



Australian Government



Services
Australia

Annual report 2020–21



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Services Australia acknowledges the Traditional Custodians of the lands we live on. We pay our respects to all Elders, past and present, of all Aboriginal and Torres Strait Islander nations.

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ISSN: 1832-8792 (Print)

ISSN: 1838-2452 (Online)

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CONTACT INFORMATION

If you have any feedback or queries regarding this annual report, or you would like a copy of the report, please contact:

Annual Report Coordinator

Performance, Priorities and Reporting Branch
Governance Division
Services Australia
PO Box 7788
Canberra BC ACT 2610

Email:

annual.report@servicesaustralia.gov.au

This annual report is available online at **transparency.gov.au** or **servicesaustralia.gov.au**

To speak to the agency in languages other than English, please call **131 202**.

If you are deaf or have a hearing or speech impairment, please call **1800 810 586** (a TTY phone is required to use this service).

More information about the agency is available at **servicesaustralia.gov.au** and on social media at:

- facebook.com/ServicesAustraliaAU
- twitter.com/ServicesAustraliaAU
- youtube.com/user/ServicesAustraliaAU

Contents

Letter of transmittal	vi
About this report	vii
Chief Executive Officer's review	ix
<hr/>	
PART 1: ABOUT THE AGENCY – ROLES AND FUNCTIONS	1
1.1 About the agency	2
1.2 Agency executive and management structure	3
<hr/>	
PART 2: SERVICE DELIVERY MODERNISATION	9
2.1 Introduction	10
2.2 Agency modernisation principles	11
2.3 Welfare Payment Infrastructure Transformation Programme	16
2.4 Single Touch Payroll	17
2.5 Changing the Social Security Income Assessment Model	19
2.6 Health Delivery Modernisation	19
2.7 Veteran Centric Reform	20
2.8 Enhanced myGov	22
<hr/>	
PART 3: SUPPORT DURING THE COVID-19 PANDEMIC AND MANAGING EMERGENCIES	23
3.1 Introduction	24
3.2 COVID-19 pandemic	24
3.3 Payments and support following emergency events	30
<hr/>	
PART 4: DELIVERING PAYMENTS AND SERVICES TO OUR CUSTOMERS	35
4.1 Social security and welfare	36
4.2 Health	45
4.3 Child Support	61
<hr/>	
PART 5: TARGETED SERVICES AND PARTNERSHIPS	65
5.1 Help for vulnerable people	66
5.2 Other targeted support	81

PART 6: SHARED SERVICES AND PARTNERSHIPS	83
6.1 Shared services	84
6.2 Partnerships	85
PART 7: PERFORMANCE	87
7.1 Annual Performance Statement 2020–21	88
7.2 Responsibility to the Australian community	136
PART 8: MANAGEMENT AND ACCOUNTABILITY	141
8.1 Corporate governance	142
8.2 Fraud control and compliance	149
8.3 External scrutiny	156
8.4 Procurement and consultants	162
8.5 Other mandatory reporting information	165
PART 9: OUR PEOPLE	169
9.1 Services Australia culture	170
9.2 Workplace profile	171
9.3 Performance management	173
9.4 Employment arrangements	175
9.5 Learning and development	176
9.6 Recruitment and redeployment	178
9.7 Diversity and inclusion	180
PART 10: FINANCIAL PERFORMANCE	183
10.1 Report on financial performance	184
10.2 Significant non-compliance	185
10.3 Asset management	185
10.4 Independent Auditor's report	186
10.5 Financial statements	190

PART 11: APPENDICES	227
Appendix A: Services Australia resource statements and expenses for outcomes	228
Appendix B: Staffing statistics	232
Appendix C: Information required by other legislation	252
Appendix D: List of annual report requirements	260
Glossary	272
Abbreviations and acronyms	275
Index	278

Letter of transmittal



Australian Government

Services Australia

Chief Executive Officer
Rebecca Skinner PSM

Senator the Hon Linda Reynolds CSC
Minister for the National Disability Insurance Scheme
Minister for Government Services
Parliament House
CANBERRA ACT 2600

Dear Minister

I am pleased to present Services Australia's annual report for the financial year 2020-21.

The report has been prepared in accordance with all applicable obligations of the *Public Governance, Performance and Accountability Act 2013*, including section 46, which requires you to table the report in Parliament. It also meets the reporting requirements under section 42 of the *Human Services (Medicare) Act 1973*.

As required by section 10 of the *Public Governance, Performance and Accountability Rule 2014*, I certify that I have taken all reasonable measures to deal with fraud against the Agency, including by:

- preparing fraud risk assessments and fraud control plans; and
- having in place appropriate fraud prevention, detection, investigation and reporting mechanisms.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rebecca Skinner'.

Rebecca Skinner

/ October 2021



About this report

The Services Australia 2020–21 Annual Report is a transparent account to the Parliament of Australia and the public of the activities undertaken by the agency throughout the financial year.

We report against our planned performance expectations outlined in the Department of Social Services, Portfolio Budget Statements 2020–21, Budget Related Paper No. 1.12.

This report provides financial and performance information about the work of our agency from 1 July 2020 to 30 June 2021. It was prepared in accordance with legislative and parliamentary reporting requirements.

GUIDE TO THIS REPORT

- | | |
|---------------|--|
| Part 1 | Provides an overview of the agency's role and responsibilities, information about the Minister and the agency's executive and management structure. |
| Part 2 | Details our service delivery modernisation agenda (2020–25) and provides an overview of key transformation reforms that have improved customer experiences in 2020–21. |
| Part 3 | Reviews the delivery of essential benefits and services to meet unprecedented demand as a result of the COVID-19 pandemic and responses to other emergencies. |
| Part 4 | Details payments and services delivered to customers under the three programs of Social Security and Welfare, Health and Child Support. |
| Part 5 | Provides detailed information on the other targeted services and support the agency delivers on behalf of government. |
| Part 6 | Provides an overview of Services Australia's collaboration efforts, shared services and partnerships in delivering government services. |
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- Part 7** Contains the agency's Annual Performance Statement which reports the agency's actual non-financial performance against planned performance set out in the Portfolio Budget Statement 2020–21.
-
- Part 8** Details our management and accountability processes including fraud control and compliance, identity management, debt management including appeals and reviews, enterprise governance, external scrutiny, procurement including the use of consultants, and other mandatory reporting information.
-
- Part 9** Provides an overview of Services Australia's organisational culture and broad workforce strategies.
-
- Part 10** Sets out the agency's financial performance information.
-
- Part 11** Includes appendices and reference information including staffing statistics and other information required to be reported in the agency's annual report by legislation.
-



Chief Executive Officer's review

2020–21 has been a significant year in our history of supporting the people of Australia. It has been a year in which we exceeded service delivery records, helped Australians through the COVID-19 pandemic, floods, fires, storms and a cyclone, and still made great progress on our goal to become a world-leading government service delivery organisation by 2025.

Throughout this challenging year we have matured and continue to be driven by our vision to 'make government services simple, helpful, respectful and transparent so that people can get on with their lives'.

To achieve this, Services Australia committed to refocus and accelerate, by continuing to build our service delivery capability, technological foundations and organisational health.

The responsiveness, innovation and collaboration we demonstrated across our business over the past 12 months has delivered tangible and practical changes, empowering citizens to engage with us in new ways.

MEETING OUR RESPONSIBILITIES: FINANCIAL AND PERFORMANCE OUTCOMES

In 2020–21 Services Australia administered \$230.1 billion in payments, the majority on behalf of the Department of Social Services, the Department of Health and the Department of Education, Skills and Employment.

The Government provided the agency with \$5.6 billion in departmental operating and capital funding to administer these payments and provide other customer services.

I'm pleased to say we met 26 of our 27 performance measure targets, meaning better services for Australians.

This focus on what Australians need, as well as our speed and capacity building have been critical for our response to emergencies and the COVID-19 pandemic.

COVID-19 AND EMERGENCIES

As the impact of COVID-19 continues to be felt across the nation, we have an important role in Australia's economic stability, delivering essential financial support for people affected by the pandemic. During this financial year, this included \$6.1 billion in Economic Support Payments and \$14.9 billion in Coronavirus Supplement Payments. This was on top of \$5.3 billion and \$5.7 billion in 2019–20.

Our support was practical as well as financial. Services Australia partnered with the Department of Health to expand the Australian Immunisation Register to meet increased demand and to enable people to easily view their COVID-19 vaccination record. Customers now have direct access to their Immunisation History Statements and COVID-19 Digital Certificates from their myGov account.

A major part of our work during the year was to deliver on-the-ground services and quick payments to Australians during emergencies. We were able to mobilise quickly to emergencies like the New South Wales Floods in March. As soon as it was safe, our Mobile Service Teams and Mobile Service Centres were deployed to multiple locations in Northern NSW.

Along with this in-person support, in 2020–21 we managed the largest demand for telephony and claims processing work in our history, simultaneously supporting our usual demand peaks, COVID-19 payments and Australian Government Disaster Relief Payments.

OUR TRANSFORMATION JOURNEY

While COVID-19 and emergency responses have sped up necessary transformation processes, developing modern payment systems, reusable technological architecture and new ways of assisting our customers is fundamental to our transformation journey.

For instance, we continued to build the technology that powers our payments and to modernise corporate systems such as the Single Staff Interface. The interface removes the need for staff to change between systems, making claims quicker to process and reducing errors.

During the year, we authenticated over 12 million calls using voice biometrics, reducing identity check wait times for customers. This freed up staff to spend more time to support and help our customers.

We trialled a 'virtual' service centre, which allowed customers to engage with us by video chat for some services.

In November 2020, a new, consolidated aged care provider portal was implemented, making it easier for aged care providers to claim payments, and manage and update their details online. The portal won an Australian Government Digital Award for an outstanding digital product or service.

OUR CUSTOMERS AND OUR PEOPLE

Underpinned by a laser focus on our customers, our service transformation has seen us simplify processes and apply digital enablement to some claims.

For example, in partnership with the Australian Taxation Office we introduced new technologies to facilitate Single Touch Payroll near real-time data exchange capabilities. This made it easier for employers to report payroll information.

We also reduced processing time with digitally enabled processing for a range of claim types with repetitive, rules-based tasks. In 2020–21, more than 200,000 Social Security and Welfare claims were straight-through processed, with some claims granted in minutes.

Our service improvements are not just focused on digital solutions. Since August 2020, we have reviewed more than 300,000 customer surveys which are helping us to improve customer experiences.

We're improving and modernising our face-to-face services and operations as well. Between 1 December 2020 and 30 June 2021, we've updated 6 service centres with a fresh and welcoming design, resulting in positive feedback from our customers. We also embedded new service experiences for customers, including self check-in, transparent wait times and the ability to use video chat with on-site or personal devices.

Our focus on customers is fundamental to our way of doing business, but we also continue to invest in our most important asset – our staff. The customer-centric cultural change underway is being delivered through our Empowering Excellence program, which gives staff the tools to find better ways of working and adopt high performance habits.

We've also developed a Service Delivery Workforce Model to support the development of recruitment, training and career sustainment strategies for our frontline workforce. This includes initiatives such as centralised recruitment, career paths, integrated curriculum, talent management and workforce mobility, and will provide a consistent approach to attracting and engaging people with the skills, attributes and motivation for our service delivery workforce.

ACKNOWLEDGEMENTS

Our Services Australia staff continue to show extraordinary resilience and commitment to helpful service each and every day.

Thank you in particular to all the staff who stepped up, some multiple times, as part of our emergency responses – whether working over weekends or into evenings, answering calls or processing claims, or helping to respond to social media enquiries. Your contributions make all the difference and I am very grateful.

The scale and intensity of our service delivery effort requires robust and efficient systems and processes. So a big thank you also goes to staff who work behind the scenes to keep our enabling services up and running.

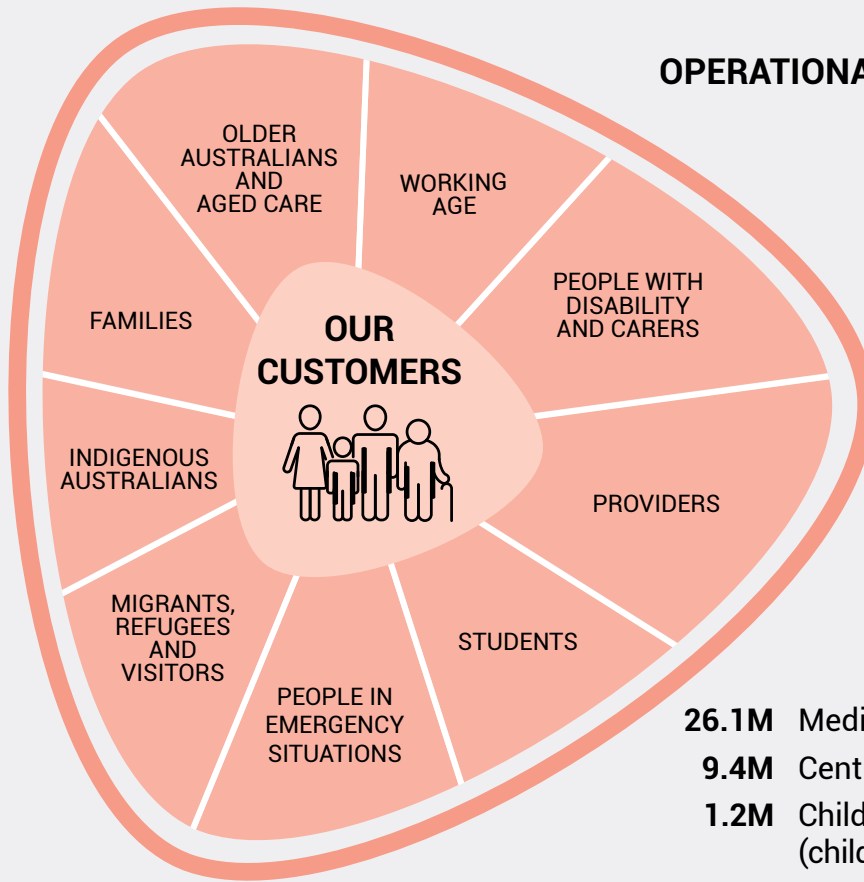
I also want to acknowledge my executive team for their outstanding dedication and hard work, especially in times of crisis and for their leadership in transforming service delivery. Their 'can do' attitude is exemplary.

I am pleased to present the agency's annual report for 2020–21.

A handwritten signature in black ink, which appears to read 'Rebecca Skinner'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Rebecca Skinner PSM
Chief Executive Officer

OPERATIONAL SNAPSHOT 2020–21



26.1M Medicare
9.4M Centrelink*
1.2M Child Support
 (children supported)



CLAIMS

476M

5M Centrelink

471M Medicare
 (services)

60K Child Support
 (new registrations)

>150 Payment types



PAYMENTS

\$230.1B[#]

\$158.6B Centrelink

\$69.9B Medicare

\$1.7B Child
 Support
 Collect

[#] Totals take into
 account rounding.



EMERGENCIES

\$439.7M

**Emergency Response
 Payments**

>363K Emergency
 claims paid

\$21.0B COVID-19

Coronavirus Supplement
 and Economic Support
 Payments

* A unique count of Centrelink customers who had a benefit status of current at any time in the 2020–21 financial year. A benefit can be a payment or a card.



452M Customer interactions

Represents the total number of customer interactions including calls handled, visits to service centres and self-service

INTERACTIONS



DIGITAL

1.1B

Online transactions

469M Medicare digital services

740K myGov logons per day

~281M Web page views



TELEPHONE

56.9M

Calls handled*

42.1M Centrelink

13.3M Medicare

1.6M Child Support

*Calls handled includes calls answered and calls handled in various Services Australia IVR applications



FACE-TO-FACE

9.7M

Service centre engagements

320 Service centres (including 17 remote service centres)

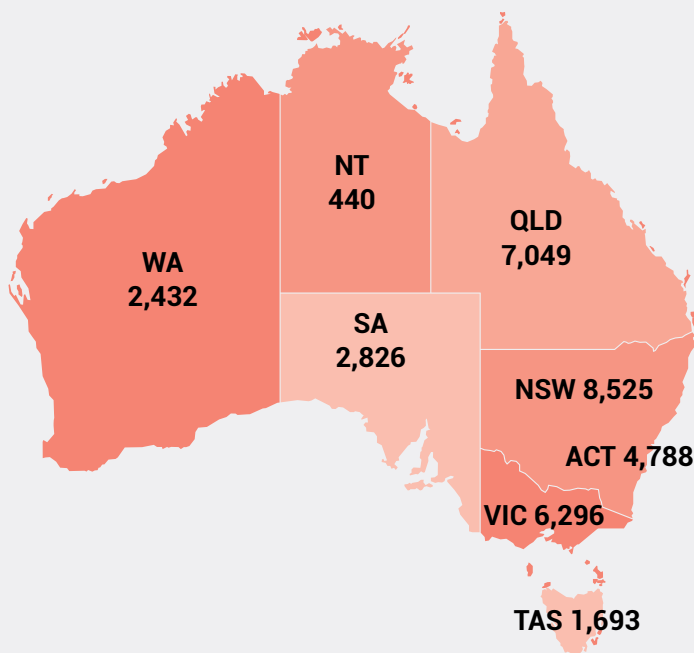
582 Agents and Access Points



STAFFING PROFILE

34K APS staff*

* This comprises approximately 27,000 ongoing, 3,900 non-ongoing and 3,200 casual staff.



About the agency – roles and functions

1.1 About the agency

Services Australia's **purpose** is 'to support Australians by efficiently delivering high-quality, accessible services and payments on behalf of government'.

Services Australia's **vision** is 'to make government services simple so people can get on with their lives'.

To achieve this vision Services Australia is continuing to undertake a major transformation and modernisation program. This is building the capacity and structures for sustained change to deliver streamlined customer services seamlessly and efficiently.

MINISTERS DURING 2020–21

On 30 March 2021, Senator the Hon. Linda Reynolds CSC was sworn in as the Minister for the National Disability Insurance Scheme and the Minister for Government Services. The Hon. Stuart Robert MP was the Minister for the National Disability Insurance Scheme and the Minister for Government Services from 29 May 2019 to 30 March 2021.

ROLE AND FUNCTION

Services Australia designs, develops, delivers, coordinates and monitors government services and payments relating to social security, child support, students, families, aged care and health programs. We provide advice to government on the delivery of these services and payments, and collaborate with other agencies, providers and businesses to provide convenient, accessible and efficient services to individuals, families and communities.

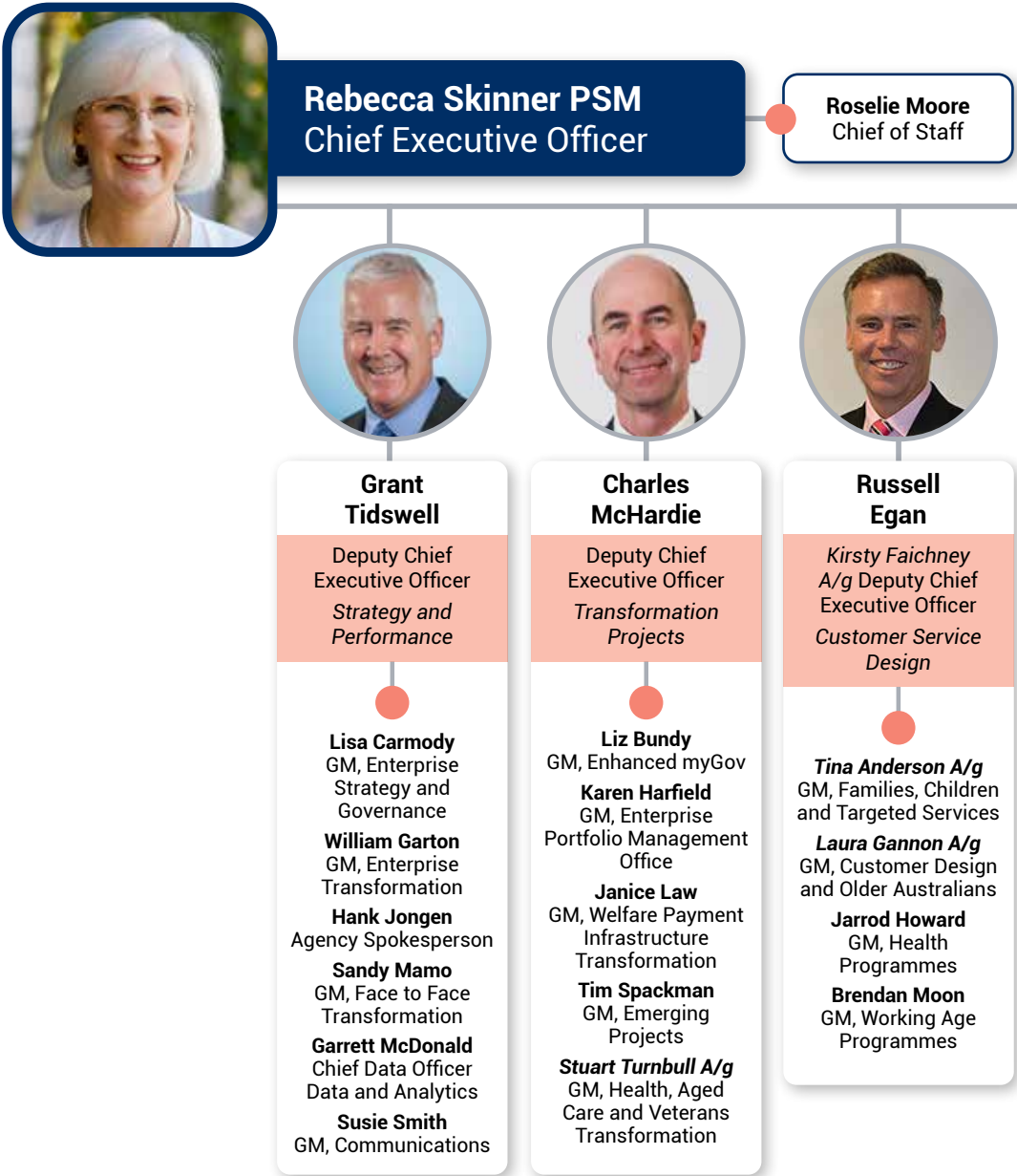
PORTFOLIO STRUCTURE

Services Australia was established as a new executive agency, within the Social Services portfolio under the Administrative Arrangements Order issued on 5 December 2019, with effect from 1 February 2020.

1.2 Agency executive and management structure

Figure 1 outlines the organisational structure for Services Australia at 30 June 2021. It shows the reporting lines from General Managers (GMs) to Deputy CEOs (DCEOs), and from DCEOs to the Chief Executive Officer (CEO).

Figure 1: Organisational structure at 30 June 2021



Key
A/g—Acting
ICT—Information and Communications Technology
#—Position reports to more than one DCEO

Acting arrangements are indicated in italics and are shown when tenure is four weeks or more.



Matt Cahill

Deputy Chief Executive Officer
Customer Service Delivery

Matt Clarke
GM, Digital Services

Alastair Glass
GM, Operations Management*

Brenton Halliday A/g
GM, Child Support, Indigenous and Tailored Services

Danielle Regeling A/g
GM, Health Service Delivery

Jennifer Rufati
GM, Smart Centres Operations

Tracey Sheather A/g
GM, Face to Face Services



Michelle Lees

Deputy Chief Executive Officer
Payments and Integrity

Chris Birrer
GM, Compliance Assurance

Susan Black
GM, Service Delivery Excellence*

Robert Higgins
GM, Debt Review and Appeals

Jason McNamara
GM, Debt and Integrity Projects

Anthony Seebach
GM, Business Integrity



Annette Musolino

Chief Operating Officer
Corporate Enabling

Angela Diamond
Chief Financial Officer

Kathryn Haigh
Chief Counsel, Legal Services

Rachel Houghton
GM, Service Delivery Capability

Michael Nelson
GM, People

Lily Viertmann
GM, Corporate and Cross Government Services



Michael McNamara

Chief Information Officer
Technology Services

Suzanne Aitken
GM, Project Delivery Services

Lisiane Barao Macleod A/g
GM, Experience and Data Services

Fay Flevaras
GM, Technology Design Services

Sebastian Hood
GM, Infrastructure and Operations Services

Bob Lyons
GM, Customer Processing Services

Maria Milosavljevic
GM, Cyber Services

Peter Qui
GM, Core Technology Services

Matt Smith A/g
GM, Technology Strategy and Performance

THE EXECUTIVE

Chief Executive Officer – Responsible for supporting the Minister for Government Services in the delivery of portfolio responsibilities and the development of strategic policy advice. The CEO provides strategic oversight, leadership and management of Services Australia, ensuring collaborative implementation and delivery of government policy and programs and a whole-of-government approach to service delivery. The CEO also manages key stakeholder relationships and contributes to the stewardship of the Australian Public Service.

Deputy Chief Executive Officer, Strategy and Performance – Responsible for operating the strategic centre for the agency by setting the strategic direction and enterprise transformation agenda. The DCEO is also responsible for monitoring and reporting on progress of the agency's strategy and performance.

Deputy Chief Executive Officer, Transformation Projects – Responsible for major transformation programs, including Welfare Payment Infrastructure Transformation, Health Delivery Modernisation, Veteran Centric Reform, Residential Aged Care Funding Reform, the Telecommunications Services Programme, Government Enterprise Resource Planning (GovERP) and Enhanced myGov, and digital identity. These programs represent a significant investment in core capabilities to transform the social security and welfare, health, aged care, veterans, and myGov service offers to Australians.

Deputy Chief Executive Officer, Customer Service Design – Responsible for the design and overall program management of the services delivered by Services Australia, including social welfare, health and aged care services. The DCEO leads delivery of a customer-focused approach to designing user experiences, and is responsible for relationships with partner agencies across the Australian Government.

Deputy Chief Executive Officer, Customer Service Delivery – Responsible for the agency's face-to-face, telephony, processing and digital services which provide access to a range of government programs including Child Support, Centrelink, the Medicare Benefits Schedule, the Pharmaceutical Benefits Scheme and other health and aged care programs. The DCEO is also responsible for 24/7 monitoring of operations, coordinating the agency's responses to emergencies, and for developing and delivering the agency's remote, Indigenous and multicultural services.

Deputy Chief Executive Officer, Payments and Integrity – Responsible for administering the agency's fraud, non-compliance and payment integrity programs, including management of debt recovery and appeals processes. These measures aim to protect the integrity of government outlays for health and welfare services.

Chief Operating Officer, Corporate Enabling – Responsible for the agency's corporate functions including finance, human resources, audit, legal, property, procurement and services provided to other agencies and departments through shared services.

Chief Information Officer, Technology Services – Responsible for developing and delivering the agency's information and communications technology (ICT) capability. This includes ensuring the reliability of the agency's ICT systems, partnering with technology providers and shared services to develop fit-for-purpose technology to support the agency's future direction, and contributing to the Australian Government's broader digital agenda. The Chief Information Officer works closely with the DCEO Transformation Projects to deliver the agency's transformation strategy.

REMUNERATION FOR SENIOR EXECUTIVES

The CEO establishes salary ranges for Senior Executive Service (SES) staff based on:

- the Australian Government Workplace Bargaining Policy 2018
- the annual Australian Public Service SES Remuneration Survey
- the performance of the agency
- value for money.

The CEO reviews salaries for individual SES staff each year after the end of the annual performance cycle. As well as individual performance, the CEO takes into account factors such as organisational performance, comparable remuneration data, and the size and complexity of the role.

Table 1: Salary ranges for SES classifications effective at 30 June 2021

Classification	Salary range ^(a)
SES Band 3	\$320,700 to \$379,820
SES Band 2	\$227,600 to \$280,500
SES Band 1	\$170,500 to \$219,700

(a) The salary ranges in the table cover base salary rates only. They do not include motor vehicles allowance, reportable fringe benefits or other allowances. The CEO may approve salary rates outside of these ranges.

See *Appendix B staffing statistics* for remuneration for key management personnel and other highly paid staff.

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Service delivery modernisation

2

2.1 Introduction

Services Australia is modernising and transforming the way we deliver our services. We are making changes across our businesses, and collaborating with policy agencies, the community and third parties.

Through our service delivery modernisation, Services Australia is at the forefront of providing services digitally. In 2020–21, 82% of all transactions were digital (of more than 452 million transactions).

Throughout 2020–21, we made it easier for people to access government services by improving our capabilities so customers can prove their identity, make a claim online and be paid in near real-time.

Through better use of our data we are helping shape and guide future service delivery approaches. Advances in connected data and data analytics are also contributing to improvements in customer services, integrity and decision making including:

- simplifying online claims to transform the experience, for job seekers, older Australians, carers and people with disability to support greater self-service and streamlining the processes for customers to do business with government (see *Welfare Payment Infrastructure Transformation Programme* on page 16 and *COVID-19 pandemic* on page 24)
- transferring the processing functionality for some income support claims to a single staff interface, making it easier for staff to contribute to a simple, helpful, respectful and transparent experience for customers (see *Welfare Payment Infrastructure Transformation Programme* on page 16)
- making it easier for health care professionals and aged care providers to interact with government through digital services (see *Health Delivery Modernisation* on page 19)
- refining systems for health care providers to interact with government (see *Improving services to the aged care sector* on page 53)
- improving the experience of veterans, making it easier for them to access services by streamlining and enhancing telephony and online claiming (see *Veteran Centric Reform* on page 20)
- improving the use of data to provide better services
- making it easier for customers to use interactive voice response (IVR), by offering them options, such as not waiting for a service officer to request a myGov linking code and saving them time when accessing and using online services

- leveraging digital identity capability to allow customers to log into myGov using their digital identity (see *Identity management* on page 151)
- optimising our face-to-face servicing by:
 - offering customers the option to book an appointment with us ahead of attending a service centre
 - introducing a real-time customer feedback system to focus our service improvement activities
 - introducing digital coaching appointments where customers learn how to access our digital services on their own device.

2.2 Agency modernisation principles

The agency is focused on improving customer experiences and delivering services that are simple, helpful, respectful and transparent. Recognising that customers have preferences about how they access services, Services Australia is transforming its service offer across each of its major service delivery channels – digital, face-to-face and telephony.

The 4 principles that guide our modernisation of the customer experience are:

Simple	<ul style="list-style-type: none"> • Pathways and processes that reduce steps • Easy access to the services and support customers need • Tell us personal details once, and information tailored to a customer's situation
Helpful	<ul style="list-style-type: none"> • Informed staff who provide proactive, personalised services • Help with information and what to do next • Advice on options based on a customer's situation
Respectful	<ul style="list-style-type: none"> • Supportive staff who listen to and understand customers' needs • Servicing options that respect customers' time and situation • Creating a welcoming environment
Transparent	<ul style="list-style-type: none"> • Help to understand the process and what to do next • Information about how data is used • Clarity about the reason for decisions

DIGITAL SERVICES

In 2020–21, the agency continued to expand its digital service offer to deliver on our vision of making government services simple so people can get on with their lives.

With a focus on the agency's four principles – simple, helpful, respectful and transparent – the *2020–2025 Technology Strategy*, released in 2020–21, outlines five technology pillars that underpin our digital service delivery:

- **Adaptive platforms** – ensuring our platforms and architectures are frictionless, flexible and fit-for-purpose
- **Data informed** – making use of data to inform our key technology and business decisions
- **Always learning** – having the best people, in the right roles, operating at their full potential
- **Commercially minded** – delivering services with commercial rigour, discipline and management
- **Working together** – consistent ways of working across branches to operate as a single technology team.

Work continued towards a single staff interface, which will make it easier for our service delivery staff to assist Centrelink customers by replacing multiple legacy systems and eliminating some manual processes.

As the COVID-19 pandemic continued throughout 2020–21, the increased demand for online, 'contactless' support remained high and is expected to continue into the long term. In line with this, we continued to enable many more online transactions to be completed.

A focus on easier and more secure ways for customers to verify and authenticate their identity meant more customers could access services remotely during COVID-19 lockdowns.

For social security and welfare, the benefits of IVR technology, in combination with voice biometrics authentication, allowed the agency to gather information from customers and provide information through targeted, tailored and personalised messaging so they would not have to wait and speak with a service officer.

Through automation we have streamlined and simplified processes and achieved faster processing of Centrelink claims. This has delivered an improved customer experience, which has reduced manual and repetitive tasks for our frontline staff and increased capacity for interactions with customers who have complex cases.

SERVICE CENTRES

At 30 June 2021, the agency delivered Centrelink and Medicare services from 320 service centres as well as visiting services across the country. Over two-thirds of service centres offer the full range of face-to-face Centrelink and Medicare services, and supported digital services, from a single physical location.

Through the service delivery transformation program we are making it easier and more convenient for customers to transact their business with government. The agency introduced appointment-based servicing for Centrelink transactions in June 2021, which reduced wait times in service centres and allowed customers to better plan their day.

Six contemporary service centres successfully trialled new service concepts, which will be incorporated into future service centre fit-outs (see *A new way of operating in our service centres* on page 14). The concepts include:

- a new navigator role to welcome and direct customers to the best service channel for them
- customer self-check in
- transparent wait times
- an express desk to triage customer enquiries
- a new, more welcoming environment
- digital coaching sessions.

In November 2020, the agency set up a small virtual service centre to pilot customer identity verification using video chat. This enables customers to speak to us using their own device where and when it suits them, avoiding the need to visit a service centre. At 30 June 2021, more than 5,000 video chat appointments had been completed.

In April 2021, we successfully completed the rollout of Empowering Excellence Face-to-Face Ways of Working, which strengthened our staff's customer conversation skills and incorporated the introduction of customer closed loop feedback. Since August 2020, we have received in excess of 307,000 customer surveys helping us to improve the customer experience in real-time.

Collectively these service delivery improvements are transforming the customer experience, making services more accessible to people who need our assistance. They also give us more capacity to provide targeted assistance to customers who require more intensive support.

A new way of operating in our service centres

When staff and customers describe our new-look service centres, common responses include 'extraordinary', 'exciting' and 'amazing'.

Initially used to test new service concepts, the concept centres have paved the way for new standards in our service centre fit-outs. Feedback from customers has been glowing. They say it doesn't look like an old-style government office – it makes them feel more comfortable, calm and optimistic in their interactions with us.

The customer feedback at the new Woy Woy service centre on the Central Coast of NSW reflects this:

- 98.8% said they were satisfied or extremely satisfied with the service
- 82.7% had their request fully resolved
- 99.3% of customers whose business was not fully resolved were clear on the next steps.

The new face-to-face experience starts from the moment customers arrive at one of our contemporary service centres. Our staff provide a friendly, helpful face to greet customers and assist with helping them find their way through the new environment.

Centrelink customers who book an appointment before arriving experience a streamlined check-in and access to services. Customers without appointments are offered services on the day to resolve any immediate needs, including a range of digital support options and connection to specialists when required. We can also connect customers to specialists through video chat using the customer's own device at a location that best suits them.

To make services simple so people can get on with their lives we are expanding our digital support options. Customers can choose to use the tablet devices at the quick access bar to complete quick transactions online, access our self-service terminals, or bring in their own device. Our staff are available to connect customers to digital and online services. Digital coaching appointments are also available for customers who would like a dedicated time to learn how to use self-service options.

This new way of operating is helping to create a consistent, customer-centred face-to-face service that focuses on assessing the full needs of the customer and guiding them to the right service and channels for their needs.

TELEPHONY

Customers can contact Services Australia through its phone services delivered through our smart centres, which form an Australia-wide network. The agency has specific phone services for multilingual, international, rural and remote and child support customers, health providers for Medicare, the Pharmaceutical Benefits Scheme, aged care and a range of other health programs.

Some smart centres deliver Centrelink, Medicare and Child Support phone and claims processing services. Whenever possible, smart centre staff resolve enquiries at the first point of contact. They also make sure that customers know about, and can use, self-service options, including Express Plus mobile apps and online services. Many customers prefer to use these as a convenient alternative to phone services.

VOICE BIOMETRICS

Voice biometrics enables and supports other related initiatives including telephony rationalisation.

Voice biometrics provides digital authentication and an intelligent pathway into the digital channel for customers. Voice biometrics authentication combined with IVR technology allows the agency to provide information to customers through targeted, tailored and personalised messaging, enabling them to conduct their business without the need to speak with a service officer. If they then need to speak to a staff member the information obtained through voice biometrics allows their call to be effectively routed.

Over 50% of Centrelink call traffic has voiceprint enrolment available. Voiceprint authentication is also enabled on the debt recovery, emergency and online services support lines.

During 2020–21:

- voice biometrics enabled the authentication of over 45,000 calls per working day (across all lines) and authenticated more than 36% of all calls to Centrelink main business lines
- diverted more than 500,000 customers from needing to talk to a service officer
- voiceprint enrolment was expanded to all Centrelink customer cohorts in early 2021
- almost 90% of Centrelink call traffic had voiceprint authentication available.

Using speech analytics to improve COVID-19 vaccine reporting

The agency undertakes speech analytics through analysing call recordings of its interactions with customers. This helps to gain insight into customer demand drivers and inform strategies to both reduce demand and enhance the customer experience.

In February 2021, Services Australia began monitoring speech analytics with Medicare customers, health providers and Centrelink telephony lines for key terms and phrases related to COVID-19 vaccines and accessing evidence of COVID-19 vaccinations. Between March 2021 and 30 June 2021 almost 45,000 COVID-19 vaccination-related calls were identified.

Speech analytics provided valuable insights into concerns experienced by customers when linking their Medicare account to myGov and the reasons customers and providers contacted the agency about COVID-19 vaccines. This informed the agency's communication approach to support service delivery staff and develop education resources for vaccination providers.

2.3 Welfare Payment Infrastructure Transformation Programme

The 7-year Welfare Payment Infrastructure Transformation (WPIT) Programme is an important long-term investment addressing challenges facing Australia's welfare service delivery. The programme is transforming the way we do business and improving our systems, to deliver services that are simple and helpful.

In its sixth year, the programme focused on streamlining processes for customers and staff by improving digital services, increasing automation, making better use of data, and developing technology that is reusable across government.

The programme has delivered a significant amount of change to make processes more simple, helpful, respectful and transparent for customers, staff and third parties, including:

- delivering over 80% of all Centrelink payments to Australians through a new payment delivery capability. This capability was further extended for whole-of-government reuse
- accomplishing a major first step in building the 'engine' that will calculate both financial and non-financial entitlements for all Centrelink payments
- improving automation to further enable streamlined and simplified processes, and faster processing of Centrelink claims

- making great progress with a single staff interface, transforming workflows and processes to make them faster and more intuitive
- delivering a near real-time student data exchange for all tertiary and vocational students. This means providers report to government once rather than multiple times, and online student claims are pre-populated.

2.4 Single Touch Payroll

Employers can now report payroll information to the Australian Government through single touch payroll (STP). We use this information to improve our services and make it easier for customers and employers in providing information about employment income.

We use payroll information reported through STP to help with employment income reporting and other contact we have with customers. As it is reported each time employees are paid, it gives us regular and accurate information to work with.

Over time, customers will benefit from us using STP data to improve our services:

- it will save them time filling out claims and reports – we will prefill details we already know
- it will reduce how often we contact customers and their employers – STP data will give us some information that we currently need to confirm by phone or online
- streamlined claiming – customers will not need to supply as many documents with their claims.

Our work includes a focus on collaborating with customers and stakeholders on the co-design of future use cases using STP data.

The improvements we've made are:

- **introduced new technologies** that facilitate near real-time data payroll exchange capabilities between the Australian Taxation Office (ATO) and Services Australia
- **pre-filling employer details** – If customers get an income support payment from us they will see improvements in their Centrelink online account and the Express Plus Centrelink mobile app
- **enhancing child support processes** – we use STP data to make sure we have the right details to contact employers. This means we can:
 - establish child support payments from an employee's pay more efficiently when it is appropriate to do so
 - reduce the reporting burden for employers so they only have to give data to government once

- **improving Family Tax Benefit (FTB) processes** – we contacted some FTB customers who needed to balance their payments at the end of the financial year to explain all of the following:
 - our new STP data sharing arrangements
 - what to do at tax time
 - why they should lodge a tax return
- **recovering debt** – we use STP data to improve the customer experience if they have a debt to pay. STP data allows us to understand customers' recent employment and income history.

Making things simpler

In the uncertainty of the COVID-19 pandemic, the lives of many Australians have become more complicated, particularly when it comes to their work and finances. The agency is helping customers, by making employment income reporting as simple as possible.

With the introduction of STP, employers can now report payroll information directly to the ATO, which shares this information with us in near real-time.

Having access to payroll information reported through STP means there is less need for us to contact employers to confirm employee payroll details.

Customers have their employer details prefilled online, significantly reducing the time it takes for them to report their employment income accurately.

We also use STP data to make sure we have the right details to contact employers. For example, we can establish child support payments from an employee's pay more efficiently.

For Australians, it is a small change that will make a big difference – making things simpler and respecting people's time.

2.5 Changing the Social Security Income Assessment Model

Changing the Social Security Income Assessment Model (CAM) was announced in the 2019–20 Budget. The changes allow customers to report their gross employment income paid shown on their payslip, rather than calculating what they expect to earn.

Implementation of the CAM changes on 7 December 2020 resulted in:

- simplified reporting for an average 170,000 customers who report each day
- 771,043 customers being supported through a one-off calculation during the transition period to move from the earned to paid model
- approximately 880,000 income support customers successfully reported and transitioned to the new model during the first week of implementation.

Services Australia created and delivered messages translated into 14 languages, as well as targeted messaging via Indigenous radio across over 200 community stations.

We also worked with the National Aboriginal Community Controlled Health Organisation to develop and deliver information via its website which reaches 140+ organisations in Aboriginal and Torres Strait Islander communities, and a communication to more than 5,700 health organisation subscribers.

2.6 Health Delivery Modernisation

Under the Health Delivery Modernisation Program, the agency is continuing work to stabilise and modernise the health payments system that underpins Medicare, the Pharmaceutical Benefits Scheme and other health-related programs.

The program is undertaking critical ICT investment to ensure the continuity and security of health payments, services and data for all Australians, health care professionals and businesses, while also delivering regular digital user experience improvements to make it simpler and easier to interact with us and reduce regulatory burden. User improvements delivered in 2020–21 included:

- the first new event-based digital service for Medicare customers, referred to as 'becoming independent', which allows young people, students and people leaving home to move onto their own Medicare card without the need to visit a service centre or complete a paper form
- the ability for customers to confirm their family structure online, to ensure they are correctly assessed against the family Medicare Safety Net
- new web services for hospitals and health care professionals, to support digital claiming with the agency.

2.7 Veteran Centric Reform

The Veteran Centric Reform – Putting Veterans and Their Families First Program (VCR–PVFF) is a comprehensive multi-year transformation of the Department of Veterans' Affairs (DVA) with a strong emphasis on veterans and their families. The measure supports DVA's transformation to improve the wellbeing of veterans and their families through a focus on early access to services, preventative health approaches, and care for veterans with complex circumstances.

Services Australia is partnering with DVA to transform veteran services, and is modernising underpinning ICT systems to meet current and future needs of the veteran community. The VCR–PVFF Program is re-using whole-of-government capabilities being implemented through the WPIT Programme as they become available to transform DVA services and systems.

Throughout 2020–21, Services Australia continued to support the VCR–PVFF Program by working collaboratively with DVA to build on previous years' work to:

- modernise DVA income support digital and staff processing capabilities for approximately 142,000 veterans and their families
- develop a digital outbound correspondence strategy for DVA using the myGov inbox capability
- deliver internal process automation to support DVA internal efficiencies
- support continued implementation of the 1800VETERAN phone number
- continue to provide veterans and their families in regional Australia with greater access to services through service delivery pilots, which resulted in a DVA standardised service offer to be rolled out across Services Australia service centres, including mobile service centres, in 2021–22 .

Collaboration between DVA and Services Australia resulted in a successful system release on 21 November 2020, which included:

- providing staff access to a faster, more reliable system for income support claims and processing
- extra functionality within the online system MyService, for customers to lodge claims and update changes to their circumstances
- simplifying and automating 37 customer letters about decisions and changes, making them easier for veterans to understand and decreasing the manual work of staff.

Throughout the transformation journey, veterans and their families will remain at the centre of the changes. Services Australia will continue to work collaboratively with DVA as a strategic partner to support DVA's transformation implementation.



Putting veterans and their families first

Helping people is a core part of our vision – and it is one that extends beyond the bounds of our organisation. The agency also supports the wellbeing of veterans through our service delivery partnership with DVA.

Since 2018, we have partnered with DVA to help reform and improve services for veterans and their families. This partnership focuses on working together to transform DVA's service delivery, to simplify services, and ensure veterans have access to effective health care.

In November 2020, we introduced our Process Direct solution to DVA, which provides staff with a better system for delivering veterans' services. Because staff can now access streamlined information and processes, veterans and their families receive quicker outcomes and updates on their income support claims.

The ongoing transformation work with DVA will continue to improve the experience veterans and their families have when interacting with government by delivering proactive, faster, easier-to-access and digitally-enabled services.

2.8 Enhanced myGov

myGov provides a single point of entry to select government services and a digital inbox.

In July 2020, in collaboration with the Digital Transformation Agency (DTA), Services Australia launched the enhanced myGov Beta, which trialled a new way to provide information and government services through a live Beta, accessible through the current myGov landing page.

myGov Beta was designed to provide an integrated content site for government services, meaning customers can find information relevant to them without knowing how government is structured or what each department or agency is responsible for.

myGov Beta is a search engine for government, giving customers the ability to search for information based on statements such as 'I have lost my job'. The site provides relevant information based on the customer's search. Once a customer decides what services they need, the site directs them to the claim process, without the need to go to another website.

myGov Beta was tested on the 'returning to work' life event, with the site, if needed, directing customers to claim JobSeeker Payment.

The Australian Government has announced a \$200.1 million investment to overhaul myGov as part of the Digital Economy Strategy. This work will build on the myGov Beta site and will significantly improve customer experiences by offering a single front door to government that includes a wide range of whole-of-government capabilities.

Support during the COVID-19 pandemic and managing emergencies

3

3.1 Introduction

In 2020–21, Services Australia was at the forefront in successfully delivering support to millions of Australians. The COVID-19 pandemic triggered an enormous surge in demand for government services. During the year, there was also unprecedented demand for assistance following bushfires, floods, storms and cyclones.

We delivered targeted COVID-19-specific support payments and grants to customers and businesses and a record number of grants for disaster recovery payments. This financial support also had a direct effect in stimulating Australia's economy during difficult times.

3.2 COVID-19 pandemic

During the initial response to the COVID-19 pandemic, the agency mobilised thousands of extra staff, increased ICT capability to meet the surge in demand, and worked closely with policy agencies to deliver support and services to people as quickly as possible.

DELIVERING FINANCIAL RELIEF

During 2020–21, the agency:

- paid \$21.0 billion in Economic Support and Coronavirus Supplement payments which supported eligible Australians, including:
 - over \$14.9 billion in assistance through the temporary Coronavirus Supplement (see *JobSeeker Payment* on page 41)
 - \$6.1 billion in Economic Support Payments – the first and second rounds paid at the rate of \$750 per eligible customer and the third and final rounds paid at the rate of \$250 per eligible customer

- paid \$127.5 million through the Consumer Travel Support Program (see *COVID-19 Consumer Travel Support Program* on page 29)
- paid over \$30.6 million in Pandemic Leave Disaster Payments to over 20,000 people (see *Pandemic Leave Disaster Payment* on page 29)
- finalised nearly 900,000 combined JobSeeker claims
- added more than 300 items to the Medicare Benefit Schedule and paid over \$3.2 billion for these items (see *Access to Medicare benefits* on page 46).

COVID-19 lockdown payments delivered quickly

On 3 June 2021, a week into lockdown in Victoria, the Prime Minister announced the new COVID-19 Disaster Payment for workers who had lost hours and income because they could not go to work.

Within days, the agency had set up the new payment and was ready for people to start lodging a claim. Additional staff were deployed to process claims and take calls and in most cases, customers were paid within one business day of the claim being granted.

Within 3 weeks of introducing the payment, the agency delivered over \$26.5 million in COVID-19 Disaster Payments to 57,000 impacted workers.

This rapid assistance helped many Victorian people in their fourth lockdown and the payments remain a key part of the Government's assistance for Australian workers affected by COVID-19 restrictions.

SUPPORTING THE COVID-19 VACCINATION ROLLOUT

Services Australia's Medicare systems and the Australian Immunisation Register (AIR) underpin the COVID 19 vaccine rollout to millions of Australians. During the year, the agency played a critical role in ensuring that health care providers could record COVID-19 vaccinations on the AIR, and that individuals can access their proof of vaccination at a time and in a format that suits them.

In preparation for the COVID-19 vaccine rollout, Services Australia enhanced the AIR, including:

- providing the ability to capture COVID-19 vaccines given
- increasing system capacity so more providers can record vaccinations they have given and more customers can access their information on the register
- updating immunisation history statements to show all COVID-19 vaccine doses and emphasise COVID-19 vaccination status
- introducing a COVID-19 digital certificate which makes it simple and easy for people to show their COVID-19 vaccination status
- streamlining the application process for non-Medicare eligible individuals to apply for an Individual Healthcare Identifier (see *Supporting people not eligible for Medicare who access proof of COVID-19 vaccination* on page 60).



Vaccination rollout

As COVID-19 vaccinations began across Australia, the agency's Medicare systems and AIR have been integral in maintaining records of the vaccination rollout.

The AIR is a national register that records all vaccines given to people in Australia, and supports the Australian Government's management of vaccination details and rates across the country.

