirements, but for an ongoing group and process like the CXRG, this method cannot provide the level of intimate interpersonal knowledge of a participant's lived experiences and capability that peaks, and advocacy groups have of their clients. This was made clear when comparing the depth and quality of participation between Groups A and B, and Group C, who were recruited using an external recruitment company.

What Next?

Integrating the CXRG into 'business as usual'

The **proof of concept** focused on demonstrating the technical feasibility of the idea. The viability of the idea through practical application and integration in a **real-world setting** is yet to be tested.

Based on the observations and findings during the external assurance process, the PoC demonstrated the following:

- There is interest from customers with relevant experience and knowledge to participate with the agency in contributing to a CXRG to share relevant information with the agency.
- The agency has people with the right skills, attitude and initiative, and has the resources and commitment (currently) to manage and support a CXRG in a way that generates useful information, in a way that engages effectively with the members.
- The current agency team has accumulated extensive experience through the PoC process that can be applied if the CXRG concept was to continue.
- The agency can obtain useful insights from its discussions with the CXRG, noting this is in part a result of the selection of members and the way the meetings are curated.

The external assurance process also called out some aspects need deeper analysis and understanding before embedding a CXRG within the agency, such as:

- Can the agency develop a repeatable process to generate relevant ideas for discussion at group sessions from across the organisation. The matters discussed at the meetings held in the PoC were generated by the PoC management team in consultation with participants and senior executive. The PoC team did not work with the broader agency to test the agency's ability to generate ideas for referral to the CXRG or test the appropriate criteria for topics that should be referred to the CXRG.
- Whether the agency has mechanisms to respond to matters and ideas generated by the Lived Experience Reference Group. The PoC focussed on the agency's ability to establish and operate a CXRG but did not test mechanisms for the agency to use the output and make changes influenced by CXRG input.

The greatest value from a Customer Experience Reference Group will come when the agency contributes to its agenda.

What will be delivered over the next 12 months

Over a further 12 month period, the CXRG will deliver the agency certainty in the viability and ongoing value of the group. It will confirm for the agency:

- 1) Does the group provide useful, actionable, and meaningful advice on issues which the agency seeks their input?
- 2) Does the agency have the appetite to affect change in a meaningful way based on what it hears from the group?
- 3) Is this advice (and any subsequent change or impact) commensurate to the cost of operating the group?

servicesaustralia.gov.au

s22 (out of scope)

From: s22 @servicesaustralia.gov.au>

Sent: Friday, 13 February 2026 8:02 AM

To: s22 @servicesaustralia.gov.au>

Cc: s47E(d) @servicesaustralia.gov.au>; s22
s22 @servicesaustralia.gov.au>; s22

s22 @servicesaustralia.gov.au>

Subject: RE: Urgent query re Incentive payments for ISP customers taking part in Lived Experience Reference Group [SEC=OFFICIAL]

OFFICIAL

Heya s22

s42

can we

please get DSS to progress the 8(11) determination?

Let us know if you need any more from us – although it seemed like the team over there had all the details they need!

Cheers,

s22

Service Design and Innovation Branch
SERVICE DESIGN AND FACE TO FACE TRANSFORMATION DIVISION



I acknowledge the Traditional Custodians of the lands on which we live and work. For me that is s22 I pay my respects to all Elders, past and present, of all Aboriginal and Torres Strait Islander nations. My pronouns are s22

OFFICIAL

From: s22 <@servicesaustralia.gov.au>
Sent: Thursday, 13 November 2025 4:14 PM
To: s22 <@servicesaustralia.gov.au>
Cc: s47E(d) <@servicesaustralia.gov.au>; s22 <@servicesaustralia.gov.au>; s22 <@servicesaustralia.gov.au>
Subject: FW: Urgent query re Incentive payments for ISP customers taking part in Lived Experience Reference Group [SEC=OFFICIAL]

Hi s22

Thanks for your time this afternoon.

As discussed, we've asked DSS to hold off on making the 8(11) determination until we confirm that the incentive payments will be made.

Kind regards,

s22

Social Security Cross Programs Branch
 Care and Support Division, Program Design Group



s22

s22 (out of scope)

From: s47F(1)
To: s22
Cc: s47E(d) ; s22 s47F(1)
Subject: FW: New request for Section 8(11) determination for gift cards for income support customers taking part in Lived Experience Reference Group [SEC=OFFICIAL:Sensitive]
Date: Monday, 4 May 2026 4:26:47 PM
Attachments: [image001.png](#)

You don't often get email from **s47F(1)**@dss.gov.au. [Learn why this is important](#)

OFFICIAL: Sensitive

CAUTION: Do not click any links or open any attachments unless you trust the sender and believe the content to be safe.

Hi s22

I am writing to advise you that the Section 8(11) determination for Lived Experience Reference Group Incentive Payment has been made to ensure that incentive payments made by, or on behalf of, the Commonwealth, to attendees of meetings of the Lived Experience Reference Group (the Group) are exempt under paragraph 8(11)(d) of the *Social Security Act 1991* (the Act).

The determination is known as

- **Social Security (Exempt Lump Sum – Lived Experience Reference Group Incentive Payment) Determination 2026**

The determination is registered on the Federal Register of Legislation at [Social Security \(Exempt Lump Sum – Lived Experience Reference Group Incentive Payment\) Determination 2026 - Federal Register of Legislation: \(Reference number F2026L00503\)](#).

This determination took effect from 23 September 2025 and ensures that people receiving incentive payments made by, or on behalf of, the Commonwealth, to attendees of meetings of the Lived Experience Reference Group (the Group), will not have these payments assessed as income for social security purposes.

As you are aware, the exemption of these payments from the income test on receipt does not alter the fact that any ongoing income generated by the lump sum is counted under the income test, and any assessable asset produced from the lump sum is counted under the social security assets test.

The continuing assets and income test treatment will be determined by how a person makes use of the funds. Additionally, the determination has no impact on the requirement for people to meet the liquid assets waiting period requirements where applicable.

I am seeking your assistance with the dissemination of this information throughout Services Australia. The Guide to Social Security Law will be updated accordingly.

Thank you for your assistance. The contact officer on this matter is s47F(1)

s47F(1)

[@dss.gov.au](mailto:s47F(1)@dss.gov.au)).

Yours sincerely

s47F(1)

Payment Structures and Seniors Branch
System, Strategy and Seniors Group
Department of Social Services

E: s47F(1) [@dss.gov.au](mailto:s47F(1)@dss.gov.au)

Tel: s47F(1)

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

s22 (out of scope)