Using myGov or the Express Plus Medicare mobile app, people can get a history of all their vaccinations, and also a digital COVID-19 vaccine 'certificate'.

Certificates can only be accessed once people are fully vaccinated. They can be transferred to an Apple or Google wallet.

This easy access to proof of vaccination is likely to be crucial when the time comes for lockdowns and restrictions to ease and people want to begin returning to their normal lives.

SUPPORTING VACCINATION HUBS

Services Australia consulted with state and territory health agencies and made staff available to provide on-the-ground support to both customers and health providers at vaccination hubs.

In 2020–21, Services Australia trained 216 staff to provide hub support and 51 staff were mobilised to support 12 hubs across Australia.

Extending services to vaccination hubs

When the COVID-19 vaccine rollout began, Services Australia designed a new vaccination hub outreach service which was offered to state and territory jurisdictions to support customers and health providers with vaccination reporting from vaccination hubs. This extended service meant trained staff were deployed to provide onsite support to customers and health providers.

Since March 2021, Services Australia staff have provided valuable assistance to customers across a range of services including:

- assisting customers to update their Medicare records
- directing individuals from culturally and linguistically diverse backgrounds to appropriate channels to access the agency's multilingual translation and support services
- assisting non-Medicare eligible individuals to obtain an Individual Health Identifier
- helping customers use online services to obtain evidence of vaccination.

Agency staff have also supported the vaccination providers to upload vaccination forms into the AIR.

Services Australia has received positive feedback about the support provided by agency staff, and demand has steadily grown because of the value of this service.

EXTRA HELP TO SUPPORT OUR CUSTOMERS

The agency provided additional help for customers through the COVID-19 pandemic, by:

- making a number of changes to Medicare services, the Medicare Benefits Schedule (MBS) and the Pharmaceutical Benefits Scheme (PBS), for example:
 - extending temporary telehealth services to the MBS
 - giving people access to up to 10 additional mental health treatment sessions during the coronavirus response
 - extending access to MBS mental health and multidisciplinary care items
 - allowing digital lodgement of Medicare enrolments and supporting documents
 - allowing some exemptions to specific requirements relating to authority required PBS listings
 - implementing Continued Dispensing for Emergency Measures to ensure patients who cannot get a prescription have immediate access to eligible medicines
- adding a new emergency leave provision for older Australians in residential care, along with payment system updates to support changes to Extended Hospital Leave legislation (see *Aged care programs* on page 52)
- offering extra support and information for people experiencing family and domestic violence (see *Protecting victims of domestic violence* on page 67)
- temporarily changing our identity verification arrangements from requiring facial identity checks at a service centre to checks using voice biometrics and the Express Plus Centrelink mobile app (see *Identity management* on page 151)
- putting a range of compliance activities on hold, which included pausing debt collection (see *Compliance Program* on page 153 and *Debt management* on page 154)
- introducing measures to ensure the safety and wellbeing of our staff (see *COVID-19 pandemic responses within Services Australia* on page 171)
- supporting people in culturally and linguistically diverse (CALD) communities, which included providing translated information about COVID-19 vaccinations and COVID-related government payments and services. For more information, see *Multicultural Service Officers* on page 72 and *Giving people support in their own language* on page 73.

PANDEMIC LEAVE DISASTER PAYMENT AND COVID-19 DISASTER PAYMENT

As part of Services Australia's response to the COVID-19 pandemic, the agency commenced paying COVID-19 Disaster Payment (CDP) in June 2021 and Pandemic Leave Disaster Payment (PLDP) grants in August 2020.

COVID-19 DISASTER PAYMENT

In June 2021, the COVID-19 Disaster Payment was activated to assist people who are unable to work due to state or territory public health orders for restricted movement/lockdown in a Commonwealth-declared COVID-19 hotspot. The agency commenced administering the payment, on behalf of the Department of Home Affairs, on 8 June 2021. The policy for the payment is now the responsibility of the National Recovery and Resilience Agency.

The payment is for Australian residents and eligible working visa holders in areas that are impacted by public health orders for restricted movement/lockdown. The payment provides a lump sum based on the number of work hours lost as a result of the restricted movement/lockdown.

For each relevant period of lockdown, the payment rate is \$450 for those who have lost less than 20 hours; and \$750 for those who have lost 20 hours or more. The payment is made after each 7-day relevant period and is not taxable.

At 30 June 2021, the agency has processed over 66,000 COVID-19 Disaster Payment claims and paid over 55,000 claims.

PANDEMIC LEAVE DISASTER PAYMENT

As part of Services Australia's response to the COVID-19 pandemic, PLDP grants started in August 2020.

At 30 June 2021, the agency had:

- processed over 23,000 claims
- paid over 20,000 claims
- paid over \$30.6 million.

COVID-19 CONSUMER TRAVEL SUPPORT PROGRAM

Delivered on behalf of the Australian Trade and Investment Commission (AusTrade), COVID-19 Consumer Travel Support Program Round One grants provided up to \$100,000 to eligible travel agents and tour arrangement service providers to support them in dealing with the economic impact of the COVID-19 pandemic.

The COVID-19 Consumer Travel Support Program Round Two provided up to a further \$100,000 to eligible travel agents and tour arrangement service providers who were eligible for, and received a payment, under Round One of the COVID-19 Consumer Travel Support Program.

At 30 June 2021, the agency had:

- granted 3,725 claims and paid over \$102.8 million in Round One
- granted 1,185 claims and paid over \$24.7 million in Round Two.

3.3 Payments and support following emergency events

Services Australia administers the following disaster recovery and rapid response payments on behalf of the Department of Home Affairs:

- Australian Government Disaster Recovery Payment (AGDRP)
- Disaster Recovery Allowance (DRA)
- ex gratia payments equivalent to AGDRP or DRA to New Zealand residents
- Additional Payment for Children (specific to 2019–20 bushfires only)
- Australian Victim of Terrorism Overseas Payment
- Pandemic Leave Disaster Payment (PLDP)
- COVID-19 Disaster Payment.

The agency also administers the MH17 Family Support Package on behalf of the Department of Foreign Affairs and Trade.

Disaster recovery payments and other forms of assistance are provided to support customers during emergencies. Other services that the agency can provide during an emergency include:

- assisting individuals to test their eligibility for an income support payment or service
- assessing and paying Medicare benefits
- supporting Medicare providers
- tailoring collection and assessment services to affected child support customers
- providing social work services
- offering a range of payment methods to support customers in crisis, including through the New Payments Platform that delivers payments in near real-time for customers who bank with organisations participating in the program
- exempting or changing participation and reporting requirements for people in disaster areas
- pausing debt recovery.

Services Australia also participates in state, territory and local recovery committees. If requested by relevant state or territory governments, the agency delivers services from established relief or recovery centres. In response to an emergency, we can deploy:

- staff to take emergency calls and process claims for emergency payments including through the Emergency Reserve (see page 34)
- social workers to Australian and overseas locations to help Australians in emergency-affected areas or when they return from offshore disasters
- mobile computing support
- Australian Government mobile service centres and mobile servicing teams to affected areas.

Helping people in disaster-affected communities

As a nation, we have a long history of withstanding natural disasters – fires, floods, droughts, storms and cyclones. Our staff are equally resilient and well-practised at delivering quick, effective and caring support.

With the reality of a year-round disaster season, the agency stands ready to assist the community during an emergency, delivering both disaster and rapid response payments to communities in need.

During 2020–21, the agency delivered payments to support people affected by the Western Australian bushfires, Tropical Cyclone Seroja, and the New South Wales and Victorian storms and floods. It also delivered the PLDP and the CDP, and continued to deliver payments for the Black Summer bushfires that started in August 2019.

During 2020–21, our mobile service centres and mobile servicing teams visited 76 communities and supported over 6,700 people directly impacted by disasters. This support included connecting people with social work services, counselling and other government and community services.

Services Australia also answered 880,500 calls to the Australian Government Emergency Information Line, and delivered over \$400 million in AGDRPs, all providing vital support to people when they needed it most.

MAJOR EMERGENCY EVENTS IN 2020–21

In 2020–21, Services Australia managed emergency events across several states and territories. Australian Government disaster assistance payments were activated for 5 major disasters:

- Western Australian bushfires, February 2021
- North Coast floods, February 2021
- New South Wales floods, March 2021
- Tropical Cyclone Seroja, April 2021
- Victorian storms and floods, June 2021.

The New South Wales floods in March 2021 resulted in 64 of the 128 New South Wales Local Government Areas being declared a major disaster for the purposes of the AGDRP, DRA, and recovery payments to New Zealand visa holders.

The agency also continued to deliver payments to Australians affected by the Black Summer bushfires. The first payment for these bushfires was activated in September 2019, with payments spanning approximately 17 months to the final

event closing in August 2021. During 2020–21, the claiming period remained open for the following major disasters:

- New South Wales bushfires, September 2019
- Queensland bushfires, September 2019
- Eastern Queensland bushfires, November 2019
- South Australian bushfires, November 2019
- Australian Capital Territory bushfires, December 2019
- Tasmanian bushfires, December 2019
- Victorian bushfires, December 2019.

The agency's response to major disasters included providing the AGDRP on behalf of the Department of Home Affairs.

At 30 June 2021, the agency had:

- completed nearly 400,000 claims
- paid more than 360,000 claims
- paid over \$400 million.

New Zealand Disaster Recovery Payment (NZ DRP) for New Zealand Non-Protected Special Category Visa Holders was activated for individuals affected by the events listed on page 31.

At 30 June 2021, the agency had:

- completed more than 2,000 claims
- paid more than 1,800 claims
- paid over \$2.4 million.

In 2020–21 the agency's response to major disasters included payment of DRA on behalf of the Department of Home Affairs. Activated for the events listed on page 31, this payment supports eligible individuals, who experience a loss of income as a direct result of a disaster.

At 30 June 2021, the agency had:

- completed nearly 2,000 claims
- paid nearly 1,400 claims
- paid over \$5.3 million.

New Zealand DRA (NZ DRA) for New Zealand Non-Protected Special Category Visa Holders was activated for individuals affected by the events listed on page 31.

At 30 June 2021, the agency had:

- completed 71 claims
- paid 59 claims.

MH17 FAMILY SUPPORT PACKAGE

During 2020–21, the agency also delivered the MH17 Family Support Package on behalf of the Department of Foreign Affairs and Trade. This supports families of Australian MH17 victims to attend legal proceedings in the Netherlands. Due to the impacts of COVID-19 on international travel, the processing of claims for funding under the Family Support Package were put on hold and no payments were made in the 2020–2021 financial year.

AUSTRALIAN VICTIM OF TERRORISM OVERSEAS PAYMENT

This assistance is a one-off payment paid on behalf of the Department of Home Affairs to Australians who were harmed (primary victims) or close family members of a person who died (secondary victims) as a direct result of a declared overseas terrorist act. During the year, the Australian Victim of Terrorism Overseas hotline answered 641 calls.

In 2020–21, 6 claims were paid, totalling \$450,000.

DISASTER HEALTH CARE ASSISTANCE SCHEME

The Disaster Health Care Assistance Scheme helps with reasonable health-related out-of-pocket costs for individuals who have suffered an injury as a direct result of specific international acts of terrorism and natural disaster events. The declared events are:

- Balimed – bombing in Bali, Indonesia, on 12 October 2002
- Tsunami – Indian Ocean tsunami on 26 December 2004
- London – bombing in London, United Kingdom, on 7 July 2005
- Bali 2005 – bombing in Bali, Indonesia, on 1 October 2005
- Dahab Egypt – bombing in Dahab, Egypt, on 24 April 2006.

NATIONAL EMERGENCY CALL CENTRE SURGE CAPABILITY

Services Australia can provide support through the National Emergency Call Centre Surge Capability, which allows state and territory government agencies to divert excess calls made to their emergency (non-000) lines to the agency on a cost recovery basis.

In 2020–21, the agency was asked to activate this capability on 2 occasions to support:

- the Victorian COVID-19 aged care response, answering 715 calls
- the Department of Foreign Affairs and Trade to assist Australians stranded overseas due to COVID-19 travel restrictions, making 42,032 calls.

NATIONAL SECURITY HOTLINE

The National Security Hotline is the single point of contact for people to report possible signs of terrorism or to request information. Services Australia provides surge assistance for the National Security Hotline on request from the Department of Home Affairs. In 2020–21, the agency was not asked to assist with the hotline.

EMERGENCY RESERVE

Services Australia maintains a register of staff willing to assist in recovery efforts known as the Emergency Reserve. The agency can call on Emergency Reserve staff at short notice to help respond quickly to emergencies. There are over 1,600 staff registered for the Emergency Reserve. Staff have a range of skills that are used in various roles, including:

- assisting people affected by emergencies at field locations
- supporting affected service centres
- backfilling business-as-usual roles to fill gaps where staff were deployed to provide emergency support.

The agency has also established a new reserve concept called the Internal Surge Team, which involves staff from across the agency quickly redeploying to a range of core business functions when the agency experiences a surge in demand. In 2020–21, the Internal Surge Team deployed on 4 occasions, with over 3,750 staff playing a significant role in the agency's response to the New South Wales floods in March 2021, Tropical Cyclone Seroja in April 2021 and delivery of COVID-19 Disaster Payments in response to lockdowns in various states and territories.

The agency also draws on the Australian Public Service Surge Reserve initiative to second staff from other government agencies to address increased demand such as in the aftermath of the New South Wales floods in March 2021. In 2020–21, the Surge Reserve deployed on 2 occasions, with over 685 staff playing a significant role in the agency's response to natural disasters and COVID-19-related responses.

**Delivering payments
and services to our
customers**

4

4.1 Social security and welfare

As the Government's main service delivery agency, Services Australia is responsible for designing, developing and delivering government services and payments. The agency provides advice to Government on service delivery and collaborates with other agencies, providers and businesses to ensure convenient, accessible and efficient services for individuals, families and communities.

Table 2 shows that Services Australia processed more than 5.2 million claims for social security and welfare during 2020–21. Of these, around 3.7 million claims were granted and just over 1.5 million were rejected.

Table 2: Claims finalised in 2020–21

Payment type	Claims	Granted	Rejected
ABSTUDY	28,500	23,500	5,000
Additional Child Care Subsidy	145,500	121,500	24,000
Age Pension	188,500	155,000	33,500
Assistance for Isolated Children	6,400	4,700	1,700
Carer Payment and Carer Allowance	199,000	131,000	68,000
Child Care Subsidy	401,500	385,500	16,000
Crisis Payment	1,645,500	986,500	659,000
Dad and Partner Pay	110,000	97,000	13,000
Disability Support Pension	96,000	39,000	57,000
Double Orphan Pension	140	100	40
Family Tax Benefit	486,000	315,000	171,000
JobSeeker Payment	764,000	578,000	186,000
Low Income Card	125,500	73,500	52,000
Mobility Allowance	6,400	1,200	5,200
Paid Parental Leave	319,000	291,000	28,000

Payment type	Claims	Granted	Rejected
Parenting Payment	146,500	89,000	57,500
Pensioner Education Supplement	34,000	25,000	9,000
Seniors Health Card	78,000	65,000	13,000
Special Benefit	21,000	5,000	16,000
Stillborn Baby Payment	1,600	900	700
Youth Allowance (JobSeeker)	135,000	83,000	52,000
Youth Allowance Student and Austudy	281,000	183,000	98,000
Total	5,219,040	3,653,400	1,565,640

Note: Rounding has been applied.

For more information about social security and welfare payments and support, see our website at servicesaustralia.gov.au

OLDER AUSTRALIANS

Age Pension is an income support payment for eligible older Australians. It also gives customers a Pension Concession Card and access to a range of concessions.

Age Pension is income and assets tested. Age Pension customers' entitlements are assessed under the Social Security Income and Assets Tests. In 2020–21:

- there were approximately 2.59 million Age Pension customers
- 61.8% of age pensioners received the full-rate pension and 33.2% received a part-rate pension based on their income and assets
- Services Australia paid over \$52.9 billion in Age Pension payments.

CARERS

CARER PAYMENT

Carer Payment is an income support payment for carers who are unable to work in substantial paid employment because they are providing significant care for another person who has high care needs. To be eligible for Carer Payment, a carer must be providing constant care for:

- an adult or child with disability or severe medical condition, or
- an adult who is frail aged.

In 2020–21, over 48,000 claims for Carer Payment were granted.

CARER ALLOWANCE

Carer Allowance is an income supplement for people who provide additional daily care and attention for:

- an adult or child with disability or severe medical condition, or
- an adult who is frail aged.

Carer Allowance is income tested but is not taxable or assets tested. In 2020–21, nearly 83,000 claims for Carer Allowance were granted.

PEOPLE WITH DISABILITY

DISABILITY SUPPORT PENSION

Disability Support Pension (DSP) is an income support payment for people with a permanent physical, intellectual or psychiatric condition that prevents them from working.

In July 2020, the agency released a paper claim form specifically for people with a terminal illness who were claiming the DSP. The new *Claim for Disability Support Pension for a terminal illness (SA494)* form:

- is simpler and reduces the number of questions from the standard DSP paper claim form
- supports customers who may not have access to online claiming or who cannot attend a service centre due to the severity of their condition or treatment
- ensures these claims can be identified and actioned as a priority.

The agency also released a one-page medical report form in September 2020 to help doctors quickly and easily confirm a claimant has a terminal illness, if the claimant does not have medical evidence showing the diagnosis and prognosis of their condition.

MOBILITY ALLOWANCE

Mobility Allowance is a payment that assists with travel costs for work, study or looking for work for people with disability, illness or injury that prevents them using public transport.

FAMILIES

Services Australia administers a range of payments and support to help families meet the costs of raising children. We also help parents planning to return to work and education, and grandparents and non-parent carers needing information.

PARENTING PAYMENT

Parenting Payment assists families with the costs of raising children. There are 2 payment rates: Parenting Payment Single, which is for single parents; and Parenting Payment Partnered, which is for partnered parents. Both payments are income tested and the amount paid is based on individual circumstances.

FAMILY TAX BENEFIT

FTB assists families with the day-to-day cost of raising children. It has 2 parts: FTB Part A, which is paid per child; and FTB Part B, which is paid for the family. Both payments are income tested and the amount each family is paid is based on the family's individual circumstances.

PAID PARENTAL LEAVE SCHEME

Paid Parental Leave Scheme payments help eligible parents to take time off work to care for a new baby or recently adopted child. There are 2 payments under the scheme:

- Parental Leave Pay, which is a payment to parents of newborns and newly adopted children
- Dad and Partner Pay, which is a short-term payment to fathers or partners who are on leave to help care for a new child.

To receive these payments, the applicant must meet an income test, a work test and residency requirements.

CHILD CARE SUBSIDY

Payments that help parents with the cost of child care are:

- Child Care Subsidy, which is a single, income tested and activity tested subsidy to reduce the out-of-pocket cost of child care for families
- Additional Child Care Subsidy, which gives eligible families extra help with the cost of approved child care.

These payments are usually paid directly to child care providers.

NEWBORNS AND NEWLY ADOPTED CHILDREN

Services Australia delivers payments that help parents with expenses for newborn or newly adopted children. They are:

- Newborn Upfront Payment – a one-off payment
- Newborn Supplement – which increases the rate of FTB Part A for up to 13 weeks
- Paid Parental Leave Scheme payments.

Giving new parents peace of mind

For parents settling into life with a newborn, taking the time to contact multiple services and government organisations, from claiming income support to registering the child's birth, is the last thing on their mind.

To reduce some of this burden, in November 2020 Services Australia began a joint pilot project with the ACT Government to streamline the process to enrol newborns in Medicare.

For parents who opt in, we connect to information the hospitals already have about parents and babies – such as their name, address and Medicare number – and use it to enrol the newborn in Medicare shortly after they leave the hospital.

For new mum, Annabel, it's a change that provides invaluable peace of mind. She found that, as a new mum, there were so many appointments, things to learn and administrative tasks to deal with. The pilot program gave her one less thing to worry about.

In 2020–21, more than 680 babies were enrolled in Medicare through the pilot, and the agency is expanding the service to make it easier for parents to claim family payments as well. These changes are making things simpler for parents, allowing them to concentrate on their new family member.

STILLBORN BABY PAYMENT

Stillborn Baby Payment is a one-off payment to assist families with the extra costs they face when their child is stillborn. Families cannot receive Stillborn Baby Payment and Parental Leave Pay for the same child.

DOUBLE ORPHAN PENSION

Double Orphan Pension is available to help with the costs of caring for orphaned children. It is not income or assets tested.

NO JAB NO PAY AND HEALTHY START FOR SCHOOL

The Supporting No Jab No Pay and Healthy Start for School measure is designed to strengthen FTB Part A immunisation and health check requirements. In 2020–21, FTB Part A payments were reduced by up to \$29.40 per fortnight (or \$766.50 per year) for each child who did not meet immunisation or health check requirements.

GRANDPARENT ADVISER PROGRAM

The Grandparent Adviser Program was established for grandparents and other non-parent carers who have ongoing caring responsibility for children. Grandparent Advisers give tailored information about payments and services that are available through the Australian, state and territory governments and community service providers.

The advisers also operate a Grandparent Adviser Line, attend community forums and work with carer organisations. In 2020–21, more than 23,000 calls were handled through the Grandparent Adviser Line, compared to almost 21,000 calls in 2019–20.

PARENTSNEXT

ParentsNext is a service that supports study and work goals for parents and carers with children under 6 years who get Parenting Payment. Services Australia connects eligible customers with a ParentsNext provider who will assist them to identify and achieve study and work goals and connect them to activities and support services in their local community. Since the ParentsNext program was rolled out in 2018, Services Australia has referred 169,216 customers to a ParentsNext provider.

JOB SEEKERS

JOBSEEKER PAYMENT

JobSeeker Payment provides financial support for people aged between 22 years and under Age Pension age, who meet the income and assets tests and residency requirements, who are looking for work and are willing to take part in activities to increase their chances of finding a job, or people who are temporarily unable to work or study for medical reasons.

In April 2021, the rate of JobSeeker Payment was permanently increased by \$50 per fortnight and the income-free threshold (how much a recipient can earn before their payment is affected), was permanently increased to \$150 per fortnight.

In recognition of the effects of the COVID-19 pandemic, from 27 April 2020 all people on eligible income support payments received a temporary Coronavirus Supplement. The Coronavirus Supplement was paid at the rate of \$550 per fortnight between April and September 2020, at the rate of \$250 a fortnight from 25 September 2020 to 31 December 2020, and at the rate of \$150 a fortnight from 1 January 2021 to 31 March 2021. See also *COVID-19 pandemic* on page 24.

YOUTH ALLOWANCE (JOBSEEKER)

Youth Allowance (JobSeeker) is an income support payment for young job seekers generally aged 16 to 21 years. People need to meet income and assets tests and residency requirements. They may also need to meet mutual obligation requirements.

STUDENTS

TRANSFORMING COLLECTION OF STUDENT INFORMATION

During 2020–21, the WPIT Programme delivered near real-time student data exchange for all tertiary and vocational students. The new system has streamlined the exchange of student information with the tertiary education sector, enabling student information received through the Transforming Collection of Student Information system to be pre-populated into online student claims and student payment reviews. This means providers report to government once rather than multiple times. The exchange will also lead to improved payment accuracy and reduce the creation of student debt when all providers are on-boarded and student reviews are enabled during 2021–22.

ABSTUDY

The ABSTUDY scheme provides financial assistance for Aboriginal and Torres Strait Islander peoples undertaking approved secondary or tertiary study, or are full-time Australian apprentices.

ASSISTANCE FOR ISOLATED CHILDREN

This assistance provides a suite of payments for parents and carers of children who cannot attend their local government schools because of geographical isolation, disability or special needs.

AUSTUDY

Austudy provides financial assistance to full-time students and Australian apprentices aged 25 years and older.

YOUTH ALLOWANCE (STUDENTS AND AUSTRALIAN APPRENTICES)

Youth Allowance provides financial assistance for full-time students and Australian apprentices aged between 16 and 24 years.

INCENTIVES TO ENCOURAGE YOUNG AUSTRALIANS TO UNDERTAKE SEASONAL WORK

On 1 March 2021, the agency implemented the 2020–21 Budget measure to encourage students in receipt of Youth Allowance or ABSTUDY to undertake seasonal work to support Australia's agricultural sector. The measure provides:

- an incentive to encourage young Australians to undertake seasonal agricultural work to help address the workforce shortages across the industry for the upcoming harvest seasons
- opportunities for young people to be gainfully employed and prove their independence much sooner.

TERTIARY ACCESS PAYMENT

The Tertiary Access Payment (TAP) is part of the Job-ready Graduates Package and the Australian Government response to the National Regional, Rural and Remote Tertiary Education Strategy (Naphthine Review), aimed at helping students with the costs of relocating to undertake tertiary study.

The agency administers the TAP for eligible students applying to study at vocational education and training and non-university higher education providers.

The TAP is a \$5,000 payment, paid in 2 instalments, to school leavers from outer regional or remote areas who relocate to undertake full-time, higher level tertiary education.

For more information go to servicessaustralia.gov.au/tertiaryaccesspayment

ASSESSMENT SERVICES

ASSESSMENTS OF MEDICAL CONDITIONS AND WORK CAPACITY

Services Australia has 3 ways to assess whether a person has barriers to work, including medical conditions:

- Medical Assessment Team (MAT) Assessments are early assessments of all available medical evidence to determine if a more comprehensive Job Capacity Assessment (JCA) is required to assess eligibility.
- Job Capacity Assessments (JCAs) determine the impact of medical conditions on a person's ability to work and assess whether the person would benefit from employment assistance and/or whether they are eligible for Disability Support Pension.
- Employment Services Assessments (ESAs) identify a person's work capacity and the most appropriate type of employment service for job seekers with multiple and/or complex barriers.

Table 3: Medical and non medical MAT, JCAs, ESAts

	2018–19	2019–20	2020–21	% change since 2019–20
MAT assessments	96,699	109,619	104,435	–5
JCAs	41,912	50,860	44,545	–14
ESAts – medical	216,023	218,851	250,365	11
ESAts – non-medical	16,816	18,555	16,350	–14
Total	371,450	397,885	415,686	3

ASSESSORS

The agency employs qualified health and allied health professionals to perform the above assessments. This includes a Health Professional Advisory Unit – a team of 9 medical advisers, supported by 8 health and allied health professionals across a virtual network. In 2020–21, the unit completed 949 referrals.

4.2 Health

Services Australia administers a range of health, pharmaceutical, aged care and veterans' programs and related services. These enable access to cost effective medicines, health services and care, as well as supporting and improving the wellbeing of an ageing population.¹

MEDICARE

Medicare provides eligible people access to essential health services, such as seeing a doctor, getting medicines, mental health services and other medical services.

In 2020–21, 26.1 million people were enrolled in Medicare (see Table 4) and \$27.7 billion was paid in benefits. The percentage of digital claims continues to grow, with 99.5% of Medicare services claimed digitally in 2020–21. Approximately 80% cent of all health practices lodge 100% of their Medicare claims digitally at their practice.

The agency continues to make technology enhancements to promote digital transactions.

MEDICARE ENROLMENTS

Table 4: Medicare enrolments

	2018–19	2019–20	2020–21
People enrolled at 30 June	25.6 million	25.9 million	26.1 million
Active cards at 30 June	14.6 million	14.7 million	14.8 million
New enrolments	550,906	521,125	428,413

¹ The health program expenditure for 2020-21 reflects payments made, whereas prior year comparatives for 2018-19 and 2019-20 have been reported on an expense (accrued) basis. This change ensures reporting consistency for all administered programs payments made on behalf of other agencies.

MEDICARE ENTITLEMENT STATEMENTS

People who do not meet the eligibility criteria for Medicare may apply to be exempt from paying the Medicare levy. If the application is approved, the agency issues a Medicare Entitlement Statement, which entitles them to an exemption from the ATO.

Table 5: Medicare Entitlement Statements

	2018–19	2019–20	2020–21
Accepted applications	96,640	90,412	94,980
Rejected applications	3,086	3,173	3,266
Total applications	99,726	93,585	98,246

MEDICARE SAFETY NET

The Medicare Safety Net provides an additional Medicare benefit to eligible individuals, couples and families who have high out-of-hospital medical expenses. When the total out-of-pocket costs a customer pays reaches a certain threshold, the customer can receive higher Medicare benefits for the rest of the calendar year.

There are 2 Medicare safety nets:

- the Original Medicare Safety Net threshold for the 2021 calendar year is \$481.20 and applies to all Medicare cardholders
- the Extended Medicare Safety Net – which has 2 threshold levels for the 2021 calendar year:
 - \$697.00 for Commonwealth concession cardholders and families eligible for Family Tax Benefit Part A
 - a general threshold of \$2,184.30 for all other Medicare cardholders (individuals and registered families).

ACCESS TO MEDICARE BENEFITS

In 2020–21, the agency implemented changes to 7,159 MBS items to support Australians' access to essential Medicare subsidised health services. The changes included responses to emergency events so Australians could continue to have access to the health services they needed. See also *COVID-19 pandemic* on page 24.

MEDICARE CLAIMING

Health professionals can 'bulk bill' their patients. This means that the patient agrees to have their Medicare benefit paid directly to the health professional.

The health professional, or the patient (if they pay their account), can claim the Medicare benefit directly from Services Australia. When a patient has received in-hospital services, Medicare claims can be made through simplified billing arrangements.

Table 6: Medicare services and benefits by claim type

	2018–19	2019–20	2020–21
Bulk billing	341.0 million	347.7 million	382.3 million
Patient claiming	54.0 million	51.3 million	53.5 million
Simplified billing	34.5 million	34.1 million	35.3 million
Total services processed^(a)	429.6 million	433.1 million	471.1 million
Bulk billing	\$17.1 billion	\$17.9 billion	\$20.0 billion
Patient claiming	\$4.5 billion	\$4.4 billion	\$4.9 billion
Simplified billing	\$2.7 billion	\$2.7 billion	\$2.9 billion
Total benefits paid^(a)	\$24.4 billion	\$25.0 billion	\$27.7 billion
Average benefit per service	\$56.78	\$57.67	\$58.99
Average period (date of lodgement to processing)	0.88 days	0.81 days	0.57 days

(a) Totals take account of rounding.

Table 7: Medicare services by payment type

	2018–19		2019–20		2020–21	
	million	%	million	%	million	%
Electronic Funds Transfer (EFT) to claimant	38.4	8.9	36.7	8.5	40.6	8.6
EFTPOS payment to claimant	12.8	3.0	12.1	2.8	10.7	2.3
EFT to health professional	341.0 ^(a)	79.4	347.7 ^(b)	80.3	382.3	81.2
Pay doctor via claimant cheque	2.8	0.7	2.5	0.6	2.2	0.5
Payment to private health fund or billing agent	34.5	8.0	34.1	7.9	35.3	7.5
Total services^(b)	429.6	100	433.1	100	471.1	100

(a) Numbers may differ due to rounding.

(b) Totals take account of rounding.

Table 8: Volumes of services transmitted digitally

	2018–19	2019–20	2020–21
Medicare Online			
Bulk billing	317.2 million	324.9 million	360.6 million
Patient claiming	36.1 million	34.9 million	38.5 million
Medicare Easyclaim			
Bulk billing	19.4 million	18.6 million	17.3 million
Patient claiming	13.0 million	12.2 million	10.8 million
ECLIPSE^(a)			
Simplified billing	31.6 million	32.2 million	33.9 million
Simple File Transfer Protocol			
Simplified billing	2.8 million	1.8 million	1.4 million
Medicare Online Account			
Patient claiming	1.1 million	1.4 million	1.7 million
Express Plus Medicare mobile app			
Patient claiming	364 000 ^(b)	891,000	1.0 million
Health Professionals Online Service			
Bulk billing	1,975,600	2.4 million	3.3 million
Patient claiming	189,400	231,800	0.4 million
Total digital services	423.6 million	429.4 million	468.8 million
Percentage of overall claims lodged digitally	98.6%	99.2%	99.5%

(a) ECLIPSE = Electronic Claim Lodgement Information Processing Service Environment.

(b) Improvements made to the Express Plus Medicare mobile app in February 2019 have led to strong growth in claims.

HEALTH PROFESSIONALS UNDER MEDICARE

Where an eligible health professional provides services covered by Medicare, they have a Medicare provider number for each practice location.

The provider number allows the health professional to prescribe medications, refer or request health services for patients, and claim benefits under MBS and on behalf of DVA.

In 2020–21, the agency issued 201,696 Medicare provider numbers.

Practices that have diagnostic imaging services, including radiation oncology, must be registered with the agency and have a Location Specific Practice Number to claim Medicare benefits.

Table 9: Health professionals under Medicare

	2018–19	2019–20	2020–21
Medicare provider numbers issued ^(a)	183,998	193,363	201,696
Diagnostic imaging practices registered	5,221	5,235	5,214
Approved Pathology Authorities	98	106	104
Approved Pathology Practitioners	490	483	393
Accredited Pathology Laboratories	728	697	723
Approved Collection Centres	3,722	3,790	4,078

(a) These numbers do not equate to individual health professionals, as health professionals are issued more than one provider number if providing services at multiple locations.

MEDICARE COMPENSATION RECOVERY

Medicare compensation recovery aims to recover any Medicare benefits, nursing home benefits, residential care, or home care government subsidies paid to a claimant as a result of their compensable injury or illness. When a person receives a lump sum compensation payment of more than \$5,000, they may have to pay these costs back to the Australian Government before they receive their compensation payment.

Table 10: Compensation recovery

	2018–19	2019–20	2020–21	% change since 2019–20
Cases finalised	50,915	41,862	39,081	–6.6
Benefits recovered	\$62.6 million	\$48.7 million	\$42.0 million	–13.8

ACCESS TO MEDICINES

Services Australia administers 2 schemes that subsidise access to medicines:

- the PBS – provides access to a wide range of medicines at a reduced cost to Australian residents and eligible overseas visitors
- the Repatriation Pharmaceutical Benefits Scheme (RPBS) – gives eligible veterans and their widows, widowers and dependants subsidised access to some additional medicines and dressings at concession rates, and if clinically justified, items not listed under either scheme.

Table 11: PBS and RPBS expenditure

	2018–19	2019–20	2020–21
PBS benefits paid ^(a)	\$11.9 billion	\$12.7 billion	\$13.7 billion
RPBS benefits paid ^{(a)(b)}	\$0.3 billion	\$0.3 billion	\$0.3 billion
Total benefits paid	\$12.2 billion	\$13.0 billion	\$14.0 billion
PBS services processed ^(c)	203.0 million	206.0 million	210.7 million
RPBS services processed ^{(b)(c)}	8.5 million	8.0 million	7.6 million
Total services processed	211.5 million	214.0 million	218.3 million

(a) Excludes Electronic Prescription Fee payments and Premium Free Dispensing Incentive payments.

(b) Payments/services processed on behalf of DVA.

(c) Excludes services under co-payment prescriptions; patient refund claims; Aboriginal Health Service claims; and claims that are yet to be closed by approved suppliers.

PHARMACEUTICAL BENEFITS SCHEME SUBSIDIES

There are 2 concession levels for PBS listed medicines:

- The maximum cost for a pharmaceutical benefit item at the general rate for 2021 is \$41.30. All Australian residents and eligible overseas visitors can access PBS medicines at the general rate.
- Patients and their families with a valid concession card from Services Australia or DVA are eligible for the concession rate of \$6.60 maximum cost for a pharmaceutical benefit item.

Patients may pay extra for more expensive brands of medicines.

PHARMACEUTICAL BENEFITS SCHEME SAFETY NET

The PBS Safety Net helps patients with the cost of their medicines when they or their families require a large number of prescription medicines in a calendar year.

The 2021 general threshold is \$1,497.20, and for concession patients the threshold is \$316.80. When people reach the relevant threshold, a pharmacist can issue them with a PBS Safety Net card. Their contribution for PBS medicines for the rest of the calendar year is then:

- \$6.60 for general patients
- nil for concession patients.

The patient must still pay any applicable special patient contributions, brand premiums or therapeutic group premiums.

INDIGENOUS PEOPLES' ACCESS TO THE PBS

Special PBS arrangements are administered to people in remote Indigenous communities through Aboriginal Health Services and some state and territory-funded health services. Patients of approved remote area Aboriginal Health Services can access PBS medicines directly from these services at no cost.

At 30 June 2021, there were 160 approved Aboriginal Health Services around the country.

Services Australia also supports Aboriginal and Torres Strait Islander peoples living with chronic disease, or at risk of it, by assisting with the cost of PBS medicines through the Closing the Gap PBS Co-Payment measure.

TRAVELLING WITH PBS MEDICINES

It is illegal to take or send PBS subsidised medicines out of Australia unless they are for the personal use of the person to whom the medicine was prescribed.

The Pharmaceutical Benefits Scheme – Taking or Sending Medicine Overseas inquiry line and the agency's website provide information and advice to people about their responsibilities and rights when travelling overseas with PBS medicines.

In 2020–21, the inquiry line received 1,006 calls (compared to almost 1,500 in 2019–20) and the 'How to manage your PBS medicines overseas' web page was visited 23,181 times (compared to 32,773 in 2019–20). The reduction was due to the impact of the COVID-19 pandemic on international travel.

ONLINE CLAIMING AND PAYMENTS FOR THE PBS

Online claiming for the PBS allows approved suppliers to lodge prescription claims with Services Australia each time a PBS or RPBS medicine is supplied. Payments are made to approved suppliers within 2 to 9 days of the claimed submission.

At 30 June 2021, 99.9% of approved suppliers of PBS and RPBS medicines used online claiming.

AUTHORITY REQUIRED MEDICINES

The Schedule of Pharmaceutical Benefits lists subsidised medicines. Some of these medicines need prior authority approval from Services Australia before they can be prescribed to patients as PBS benefits. These medicines are subsidised for the treatment of specific conditions.

In 2020–21, 7.2 million authority approval requests were received, including 0.3 million RPBS authority requests processed by DVA.

For more information about health programs, payments and services see our website at servicesaustralia.gov.au and the Department of Health's 2020–21 annual report at health.gov.au

AGED CARE PROGRAMS

Services Australia delivers subsidies and supplements to approved aged care providers on behalf of the Department of Health and DVA. The agency's role is to provide timely and accurate payments efficiently and effectively through modern and flexible aged care payment systems. To help determine the level of payments, the agency undertakes means-testing assessments for people entering aged care to ascertain the extent to which they are eligible for government-subsidised care and their level of co-contribution to their cost of care.

A range of stimulus measures were delivered that supported the aged care sector in response to the COVID-19 pandemic. These new measures included temporary increases to a number of subsidies and supplements and 2 one-off COVID-19 Support Supplement payments made in June 2020 and October 2020.

The emergency leave provision introduced in 2019–20 has been continued for older Australians in residential care. Services Australia has deployed payment system functionality for Emergency Leave, which includes suspending the social leave count during the emergency leave period. For more information see *Support during the COVID-19 pandemic and managing emergencies* on page 23.

Table 12: Aged care overview

	2018–19	2019–20	2020–21
Residential Care provider claims processed	32,522	33,198	32,640
Home Care Package provider claims processed	29,344	27,738	28,428
Transition Care provider claims processed	987	970	963
Short-term Restorative Care provider claims processed	654	1,049	1,181
Total provider claims processed	63,507	62,955	63,212
Total amount paid^(a)	\$15.8 billion	\$17.1 billion^(b)	\$18.3 billion^(b)
Total number of services			
Residential Care services	2,742	2,749	2,747
Home Care services	2,882	2,674	2,237
Transition Care services	81	106	77
Short-term Restorative Care services	57	96	82
Total number of providers	1,511	1,516	1,671

(a) Includes \$0.9 billion in 2018–19, \$0.8 billion in 2019–20 and \$0.7 billion in 2020–21 paid on behalf of DVA.

(b) Includes COVID-19 pandemic stimulus payments.

IMPROVING SERVICES TO THE AGED CARE SECTOR

Services Australia is partnering with the Department of Health to modernise residential aged care capabilities to deliver quality care through funding that is more aligned to the needs of aged care residents. New payment system functions will have the ability to support a more flexible, responsive and quality service for older Australians to access aged care services.

The new aged care provider portal was successfully deployed in November 2020. This resulted in all aged care service providers moving to a single, streamlined digital claims process for home care, residential care, and transition and short-term restorative care.

Services Australia is also making changes to improve the customer experience for people accessing aged care services. Changes delivered in 2020–21 include streamlining nominee arrangements, simplifying claims for financial hardship, adding functionality to update income and assets information online, and streamlining aged care letters.

HEALTH SERVICES FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Services Australia assesses claims and processes payments for the treatment of eligible DVA clients for medical, specialist, diagnostic imaging, pathology, allied health and dental services, and for private hospital admissions and prostheses.

The agency produces DVA's Gold Cards, White Cards and Orange Cards for eligible veterans.

During the year, DVA providers were transitioned to a new, modernised and secure authentication credential for their digital transactions with Services Australia. There was continued take up of digital channels, with over 187,779 provider locations claiming in 2020–21. More than 97.16% of total services received for DVA were transmitted through digital channels. Manual claiming is down to less than 2.85% of total service claims received, compared to 5% in 2019–20.

In conjunction with DVA the agency continued to promote the benefits of electronic claiming to providers. As a result, in 2020–21:

- electronic claiming increased to 97.16%
- electronic claiming for allied health services increased to 94.91%
- electronic claiming for medical services increased to 98.32%
- electronic claiming for hospitals increased to 93.18%
- manual claiming for DVA decreased to 2.85%.

Table 13: Department of Veterans' Affairs processing

	2018–19	2019–20	2020–21
Cards produced	42,752	177,577 ^(a)	105,733
Services processed	16.8 million	16.1 million	16.1 million
Total benefits paid	\$2.0 billion	\$1.9 billion	\$1.9 billion

(a) Services Australia is required to periodically undertake a bulk card re-issue at DVA's request (approximately every 6 years). This last occurred during 2019–20.

For information about health payments to and services for veterans see DVA website, including its 2020–21 annual report, at dva.gov.au

PRIVATE HEALTH INSURANCE REBATE

The Private Health Insurance Rebate reimburses or discounts the cost of private health insurance cover. It is available to all people who are eligible for Medicare and have a complying health insurance policy.

The rebate is income tested. It can be claimed in one of 2 ways:

- as an upfront reduction in the cost of premiums – the Premium Reduction Scheme (administered by Services Australia)
- as a tax offset in annual income tax returns (administered by the ATO).

Table 14: Private Health Insurance Rebate

	2018–19	2019–20	2020–21
Memberships registered	6.8 million	6.9 million	7.1 million
Total paid to private health funds	\$6.1 billion	\$6.1 billion	\$6.3 billion

HEALTH CARE HOMES

The Health Care Homes Program is designed to improve health care for patients with chronic and complex conditions by providing them with a medical practice 'home base' for ongoing coordination, management and support of their treatment.

There are 3 payment tiers, which are linked to the level of patient complexity and need. Health Care Homes practices receive a monthly bundled payment based on the tier levels of their registered patients. Payments are retrospective, allowing for regular patient review, and if necessary, adjustment of the patient's Health Care Homes tier level.

In 2020–21, \$11.7 million was paid to 118 practices.

EXTERNAL BREAST PROSTHESES REIMBURSEMENT PROGRAM

The External Breast Prostheses Reimbursement Program reimburses up to \$400 for each new or replacement external breast prosthesis for women who have had breast surgery as a result of breast cancer. Claimants must be eligible for Medicare and must not have claimed under the program in the previous 2 years unless there is a medical reason.

Table 15: External Breast Prostheses Reimbursements

	2018–19	2019–20	2020–21
Number of claims processed	14,451	12,754	13,720
Amount paid	\$6.3 million	\$5.4 million	\$6.1 million

CONTINENCE AIDS PAYMENT SCHEME

The Continence Aids Payment Scheme gives eligible people with severe and permanent incontinence yearly or twice-yearly payments to help buy continence aids products.

Table 16: Continence Aids Payments

	2018–19	2019–20	2020–21
Number of applications processed	29,691	31,078	31,221
Amount paid	\$89.4 million	\$88.0 million	\$91.2 million

PRACTICE INCENTIVES PROGRAM

The Practice Incentives Program encourages general practices to continue providing quality care, enhance capacity, and improve access and health outcomes for patients. Payments made through the program are paid to eligible medical practices and individual providers.

Table 17: Practice Incentives Program

	2018–19	2019–20	2020–21
Number of practices participating	6,133	6,206	6,376
Amount paid to practices	\$339.8 million	\$454.1 million	\$438.0 million

WORKFORCE INCENTIVE PROGRAM – PRACTICE STREAM

This program targets financial incentives to support general practices to engage nurses, Aboriginal and Torres Strait Islander health workers and health practitioners, and allied health professionals in multidisciplinary and team-based primary health care across Australia.

Table 18: Workforce Incentive Program – Practice Stream

	2018–19	2019–20	2020–21
Number of practices participating	5,393	5,542	5,698
Amount paid to practices ^(a)	\$375.9 million	\$387.6 million	\$389.3 million

(a) Amount paid to practices includes DVA loading paid to eligible practices.

WORKFORCE INCENTIVE PROGRAM – DOCTOR STREAM

The Workforce Incentive Program – Doctor Stream encourages medical practitioners to practise in rural and remote communities and to promote careers in rural medicine.

Table 19: Workforce Incentive Program – Doctor Stream

	2018–19	2019–20	2020–21
Medical practitioners paid (GPs and specialists)	8,292	8,292	8,284
Payments made	8,405	8,467	8,481
Amount paid	\$117.7 million	\$116.7 million	\$124.6 million

CHILD DENTAL BENEFITS SCHEDULE

The Child Dental Benefits Schedule provides families, teenagers and approved care organisations with financial support for basic dental services for eligible children. Dental services include examinations, X-rays, cleaning, fissure sealing, fillings, root canals and extractions.

Benefits for basic dental services are capped at \$1,000 per child over 2 consecutive calendar years. In 2020–21, Services Australia processed 5.3 million services and paid \$316.0 million in benefits under the Child Dental Benefits Schedule. This compares to 4.6 million services and \$283.5 million in benefits paid in 2019–20.

AUSTRALIAN IMMUNISATION REGISTER

The AIR is a national register that records all vaccines given to people of all ages in Australia. In late-June 2021, the register started to record all COVID-19 vaccinations administered across Australia (see *Supporting the COVID-19 vaccination rollout* on page 26).

Table 20: Australian Immunisation Register

	2018–19	2019–20	2020–21
Vaccine episodes ^(a)	26.6 million	30.6 million	26.0 million
Amount paid to vaccination providers ^(b)	\$9.5 million	\$9.3 million	\$8.9 million

(a) Vaccine episodes: the number of vaccines administered by vaccination providers and recorded on the AIR. A vaccine can consist of multiple antigens. For example, the measles, mumps, rubella vaccine has 3 antigens.

(b) Payments are made to eligible vaccination providers on completion of the childhood National Immunisation Program schedule for a child aged under 7 years, or for vaccinating a child aged under 7 years who is more than 2 months overdue for their childhood National Immunisation Program scheduled vaccines.

AUSTRALIAN ORGAN DONOR REGISTER

The national Australian Organ Donor Register records people's decisions about becoming organ and/or tissue donors for transplantation after death.

The register enables authorised medical personnel to verify a person's decision about donating their organs and/or tissue for transplantation. People can register their donation decision online using their Medicare online account through myGov or the Express Plus Medicare mobile app.

There are 2 types of organ donor registrations:

- consent registration – when a person aged 18 years or older provides a signed registration form or submits a registration using their Medicare online account through myGov or the Express Plus Medicare mobile app
- intent registration – when a person registers their decision to donate through a channel that does not require a signature or electronic authentication – for example, by phone or email.

Whether registration is by consent or intent, approval will always be sought from the person's family before proceeding with the donation process.

Table 21 shows the cumulative totals of the numbers of registrations since the inception of the register.

Table 21: Organ donor registrations

	2018–19	2019–20	2020–21
Consent registrations ^(a)	2,471,683	2,632,151	2,788,915
Intent registrations ^(b) at 30 June	4,294,301	4,321,011	4,338,052
Total registrations	6,765,984	6,953,162	7,126,967
Enquiry line calls received	14,750	12,216	10,130

(a) Consent via a signed registration form using myGov or the Express Plus Medicare mobile app.

(b) Consent that does not require a signature or electronic authentication via phone or email.

AUSTRALIAN THALIDOMIDE SURVIVORS SUPPORT PROGRAM

The 2020–21 Budget included a lifetime support package for all recognised Australian thalidomide survivors, the Australian Thalidomide Survivors Support Program (ATSSP). The ATSSP went live on 29 March 2021.

The Department of Health has overall responsibility for ATSSP policy, communication and the lump sum and annual payments. Services Australia administers 2 components of the support package for claims made by survivors:

- the Extraordinary Assistance Fund – for home and vehicle modifications
- Health Care Assistance Fund – for all out-of-pocket health care expenses.

Table 22: Extraordinary Assistance Fund and Health Care Assistance Fund

	2020–21
Extraordinary Assistance Fund	\$7,537.49
Health Care Assistance Fund	\$9,182.36
Total claims	102
Amount paid	\$16,719.85

MEDICAL INDEMNITY

The Government's medical indemnity framework is designed to strengthen the longer-term viability and success of the medical insurance industry by indemnifying medical practitioners in certain circumstances.

HIGH COST CLAIMS INDEMNITY SCHEME

Under the High Cost Claims Indemnity Scheme, the Government funds 50% of the cost of medical indemnity insurance payouts that are greater than the threshold amount, up to the limit of the medical practitioner's insurance cover.

Table 23: High Cost Claims Indemnity Scheme

	2018–19	2019–20	2020–21
Claims received	444	410	558
Benefits paid	\$70.4 million	\$68.1 million	\$73.0 million

PREMIUM SUPPORT SCHEME

Under the Premium Support Scheme, eligible medical practitioners receive a subsidised reduction in their insurance premiums. Insurers are then reimbursed the subsidised amount.

Table 24: Premium Support Scheme

	2018–19	2019–20	2020–21
Eligible practitioners	1,004	1,060	943
Amount paid	\$7.2 million	\$9.7 million	\$6.2 million

RUN-OFF COVER INDEMNITY SCHEME FOR MEDICAL PRACTITIONERS

Under the Run-off Cover Indemnity Scheme, the Government covers the cost of claims for eligible medical practitioners who have left the private medical workforce. To pay for the scheme, the Government uses funds received through the Run-off Cover Support Payment which is a tax paid by medical indemnity insurers each year.

Table 25: Run-off Cover Indemnity Scheme for medical practitioners

	2018–19	2019–20	2020–21
Claims received	118	137	147
Benefits paid	\$6.7 million	\$12.1 million	\$10.6 million

INCURRED BUT NOT REPORTED INDEMNITY SCHEME

Under the Incurred But Not Reported Indemnity Scheme, the Government covers the costs of claims from medical defence organisations that do not have adequate reserves to cover their liabilities. United Medical Protection Limited is the only medical defence organisation actively participating in the scheme.

Table 26: Incurred But Not Reported Indemnity Scheme

	2018–19	2019–20	2020–21
Claims received	24	13	13
Benefits paid	\$6.2 million	\$0.8 million	\$1.0 million

MIDWIFE PROFESSIONAL INDEMNITY SCHEME

Under the Midwife Professional Indemnity Scheme, the Government makes a financial contribution to administration costs to help eligible insurers who provide indemnity to eligible midwives.

In 2020–21, no claims were made under this scheme (and no claims were made in 2019–20).

DIGITAL HEALTH

In 2020–21, Services Australia continued to work with the Australian Digital Health Agency to deliver the following digital health services:

- the Healthcare Identifiers Service
- components of the My Health Record system
- the National Authentication Service for Health.

SUPPORTING PEOPLE NOT ELIGIBLE FOR MEDICARE TO ACCESS PROOF OF COVID-19 VACCINATION

People who are not eligible for Medicare or DVA can apply for an Individual Healthcare Identifier (IHI) to access digital proof of their COVID-19 vaccinations. This was a manual process until early June 2021.

During 2020–21, the agency started receiving an increase in applications from individuals preparing to be vaccinated for COVID-19 and requesting an Immunisation History Statement to access digital evidence of their vaccinations via their My Health Record.

To support an increase in volumes due to the national COVID-19 vaccination rollout, Services Australia digitised the application process so individuals can apply for an IHI through a new myGov service. This has enabled individuals to access their Immunisation History Statement and COVID-19 digital certificate from the AIR using their IHI. For more information, see *Supporting the COVID-19 vaccination rollout* on page 25.

Services Australia is also supporting additional online channels for consumers to access their COVID-19 vaccination information.

Information sent to My Health Record has been updated to include additional details relating to consumers' vaccinations that are held in the AIR. This additional information will allow My Health Record to:

- give providers the ability to view their patients' vaccination information including the batch and vial numbers for COVID-19 vaccines
- display reminders to consumers when their next vaccination is due
- present a clear and concise COVID-19 vaccination status for consumers
- allow consumers to retrieve the 'official' AIR Immunisation History Statement through My Health Record for themselves or their dependants. This statement is the only source of documentation that state/territory bodies will accept to show proof of vaccinations.

4.3 Child Support

Services Australia delivers the Child Support Program, which aims to ensure that children receive an appropriate level of financial support from parents who are separated.

The agency provides child support registration, assessment, collection and disbursement services to parents and non-parent carers such as grandparents, legal guardians or other family members.

The person entitled to receive child support can either elect to have child support payments transferred to them privately (Private Collect) or ask us to collect on their behalf (Child Support Collect). The agency has compliance and enforcement programs to maximise the timely collection and transfer of payments.

Services Australia works with parents to review and update child support assessments as circumstances change, to ensure the right levels of child support are paid.

In 2020–21, a number of ICT enhancements were made by the agency, including:

- using STP data (see *Single Touch Payroll* on page 17)
- sending SMS messages to child support customers.

For more information, see *Compliance and enforcement* on page 62.

CHILD SUPPORT TRANSFERS

In 2020–21, the agency worked with separated parents to facilitate the transfer of \$3.81 billion to support approximately 1.2 million children.

Table 27: Child support transferred between parents

	2018–19	2019–20	2020–21
Child Support Collect	\$1.646 billion	\$1.698 billion	\$1.738 billion
Private Collect ^(a)	\$2.037 billion	\$2.076 billion	\$2.076 billion
Total	\$3.683 billion	\$3.774 billion	\$3.814 billion

(a) The amount of Private Collect transferred assumes 100% of Private Collect payments are collected.

Note: The amount of child support collected and transferred represents cash payments collected and transferred by the agency and other allowable payments (such as direct payment of school fees) that are credited as payments but are not collected and transferred by the agency. It does not include Private Collect transfers, when the agency assesses the amount payable but does not arrange for collection.

PRIVATE COLLECT

When appropriate, separated parents can choose to manage their child support responsibilities through Private Collect arrangements. In Private Collect cases, Services Australia assesses the rate of child support payable, and the paying parent pays child support directly to the other parent or non-parent carer. In 2020–21, 51.2% of child support cases were Private Collect.

CHILD SUPPORT COLLECT

If parents do not choose to make and receive child support payments directly between themselves, they can ask the agency to collect and transfer payments on their behalf. In 2020–21, the agency collected and transferred approximately \$1.738 billion in child support payments.

CHANGE OF ASSESSMENT IN SPECIAL CIRCUMSTANCES

The child support formula accommodates the majority of parents' circumstances and provides flexibility for most changes that affect the assessment. A parent can apply to have their child support assessment reviewed if there are certain special circumstances that the formula cannot accommodate and that significantly affect either parent's capacity to financially support the child or maintain themselves or a dependant.

In 2020–21, Services Australia received 14,556 change of assessment in special circumstances applications – 14,192 of finalised applications resulted in a change to the rate of child support to better reflect the special circumstances of parents and their children. In 60.56% of cases, the application related to a parent's income, property, financial resources or earning capacity.

COMPLIANCE AND ENFORCEMENT

Services Australia focuses on reducing child support debt through its compliance and enforcement programs. This includes setting up payment arrangements to repay child support debt in the shortest possible time based on a parent's capacity to pay. Table 28 shows the percentage of active paying parents who do not have a child support debt. It also shows the percentage of active paying parents with a child support debt who have a payment arrangement in place to repay the debt.

An active paying parent is someone who is responsible for paying child support in at least one active child support case – that is, a case where there is a current or future liability.

Table 28 does not include parents whose cases have ended (meaning there is no current or future child support liability) but who still have a child support debt.

Table 28: Active paying parents without debt and with debt under a payment arrangement

	2018–19 %	2019–20 %	2021–21 %
Active paying parents without debt	74.7	73.7	75.8
Active paying parents with a child support debt which is under a payment arrangement	50.1	62.5	58.0

Whenever possible, child support is collected via employer withholding and income support payments to ensure timely and sustainable payments are made – see Table 30: Employer withholding from wages and salaries on page 64. When voluntary compliance is not possible, the agency pursues collection. This could include seeking a Departure Prohibition Order (DPO) or pursuing collection from a paying parent through the courts.

DPOs stop child support debtors from leaving Australia without either paying, or arranging to pay, their child support. In 2020–21, 922 DPOs were issued, resulting in \$21.3 million being collected.

In 2020–21, Services Australia issued 33,686 ‘nudge’ letters to customers who had missed payments, which resulted in \$43.6 million being paid. The nudge letters also resulted in paying parents entering into arrangements to repay their child support debt (valued at \$39.7 million). The wording of these letters is based on our behavioural analytics research, which helps Services Australia motivate positive customer responses.

During the year, the agency refined its child support compliance programs by using STP data to inform more timely collection of child support payments. For example, where a paying parent is not making timely child support payments and STP data suggests they are working, we will use this information to work with the parent to ensure regular child support payments are made.

Table 29: Child support compliance and enforcement actions

	Number of actions			Child support collected/ corrected \$ million		
	2018–19	2019–20	2020–21	2018–19	2019–20	2020–21
Lodgement of finalisations ^(a)	60,323	122,658	83,039	NA	NA	83,039
Tax refund intercept payment ^(b)	106,147	124,123	118,960	123.7	161.2	158.6
Departure Prohibition Orders ^(c)	1,921	741	922	28.0	25.0	21.3
Litigation ^(d)	75	53	76	15.0	12.0	13.3

(a) To ensure assessments for child support are accurate, the ATO takes lodgement enforcement action for mutual customers. A finalisation is defined as a tax return lodgement; an ATO determination that a return is not necessary; a further return is not necessary; or an ATO determined income. This definition has been updated to include all actions undertaken by the ATO, therefore this table will differ from previous published annual reports.

(b) Tax refund intercepts resulting from actions taken to enforce ATO taxable incomes (lodgement enforcement) are included in this figure.

(c) DPOs preventing overseas travel are issued to people who have not made satisfactory arrangements to clear substantial debts.

(d) When other enforcement options have been unsuccessful and an assets or income stream is identified, the agency takes litigation action against parents who repeatedly avoid paying their child support.

Table 30: Employer withholding from wages and salaries

	2018–19	2019–20	2020–21
Active paying parents with employer withholding payments set up ^(a)	73,378	73,663	82,259

(a) The agency may initiate employer withholding for both current liability and child support debt.

Table 31: Deductions from Centrelink and DVA payments

	2018–19	2019–20	2020–21
Amounts collected from Centrelink and DVA payments ^{(a)(b)}	\$69.1 million	\$76.6 million	\$96.3 million

(a) Represents the total amount of deductions from both Centrelink and DVA payments.

(b) These deductions may be made for both current liability and child support debt.

Targeted services and partnerships

5

5.1 Help for vulnerable people

Services Australia provides specialised and targeted services which support customers experiencing vulnerability.

PEOPLE AFFECTED BY FAMILY AND DOMESTIC VIOLENCE

In September 2020, Services Australia launched its *Family and Domestic Violence Strategy 2020–23*. The strategy underpins the agency's commitment to supporting people affected by family and domestic violence by providing information and assistance through payments and referrals to support services, such as social work services.

We recognise that some people are particularly vulnerable to family and domestic abuse, including Aboriginal and Torres Strait Islander peoples, older people, and women at particular stages of life, such as pregnant women and women separating from their partners.

The agency's Risk Identification and Referral Model helps staff identify customers affected by family and domestic violence and offer them support. In 2020–21:

- 25,575 Crisis Payments were granted to support customers affected by family and domestic violence
- our family and domestic violence web pages were viewed 311,306 times across 191,439 unique sessions
- the agency's APS and non-APS staff completed approximately 27,950 training sessions to help customers and/or agency staff affected by family and domestic violence.

Leaving an abusive relationship can be a difficult and dangerous process, and the agency's priority is to ensure customers feel supported through this. During the year, the agency commenced a Family and Domestic Violence Pilot to provide a more integrated service response for customers who are at risk of, or experiencing, family and domestic violence. The pilot has been extended for an additional 3 years from July 2021 and will initially focus on child support customers who require an intensive and collaborative whole-case management response where cases are identified that present significant, immediate risk.

The pilot will inform an enterprise-wide future Services Australia approach to managing customers who are at risk of, or experiencing, family and domestic violence.

Protecting victims of domestic violence

Before the COVID-19 pandemic, a person living with violence could get some comfort and support at their workplace, or by checking in with friends. Now people in isolation may have to spend much more time at risk of violence, and can feel trapped at home. It might not be safe for them to pick up the phone and ask for help. People in circumstances like these, need support now more than ever.

In response to this, Services Australia has worked to provide more support. Our website has more information about what to do if you are experiencing family or domestic violence. It also has steps people can take to keep themselves safe when they contact us.

Staff training is now more accessible, with updated courses on family and domestic violence readily available online.

We are also supporting staff working from home who may be affected by violence, for example, by giving information to their managers so they can help.

We continue to have strong relationships with referral services, other government agencies, and community service providers, so that we can link people to the best support and care services available.

As an agency, we declare in one voice: 'Family and domestic violence: It's time to say enough'.

ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES

Aboriginal and Torres Strait Islander peoples can often face particular challenges in accessing services, especially if they live in remote areas.

The Government's July 2020 National Agreement on Closing the Gap (the National Agreement) is an important opportunity to reshape the agency's approach to delivering programs and services in partnership with Aboriginal and Torres Strait Islander peoples.

As the Australian Government's primary service delivery agency, Services Australia is committed to embedding the new approach outlined in the National Agreement. We are developing an enterprise-wide strategy to deliver to the National Agreement.

Our strategy will articulate new approaches to the agency's existing work and will include a broad commitment to Closing the Gap. It will also include specific actions to deliver on targets and priority reforms, a fully-developed set of guiding principles, reporting, accountability, governance and oversight arrangements, and a 10-year roadmap.

The internal Aboriginal and Torres Strait Islander voice is central to this process and includes meaningful engagement with Indigenous Senior Executive staff, program and service delivery representatives, the National Indigenous Coalition (NIC) and the Reconciliation Action Plan Working Group.

INDIGENOUS SERVICING STRATEGY

The *Indigenous Servicing Strategy 2018–22* outlines the agency's commitment to improving outcomes for Aboriginal and Torres Strait Islander peoples by continuing our focus on effective service delivery. It provides clear direction to all agency staff who design and deliver services for Aboriginal and Torres Strait Islander peoples.

The strategy aligns with and supports the agency's *Reconciliation Action Plan 2018–22* (see *Reconciliation* on page 170 and *Supporting Aboriginal and Torres Strait Islander staff* on page 179).

For more information about the plan and the strategy, see our website at **servicesaustralia.gov.au**

IMPROVING INDIGENOUS SERVICES

A pilot was conducted in 2021 aimed at reducing the gap in MBS expenditure between Indigenous Australians and non-Indigenous Australians. This supports the Services Australia *Indigenous Servicing Strategy 2018–22* Theme 1.1 Medicare Benefit – Closing the Gap

This plays a vital role in improving Indigenous health outcomes. Correct Medicare enrolment ensures individuals have access to essential health care and plays a significant role in reducing the gap in the MBS dollar spend.

Key business areas across Services Australia collaborated in the pilot with a specific focus on updating Indigenous customer Medicare records. Comprehensive training materials were developed to support the agency's service officers in delivering the new service offer.

In September 2020, the pilot was launched in the Kempsey and Lakehaven service centres in Service Zone North NSW. The success of the pilot saw its expansion into another 8 service centres. Service Zone North NSW has indicated an interest in incorporating the pilot into its service offer, and recently received an agency NAIDOC Award for Outstanding Service Improvements in 2021.

The pilot has now expanded to Service Zone South Queensland, and as stories of success spread, other Service Zones have expressed interest in participating.

In 2018, the MBS dollar spend gap was approximately 27 per cent. At June 2021, the MBS dollar spend gap was 14.9 per cent.

INDIGENOUS SERVICE OFFICERS

Indigenous Service Officers (ISOs) help support Aboriginal and Torres Strait Islander individuals, families and communities to connect with the agency's payments, services and programs. ISOs work through their established stakeholder and community relationships to help address operational and strategic service delivery issues and identify customer and community service gaps and trends.

At 30 June 2021, there were 63 ISOs, compared to 61 at 30 June 2020.

NATIONAL INDIGENOUS COALITION

The NIC is the agency's peak strategic and advisory forum on the effective delivery of payments and services for Aboriginal and Torres Strait Islander peoples. The NIC gives the agency's Indigenous servicing network opportunities to engage with business areas on issues affecting Aboriginal and Torres Strait Islander customers, communities and staff.

Due to COVID-19 restrictions, during 2020–21 the agency held 2 virtual conferences and 7 virtual workshops with key stakeholders in place of the 2 face-to-face conferences that would normally occur. This engagement has ensured the agency continues to influence and provide strategic advice on matters affecting Aboriginal and Torres Strait Islander customers, communities and staff.

INDIGENOUS INTERPRETING SERVICES

Services Australia offers free access to interpreters for multilingual Aboriginal and Torres Strait Islander customers. Indigenous interpreters are provided by multiple language service providers including the Northern Territory Aboriginal Interpreter Service, Aboriginal Interpreting Western Australia and ABC Multilingual Pty Ltd.

In 2020–21, over 1,800 calls were made to the Aboriginal Interpreter Service on-demand interpreter services, and over 800 hours of face-to-face Indigenous interpreting services were provided in service centres.

REGIONAL, RURAL AND REMOTE SERVICING

Services Australia provides face-to-face access to services in regional, rural and remote locations across Australia, including many remote Aboriginal and Torres Strait Islander communities. Services are provided through a mix of Agents, Access Points, service centres, and visits by remote servicing teams and mobile service centres.

MOBILE SERVICE CENTRE

The agency has 3 mobile service centres: Golden Wattle, Desert Rose and Blue Gum. Blue Gum is the newest mobile service centre, entering service in October 2020. Our mobile service centres travel to rural and regional communities to ensure that they have access to the same range of services that are available at any other service centre in Australia. In 2020–21, the mobile service centres:

- visited 289 towns – 176 of which were greater than 50 kilometres from a service centre
- helped 9,179 people
- spent 32 days in 42 flood-affected communities in New South Wales, helping over 2,000 people.

AGENTS AND ACCESS POINTS

Agents and Access Points help people in rural, regional and remote communities to access our services.

Access Points provide free self-service facilities for customers to conduct their business. Customers can access internet-enabled computers and printers, upload documents to their customer record, call us on the self-service phone, and access free wi-fi to use their own devices.

Agents also provide a face-to-face information service, identity document certification, and assist customers to use self-service.

At 30 June 2021, Services Australia had 352 Agents and 230 Access Points throughout regional, rural and remote Australia.

Agents supporting people to get the help they need

As the COVID-19 pandemic restrictions continued to affect communities across the country, many people who had never been on a Services Australia payment before needed support – including people in regional, rural and remote communities.

Our Agents and Access Points helped people in these communities to access our payments and services for the first time. Our Pottsville Beach Agent in NSW, for example, is the local contact for government services in Pottsville Beach and the surrounding area.

The Agent can coach customers through self-service processes to access support safely during the pandemic. For example, when a customer with literacy and numeracy problems and no experience with technology asked for help at Pottsville Beach, the Agent assisted with updating their details and used a priority phone line to make sure the person would not end up with a debt.

In a nation as geographically dispersed as Australia, Agents and Access Points are playing a vital role in making sure we have the ability to deliver payments and services to customers, no matter where they live.

REMOTE SERVICING TEAMS

Remote servicing teams provide equitable access to income support payments and services through a face-to-face and virtual service offer to people located in remote areas. This includes:

- assisting people with complex needs to engage with services and other support
- taking a digital-first approach for customers with digital capability and access
- using a collaborative model with specialist and professional services such as social work, assessment services and community-based service providers.

The agency strengthened its virtual service offer in response to travel suspensions to remote areas, given the risks that COVID-19 presents for remote and Indigenous communities and individuals.

REMOTE SERVICE CENTRES

Remote service centres offer a range of face-to-face services, as well as supported digital services from a single physical location. Remote service centres are located in communities – 9 in the Northern Territory, 5 in Western Australia and 3 in Queensland.

Wherever possible we recruit local Aboriginal and Torres Strait Islander staff to work in these sites. Staff from remote communities are more likely to speak local Aboriginal or Torres Strait Islander languages and understand local customs, traditions and relationships.

FARM HOUSEHOLD ALLOWANCE

Farm Household Allowance is a payment for farming families in financial hardship. It is a time-limited payment that customers can receive for up to 4 years in every 10-year period. Help is also available for eligible farmers and their partners to improve their financial self-reliance. In 2020–21, the agency finalised more than 3,000 Farm Household Allowance claims. This compares to nearly 7,000 claims in 2019–20.

Remote customers calling to claim or update information for Farm Household Allowance can now register a voiceprint to authenticate and use IVR to get the information they need without waiting to speak to a service officer.

MULTICULTURAL SERVICES

Services Australia is committed to ensuring our services respond effectively to the needs of CALD customers.

2019–22 MULTICULTURAL SERVICING STRATEGY

The *2019–22 Multicultural Servicing Strategy* supports the agency's commitment to the Australian Government's Multicultural Access and Equity Policy and our CALD staff, customers and communities. The strategy outlines 48 actions across 42 business areas to improve access and outcomes for CALD customers.

Some of the key actions in the strategy include:

- establishing a set of mandatory multicultural service design standards across all initiatives, projects and programs that embed the voice of multicultural customers in all aspects of service delivery design and transformation
- building on the translation of the Payment and Service Finder digital service and exploring opportunities to translate more online services
- ensuring multicultural communities benefit from our large transformation projects, including pre-filled data for claims, simpler forms, digital assistants on our online channels, and easy voice recognition when our customers need to call.

MULTICULTURAL SERVICE OFFICERS

Multicultural Service Officers (MSOs) play an integral role in connecting migrants and refugees to our information, payments and services. There are approximately 70 MSOs around the country, providing services to urban and regional CALD communities.

In 2020–21, the focus of the MSO program was to:

- engage with CALD communities to ensure people have the information they need to access payments and services during the COVID-19 pandemic
- support the COVID–19 vaccination rollout through promotion of translated information from Services Australia and the Department of Health
- target information to the community about our digital channels, debt prevention, financial literacy and family and domestic violence
- build staff cultural capability and promote and support use of the interpreter and translation service.

In 2020–21, MSOs conducted 40,950 direct engagement activities with 2,200 community and third-party organisations.

Giving people support in their own language

More than 7 million people living in Australia come from a CALD background.

The COVID-19 pandemic has reinforced the importance of quickly communicating with people in their language. While for many it is simple to do a quick search online and find the information they need, this is usually not easy for people whose first language is not English.

Throughout the pandemic, it is essential that CALD communities have up-to-date information about COVID-19 related payments – particularly for migrants and refugees.

In response, the agency rapidly produced COVID-19 information into more than 65 languages. The information was aired on SBS radio, multicultural news outlets and continually updated on our website. Our MSOs reached out to CALD leaders and their communities to share this information.

This is only part of what the agency does to help CALD customers. The agency offers a national multilingual telephony service with staff who can assist customers in more than 20 languages. Language Services provide free interpreting and translating services in over 200 languages. In 2020–21, the team managed a huge increase in demand, translating over 6,000 documents and arranging more than 700,000 connections with interpreters.

MULTICULTURAL COMMUNITY ENGAGEMENT

As part of our commitment to the Multicultural Access and Equity Policy and CALD community engagement, the agency convenes representative groups.

The **National Multicultural Advisory Group** includes representatives from peak multicultural organisations and advises the agency on all aspects of service to CALD customers, including:

- the quality and effectiveness of services
- the impact of new and existing policies and/or legislation on customers
- future service delivery developments
- opportunities to build stronger communities in partnership with the agency.

In 2020–21, membership was expanded to include Humanitarian Settlement Program service providers, the Australian Council of Social Service, the Australian GLBTIQ Multicultural Council and the National Refugee Advisory and Advocacy Group.

The **Multicultural Community Engagement Group** comprises government agencies with an operational focus on multicultural community engagement.

In 2020–21, the group focused its discussions on agency responses to:

- the COVID-19 pandemic, including the vaccination program
- community engagement frameworks
- language services and translated information.

Multicultural Advisory Forums are held in areas with high multicultural populations across all states and territories. The forums are used by the agency to update participants on major changes to services and payments. The forums also help the agency to work more collaboratively across government and with the community and third-party organisations at a state, territory and local level to identify and address service delivery issues affecting people from CALD backgrounds.

In 2020–21, the agency used Multicultural Advisory Forums as a platform to discuss the agency's response to COVID-19, our assistance with the vaccination rollout, and CALD community issues such as elder abuse and family and domestic violence, and challenges being experienced by refugees, people with disability, job seekers and carers.

LANGUAGE SERVICES

The agency provides customers with limited or no English free interpreter and translation services in over 200 languages, including Auslan, to help them conduct their business with us. Interpreters can help with phone and face-to-face customer contacts.

In 2020–21, there were over 740,000 interpreter interactions and more than 5,000 document translations were completed. More than 2,000 contracted interpreters and translators delivered these services on behalf of the agency.

Bilingual staff receiving the Community Language Allowance provide direct customer service in languages other than English. The Services Australia's website also provides translated information, such as factsheets and audio files, about our payments and services.

The agency continues to explore innovative opportunities to provide online services in languages other than English. For example, the *About myGov* video was translated into 9 international and 2 Indigenous languages to help customers who do not yet use myGov to access online government services.

During 2020–21, Services Australia supported the Department of Health with the rollout of the COVID-19 vaccination program by providing interpreter services and drawing on multicultural expertise and guidance. This included language recommendations for Aboriginal and Torres Strait Islander peoples and people from CALD backgrounds, to ensure COVID-19 messages were tailored and targeted.

SOCIAL WORK SERVICES

Services Australia social workers are located in service centres and smart centres across the country. At 30 June 2021, there were 681 social workers employed in 216 locations.

Social workers provide professional support, counselling and interventions to vulnerable Australians in crisis or those affected by natural disasters and emergencies. They also deliver training, and work with staff and the community to support individuals with multiple and complex needs.

In 2020–21, social workers responded to 256,392 referrals for support and delivered targeted services for priority customer groups, including:

- 5,692 people at risk of suicide and self-harm
- young people without adequate support. Social workers engaged with 2,998 vulnerable and unsupported young people in targeted intervention
- 107,934 referrals to assist people affected by family and domestic violence.

In 2020–21, social workers also assisted people affected by disasters, including the Western Australian bushfires, the NSW floods, Tropical Cyclone Seroja and the ongoing COVID-19 response. Social workers provided alternative services and strategies to support vulnerable and at-risk customers, while maintaining business as usual agency work requirements. During any disaster, social workers can be deployed to mobile service teams, mobile service centres and to state/territory-based recovery centres to provide support to affected individuals and families.

COMMUNITY ENGAGEMENT OFFICERS

In 2020–21, the agency had 82 Community Engagement Officers (CEOs) who had relationships with over 2,400 community and third-party organisations. CEOs work collaboratively with other staff such as Multicultural and Indigenous Service Officers to support vulnerable customers with complex issues. CEOs:

- work collaboratively with community and third-party organisations to support people who are experiencing vulnerability or have complex needs, to ensure they are aware of the range of agency services available
- support customers to increase their capacity for greater self-sufficiency by promoting and demonstrating the agency's digital services
- deliver agency services in locations such as mental health facilities, family and domestic violence services, general crisis/support services, drug and alcohol services, specialist accommodation services and youth services.

CEOs typically meet customers in their own environment where they feel most comfortable. However, through much of 2020–21, a virtual service offer was implemented as a consequence of COVID-19 restrictions. In 2020–21, CEOs also used their extensive networks to promote and educate customers about the Government's COVID-19 vaccine strategy and other pandemic-related payments and services.

CITIZENSHIP TESTING

The agency delivers citizenship tests on behalf of the Department of Home Affairs in 38 service centres in regional areas. In 2020–21, the agency conducted 15,691 citizenship tests.

SUPPORT FOR REFUGEES AND HUMANITARIAN ENTRANTS

Services Australia assists refugees and humanitarian entrants in Australia by offering streamlined services, including payments, information and referrals, Medicare enrolment, language services, information seminars, and support for finding work.

The agency works closely with the Department of Home Affairs and Humanitarian Settlement Program providers, as well as community groups, to ensure that refugees receive appropriate services and support on arrival. A network of specialist teams and subject matter experts deliver the services at locations with high settlement populations, including in regional areas.

STATUS RESOLUTION SUPPORT SERVICES PAYMENT

The Status Resolution Support Services Payment provides temporary, needs-based support to asylum seekers who are unable to support themselves while resolving their immigration status. At 30 June 2021, approximately 1,200 customers were receiving the payment.

MONEY MANAGEMENT

Services Australia provides services to help customers in challenging circumstances to manage their money.

FINANCIAL INFORMATION SERVICE

The Financial Information Service (FIS) offers free, independent and confidential information, tools and resources to help customers make informed decisions about their current and future financial needs. FIS can assist financially vulnerable people to improve their financial capability, and fosters self-sufficiency by looking at financial options beyond the payments offered by Services Australia.

FIS is available by phone, by appointment and through online resources. FIS face-to-face services have been restricted due to the COVID-19 pandemic. Seminars were not conducted in the financial year and most outreach was conducted through video conferencing.

All figures below are for the full financial year, with the majority of interview and outreach activities conducted between 1 January and 30 June 2021 due to COVID-19 servicing restrictions throughout most of 2020.

In 2020–21, FIS officers:

- answered more than 64,000 phone calls
- conducted more than 13,900 interviews
- delivered 2,400 hours of outreach services at more than 1,300 events.

CENTREPAY

Centrepay is a free voluntary bill-paying service for Centrelink customers. It helps them manage their expenses by giving the option of making regular deductions directly from their income support payment to an approved business. Businesses approved to use Centrepay are charged a fee to recover operating costs.

At 30 June 2021:

- 649,109 customers were using Centrepay
- 11,085 businesses received a Centrepay deduction.

In 2020–21, 25.6 million deductions were made to the value of \$2.78 billion.

CENTRELINK CONFIRMATION ESERVICES

Centrelink Confirmation eServices (CCeS) is a secure online service that provides real-time customer information and allows approved businesses to confirm Centrelink or DVA customer entitlements for a concession, rebate or service. This service is also used to assist in determining the early release of a customer's superannuation.

Businesses must obtain customer consent before accessing any customer information via CCeS. Businesses can use CCeS to:

- confirm that a customer is eligible to receive a concession, rebate or service (Customer Confirmation)
- confirm the customer's income, assets and payment details (Income Confirmation)
- confirm that the customer meets the income support eligibility for superannuation to be released early due to financial hardship (Superannuation Confirmation).

RENT DEDUCTION SCHEME

The Rent Deduction Scheme gives customers the option of having their public housing payments deducted from their income support payment and sent directly to their state or territory housing authority.

At 30 June 2021, 319,072 customers were using the scheme. In 2020–21, 9.13 million rent deductions were made using the scheme.

TAX DEDUCTION SERVICE

The Tax Deduction Service allows customers who receive taxable Centrelink income support payments to choose to have tax withheld from their payments. The service is an easy and free way for customers to meet their tax obligations.

In 2020–21, \$19,366,528 was withheld from customers who chose to use this service.

INCOME MANAGEMENT

Income Management helps groups of people in specific locations who receive income support to manage their money to meet essential household expenses.

Under Income Management, a percentage of a person's income support and 100% of lump-sum payments are allocated to pay for priority items such as food, housing, clothing, utilities, education and medical care. The remaining percentage of the person's payment is paid to them in the usual way to be used at their discretion. Money that is income managed cannot be spent on alcohol, tobacco, pornography or gambling.

Accessing income-managed money

Services Australia works with people on Income Management to identify how their income support can be used to pay organisations for items they and their families need.

Organisations can be paid in a variety of ways, including with a customer BasicsCard, with the customer making a direct deposit via BPAY, the agency arranging a direct deposit, or in some urgent cases, making a credit card payment over the phone.

Customers can also access their Income Management money account through the Express Plus Centrelink mobile app and online services to complete transactions, such as transferring funds between their Income Management and BasicsCard account and checking their BasicsCard balance.

At 30 June 2021, 17,866 stores and businesses accepted the BasicsCard. The agency investigates public complaints and conducts random sample reviews to ensure stores and businesses are complying with the BasicsCard terms and conditions.

In 2020–21:

- 97% of income-managed customers used the BasicsCard
- \$321.6 million was spent using the BasicsCard.

Table 32: Numbers of Income Management customers^{(a)(b)}

Measure	2018–19	2019–20	2020–21
Cape York Income Management	129	140	0
Child Protection Income Management	147	122	69
Disengaged Youth	4,020	4,592	5,588
Long Term Welfare Payment Recipient	15,592	16,868	19,130
Supporting People at Risk	64	50	40
Voluntary Income Management	3,510	3,155	2,929
Vulnerable Welfare Payment Recipient	1,481	1,762	1,449

(a) The numbers are point-in-time and do not represent recipient movements between measures and on and off Income Management.

(b) The *Social Security (Administration) Amendment (Continuation of Cashless Welfare) Act 2020* (the Act) received Royal Assent on 17 December 2020. On 17 March 2021, the Act allowed for:

- Cape York Income Management recipients to transition to the Cashless Debit Card
- introduction of the Cashless Debit Card in the Northern Territory on an opt-in (consent) basis.

CASHLESS DEBIT CARD

The Cashless Debit Card provides customers with greater financial stability while reducing the social harm resulting from alcohol, drugs and gambling. When a customer is using a Cashless Debit Card, a percentage of regular fortnightly payments and 100% of lump sum payments are paid to their card.

The card can be used at most shops that accept EFTPOS or Visa. The card looks and operates like a normal bank card, except that it cannot be used to buy alcohol, gambling products, cash-like products or to withdraw cash.

The card provider (Indue Ltd) issues the cards and delivers associated banking services to customers.

At 30 June 2021, the Cashless Debit Card operated in:

- Ceduna and surrounding regions, South Australia
- East Kimberley and the Goldfields regions, Western Australia
- Bundaberg and Hervey Bay region, Queensland
- Cape York and Doomagee, Queensland
- Northern Territory, where Income Management recipients and eligible customers can elect to opt in to the Cashless Debit Card.

At 30 June 2021, 14,774 customers were using the Cashless Debit Card.

Table 33: Numbers of Cashless Debit Card customers^(a)

Location	2018–19	2019–20	2020–21
Ceduna region, South Australia	927	964	1,090
East Kimberley region, South Australia	1,516	1,684	1,914
Goldfields region, Western Australia	3,334	3,557	4,131
Bundaberg and Hervey Bay region, Queensland	5,523	6,303	7,417
Cape York region, Queensland	0	0	135
Northern Territory	0	0	87

(a) The numbers are point-in-time and do not represent recipient movements between measures and on and off Cashless Debit Card.

5.2 Other targeted support

SPECIAL BENEFIT

Special Benefit payment helps people in severe financial hardship who are unable to support themselves and their dependants and are not eligible for another payment.

BEREAVEMENT PAYMENTS

Bereavement payments help customers adjust to changed financial circumstances following the death of their partner, child or care receiver. The type of bereavement payment a customer receives and the amount they can get depends on their individual circumstances and when Services Australia is notified of the death of their partner, child or care receiver. Bereavement payments are usually paid as a lump sum. However, some payments, such as the Family Tax Benefit Bereavement Payment, can be paid fortnightly.

PAYMENTS WHILE OUTSIDE AUSTRALIA

Called 'portability', some customers may continue receiving social security payments when they are outside Australia. A datalink between the agency and the Department of Home Affairs identifies social security customers who depart from or return to Australia. This information is used to automatically review payments for people who have departed from Australia.

TASMANIAN TRANSPORT SCHEMES

Services Australia administers 2 Tasmanian transport equalisation schemes:

- the Tasmanian Freight Equalisation Scheme – which helps to alleviate the sea freight cost disadvantage for shippers of eligible non-bulk goods that are moved by sea between mainland Australia and Tasmania
- the Bass Strait Passenger Vehicle Equalisation Scheme – which helps to alleviate the cost of sea travel across Bass Strait between Tasmania and mainland Australia.

In 2020–21, the agency received 17,084 claims for assistance and processed \$205.7 million in payments through the 2 schemes. This compares to 17,275 claims and \$197.8 million in 2019–20.

SERVICES TO INCARCERATED CUSTOMERS

Services Australia provides services to incarcerated Centrelink, Medicare and Child Support customers in approximately 150 correctional facilities (including youth justice centres, prison work camps and mental health units) across Australia.

The services offered are provided in consultation with state and territory correctional authorities and align with 3 stages of incarceration:

- entry into custody – suspend or cancel payments to prevent debt and check that child support assessments are correct
- during custody – help for customers who remain eligible for payments, assist with access to highly specialised drugs, and conduct child support reassessments
- release from custody – reconnect customers to appropriate payments and services.

Shared services and partnerships

6

6. 1 Shared services

During the year, Services Australia continued to offer shared services, with the agency providing corporate and ICT services to various government agencies including the National Disability Insurance Agency, the Department of Veterans' Affairs, the Department of Social Services, the Department of Education, Skills and Employment, the Department of Home Affairs, and the National Disability Insurance Scheme Quality and Safeguards Commission.

The shared services can include procurement, assistive technology support, human resources and payroll services, credit card management, accounts payable and receivable, travel, fleet management, records management, co-located accommodation, security, ICT infrastructure and ICT application services. The agency also delivers internet gateway and/or data centre hosting services for 9 Australian Government entities.

6.2 Partnerships

Services Australia collaborates with other agencies, providers, businesses and customers to deliver convenient, accessible and efficient community services.

PARTNERSHIPS WITH AUSTRALIAN GOVERNMENT AGENCIES

Services Australia delivers payments and services on behalf of a wide range of Australian Government agencies. This also supports collaboration between Australian Government agencies through policy co-design, delivery of insights and data exchange, shared expertise on customer-centric approaches and user testing, service delivery co-design, corporate shared services, co-location, myGov and ICT infrastructure support, and the National Emergency Call Centre Surge Capability.

Services Australia also supports assurance and integrity related to delivery of social services programs and reports regularly to Commonwealth agencies responsible for delivery of policy.

PARTNERSHIPS WITH STATE AND TERRITORY GOVERNMENTS AND OTHER ORGANISATIONS

The agency manages bilateral arrangements with state and territory government agencies and with some third-party organisations. These arrangements include services such as rent deduction, prison servicing, National Emergency Call Centre Surge Capability and shared premises arrangements.

In 2020–21, Services Australia worked with state and territory government agencies and the non-government sector to support Australians following a disaster or during an emergency, including people affected by COVID-19 lockdowns, floods, bushfires and drought.

PARTNERSHIPS WITH COMMUNITY PEAK BODIES

Services Australia regularly engages with community peak organisations, including through the Civil Society Advisory Group (CSAG), which is a forum for advocacy groups and peak community organisations in the social security and welfare sector. CSAG members provide insights on customer experiences and advice on opportunities to improve service delivery.

CSAG currently comprises 15 peak body organisations which represent a rich and diverse network of communities across Australia, including people with disability, carers, seniors and young people, people from CALD backgrounds, and people affected by poverty, disadvantage and inequality.

The agency also hosts a number of other stakeholder forums with specific groups, including for people with disability, First Nations peoples, older Australians, people from CALD backgrounds, health and medical organisations and others. These forums are an important source of insights and advice about the unique experience of different customer cohorts, who are represented by over 150 participating community and peak organisations.

INTERNATIONAL PARTNERSHIPS

Services Australia administers formal social security agreements with 31 countries. These agreements outline the shared responsibility for social security coverage and entitlements when people move between the agreement countries.

In 2020–21, 79,914 people received an Australian pension under international agreements.

Performance

7

7.1 Annual Performance Statement 2020–21

STATEMENT OF PREPARATION

As the accountable authority of Services Australia, I present the 2020–21 annual performance statement of Services Australia, as required under paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, the 2020–21 annual performance statement is based on properly maintained records, accurately presents the performance of Services Australia, and complies with subsection 39(2) of the PGPA Act.



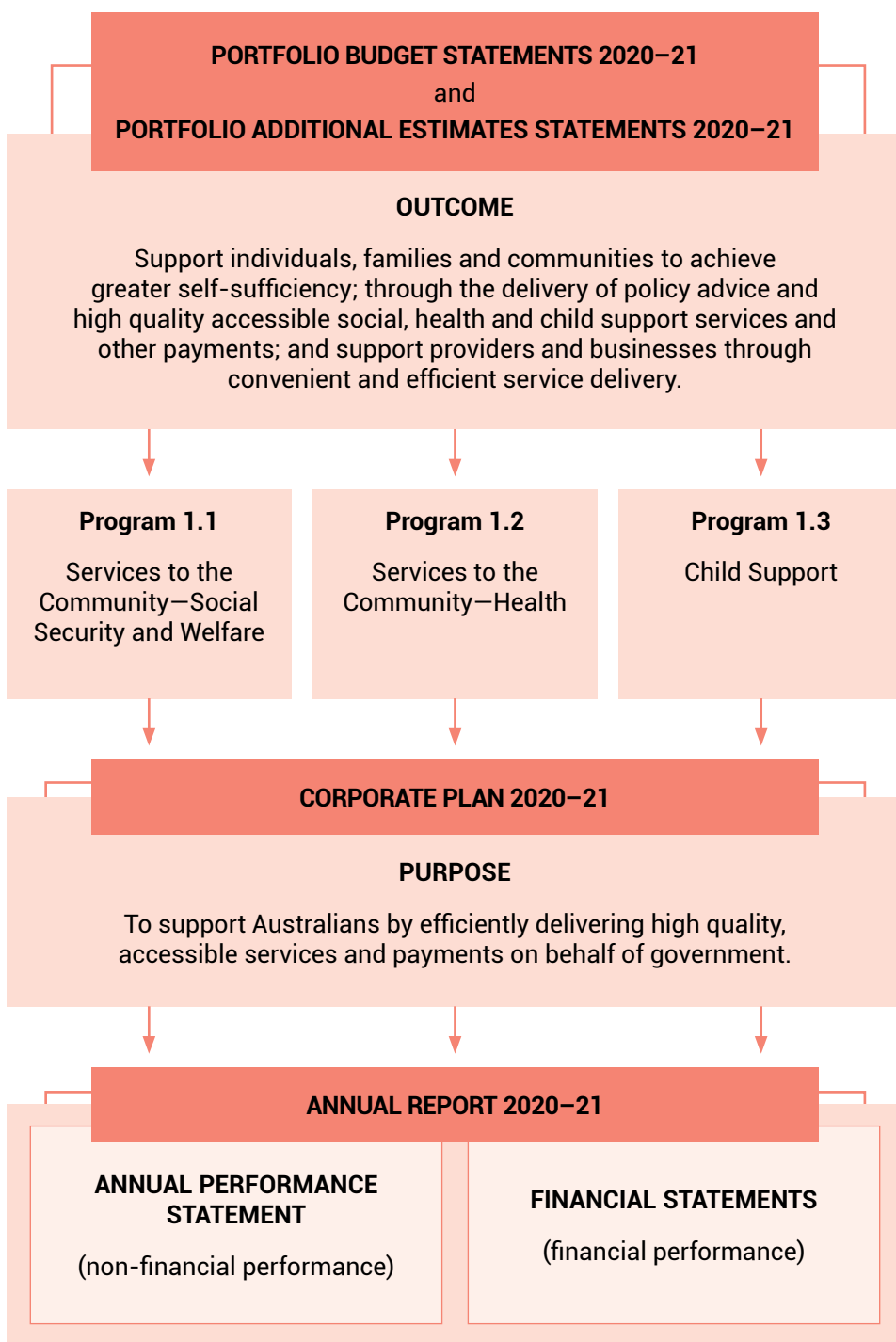
Rebecca Skinner PSM
Chief Executive Officer
Services Australia

The 2020–21 annual performance statement outlines the agency's performance against its outcome, programs and performance criteria, as published in the 2020–21 Services Australia Corporate Plan and the Social Services 2020–21 Portfolio Budget Statements (PBS). Our performance results show our achievements against our purpose:

To support Australians by efficiently delivering high quality, accessible services and payments on behalf of government.

The agency's outcome statement and program structure remained unchanged in 2020–21 (see Figure 2). However, in 2021–22 we are transitioning to a new outcome statement and key activity structure for performance reporting which better reflects the agency's function in delivering a broad range of services and payments on behalf of government.

Figure 2: 2020–21 Enterprise performance management framework



ANALYSIS OF PERFORMANCE AGAINST PURPOSE

In 2020–21, the agency achieved 26 of 27 performance measure targets, compared to 22 of 30 in the previous year.

This last year has been a time of significant challenge and adversity for many Australians, and our agency has demonstrated its flexibility and responsiveness to support people in need. The improvement in our performance results is attributed to our ability to implement significant policy changes, simplify processes and improve technology, including automation. It is a result of government, and our agency, redeploying staff to deal with the largest surge of telephony and claims processing in the history of our agency. Our dedicated and capable staff worked alongside the community to ensure the many people affected by the natural disasters or the COVID-19 pandemic were able to access support and payments with ease and efficiency.

The Annual Performance Statement highlights the agency's efforts and results including:

- improved customer satisfaction influenced by modernisation projects such as the expansion of voice biometrics to increase security and decrease call wait times (with around 1 million authenticated calls per month), and maturing our straight-through claims processing resulting in some claims being granted within minutes (4% of claims are now straight through processed)
- achieving all four telephony service level standards, with a focus on connecting customers faster to the services they need, with an average speed of answer on our Social Security and Welfare lines of 6 minutes and 2 seconds (8 minutes and 9 seconds faster than in 2019–20), Health customer lines 6 minutes and 50 seconds (8 seconds faster than 2019–20) and Child Support 2 minutes and 50 seconds (11 minutes and 5 seconds faster than 2019–20). In achieving the telephony performance targets, we handled 56.6 million phone calls. To put this into perspective, we handled almost two calls every second of the year
- achieving all processing service level standards, with over 5.2 million Social Security and Welfare claims, an increase of 5% (around 267,000 claims), around 471 million Health (Medicare) services, an increase of 9% (38 million claims), and around \$3.81 billion in Child Support payments, an increase of 2% (\$40 million), transferred between parents to support approximately 1.2 million children
- faster processing times with most Social Security and Welfare claims processed in 8 days (13 days faster than 2019–20), most Medicare services processed in 0.6 of a day (0.2 of a day faster than 2019–20), and Child Support achieving its target by 0.2 percentage points. This was a significant improvement during a year where the agency processed 38 million more claims overall (476 million claims) than the previous financial year (438 million claims)
- that Australians were able to access our ICT systems 99% of the time – with an increase in self-service digital transactions with an 8.7% (31.8 million transactions) increase for Social Security and Welfare, a 12.8% increase for Medicare (52 million transactions), and an 8.5% increase for Child Support (around 954,000 transactions)

- expanded appointment-based service (representing 25% of face-to-face contacts) and an increase in video chat appointments.

The results show we have built community confidence in the agency and the government, as we continue to deliver service excellence. Overall, the agency's performance results in 2020–21 demonstrate our ability to transform and modernise our business to deliver needed changes quickly, to make services better for our customers all the time, not just in a crisis. The agency will continue on its modernisation journey as it becomes a world leader in service delivery. For more information on the agency's service delivery modernisation, see page 10.

LOOKING AHEAD

Throughout 2020–21, the agency implemented various strategies to meet an unprecedented surge in demand for our services, significantly improving our overall performance. These strategies included workforce reallocation (within the agency and across government), improved capability and increased capacity in our digital platforms and enhanced telephony operations. It is unlikely this improved performance will be sustained to the same levels in 2021–22, as record high levels of activity reduce over time, reallocated resources are returned and surge arrangements cease.

It is expected that while our results will shift, we will remain in a strong position to deliver on the current and emerging needs of the Australian people. We have demonstrated that we can bring services online and build digital capability, retrain and mobilise the workforce with speed, simplify processes and support customers. As part of the agency's ongoing transformation, we will continue to build on these foundations to guide the services we offer to Australians, with emphasis on simplification.

PERFORMANCE MEASURE SUMMARY OF RESULTS

The table below provides a comparison of the number of performance measure targets that were achieved in 2018–19, 2019–20 and 2020–21.

	2018–19	2019–20	2020–21
Achieved	20	22	26
Not achieved	7	5	1
No target ^(a)	0	3	0
Total	27	30	27

(a) Three customer trust measures were introduced in 2019–20, with no set target to report against. For 2020–21, the agency elected to remove these measures from its enterprise performance reporting to allow more time to develop a multi-driver model for implementing in 2021–22.

PERFORMANCE MEASURE RESULTS

PROGRAM 1.1: SERVICES TO THE COMMUNITY – SOCIAL SECURITY AND WELFARE

Performance measure	Target	Result	Achieved
1. Customer satisfaction: achievement of customer satisfaction standards	≥85 out of 100	82.6 out of 100	✗
2. Achievement of payment quality standards: Centrelink: delivery of correct customer payments	≥95%	98.7%	✓
3. Internal reviews: percentage of decision reviews requested by Centrelink customers finalised within standard	≥70%	71.2%	✓
4. Achievement of payment integrity standards: Centrelink: debt under recovery	≥60%	70.6%	✓
5. Achievement of face-to-face service level standards: average wait time	≤15 minutes	8 minutes 58 seconds	✓
6. Achievement of telephony service level standards: average speed of answer	≤16 minutes	6 minutes 2 seconds	✓
7. Achievement of processing service level standards: claims processed within standard	≥82%	91.4%	✓
8. Achievement of digital service level standards: interactions completed through digital channels	≥5% increase	8.7% increase	✓
9. Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access	≥98%	99.2%	✓

The agency achieved 8 of 9 Social Security and Welfare (SSW) performance measures in 2020–21, in comparison to 7 of 10 in 2019–20, noting there was no set target for the now removed Trust performance measure last year.

Following on from 2019–20, the agency experienced an ongoing increase in demand for services, in response to natural disasters and the COVID-19 pandemic. The SSW Program achieved record performance results in the majority of measures, which is attributed to our ability to quickly adjust our workforce, processes and technology to meet surge demand. Under this program around 500,000 more claims were processed, and 1.6 million more calls answered compared to the previous year, while maintaining a record result for delivering correct customer payments.

Overall, the 2020–21 performance measure results for the SSW Program demonstrates that the agency achieved its purpose to support Australians by efficiently delivering high quality, accessible services and payments on behalf of government.

Performance measure 1 – Customer satisfaction: achievement of customer satisfaction standards

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥85 out of 100	82.6	✗	+3.1
2019–20	≥85 out of 100	79.5	✗	+2.8
2018–19	≥85 out of 100	76.7	✗	NA ^(a)

(a) Due to a change in how the measure is calculated, the results for 2018–19 are not directly comparable with the previous year.

ANALYSIS

Although the agency did not achieve the annual target, the customer satisfaction survey results reflect consistent improvement across the three financial years, showing a 3.1 point increase from the 2019–20 result.

The result was driven by a multi-driver model (see the six satisfaction drivers on page 95), derived from customer survey responses from telephony, face-to-face, online and mobile application channels through an external provider survey.

- telephony: 84.6
- face-to-face: 88.7
- online: 75.4
- mobile applications: 87.9.

The results from the face-to-face and mobile application channels exceeded the target, driven by the agency's ongoing focus on improving claim processing timeliness and making access to services simpler and faster for Australians through modernising our services across all channels.

While the result falls short of the target across telephony and online channels, a range of activities undertaken were aimed at reducing customer effort and improving customer experience.

- The overall result for telephony has been on a downward trend since November 2020, with the main driver being time to receive service. The agency has continued to make strong progress to improve and modernise our telephony operations including the use of voice biometrics across our Centrelink business lines.
- Although online was the lowest performing channel in 2020–21, satisfaction amongst online customers has increased from the previous financial year's result (70.3).

- In line with industry results, generally it is not unexpected for online satisfaction to be lower than for other channels. This is due in part to the lack of established relationship and uncertainty around outcome. Furthermore, online is used typically for more complex services than mobile applications, which impacts customer perception of the time and effort required, reducing overall satisfaction.
- The agency is developing a digital plan, which will outline the key areas of focus to improve the digital experience for customers. The plan will work to enhance digital services to make it easier for customers to access and complete a range of services online including:
 - simplified income reporting to make declaring income easier for customers and reducing the chance of overpayment
 - digital identity in myGov and fast-tracked online claim processing.

For more information on Service delivery modernisation, see page 10.

The table below compares the satisfaction drivers across three financial years.

Satisfaction drivers	2018–19	2019–20	2020–21
Perceived quality	76.0	79.6	82.0
Personalised service	82.2	85.9	88.5
Communication	80.8	84.2	86.3
Time to receive service	68.5	71.2	79.3
Fair treatment	91.7	91.3	92.6
Effort	73.0	76.3	80.2

REFERENCE

2020–21 Portfolio Budget Statements, page 233

2020–21 Corporate Plan, page 15

DATA SOURCE

External survey provider

The margin of error is less than 5 index points.

NOTES AND DEFINITIONS

- The satisfaction and experience survey is the agency's primary measurement of customers' satisfaction with their most recent interaction.
- The survey is offered in real-time, next business day or weekly depending on the service channel used.
- Surveys are undertaken via automated interactive voice response (post-call survey), online or via outbound interviews conducted by the agency's external provider.

Performance measure 2 – Achievement of payment quality standards:
Centrelink: delivery of correct customer payments

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥95%	98.7%	✓	+0.2%
2019–20	≥95%	98.5%	✓	+0.2%
2018–19	≥95%	98.3%	✓	–0.2%

ANALYSIS

The agency continues to exceed its annual target of ≥95%, with performance in 2020–21 consistent with previous year results. Payment correctness is expected to improve as the agency continues to expand on self-service options and automated actions, which reduce the opportunity for staff error, contributing to the upward trend in payment correctness performance.

The performance result demonstrates the agency's ability to pay the right person, the right payment, at the right time—which has been achieved in a year of significant crises and challenges resulting in increased customer claims and reliance on government services.

The agency's payment correctness result will continue to improve as we expand our self-service options and automated processes, which will reduce the risk of staff errors.

For more information on *Payment accuracy and correctness*, see page 153.

REFERENCE 2020–21 Portfolio Budget Statements, page 233
2020–21 Corporate Plan, page 15

DATA SOURCE Extracts from the Random Review Results System and the Integrated Review System.

NOTES AND DEFINITIONS

- Random Sample Reviews are classified into staff (administrative) error, system error or legislative error.
- The Payment Quality result only relates to staff (administrative) error that resulted in a financial (dollar) impact to the basic rate of payment.
- The Random Sample Survey Program covers 15 social welfare payments representing 98% of social welfare outlays.

ABSTUDY	Disability Support Pension	Partner Allowance
Age Pension	Family Tax Benefit	Special Benefit
Austudy	JobSeeker Payment	Widow Allowance
Carer Payment	Parenting Payment Single	Youth Allowance (Other)
Carer Allowance	Parenting Payment Partnered	Youth Allowance (Student)

Performance measure 3 – Internal reviews: percentage of decision reviews requested by Centrelink customers finalised within standard

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥70%	71.2%	✓	–1.2%
2019–20	≥70%	72.4%	✓	–12.2%
2018–19	≥70%	84.6%	✓	–12.5%

ANALYSIS

The agency achieved the annual target as a result of its flexible approach to workload management, which continued to influence results with the redeployment of staff as needed for priority work.

Work undertaken to reduce the age and number of reviews on hand during the first half of the year resulted in improved results despite staff being redeployed to assist in disaster recovery work as part of the agency's response to the NSW floods. While the target was achieved, this activity saw a reduction in the number of reviews finalised in the second half of 2020–21, as well as an increase in the average time taken to review these decisions.

A new internal review process for social welfare payments was implemented on 15 May 2021. Customers are now engaged with more clearly defined options on whether they would like a further explanation of a decision or a direct formal review. Prior to the new process, all review requests went through an explanation and/or quality check before proceeding to formal review. The refined process streamlines the pathway to formal review and enhances the customer experience.

REFERENCE

2020–21 Portfolio Budget Statements, page 233

2020–21 Corporate Plan, page 15

DATA SOURCE

Key date values in the appeals system, as captured in the Statistical Analysis System.

NOTES AND DEFINITIONS

- An application for a formal review can be received from a customer or their nominee.
- Reviews finalised refers to formal reviews finalised within the 2020–21 reporting period.
- All formal reviews are completed by an authorised review officer.
- A new internal review process was introduced on 15 May 2021. From this date the calculation of this performance measure commences once an application for a formal review is received by the agency.

Performance measure 4 – Achievement of payment integrity standards: Centrelink: debt under recovery

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥60%	70.6%	✓	–25.2%
2019–20	≥60%	95.8%	✓	+26.3%
2018–19	≥60%	69.5%	✓	NA ^(a)

(a) Due to a change in how the measure was calculated in 2018–19, the results are not directly comparable with the previous year.

ANALYSIS

The agency achieved the annual target despite performance being significantly impacted by the COVID-19 pandemic. Throughout the National Debt Pause (commencing in April 2020 with recovery activity resuming in February 2021) the vast majority of outstanding debts were temporarily paused, with 64,240 recoverable debts at 30 June 2020.

The number of recoverable debts of 982,110 at 30 June 2021 reflects new debts being raised and debt recovery re-commencing for debts that had previously been temporarily paused. It should be noted, despite the end of the National Debt Pause, a significant number of debts remained temporarily paused due to natural disasters, such as the NSW floods.

The calculation of debt under recovery performance measure does not include debts that are temporarily paused. As a result, the 2019–20 performance figure of 95.8% was inflated due to the very high number of debts temporarily paused due to the National Debt Pause. The 2020–21 performance figure was also inflated, although less than the previous year, by the number of debts temporarily paused due to natural disasters, such as the NSW floods in March 2021.

For more information, see *Debt management* at page 154.

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 15

DATA SOURCE

Enterprise Data Warehouse.

NOTES AND DEFINITIONS

The definition for a current debt recovery arrangement is that:

- the debt has been determined and the customer owes the agency the current outstanding amount
- the customer has a current, pending, future or broken (recent) arrangement in place at the reporting date.

A broken arrangement is where a customer has a current payment arrangement in place, however, has missed their regular agreed ongoing payment. The system allows a period of time where the payment is overdue before it is no longer considered an agreed payment arrangement and it is cancelled. When this happens, the debt is no longer considered to be under arrangement.

Performance measure 5 – Achievement of face-to-face service level standards: average wait time

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤15 minutes	8 minutes 58 seconds	✓	–5 minutes 18 seconds
2019–20	≤15 minutes	14 minutes 16 seconds	✓	–54 seconds
2018–19	≤15 minutes	15 minutes 10 seconds	✗	+21 seconds

ANALYSIS

The agency achieved the annual target with substantial improvement on the 2019–20 wait time result. The reduction in the wait time was due to a number of reasons, such as the effect of COVID-19 pandemic temporary lockdowns across the country, as well as face-to-face transformation improvements and digital enhancements, including appointment-based servicing and voice biometrics. For more information, see *Service delivery modernisation* at page 10.

Resourcing levels for face-to-face were maintained and the reduction in customer contacts provided the agency the opportunity to divert staff to other workload priorities such as telephony and processing.

The agency will continue to focus on balancing face-to-face service demand with other workload priorities to ensure we continue to support Australians in their times of need.

For more information on the agency's modernisation agenda for *Service centres*, see page 13.

	2018–19	2019–20	2020–21
Customers wait time less than or equal to 15 minutes	8.2 million	7.8 million	6.4 million
Customers wait time more than 15 minutes	5.3 million	4.4 million	1.9 million
Total recorded contacts	13.8 million	12.3 million	8.4 million
Abandoned contacts	0.3 million	0.2 million	0.07 million

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 15

DATA SOURCE

SAPUI5 Front of House application.

NOTES AND DEFINITIONS

- SAPUI5 Front of House application is a single browser-based application that operates on both desktop and mobile devices to manage front-of-house customer contacts.
- Abandoned contacts refers to the count of customers booked into the Virtual Wait Room that left the service centre before being served.
- Abandoned contacts are not included in the calculation, as the measure calculates how long customers have waited to be served by a service officer.

Performance measure 6 – Achievement of telephony service level standards: average speed of answer

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤16 minutes	6 minutes 2 seconds	✓	–8 minutes 9 seconds
2019–20	≤16 minutes	14 minutes 11 seconds	✓	–1 minute 21 seconds
2018–19	≤16 minutes	15 minutes 32 seconds	✓	–26 seconds

ANALYSIS

The agency achieved the annual target despite demand for telephony services remaining high as a result of the COVID-19 pandemic. The 2020–21 result is the best the agency has achieved since reporting on this measure commenced in 2012–13.

In 2020–21, the agency answered 19 million SSW calls with the average speed of answer (ASA) for customers reducing by over 8 minutes compared to the previous year.

Performance was aided by additional staff from within the agency and across government supporting the initial COVID-19 pandemic response. This momentum continued throughout the year and the results were achieved by using a mature planning and forecasting model and ensuring there was sufficient workforce available to manage the workload.

High customer contact through telephony channels was due to a number of natural disasters and the ongoing economic impacts of the COVID-19 pandemic exacerbated by reduced face-to-face capacity. The agency successfully balanced its role in assisting with disaster responses against its business-as-usual workload, in addition to being supported by innovative solutions such as voice biometrics. For more information on *voice biometrics*, see page 15.

The table below provides a comparison of SSW calls the agency answered across the three financial years.

	2018–19	2019–20	2020–21
Disability, Sickness and Carers answered	1.1 million	1.2 million	1.5 million
Employment Services answered	1.8 million	2.5 million	3.1 million
Families and Parenting answered	3.8 million	3.4 million	3.7 million
Older Australians answered	0.8 million	0.8 million	1.2 million
Youth and Students answered	0.8 million	1.0 million	1.2 million
All other answered	8.0 million	8.5 million	8.2 million
Total calls answered	16.2 million	17.4 million	19.0 million
Total customer terminated calls	4.2 million	4.1 million	2.0 million
Disability, Sickness and Carers ASA	26 minutes 0 seconds	22 minutes 54 seconds	6 minutes 47 seconds
Employment Services ASA	21 minutes 32 seconds	19 minutes 29 seconds	7 minutes 41 seconds
Families and Parenting ASA	20 minutes 4 seconds	19 minutes 50 seconds	8 minutes 0 seconds
Older Australians ASA	24 minutes 45 seconds	20 minutes 17 seconds	8 minutes 5 seconds
Youth and Students ASA	25 minutes 20 seconds	18 minutes 44 seconds	6 minutes 7 seconds

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 15

DATA SOURCE

Telstra Computer Telephony Interface files.

NOTES AND DEFINITIONS

- Average speed of answer is measured from the time a customer enters the queue to the time their call is answered by a service officer.
- Calls transferred internally between queues are counted as separate calls with separate wait times and are included in this calculation.
- Customer terminated calls are not included in the calculation as the calculation measures how long customers have waited to be answered only.

Performance measure 7 – Achievement of processing service level standards: claims processed within standard

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥82%	91.4%	✓	+11.6%
2019–20	≥82%	79.8%	✗	+11.8%
2018–19	≥82%	68.0%	✗	–14.1%

ANALYSIS

The agency achieved the annual target with a substantial improvement on the 2019–20 result. This is the agency's best result since reporting on this measure commenced in 2012–13.

The ongoing economic impacts of the COVID-19 pandemic saw the agency process around 500,000 more SSW claims than in 2019–20, and on average almost two weeks faster than the previous year. The results were achieved through a mature planning and forecasting model and prioritising resources to manage workload. Performance was also aided by the additional staff from within the agency and across government supporting the initial COVID-19 pandemic response.

The agency continues to explore automation opportunities, system improvements and enhancements to digital services to process claims as quickly as possible, delivering a simple, helpful and transparent experience for Australians claiming a SSW payment.

The table below provides a comparison of the total SSW claims processed by the agency across the three financial years.

	2018–19	2019–20	2020–21
Claims processed within standard	2.0 million	3.4 million	4.4 million
Claims not processed within standard	1.0 million	0.9 million	0.4 million
Total claims processed	3.0 million	4.3 million	4.8 million
Average days to process	34 days	21 days	7.5 days

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 16

DATA SOURCE

Enterprise Data Warehouse/SAS Enterprise Guide.

NOTES AND DEFINITIONS

SSW claims that contribute to the overall performance measure result as follows:
(For information on the agency's performance against each claim type, see *Social Security and Welfare* on page 36.)

Standard	Claim Type
100% within 28 days	Additional Child Care Subsidy (ACCS)—Child Wellbeing Application; ACCS—Temporary Financial Hardship
≥90% within 2 days	Crisis Payment
≥90% within 21 days	Parenting Payment Single
≥85% within 14 days	Child Care Benefit (Registered Care)
≥85% within 21 days	Child Care Benefit (Approved Care) Lump Sum Claims Only; Dad and Partner Pay; Paid Parental Leave
≥85% within 42 days	Austudy; Mobility Allowance
≥85% within 49 days	Carer Allowance (excluding claims older than 84 days)
≥70% within 21 days	ABSTUDY; Pensioner Education Supplement; Youth Allowance (Other); Assistance for Isolated Children Student
≥80% within 16 days	Newstart Allowance; JobSeeker Payment
≥80% within 21 days	Bereavement Allowance; Special Benefit; Stillborn Baby Payment
≥80% within 28 days	Low Income Card; Parenting Payment Partnered; Seniors Health Care Card
≥80% within 42 days	Youth Allowance (Full-time student and Apprentice)
≥80% within 49 days	Age Pension; Carer Payment (excluding claims older than 84 days)
≥80% within 56 days	Double Orphan Pension
≥75% within 16 days	Widow Allowance
≥70% within 33 days	Family Tax Benefit
≥70% within 35 days	Sickness Allowance
≥70% within 49 days	Disability Support Pension (excluding claims older than 84 days)

Performance measure 8 – Achievement of digital service level standards: interactions completed through digital channels

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥5% increase	8.7%	✓	NA ^(a)
2019–20	≥5% increase	31.0%	✓	+19.6%
2018–19	≥5% increase	11.4%	✓	+4.6%

(a) In 2020–21, the primary data source used in the calculation was updated after improvements to data collection methods. A common data set has been used across the 2019–20 and 2020–21 years to enable accurate calculation of the 2020–21 results, being an 8.7% increase between the two years. However, this is a different data set to that used in 2018–19 and 2019–20.

ANALYSIS

The agency achieved the annual target with continued high demand for digital services resulting in an 8.7% increase in digital interactions, including:

- 287 million online and mobile application interactions—an increase of 26.1 million
- 63 million online letters – an increase of 1.5 million
- 59 million electronic data exchange transactions—an increase of 2.8 million
- 4 million phone self-service interactions—an increase of 1.4 million.

In response to the COVID-19 pandemic the increased demand for online support required the agency to improve its digital products and services. This resulted in easier and more secure ways for customers to verify and authenticate their identity online. It used IVR technology in combination with voice biometrics authentication to gather information from customers to provide personalised and targeted information, reducing the need to speak to a service officer.

For more information on *Digital services*, see page 12.

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 16

DATA SOURCE

Enterprise Data Warehouse, Business Activity Reporting and Analytics and COGNOS.

NOTES AND DEFINITIONS

Self-managed interactions are defined as:

- online and mobile applications
- phone self-service (interactive voice response)
- online letters
- electronic data interchange transaction.

Performance measure 9 – Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥98%	99.2%	✓	+0.2%
2019–20	≥98%	99.0%	✓	No change
2018–19	≥98%	99.0%	✓	–0.1%

ANALYSIS

The digital experience of self-service customers using Centrelink online accounts and Express Plus Centrelink mobile applications achieved the availability target for 24/7 customer access.

The agency implemented a number of significant changes and service enhancements, especially in response to the COVID-19 pandemic, to ensure as many people as possible were able to use the digital channel. This included the ability for customers to book and attend video call appointments to confirm their identity as part of their claim submission. The solution allowed customers to confirm their identity using their mobile device or computer.

The SSW program also released a new claim called COVID-19 Disaster Payment. This payment is claimable online via Centrelink Online accounts. By allowing a new channel for customers to claim this payment online, in addition to the normal telephone calling process, payments were made more quickly.

For more information on *Digital services*, see page 12.

REFERENCE

2020–21 Portfolio Budget Statements, page 234

2020–21 Corporate Plan, page 16

DATA SOURCE

Internal data sources including incident records, problem records, and scheduled maintenance periods are used to calculate the availability result.

NOTES AND DEFINITIONS

- Customer means the public, in particular customers using online services and mobile applications.
- Data sources reflect the use of agency endorsed data collection or visualisation applications that are relevant to service outcomes.

PROGRAM 1.2: SERVICES TO THE COMMUNITY – HEALTH

	Performance measure	Target	Result	Achieved
1.	Satisfaction with Medicare provider service delivery: practitioners, pharmacists and practice managers	≥70%	89.2%	✓
2.	Customer satisfaction: achievement of customer satisfaction standards	≥85 out of 100	86.6 out of 100	✓
3.	Achievement of payment quality standards: Medicare: delivery of accurate medical benefits and services	≥98%	98.8%	✓
4.	Achievement of face-to-face service level standards: average wait time	≤15 minutes	6 minutes 40 seconds	✓
5.	Achievement of telephony service level standards: average speed of answer—Pharmaceutical Benefits Scheme authorities	≤30 seconds	27 seconds	✓
6.	Achievement of telephony service level standards: Average speed of answer—providers	≤2 minutes	1 minute 57 seconds	✓
7.	Achievement of telephony service level standards: Average speed of answer—customers	≤7 minutes	6 minutes 50 seconds	✓
8.	Achievement of processing service level standards: claims processed within standard	≥82%	94.2%	✓
9.	Achievement of digital service level standards: Medicare Benefits Schedule digital claiming rate	≥97%	99.5%	✓
10.	Achievement of digital service level standards: interactions completed via digital channels	≥5% increase	12.8% increase	✓
11.	Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access	≥98%	99.6%	✓

The agency achieved all 11 performance measures for the Health (Medicare) Program, which demonstrates that the agency achieved its purpose to support Australians by efficiently delivering high quality, accessible services and payments on behalf of government.

The program achieved a consistent increase in results across several measures. For example, satisfaction with Medicare provider service delivery continued to improve as we implemented changes to support Australians accessing essential Medicare subsidised health services and support.

In response to the COVID-19 pandemic, all of the Health Program's business was moved to digital channels, with an increase in the range of self-service functions becoming digitally available to customers. In 2020–21, more than 99.5% of claims were lodged through digital channels, resulting in customers receiving their Medicare rebates faster. This saw an increase to customer satisfaction.

Performance measure 1 – Satisfaction with Medicare provider service delivery: practitioners, pharmacists and practice managers

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥70%	89.2%	✓	+4.0%
2019–20	≥70%	85.2%	✓	–11.6%
2018–19	≥70%	96.8%	✓	NA ^(a)

(a) The three Medicare provider performance measures were consolidated into a single performance measure in 2018–19. Therefore, results are not directly comparable to the previous year.

ANALYSIS

The agency achieved the annual target, while continuing to implement changes to the Medicare Benefits Scheme (MBS) to support Australians' accessing essential Medicare subsidised health services and support.

For 2020–21, the provider survey was conducted online and via a computer assisted telephone interview from February to March 2021. The results show an increase in the provider satisfaction result of 4% from 2019–20, with practice managers having the highest increase of 11.4%.

In future years, the survey will operate quarterly to provide more regular, real-time results to inform and drive improvement to service delivery across the financial year.

The table below compares the satisfaction results across three financial years.

Satisfaction	2018–19	2019–20	2020–21
Practitioners	100%	78.6%	83.0%
Practice managers	91.1%	77.4%	88.8%
Pharmacists	100%	99.6%	98.2%

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 16

DATA SOURCE

External survey provider

- The margin of error for practitioners is less than 4.5%.
- The margin of error for pharmacists is less than 5.4%.
- The margin of error for practice managers is less than 5.9%.

NOTES AND DEFINITIONS

- Respondents who respond 'don't know', 'not applicable' or refuse to answer the question are excluded from the calculation.

Performance measure 2 – Customer satisfaction: achievement of customer satisfaction standards

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	85 out of 100	86.6	✓	+0.5
2019–20	85 out of 100	86.1	✓	No change
2018–19	85 out of 100	86.1	✓	NA ^(a)

(a) Due to a change in how the measure is calculated, the results for 2018–19 are not directly comparable with the previous year.

ANALYSIS

The agency achieved the annual target with a 0.5 point increase over the previous year.

Across all three channels—mobile applications, online, and face-to-face—the customer satisfaction target has been exceeded. The improvement in overall satisfaction was driven by improvements to digital channels making it easier for customers to engage with the agency.

In response to the COVID-19 pandemic, all of the agency's health business moved to digital channels, and the range of self-service functions was expanded to support customers in engaging with the agency. This resulted in an increase in customer satisfaction.

The table below compares the satisfaction drivers across three financial years.^(a)

Satisfaction	2018–19	2019–20	2020–21
Perceived quality	84.6	84.5	87.0
Personalised service	91.4	91.1	90.7
Communication	92.6	92.2	89.9
Time to receive service	71.0	71.6	81.8
Fair treatment	94.5	94.6	93.1
Effort	83.2	83.4	84.9

(a) Direct comparisons cannot be made between the last two financial years due to the shift from face-to-face surveying in 2019–20, to multi-channel surveying in 2020–21.

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 16

DATA SOURCE

External survey provider

- The margin of error is less than 5 index points.

NOTES AND DEFINITIONS

- The Satisfaction and Experience Survey is the agency's primary measurement of customers' satisfaction with their most recent interaction.
- The survey is offered in real-time, next business day or weekly depending on the service channel used.
- Surveys are undertaken via automated interactive voice response (post-call survey), online or via outbound interviews conducted by the agency's external provider.

Performance measure 3 – Achievement of payment quality standards: Medicare: delivery of accurate medical benefits and services

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥98%	98.8%	✓	–0.1%
2019–20	≥98%	98.9%	✓	+0.1%
2018–19	≥98%	98.8%	✓	No change

ANALYSIS

The agency achieved the annual target with performance remaining consistent with previous years.

In response to the ongoing pressures from disaster events and the COVID-19 pandemic during 2020–21, the agency invested in training and developing additional staff to support the increased demands being placed on Medicare telephony and processing services.

Despite the pressures of 2020–21, the agency ensured that the delivery of accurate Medicare benefits and services was not compromised.

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 17

DATA SOURCE

Enterprise Data Warehouse

NOTES AND DEFINITIONS

The 0.1% change this financial year compared to last year relates to manually processed and paid services. Manually processed and paid services include:

- Medicare Manual and those submitted digitally requiring operator intervention
- Medicare Eligibility Enrolments
- Medicare Safety Net Registrations.

Automatically processed and paid services include:

- Bulk Bill, Patient Claim and Simplified Billing Services submitted digitally.

Performance measure 4 – Achievement of face-to-face service level standards: average wait time

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤15 minutes	6 minutes 40 seconds	✓	–7 minutes 8 seconds
2019–20	≤15 minutes	13 minutes 48 seconds	✓	+39 seconds
2018–19	≤15 minutes	13 minutes 9 seconds	✓	–5 seconds

ANALYSIS

The agency achieved the target with a substantial improvement on the previous year's result. This was mainly due to the effect of temporary lockdowns across the country that had a significant impact on demand compared to the previous year.

The ongoing impact of the COVID-19 pandemic required the continuation of a number of health and safety measures to ensure social distancing was maintained within the service centre environment, including limiting customer numbers due to social distancing requirements. These influences on the face-to-face operating environment saw a decline in people presenting at service centres and as a result led to a reduction in wait times.

The agency adapted to the shift in demand from face-to-face to online channels by ensuring that self-service channels were available for customers.

	2018–19	2019–20	2020–21
Customers wait time less than or equal to 15 minutes	1.8 million	1.4 million	1.1 million
Customers wait time more than 15 minutes	1.0 million	0.7 million	0.2 million
Total recorded contacts	2.9 million	2.2 million	1.4 million
Abandoned contacts	60,000	50,000	10,000

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 17

DATA SOURCE

SAPUI5 Front of House application.

NOTES AND DEFINITIONS

- SAPUI5 Front of House application is a single browser based application that operates on both desktop and mobile devices to manage front-of-house customer contacts.
- Abandoned contacts refers to the number of customers booked into the Virtual Wait Room that left the service centre before being served by a service officer.
- Abandoned contacts are not included in the calculation, as the measure calculates how long customers have waited to be served by a service officer.

Performance measure 5 – Achievement of telephony service level standards: average speed of answer – Pharmaceutical Benefits Scheme authorities

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤30 seconds	27 seconds	✓	–7 seconds
2019–20	≤30 seconds	34 seconds	✗	+6 seconds
2018–19	≤30 seconds	28 seconds	✓	–2 seconds

ANALYSIS

The agency achieved the annual target, with a 7 second improvement over the previous year's result.

Through promotional and education activities by the agency, there has been a shift in provider behaviour to self-service through the PBS Online Authorities system, which contributed to the 4.2% decrease in the number of calls answered this year. Agency staff continued to educate and assist providers to increase awareness and access to self-service channels.

	2018–19	2019–20	2020–21
Calls answered	5,079,203	5,394,090	5,169,177
Terminated calls	105,661	114,967	79,200

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 17

DATA SOURCE

Telstra Computer Telephony Interface (CTI) files.

NOTES AND DEFINITIONS

- Average speed of answer is measured from the time a provider enters the queue to the time their call is answered by a service officer.
- Terminated calls are not included in the calculation as the calculation measures how long providers have waited to be answered by a service officer only.

Performance measure 6 – Achievement of telephony service level standards: average speed of answer – providers

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤2 minutes	1 minute 57 seconds	✓	–2 seconds
2019–20	≤2 minutes	1 minute 59 seconds	✓	+5 seconds
2018–19	≤2 minutes	1 minute 54 seconds	✓	+1 seconds

ANALYSIS

The agency achieved the annual target with performance remaining consistent with previous years.

During 2020–21, in response to the demand for information when key changes were made to the Medicare Benefits Schedule (MBS) and other health policies, the agency increased education and communication to providers and expanded the use of virtual support through business development officers and Medicare liaison officers.

In comparison to 2019–20, there was a 7.3% decrease in the number of calls entering and answered on the Health Provider line. The reduction in calls can be attributed to the suspension of elective surgery and many allied health face-to-face services as part of the COVID-19 pandemic lockdown. The reduction in rendered health services during that period, resulted in a reduction in the need for follow-up calls by providers to the Health Provider line.

	2018–19	2019–20	2020–21
Calls answered	3,009,927	2,561,462	2,375,132
Terminated calls	252,889	221,262	213,177

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 17

DATA SOURCE

Telstra Computer Telephony Interface (CTI) files.

NOTES AND DEFINITIONS

- Average speed of answer is measured from the time a provider enters the queue to the time their call is answered by a service officer.
- Terminated calls are not included in the calculation as the calculation measures how long providers have waited to be answered by a service officer only.

Performance measure 7 – Achievement of telephony service level standards: average speed of answer – customers

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤7 minutes	6 minutes 50 seconds	✓	–8 seconds
2019–20	≤7 minutes	6 minutes 58 seconds	✓	–1 second
2018–19	≤7 minutes	6 minutes 59 seconds	✓	+3 seconds

ANALYSIS

The agency achieved the annual target and compared to 2019–20, there was a 26.3% increase in the number of calls answered.

In the face of significant pressure in 2020–21 from disaster events, the COVID-19 pandemic and the vaccination rollout, more customers than ever have accessed the telephony channel for assistance. The agency established additional support, such as routing calls for unique enquiries in relation to COVID-19 vaccination and enabling the workforce to be redirected to phone lines to meet the increased demand.

	2018–19	2019–20	2020–21
Calls answered	2,370,489	2,314,931	2,924,602
Terminated calls	603,792	505,806	575,746

REFERENCE

2020–21 Portfolio Budget Statements, page 235

2020–21 Corporate Plan, page 17

DATA SOURCE

Telstra Computer Telephony Interface (CTI) files.

NOTES AND DEFINITIONS

- Health customer refers to a member of the public only, not businesses or health practitioners.
- Average speed of answer is measured from the time a customer enters the queue to the time their call is answered by a service officer.
- Terminated calls are not included in the calculation as the calculation measures how long customers have waited to be answered by a service officer only.

Performance measure 8 – Achievement of processing service level standards: claims processed within standard

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥82%	94.2%	✓	+3.8%
2019–20	≥82%	90.4%	✓	+0.1%
2018–19	≥82%	90.3%	✓	–7.1%

ANALYSIS

The agency achieved the annual target by processing 471.1 million claims for Medicare services, 38 million more than 2019–20. Of these, 443.6 million were processed within the performance target. This is an increase from 391.5 million in 2019–20.

With more than 99.5% of claims lodged through digital channels, customers are receiving their Medicare rebates faster than ever. The agency recognises the importance of this in the current environment of the COVID-19 pandemic and has ensured the workforce is focussed on delivering the services for our customers, with the claim processing timeframe reduced from 0.81 days in 2019–20 to 0.56 days in 2020–21. For more information on *Medicare services and benefits by claim type*, see page 47.

REFERENCE

2020–21 Portfolio Budget Statements, page 235
2020–21 Corporate Plan, page 17

DATA SOURCE

Enterprise Data Warehouse.

NOTES AND DEFINITIONS

- The measure only includes MBS processed service items.
- The data includes both manually and digitally lodged MBS services.
- The data measures the timeframe from the date of lodgement to the date that processing is complete.

MBS services include:

- Bulk Billing, Patient Claiming and Simplified Billing.

MBS lodgement channels and standards are as follows:

- standard of 2 days: Digital lodgement: Medicare Online, Medicare Easyclaim, Webclaim (Health Provider Online Services), Electronic Claim Lodgement and Information Processing Service Environment
- standard of 7 days: Digital lodgement: Medicare Online Accounts, Express Plus Medicare App, Electronic Data Interchange
- standard of 21 days: Non-digital lodgement: post, dropbox (via service centres), face-to-face (via service centres), teleclaims, two-way (via health funds), scanned.

Performance measure 9 – Achievement of digital service level standards: Medicare Benefits Schedule digital claiming rate

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥97%	99.5%	✓	+0.3%
2019–20	≥97%	99.2%	✓	+0.6%
2018–19	≥97%	98.6%	✓	+0.7%

ANALYSIS

The Medicare digital claiming rate for 2020–21 of 99.5% has exceeded the annual target of 97%. All claim types performed above the annual target each month.

The results by claim type are:

- 99.9% of Simplified Billing claims were lodged digitally
- 99.7% of Bulk Billing claims were lodged digitally
- 98.0% of Patient claims were lodged digitally.

To support improvements to digital services, the agency will roll out new web-based service products to provide more convenient options for providers to lodge claims digitally on behalf of customers. The agency will work closely with health providers, vendors and private health insurers to ensure a smooth rollout to maintain a positive customer and provider experience.

REFERENCE

2020–21 Portfolio Budget Statements, page 236

2020–21 Corporate Plan, page 18

DATA SOURCE

Enterprise Data Warehouse.

NOTES AND DEFINITIONS

The performance measure captures services lodged through Medicare digital service channels against all services lodged via all channels.

MBS service types include:

- Bulk Billing, Patient Claiming and Simplified Billing.

Bulk Bill claiming is where the patient assigns their right to the Medicare benefit to the health professional. There are no out-of-pocket costs for the patient as the health professional claims the Medicare benefit for the service directly from Medicare.

Patient claiming is where a Medicare benefit is claimed electronically from Medicare—this can either be the claimant submitting the claim electronically or the health professional submitting the claim electronically on the claimant's behalf.

Simplified Billing allows for claims to be submitted for unpaid in-patient services where a patient has been admitted as a private patient of a public or private hospital. Simplified Billing enables a patient to assign their right to benefit to the private health insurer or billing agent.

MBS lodgement channels include:

- digital lodgement: Medicare Online, Medicare Easyclaim, Health Provider Online Services, Electronic Claim Lodgement and Information Processing Service Environment, Simple Mail Transfer Protocol, claiming Medicare benefits online via myGov, Express Plus Medicare app.
- non-digital lodgement: manual.

Performance measure 10 – Achievement of digital service level standards: interactions completed via digital channels

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥5% increase	12.8%	✓	+3.3%
2019–20	≥5% increase	9.5%	✓	+3.8%
2018–19	≥5% increase	5.7%	✓	–2.5%

ANALYSIS

The agency achieved the annual target, with the result highlighting the agency's consistent improvements to health digital services that are supporting customers and health providers. The 12.8% increase over the last year comprised:

- 94 million Health Provider Online System interactions—an increase of 23 million
- 341 million online verification—an increase of 21 million
- 24 million Medicare online and mobile application interactions—an increase of 8 million.

Health Provider Online System interactions have increased due to the COVID-19 vaccine rollout and the introduction of mandatory vaccine reporting (including for flu vaccines) in March 2021.

Digital interactions completed by customers through their Medicare Online Account and Express Plus Medicare mobile application also increased significantly during the year. Interactions with the largest increase are views (including viewing immunisation history, Medicare Safety Net Balance and claim history) and registering organ donor details. The significant increase from March 2021 aligns with media promotion for checking vaccine history and registering organ donor details. Customers may also be using this view for the increased need to provide immunisation evidence to various third parties.

Future enhancements to the Medicare Online Account and Express Plus Medicare mobile application include introducing links to connect to the agency's programs and direct customers to the most appropriate platform, making it simpler for customers to self-manage their business. The agency is also streamlining online services to create a consistent experience for customers across platforms.

REFERENCE

2020–21 Portfolio Budget Statements, page 236
2020–21 Corporate Plan, page 18

DATA SOURCE

Enterprise Data Warehouse.

NOTES AND DEFINITIONS

Self-service interactions by customers, providers and third parties conducted via digital channels to be included are defined as:

- Health Provider Online Services
- Medicare online accounts—via myGov and Express Plus Medicare applications
- Online Concessional Entitlement Verification and Online Patient Verification.

Performance measure 11 – Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥98%	99.6%	✓	No change
2019–20	≥98%	99.6%	✓	+0.2%
2018–19	≥98%	99.4%	✓	–0.2%

ANALYSIS

The agency achieved its annual target, which demonstrates the ability for customers to manage their business through self-service channels. The outcome of 99.6% highlights the availability of self-service channels.

In preparation for the COVID-19 vaccine rollout and the increasing customer uptake of myGov, a number of enhancements were made to Medicare online accounts and Express Plus Medicare mobile application including:

- introduction of COVID-19 digital certificate in Medicare online accounts and Express Plus Medicare mobile application
- performance improvements to support increasing demand.

REFERENCE

2020–21 Portfolio Budget Statements, page 236

2020–21 Corporate Plan, page 18

DATA SOURCE

Internal data sources including incident records, problem records, and scheduled maintenance periods are used to calculate the availability result.

NOTES AND DEFINITIONS

- Customer means the public, in particular customers using online services and mobile applications.
- Data sources reflect the use of agency endorsed data collection or visualisation applications that are relevant to service outcomes.

PROGRAM 1.3: CHILD SUPPORT

Performance measure	Target	Result	Achieved
1. Customer satisfaction: achievement of customer satisfaction standards	≥85 out of 100	85.9 out of 100	✓
2. Child Support collection: percentage of domestic active paying parents with less than one month Child Support liability outstanding	≥63%	67.3%	✓
3. Achievement of payment quality standards: Child Support: debt under arrangement	≥41%	43.1%	✓
4. Achievement of telephony service level standards: average speed of answer	≤3 minutes	2 minutes 50 seconds	✓
5. Achievement of processing service level standards: registrations completed within standard	≥82%	82.2%	✓
6. Achievement of digital service level standards: interactions completed via digital channels	≥5% increase	8.5% increase	✓
7. Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access	≥98%	99.8%	✓

The agency achieved all seven Child Support performance measures in 2020–21, in comparison to 5 of 8 in 2019–20, noting there was no set target for the now removed Trust performance measure last year.

The program exceeded the target for customer satisfaction results for the first time, reflecting the agency's focus on improving Child Support services as a whole. The agency worked with separated families to facilitate the transfer of around \$3.81 billion in Child Support payments, an increase of 2% (\$40 million) transferred between parents to support approximately 1.2 million children, with added focus on utilising capacity and available resources with greater efficiency and planning, which notably resulted in a decrease in the average speed of answer by over 11 minutes compared to 2019–20.

As experienced across the agency during 2020–21, digital interactions increased substantially compared to 2019–20. This result was underpinned by the high level of availability of our ICT systems.

The 2020–21 performance measure results demonstrate that the Child Support Program has enabled the agency to achieve its purpose to support Australians by efficiently delivering high quality, accessible services and payments on behalf of government.

Performance measure 1 – Customer satisfaction: achievement of customer satisfaction standards

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥ 85 out of 100	85.9	✓	+6.9
2019–20	≥ 85 out of 100	79.0	✗	+3.8
2018–19	≥ 85 out of 100	75.2	✗	NA ^(a)

(a) Due to a change in how the measure is calculated, the results for 2018–19 are not directly comparable with the previous year.

ANALYSIS

The agency achieved the annual target, which shows that Child Support customers were satisfied with the telephony service they received during 2020–21. This is the first year that Child Support has achieved its annual target since the inception of the Satisfaction Research Program in 2017–18.

The result reflects the agency's focus on improving Child Support services through the management of key areas included balancing customer calls, case management activities and proactive debt collection to achieve customer outcomes across registration, assessment, collection and disbursement activities.

The agency continues to tailor delivery of services to the needs of customers making it easier for customers with complex Child Support cases to have their case managed effectively.

The table below compares the satisfaction drivers across three financial years.

Satisfaction drivers	2018–19	2019–20	2020–21
Perceived quality	80.3	84.4	88.1
Personalised service	81.6	84.1	86.8
Communication	83.1	85.5	87.8
Time to receive service	56.3	60.1	83.1
Fair treatment	85.6	87.9	90.5
Effort	70.3	74.2	81.0

REFERENCE

2020–21 Portfolio Budget Statements, page 237

2020–21 Corporate Plan, page 18

DATA SOURCE

External survey provider

- The margin of error is less than 5 index points.

NOTES AND DEFINITIONS

- The Satisfaction and Experience Survey is the agency's primary measurement of customers' satisfaction with their most recent interaction.
- The Child Support result is driven by a 6-driver model. Unlike SSW and Health, which have four channels in their respective customer satisfaction survey, Child Support's result is derived from one channel (telephony).
- At present, regular surveying of Child Support customer satisfaction online services is not undertaken due to technical issues, but the agency is working to address and resolve this for 2021–22.
- Surveys are undertaken via automated interactive voice response (post-call survey), online or via outbound interviews conducted by the agency's external provider.

Performance measure 2 – Child Support collection: percentage of domestic active paying parents with less than one month Child Support liability outstanding

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥63%	67.3%	✓	+2.1%
2019–20	≥63%	65.2%	✓	+0.6%
2018–19	≥63%	64.6%	✓	No change

ANALYSIS

The agency achieved its annual result, indicating that the collection strategies and proactive debt management, including the focus on early intervention, are working effectively. The measure delivers government and customer outcomes by ensuring that Child Support is transferred in a regular and timely fashion for the benefit of children.

The agency works closely with paying parents to create arrangements that are sustainable and encourage ongoing compliant behaviours. Where a customer defaults, the agency makes contact to ensure that debts are addressed early, contributing to the overall annual result.

Economic factors have positively improved performance, with an increase in collection attributed to customers who are in receipt of SSW payments. In these cases, debts may be collected from these payments.

REFERENCE

2020–21 Portfolio Budget Statements, page 237

2020–21 Corporate Plan, page 18

DATA SOURCE

Enterprise Data Warehouse

NOTES AND DEFINITIONS

The performance measure is reflected in the Services Australia 2020–21 Corporate Plan as: Child Support collection: percentage of domestic active paying parents with less than one month Child Support collect liability.

Domestic active paying parents in collect cases are:

- paying parents, with both parents residing in Australia
- involved in at least one active case (the case has not ended and at least one child is under 18 years of age)
- involved in a Child Support collect case (i.e. not a private collect case).

Performance measure 3 – Achievement of payment quality standards: Child Support: debt under arrangement

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥41%	43.1%	✓	–2.1%
2019–20	≥40%	45.2%	✓	+9.8%
2018–19	≥39%	35.4%	✗	NA ^(a)

(a) The performance measure commenced in 2018–19.

ANALYSIS

The agency achieved the annual result, indicating that the proactive collection strategies in place, in particular the focus on establishing payment arrangements, are working effectively.

Economic factors have contributed, with an increase in debt under arrangement attributed to customers who are in receipt of Social Security and Welfare payments. In these cases debts may be collected under arrangement from these payments.

For more information on *Child Support Collect*, see page 62.

REFERENCE

2020–21 Portfolio Budget Statements, page 237

2020–21 Corporate Plan, page 19

DATA SOURCE

COGNOS, EAC View

Performance measure 4 – Achievement of telephony service level standards: average speed of answer

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≤3 minutes	2 minutes 50 seconds	✓	–11 minutes 5 seconds
2019–20	≤3 minutes	13 minutes 55 seconds	✗	+1 minute 10 seconds
2018–19	≤3 minutes	12 minutes 45 seconds	✗	+3 minutes 40 seconds

ANALYSIS

The agency achieved its annual target in 2020–21, with the average speed of answer decreasing by over 11 minutes.

The substantial improvement is attributed to a regular review of work practices to ensure capacity was optimally utilised, and additional telephony capacity through training and developing staff capability and engagement of new staff.

	2018–19	2019–20	2020–21
Answered calls	1.7 million	1.6 million	1.6 million
Terminated calls	0.5 million	0.4 million	0.1 million

REFERENCE

2020–21 Portfolio Budget Statements, page 237

2020–21 Corporate Plan, page 19

DATA SOURCE

Telstra computer telephony interface files.

NOTES AND DEFINITIONS

- Telephony lines used to calculate this measure include all Child Support inbound queues.
- Average speed of answer is measured from the time a customer enters the queue to the time their call is answered by a service officer.
- Calls terminated by a customer before they are answered are not included in the calculation as the calculation measures how long customers have waited to be answered only.

Performance measure 5 – Achievement of processing service level standards: registrations processed within standard

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥82%	82.2%	✓	–1.7%
2019–20	≥82%	83.9%	✓	+3.2%
2018–19	≥82%	80.7%	✗	+4.5%

ANALYSIS

The agency achieved the annual target, with added focus being given to improving workload management strategies to maximise timeliness of applications processed.

The result was down slightly compared to 2019–20 due to staff across Child Support being redeployed to priority COVID-19 pandemic work as directed throughout the reporting period.

Daily monitoring and reporting on the status of all applications provided enhanced visibility of workloads, and prioritisation of work in order to achieve the target.

Performance was also aided by the recruitment of new staff in 2020, which helped with capacity for this year to maximise timeliness of registrations processed.

	2018–19	2019–20	2020–21
Registrations processed within standard	47,950	51,886	49,183
Registrations not processed within standard	11,476	9,952	10,618
Total	59,426	61,838	59,801

REFERENCE

2020–21 Portfolio Budget Statements, page 237

2020–21 Corporate Plan, page 19

DATA SOURCE

Child Support Enterprise Data Warehouse.

NOTES AND DEFINITIONS

The performance measure is reflected in the Services Australia 2020–21 Corporate Plan as: Achievement of processing service level standards: registrations completed within standard.

The performance measure counts the percentage of registrations that are finalised within 28 days. Registrations include:

- **New registrations:** A new registration refers to the process of an application for a child support assessment that has been received from a customer who is claiming child support for a child/ren that they have not previously claimed for.
- **Restarts:** A restart refers to cases that have been previously registered but the assessment was not accepted (invalid), withdrawn (customer decided not to proceed with the application) or ended and the customer made an application to have the case restarted.

Finalised is defined as when the case status changed from recorded or pending to any other status (other than cancelled).

Performance measure 6 – Achievement of digital service level standards: interactions completed via digital channels

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥5% increase	8.5%	✓	–1.7%
2019–20	≥5% increase	10.2%	✓	+1.9%
2018–19	≥5% increase	8.3%	✓	+7.0%

ANALYSIS

The agency achieved the annual target, with digital interactions continuing to increase during 2020–21. This increase was primarily in relation to electronic payment transactions and electronic letters comprising:

- 6.2 million electronic letters – an increase of over 530,000
- 5.3 million electronic payments – an increase of over 450,000
- 560,000 online and mobile applications interactions – an increase of 67,000
- 123,000 phone self-service transactions – a decrease of 90,000
- 75,000 online registrations interactions – a decrease of 3,000.

An increase in customers experiencing changes in financial circumstances during the year provided the opportunity for more automatic deductions from Social Security and Welfare payments.

The continued increase in online enrolments and automatically connecting customers to electronic mail supported the increase in the number of digital interactions.

During the year, use of Customer Online Accounts increased by 13%, allowing customers to view and update simple information using digital channels. At the end of June 2021, 44% of customers in the current Child Support caseload had an active Child Support Online Account, compared to 39% at the same time last year.

REFERENCE

2020–21 Portfolio Budget Statements, page 238

2020–21 Corporate Plan, page 19

DATA SOURCE

Business Activity Reporting and Analytics, Online IMS Reporting, COGNOS, Infoserve Reporting, SAP Outbound Correspondence, Pluto Online Services and Excel workbooks for electronic payments.

NOTES AND DEFINITIONS

Self-managed transactions and electronic interactions to be included are defined as:

- online letters
- customer online account
- phone self-service
- electronic payment transactions
- online registrations.

Performance measure 7 – Achievement of digital service level standards: availability of ICT services excluding scheduled maintenance periods that support 24/7 customer access

RESULTS

Year	Target	Result	Achieved	Change on previous year +/-
2020–21	≥98%	99.8%	✓	+0.3%
2019–20	≥98%	99.5%	✓	–0.1%
2018–19	≥98%	99.6%	✓	–0.1%

ANALYSIS

The agency has achieved its annual target, Child Support customers being able to access ICT systems 99.8% of the time. This result demonstrates the ability for customers to manage business with the agency through self-service channels.

The digital experience of self-service customers using Child Support online accounts and Express Plus Child Support mobile applications continued to perform well. Some enhancements to address customer issues and online stability were applied as required, resulting in an improved digital experience for customers.

REFERENCE

2020–21 Portfolio Budget Statements, page 238

2020–21 Corporate Plan, page 19

DATA SOURCE

Internal data sources including incident records, problem records, and scheduled maintenance periods are used to calculate the availability result.

NOTES AND DEFINITIONS

- Customer means the public, in particular customers using online services and mobile applications.
- Data sources reflects the use of agency endorsed data collection or visualisation applications that are relevant to service outcomes.

7.2 Responsibility to the Australian community

THE AGENCY'S SERVICE COMMITMENTS

Services Australia's service commitments are a public expression of its vision to deliver excellent services to the Australian people while delivering on the outcomes and expectations of government.

The agency's service commitments underpin our business priorities. They are:

- respect
- quality information
- honesty and integrity
- efficiency.

Services Australia regularly assesses and reports on its performance against each of the 4 service commitment themes. The results for this year are based on responses to a survey conducted throughout 2020–21 that asked about each respondent's most recent interaction with the agency. Respondents who were unable to provide an answer were removed from the calculation of results.

RESPECT

We will listen and work with you to understand your individual and cultural needs — measured by people's assessment of staff behaviour:

- 92.8% of people surveyed about Centrelink services agreed that staff treated them with respect and 88.3% agreed that staff took into account their individual circumstances
- 93.3% of people surveyed about Medicare services agreed that staff treated them with respect and 91.1% agreed that staff took into account their individual circumstances
- 90.5% of people surveyed about Child Support services agreed that staff treated them with respect and 86.4% agreed that staff took into account their individual circumstances.

QUALITY INFORMATION

We are committed to providing consistent and accurate information – measured by people's assessment of the consistency and accuracy of information:

- 88.3% of people surveyed about Centrelink services agreed that information was accurate and consistent
- 92.1% of people surveyed about Medicare services agreed that information was accurate and consistent
- 87.8% of people surveyed about Child Support services agreed that information was accurate and consistent.

HONESTY AND INTEGRITY

We will be open and honest and follow through on our commitments – measured by people's assessment of requests being actioned as promised:

- 81.8% of people surveyed about Centrelink services were confident their requests were actioned as promised
- 89.1% of people surveyed about Medicare services were confident their requests were actioned as promised
- 86.1% of people surveyed about Child Support services were confident their requests were actioned as promised.

EFFICIENCY

We will simplify the way we deliver services to you – measured by people's assessment of achieving what they wanted:

- 84.1% of people surveyed about Centrelink services agreed that they achieved what they wanted in their interaction
- 90.3% of people surveyed about Medicare services agreed that they achieved what they wanted in their interaction
- 86.8% of people surveyed about Child Support services agreed that they achieved what they wanted in their interaction.

SATISFACTION RESEARCH PROGRAM

The Satisfaction Research Program includes a number of survey modules, which measure satisfaction with the agency's service delivery:

- The Satisfaction and Experience Survey measures people's perceptions of the quality of service they received in their most recent interaction with the agency.
- The Strategic Survey measures people's general perceptions of, and engagement with, the agency.
- The Health Provider Survey measures satisfaction with the agency's services from health professionals, including pharmacists, general practitioners and practice managers.

Table 34: Summary of the agency's satisfaction survey activities

Survey title	Target audience, timing and sample size	Results 2019–20	Results 2020–21
Satisfaction and Experience Survey	<p>Random selection of current users who have recently interacted with the agency</p> <p>Continuously throughout the year</p> <p>Approximately 252,476 surveys completed</p>	<p>Satisfied with:</p> <ul style="list-style-type: none"> • Centrelink services: 79.5 out of 100 • Medicare services: 86.1 out of 100 • Child Support services: 79.0 out of 100 	<p>Satisfied with:</p> <ul style="list-style-type: none"> • Centrelink services: 82.6 out of 100 • Medicare services: 86.6 out of 100 • Child Support services: 85.9 out of 100
Strategic Survey	<p>Random selection of users who have had any interaction with the agency in the previous 12 months</p> <p>Every 6 months</p> <p>6,283 surveys completed</p>	<p>Satisfied with:</p> <ul style="list-style-type: none"> • Centrelink: 56.2% • Medicare: 81.9% • Child Support: 37.0% 	<p>Satisfied with:</p> <ul style="list-style-type: none"> • Centrelink 68.5% • Medicare 80.2% • Child Support: 38.5%
Health Provider Survey	<p>Random selection of health professionals who have interacted with the agency in the previous 6 months</p> <p>Annually 1,061 surveys completed</p>	<p>Satisfied with or neutral about the agency's services:</p> <ul style="list-style-type: none"> • Health provider 85.2% 	<p>Satisfied with or neutral about the agency's services:</p> <ul style="list-style-type: none"> • Health provider 89.2%

COMPLIANCE WITH THE COMMONWEALTH CHILD SAFE FRAMEWORK

Services Australia is committed to ensuring that it does not put children at greater risk through any interactions they may have with the agency. The agency interacts with children through a wide variety of circumstances. These interactions may be:

- at service centres in the company of their parents or other trusted adults
- through online interactions as customers
- as employees of the agency
- as visitors in the company of agency staff
- by telephone.

The agency undertakes an annual child safety risk assessment with the aim of identifying and mitigating risks to children through these, or any other interactions they may have with us.

FEEDBACK ON SERVICES

Services Australia is committed to delivering high-quality services to the Australian people. We value the feedback we receive as it helps us improve our business processes and deliver better services.

We are committed to ensuring that people are aware of their right to complain and provide feedback. They can contact the agency:

- by calling the complaints and feedback line
- online via their myGov account, Centrelink online account or at **servicesaustralia.gov.au**
- by calling one of our international phone numbers from overseas – listed at **servicesaustralia.gov.au/individuals/contact-us/phone-us/international-phone-numbers**
- by mail (no postage stamp required)
- by calling the National Relay Service for people who are deaf or have a hearing or speech impairment
- by speaking to a service officer at any service centre or on the phone.

The number of complaints we received in 2020–21 about our services was 147,657, or 0.3% of the more than 452 million customer interactions (including calls handled, visits to service centres and self-service interactions).

In 2020–21, we received 13,969 compliments. Of these, 79.5% were about the service provided by staff, 15.9% were about programs, and 4.6% were about products.

We actively encourage feedback and suggestions about programs, services and new initiatives. In 2020–21, we received 12,269 suggestions.

CENTRELINK FEEDBACK

In 2020–21, the agency recorded 149,707 feedback contacts about Centrelink services. Of these, 125,524 were complaints. The top 3 complaint reasons, by volume, were:

- dissatisfaction with a **decision, outcome or payment**, including cancellation or suspension of a payment, not receiving a payment, and waiting too long (36.1%)
- dissatisfaction with a **claim, application or assessment process**, including waiting too long, requests for information regarding the process of the claim, and not being updated on progress (26.1%)
- difficulties with **digital services**, including being unable to update details, inability to complete a transaction, and inability to access services (10.4%).

The agency resolved 80% of Centrelink complaints within 10 working days.

MEDICARE FEEDBACK

In 2020–21, the agency recorded 8,377 feedback contacts about Medicare services. Of these, 6,692 were complaints. The top 3 complaint reasons, by volume, were:

- dissatisfaction with a **decision, outcome or payment**, including not receiving a payment, disagreeing with a decision and rejection of an application or claim (21.4%)
- dissatisfaction with a **claim, application or assessment process**, including waiting too long, incorrect information, and requests for information regarding the progress of a claim (30.3%)
- difficulties with **digital services**, including inability to access services, incorrect, unavailable or unclear information, and being unable to update details (16%).

The agency resolved 93% of Medicare complaints within 10 working days.

CHILD SUPPORT FEEDBACK

In 2020–21, the agency recorded 15,811 feedback contacts about Child Support services. Of these, 15,441 were complaints. The top 3 types of complaints, by volume, were to do with:

- **quality of service**, including lack of courtesy, poor advice, and inaction of requests (31.4%)
- **collection**, including lack of collection, issues with account balance, and issues with employer withholding (31.1%)
- **assessment**, including income used, care level used, and change of assessment (23.8%).

The agency resolved 92% of Child Support complaints within 10 working days.

Management and accountability

8

8.1 Corporate governance

Everything we do is underpinned by clear and accountable governance arrangements. We make decisions that are fair and transparent – based on good information and data, genuine consultation with stakeholders, and in a way that stands up to scrutiny.

ENTERPRISE GOVERNANCE AND RISK MANAGEMENT

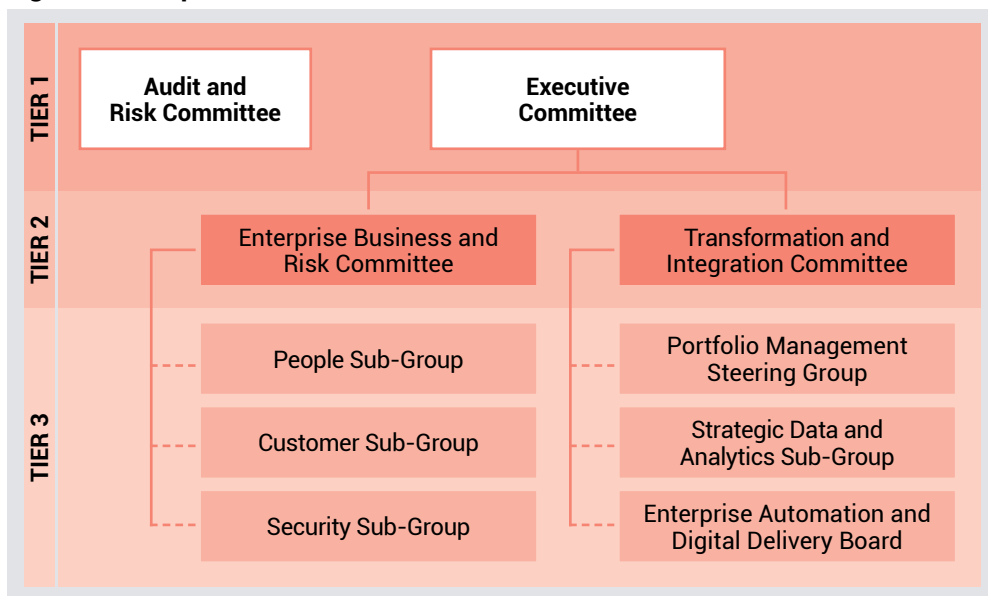
Our senior leadership are accountable for governance and risk management, while our enterprise governance committees oversee key agency priorities and ensure our frameworks are fit-for-purpose and meet our obligations.

The agency's Risk Management Policy and Framework outline accountabilities for risk management and set the risk appetite and tolerance for the agency. Our approach to risk management is based on the *ISO 31000: Risk Management – Guidelines*. It aligns with the *Commonwealth Risk Management Policy 2014*, meeting our obligation under section 16 of the *Public Governance, Performance and Accountability Act 2013*.

Our governance committees provide transparency, direction and oversight on complex strategic and operational matters and risks that affect multiple areas of the agency and cannot be resolved within existing lines of authority.

During 2020–21, we made changes to our governance committee structure to ensure we had an appropriate focus on both operational matters and our transformation agenda.

Figure 3: Enterprise Committee structure



EXECUTIVE COMMITTEE

The Executive Committee, chaired by the CEO, is the agency's most senior governance committee. It sets the agency's overall strategic direction and priorities.

The Executive Committee oversees the agency's financial and operational performance by allocating resources, resolving major issues, managing enterprise risks and ensuring accountability and regulatory requirements are met. It also provides direction on key organisational matters raised by sub-committees.

The Executive Committee is supported by the *Enterprise Business and Risk Committee* and *Transformation and Integration Committee*.

ENTERPRISE BUSINESS AND RISK COMMITTEE

The Enterprise Business and Risk Committee, chaired by the CEO, oversees matters relating to service delivery and enabling functions. It ensures the effective day-to-day running of the agency.

Its remit includes business planning and continuity, performance monitoring and reporting, risk management, workforce management, information management and asset management.

The Enterprise Business and Risk Committee is supported by three sub-groups:

- **Customer Sub-Group:** Chaired by Deputy CEO Customer Service Design, this sub-group considers customer experience and service delivery performance.

- **People Sub-Group:** Chaired by the Chief Operating Officer, the sub-group considers workforce management, performance, and capability, and workplace health and safety.
- **Security Sub-Group:** Chaired by the Chief Operating Officer, the sub-group considers security, fraud, and privacy risk management.

TRANSFORMATION AND INTEGRATION COMMITTEE

The Transformation and Integration Committee, chaired by Deputy CEO Strategy and Performance, oversees the agency's development of future capabilities and progress against key priorities. It ensures that implementation of the agency's strategic plan and delivery of key projects are on track.

Its remit includes progress against strategic and whole-of-government priorities, ministerial priorities, budget measures, policy changes and major projects.

The Transformation and Integration Committee is supported by three sub-groups:

- **Enterprise Automation and Digital Delivery Board:** Chaired by Deputy CEO Transformation Projects, the board oversees the agency's digital and automation initiatives.
- **Portfolio Management Steering Group:** Chaired by the General Manager Enterprise Portfolio Management Office, the steering group oversees the delivery of the agency's registered projects.
- **Strategic Data and Analytics Sub-Group:** Chaired by the Chief Data Officer, the sub-group oversees data and analytics within the agency.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee provides independent advice to the accountable authority, that is, the CEO, regarding the appropriateness of the agency's financial reporting, performance reporting, system of risk oversight and management, and the system of internal control consistent with the PGPA Rule. The functions of the Audit and Risk Committee are detailed in its charter. For the charter see: servicesaustralia.gov.au/sites/default/files/audit-and-risk-committee-charter-140421.pdf

The Audit and Risk Committee has an independent Chair, Jennifer Clark, and 3 independent members. In October 2020, in anticipation of the PGPA Rule requirement from 1 July 2021 that no members of the audit committee be officials of the agency, Audit and Risk Committee membership was revised to comprise all independent members. The Chief Operating Officer and General Manager Health Programs were appointed as permanent Senior Advisers to the Audit and Risk Committee. The Chief Audit Executive and Chief Financial Officer are both Advisers to the Audit and Risk Committee. Representatives of the Australian National Audit Office (ANAO) also attend the committee's meetings.

The qualifications, knowledge, skills, experience and remuneration of current committee members are detailed in Table 35.

Table 35: Audit and Risk Committee membership 2020–21

Member name: qualifications, knowledge, skills or experience	Number of meetings attended	Total annual remuneration \$ (excluding GST)
<p>Jennifer Clark (Chair)</p> <p>Ms Clark has an extensive background in business, finance and governance through a career as an investment banker and as a non-executive director.</p> <p>Ms Clark is an independent board director and she has been the chair or member of over 20 audit, risk and finance committees in the Australian Government and private sector over the past 30 years. Ms Clark is a Fellow of the Australian Institute of Company Directors and has substantial experience in financial and performance reporting, audit and risk management.</p>	<p>9 – Audit and Risk Committee meetings</p> <p>3 – Financial Statements Sub-Committee meetings</p> <p>4 – Audit Findings Sub-Committee meetings</p>	110,344.68
<p>Carol Lilley (Member, Chair of Financial Statements Sub-Committee)</p> <p>Ms Lilley is an independent board director and chair or member of a number of Australian Government audit committees. She was a partner at PricewaterhouseCoopers and has over 20 years' experience in financial statement audit, internal audit, and project and risk management, with a particular focus on government.</p> <p>Ms Lilley holds a Bachelor of Commerce from the University of Western Australia. She is a graduate of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia and New Zealand, a certified internal auditor, and was a registered company auditor.</p>	<p>9 – Audit and Risk Committee meetings</p> <p>3 – Financial Statements Sub-Committee meetings</p> <p>2 – Audit Findings Sub-Committee meetings</p>	59,295.45

Member name: qualifications, knowledge, skills or experience	Number of meetings attended	Total annual remuneration \$ (excluding GST)
<p>Andrew Dix (Member)</p> <p>Mr Dix holds the degree of Bachelor of Commerce, majoring in Accounting, Economics, and Commercial Law. Mr Dix was a board member of the Institute of Internal Auditors in Australia from 2005 to 2012, and served as National President from 2009 to 2011.</p> <p>Mr Dix retired from Telstra Corporation as the Executive Director responsible for Risk Management and Internal Audit. He is now on the boards of the University of Technology, Western Leisure Services Pty Ltd and the Victorian Farmers Federation. He is also the Chair of the Bureau of Meteorology Audit and Risk Committee.</p> <p>Mr Dix is a Fellow of the Institute of Chartered Accountants, a Certified Member of the Institute of Internal Auditors, and a Graduate Member of the Australian Institute of Company Directors.</p>	<p>8 – Audit and Risk Committee meetings</p> <p>1 – Financial Statements Sub-Committee meeting</p> <p>4 – Audit Findings Sub-Committee meetings</p>	46,227.25
<p>Shireane McKinnie PSM (Member)</p> <p>Ms McKinnie has extensive experience in acquisition and sustainment of defence systems and governance of complex enterprises gained through many years of experience in senior executive leadership positions. She holds a number of governance positions in the public and private sectors as a board chair, director and audit committee member.</p> <p>She was awarded the Public Service Medal for outstanding achievement in the field of engineering and defence acquisition, and an Honorary Fellowship of Engineers Australia for conspicuous service to the engineering profession. Ms McKinnie is a member of the Australian Institute of Company Directors.</p>	<p>9 – Audit and Risk Committee meetings</p> <p>1 – Financial Statements Sub-Committee meeting</p> <p>4 – Audit Findings Sub-Committee meetings</p>	42,636.35

Member name: qualifications, knowledge, skills or experience	Number of meetings attended	Total annual remuneration \$ (excluding GST)
Former Services Australia members		
Annette Musolino, Chief Operating Officer (September 2020 to October 2020) As Chief Operating Officer Annette Musolino is responsible for the agency's corporate functions including finance, human resources, audit, legal, property and procurement. She was appointed Chief Operating Officer in September 2020.	1 – Audit and Risk Committee meeting	0 ^(a)
Amanda Cattermole PSM, Chief Operating Officer (March 2020 to August 2020) Appointed as the Chief Operating Officer on 27 March 2020, Amanda Cattermole was responsible for the agency's governance, ministerial and parliamentary services and corporate functions, including finance, human resources, audit, legal, property and procurement.	3 – Audit and Risk Committee meetings 1 – Financial Statements Sub-Committee meeting	0 ^(a)
Paul Creech, General Manager Health Programs (July 2020 to October 2020) Paul Creech was responsible for the agency's health programs and payments, including aged care, Medicare, the Pharmaceutical Benefits Scheme, private health insurance, the Australian Immunisation Register, the Practice Incentives Program, and a range of speciality health programs.	4 – Audit and Risk Committee meetings 1 – Financial Statements Sub-Committee meeting	0 ^(a)
Robert Higgins, Acting Chief Operating Officer (July 2020)	1 – Audit and Risk Committee meeting	0 ^(a)

(a) Australian public servants are not paid as committee members.

FINANCIAL STATEMENTS SUB-COMMITTEE

The Financial Statements Sub-Committee is a sub-committee reporting to the Audit and Risk Committee. The sub-committee has an independent Chair, Carol Lilley, who is a member of the Audit and Risk Committee. The other member of the Sub-Committee is the General Manager Health Programs who was an internal member of the Audit and Risk Committee before becoming a permanent Senior Adviser to the committee. The Chair of the Audit and Risk Committee attended all meetings of the sub-committee as an observer. The sub-committee oversees the preparation of the agency's annual financial statements, and broader financial matters. The sub-committee met 3 times during the year.

AUDIT FINDINGS SUB-COMMITTEE

The Audit Findings Sub-Committee is a sub-committee reporting to the Audit and Risk Committee. The Chair of the Sub-Committee is the Chair of the Audit and Risk Committee, and all members of the Audit and Risk Committee are members of the sub-committee. The sub-committee oversees the approach being taken by the agency to address particular audit findings and to monitor the implementation of the closure of those findings. The sub-committee met 4 times during the year.

8.2 Fraud control and compliance

Services Australia's fraud control and compliance capabilities seek to ensure that only eligible people receive payments and that they get the right amount. When a customer receives money they are not entitled to, they are required to repay their debt.

The agency focuses its compliance action on ensuring people receive correct payments, helping them to meet their obligations, protecting customer identities, and preventing the exploitation of welfare payments by criminals.

In cases of fraud or other relevant crimes, the agency investigates those matters and may refer offenders to the Commonwealth Director of Public Prosecutions (CDPP) for prosecution.

During the year, Services Australia's work to combat fraud and related crimes led to:

- 898 criminal investigations
- 656 administrative investigations
- 331 referrals to the CDPP
- preventing the payment of fraudulent Medicare claims worth over \$140,000
- preventing fraud involving \$727,167 worth of welfare payments.

FRAUD AND CORRUPTION CONTROL AND ASSURANCE

Services Australia has a long-standing record of success managing fraud and corruption risks. We have a comprehensive approach to managing these risks, articulated in the agency's *Fraud and Corruption Control Plan 2020–24*. The plan clarifies the accountabilities of senior executive risk 'owners' at the enterprise, program and function level.

We undertake enterprise, program and function level fraud and corruption risk assessments, which provide assurance that we are effectively managing these risks. We review and test fraud and corruption controls against a risk-based work plan.

The agency's new strategic governance and reporting arrangements have strengthened our oversight and management of fraud and corruption risks.

We continue to frame our activities around 4 key elements:

- *predict* – to prevent or minimise fraud or corruption occurring, we keep abreast of emerging threats through a range of intelligence sharing and data analytics
- *prevent* – we proactively assess the fraud and corruption environment, ensuring that staff understand their role in managing these risks and embed fraud and corruption control in policy and process design
- *control and assure* – we ensure effective fraud and corruption risk management by implementing robust controls with continuous monitoring, evaluating and reporting
- *detect and disrupt* – we run sophisticated detection and disruption strategies to help us identify and respond to fraud or corruption in a timely, appropriate and proportionate manner, with a focus on disrupting further criminal activity.

FRAUD AND CORRUPTION PREVENTION AND DISRUPTION

Services Australia operates a sophisticated fraud and corruption detection program, with data analytics and profiling that includes near real-time detection of these crimes. We run robust fraud and corruption prevention and disruption strategies that help us deter and respond to fraud and corruption in a timely, appropriate and proportionate manner.

Disruption activities include:

- raising staff fraud and corruption awareness to ensure they understand their responsibilities to prevent fraud and corruption
- making it easy for staff to report suspicious activity, and communicating outcomes so that staff recognise the benefit of their actions
- using a comprehensive internal and external tip-off program to identify criminal activity
- when necessary, undertaking joint investigations with other law enforcement bodies and agencies, and referrals to the Australian Federal Police with a focus on disrupting serious, organised and complex fraud activities and related crimes
- pursuing disciplinary, administrative, and civil or criminal sanctions, when appropriate
- working with partners to respond to scams that affect customers and their personal information.

During 2020–21, the agency continued to build its capabilities to address fraud and corruption risks through a range of initiatives, including enhancing our digital forensic and forensic accounting capabilities to support external and internal investigations. These capabilities also support other agencies such as the Australian Federal Police (AFP), National Disability Insurance Agency (NDIA) and the NDIS Quality and Safeguards Commission.

We contributed to whole-of-government efforts to combat fraud, with a continued focus in 2020–21 on people attempting to exploit COVID-19 related payments and emergency payments for disasters such as the floods in New South Wales.

The agency also collaborated with the Commonwealth Fraud Prevention Centre to enhance capability across government to identify and address fraud and corruption. We also continued to strengthen our partnership with other government agencies including through multi-agency bodies such as the Serious Financial Crimes Taskforce, the Black Economy Standing Taskforce and the Fintel Alliance.

TASKFORCE INTEGRITY

The 2021–22 Budget measure, Enhancing Welfare Integrity Arrangements – Extension of Taskforce Integrity, extended Taskforce Integrity to 30 June 2023. Taskforce Integrity is a joint operation between Services Australia and the AFP that delivers an important capability in the fight against criminals and other unscrupulous individuals planning to exploit the Australian Government's system of social supports.

The taskforce focuses on prevention, detection and disruption of this criminal activity, often enabled by stealing the identities of vulnerable Australians. In 2020–21, the taskforce delivered the following key outcomes:

- completed 32 investigations
- 17 agency assists
- identified 849 victims of identity theft and payment hijacking
- referred 10 persons for prosecution
- achieved 9 successful prosecution outcomes
- recovered \$19.5 million in debt arising from fraud or serious non-compliance.

IDENTITY MANAGEMENT

Effective identity management is critical to the agency, and to a whole-of-government approach to combatting fraud and other crimes. Confirming that a person is who they say they are is the foundation of the agency's fraud controls. Services Australia implements a range of strategies to check, confirm and protect the identity of customers who interact with the agency.

As COVID-19 began to spread, in early 2020 new customers could use temporary arrangements to verify their identities over the phone and online to avoid having to go into a service centre. As social distancing requirements eased, from May 2021 new customers were again required to undergo a facial identity check before receiving payment.

During the year, we continued to test and deploy new technologies, for example, using voice biometrics and updating the Express Plus Centrelink mobile app

to make it easier for customers to confirm their identity. We also started a Virtual Service Centre Pilot to undertake virtual interviews using video chat. This innovation will help us to complete identity confirmation, including a facial check, without customers having to come into a service centre.

In December 2020, the agency delivered the ability to use digital identity (IP2) to login to myGov. The ATO is currently making improvements to myGovID by increasing the Identity Proofing service to a Level 3 (IP3) which includes a facial biometric check. Once available, IP3 will allow the ability to login to myGov using facial recognition, as well as the ability for eligible Centrelink customers to prove who they are from their device, without having to go to a service centre.

We continued to support customers who were potential victims of scams or identity theft through our Scams and Identity Theft Helpdesk. The helpdesk assesses the risk of compromise to a customer's identity and, if necessary, secures their agency records and refers customers to other services such as IDCare, Australia's national identity support service.

In 2020–21, the agency:

- confirmed the identities of over 668,000 customers
- successfully matched over 3.25 million identity documents from customers with the Department of Home Affairs document verification service
- responded to over 59,000 calls and more than 4,000 emails to the Scams and Identity Theft Helpdesk
- referred more than 2,100 customers to IDCare.

PUBLIC TIP-OFFS

Tip-offs about suspected public health, welfare and child support fraud are an integral part of maintaining the integrity of the system of social supports and community confidence in the system.

Specialist staff assess all public tip-offs and work alongside compliance and intelligence colleagues to identify emerging concerns.

People can share tip-off information with Services Australia by:

- visiting the Reporting Fraud page on our website **servicesaustralia.gov.au** and filling out the online form, or
- phoning the Australian Government Services Fraud Tip-off Line on **131 524**.

In 2020–21, the agency received more than 64,787 tip-offs through the Tip-off Line and more than 20,843 tip-offs from other sources.

PAYMENT ACCURACY AND CORRECTNESS

The agency aims to pay the right person the right amount through the right program at the right time.

RANDOM SAMPLE SURVEY

To help ensure accurate social welfare payments are made, we conduct random sample surveys (RSS). These are point-in-time assessments of a customer's circumstances for major payment types. The surveys are used to identify both staff and customer errors. They also measure our ability to pay customers the exact payment they are entitled to, known as payment correctness, and allow the Department of Social Services to measure the integrity of outlays, known as payment accuracy.

The impact of the COVID-19 pandemic on the agency's RSS activities accelerated the modernisation of our ways of working. While most of our RSS activities during the year remained consistent with past practice, we also introduced more contemporary methods. This included engaging with customers through video chat and other remote technology. These new methods worked well, providing a good foundation for future activities.

In 2020–21, the agency achieved 98.7% payment correctness, against a target of 95% – see also *Criterion 2 Achievement of payment quality standards: Centrelink: Delivery of correct customer payments* on page 96.

COMPLIANCE PROGRAM

Services Australia sources information from other government agencies and third parties to help ensure the accuracy of social welfare and other payments and to resolve discrepancies in information provided by customers.

In 2020–21, a range of compliance activities were placed on hold in response to the National Debt Pause that was implemented to support Australians through the COVID-19 pandemic. This enabled the redeployment of staff to help deliver critical services to Australian citizens. During this period, the agency focused on supporting Australians who were identified as eligible for a JobKeeper payment and who were receiving a social welfare payment to meet reporting obligations and prevent overpayment.

The agency contacted more than 79,000 customers to provide assistance to accurately declare their income.

Table 36: Social welfare compliance activity

	2018–19	2019–20	2020–21
Compliance interventions	1,693,110	898,574	194,770
Reductions in fortnightly payments	101,859	71,841	26,834
Value of fortnightly reductions	\$26.5 million	\$25.2 million	\$15.6 million
Prevented outlays	\$72.2 million	\$52.7 million	NA ^(a)
Debts raised	325,677	142,155	31,654
Total debt value	\$885.8 million	\$364.4 million	\$59.2 million

(a) This information is not available due to the impact of COVID-19 and other related activities.

INCOME COMPLIANCE PROGRAM

In 2020–21, Services Australia delivered a refund process for debts that were calculated wholly or partly using averaged ATO income data, including customers who had repaid all or part of a subject debt.

The agency identified impacted debts and has refunded the majority of the 529,000 debts affecting approximately 433,000 people that were raised using income averaging. Over \$724 million has been refunded which equates to over 96% of the estimated total of \$751 million in 2020–21.

The agency has attempted to contact, via various mediums and channels, a residual small group of former customers who are yet to engage with the agency and be refunded. They will receive their refund when they re-contact the agency at any time in the future.

DEBT MANAGEMENT

Services Australia works with people to minimise the chances of incurring a debt through measures that help them to understand their obligations. However, in circumstances where people have not been paid the right amount, and a debt is incurred, we work with customers taking into account their personal circumstances to recover overpayments.

When a person is finding it difficult to repay a debt, the agency is flexible. For instance, the agency can pause recovery of a debt for a specified period for those experiencing financial hardship and those in vulnerable situations. The agency also provides support to customers through our network of social workers when more specialised assistance is needed.

As COVID-19 restrictions eased, the National Debt Pause put in place in April 2020 was lifted and from 2 November 2020 Services Australia gradually started raising debts again, except for areas that remained in a state of disaster, including Victoria and bushfire-affected Local Government Areas.

On 11 January 2021, the agency lifted the pause on debt raising activities for Victoria. From 1 February 2021, the agency recommenced debt recovery activity.

Delaying debt recovery until February 2021 recognised the financial difficulties many people continued to face as a result of COVID-19 pandemic impacts. It gave people time to consider their circumstances, engage with the agency about their options, and plan their finances.

The agency also supported customers living in areas affected by natural disasters by pausing debt raising and recovery activities in these areas, with the exception of fraud and serious non-compliance work.

During the year, the agency made several improvements to services for customers who had been overpaid. Improvements were made to the way we communicated with customers about their overpayments, including updates to the account payable notice, to provide better debt explanations and the use of SMS to help customers understand how to manage their debt.

To improve customer experiences, enhancements were also made to the Centrelink Online app, the Money You Owe online service, and interactive voice response technologies on the dedicated debt recovery phone line.

Table 37: Debts raised from customers who received social welfare payments

	2018–19	2019–20	2020–21
Number of debts raised	2,270,117	1,758,484	1,693,911
Amount raised	\$3.4 billion	\$2.4 billion	\$2.0 billion

Table 38: Social welfare debt recovered

	2018–19	2019–20	2020–21
Total debts recovered	\$1.85 billion	\$1.75 billion	\$0.85 billion ^(a)
Amount recovered by contracted agents	\$147.8 million	\$110.7 million ^(b)	\$42.2 million
% of total recovered by contracted agents	8.0	6.3 ^(a)	5.0

(a) The reduced recoveries in this financial year is due to the National Debt Pause. This amount excludes the \$730.2 million in refunds from the Returned Repayment project, which began refunding customers in July 2020.

(b) The amount recovered by contracted agents was revised from \$105.0 million to \$110.7 million for 2019–20, as some information was not available at the time of publication.

8.3 External scrutiny

Services Australia's activities and operations are subject to scrutiny from a number of external bodies, among them the ANAO, parliamentary committees, the courts and administrative tribunals, the Australian Information Commissioner, the Privacy Commissioner and the Commonwealth Ombudsman.

JUDICIAL DECISIONS

On 11 June 2021, Justice Murphy of the Federal Court of Australia approved a settlement in *Katherine Prygodicz & Ors v Commonwealth of Australia* (VID1252/2019).

The proceedings relate to a class action commenced pursuant to Part IVA of the *Federal Court of Australia Act 1976* seeking declarations, restitution, damages and other relief involving some 648,000 group members who had debts raised based on averaged ATO income information. This process was part of the Income Compliance Program, colloquially referred to as 'robodebt'.

The agencies responsible for the Income Compliance Program were the Department of Social Services and Services Australia.

During the proceedings, the Commonwealth accepted that there was no proper legal basis under which to use averaged ATO income data to raise and recover debts. The Commonwealth had previously announced, in May 2020, that it would refund debts raised wholly or partially using averaged ATO income data. Under the Deed of Settlement, the Commonwealth agreed to pay a settlement sum of \$112 million (inclusive of legal costs), to be distributed to eligible group members. This sum is in addition to the value of debts to be refunded to customers. Any person that opted out of the class action is not a group member and will not receive any distribution under the settlement. An independent scheme assurer has been appointed to manage the calculation and distribution of class members' entitlements under the settlement agreement.

Since 18 November 2019, the Commonwealth no longer raises debts based solely on averaged ATO income data.

Since 7 December 2020, the way that employment income is reported and assessed for social security purposes has changed. Under changes introduced by the *Social Services and Other Legislation Amendment (Simplifying Income Report and other Measures) Act 2020*, income is now assessed once it is paid to a social security recipient. This provides a more accurate picture of employment income.

ADMINISTRATIVE APPEALS TRIBUNAL

If a person disagrees with a decision made by Services Australia in relation to social welfare payments, they may, after a formal internal review by an Authorised Review Officer, apply for merits review by the Social Services and Child Support Division of the Administrative Appeals Tribunal (AAT first review). A party who is dissatisfied with the outcome of an AAT first review may apply for further review of the decision by the AAT General Division (AAT second review).

The decisions most commonly challenged in the Administrative Appeals Tribunal (AAT) in 2020–21 were rejection of claims for DSP; raising or recovering debts; rate of payment; start date of payment; and cancellation of payment or benefit.

In 2020–21, the AAT made no decisions that had, or may have, a significant effect on the operations of Services Australia.

Table 39: Social welfare payments merits review applications and outcomes 2020–21

	Applications received	Unchanged decisions ^(a)	Changed decisions
AAT first review	8,381	6,252	2,028
AAT second review – customer initiated	1,332	1,203	359
AAT second review – Secretary applications ^(b)	86	50	34

(a) Unchanged decisions include applications for review that were affirmed by the AAT, withdrawn or dismissed.

(b) Refers to the Secretary of any department where the relevant minister is responsible, under the Administrative Arrangements Order, for that part of social security law that allows for appeal of a decision to the AAT.

The Social Services and Child Support Division of the AAT is also responsible for independently reviewing objections to child support decisions. The 2 most common reasons for parents seeking review of child support decisions by the AAT were change of assessment decisions, and disputed care arrangements for their children.

Table 40: Child support assessment merits review applications and outcomes 2020–21

	Applications received	Unchanged decisions	Changed decisions
AAT first review	2,479	1,277	793

DECISIONS OF THE AUSTRALIAN INFORMATION COMMISSIONER

On 13 April 2021, the Australian Information Commissioner made an adverse determination against Services Australia in connection with a privacy complaint made in 2017 by a customer.

Following the determination, the agency apologised to the customer and paid compensation. In accordance with the Australian Information Commissioner's determination, the agency has engaged an independent auditor to audit the agency's policies, processes and systems relating to updating linked customer records when individuals have separated from their partner.

The audit must be completed by 5 November 2021. The agency is required to report every 6 months to the Australian Information Commissioner on implementation of any actions arising from the audit, until all actions proposed by the agency have been adequately implemented in the auditor's view. Actions arising from the audit may have a significant effect on the operations of the agency.

AUDITOR-GENERAL REPORTS

Since 1 July 2020, the ANAO tabled 3 performance audits of Services Australia:

- **Services Australia's COVID-19 Measures and Enterprise Risk Management** examined whether the agency prepared for, and managed the risks associated with, the delivery of the Australian Government's COVID-19 response measures. The audit was tabled in December 2020 and included no recommendations for the agency.
- **Systems Redevelopment – Managing Risks While Planning Transition** examined whether the agency appropriately managed risks to operating the current welfare payment system and prepared to transition to the future welfare payment systems. The audit was tabled on 24 September 2020 and made 5 recommendations for the agency, all of which were agreed.

- **Establishment and Use of ICT Related Procurement Panels and Arrangements** was a cross-entity audit, which examined entity compliance with the Commonwealth Procurement Rules in establishing and using ICT-related procurement panels and arrangements. The audit was tabled on 31 August 2020, and while the audit did identify a number of improvement opportunities, it contained no recommendations for the agency.

For more information about these and other ANAO audit reports, see anao.gov.au

PARLIAMENTARY COMMITTEE REPORTS

In 2020–21, Services Australia supported a range of parliamentary inquiries (see below), which involved providing written submissions, attending public hearings and private briefings, and submitting answers to questions on notice.

Centrelink's Compliance Program

On 31 July 2019, the Senate referred this matter to the Senate Community Affairs References Committee for inquiry and report. Services Australia provided a written submission on 20 September 2019. In 2020–21, agency representatives attended public hearings on 31 July 2020, 17 August 2020 and 29 March 2021. The agency provided 101 responses to questions on notice to the committee during 2020–21.

Australia's Family Law System

On 19 September 2019, the House of Representatives agreed to a Senate resolution to establish a Joint Select Committee on Australia's Family Law System. Services Australia provided input to the written submission lodged on 18 December 2019 by the Department of Social Services. In 2020–21, Services Australia representatives attended private briefings on 7 October 2020 and 10 May 2021 and public hearings on 23 November 2020 and 19 May 2021. The agency provided responses to 14 questions on notice to the committee during 2020–21.

Education in remote and complex environments

On 27 November 2019, the House Standing Committee on Employment, Education and Training adopted an inquiry referred by the then Minister for Education, the Hon. Dan Tehan MP, to inquire into and report on the education of students in remote and complex environments. Services Australia provided input to a government response in March 2021.

Services, support and life outcomes for autistic people and the associated need for a National Autism Strategy

On 27 November 2019, the Senate established a Select Committee on Autism to inquire into and report on the services, support and life outcomes for autistic people in Australia, and the associated need for a national autism strategy. Services Australia provided a written submission to the committee on 16 July 2020.

Inquiry into homelessness in Australia

On 11 February 2020, the House of Representatives Standing Committee on Social Policy and Legal Affairs resolved to conduct an inquiry into homelessness in Australia. Services Australia representatives attended a public hearing on 7 July 2020.

The Australian Government's response to the COVID-19 pandemic

On 8 April 2020, the Senate established a Select Committee on COVID-19 to inquire into and report on the Australian Government's response to the pandemic. The agency attended public hearings on 30 July and 18 August 2020 and answered 22 questions on notice in 2020–21.

Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020

On 8 October 2020, the Senate referred the Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020 to the Senate Community Affairs Legislation Committee for inquiry and report. Services Australia provided input to the written submission provided by the Department of Social Services on 23 October 2020.

The current capability of the Australian Public Service (APS)

On 1 December 2020, the Senate referred this matter to the Finance and Public Administration References Committee for inquiry and report. Services Australia provided a written submission to the committee on 26 February 2021.

Job security

On 10 December 2020, the Senate established a Select Committee on Job Security to inquire into and report on the impact of insecure or precarious employment on the economy, wages, social cohesion and workplace rights and conditions. Services Australia provided responses to 8 questions on notice from the committee during 2020–21.

Vaccine related fraud and security risks

On 17 March 2021, the Joint Standing Committee on Law Enforcement agreed to inquire into and report on this matter. Services Australia provided input to a written submission lodged by the Department of Health on 30 April 2021.

The purpose, intent and adequacy of the Disability Support Pension (DSP)

On 13 May 2021, the Senate referred this matter to the Senate Community Affairs References Committee for inquiry and report. Services Australia provided input to a written submission to the committee lodged by the Department of Social Services.

COMMONWEALTH OMBUDSMAN REPORTS

Services Australia maintains a collaborative and productive working relationship with the Office of the Commonwealth Ombudsman. Services Australia monitors the implementation of recommendations from reports published by the Commonwealth Ombudsman.

In 2020–21, the Commonwealth Ombudsman published the Services Australia's Income Compliance Program Own Motion Report.

AGENCY CAPABILITY REVIEWS

In 2020–21, no capability reviews were conducted into Services Australia.

8.4 Procurement and consultants

The Accountable Authority Instructions are an important element of the Services Australia control framework.

They give practical effect to matters in the PGPA Act Framework, including procurement and other key requirements for agency officials. We periodically review our instructions to ensure they remain aligned with the PGPA Act Framework and other requirements, and reflect best practice.

CONSULTANCY CONTRACTS

Services Australia engages consultants to provide specialist professional services, independent research or assessment and necessary skills that are otherwise unavailable in the agency. Services Australia's need for consultants is determined by its particular requirements at a point in time and therefore can vary significantly year to year.

The agency categorises consultancy contracts in accordance with the PGPA Rule 2014 for annual reports and guidance from the Department of Finance on reporting consultancies. In addition to the requirements of the agency's procurement guidelines and policies, all consultancy service proposals undergo a compliance assessment by 2 procurement specialists before they go to the relevant delegate for approval.

During 2020–21, 9 new consultancy contracts were entered into, involving total actual expenditure of \$8,895,496 (including GST). In addition, 8 active ongoing consultancy contracts were in place during the period, involving total actual expenditure of \$4,395,635 (including GST), bringing total expenditure on consultancy services for the year to \$13,291,131.

Table 41: Expenditure on reportable consultancy contracts 2020–21

	Number	Expenditure \$ (GST inclusive)
New contracts entered into during the reporting period	9	8,895,496
Ongoing contracts entered into during a previous reporting period	8	4,395,635
Total	17	13,291,131

Table 42: Organisations receiving a share of reportable consultancy contract expenditure 2020–21

	Expenditure \$ (GST inclusive)
KPMG (51194660183)	6,512,921
Partners in Performance International PL (48095941263)	2,827,590
Ernst & Young (75288172749)	1,361,763
Nous Group Pty Ltd (66086210344)	1,069,296
Accenture Australia Pty Ltd (49096776895)	587,654

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

Table 43 shows total expenditure (including GST) on consultancy contracts for 2020–21 and the previous 2 financial years.

Table 43: Expenditure on consultancy services

	2018–19 \$ (GST inclusive)	2019–20 ^(a) \$ (GST inclusive)	2020–21 \$ (GST inclusive)
New consultancy services	16,373,253	13,240,152	8,895,496
Ongoing consultancy services	4,577,554	5,236,325	4,395,635
Total consultancy services	20,950,807	18,476,477	13,291,131

(a) Figures relating to 2019–20 have been corrected due to the omission of a purchase order and currency conversion. See Corrections to the 2019–20 annual report on page 168.

EXPENDITURE ON REPORTABLE NON-CONSULTANCY CONTRACTS

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website.

Table 44: Reportable non-consultancy contracts 2020–21

	Number	Expenditure \$ (GST inclusive)
New contracts entered into during the reporting period	2,363	695,764,439
Ongoing contracts entered into during a previous reporting period	3,405	1,909,140,603
Total	5,768	2,604,905,042

Table 45: Organisations receiving a share of reportable non-consultancy contract expenditure 2020–21

	Expenditure \$ (GST inclusive)
Jones Lang LaSalle (ACT) Pty Ltd (69008585260)	189,944,244
Telstra (33051775556)	167,559,911
IBM Australia Ltd (79000024733)	139,566,215
Datacom Connect Pty Ltd (16103112303)	103,865,054
Serco Citizen Services Pty Ltd (89062943640)	100,702,635

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the reportable non-consultancy contracts' value is available on the AusTender website.

SMALL BUSINESS

Services Australia recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.

Services Australia supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's websites.

The agency supports SMEs through a range of procurement measures, including:

- using the Commonwealth Contracting Suite for low-risk procurements valued under \$1 million
- implementing the Supplier Diversity Strategy to increase the level of activity between the agency and supplier groups such as Australian Disability Enterprises and Indigenous SMEs
- being a member of Supply Nation – a non-profit organisation that supports growth in the Aboriginal and Torres Strait Islander business sector by promoting supplier diversity
- reporting the agency's results against the Australian Government's Indigenous Procurement Policy and the agency's Reconciliation Action Plan (RAP) on the number of contracts, contract values and expenditure for all Indigenous SMEs. In 2020–21, the agency spent \$26,416,352 (including GST) with Aboriginal and Torres Strait Islander businesses, exceeding our RAP target of \$8 million
- using Australian Industry Participation Plans in whole-of-government procurement where applicable
- encouraging credit card use to expedite payments
- in support of the Supplier Pay On-Time or Pay Interest Policy, implementing a standard payment term of 20 business days and a 5-day payment term for compliant e-invoicing capable suppliers.

8.5 Other mandatory reporting information

ANAO ACCESS CLAUSES

All the agency's contract templates include a standard clause giving the Auditor-General appropriate access to a contractor's premises and records.

EXEMPT CONTRACTS

In 2020–21, the agency had no exempt contracts.

COMMUNICATION AND ADVERTISING CAMPAIGNS

The agency did not undertake any communication or advertising campaigns in 2020–21.

ADVERTISING COSTS – MEDIA ADVERTISING

In 2020–21, the agency's total payments on advertising was \$1,443,984. This included spending on print and online advertising in areas such as recruitment, public notices and tenders.

Table 46: Payments associated with advertising at 30 June 2021

Payee	Purpose	Cost \$ (GST inclusive)
Sensis Pty Ltd	White Pages	1,039,500
Universal McCann Pty Ltd	Advertising	404,484
Total		1,443,984

MARKET RESEARCH PAYMENTS

The agency commissioned vendors for projects and services listed in Table 47.

Table 47: Payments associated with market research organisations at 30 June 2021

Vendor	Research type	Cost \$ (GST inclusive)
Colmar Brunton Pty Ltd	Satisfaction research program	1,650 690
Whereto Research Based Consulting Pty Ltd	Audience communication research	459,175
Testmate	Moderated and unmoderated website enhancement testing and evaluation	156,603
Lonergan Research Pty Ltd	User research and testing sessions	70,449
Askable Pty Ltd	User research and testing sessions	28,743
Total		2,365,660

DISABILITY REPORTING

Since 1994, Australian Government departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy, *The National Disability Strategy 2010–2020* has continued this commitment made by disability ministers.

In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service Report and the APS Statistical Bulletin – see these reports at apsc.gov.au. Since 2010–11, departments and agencies have no longer been required to report on these functions.

The *National Disability Strategy 2010–2020* sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. The development of a new 10-year National Disability Strategy for beyond 2020 was deferred due to the COVID-19 pandemic.

On Friday 4 December 2020, disability ministers from across Australia issued a Statement of Continued Commitment to the National Disability Strategy. The statement is a commitment to continue efforts under the strategy to uphold the rights of people with disability between the expiry of the current strategy at the end of 2020, and the finalisation of the new National Disability Strategy in 2021. For more information, see dss.gov.au

For more information about the agency's specialised services and support for and engagement with carers and people with disability, see:

- *Carers* on page 37
- *People with disability* on page 38
- *Partnerships with community peak bodies* on page 85
- 'People with disability' at servicesaustralia.gov.au

FREEDOM OF INFORMATION

REQUIRED FOI REPORTING – INFORMATION PUBLICATION SCHEME

Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements. For information about Services Australia's IPS Plan, see our website at servicesaustralia.gov.au

WORK HEALTH AND SAFETY

INJURY MANAGEMENT, WORK HEALTH AND SAFETY

Services Australia complies with its obligations under the *Work Health and Safety Act 2011*.

The agency has a *Work Health and Safety Strategy 2021–26* (WHS strategy) to guide continuous improvement in safety while demonstrating shared commitment to ensuring safe and healthy workplaces. The WHS strategy provides the framework for initiatives in:

- WHS systems – tools and resources, critical risk identification and control
- workplaces – safe service design, mentally safe workplaces and wellbeing
- people – WHS consultation, safety leadership and capability.

During the year, the agency launched a Health and Wellbeing Framework in conjunction with the WHS strategy to support staff mental health and wellbeing. The agency also participated in a NewAccess workplaces program with Comcare and Beyond Blue to support the mental wellbeing of frontline service centre staff. This builds on existing services we provide under our Employee Assistance Provider arrangement which are available to all staff, contractors, labour hire staff and their immediate families.

The agency's initiatives in injury management and early return to work have resulted in a 35% reduction in the number of workers compensation claims lodged since 2017–18.

The most commonly occurring categories of accepted compensation claims during 2020–21 were:

- body stressing (26%)
- falls, trips and slips (41%)
- mental stress (18%).

WORK HEALTH AND SAFETY ACT 2011 – REPORTING FOR 2020–21

During 2020–21, Comcare undertook 2 reactive workplace inspections in the agency. One was in response to a request for assistance regarding variation of workgroups, and the other in relation to a dangerous incident.

Further contact was made in relation to 3 complaints, 2 of which were about COVID-19 pandemic prevention measures, and one regarding a staff psychosocial issue.

Comcare identified no contraventions of the *Work Health and Safety Act 2011* and issued nil improvement notices under the Act.

The agency notified Comcare of 36 incidents during 2020–21, compared with 27 in 2019–20. Six of those incidents related to COVID cases and were notified under a unique requirement during the pandemic. These incidents were investigated and finalised.

Table 48: Incidents notified to Comcare in 2020–21

Type of incident	Number
Death	0
Serious injury or illness	24
Dangerous incidents	12
Total	36

CORRECTIONS TO THE 2019–20 ANNUAL REPORT

Reference (page number) in 2019–20 report	Issue	Correction
Page 160	2019–20 Total consultancy services expenditure reported as \$17,886,742. This excluded a purchase order and currency conversion so was incorrectly reported.	\$18,476,477

Our people

9

9.1 Services Australia culture

Organisational culture continues to be an important priority for the agency to support day-to-day service delivery operations, as well as the broader transformation agenda.

In May 2021, an all-staff survey was conducted to establish an organisational culture baseline. The survey focused on 5 core cultural attributes – customer focus, innovation, collaboration, respect, and empowerment.

Analysis of the survey results will help guide future culture initiatives and broader workforce strategies.

RECONCILIATION

Services Australia is a committed reconciliation leader in the APS. The agency's *Reconciliation Action Plan 2018–22* (RAP) outlines how we will contribute to better outcomes for all Aboriginal and Torres Strait Islander peoples, and build on our understanding, commitment and respect for culture. As a government entity with a RAP of Elevate status – the highest level recognised – Services Australia has an important leadership role in the APS to advance reconciliation.

Our RAP commits us to progress reconciliation across 4 themes: our leadership, our people, our relationships, and our services. The RAP complements 2 other agency internal Indigenous strategies – the *Indigenous Servicing Strategy 2018–22* and the *Aboriginal and Torres Strait Islander Employees Strategy 2018–22*. These 2 strategies support reconciliation by ensuring the agency is an employer of choice for Aboriginal and Torres Strait Islander people and that services are designed to meet Indigenous service standards.

In 2020–21, the agency achieved 29 of its 32 commitments against the 2020–21 RAP targets.

9.2 Workplace profile

Our people are essential to our ability to deliver high quality, accessible government services and payments. We are committed to embedding a high-performance culture focused on service excellence. Diversity and inclusion in our workforce are central to driving innovation, creativity, agility and high performance.

OUR STAFF

At 30 June 2021, Services Australia employed 34,049 people, of whom 26,932 (79.1%) were ongoing, 3,897 (11.4%) were non-ongoing and 3,220 (9.5%) were irregular/intermittent.

Changes to the agency's workforce size reflect government priorities, Budget measures, service delivery demands, ongoing efficiencies and natural attrition.

Appendix B sets out statistics by classification, location, employment status, employment type, gender, and Aboriginal and Torres Strait Islander identity. The appendix also sets out salary ranges and employment arrangements.

COVID-19 PANDEMIC RESPONSES WITHIN SERVICES AUSTRALIA

During 2020–21, Services Australia continued to respond and adapt quickly to ensure the safety and wellbeing of staff and customers during the COVID-19 pandemic.

COVID-19 prevention measures including social distancing, hygiene and cleaning practices were strictly maintained. Where staff located at a particular site tested positive, immediate action, including deep-cleaning, support and timely advice were provided to protect staff, customers and visitors. During the year, there were no cases confirmed that were transmitted in the workplace.

The agency provided support that enabled staff to change their working arrangements including working from home for periods of time when possible, in line with recommendations of state and territory health authorities.

MENTAL HEALTH AND WELLBEING ARRANGEMENTS

Services Australia staff have risen to the challenge of providing services to the Australian community during recent natural disasters and the pandemic. Health and wellbeing are important to maintain the endurance and resilience of the workforce through these events, and through transformational changes occurring across our agency.

In May 2021, the agency launched a *Work Health and Safety Strategy 2021–26*, and an aligned *Health and Wellbeing Framework 2021–26*. These provide the strategic priorities and direction for the agency's health, safety and wellbeing efforts.

Services Australia has contributed to the development of the APS Mental Health Capability Suite, which supports the broader APS-wide efforts to develop mental health capability to support the workforce. The agency is working with the Australian Public Service Commission to drive implementation of the findings of the capability review.

WORKFORCE STRATEGIES AND PLANNING

The agency's 2019–23 Strategic Workforce Plan is an overview of the changing expectations of our business, the internal and external factors influencing workforce change, and workforce planning priorities. During 2020–21, the agency's workforce planning capability enabled quick mobilisation of surge personnel in response to emergencies and the COVID-19 pandemic — see *Emergency reserve* on page 34 and *COVID-19 pandemic* on page 24.

9.3 Performance management

Services Australia's performance management process is designed to foster a culture of high performance by providing staff with a clear link between their work effort and agency priorities.

In 2020–21, 95% of Services Australia staff negotiated individual performance agreements with their managers. Nearly all of those who did not were on long-term leave or had not yet completed more than 8 weeks of duties during the performance cycle.

STAFF ENGAGEMENT AND RECOGNITION

In 2020–21, the agency's peak staff consultative forum, the National Consultative Committee, met in November 2020 and April 2021 to discuss matters of strategic significance including new technologies and systems, workplace health and safety and workplace flexibility. Consultation with staff also occurs within business areas and at the local level across the agency.

EXTERNAL AWARDS RECEIVED BY SERVICES AUSTRALIA DURING 2020–21

In 2020–21, the following public sector and private sector industry association awards programs recognised individuals and teams from Services Australia:

- Institute of Public Administration Australia Innovation Awards – Citizen-centred Innovation: Finalist – Medicare Online Account Redevelopment
- Institute of Public Administration Australia Innovation Awards – Citizen-centred Innovation: Judges Award Winners – JobSeeker Streamlined Claim
- Australian LGBTQ Inclusion Award status of Gold Employer – based on the agency's results in the Australian Workforce Equality Index, which provides a national benchmark on workplace inclusion
- National Emergency Medal – Cyclone Debbie – Sustained Service: Martin Bruce, Karina Jensen, Jo Rizzolo, Kathy Wilson
- iTnews Benchmark Awards – Best Federal Government Project: Winner – Service Improvements to myGov
- iTnews Benchmark Awards – Best Federal Government Project: Finalist – myGov Enhancement (joint nomination with the Digital Transformation Agency)
- Digital Transformation Agency – Australian Government Digital Awards: Gold Winner – Outstanding digital product or service – Aged Care Provider Portal

- Digital Transformation Agency – Australian Government Digital Awards: Finalist – Digital Emerging Talent – Jeremy Holt
- SAP Innovation Award – Public Sector Award: Winner – Payment Utility.

In 2020–21, three Services Australia staff received Public Service Medals – Queen's Birthday Honours:

- Rebecca Skinner for outstanding public service in the areas of national security policy, intelligence, business transformation and service delivery.
- Niko Milic for his outstanding leadership by going above and beyond to support his community and staff including the development of communication protocols in aged care facilities during the COVID-19 response.
- Debbie Mitchell for her exceptional leadership and the delivery of streamlined Job Seeker service to support Australians.

INTERNAL AWARDS

Services Australia's Awards and Honours Program recognises and rewards excellent performance. Its main national awards program is for exceptional service delivery, successful innovation, inspiring leadership, and business excellence for individuals and teams. In 2020–21:

- 8 individuals and 7 teams won Pinnacle Achievement Awards for their exceptional contribution and performance, and 43 nominees were highly commended
- 22 staff were recognised in the Australia Day Achievement Awards for their commitment and dedication to their work
- 2 individuals and 2 teams won achievement awards for Indigenous servicing, and 4 individuals were highly commended for their work in Indigenous servicing.

PERFORMANCE PAY

Services Australia made no performance payments in 2020–21.

9.4 Employment arrangements

WORKPLACE AGREEMENTS

The majority of our staff are employed under the *Department of Human Services Enterprise Agreement 2017–2020*, which sets out their terms and conditions of employment. This agreement would have expired on 2 November 2020; however, it continues to operate because of a Determination made by the Minister Assisting the Prime Minister for the Public Service and Cabinet pursuant to section 24(3) of the *Public Service Act 1999* on 30 January 2020.

As a result of the COVID-19 pandemic, in April 2020 the Australian Government made a Determination which deferred salary increases for 6 months for staff in Australian Government employment with the initial 2% pay increase deferred from 3 November 2020 to 3 May 2021.

INDIVIDUAL FLEXIBILITY ARRANGEMENTS

In exceptional circumstances, Services Australia makes individual flexibility arrangements with staff. For example, they are used to attract and retain staff in remote and isolated places. In 2020–21, the agency had 53 individual flexibility arrangements.

9.5 Learning and development

THE SERVICE DELIVERY FACULTY

The Service Delivery Faculty was formed in 2020–21 to create a centralised approach to developing the skills and capabilities of our service delivery workforce. The faculty brings together technical training and development staff from across the agency into one virtual, national team.

The faculty has started to build a modern and flexible Service Delivery Master Curriculum, which when completed will be integrated with clear career paths, our recruitment pipeline and workforce mobility processes.

The faculty is using a multi-disciplinary team approach to design, develop and deploy the agency's high performance Empowering Excellence program across the agency. The program provides leaders with tools to find better ways of working and adopt high performance habits that place customer needs at the centre of everything we do.

The faculty is an integral support mechanism for the agency to effectively respond to the needs of our community during emergencies. The rapid development of learning products for diverse surge workforces has become a core part of the faculty's work.

During the year, the faculty developed training packages (both self-paced and virtually facilitated) that covered systems, telephony, customer service skills and policy requirements for a workforce that included internal redeployees as well as our APS colleagues from departments and other agencies, including the ATO, the Department of Social Services, and the Department of Foreign Affairs and Trade.

LEADERSHIP PROGRAMS AND TALENT MANAGEMENT

Leadership Unlimited – is a talent and leadership development program targeted to high performing and high potential Executive Level 2, SES Band 1 and SES Band 2 staff. In 2020–21, 59 participants completed the program across 4 cohorts, with 21 currently undertaking the program.

The **Aspiring Program** – is a talent and leadership development program for high performing and high potential Aboriginal and Torres Strait Islander staff at the APS5, APS6 and Executive Level 1 classifications. Twenty participants have completed Aspiring and 37 participants have commenced the program and are due to complete it in December 2021.

Enterprise Leadership Programs – aim to help strengthen the resilience and leadership qualities of more than 5,000 managers and supervisors across the agency.

The programs are:

- the **Learn2Lead** (for APS5 and 6 level staff) and the **Lead2Inspire** (for Executive Level 1 staff) programs, each providing 6 days of leadership training spread over 9 months
- **Exceed** (for Executive Level 2 staff) is a 3-day leadership program held each year.

The programs were suspended in March 2020 due to the COVID-19 pandemic and resumed in a virtual format in June 2020. The pause reduced the number of staff participating in the programs, with 547 staff participating overall in 2020–21, compared to 899 staff in 2019–20.

The Public Sector Management Program – provides formal education opportunities through participation in a post-graduate course which provides individuals with a Graduate Certificate in Business (Public Sector Management). In 2020–21, 45 agency managers were accepted into the program.

Leadership and development of Aboriginal and Torres Strait Islander staff – Services Australia offers a range of cultural and career development opportunities to support the leadership and development of Aboriginal and Torres Strait Islander staff. During the year:

- 9 Indigenous employees graduated from the Australian Graduate School of Management Executive Leadership program and 4 employees commenced the program
- 6 Indigenous staff participated in the Coolamon Advisors' Talent Management program for APS levels 5 and 6
- 2 Indigenous scholars were supported with their first undergraduate degree through the Australian Government Indigenous Scholarship Program
- 4 Indigenous staff were supported to undertake Pat Turner Scholarships
- 60 Indigenous staff were supported to undertake the agency's new Aspiring Indigenous Leadership program.

DIGITAL LEARNING

Services Australia continues to prioritise awareness of digital technologies for learning. A growing proportion of staff are engaging with technology to increase their capability in the workplace, and support the agency's digital transformation. In 2020–21, the agency:

- used virtual learning extensively during the COVID-19 pandemic response to train new staff quickly in customer service delivery functions
- offered a variety of learning programs that use virtual meeting technology
- focused on building staff awareness of digital learning
- launched a self-service learning intranet site
- introduced a mobile device application which enables staff to access a wide range of learning products at any time.

9.6 Recruitment and redeployment

Through the Job Placement Scheme, Services Australia is committed to retaining and redeploying staff whose roles may be affected by organisational change. The scheme aims to ensure that the agency retains valuable skills, experience and capabilities.

In 2020–21, the agency advertised approximately 370 vacancy notices in the APS employment gazette, generating approximately 55,500 applications. The agency also uses labour hire and other contractors to supplement the ongoing workforce as needed.

EMPLOYMENT OF ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLES

At 30 June 2021, Services Australia had 1,897 Aboriginal and Torres Strait Islander staff self-identifying. This equates to 5.6% representation across the agency.

Under section 26 of the APS Commissioner's Directions, government agencies can advertise employment opportunities restricted to Aboriginal and Torres Strait Islander applicants only. In 2020–21, the agency placed 192 Indigenous-only vacancy advertisements in the APS employment gazette. From these, 64 Indigenous people were recruited to the agency.

INDIGENOUS GRADUATES

In 2020–21, Services Australia partnered with the Australian Public Service Commission to source graduates through its Affirmative Measure – Indigenous provisions. Four Indigenous candidates were recruited into the National Graduate Program.

INDIGENOUS APPRENTICESHIPS PROGRAM

The entry-level Indigenous Apprenticeships Program is a whole-of-government program designed to attract Aboriginal and Torres Strait Islander people into the APS. In 2020–21, 237 apprentices commenced with the agency under this program. Services Australia supported an additional 70 apprentices to commence across 16 partner agencies.

SUPPORTING ABORIGINAL AND TORRES STRAIT ISLANDER STAFF

During 2020–21, activities the agency undertook under its *Aboriginal and Torres Strait Islander Employees Strategy 2018–22* included:

- continuing participation in the Indigenous Mentoring Program, Indigenous Employee Network meetings, and regional presence forums
- 7,621 staff accessing and completing Indigenous cultural awareness eLearning training, and 122 participating in second tier face-to-face training. Face-to-face delivery of Indigenous Cultural Awareness Training was impacted by the COVID-19 pandemic, with virtual delivery used where possible
- appointing 4 internal Indigenous Champions who advocate for improved recruitment, retention and developmental outcomes for Aboriginal and Torres Strait Islander employees
- developing and implementing an Aboriginal and Torres Strait Islander Employees Strategy governance model with quarterly reporting. The governance model ensures that progress against the strategy is managed effectively and routinely reported to accountable authorities
- refreshing the eLearning cultural awareness package, which was launched in October 2020, and refreshing the Indigenous Cultural Awareness face-to-face training package, which was completed in April 2021
- designing and piloting a new Indigenous leadership program – Aspiring, which is available to Aboriginal and Torres Strait Islander staff at the APS5 to EL1 levels.

NATIONAL GRADUATE PROGRAM

The agency's National Graduate Program offers both professional and generalist pathways to successful applicants. The January/February 2021 intake comprised 62 professional and 44 generalist pathway participants.

DIGITAL APPRENTICESHIP AND DIGITAL CADETSHIP PROGRAMS

The Digital Apprenticeship program offers a career for people finishing year 12 or looking for a career change. In 2020–21, 2 apprentices joined Services Australia.

The Digital Cadetship program gives cadets opportunities to gain on-the-job skills while still studying at university. In 2020–21, 4 cadets started in the agency.

CAREER STARTER PROGRAM

The Career Starter Program offers a career for people finishing year 12. In 2020–21, one entry level participant joined Services Australia through this initiative.

9.7 Diversity and inclusion

Services Australia is committed to creating workplaces that are accessible and inclusive for all staff. In 2020–21, the agency continued to implement the *Workplace Inclusion and Diversity Strategy 2019–23*.

This strategy acknowledges the importance of diversity and inclusion in the agency, and sets out renewed commitments to positive employment experiences and outcomes for all staff. This includes people who identify from one or more diversity groups.

CULTURAL AND LINGUISTIC DIVERSITY

Services Australia recognises the value and importance of having a workforce that is CALD. At 30 June 2021, 24.9% of the APS workforce identified as CALD.

The agency provides multicultural awareness training for staff. In 2020–21, over 16,920 staff received training, compared with 10,750 staff in 2019–20. Training transitioned to virtual delivery in September 2020 as a result of COVID-19. The agency also recognised events of significance such as Harmony Day and Refugee Week.

Services Australia pays a Community Language Allowance to staff in line with the *Department of Human Services Enterprise Agreement 2017–2020* – see *Language services* on page 74.

EMPLOYMENT OF PEOPLE WITH DISABILITY

During 2020–21, Services Australia continued its commitment to disability inclusion through the implementation of the *Workplace Inclusion and Diversity Strategy 2019–23* and *Inclusion Action Plan 2021*.

The strategy and plan outline recruitment and retention strategies for attracting, supporting and retaining people with disability. In 2020–21, the agency continued to deliver a disability employment pathway for university students with disability through our National Graduate Program and bulk affirmative measures – disability recruitment for Executive Level 1 and 2 positions. Through a contract arrangement with Koomarri, the agency also supports employment of people with intellectual disability who work in administrative and office support services.

EMPLOYMENT OF PEOPLE ON THE AUTISM SPECTRUM

In 2020–21, Services Australia continued its commitment to providing employment opportunities for people on the autism spectrum. An additional 10 people were engaged in 3-year ICT traineeships through the Dandelion and Autism Talent Hub programs. Under these programs the agency has created 51 employment opportunities since 2015.

Another 9 people were retained in specialist fraud and compliance roles during 2020–21 as part of the Aurora Neurodiversity Program, an initiative developed in partnership with Specialisterne Australia – a specialist provider in employment of people with autism.

WORKPLACE ACCESSIBILITY

In 2020–21, Services Australia provided support, training and advice to approximately 1,000 staff with disability who use assistive technology software and implemented a new program designed to assist staff who wear hearing aids or have Cochlear implants. The agency also maintained an accessibility service desk which aims to remove barriers to workplace participation for employees with accessibility requirements.

During the year, Services Australia continued to deliver accessibility support shared services to the:

- Department of Social Services
- National Disability Insurance Agency
- Australian Taxation Office
- Department of Veterans' Affairs
- NDIS Quality and Safeguards Commission.

OTHER DIVERSITY INITIATIVES

Other initiatives to promote workplace diversity in 2020–21 included:

- participating in the 2020 Australian Workplace Equality Index (AWEI), where Services Australia achieved Gold Employer status
- attracting almost 5,000 responses to the AWEI staff survey
- updating our parental leave policy so that it applies to staff who are sexuality and gender diverse and their families
- improving the recruitment process for transgender and gender diverse staff by adding the non-binary title Mx in the recruitment form and adding new content to address the common concerns of transgender and diverse job applicants
- implementing a forum to connect the LGBTI+ Senior Executive Ally with LGBTI+ staff
- updating the Supporting gender diversity and affirmation guide in consultation with transgender and diverse staff

- conducting bulk recruitment for executive level positions. Using affirmative measures provisions under sections 26 and 27 of the APS Commissioner's Directions 2016, the positions were open only to people with disability and Aboriginal and Torres Strait Islander people
- introducing an Inclusive Behaviour Model for all staff and managers, and hosting 5 diversity networks to share information and to support Indigenous staff, staff with disability, mature age staff, staff with CALD backgrounds, and LGBTI+ staff.

CARER RECOGNITION ACT 2010 REPORT

Services Australia complies with its obligations under the *Carer Recognition Act 2010* and adheres to the principles of the Statement for Australia's Carers. Internal human resources policies take account of the Statement for Australia's Carers in areas that may significantly affect an employee's caring role. The agency supports staff with caring responsibilities through:

- flexible working arrangements
- part-time work
- home-based work
- an elder care advisory service
- the agency's Employee Assistance Program.

We also work with partner agencies to ensure that carer policies and service delivery align with the statement and the 6 priority areas identified in the *Australian Government's National Carer Strategy Action Plan (2011–2014)*.



Financial performance

10

10.1 Report on financial performance

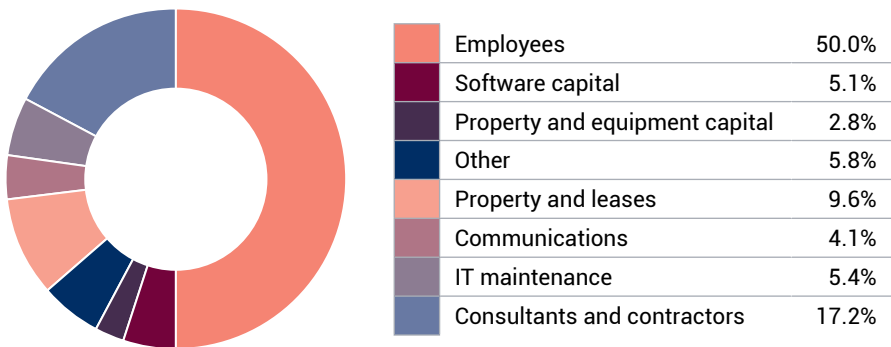
In 2020–21, Services Australia made social services and welfare, and health payments of approximately \$230.1 billion.

The Government supplemented the agency with around \$5.6 billion in departmental operating and capital funding, in order to undertake these payments and provide other customer services. The agency also received around \$0.2 billion in own source revenue for the provision of shared services and delivery of ICT projects.

The agency acts as the intermediary in the transfer of child support payments, which are collected from the paying parent and paid to the receiving parent. During 2020–21, the child support revenue and expenses were \$1.7 billion.

The agency's total funding of \$5.8 billion was utilised as detailed in the Figure 4 below.

Figure 4: 2020–21 Agency Funding Utilisation



The agency's financial result was an operating surplus of \$160.3 million. This result includes principal lease payments under accounting standard AASB 16 Leases and excludes non-cash items depreciation and amortisation.

The agency's 2020–21 financial statements, including details of the significant drivers of change from budget and the previous year actuals, are set out on page 190.

Further information about the agency's resourcing and expenses by outcomes, see *Appendix A: Entity resource statement and expenses by outcome* on page 228.

10.2 Significant non-compliance

No matters of significant non-compliance with finance law were reported under section 19(1)(e) of the *Public Governance, Performance and Accountability Act 2013* during the reporting period.

10.3 Asset management

Services Australia manages its assets according to relevant accounting standards and Department of Finance requirements. The agency's asset management policies and procedures cover whole-of-life asset management.

The agency's asset base comprises software, leasehold improvements, data centre equipment and right-of-use assets associated with accounting standard AASB 16 Leases relating mainly to property leases.

Services Australia manages investment in its property portfolio through the property facilities maintenance and upgrade capital plan, to ensure its workplaces and service centres customer engagement areas are maintained at a suitable standard.

The agency manages investment in ICT software and hardware according to the ICT technology plan and roadmap, to ensure its ICT is sustained and capable of delivering for the agency and its customers.

10.4 Independent Auditor's report



Auditor-General for Australia



INDEPENDENT AUDITOR'S REPORT

To the Minister for Government Services

Opinion

In my opinion, the financial statements of the Services Australia (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by me. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

Key audit matter**Valuation of Software**

Refer to Note B2.1 'Non-Financial Assets'

Services Australia has various information technology systems to manage its operations and the payments made on behalf of other entities. These systems are recognised as software assets in Services Australia's financial statements.

I considered this area a key audit matter due to the:

- judgements involved in determining whether the cost of internally developed software assets have been appropriately capitalised;
- significant assumptions and judgements involved in considering whether the value of a software asset may be impaired, such as whether current or expected changes in Services Australia's operating environment may reduce the usefulness of the software asset and whether software under development will achieve expected benefits; and
- judgements in determining the appropriate useful lives for software assets.

As at 30 June 2021, the carrying value of these software assets was \$753,073,000. This carrying value was net of an allowance for write down and impairment of \$8,856,000.

How the audit addressed the matter

To address this key audit matter, I have:

- assessed the design and operating effectiveness of key controls related to capturing the costs of internally generated software assets;
- evaluated the application of Services Australia's policies on capitalisation and impairment of software assets are consistent with Australian Accounting Standards and undertaken testing, on a sample basis, to assess the application of those policies;
- assessed the appropriateness of management's judgements about the current and future usefulness of software assets against project owners' assessments and internal reporting on the operating environment and the expected benefits from software under development.; and
- evaluated the reasonableness of management's judgements in assigning useful lives of software assets against project owners' assessments.

Key audit matter**Valuation of receivables related to the Child Support Scheme**

Refer to Note B7.3 'Child Support Receivables'

I considered this area a key audit matter as the valuation of child support receivables involves significant judgements about the rates of collection. The valuation is based on historical collection rates and these may not be consistent with future rates due to changes in government policy or economic conditions.

The judgements relate to the amount and timing of future cash flows including estimating the period over which payments are expected to be received by Services Australia and use of an appropriate discount rate. These judgements rely on the completeness and accuracy of the underlying data used in the estimation process.

As at 30 June 2021, the net carrying value of receivables relating to the child support scheme were \$1,212,997,000. This carrying value was net of an allowance for unrecoverable receivables of \$469,736,000.

How the audit addressed the matter

To address this key audit matter, I have:

- assessed the design and operating effectiveness of information technology application controls designed to prevent and detect the inaccurate recording of information in the systems from which data is extracted;
- assessed the competence, capability and objectivity of the actuary engaged by Services Australia to assist in making the estimation;
- evaluated the design and operating effectiveness of Services Australia's review and approval process to assess the reasonableness of actuarial assumptions used in the estimation of receivables;
- assessed the reasonableness of the discount rate applied in the estimation against the risk faced by the Commonwealth and market evidence of the time value of money;
- assessed the reasonableness of the assumed rate of collection against historical actual repayment of the Child Support Scheme; and
- assessed the data used in the estimation process for accuracy and completeness.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Grant Hehir
Auditor-General

Canberra
31 August 2021



10.5 Financial statements

SERVICES AUSTRALIA

Financial Statements
for the year ended 30 June 2021

SERVICES AUSTRALIA

TABLE OF CONTENTS

Financial Statements for the year ended 30 June 2021

Statement by the Chief Executive and Chief Financial Officer	2
Primary Financial Statements	3
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Cash Flow Statement	6
Budget Variance Reporting	7
Administered Schedule of Comprehensive Income	8
Administered Schedule of Assets and Liabilities	9
Administered Reconciliation Schedule	10
Administered Cash Flow Statement	11
Administered Budget Variance Reporting	12
Notes To and Forming Part of the Financial Statements	
Overview	13
A: Financial Performance	15
A1: Expenses	15
A2: Income	16
A3: Administered - Expenses	17
A4: Administered - Income	17
B: Financial Position	18
B1: Financial Assets	18
B2: Non-Financial Assets	19
B3: Fair Value Measurement	22
B4: Payables	23
B5: Interest Bearing Liabilities	23
B6: Provisions	24
B7: Administered - Financial Assets	25
B8: Administered - Payables	27
B9: Administered - Provisions	27
C: Funding	28
C1: Appropriations	28
C2: Special Accounts	31
C3: Net Cash Appropriation Arrangements	32
D: Other Items	32
D1: Contingent Assets and Liabilities	32
D2: Financial Instruments	33
D3: Current/Non-current Distinction for Assets and Liabilities	34
D4: Key Management Personnel Remuneration	36
D5: Related Party Disclosures	36
D6: Restructuring	36

SERVICES AUSTRALIA

STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Services Australia will be able to pay its debts as and when they fall due.



Rebecca Skinner
Chief Executive Officer

31 August 2021



Angela Diamond
Chief Financial Officer

31 August 2021

SERVICES AUSTRALIA
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2021

		2021	2020	Original Budget ¹ 2021
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	A1.1	2,837,457	2,804,278	2,928,244
Supplier expenses	A1.2	1,848,304	1,859,940	1,921,913
Depreciation and amortisation	B2.1	764,775	699,744	670,590
Finance costs	A1.3	25,646	30,960	18,440
Impairment loss on financial instruments		99	79	-
Write-down and impairment of other assets	B2.1	15,365	18,641	-
Other expenses	A1.4	117,120	2,260	3,192
Total expenses		5,608,766	5,415,902	5,542,379
Own-source income				
	A2			
Own-source revenue				
Revenue from contracts with customers		209,285	234,735	214,262
Rental income		13,555	16,266	14,326
Resources received free of charge	A2.1	18,484	26,692	33,685
Other revenue		1,399	393	-
Total own-source revenue		242,723	278,086	262,273
Gains				
Reversal of write-downs and impairment	B2.1	200	-	-
Other gains		11,541	3,643	-
Total gains		11,741	3,643	-
Total own-source income		254,464	281,729	262,273
Net cost of services		(5,354,302)	(5,134,173)	(5,280,106)
Revenue from Government		5,088,583	5,063,501	4,970,572
Surplus/(deficit) after income tax on continuing operations		(265,719)	(70,672)	(309,534)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve ²	B2.1, B6.1	25,240	16,341	-
Total other comprehensive income		25,240	16,341	-
Total comprehensive surplus/(deficit)		(240,479)	(54,331)	(309,534)

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

²Changes in asset revaluation reserve includes revaluations recognised in note B2.1 (\$27.1 million) offset by make good adjustments in note B6.1 (\$1.8 million).

The above statement should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA
STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

		2021	2020	Original Budget ¹ 2021
	Notes	\$'000	\$'000	\$'000
ASSETS				
Financial assets				
Cash		20,637	20,795	20,795
Trade and other receivables	B1.1	1,420,677	1,445,183	1,450,545
Total financial assets		1,441,314	1,465,978	1,471,340
Non-financial assets				
Prepayments		127,459	134,396	125,617
Plant and equipment (including right-of-use)	B2.1	430,424	473,195	517,886
Land and buildings (including right-of-use)	B2.1	2,304,048	2,595,875	2,283,852
Software	B2.1	753,073	623,077	700,363
Total non-financial assets		3,615,004	3,826,543	3,627,718
Total assets		5,056,318	5,292,521	5,099,058
LIABILITIES				
Payables				
Employee benefits		62,940	48,812	32,026
Trade creditors and accruals		178,642	238,481	246,641
Other payables	B4.1	7,315	17,484	17,484
Total payables		248,897	304,777	296,151
Interest bearing liabilities				
Leases	B5.1	2,118,385	2,395,995	2,120,821
Total interest bearing liabilities		2,118,385	2,395,995	2,120,821
Provisions				
Other provisions	B6.1	152,587	37,640	37,770
Employee provisions	B6.2	844,632	860,570	866,788
Total provisions		997,219	898,210	904,558
Total liabilities		3,364,501	3,598,982	3,321,530
Net assets		1,691,817	1,693,539	1,777,528
EQUITY				
Contributed equity		3,332,760	3,094,003	3,487,524
Reserves		240,985	215,745	215,745
Accumulated deficit		(1,881,928)	(1,616,209)	(1,925,741)
Total equity		1,691,817	1,693,539	1,777,528

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

The above statement should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2021

		2021	2020	Original Budget ¹ 2021
	Notes	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY				
Balance carried forward from previous year		3,094,003	2,639,388	3,094,001
Transactions with owners				
Distributions to owners				
Returns of capital				
Repealed appropriation		-	(616)	-
Prior year appropriation		(175,795)	-	-
Restructuring	D6	-	109,455	-
Contributions by owners				
Equity injection - appropriations	C1.1	218,985	148,840	197,956
Departmental capital budget	C1.1	195,567	196,936	195,567
Total transactions with owners		238,757	454,615	393,523
Total at year end		3,332,760	3,094,003	3,487,524
RESERVES				
Balance carried forward from previous year		215,745	199,404	215,745
Changes in asset revaluation reserve				
Revaluations of property, plant and equipment	B2.1	27,071	20,924	-
Revaluations of property make good provision	B6.1	(1,831)	(4,583)	-
Total at year end		240,985	215,745	215,745
ACCUMULATED DEFICIT				
Balance carried forward from previous year		(1,616,209)	(1,675,638)	(1,616,207)
Adjustment on initial application of AASB 16		-	130,101	-
Adjusted opening balance		(1,616,209)	(1,545,537)	(1,616,207)
Surplus/(deficit) for the year		(265,719)	(70,672)	(309,534)
Total at year end		(1,881,928)	(1,616,209)	(1,925,741)
Total equity at year end		1,691,817	1,693,539	1,777,528

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

The above statement should be read in conjunction with the accompanying notes.

**SERVICES AUSTRALIA
CASH FLOW STATEMENT**
for the year ended 30 June 2021

	2021	2020	Original Budget ¹
	\$'000	\$'000	2021 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	5,566,971	5,484,584	5,467,800
Rendering of goods and services	241,528	240,876	233,735
GST received	260,497	235,003	236,309
Other	105,128	108,439	-
Total cash received	6,174,124	6,068,902	5,937,844
Cash used			
Employees	2,837,712	2,773,309	2,966,241
Suppliers	2,248,137	2,301,086	2,080,169
Section 74 receipts transferred to the Official Public Account	607,446	584,862	515,762
Interest payments on lease liabilities	25,340	30,432	17,830
Borrowing and other financing costs	57	17	-
Other	5,033	5,502	3,245
Competitive neutrality	416	240	427
Total cash used	5,724,141	5,695,448	5,583,674
Net cash from/(used by) operating activities	449,983	373,454	354,170
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment	293	544	-
Total cash received	293	544	-
Cash used			
Purchase of property, plant and equipment	159,637	189,816	216,146
Purchase of software	289,341	220,376	200,402
Total cash used	448,978	410,192	416,548
Net cash from/(used by) investing activities	(448,685)	(409,648)	(416,548)
FINANCING ACTIVITIES			
Cash received			
Contributed equity - departmental capital budget	196,567	195,936	196,567
Contributed equity - equity injection	165,930	148,115	204,981
Total cash received	362,497	344,051	401,548
Cash used			
Principal payments of lease liabilities	363,953	298,862	339,170
Total cash used	363,953	298,862	339,170
Net cash from/(used by) financing activities	(1,456)	45,189	62,378
Net increase/(decrease) in cash held	(158)	8,995	-
Cash at the beginning of the year	20,795	11,800	20,795
Cash at the end of the year	20,637	20,795	20,795

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

The above statement should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA BUDGET VARIANCE REPORTING

for the year ended 30 June 2021

Departmental budget variations

The table below provides explanations for significant variances between the agency's original budget estimates, as published in the 2020-21 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2021. The budget is not audited.

Variances are considered to be 'significant' if they are core to the agency's activities and based on the following criteria:

- the variance between budget and actual is greater than +/- 10% and \$50 million of the original budget for a line item; or
- an item is below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of the agency's performance.

The nature and timing of the Commonwealth's budget process can also contribute to the variances.

Budget variance explanation	Affected statements and line items
During June 2021, the Federal Court of Australia approved the income compliance class action settlement of \$112 million. The estimate of the settlement was initially included as part of supplier expenses in the preparation of the budget. For financial statement presentation purposes the total amount has been included in other expenses.	Statement of Comprehensive Income <ul style="list-style-type: none"> • Other expenses Statement of Financial Position <ul style="list-style-type: none"> • Other provisions Statement of Changes in Equity <ul style="list-style-type: none"> • Surplus/(Deficit)
During the financial year the rollout of assets under construction occurred earlier than that envisaged under the budget. As a result there was an increase in the quantum of depreciation expense which also resulted in a decrease in the carrying value of property, plant and equipment.	Statement of Comprehensive Income <ul style="list-style-type: none"> • Depreciation and amortisation Statement of Financial Position <ul style="list-style-type: none"> • Plant and equipment (including right-of-use) Statement of Changes in Equity <ul style="list-style-type: none"> • Surplus/(Deficit)
A number of major information technology (IT) projects were progressed during the 2020-21 financial year. This resulted in accelerated expenditure on these IT capital projects, including a reprioritisation from the acquisition of property, plant and equipment, compared to that which was included in the budget.	Statement of Financial Position <ul style="list-style-type: none"> • Plant and equipment (including right-of-use) • Software • Trade creditors and accruals Cash Flow Statement <ul style="list-style-type: none"> • Purchase of software • Purchase of property, plant and equipment
From a budget reporting perspective, the receipt of section 74 revenue and the repatriation of these cash flows are shown as a net amount. However, from a financial reporting perspective these are shown on a gross basis.	Cash Flow Statement <ul style="list-style-type: none"> • Other cash received (operating activities) • Section 74 receipts transferred to the Official Public Account (operating activities)

SERVICES AUSTRALIA
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
for year ended 30 June 2021

		2021	2020	Original Budget ¹
	Notes	\$'000	\$'000	2021 \$'000
NET COST OF SERVICES				
Expenses	A3			
Child support maintenance expenses		1,670,002	1,915,745	1,687,124
Write-down and impairment of assets	A3.1	70,411	51,377	87,904
Total expenses		<u>1,740,413</u>	<u>1,967,122</u>	<u>1,775,028</u>
Income	A4			
Non-taxation revenue				
Child support maintenance revenue		1,725,267	1,715,227	1,765,022
Compensation recoveries		40,168	51,114	51,476
Competitive neutrality revenue ²		-	5,955	-
Fees and fines		9,264	8,804	9,187
Other revenue		217	441	441
Total non-taxation revenue		<u>1,774,916</u>	<u>1,781,541</u>	<u>1,826,126</u>
Gains				
Reversal of write-downs and impairment	A4.1	15,163	251,988	10,000
Total gains		<u>15,163</u>	<u>251,988</u>	<u>10,000</u>
Total income		<u>1,790,079</u>	<u>2,033,529</u>	<u>1,836,126</u>
Net contribution by services		<u>49,666</u>	<u>66,407</u>	<u>61,098</u>
Total comprehensive surplus/(deficit)		<u>49,666</u>	<u>66,407</u>	<u>61,098</u>

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

²From 1 February 2020 the Government's investment in Hearing Australia transferred to the Department of Social Services as per the Administrative Arrangements Order of 5 December 2019. Services Australia has not recognised revenue in relation to Hearing Australia since this date.

The above schedule should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2021

		2021	2020	Original Budget ¹ 2021
	Notes	\$'000	\$'000	\$'000
ASSETS				
Financial assets				
Cash and cash equivalents	B7.1	223,265	159,979	159,979
Other receivables	B7.2	15,091	17,012	17,012
Child support receivables	B7.3	1,212,997	1,209,905	1,277,257
Total assets administered on behalf of Government		1,451,353	1,386,896	1,454,248
LIABILITIES				
Payables				
Child support payments received in advance		25,941	22,558	22,558
Child support and other payables	B8.1	35,345	34,318	34,318
Recovery of compensation payable		7,796	8,022	8,022
Total payables		69,082	64,898	64,898
Provisions				
Child support maintenance provision	B9	1,211,114	1,207,942	1,275,294
Recovery of compensation provision	B9	152,269	90,646	90,646
Total provisions		1,363,383	1,298,588	1,365,940
Total liabilities administered on behalf of Government		1,432,465	1,363,486	1,430,838
Net assets/(liabilities)		18,888	23,410	23,410

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020

The above schedule should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA
ADMINISTERED RECONCILIATION SCHEDULE
for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Opening assets less liabilities as at 1 July		23,410	108,070
Net contribution by services			
Income		1,790,079	2,033,529
Expenses to entities other than corporate Commonwealth entities		(1,740,413)	(1,967,122)
Transfers (to)/from the Australian Government			
Appropriation transfers from the Official Public Account			
Annual appropriations			
Payments to entities other than corporate Commonwealth entities		981	1,247
Special accounts (unlimited)			
Payments to entities other than corporate Commonwealth entities ¹	C2	32,443	40,621
Appropriation transfers to the Official Public Account			
Annual appropriations		(33,506)	(42,353)
Special accounts		(44,523)	(49,117)
Other		(9,583)	(22,476)
Restructuring ²	D6	-	(78,989)
Closing assets less liabilities as at 30 June		18,888	23,410

Accounting Policy

Income administered and managed on behalf of the Australian Government is administered income. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under parliamentary appropriations (including from special accounts) on behalf of the Government. These transfers to and from the OPA are reported in the Administered Cash Flow Statement, in this schedule and through the special accounts.

¹Amounts relate to sections 77 and 78 of the *Child Support (Registration and Collection) Act 1988* credited directly to the Child Support Special Account.

²From 1 February 2020 the Government's investment in Hearing Australia transferred to the Department of Social Services as per the Administrative Arrangements Order of 5 December 2019.

The above schedule should be read in conjunction with the accompanying notes.

10

SERVICES AUSTRALIA
ADMINISTERED CASH FLOW STATEMENT
for the year ended 30 June 2021

		2021	2020	Original Budget ¹
	Notes	\$'000	\$'000	2021 \$'000
OPERATING ACTIVITIES				
Cash received				
Child support		1,666,903	1,623,060	1,619,772
Health compensation receipts		416,257	354,506	345,107
Competitive neutrality ²		-	9,412	-
Dividends ²		-	3,959	-
Fees and fines		9,325	8,892	9,187
Other		543	1,734	1,224
Total cash received		2,093,028	2,001,563	1,975,290
Cash used				
Child support		1,662,406	1,622,986	1,619,772
Health compensation payments		312,851	264,966	293,520
Other		297	1,575	900
Total cash used		1,975,554	1,889,527	1,914,192
Net cash from/(used by) operating activities		117,474	112,036	61,098
Cash from the Official Public Account				
Appropriations		981	1,247	-
Special Accounts		32,443	40,621	50,879
Total cash from the Official Public Account		33,424	41,868	50,879
Cash to the Official Public Account				
Appropriations		33,506	42,353	50,279
Special Accounts		44,523	49,117	51,587
Other		9,583	22,476	10,111
Total cash to the Official Public Account		87,612	113,946	111,977
Net cash from/(to) the Official Public Account		(54,188)	(72,078)	(61,098)
Cash and cash equivalents at the beginning of the year		159,979	120,021	159,979
Cash and cash equivalents at the end of the year	B7.1	223,265	159,979	159,979

¹Budget reported in the 2020-21 Portfolio Budget Statements published in October 2020.

²From 1 February 2020 the Government's investment in Hearing Australia transferred to the Department of Social Services as per the Administrative Arrangements Order of 5 December 2019.

The above statement should be read in conjunction with the accompanying notes.

SERVICES AUSTRALIA
ADMINISTERED BUDGET VARIANCE REPORTING
for the year ended 30 June 2021

Administered budget variations

The table below provides explanations for significant variances between the agency's original administered budget estimates, as published in the 2020-21 Portfolio Budget Statements (PBS), and the actual financial performance and position for the year ended 30 June 2021. The budget is not audited.

Variances are considered to be 'significant' if they are core to the agency's activities and based on the following criteria:

- the variance between budget and actual is greater than +/- 10% and \$50 million of the original budget for a line item; or
- an item is below the threshold but is considered important for a reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of the agency's performance.

The nature and timing of the Commonwealth's budget process can also contribute to the variances.

Budget variance explanation	Affected statements and line items
<p>The special account is used to manage monies received by the agency as part of the compensation recovery program. The agency manages this on behalf of the Department of Health, who has administrative responsibility of the <i>Health and Other Services (Compensation) Act 1995</i>.</p> <p>Funds received into the special account represent insurance claims for expenses previously paid out as health benefits. Funds are held as a provision until an assessment has been made as to how much is owed to the Commonwealth. Once the assessment has been made, monies owed to the Commonwealth are recognised as compensation recoveries revenue and transferred to the Official Public Account. Any remaining funds are returned to the claimant or insurer.</p> <p>The balance in the special account is dependent upon the amount of insurance recoveries received and assessed during the year. During 2021, there has been a large increase in cash received due to an increase in the number and value of cases which has contributed to the higher balances in the special account and the provision.</p>	<p>Statement of Financial Position</p> <ul style="list-style-type: none">• Cash and cash equivalents• Recovery of compensation provision <p>Cash Flow Statement</p> <ul style="list-style-type: none">• Health compensation receipts (operating activities)

SERVICES AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Overview

Objectives of Services Australia

Services Australia (the agency) is an Australian Government controlled not-for-profit entity. The agency's vision is to make government services simple so people can get on with their lives. As outlined in the agency's 2020-21 Corporate Plan, Services Australia continues to build on its journey to become a leading, customer focused service delivery agency, guided by four principles: Simple, Helpful, Respectful and Transparent.

The objectives of the agency are reflected in its outcome statement which is to:

Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.

The agency's activities are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenue and expenses controlled or incurred by the agency in its own right. Administered activities involve the management and oversight by the agency, on behalf of the Australian Government, of items controlled or incurred by the Australian Government.

The continued existence of the agency is dependent on government policy and on continuing funding by Parliament for the agency's activities and programs.

Basis of preparation of the financial statements

The financial statements are general purpose financial statements required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

They have been prepared in accordance with the:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR)
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results of the financial position. The financial statements are presented in Australian dollars. Revenue, expenses, assets and liabilities are recognised net of Goods and Services Tax (GST) except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office
- for receivables and payables.

Reporting of administered activities

Administered revenue, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and notes and relate to: child support, compensation recoveries, fees and fines and foreign countries transaction items. These items are shown with grey shading throughout the financial statements.

Unless otherwise stated, administered items are accounted for on the same basis, using the same policies as for departmental items including the application of Australian Accounting Standards.

Taxation

The agency is exempt from all forms of taxation except fringe benefits tax and GST. The agency provides Centrepay services which are subject to the Australian Government's competitive neutrality policy including a requirement to make payroll taxation equivalent payments.

Significant estimates and judgments

In the preparation of the financial statements, management adopts a number of estimates and judgments relating to the treatment of transactions and balances under Australian Accounting Standards. Individually significant estimates and judgments are outlined in the notes to which they relate:

Significant accounting estimate/judgement	Note
Reasonable certainty of option exercise in relation to right-of-use assets	B2.1
Impairment of child support receivables	B7.3

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

New accounting standards

No new, revised or amending accounting standards and interpretations issued prior to the signing of the financial statements and applicable to the current reporting period had a material financial impact or were expected to have significant future financial impact on the financial statements.

Events after the reporting period

There were no subsequent events that had the potential to significantly affect the ongoing structure and financial activities of the agency.

Breach of section 83 of the Constitution

Section 83 of the Constitution provides that no amount may be paid out of the Consolidated Revenue Fund except under an appropriation made by law. The agency has controls in place to reduce any instances of non-compliance with section 83 wherever possible and ensure there is no intentional misuse of funds. Recovery action is taken to rectify any instance of non-compliance as soon as it is identified.

The agency has not identified any instances of non-compliance resulting from serious mismanagement in the current or prior years. The identified non-compliance represents a small proportion of the total payments made, by volume and value, generally caused by inaccurate customer supplied bank account data and minor administrative errors.

In 2021, the agency identified 244 payments totalling \$27,351 from the Child Support Special Account that were not consistent with section 83 of the Constitution. The agency undertook recovery action or offsets of an amount against future payments to the customer. As at 30 June 2021 \$7,486 of this amount had been recovered or offset. In 2020, the agency identified 285 payments totalling \$84,988 and as at 30 June 2020, \$19,711 had been recovered or offset.

In 2021, the agency identified 12 payments totalling \$197,727 from the Recovery of Compensation for Health Care and Other Services Special Account that were not consistent with section 83 of the Constitution. The agency undertook recovery action and as at 30 June 2021 \$85,828 of this amount had been recovered. In 2020, the agency identified two payments totalling \$18,229 and as at 30 June 2020, \$12,579 had been recovered.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

A: Financial Performance

A1: Expenses

	2021 \$'000	2020 \$'000
A1.1: Employee benefits		
Wages and salaries	2,031,885	1,968,965
Superannuation		
Defined contribution plans	211,128	186,186
Defined benefit plans	208,747	213,680
Leave and other entitlements	368,547	415,644
Separations and redundancies	14,251	17,298
Other employee expenses	2,899	2,505
Total employee benefits	2,837,457	2,804,278

Accounting Policy

Staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the Public Sector Superannuation accumulation plan (PSSap) or non-government superannuation funds. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and other non-government super funds are defined contribution schemes.

The agency made employer contributions to defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Australian Government. The agency accounts for these amounts as if they were contributions to defined contribution plans.

A1.2: Supplier expenses

Goods and services supplied or rendered

Consultants and contractors	979,512	1,003,058
IT maintenance	305,995	259,592
Communications	235,601	242,336
Property operating	154,185	132,383
Customer related	47,805	55,661
Staff related	38,269	33,600
Legal expenses	18,962	24,917
Fees and charges	17,591	22,010
Other	13,889	14,170
Travel	8,300	28,156
Total goods and services supplied or rendered¹	1,820,109	1,815,883
Services rendered	1,744,677	1,801,915
Goods supplied	75,432	13,968
Total goods and services supplied or rendered	1,820,109	1,815,883

Other supplier expenses

Workers compensation premium	14,806	19,744
Short-term leases ²	9,016	20,626
Low value leases ²	4,373	3,687
Total other suppliers	28,195	44,057
Total supplier expenses	1,848,304	1,859,940

¹Includes \$189.1 million (2020: \$222.2 million) in related entity transactions.

²The agency has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets or for leases with a lease term of 12 months or less. The agency recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The agency has short-term lease commitments of \$0.9 million (2020: \$2.0 million) as at 30 June 2021.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

	2021	2020
	\$'000	\$'000
A1.3: Finance costs		
Interest on lease liabilities	25,340	30,432
Other finance costs	306	528
Total finance costs	25,646	30,960

The above lease disclosures should be read in conjunction with the accompanying notes A1.2, B2.1 and B5.1.

A1.4: Other expenses		
Legal settlements ¹	112,200	-
Resolution of claims	2,277	1,948
Losses from early termination of right-of-use leased assets	1,899	-
Competitive neutrality - state tax equivalent ²	416	240
Losses from asset sales	285	72
Act of grace payments	43	-
Total other expenses	117,120	2,260

¹Includes \$112.0 million for the Income Compliance settlement.

²The agency provides Centrepay services which are subject to the Australian Government's competitive neutrality policy. The agency is required to make payroll taxation equivalent payments to the Australian Government.

A2: Income

Revenue from contracts with customers primarily relates to the provision of shared services to other government entities.

Gains include incidental transactions and events outside of ordinary operations such as contributions of assets at no cost or for nominal consideration, gains arising from the disposal of non-current assets and reversals of provisions and previous asset write-downs and impairment.

Rental income primarily relates to the provision of accommodation to the National Disability Insurance Agency at Services Australia sites under co-location agreements. These agreements do not constitute sublease arrangements under AASB 16 *Leases*. Co-located agencies do not control the use of the property lease and the risks and rights to the leased assets remain with Services Australia.

A2.1: Resources received free of charge		
Seconded staff	16,269	22,487
Australian National Audit Office financial statement audit fee	900	900
Australian Taxation Office processing fees	812	1,179
Office space	503	2,126
Total resources received free of charge	18,484	26,692

Accounting Policy

Revenue is recognised when the agency has satisfied performance obligations contained within customer contracts. In relation to the sale of goods, this is ordinarily when control of the goods has been transferred to the buyer. In relation to the provision of services, revenue is recognised over time as the services are delivered to the customer. Amounts paid by customers in advance are treated as unearned income until the related performance obligations are satisfied (refer note B4.1).

Resources received free of charge are recognised as revenue when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Amounts appropriated for departmental outputs for the year (adjusted to reflect the agency's funding agreement, formal additions, reductions and restructures) are recognised as revenue from Government when the agency gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts (refer note B1.1).

Amounts appropriated which are designated as equity injections (less any formal reductions) and the departmental capital budget are recognised directly in contributed equity in that year.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

A3: Administered - Expenses

	2021	2020
	\$'000	\$'000
<u>A3.1: Write-down and impairment of assets</u>		
Child support maintenance discharge	50,461	48,748
Child support write-down and impairment	19,736	77
Child support waivers	174	2,375
Child support cost recovery discharge	-	2
Child support cost recovery write-down and impairment	30	-
Child support cost recovery waivers	10	3
Other debt repayment write-down and impairment	-	172
Total write-down and impairment of assets	70,411	51,377

Accounting Policy

Child support maintenance expenses are recognised and measured in line with child support maintenance revenue (refer note A4).

A4: Administered - Income

<u>A4.1: Reversal of write-downs and impairments</u>		
Reversal of impairment losses - child support	15,106	251,934
Reversal of impairment losses - other fees and fines	57	54
Total reversal of write-downs and impairment	15,163	251,988

Accounting Policy

All administered revenue relates to ordinary activities performed by the agency on behalf of the Australian Government.

Child support maintenance revenue

The child support program acts as the intermediary in the transfer of child support payments, which are collected from the paying parent and then paid to the receiving parent.

Revenue from the assessment and collection of child support is recognised in the Administered Schedule of Comprehensive Income at the nominal amounts. The revenue is recognised at the point when a child support assessment, private child support agreement administered by the agency or maintenance court order is registered for collection by the child support registrar under the *Child Support (Registration and Collection) Act 1988*. In accordance with this Act, the revenue is adjusted when a private settlement is agreed by both parents for a particular period of payment.

Compensation recoveries revenue

The Recovery of Compensation for Health Care and Other Services Special Account (the Special Account) is used to manage monies received by the agency as part of the compensation recovery program. The agency manages this on behalf of the Department of Health, who has administrative responsibility of the *Health and Other Services (Compensation) Act 1995*. The Special Account itself was established by the *PGPA Act (Recovery of Compensation for Health Care and Other Services Special Account 2015 – Establishment) Determination 2015/06*.

Compensation recovery amounts are recognised as revenue when a notice of charge is issued and the recoverable benefits owed to the Government have been determined.

Competitive neutrality

From 1 February 2020 the Government's investment in Hearing Australia transferred to the Department of Social Services (DSS) as per the Administrative Arrangements Order of 5 December 2019. Accordingly from 1 February 2020 Services Australia no longer recognised any competitive neutrality revenue relating to Hearing Australia.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Fees and fines

Under section 67 of the *Child Support (Registration and Collection) Act 1988*, a late payment penalty is applied whenever a paying parent fails to make their child support payment to the receiving parent by the due date. As per the agency's business operations the late payment penalty is applied where the outstanding maintenance debt exceeds \$1,000. Penalties are recognised as revenue at the time the cash is received. Of the \$9.3 million (2020: \$8.8 million) of fees and fines revenue in administered income, \$9.2 million (2020: \$8.7 million) relates to penalty revenue receipts.

Other revenue

Other revenue consists of cost recovery revenue and Centrelink receipts from international sources. Cost recovery revenue is recognised when the court orders a child support customer to pay the agency's costs in relation to a court case with the customer.

B: Financial Position

B1: Financial Assets

	2021	2020
	\$'000	\$'000
<u>B1.1: Trade and other receivables</u>		
Trade receivables in connection with		
Goods and services ¹	87,954	106,686
Total trade receivables	87,954	106,686
Appropriations receivable		
Existing programmes - operating	1,248,802	1,327,948
Departmental capital budget	-	1,000
Equity	60,080	7,025
Funding agreement adjustment - operating	(29,284)	(61,693)
Total appropriations receivable	1,279,598	1,274,280
Other receivables		
Goods and services tax	53,317	64,337
Total other receivables	53,317	64,337
Total trade and other receivables (gross)	1,420,869	1,445,303
Less impairment loss		
Trade receivables	(192)	(120)
Total impairment loss	(192)	(120)
Total trade and other receivables (net)	1,420,677	1,445,183

¹Receivables related to contracts with customers total \$76.5 million (2020: \$104.7 million).

Accounting Policy

The agency classifies its financial assets at the time of initial recognition depending on the nature and purpose of the asset. All receivables are classified as trade and other receivables and are expected to be recovered within 12 months unless otherwise indicated.

Trade receivables are recognised when the agency becomes party to an agreement and has the right to receive cash. Trade receivables have 30 day terms (2020: 30 days) and are recognised at the nominal amount due, less any impairment loss allowance. The collectability of debts are reviewed at the end of the reporting period and an impairment loss allowance is recognised.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B2: Non-Financial Assets

B2.1 Property, plant and equipment and software

The asset capitalisation thresholds and useful lives for property, plant and equipment asset classes remain unchanged from 2020. Useful lives for software asset classes have been updated to align with the agency's policy (2020: 5 to 10 years).

Departmental assets	2021 Useful life	2021 Threshold
Land	Unlimited	nil
Buildings	50 years	nil
Leasehold improvements	Shorter of unexpired lease term or useful life	\$20,000
General plant and equipment	3 to 10 years	\$3,000
ICT plant and equipment	3 to 10 years	nil
Purchased software	2 to 10 years	\$100,000
Internally developed software	2 to 10 years ¹	\$1,000,000
Right-of-use assets	Lease term	\$10,000 ²

¹In limited circumstances, a longer useful life has been applied to more appropriately reflect the use of the software asset.

²Refers to the underlying asset value, not the calculated right-of-use asset.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Reconciliation of the opening and closing balances of property, plant and equipment and software

	Plant and equipment		Land and buildings		Software	
	Owned	Right-of-use	Owned	Right-of-use	Total	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total as at 30 June 2020	378,893	94,302	319,685	2,276,190	2,595,875	3,692,147
Gross book value	444,151	120,247	354,854	2,625,490	2,980,344	4,912,253
Accumulated depreciation and amortisation	(65,258)	(25,945)	(35,169)	(349,300)	(384,469)	(1,220,106)
Total as at 1 July 2020	378,893	94,302	319,685	2,276,190	2,595,875	3,692,147
Additions						
Purchases	121,963	-	55,997	-	55,997	203,131
Internally developed	-	-	-	-	-	266,917
Right-of-use assets	-	1,773	-	58,687	58,687	60,460
Revaluations recognised in other comprehensive income	-	-	27,071	-	27,071	27,071
Write-down and impairment recognised in net cost of services	(2,263)	-	(4,246)	-	(4,246)	(15,365)
Impairment reversal recognised in net cost of services	-	-	200	-	200	200
Depreciation and amortisation expense	(123,776)	(32,908)	(94,401)	(360,457)	(454,858)	(764,775)
Other movements ¹	(318)	(409)	844	26,816	27,660	26,930
Disposals	(6,800)	(33)	-	(2,338)	(2,338)	(9,171)
Total as at 30 June 2021	367,699	62,725	305,150	1,998,898	2,304,048	3,487,545
Gross book value ²	539,903	121,487	331,920	2,708,486	3,040,406	5,341,906
Accumulated depreciation and amortisation	(172,204)	(58,762)	(26,770)	(709,588)	(736,358)	(1,854,361)
Total as at 30 June 2021	367,699	62,725	305,150	1,998,898	2,304,048	3,487,545

¹Includes early termination, remeasurements and modifications of right-of-use assets, assets received at no cost, found assets and increase to make good assets.

²Includes asset under construction amounts for land and buildings of \$28.1 million (2020: \$17.6 million) and software of \$209.0 million (2020: \$184.5 million).

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B2.2 Capital commitments payable (GST inclusive)

	<1 year	Between 1-5 years	Total	<1 year	Between 1-5 years	Total
	2021	2021	2021	2020	2020	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land and buildings	17,433	76,136	93,569	9,940	-	9,940
Plant and equipment	9,947	-	9,947	15,818	2,419	18,237
Intangibles	250	-	250	-	-	-
Total¹	27,630	76,136	103,766	25,758	2,419	28,177

¹Contractual obligations primarily for the purchase of leasehold improvements and information and communication technology hardware and software.

Accounting Policy

Property, Plant and Equipment

Unless otherwise stated, depreciation rates are applied on a straight-line basis. Rates, useful lives and indicators of impairment are assessed annually, with any necessary adjustments recognised as appropriate.

All property, plant and equipment is reported at fair value (refer note B3). Revaluations are conducted by an independent valuer. Assets under construction are carried at cost, which is considered an acceptable fair value proxy. An indexation test is applied annually to verify the carrying amount is reasonable.

Intangibles

Software assets are carried at cost less accumulated amortisation and impairment.

Where material software assets have not been budgeted to be enhanced, replaced, or retired, a minimum remaining useful life of two years is applied. A longer useful life has been applied if this is determined to more appropriately reflect the use of the software asset.

All software assets are assessed annually for indicators of impairment and, where appropriate, the asset's carrying value is adjusted. Impairment is assessed by management applying professional judgement. This assessment reviews the remaining useful life, takes into account how assets are being used and is impacted by factors such as legislative changes, program cessations and platform changes.

Leased right-of-use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount and option terms where sufficient certainty exists, initial direct costs incurred when entering into the lease less any lease incentives received. Subsequently, ROU assets are measured at cost and accounted for as separate asset classes to owned assets.

An impairment review is undertaken annually and where appropriate, the carrying value is adjusted.

Significant Judgement

Reasonable certainty of option exercise in relation to ROU assets

The agency enters into property lease arrangements for its national network of service centres as well as office accommodation. A significant number of leases have options for the agency to extend its ROU beyond the initial term. The next available option is included in the measurement of the ROU asset and lease liability when management makes the judgment that the option is reasonably certain to be exercised based on historical experience and the circumstances of a particular location.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B3: Fair Value Measurement

In 2021 Jones Lang LaSalle Advisory Services Pty Ltd conducted a revaluation of leasehold improvement assets and related make good (2020: leasehold improvements and data centre equipment). Results of the revaluation are disclosed at note B2.1.

The following table provides an analysis of assets that are measured at fair value. The remaining assets disclosed in the Statement of Financial Position do not apply the fair value hierarchy.

Fair value measurements	Level ¹	2021 \$'000	2020 \$'000
Non-financial assets			
Freehold land and buildings	2	15,468	12,831
Freehold land and buildings	3	8,833	9,175
Leasehold improvements	3	280,849	297,679
Plant and equipment	2	270,397	229,272
Plant and equipment	3	97,302	149,621
Total non-financial assets		672,849	698,578

¹In 2021, no assets (2020: \$116.0 million) transferred from level 2 to level 3 due to a change in observable inputs.

Accounting Policy

The agency adopts a risk-based asset valuation approach to measure non-financial assets at fair value in accordance with AASB 13 *Fair Value Measurement*. Each class of non-financial assets, excluding software and right-of-use assets, is subject to a formal independent valuation at least once every three years dependent upon an annual risk assessment. In years where a formal valuation is not undertaken, non-financial assets are subject to a desktop review.

Fair value is a market-based, rather than entity specific, measurement. The objective in all cases is to estimate the price at which an orderly transaction to sell the asset would take place between market participants under current market conditions at the measurement date. Where possible, assets are valued based upon observable inputs, such as quoted prices in active markets or other market transactions or information. Where this information is not available, valuation techniques rely upon unobservable inputs.

The different levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly.

Level 3: Unobservable inputs for the asset.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B4: Payables

	2021	2020
	\$'000	\$'000
B4.1: Other payables		
Unearned income ¹	6,729	17,205
Fringe benefits tax	586	279
Total other payables	7,315	17,484

¹Unearned income represents amounts paid by customers in advance of services (refer note A2).

Accounting Policy

Payables are recognised at the present value of expected future cash flows. Trade creditors and accruals are recognised to the extent that the goods and services have been received (irrespective of having been invoiced). Maximum payment terms for goods and services continue to be 30 days for contracts over \$1 million, or 20 days for contracts up to \$1 million.

B5: Interest Bearing Liabilities

B5.1: Leases

Lease liabilities

Land	958	983
Buildings	2,060,272	2,299,819
Plant and equipment	57,155	95,193
Total leases²	2,118,385	2,395,995

²Total cash outflow for leases for the year ended 30 June 2021 was \$389.3 million (2020: \$329.3 million).

Maturity analysis - contractual undiscounted cash flows

Within 1 year	379,593	376,190
Between 1 to 5 years	1,107,910	1,248,727
More than 5 years	736,314	966,856
Total leases³	2,223,817	2,591,773

³Services Australia in its capacity as lessee holds significant leases at Greenway and Forrest in the ACT, and at Parramatta in NSW, Melbourne and Brisbane that make up \$842.7 million of the above costs.

The above note disclosure should be read in conjunction with the accompanying notes A1.3 and B2.1.

Accounting Policy

For all new contracts entered into, the agency considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the agency's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B6: Provisions

B6.1: Other provisions

Movements in other provisions

	Property make good ¹ \$'000	Resolution of claims of claims \$'000	Total \$'000
As at 1 July 2020	36,120	1,520	37,640
Additional provisions made ^{2,3}	2,769	114,855	117,624
Amounts used	(100)	(2,662)	(2,762)
Amounts reversed	(15)	(149)	(164)
Unwinding of discount or change in discount rate	249	-	249
Total as at 30 June 2021	39,023	113,564	152,587

¹There are 406 (2020: 404) agreements for the leasing of premises which have provisions requiring the agency to restore the premises to their original condition at the conclusion of the lease.

²The total additional provision includes property make good revaluations for existing arrangements. The revaluation conducted by Jones Lang LaSalle Advisory Services Pty Ltd increased the provision and resulted in a \$1.8 million decrement to the asset revaluation reserve.

³The total additional provision for resolution of claims includes \$112.0 million for the Income Compliance settlement.

	2021 \$'000	2020 \$'000
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B6.2: Employee provisions

Leave	844,632	860,570
Total employee provisions	844,632	860,570

Accounting Policy

Employee provisions include annual and long service leave. No provision is made for personal leave, which is non-vesting.

Liabilities for short-term employee benefits and termination benefits expected to be settled wholly within twelve months of the end of reporting period are measured at their nominal amounts. In accordance with AASB 119 *Employee Benefits*, recreation and long service leave liabilities are measured at the present value of the estimated future cash outflows. The interest rates used in discounting future cash flows relate to market yields on government bonds which have a comparable term to the leave obligations. In 2019, the agency engaged the Australian Government Actuary to undertake a triennial actuarial assessment of the leave provisions taking into account the likely tenure of existing staff, patterns of leave claims and payouts, future salary movements and discount rates.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B7: Administered - Financial Assets		
	2021	2020
	\$'000	\$'000
<u>B7.1: Cash and cash equivalents</u>		
Special account cash - held by the agency	161,979	103,097
Special account cash - held in the OPA	61,286	56,882
Total cash and cash equivalents	223,265	159,979
<u>B7.2: Other receivables</u>		
Fees and fines	2,625	2,686
Less: impairment loss	(2,532)	(2,589)
Net fees and fines receivables	93	97
Cost recovery	2,033	2,078
Less: impairment loss	(1,322)	(1,291)
Net cost recovery receivables	711	787
Debt repayment	172	172
Less: impairment loss	(172)	(172)
Net debt repayment receivables	-	-
Compensation recoveries	14,287	16,128
Total net other receivables	15,091	17,012

All significant receivables are expected to be collected within 12 months.

Accounting Policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash in special accounts.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
<u>B7.3: Child support receivables</u>		
Maintenance receivables ¹	1,677,665	1,654,861
Less: impairment loss	(466,551)	(446,919)
Net maintenance receivables	1,211,114	1,207,942
Customer miscellaneous receivables	3,416	3,705
Less: impairment loss	(2,479)	(2,606)
Net customer miscellaneous receivables	937	1,099
Client top up receivables	1,652	1,513
Less: impairment loss	(706)	(649)
Net client top up receivables	946	864
Total net child support receivables²	1,212,997	1,209,905

¹As at 30 June 2021 the child support receivables total included \$10.3 million in overpayments (2020: \$10.9 million) which was not included in the impairment loss calculation.

²Child support receivables are in connection with external parties.

Accounting Policy

Child support maintenance receivables and impairment loss

The child support program acts as the intermediary in the transfer of child support payments, which are collected from the paying parent and paid to the receiving parent. The majority of the receivable balance relates to maintenance debt for which the Australian Government does not have any financial exposure given that the child support program acts as the intermediary only.

Child support penalty receivables

Child support penalty revenue is recognised at the time cash is received not when the debt is raised (refer note A4). As at 30 June 2021, amounts not recorded in the financial statements included total outstanding penalty debt of \$1.0 billion (2020: \$986.7 million), penalty debts raised during 2021 of \$114.4 million (2020: \$128.0 million) and total penalty debts remitted, written off, waived or discharged of \$72.7 million (2020: \$77.5 million).

Significant Judgement

Impairment of child support receivables

The impairment of child support receivables involves assumptions about uncertain future outcomes and the behaviour of paying parents. The agency actively manages the collection of child support debt on a continual basis and engages an independent actuary annually to perform a review of the impairment provision for child support maintenance debt. During 2021, a review of the impairment rate assessment was performed by Ernst and Young (EY). The valuation of the impairment provision involves modelling historical repayment data against the current child support maintenance debt, and projected against future repayment expectations. Key assumptions have been made regarding expected future repayment patterns and the mean term for debt repayment, which are used to determine the present value of future cash flows.

Since 30 June 2020, changes in the mean term and applicable bond rate have resulted in the impairment rate changing from 26.83% to 27.64%. This resulted in a movement to the impairment provision of \$13.7 million as at 30 June 2021.

AASB 136 *Impairment of Assets* requires that payments are discounted at a rate reflecting the estimated timing of the payments. As at 30 June 2021 EY's assessment was that the mean term for child support receivables was 3.75 years and the 3.75 year bond rate was applied (2020: 6.2 year term and 6 year bond rate) (refer note B7.3 above).

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

B8: Administered - Payables

Child support maintenance payables reflect amounts collected to be transferred to the receiving parent. All payables are expected to be settled within 12 months and are measured at their nominal amount.

Recovery of compensation payable reflects amounts collected from insurers and third parties for compensation recovery claims to be transferred to the claimant or the OPA following finalisation of the assessment.

	2021	2020
	\$'000	\$'000
B8.1: Child support and other payables		
Child support maintenance	35,325	34,290
Other	20	28
Total child support and other payables	35,345	34,318

B9: Administered - Provisions

The child support maintenance provision reflects child support obligations to the receiving parent that are due but not yet received.

Recovery of compensation provision reflects amounts collected from insurers and third parties for compensation recovery claims where the assessment to determine the appropriate allocation of funds has not yet been performed. Once an assessment is complete, amounts previously recognised in the provision are transferred to the recovery of compensation payable to be returned to the claimant or the OPA.

Movements in provisions

	Child support maintenance \$'000	Recovery of compensation \$'000
As at 1 July 2020	1,207,942	90,646
Additional provisions made	1,725,267	416,257
Amounts used	(1,666,830)	(354,634)
Amounts reversed	(55,265)	-
Total as at 30 June 2021	1,211,114	152,269

Accounting Policy

The child support maintenance provision liability is calculated on the basis of the present value of the estimated future cash flows to be made to receiving parents at the reporting date. Estimated future cash flows are calculated with reference to the past experience of the recoverability of gross child support receivables from paying parents. The estimate does not include future cash outflows that may result from child support re-assessments, prior to the reporting date, that are requested by paying or receiving parents after the reporting date.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

C: Funding

C1: Appropriations

C1.1: Annual appropriations (recoverable GST exclusive)

	Annual appropriation \$'000	Adjustments to appropriation \$'000	Total appropriation \$'000	Appropriation applied in current and prior years \$'000	Variance \$'000
Annual appropriations for 2021					
Departmental					
Ordinary annual services ^{1,2}	5,110,236	342,404	5,452,640	5,313,107	139,533
Capital budget ³	195,567	-	195,567	196,567	(1,000)
Other services					
Equity injections	219,576	-	219,576	165,930	53,646
Total departmental	5,525,379	342,404	5,867,783	5,675,604	192,179
Administered					
Ordinary annual services ⁴	1,691	976	2,667	976	1,691
Total administered	1,691	976	2,667	976	1,691
Annual appropriations for 2020					
Departmental					
Ordinary annual services	5,115,340	359,298	5,474,638	5,230,223	244,415
Capital budget ³	182,757	14,179	196,936	195,936	1,000
Other services					
Equity injections	150,056	5,081	155,137	148,115	7,022
Total departmental⁵	5,448,153	378,558	5,826,711	5,574,274	252,437
Administered					
Ordinary annual services ⁴	1,643	1,251	2,894	1,251	1,643
Total administered	1,643	1,251	2,894	1,251	1,643

¹In 2021 the revenue from Government reported in the Statement of Comprehensive Income is \$5,088.6 million, \$21.6 million less than the ordinary annual services appropriation of \$5,110.2 million. The difference reflects the adjustment to revenue from Government in *Appropriation Act (No. 1) 2021-2022*.

²Departmental adjustments include PGPA Act section 74 receipts recognised in ordinary annual services.

³Departmental capital budgets are appropriated through Appropriation Acts (No. 1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

⁴Adjustments include PGPA Act section 74 receipts.

⁵Total departmental adjustments include PGPA Act section 74 receipts (\$344.8 million) recognised in ordinary annual services and PGPA Act section 75 transfers (\$33.8 million).

Figures in text have been rounded. Discrepancies between totals and sums of components are due to rounding.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

C1.2: Unspent annual appropriations (recoverable GST exclusive)

Authority	2021 \$'000	2020 \$'000
Departmental		
<i>Appropriation Act (No. 1) 2018-19¹</i>	55,654	62,638
<i>Appropriation Act (No. 2) 2018-19²</i>	9,597	9,597
<i>Supply Act (No. 1) 2019-2020</i>	-	136,301
<i>Appropriation Act (No. 1) 2019-2020³</i>	66,357	726,030
<i>Appropriation Act (No. 1) 2019-2020 - DCB</i>	-	1,000
<i>Appropriation Act (No. 2) 2019-2020</i>	-	2,616
<i>Appropriation Act (No. 3) 2019-2020</i>	-	287,502
<i>Appropriation Act (No. 4) 2019-2020</i>	-	4,409
<i>Appropriation Act (No. 5) 2019-2020⁴</i>	175,794	175,794
<i>Appropriation Act (No. 1) 2020-2021</i>	1,101,786	-
<i>Appropriation Act (No. 2) 2020-2021⁵</i>	60,671	-
<i>Appropriation Act (No. 3) 2020-2021</i>	139,385	-
Cash at bank	20,637	20,795
Total departmental	1,629,881	1,426,682
Administered		
<i>Appropriation Act (No. 1) 2017-18</i>	-	1,498
<i>Appropriation Act (No. 1) 2018-19⁶</i>	1,558	1,558
<i>Supply Act (No. 1) 2019-2020⁶</i>	685	685
<i>Appropriation Act (No. 1) 2019-2020⁶</i>	958	958
<i>Supply Act (No. 1) 2020-2021⁶</i>	1,686	-
<i>Appropriation Act (No. 3) 2020-2021⁶</i>	5	-
Total administered	4,892	4,699

Reconciliation of unspent departmental annual appropriation

Unspent annual appropriation as at 30 June	1,629,881	1,426,682
Cash at bank	(20,637)	(20,795)
2020-21 adjustments in <i>Appropriation Act (No. 1) 2021-2022</i>	(21,653)	-
Operating appropriations withheld through PGPA Act section 51 ^{1,3,4}	(226,760)	(50,965)
Capital appropriations withheld under PGPA Act section 51 ^{2,5}	(10,188)	(9,597)
Reduction to appropriation receivable for funding model adjustments ^{1,3}	(71,045)	(71,045)
Appropriation receivable balance as at 30 June	1,279,598	1,274,280

¹\$46.3 million operating appropriations withheld under PGPA Act section 51 and \$9.4 million relating to funding model adjustments.

²\$9.6 million capital appropriations withheld under PGPA Act section 51.

³\$4.7 million operating appropriations withheld under PGPA Act section 51 and \$61.7 million relating to funding model adjustments.

⁴\$175.8 million operating appropriations withheld under PGPA Act section 51.

⁵\$0.6 million of the capital appropriation has been withheld under PGPA Act section 51.

⁶These amounts reflect unspent appropriations relating to the child support program.

C1.3: Special appropriations applied (recoverable GST exclusive)

Authority		
<i>Public Governance, Performance and Accountability Act 2013 Section 77⁷</i>	301	307
Total special appropriations applied	301	307

⁷Refund appropriation to enable repayment of funds to third parties for incorrect or unidentified payments earlier received and sent to the OPA as an administered receipt.

Figures in text have been rounded. Discrepancies between totals and sums of components are due to rounding.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

C1.4: Disclosure by agent in relation to annual and special appropriations (recoverable GST exclusive)

Payments are made from appropriations administered by other agencies. The related revenue, expense, assets, liabilities and cash flows are disclosed in the financial statements of the relevant government agency which is responsible for the outcomes to which the items relate. Total receipts and total payments in any year may not be equal due to timing differences.

Department	Total receipts 2021 \$'000	Total payments 2021 \$'000	Total receipts 2020 \$'000	Total payments 2020 \$'000	Purpose of payment
Australian Trade and Investment Commission	127,485	127,485	-	-	COVID-19 Consumer Travel Support Program
Department of Agriculture, Water and the Environment	179,721	179,721	133,888	133,888	Farm Household Allowance
Department of Education, Skills and Employment	9,447,856	9,447,856	8,589,062	8,589,062	Child Care Subsidies, PaTH Internship Incentive and Tertiary Access payments
Department of Foreign Affairs and Trade	-	-	124	124	MH17 Family Support Package
Department of Health	67,640,252	66,962,824	62,619,431	61,815,067	Aged care, medical and pharmaceutical benefits
Department of Home Affairs	527,462	527,462	326,869	326,869	Asylum seeker support, disaster recovery relief and payments for victims of terrorism
Department of Infrastructure, Transport, Regional Development and Communications	205,684	205,684	197,836	197,836	Tasmania Freight Equalisation Scheme and Bass Strait Passenger Vehicle Equalisation Scheme
Department of Social Services	148,071,304	148,071,304	127,961,218	127,961,218	Age Pension, Disability Support Pension, Carer Payment, Family Tax Benefit, Austudy, ABSTUDY, Youth Allowance, and JobSeeker Payments
Department of Veterans' Affairs	2,250,127	2,927,574	2,186,279	2,990,644	Aged care, medical and pharmaceutical benefits
Total	228,449,891	228,449,910	202,014,707	202,014,708	

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

C2: Special Accounts

Child Support Special Account

This special account was established under the *Child Support (Registration and Collection) Act 1988*, section 73. It is used for the receipt and payment of child support maintenance obligations. Monies received are required to be paid to the relevant recipients. As such, net child support receivables reported in the Administered Schedule of Assets and Liabilities are offset by equivalent child support provisions.

Recovery of Compensation for Health Care and Other Services Special Account (RCHCOS)

This special account was established under the *PGPA Act (Recovery of Compensation for Health Care and Other Services Special Account 2015–Establishment) Determination 2015/06*. It is used for the recovery of Medicare benefits, residential care and home care subsidies where the recipient receives compensation from a third party as a result of the injury or illness for which they have received benefits. The agency is responsible for making payments under the *Health and Other Services (Compensation) Act 1995* including for case management and the recovery of benefits back to the Australian Government. No expense is recognised in relation to recovery of compensation, amounts returned to the OPA are recognised as revenue in the Administered Schedule of Comprehensive Income and transfers to the OPA in the Administered Reconciliation Schedule.

Services for Other Entities and Trust Moneys Special Account (SOETM)

This special account was established under the *PGPA Act Determination (Services Australia SOETM Special Account 2020)*. It is a multi-purpose account, used for receipts and payments of amounts held on trust or otherwise for the benefit of persons other than the Commonwealth. This includes amounts associated with departure prohibition orders, an administrative enforcement option that requires a paying parent with an outstanding child support liability to deposit the balance prior to leaving Australia. The special account is also used for receipts and refunds of foreign countries' transactions relating to administrative agreements with other countries.

	Child Support		RCHCOS		SOETM	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance brought forward at 1 July	78,707	74,117	111,827	72,112	34	88
Increases						
<i>Child Support (Registration & Collection) Act</i>						
1988 sections 77 and 78 crediting clause ¹	32,443	40,621	-	-	-	-
Appropriations credited	981	1,101	-	-	-	-
Other receipts	1,658,044	1,624,118	416,257	354,506	283	1,601
Total increases	1,691,468	1,665,840	416,257	354,506	283	1,601
Available for payments	1,770,175	1,739,957	528,084	426,618	317	1,689
Decreases						
Payments made	(1,684,127)	(1,661,250)	(351,377)	(314,791)	(297)	(1,655)
Total decreases	(1,684,127)	(1,661,250)	(351,377)	(314,791)	(297)	(1,655)
Balance at 30 June	86,048	78,707	176,707	111,827	20	34
Represented by:						
Special account cash - held by the agency	-	-	176,707	111,827	-	-
Special account cash - held in the OPA	86,048	78,707	-	-	20	34
Balance carried forward	86,048	78,707	176,707	111,827	20	34
Reconciliation to cash and cash equivalents reported in the Administered Schedule of Assets and Liabilities and Administered Cash Flow Statement						
Balance carried forward	86,048	78,707	176,707	111,827	20	34
Less timing differences ²	(24,782)	(21,853)	(14,728)	(8,730)	-	(6)
Cash and cash equivalents	61,266	56,854	161,979	103,097	20	28

¹Amounts relate to sections 77 and 78 of the *Child Support (Registration and Collection) Act 1988* credited directly to the Child Support Special Account via budget appropriation adjustments.

²The timing differences relate to payments that have not yet been reflected in the cash balance. Special accounts are reported on a cash basis whereas cash and cash equivalents in the Administered Schedule of Assets and Liabilities and Administered Cash Flow Statement are reported on an accruals basis.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

C3: Net Cash Appropriation Arrangements

	2021	2020
	\$'000	\$'000
Total comprehensive surplus/(deficit) - as per the Statement of Comprehensive Income	(240,479)	(54,331)
Plus: depreciation/amortisation of assets funded through appropriations	371,410	324,499
Plus: depreciation of right-of-use assets	393,365	375,245
Less: lease principal repayments	<u>(363,953)</u>	<u>(298,862)</u>
Net cash operating surplus/(deficit)	160,343	346,551

From 2011, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation and amortisation expenses ceased. Entities now receive a separate capital budget provided through equity injections and/or departmental capital budget funding. Capital budgets are appropriated in the period when cash payment for capital expenditure is required.

The inclusion of depreciation/amortisation expenses related to right-of-use leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 *Leases*, which does not directly reflect a change in appropriation arrangements.

D: Other Items

D1: Contingent Assets and Liabilities

Contingent assets and liabilities may arise from uncertainty as to the existence of an asset or liability, or where the amount cannot be reliably measured.

The agency had a number of legal claims for which it has denied liability and is defending, and also claims which the agency is pursuing. It is not possible to estimate the amount of any eventual payments or compensation in relation to these claims.

Contingent assets

As at 1 July	5,525	5,654
New contingent assets recognised	-	122
Re-measurement	4,784	1,518
Assets realised	<u>(9,872)</u>	<u>(1,769)</u>
Total contingent assets as at 30 June¹	437	5,525

Contingent liabilities

As at 1 July	578	1,306
New contingent liabilities recognised	2,645	572
Re-measurement	138	(114)
Liabilities realised	<u>(368)</u>	<u>(419)</u>
Obligations expired	<u>(360)</u>	<u>(767)</u>
Total contingent liabilities as at 30 June²	2,633	578
Net contingent assets/(liabilities) as at 30 June	(2,196)	4,947

¹Contingent assets include insurance claims.

²Contingent liabilities include compensation claims.

There were no quantifiable or unquantifiable administered contingent assets or liabilities in 2021 and 2020.

Accounting Policy

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are reported in the notes. They may arise from uncertainty as to the existence of an asset or liability or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

D2: Financial Instruments

	2021 \$'000	2020 \$'000
<u>D2.1: Categories of financial instruments</u>		
Financial assets at amortised cost		
Cash	20,637	20,795
Trade and other receivables	87,762	106,566
Total assets at amortised cost	108,399	127,361
Total financial assets	108,399	127,361
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors and accruals	178,642	238,481
Total financial liabilities measured at amortised cost	178,642	238,481
Total financial liabilities	178,642	238,481

D2.2: Categories of financial instruments

Financial assets at amortised cost		
Cash and cash equivalents	223,265	159,979
Other receivables	14,287	16,128
Total financial assets at amortised cost	237,552	176,107
Total financial assets¹	237,552	176,107
Financial liabilities		
Financial liabilities measured at amortised cost		
Recovery of compensation payable	7,796	8,022
Total financial liabilities measured at amortised cost	7,796	8,022
Total financial liabilities¹	7,796	8,022

¹These figures exclude statutory receivables and payables, which are not within the scope of AASB 9 *Financial Instruments*.

Accounting Policy

Financial assets

Financial assets are recognised when the agency becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date. They are classified and measured at amortised cost determined using the effective interest method and are assessed for impairment at the end of each reporting period based on expected credit losses.

Financial liabilities

Financial liabilities, including trade and other payables are classified as other financial liabilities which are recognised and derecognised upon trade date. Financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

D3: Current/Non-current Distinction for Assets and Liabilities

	2021 \$'000	2020 \$'000
D3.1: Departmental		
Assets expected to be recovered in		
No more than 12 months		
Cash	20,637	20,795
Trade and other receivables	1,420,677	1,445,183
Prepayments	100,323	94,466
Total no more than 12 months	1,541,637	1,560,444
More than 12 months		
Prepayments	27,136	39,930
Plant and equipment (including right-of-use)	430,424	473,195
Land and buildings (including right-of-use)	2,304,048	2,595,875
Software	753,073	623,077
Total more than 12 months	3,514,681	3,732,077
Total assets	5,056,318	5,292,521
Liabilities expected to be settled in		
No more than 12 months		
Employee benefits	61,866	47,800
Trade creditors and accruals	178,642	238,481
Other payables	7,315	17,484
Leases	366,035	348,608
Other provisions	118,102	4,677
Employee provisions	277,873	254,788
Total no more than 12 months	1,009,833	911,838
More than 12 months		
Employee benefits	1,074	1,012
Leases	1,752,350	2,047,387
Other provisions	34,485	32,963
Employee provisions	566,759	605,782
Total more than 12 months	2,354,668	2,687,144
Total liabilities	3,364,501	3,598,982

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

	2021	2020
	\$'000	\$'000
<u>D3.2: Administered</u>		
Assets expected to be recovered in		
No more than 12 months		
Cash and cash equivalents	223,265	159,979
Other receivables	5,533	6,723
Child support receivables	377,761	402,749
Total no more than 12 months	606,559	569,451
More than 12 months		
Other receivables	9,558	10,289
Child support receivables	835,236	807,156
Total more than 12 months	844,794	817,445
Total assets	1,451,353	1,386,896
Liabilities expected to be settled in		
No more than 12 months		
Child support payments received in advance	25,941	22,558
Child support and other payables	35,345	34,318
Recovery of compensation payable	7,796	8,022
Child support maintenance provisions	376,738	401,661
Recovery of compensation provisions	150,111	90,646
Total no more than 12 months	595,931	557,205
More than 12 months		
Child support provisions	834,376	806,281
Recovery of compensation provisions	2,158	-
Total more than 12 months	836,534	806,281
Total liabilities	1,432,465	1,363,486

SERVICES AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

D4: Key Management Personnel Remuneration

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly. The agency has determined the KMP to be the Chief Executive Officer and Deputy Chief Executive Officers. The agency's KMP currently consists of eight positions. For 2021, the total number of KMP is 9 (2020: 15), and includes acting arrangements where it is determined the individual meets the definition of a KMP. The Portfolio Minister's remuneration and other benefits are excluded as it is set by the Remuneration Tribunal and are not paid by the agency. KMP remuneration is reported in the table below.

	2021 \$'000	2020 \$'000
Key management personnel remuneration expenses		
Short-term employee benefits	3,922	4,103
Post-employment benefits	466	571
Other long-term employee benefits	67	121
Termination benefits	-	1,036
Total key management personnel remuneration expenses	4,455	5,831

D5: Related Party Disclosures

Related party relationships

Services Australia is an Australian Government controlled entity. Related parties to the agency are KMP, Cabinet Ministers and other Australian Government entities.

Transactions with related parties

Given the breadth of government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- the payments of grants or loans
- the purchase of goods and services
- asset purchases, sales transfers or leases
- debts forgiven
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the agency, it has been determined there are no significant related party transactions to be separately disclosed.

D6: Restructuring

There were no restructures in 2021. In 2020, following the Machinery of Government changes effective from 1 February 2020, the following functions transferred between Services Australia and the Department of Social Services (DSS):

- The Information Technology (IT) function of DSS transferred staff, contractors (effective 6 February 2020) and related IT assets (effective 1 May 2020) to Services Australia (net assets of \$107.6 million).
- Staff and contractors in the Commonwealth Redress Scheme Branch transferred (effective 6 February 2020) from Services Australia to DSS (net liabilities of \$1.9 million).
- The Government's administered investment in Hearing Australia transferred (effective 1 February 2020) from Services Australia to DSS (net assets of \$79.0 million).

Appendices

Appendix A: Services Australia resource statements and expenses for outcomes

The resource statement below provides information about the funding sources available to the agency for its operations and to deliver programs and services on behalf of Government.

Table 49: Services Australia resource statement 2020–21

	Actual available appropriation	Payments made	Balance remaining
	\$'000	\$'000	\$'000
	(a)	(b)	(a)–(b)
Departmental			
Annual appropriations – ordinary annual services ¹	6,553,262	5,313,107	1,240,155
Annual appropriations – capital budget ²	196,567	196,567	–
Total annual appropriations – ordinary annual services	6,749,829	5,509,674	1,240,155
Annual appropriations – other services – non-operating ³	226,010	165,930	60,080
Total departmental annual appropriations	6,975,839	5,675,604	1,300,235
Total departmental resourcing	6,975,839	5,675,604	1,300,235
Administered			
Annual appropriations – ordinary annual services ¹	2,667	976	
Total administered annual appropriations	2,667	976	
Special accounts	2,267,987	2,044,722	223,265
Total special accounts	2,267,987	2,044,722	223,265
less administered appropriations drawn from annual appropriations and credited to special accounts	981	981	
Total administered resourcing	2,269,673	2,044,717	
Total resourcing and payments for Services Australia	9,245,512	7,720,321	

1. *Supply Act (No. 1) 2020–2021, Appropriation Act (No. 1) 2020–2021 and Appropriation Act (No. 3) 2020–2021*. This may also include prior year departmental appropriation and external revenue under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
2. Departmental capital budgets are not separately identified in the Appropriation Act (Nos. 1, 3, 5) and Supply Act (No. 1) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.
3. *Supply Act (No. 2) 2020–2021, Appropriation Act (No. 2) 2020–2021 and Appropriation Act (No. 4) 2020–2021*.

EXPENSES BY OUTCOME

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicles by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes.

The following table provides information on the agency's expenditure in achieving its outcome, and reported by program for Administered and Departmental funding sources.

Table 50: Services Australia expenses by Outcome 2020–21

Outcome 1: Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.

	Budget ¹	Actual expenses	Variation
	\$'000	\$'000	\$'000
	(a)	(b)	(a)–(b)
Program 1.1: Services to the Community – Social Security and Welfare			
Departmental expenses			
Departmental appropriation	3,755,224	3,965,346	(210,122)
s. 74 External revenue ²	200,588	187,483	13,105
Expenses not requiring appropriation in the Budget year ³	609,532	315,480	294,052
Departmental total	4,565,344	4,468,309	97,035
Total expenses for Program 1.1	4,565,344	4,468,309	97,035

	Budget ¹	Actual expenses	Variation
	\$'000	\$'000	\$'000
	(a)	(b)	(a)–(b)
Program 1.2: Services to the Community – Health			
Departmental expenses			
Departmental appropriation	593,160	611,776	(18,616)
s. 74 External revenue ²	39,029	33,798	5,231
Expenses not requiring appropriation in the Budget year ³	109,405	62,185	47,220
Departmental total	741,594	707,759	33,835
Total expenses for Program 1.2	741,594	707,759	33,835
Program 1.3: Child Support			
Administered expenses			
Ordinary annual services (Supply Act No. 1 and Appropriation Act No. 3)	1,691	981	710
Special accounts	1,693,487	1,669,021	24,466
Expenses not requiring appropriation in the Budget year ³	85,970	70,411	15,559
Administered total	1,781,148	1,740,413	40,735
Departmental expenses			
Departmental appropriation	372,277	403,197	(30,920)
s. 74 External revenue ²	1,700	1,559	141
Expenses not requiring appropriation in the Budget year ³	66,402	27,942	38,460
Departmental total	440,379	432,698	7,681
Total expenses for Program 1.3	2,221,527	2,173,111	48,416
Outcome 1 totals by appropriation type			
Administered expenses			
Ordinary annual services (Supply Act No. 1 and Appropriation Act No. 3)	1,691	981	710
Special accounts	1,693,487	1,669,021	24,466

	Budget ¹	Actual expenses	Variation
	\$'000	\$'000	\$'000
	(a)	(b)	(a)–(b)
Expenses not requiring appropriation in the Budget year ³	85,970	70,411	15,559
Administered total	1,781,148	1,740,413	40,735
Departmental expenses			
Departmental appropriation	4,720,661	4,980,319	(259,658)
s. 74 External revenue ²	241,317	222,840	18,477
Expenses not requiring appropriation in the Budget year ³	785,339	405,607	379,732
Departmental total	5,747,317	5,608,766	138,551
Total expenses for Outcome 1	7,528,465	7,349,179	179,286
	Budget¹	Actual	Variation
Average staffing level (number)	27,650	27,896	(246)

1. 2020–21 Budget, including any subsequent adjustments made at Additional Estimates.
2. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
3. Includes unfunded depreciation and amortisation expenses (excluding depreciation of right-of-use assets), write-down and impairment of assets, resources received free of charge and non-cash adjustments to make-good.

Appendix B: Staffing statistics

PGPA RULE S. 17AD(da) – EXECUTIVE REMUNERATION

Table 51: Information about remuneration for key management personnel 2020–21

Name	Position title	Short-term benefits ^(a)			Post-employment benefits ^(b)	Other long-term benefits ^(c)		Termination benefits	Total remuneration
		Base salary \$	Bonuses \$	Other benefits and allowances ^(d) \$	Superannuation contributions \$	Long service leave \$	Other long-term benefits \$	Termination benefits \$	Total remuneration \$
Rebecca Skinner	Chief Executive Officer	683,520	0	1,477	98,402	20,850	0	0	804,249
Grant Tidswell	Deputy Chief Executive Officer – Strategy and Performance	716,332	0	1,477	0	0	0	0	717,809
Michael McNamara	Chief Information Officer	458,079	0	66,935	69,344	13,471	0	0	607,829
Matt Cahill	Deputy Chief Executive Officer – Customer Service Delivery	408,020	0	1,347	69,970	11,933	0	0	491,270
Charles McHardie	Deputy Chief Executive Officer – Transformation Projects	372,800	0	31,497	55,228	8,102	0	0	467,627

Name	Position title	Short-term benefits ^(a)			Post-employment benefits ^(b)	Other long-term benefits ^(c)		Termination benefits	Total remuneration
		Base salary \$	Bonuses \$	Other benefits and allowances ^(d) \$		Long service leave \$	Other long-term benefits \$		
Michelle Lees	Deputy Chief Executive Officer – Payments and Integrity	327,367	0	57,597	59,504	(1,824)	0	0	442,644
Russell Egan	Deputy Chief Executive Officer – Customer Service Design	330,297	0	31,497	52,050	9,715	0	0	423,559
Annette Musolino	Chief Operating Officer	330,873	0	31,497	48,587	5,276	0	0	416,233
Amanda Cattermole	Deputy Chief Executive Officer	63,174	0	7,729	13,363	(885)	0	0	83,381
Total	9	3,690,462	0	231,053	466,448	66,638	0	0	4,454,601

(a) Includes base salary, annual leave benefit, bonuses, allowances and other benefits.

(b) Includes contributed superannuation depending on the scheme the employee is in. When an employee is in a defined contribution scheme, such as PSSap, this will be the superannuation amount on the individual's pay slip. When an employee is in a defined benefits scheme, such as PSS and CSS, this will include the Notional Employer Contribution Amount and Employer Productivity Superannuation Contribution.

(c) In accordance with accounting standards, long-term benefits include long service leave and the impacts of a reduction in the discount rate. In some cases, this has resulted in a negative long service leave expense for some employees.

(d) Includes motor vehicle allowance and other benefits such as the provision of a car park.

Table 52: Information about remuneration for senior executives 2020–21

Remuneration band	Number of Senior Executive Staff	Short-term benefits ^(a)			Post-employment benefits ^(b)		Other long-term benefits ^(c)		Termination benefits	Total remuneration
		Average base salary \$	Average bonuses \$	Average other benefits and allowances ^(d) \$	Average superannuation contributions \$	Average long service leave \$	Average other long-term benefits \$	Average termination benefits \$	Average total remuneration \$	
\$0 – \$220,000	49	73,399	0	9,744	16,044	(4,785)	0	13,415	107,817	
\$220,001 – \$245,000	63	171,793	0	26,687	30,268	1,371	0	3,802	233,921	
\$245,001 – \$270,000	25	197,584	0	21,726	34,866	1,459	0	0	255,635	
\$270,001 – \$295,000	28	212,215	0	28,884	37,484	1,635	0	0	280,218	
\$295,001 – \$320,000	14	215,446	0	22,234	37,825	808	0	32,946	309,259	
\$320,001 – \$345,000	3	254,852	0	36,761	44,544	114	0	0	336,271	
\$345,001 – \$370,000	5	281,775	0	29,471	46,586	3,007	0	0	360,839	
\$370,001 – \$395,000	5	303,849	0	23,892	47,923	6,326	0	0	381,990	
\$395,001 – \$420,000	1	168,860	0	16,725	28,863	(17,010)	0	212,669	410,107	

Remuneration band	Number of Senior Executive Staff	Short-term benefits ^(a)			Post-employment benefits ^(b)	Other long-term benefits ^(c)	Termination benefits	Total remuneration
		Average base salary \$	Average bonuses \$	Average other benefits and allowances ^(d) \$		Average long service leave \$	Average other long-term benefits \$	
\$420,001 – \$445,000	0	0	0	0	0	0	0	0
\$445,001 – \$470,000	1	371,068	0	29,495	55,167	10,367	0	466,097
\$470,001 – \$495,000	1	330,737	0	28,348	60,618	5,066	0	483,335

(a) Includes base salary, annual leave benefit, bonuses, allowances and other benefits.

(b) Includes contributed superannuation depending on the scheme the employee is in. When an employee is in a defined contribution scheme, such as PSSap, this will be the superannuation amount on the individual's pay slip. When an employee is in a defined benefits scheme, such as PSS and CSS, this will include the Notional Employer Contribution Amount and Employer Productivity Superannuation Contribution.

(c) In accordance with accounting standards, long-term benefits include long service leave and the impacts of a reduction in the discount rate. In some cases, this has resulted in a negative long service leave expense for some employees.

(d) Includes motor vehicle allowance and other benefits such as the provision of a car park.

Table 53: Information about remuneration for other highly paid staff 2020–21

Remuneration band	Number of other highly paid staff	Short-term benefits ^(a)			Post-employment benefits ^(b)		Other long-term benefits ^(c)		Termination benefits	Total remuneration
		Average base salary \$	Average bonuses \$	Average other benefits and allowances ^(d) \$	Average superannuation contributions \$	Average long service leave \$	Average other long-term benefits \$	Average termination benefits \$		
\$230,001 – \$245,000	3	127,464	0	8,533	24,753	(1,012)	0	75,750		235,488
\$245,001 – \$270,000	8	154,589	0	1,181	29,007	(610)	0	71,923		256,090
\$270,001 – \$295,000	2	163,303	0	2,115	44,566	(1,611)	0	63,937		272,310
\$295,001 – \$320,000	4	134,276	0	0	25,733	(368)	0	149,210		308,851
Total	17									

(a) Includes base salary, annual leave benefit, bonuses, allowances and other benefits.

(b) Includes contributed superannuation depending on the scheme the employee is in. When an employee is in a defined contribution scheme, such as PSSap, this will be the superannuation amount on the individual's pay slip. When an employee is in a defined benefits scheme, such as PSS and CSS, this will include the Notional Employer Contribution Amount and Employer Productivity Superannuation Contribution.

(c) In accordance with accounting standards, long-term benefits include long service leave and the impacts of a reduction in the discount rate. In some cases, this has resulted in a negative long service leave expense for some employees.

(d) Includes motor vehicle allowance and other benefits such as the provision of a car park.

PGPA RULE S. 17AE (1)(aa)(i)–(iii) – ACCOUNTABLE AUTHORITY

Table 54: Details of accountable authority during 2020–21

Name	Position title/ position held	Date of commencement	Date of cessation
Rebecca Skinner	Chief Executive Officer	1 July 2020	30 June 2021

PGPA RULE S. 17AG (4)(aa) MANAGEMENT OF HUMAN RESOURCES

Table 55: All ongoing employees 2020–21

	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
NSW	1,312	194	1,506	3,118	2,074	5,192	3	0	3
QLD	1,326	120	1,446	2,747	1,277	4,024	6	0	6
SA	691	89	780	900	552	1,452	1	0	1
TAS	373	67	440	552	483	1,035	3	1	4
VIC	1,263	140	1,403	2,209	1,408	3,617	0	0	0
WA	388	33	421	857	462	1,319	2	0	2
ACT	1,712	93	1,805	1,735	401	2,136	1	0	1
NT	61	7	68	206	65	271	0	0	0
External territories	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0
Total	7,126	743	7,869	12,324	6,722	19,046	16	1	17
									26,932

Table 56: All ongoing employees 2019–20

	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
NSW	1,340	190	1,530	3,246	2,097	5,343	4	1	5
QLD	1,328	97	1,425	2,754	1,245	3,999	4	0	4
SA	716	78	794	945	568	1,513	5	0	5
TAS	387	70	457	564	496	1,060	4	0	4
VIC	1,308	140	1,448	2,327	1,467	3,794	4	0	4
WA	388	29	417	865	481	1,346	2	0	2
ACT	1,726	98	1,824	1,730	444	2,174	13	0	13
NT	75	3	78	241	69	310	0	0	0
External territories	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0
Total	7,268	705	7,973	12,672	6,867	19,539	36	1	37
									27,549

Table 57: All non-ongoing employees 2020–21^(a)

	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
NSW	273	178	451	677	689	1,366	6	1	7
QLD	289	218	507	562	497	1,059	4	3	7
SA	115	122	237	156	199	355	0	1	1
TAS	64	21	85	82	45	127	1	1	2
VIC	209	185	394	370	499	869	10	3	13
WA	105	87	192	183	313	496	0	2	2
ACT	214	136	350	272	214	486	7	3	10
NT	15	8	23	38	38	76	2	0	2
External territories	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0
Total	1,284	955	2,239	2,340	2,494	4,834	30	14	44
									7,117

(a) Non-ongoing employees include irregular/intermittent staff.

Table 58: All non-ongoing employees 2019–20^(a)

	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
NSW	74	188	262	125	659	784	2	12	14
QLD	56	265	321	124	641	765	2	0	2
SA	30	88	118	61	154	215	1	0	1
TAS	13	20	33	24	61	85	0	0	0
VIC	58	223	281	79	598	677	1	6	7
WA	15	68	83	34	293	327	1	4	5
ACT	14	52	66	24	86	110	2	1	3
NT	2	12	14	5	26	31	0	0	0
External territories	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0
Total	262	916	1,178	476	2,518	2,994	9	23	32
									4,204

(a) Non-ongoing employees include irregular/intermittent staff.

PGPA RULE S. 17AG (4)(b)(i)–(iv) AUSTRALIAN PUBLIC SECTOR (APS) CLASSIFICATION AND GENDER

Table 59: Australian Public Service Act ongoing employees 2020–21

Substantive classification	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
SES 3	4	0	4	3	0	3	0	0	7
SES 2	15	1	16	16	0	16	0	0	32
SES 1	53	0	53	72	1	73	0	0	126
EL 2	433	10	443	429	47	476	0	0	919
EL 1	1,081	42	1,123	1,185	289	1,474	0	0	2,597
APS 6	1,661	120	1,781	2,379	1,161	3,540	2	0	5,323
APS 5	995	65	1,060	1,667	618	2,285	2	0	3,347
APS 4	2,180	417	2,597	4,926	3,916	8,842	6	1	11,446
APS 3	549	73	622	1,371	659	2,030	2	0	2,654
APS 2	25	0	25	24	17	41	0	0	66
APS 1	25	6	31	29	7	36	0	0	67
Other	105	9	114	223	7	230	4	0	348
Total	7,126	743	7,869	12,324	6,722	19,046	16	1	17 26,932

Table 60: Australian Public Service Act ongoing employees 2019–20

Substantive classification	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
SES 3	2	0	2	3	0	3	0	0	0
SES 2	15	2	17	11	1	12	1	0	1
SES 1	50	0	50	56	1	57	0	0	0
EL 2	388	11	399	398	45	443	0	0	0
EL 1	1,050	40	1,090	1,157	281	1,438	2	0	2
APS 6	1,715	106	1,821	2,462	1,167	3,629	6	1	7
APS 5	1,025	56	1,081	1,741	571	2,312	8	0	8
APS 4	2,312	390	2,702	5,143	4,014	9,157	10	0	10
APS 3	574	73	647	1,473	750	2,223	8	0	8
APS 2	32	3	35	28	16	44	0	0	0
APS 1	26	7	33	32	7	39	0	0	0
Other	79	17	96	168	14	182	1	0	1
Total	7,268	705	7,973	12,672	6,867	19,539	36	1	37

Table 61: Australian Public Service Act non-ongoing employees 2020–21^(a)

Substantive classification	Male			Female			Non-binary		
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Non-binary
SES 3	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0
EL 2	0	1	1	3	0	3	0	0	4
EL 1	5	2	7	2	3	5	1	0	13
APS 6	14	5	19	35	16	51	1	1	72
APS 5	56	15	71	88	19	107	2	0	180
APS 4	414	85	499	629	206	835	9	2	1,345
APS 3	795	847	1,642	1,582	2,250	3,832	17	11	5,502
APS 2	0	0	0	0	0	0	0	0	0
APS 1	0	0	0	1	0	1	0	0	1
Other	0	0	0	0	0	0	0	0	0
Total	1,284	955	2,239	2,340	2,494	4,834	30	14	44
									7,117

^(a) Non-ongoing employees include irregular/intermittent staff.

Table 62: Australian Public Service Act non-ongoing employees 2019–20^(a)

Substantive classification	Male			Female			Non-binary		
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
SES 3	1	0	1	0	0	0	0	0	1
SES 2	1	0	1	0	0	0	0	0	1
SES 1	0	0	0	0	0	0	0	0	0
EL 2	0	1	1	1	0	1	0	0	2
EL 1	2	1	3	5	4	9	0	0	12
APS 6	1	1	2	8	7	15	0	0	17
APS 5	9	10	19	6	9	15	1	0	35
APS 4	17	76	93	26	141	167	0	1	261
APS 3	231	827	1,058	428	2,357	2,785	8	22	3,873
APS 2	0	0	0	2	0	2	0	0	2
APS 1	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Total	262	916	1,178	476	2,518	2,994	9	23	32 4,204

(a) Non-ongoing employees include irregular/intermittent staff.

PGPA RULE S. 17AG (4)(b)(i)–(iii) EMPLOYMENT TYPE BY FULL-TIME AND PART-TIME STATUS

Table 63: Australian Public Service Act employees by full-time and part-time status 2020–21

Substantive classification	Ongoing			Non-ongoing ^(a)			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-ongoing	
SES 3	7	0	7	0	0	0	7
SES 2	31	1	32	0	0	0	32
SES 1	125	1	126	0	0	0	126
EL 2	862	57	919	3	1	4	923
EL 1	2,266	331	2,597	8	5	13	2,610
APS 6	4,042	1,281	5,323	50	22	72	5,395
APS 5	2,664	683	3,347	146	34	180	3,527
APS 4	7,112	4,334	11,446	1,052	293	1,345	12,791
APS 3	1,922	732	2,654	2,394	3,108	5,502	8,156
APS 2	49	17	66	0	0	0	66
APS 1	54	13	67	1	0	1	68
Other	332	16	348	0	0	0	348
Total	19,466	7,466	26,932	3,654	3,463	7,117	34,049

(a) Non-ongoing employees include irregular/intermittent staff.

Table 64: Australian Public Service Act employees by full-time and part-time status 2019–20

Substantive classification	Ongoing			Non-ongoing ^(a)			Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total Non-ongoing	
SES 3	5	0	5	1	0	1	6
SES 2	27	3	30	1	0	1	31
SES 1	106	1	107	0	0	0	107
EL 2	786	56	842	1	1	2	844
EL 1	2,209	321	2,530	7	5	12	2,542
APS 6	4,183	1,274	5,457	9	8	17	5,474
APS 5	2,774	627	3,401	16	19	35	3,436
APS 4	7,465	4,404	11,869	43	218	261	12,130
APS 3	2,055	823	2,878	667	3,206	3,873	6,751
APS 2	60	19	79	2	0	2	81
APS 1	58	14	72	0	0	0	72
Other	248	31	279	0	0	0	279
Total	19,976	7,573	27,549	747	3,457	4,204	31,753

(a) Non-ongoing employees include irregular/intermittent staff.

PGPA RULE S. 17AG (4)(b)(v) AUSTRALIAN PUBLIC SERVICE ACT

Table 65: Employment type by location 2020–21

	Ongoing	Non-ongoing ^(a)	Total
NSW	6,701	1,824	8,525
QLD	5,476	1,573	7,049
SA	2,233	593	2,826
TAS	1,479	214	1,693
VIC	5,020	1,276	6,296
WA	1,742	690	2,432
ACT	3,942	846	4,788
NT	339	101	440
External territories	0	0	0
Overseas	0	0	0
Total	26,932	7,117	34,049

(a) Non-ongoing employees includes irregular/intermittent staff.

Table 66: Employment type by location 2019–20

	Ongoing	Non-ongoing ^(a)	Total
NSW	6,878	1,060	7,938
QLD	5,428	1,088	6,516
SA	2,312	334	2,646
TAS	1,521	118	1,639
VIC	5,246	965	6,211
WA	1,765	415	2,180
ACT	4,011	179	4,190
NT	388	45	433
External territories	0	0	0
Overseas	0	0	0
Total	27,549	4,204	31,753

(a) Non-ongoing employees includes irregular/intermittent staff.

PGPA RULE S. 17AG (4)(b)(vi) INDIGENOUS EMPLOYMENT

Table 67: Australian Public Service Act Indigenous employment 2020–21

	Total
Ongoing	1,727
Non-ongoing ^(a)	170
Total	1,897

(a) Non-ongoing employees includes irregular/intermittent staff.

Table 68: Australian Public Service Act Indigenous employment 2019–20

	Total
Ongoing	1,672
Non-ongoing ^(a)	81
Total	1,753

(a) Non-ongoing employees includes irregular/intermittent staff.

PGPA RULE S. 17AG (4)(c)(i) EMPLOYMENT ARRANGEMENTS OF SES AND NON-SES EMPLOYEES

Table 69: Australian Public Service Act employment arrangements 2020–21

	SES	Non-SES	Total
Section 24(1) of the <i>Public Service Act 1999</i>	165	0	165
Individual flexibility agreements	0	53	53
Common law contract	0	0	0
Total	165	53	218

Table 70: Australian Public Service Act employment arrangements 2019–20

	SES	Non-SES	Total
Section 24(1) of the <i>Public Service Act 1999</i>	143	3	146
Individual flexibility agreements	0	92	92
Common law contract	1	0	1
Total	144	95	239

PGPA RULE SECTION 17AG (4)(c)(ii) SALARY RANGES BY CLASSIFICATION LEVEL

Table 71: Australian Public Service Act employment salary ranges by classification level (minimum/maximum) 2020–21

	Minimum salary ^(a) \$	Maximum salary ^(a) \$
SES 3	315,300	374,600
SES 2	223,700	275,800
SES 1	167,600	216,000
EL 2	120,874	143,745
EL 1	104,451	115,741
APS 6	83,508	96,564
APS 5	75,439	81,403
APS 4	67,640	74,942
APS 3	60,688	67,639
APS 2	54,746	59,084
APS 1	48,991	52,529
Medical Officer Class 4	173,511	184,897
Medical Officer Class 3	159,664	166,848
Medical Officer Class 2	126,079	149,918
Deputy General Counsel—EL 2 (Legal Job Stream)	152,653	
Senior Rehabilitation Consultant—APS 6 (Professional Job Stream)	101,759	
Rehabilitation Consultant 2+—APS 6 (Professional Job Stream)	96,883	
Graduate APS	60,688	67,640
Cadet ICT (Technical Trainee)	54,746	67,640
APS Trainee (Apprentice)	54,746	67,640
APS Trainee (ICT Apprentice)	45,991	58,353
Cadet APS	27,926	60,688
APS Trainee (School-based pathway) Year 12	24,497	
APS Trainee (School-based pathway) Year 11	22,223	
Minimum/maximum range	22,223	374,600

(a) The salary ranges in this table cover base salary rates only. They do not include reportable fringe benefits, allowances and salary sacrifice arrangements.

Appendix C: Information required by other legislation

DATA-MATCHING PROGRAM

Appendix C is based on the now repealed *Data-matching Program (Assistance and Tax) Act 1990 – Guidelines* and next year's report on data matching activities will be based on the *Data-matching Program (Assistance and Tax) Rules 2021*.

The agency performed Data-matching Program activities in 2020–21 solely on behalf of the Department of Veterans' Affairs (DVA).

For results of *Data-matching Program (Assistance and Tax) Act 1990* (DMP Act) activities required under guideline 12 of the Schedule to the DMP Act, see DVA annual report for 2020–21 at dva.gov.au

Table 72 shows the number of residual debts raised under the DMP Act in previous financial years that were paid in full or commenced a repayment arrangement in 2020–21.

Table 72: Results of debt recovery activity in 2020–21

Cases	Number
Cases where recovery action was initiated ^(a)	550
Cases where the debt was fully recovered ^(b)	2,751

(a) The number of cases where recovery action commenced on a debt. The agency recovers debts through withholding part of a customer's payment or cash repayments.

(b) Recovery of a debt can take place over a number of years, so the number and value of debts raised in a year does not necessarily correspond to the number and value of recoveries.

PROGRAM SAVINGS AND COSTS

The program has three direct savings components:

- downward variations in rate or stopping payments
- raised debts
- ceasing payments to new recipients for failure to comply with Tax File Number requirements.

Savings from the program are generated from new recipients failing to comply with Tax File Number requirements.

Repaid debts of former recipients of each assistance agency also contribute to savings.

In 2020–21, the Data-matching Program achieved \$6.49 million in savings.

Administrative costs: The equipment used to run the program cycles has some ongoing administrative costs associated with computer hardware and software maintenance.

Salary costs: The program's main salary costs were associated with:

- managing and supporting the program within the agency
- the agency's network review activity, including its management and coordination.

Direct cost – benefit summary: When the costs and benefits (direct savings) are compared, the net benefits of the program are significant. In 2020–21, the net benefit of the program was \$6.03 million.

Table 73: Direct cost–benefit summary

	2020–21 actual
Benefits ^(a)	\$6,490,600
Costs	\$457,000
Net benefits ^(b)	\$6,033,600
Cost–benefit ratio ^(c)	1:14.2

(a) Net savings, including the effect of upward variations.

(b) Calculated by subtracting costs from benefits.

(c) Calculated by dividing benefits by costs.

CHRONOLOGY

The events listed below include data-matching cycles run with the Office of the Australian Information Commissioner in accordance with the DMP Act during 2020–21.

- 20 July 2020 Cycle 3/2020 commenced
- 14 August 2020 Cycle 3/2020 completed
- 12 October 2020 Cycle 4/2020 commenced
- 9 November 2020 Cycle 4/2020 completed
- 1 February 2021 Cycle 1/2021 commenced
- 26 February 2021 Cycle 1/2021 completed
- 28 April 2021 Cycle 2/2021 commenced
- 7 June 2021 Cycle 2/2021 completed.

CORPORATE RECORD KEEPING

The Australian Government's policy, *Building trust in the public record: managing information and data for government and community*, identifies key requirements for managing Australian Government information assets (records, information and data). See the policy on the National Archives of Australia website at naa.gov.au/information-management/information-management-policies/building-trust-public-record-policy

Services Australia promotes, creates and maintains administrative records digitally, thus reducing paper records. This is in line with our goal to transition to a digital record keeping model, including converting incoming paper to digital records whenever possible. The agency's focus on online and self-service capabilities for customers has further reduced the volume of paper received and stored in 2020–21.

ENVIRONMENTAL MANAGEMENT

Services Australia's environmental management system aligns with international standard ISO 14001:2015. The standard allows Services Australia to manage and report on greenhouse gas emissions, energy use, resource use and waste arising from building operations, motor vehicle and air travel, ICT and stationery supplies.

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires Australian Government agencies to report annually on their contribution to the principles of ecologically sustainable development (ESD) and the measures taken to minimise their effect on the environment.

The ESD principles are set out in section 3A of the *Environment Protection and Biodiversity Conservation Act 1999*.

HOW ADMINISTERED PROGRAMS ACCORD WITH ESD PRINCIPLES – SECTION 516A(6)(a)

In 2020–21, Services Australia administered the Centrelink, Medicare and Child Support programs according to the principles of ESD.

Fundamental considerations in administering these programs are the economic, environmental, equity and social consequences in short-term and long-term decision making.

HOW OUTCOME 1 CONTRIBUTED TO ESD PRINCIPLES – SECTION 516A(6)(b)

In 2020–21, Services Australia's activities that made a direct contribution to ESD included:

- increasing the number of online self-services
- improving the functionality of Express Plus mobile apps
- exploring new ways of providing digital services through a technology innovation centre.

EFFECT OF ACTIVITIES ON THE ENVIRONMENT – SECTION 516A(6)(c)

To assess the risk of our activities affecting the environment, Services Australia uses the international standard *Risk Management ISO 31000:2018* and the Standards Australia handbook *Managing environment-related risk HB203:2012*. We manage activities that pose the most significant risk through the agency's environmental management system, which aligns with the international standard *EMS ISO 14001:2015*.

Our activities that generally most affect the environment are those that consume considerable resources and generate significant waste. They include:

- building operations and refurbishments
- use of information and communications technology
- use and disposal of stationery supplies, including paper
- operating vehicles.

Table 74: Resources use

	Units	2018–19	2019–20	2020–21
Stationary energy (electricity and gas)	gigajoules	328,674	322,846	NA ^(a)
Transport energy (fuels) ^(b)	gigajoules	19,574	18,129	NA ^(a)
Total energy use	gigajoules	348,248	340,975	NA^(a)
Internal paper use	tonnes	538	462	300
Letters to customers ^(c)	A4 sheets	87,887,078	73,978,608	74,579,567
Property use ^(d)	square metres	741,694	730,385	728,032

(a) Stationary and transport energy reporting for 2020–21 is unavailable before finalising the annual report.

(b) Transport energy relates to Services Australia's fleet vehicles only and does not include air travel.

(c) Paper procured by Services Australia and letters printed by an external print provider.

(d) Figures are for the commercial lease portfolio only and exclude car parking licences and staff housing.

Table 75: Waste, resource recovery and pollution

	Measure	2018–19	2019–20	2020–21
Net greenhouse gas emissions – energy use	tonnes of carbon dioxide equivalents	84,312	80,607	NA ^(a)
Office copy paper recycling	% coverage (square metres)	98	98	97
Mobile phone recycling	kilograms	145	108	17
Fluorescent and other lamps recycled	units	4,795	5,100	4,203

(a) Stationary and transport net greenhouse gas emissions for 2020–21 is unavailable before finalising the annual report.

HOW WE MINIMISE THE EFFECT OF ACTIVITIES ON THE ENVIRONMENT – SECTION 516(6)(d)

Services Australia's *Environmental Sustainability Policy* (available at servicesaustralia.gov.au) guides our efforts to minimise the effect of our activities on the environment and to drive better practice, performance and accountability.

We assess any proposed environmental initiative or measure by conducting a cost–benefit analysis that includes other business benefits associated with the initiative.

Table 76: Measures taken to minimise effect on the environment

Activity	Measure
Air travel	<ul style="list-style-type: none"> Services Australia encourages staff to use online conferencing rather than air travel to attend meetings.
Building operations	<ul style="list-style-type: none"> Services Australia improved overall energy efficiency in our large offices, guided by the Green Lease Schedule for landlords and tenants. Services Australia conducted National Australian Built Environment Rating System (NABERS) energy assessments at offices over 2000m² with Green Leases. Services Australia continued to consider sites to roll out a photovoltaic solar installation program to reduce greenhouse emissions and energy costs and to support local electricity grid stability. Services Australia's Leasing Heads of Agreement requires lessors to consider installing photovoltaic solar systems and/or upgrading to LED lighting at selected sites. We use reputable eco-labels, certifications and other environmental standards to improve environmental performance – such as Green Star for selected building designs and fit-out, and the Energy Rating Label star system for electrical appliances. Services Australia participates in Earth Hour each year to promote sustainability.
ICT	<ul style="list-style-type: none"> Data centres are located in highly energy-efficient premises. Services Australia continues to virtualise server applications, which reduces the need to purchase extra servers. Services Australia continues to roll out docked tablets to enable better workforce mobility, which have reduced electricity consumption compared to desktop PCs. Desktop computers automatically shut down after three hours of inactivity. Printers and multifunction devices are allocated to maximise resource efficiency.

Activity	Measure
Management and communication	<ul style="list-style-type: none"> • Services Australia's Environmental Sustainability Policy continues to strengthen our environmental management program. • Services Australia uses an online sustainability reporting system to improve reporting and performance capability. • Services Australia continues to promote and communicate environmental initiatives within our offices. • Services Australia uses reputable eco-labels and environmental standards in making relevant procurement decisions, to improve environmental performance at product and supplier levels.
Motor vehicle travel	<ul style="list-style-type: none"> • Services Australia procures energy-efficient vehicles in line with the Australian Government Fleet Vehicle Selection Policy. • An electronic log book system continues to accurately monitor and manage vehicle use and to improve reporting quality.
Stationery (including paper)	<ul style="list-style-type: none"> • 92% of the paper purchased for internal printers, photocopiers and multifunction devices was 100% recycled content paper. • Services Australia has increased its digital record-keeping capability and has greatly reduced the number of paper-based files.
Waste	<ul style="list-style-type: none"> • Services Australia supports Mobile Muster to transform the components from mobile phone waste into valuable materials for reuse. • Services Australia supports the FluoroCycle scheme to ensure that hazardous fluorescent lamps are recycled on disposal. • Services Australia supports Green Technology Recycling (ACT) and MRI E-Cycle Solutions to recover and recycle non-renewable resources from all battery types. This keeps toxic substances out of landfill. • Services Australia is trialling organics waste bins in an ACT tenancy. A local ACT business collects the organic waste to produce a nutritious soil conditioner and a high protein insect meal. This initiative diverted 1.15 tonnes of waste from landfill in 2020–21.

MECHANISMS TO REVIEW AND INCREASE THE EFFECTIVENESS OF THOSE MEASURES – SECTION 516(6)(e)

In 2020–21, Services Australia continued to review and report on our environmental performance and seek ways to achieve further improvements. Table 77 outlines our performance against the *Energy Efficiency in Government Operations (EEGO)* policy targets.

Table 77: Office energy performance

Measures	EEGO target	2018–19	2019–20	2020–21
Office – tenant light and power (megajoules per person)	7,500	6,649	6,667	NA ^(a)
Office – central services (megajoules per square metre)	400	294	286	NA ^(a)

(a) Stationary energy reporting for 2020–21 is unavailable before finalising the annual report.

Appendix D: List of annual report requirements

PGPA Rule Reference	Description	Requirement	Location in report
17AD(g)	Letter of transmittal		
17AI	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	vi
17AD(h)	Aids to access		
17AJ(a)	Table of contents.	Mandatory	iii–v
17AJ(b)	Alphabetical index.	Mandatory	278
17AJ(c)	Glossary of abbreviations and acronyms.	Mandatory	275–277
17AJ(d)	List of requirements.	Mandatory	260–271
17AJ(e)	Details of contact officer.	Mandatory	ii
17AJ(f)	Entity's website address.	Mandatory	ii
17AJ(g)	Electronic address of report.	Mandatory	ii
17AD(a)	Review by accountable authority		
17AD(a)	A review by the accountable authority of the entity.	Mandatory	ix–xii
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	A description of the role and functions of the entity.	Mandatory	3
17AE(1)(a)(ii)	A description of the organisational structure of the entity.	Mandatory	3–7

PGPA Rule Reference	Description	Requirement	Location in report
17AE(1)(a)(iii)	A description of the outcomes and programmes administered by the entity.	Mandatory	89
17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan.	Mandatory	2
17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority.	Mandatory	237
17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority.	Mandatory	237
17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory	237
17AE(1)(b)	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory	Not applicable
17AE(2)	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	Not applicable
17AD(c)	Report on the performance of the entity		
	Annual Performance Statements		
17AD(c)(i); 16F	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	88–135

PGPA Rule Reference	Description	Requirement	Location in report
17AD(c)(ii)	Report on financial performance		
17AF(1)(a)	A discussion and analysis of the entity's financial performance.	Mandatory	184–226
17AF(1)(b)	A table summarising the total resources and total payments of the entity.	Mandatory	228–231
17AF(2)	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.	Not applicable
17AD(d)	Management and Accountability		
	Corporate Governance		
17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	149–155
17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory	vi
17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory	vi

PGPA Rule Reference	Description	Requirement	Location in report
17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory	vi
17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	142–148
17AG(2)(d) – (e)	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, Mandatory	185
Audit Committee			
17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	144
17AG(2A)(b)	The name of each member of the entity's audit committee.	Mandatory	145–147
17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	145–147
17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	145–147
17AG(2A)(e)	The remuneration of each member of the entity's audit committee.	Mandatory	145–147
External Scrutiny			
17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	156–161

PGPA Rule Reference	Description	Requirement	Location in report
17AG(3)(a)	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	156–158
17AG(3)(b)	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	159
17AG(3)(c)	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	161
	Management of Human Resources		
17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	170–182
17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory	238–250

PGPA Rule Reference	Description	Requirement	Location in report
17AG(4)(b)	<p>Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following:</p> <ul style="list-style-type: none"> • Statistics on staffing classification level; • Statistics on full-time employees; • Statistics on part-time employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. 	Mandatory	238–250
17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory	175
17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	7 232–236
17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level.	Mandatory	251
17AG(4)(c)(iii)	A description of non-salary benefits provided to employees.	Mandatory	175 232–236
17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	174
17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	174

PGPA Rule Reference	Description	Requirement	Location in report
17AG(4)(d)(iii)	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	174
17AG(4)(d)(iv)	Information on aggregate amount of performance payments.	If applicable, Mandatory	174
	Assets Management		
17AG(5)	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory	185
	Purchasing		
17AG(6)	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory	162
	Reportable consultancy contracts		
17AG(7)(a)	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	162–164

PGPA Rule Reference	Description	Requirement	Location in report
17AG(7)(b)	A statement that <i>"During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]"</i> .	Mandatory	162
17AG(7)(c)	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	162
17AG(7)(d)	A statement that <i>"Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."</i>	Mandatory	163

PGPA Rule Reference	Description	Requirement	Location in report
	Reportable non-consultancy contracts		
17AG(7A)(a)	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	163–164
17AG(7A)(b)	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory	163
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	163–164

PGPA Rule Reference	Description	Requirement	Location in report
	Australian National Audit Office Access Clauses		
17AG(8)	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	165
	Exempt contracts		
17AG(9)	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	165
	Small business		
17AG(10)(a)	A statement that <i>"[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."</i>	Mandatory	164

PGPA Rule Reference	Description	Requirement	Location in report
17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	164
17AG(10)(c)	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that <i>"[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."</i>	If applicable, Mandatory	164
	Financial Statements		
17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	186–226
	Executive Remuneration		
17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory	7 232–236

PGPA Rule Reference	Description	Requirement	Location in report
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	If the entity conducted advertising campaigns, a statement that <i>"During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."</i>	If applicable, Mandatory	165
17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	165
17AH(1)(b)	A statement that <i>"Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."</i>	If applicable, Mandatory	Not applicable
17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	166–167
17AH(1)(d)	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	167
17AH(1)(e)	Correction of material errors in previous annual report.	If applicable, mandatory	168
17AH(2)	Information required by other legislation.	Mandatory	252–259

Glossary

ACCOUNTABLE AUTHORITY

The Chief Executive Officer of Services Australia.

ADMINISTERED ITEMS

Commonwealth entities report, in their annual performance statements, on the extent to which they have fulfilled the purposes they articulate at the beginning of a reporting year in their corporate plan. They must also report on performance criteria in the portfolio budget statements, portfolio additional estimates statements or other portfolio estimates statements.

APPROPRIATION

An amount of public money parliament authorises for spending for a particular purpose.

COMMONWEALTH CHILD SAFE FRAMEWORK

Under this framework, Services Australia undertakes annual child safety risk assessments to identify and mitigate risks to children's safety through any interactions they have with the agency, including with our services, staff and contractors.

CLAIMS FINALISED

Claims for payment and cards that are granted or rejected.

CLOSING THE GAP

Under the *National Agreement on Closing the Gap*, all Australian governments commit to taking action to overcome the entrenched inequality faced by too many Aboriginal and Torres Strait Islander people so that their life outcomes are equal to all Australians. It recognises that real change can only be achieved by listening to the voices and aspirations of Aboriginal and Torres Strait Islander peoples and by working in full and genuine partnership.

CORPORATE PLAN

An outline of the strategies Services Australia will follow to achieve its objectives and how it will measure success. The agency reports on the performance measures contained in the corporate plan and updates it every year.

COVID-19

An infectious disease caused by a new strain of the SARS-CoV-2 virus.

CUSTOMER-CENTRIC

The agency's approach to doing business that focuses on creating a positive outcome experience by maximising service delivery and building relationships.

eLEARNING

Web-based training, which is anywhere, any-time instruction delivered over the internet or a corporate intranet to browser-equipped learners.

IVR

Interactive voice response is a technology that allows customers to interact with Services Australia via their telephone, keypad or by speech recognition, after which enquiries about services can be made through IVR dialogue.

MOBILE APP

A software application designed to run on smartphones, tablet computers and other mobile devices. Usually they are downloaded from a platform (for example, the Apple App Store or Google Play) to a device such as an iPhone, Android phone, an iPad or other tablet.

ONLINE SERVICES AUSTRALIA

Web-based services that provide users with a wide variety of data transmitted over telecommunications lines. Services Australia offers a range of online services to recipients and other subscribers, such as doctors. The agency's online services include sending electronic messages and online letters, accepting payment and benefit claims, handling Low Income Card renewals and offering health professionals secure access to Medicare electronic services.

OUTCOMES

The intended result, consequence or effect of government actions on the Australian community.

PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

Statements that inform senators, members of parliament, government departments and agencies, and the public, of changes to the proposed allocation of resources to government outcomes since the Budget.

PORTFOLIO BUDGET STATEMENTS

Budget-related statements which explain how the Government intends to spend the money included in the Appropriation Bills (Budget Bills).

PROGRAM

An activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.

SAP

Software (provided by the company SAP SE) for managing business processes, and developing solutions that facilitate effective data processing and information flow across organisations. SAP creates a centralised system that enables access and sharing of common data.

SERVICES AUSTRALIA TELEPHONY

The construction or operation of telephones and telephonic systems. The term is also used to refer to computer hardware, software, and computer network systems that carry out functions traditionally performed by telephone equipment.

VOICE BIOMETRICS

A technology used to verify a person's identity using their unique vocal attributes.

Abbreviations and acronyms

A/g	acting
AASB	Australian Accounting Standards Board
AAT	Administrative Appeals Tribunal
ACCS	Additional Child Care Subsidy
AFP	Australian Federal Police
AGDRP	Australian Government Disaster Recovery Payment
AIR	Australian Immunisation Register
ANAO	Australian National Audit Office
APS	Australian Public Service
ASA	average speed of answer
ATO	Australian Taxation Office
ATSSP	Australian Thalidomide Survivors Support Program
AUSLAN	Australian Sign Language
AWE	Australian Workplace Equality Index
CALD	culturally and linguistically diverse
CAM	Changing the Social Security Income Assessment Model
CCeS	Centrelink Confirmation eServices
CDP	COVID-19 Disaster Payment
CDPP	Commonwealth Director of Public Prosecutions
CEO	Chief Executive Officer
CEOs	Community Engagement Officers
CSAG	Civil Society Advisory Group
CSS	Commonwealth Superannuation Scheme
CTI	Computer telephony interface
DCEO	Deputy Chief Executive Officer
DMP Act	<i>Data-matching Program (Assistance and Tax) Act 1990</i>
DPO	Departure Prohibition Order
DRA	Disaster Recovery Allowance
DRP	Disaster Recovery Payment
DSP	Disability Support Pension

DTA	Digital Transformation Agency
DVA	Department of Veterans' Affairs
EAC	equivalent annual cost
ECLIPSE	Electronic Claim Lodgement and Information Processing Service Environment
EEGO	Energy Efficiency in Government Operations
EFT	Electronic funds transfer
EFTPOS	Electronic funds transfer at point of sale
EL	Executive Level
ESAt	Employment Services Assessment
ESD	ecologically sustainable development
FIS	Financial Information Service
FOI	freedom of information
FOI Act	<i>Freedom of Information Act 1982</i>
FTB	Family Tax Benefit
GM	General Manager
GovERP	Government Enterprise Resource Planning
GP	general practitioner
GST	goods and services tax
HDM	Health Delivery Modernisation
ICT	information and communications technology
IPS	Information Publication Scheme
ISO	Indigenous Service Officer
IVR	Interactive voice response
JCA	Job Capacity Assessment
LGBTI	lesbian, gay, bisexual, transgender and intersex
MAT	Medical Assessment Team
MBS	Medicare Benefits Schedule
MP	Member of Parliament
MSO	Multicultural Service Officer
NA	not applicable
NABERS	National Australian Built Environment Rating System

NDIA	National Disability Insurance Agency
NIC	National Indigenous Coalition
NZ DRP	New Zealand Disaster Recovery Payment
PBS	Pharmaceutical Benefits Scheme
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PLDP	Pandemic Leave Disaster Payment
PSM	Public Service Medal
PSS	Public Sector Superannuation
PSSap	Public Sector Superannuation Scheme accumulation plan
RAP	Reconciliation Action Plan
RPBS	Repatriation Pharmaceutical Benefits Scheme
RSS	random sample survey
s.	section
SAS	Statistical Analysis System
SES	Senior Executive Service
SME	small and medium enterprise
SMS	short message service
SSW	Social Security and Welfare
STP	Single Touch Payroll
TAP	Tertiary Access Payment
VCR-PVFF	Veteran Centric Reform – Putting Veterans and Their Families First Program
WHS	work health and safety
WPIT	Welfare Payment Infrastructure Transformation

Index

A

abbreviations and acronyms, 275–7
 Aboriginal and Torres Strait Islander businesses, 164
 Aboriginal and Torres Strait Islander Employees Strategy 2018–22, 170
 Aboriginal and Torres Strait Islander peoples, 19, 42, 51, 66, 67–9, 75
 access to the Pharmaceutical Benefits Scheme, 51
 service improvements, 68–9
 Aboriginal Interpreter Service, 69
 ABSTUDY, 36, 42, 43
 access clauses, ANAO, 165
 accountable authority, 237
 Administrative Appeals Tribunal, 157–8
 administrative investigations, 149
 adopted children, 39
 advertising costs, 165
 advisory forums and groups, 74, 85–6
 Age Pension, 36, 37
 aged care programs, 52–4
 claiming, 52
 aged care providers, 10, 53
 portal for digital claims, x, 53
 agency capability reviews, 161
 agency resource statement, 228–31
 Agents and Access Points, xiv, 70–1
 apprentices, 42, 178–9
 Aspiring Program, 176
 asset management, 185
 Audit and Risk Committee, 143, 144–8
 Audit Findings Sub-Committee, 148
 Auditor-General reports, 158–9
 Australian Digital Health Agency, 60
 Australian Federal Police, 150
 Australian Government agencies,
 partnerships with, 85
 Australian Government Digital Award, x,
 173–4
 Australian Government Disaster
 Recovery Payment, x, 30–2
 claims, 32

Australian Immunisation Register, x, 26,
 56–7
 Australian Information Commissioner,
 156
 Australian Organ Donor Register, 57
 Australian Public Service Surge
 Reserve, 34
 Australian Taxation Office, xi, 17, 152, 181
 Australian Thalidomide Survivors
 Support Program, 58
 Australian Trade and Investment
 Commission (AusTrade), 29
 Australian Victim of Terrorism Overseas
 Payment, 30, 33
 Australian Workplace Equality Index, 181
 Austudy, 37, 42
 authority required medicines, 51
 awards and recognition, 173–4

B

BasicsCard, 78–9
 Bass Strait Passenger Vehicle
 Equalisation Scheme, 81
 bereavement payments, 81
 breast prostheses, 55
 bulk billing, 46
 bushfires see emergency events

C

call volumes, 102–3, 117–18
 Career Starter Program, 179
 Carer Allowance, 36, 38
 Carer Payment, 36, 37
Carer Recognition Act 2010 report, 182
 Cashless Debit Card, 79–80
 Centrelink see social security and
 welfare
 Centrelink Confirmation eServices, 77–8
 Centrepay, 77
 Chief Executive Officer, 4, 6
 review, ix–xii
 Child Care Subsidy, 36, 39
 Child Dental Benefits Schedule, 56
 Child Support, 17, 61–4

- changes of assessments, 62
- compliance and enforcement, 62–4
- feedback on services, 137
- transfers, 61–2
- see also Program 1.3: Child Support performance measure results, 125–135
- Child Support Collect, 62
- children and young people, 38–9, 42–3, 56
 - agency interactions with, 139
- citizenship testing, 76
- Civil Society Advisory Group, 85–6
- claims and payments, xiii
 - aged care, 52
 - Centrelink, xiii, 12
 - Medicare, xiii, 45–8
 - social security and welfare, 36–44
 - veterans, 53
- claims processing service level standards, xi
 - Child Support, 129–30
 - health, 107, 118
 - social security and welfare, 90, 92, 103–4
- Comcare, 167
- Commonwealth Child Safe Framework, 139
- Commonwealth Director of Public Prosecutions, referrals to, 149
- Commonwealth Fraud Prevention Centre, 151
- Commonwealth Ombudsman reports, 161
- community engagement, 74, 76 see also Aboriginal and Torres Strait Islander peoples; COVID-19 pandemic; culturally and linguistically diverse communities
- Community Engagement Officers, 76
- Community Language Allowance, 75
- community peak bodies, partnerships with, 85–6
- compliance activities, 149–54
- consultancy contracts, 162–4
- Consumer Travel Support Program, 29
- Continence Aids Payment Scheme, 55
- Continued Dispensing for Emergency Measures, 28
- Coronavirus Supplement, x, xiii, 24, 41
- corporate governance, 142–8
- Corporate Plan 2020–21, 89
- corporate record keeping, 254
- correctional facilities, 82
- corrections to 2019–20 annual report, 168
- COVID-19 Consumer Travel Support Program, 29
- COVID-19 Disaster Payment, 25, 28–9
- COVID-19 pandemic, x, 24–9
 - access to medicines during, 28
 - community engagement during, 76
 - emergency leave for residential aged care, 28, 52
 - family and domestic violence during, 67
 - information in languages other than English, 75
 - payments and services during, 12, 24–9, 28, 71, 108
 - workplace prevention measures, 169
- COVID-19 vaccines, 26–7, 60
 - contacts related to, 16
 - Immunisation History Statements, x, 26, 27, 60
 - information in languages other than English, 28, 73, 75
 - rollout, 26
- criminal investigations, 149
- Crisis Payments, 36, 66
- culturally and linguistically diverse communities, 27, 28, 72–5, 86, 180
- customer interactions statistics, xiv
- customer satisfaction, 137–8
 - Child Support, 125–7
 - health, 108–12
 - social security and welfare, 90, 92, 94–5
- customer surveys, xi, 13, 95, 111, 127

D

Dad and Partner Pay, 36, 39
 data exchange capability, xi, 42, 85
 data-matching program, 252–3
 debt management, 154–5
 debt recovery, 15, 30, 98
 Child Support, 62–4
 decision reviews performance measure, 92, 97
 Department of Foreign Affairs and Trade, 30, 33, 176
 Department of Health, ix, x, 51, 52, 53, 58, 73, 75
 Department of Home Affairs, 29–30, 32–34, 76, 81, 150
 Department of Veterans' Affairs, 20–1, 53–4, 252
 digital and online services and claiming, 10–12, 19, 28, 45, 92
 Child Support, 131–2
 health, 48, 51, 60, 110, 119–22, 121–2
 social security and welfare, 105–6
 veterans, 53
 Digital Apprenticeship program, 179
 Digital Economy Strategy, 22
 digital identity capability, 11
 digital service level standards *see* digital and online services and claiming
 Digital Transformation Agency, 22, 174
 disability reporting, 166–8
 Disability Support Pension, 36, 38, 43
 Disaster Health Care Assistance Scheme, 33
 Disaster Recovery Allowance, 30–2
 Double Orphan Pension, 36, 40

E

Economic Support Payments, COVID-19, x, xiii, 24
 emergency call centres *see* National Emergency Call Centre Surge Capability
 emergency events, x, xiii, 30–4,
 Emergency Reserve, 34

employment arrangements, 175, 250
 employment income reporting, 17–19
 Employment Services Assessments, 43–4
 Empowering Excellence, xi, 13, 176
 Enterprise Business and Risk Committee, 143–4
 Enterprise Leadership Programs, 176–7
 enterprise performance management framework, 89
 environmental management, 254–9
Environment Protection and Biodiversity Conservation Act 1999, 254
 Executive Committee, 143
 exempt contracts, 165
 expenses by outcome, 228–31
 Express Plus mobile apps, 15, 17, 26, 28, 48, 57, 79, 107, 121–4, 135
 External Breast Prostheses Reimbursement Program, 55
 external scrutiny, 156–61

F

face-to-face services, xi, 11
 performance standards, 99–100, 107, 113–14
 see also Agents and Access Points;
 mobile service centres; service centres
 facial recognition capability, 152
 families, payments and services for, 18, 36, 38–41
 family and domestic violence, 28, 66–7, 73–6
 Family and Domestic Violence Pilot, 66
 Family Tax Benefit, 18, 36, 39
 Farm Household Allowance, 72
 feedback on services, 139–40
 Financial Information Service, 77
 financial performance, 183–5
 financial statements, 190–226
 Financial Statements Sub-Committee, 148
 floods *see* emergency events
 forensic capabilities, 150
 fraud control and compliance, 149–52
 freedom of information, 167

G

glossary, 272–4
governance committees, 142–8
graduates, 178–79
Grandparent Adviser Program, 41

H

health cards for veterans, 53–4
Health Care Homes Program, 53
health care professionals, 10, 48–9
 medical indemnity, 58–9
 satisfaction performance measure, 108, 110
Health Delivery Modernisation Program, 19
Health Provider Online System, 122–3
Health Provider Survey, 138
Healthcare Identifiers Service, 60
High Cost Claims Indemnity Scheme, 58–9
highly paid staff, 236
humanitarian entrants *see* refugees and humanitarian entrants

I

IDCare, 152
identity theft, 151–52
identity verification, digital, 11, 13, 28, 151–52
immunisation *see* Australian Immunisation Register; COVID-19 vaccines
Immunisation History Statements, 16, 26, 60
incarcerated customers, 82
Income Compliance Program, 154, 156
Income Management, 78–9
Incurred But Not Reported Indemnity Scheme, 59
Indigenous Apprenticeships Program, 178
Indigenous graduates, 178
Indigenous Service Officers, 69
Indigenous Servicing Strategy 2018–22, 68

individual flexibility arrangements, 175
Individual Healthcare Identifiers, 26, 60
information and communications technology, 90
 availability of services, 90, 92, 107–8, 124–25, 135
Information Publication Scheme, 167
interactive voice response (IVR)
 capability, 10, 12, 15
international partnerships, 86
interpreting and translation services, 27, 69, 72, 74
isolated children, 36, 42

J

Job Capacity Assessments, 43–4
Job-ready Graduates Package, 43
JobSeeker Payment, 22, 24, 25, 36, 41, 105
judicial decisions, 156–57

L

languages other than English,
 information in, 19, 28, 69, 72–3, 74–5
leadership programs, 176–77
Low Income Card, 36, 105, 273

M

market research payments, 166
Medical Assessment Team Assessments, 43–4
medical conditions, assessment of, 43–4
medical indemnity, 58–9
Medicare, xiii, 45–9
 changes during COVID-19, 28
 claiming, 46–8
 compensation recovery, 49
 digital claims, 45, 48, 119–23
 eligibility for, 46, 60
 enrolments, 45
 feedback on services, 137
 Indigenous customer records
 updating pilot, 68–9

- online claims, xiv
- provider numbers, 48–9
- transformation and modernisation activities, 19
- Medicare Benefits Schedule, 25, 28, 46, 47, 68, 108
 - changes to, 25, 28, 46, 110, 117
- Medicare Entitlement Statements, 46
- Medicare Online Accounts, 119, 123–24
- Medicare Safety Net, 19, 46
- medicines, 49–51
 - access during COVID-19, 28
 - see also Pharmaceutical Benefits Scheme; Repatriation Pharmaceutical Benefits Scheme
- MH17 Family Support Package, 30, 33
- Midwife Professional Indemnity Scheme, 59
- Minister for Government Services, 2
- Minister for the National Disability Insurance Scheme, 2
- ministers, 2
- mobile apps, 15, 17, 26, 288
- mobile service centres, 70
- Mobility Allowance, 36, 38
- money management, 77–80
- Multicultural Advisory Forums, 74
- Multicultural Community Engagement Group, 74
- Multicultural Service Officers, 72–3
- multicultural services, 72–76
- Multicultural Servicing Strategy 2019–22, 72
- My Health Record system, 60
- myGov, xiv, 11, 57, 60, 75, 85, 124
 - enhancements to, 20, 22
 - identity verification, 10–11, 95, 152
- Immunisation History Statements, x, 26, 60, 121–23
- MyService online system, 20

N

- National Aboriginal Community Controlled Health Organisation, 19
- National Agreement on Closing the Gap, 67–8

- National Authentication Service for Health, 60
- National Disability Insurance Agency, 150
- National Emergency Call Centre Surge Capability, 33, 85
- National Indigenous Coalition, 69
- National Multicultural Advisory Group, 74
- National Security Hotline, 34
- natural disasters see emergency call centres; emergency events
- New Zealand Disaster Recovery Payment, 32
- newborn children, 39, 40
- No Jab No Pay and Healthy Start for School, 40
- notifiable incidents, 168

O

- older Australians, 37
 - emergency leave for residential aged care, 28, 52
 - see also aged care programs, 52
- online services and claiming see digital and online services and claiming
- operational snapshot, xiii, xiv
- organ donors, 57
- organisational structure, 3–7
- outcome, agency, 89
- overseas natural disasters, injury as a result of, 33
- overseas, payments while, 81

P

- Paid Parental Leave Scheme, 36, 39
- Pandemic Leave Disaster Payments, 25, 28–9
- Parental Leave Pay, 39
- parental leave policy, 181
- Parenting Payment, 37, 39, 40
- ParentsNext, 40
- parliamentary committee reports, 159–60
- partnerships and collaboration, 85–6
- Payment and Service Finder digital service, 72

- payment quality performance
 - measures, 92, 96
 - Child Support, 127
 - health, 107, 111
 - social security and welfare, 92, 96–8
 - payments, xiii
 - accuracy and correctness of, 153–54
 - Child Support, xiii
 - COVID-19 related, 24–9
 - emergency events, 30–34
 - Medicare, xiii
 - social security and welfare, xiii, 36–44
 - payroll *see* Single Touch Payroll
 - PBS Safety Net, 50
 - Pensioner Education Supplement, 37
 - performance analysis, 90–1
 - performance management framework, vii, 89
 - performance pay, 174
 - performance results summaries
 - Child Support, 125
 - health, 108, 109
 - social security and welfare, 92–3
 - Pharmaceutical Benefits Scheme, 28, 49–51, 116
 - changes during COVID-19, 28
 - expenditure, 50
 - Indigenous peoples' access to, 51
 - safety net, 50
 - travelling with medicines, 51
 - see also* medicines
 - Pharmaceutical Benefits Scheme
 - Taking or Sending Medicine Overseas inquiry line, 51
 - pharmacist satisfaction performance measure, 108, 110
 - portfolio, 3
 - Portfolio Budget Statements 2020–21, vii, 89
 - Practice Incentives Program, 55–6
 - Premium Support Scheme, 58–9
 - Private Collect for child support payments, 62
 - Private Health Insurance Rebate, 54
 - Process Direct for veteran services, 21
 - procurement and consultants, 162–64
 - programs, 89
 - Public Governance, Performance and Accountability Act 2013*, 14
 - Public Sector Management Program, 177
 - public tip-offs, 152
 - purpose, 2, 89
- ## R
- random sample surveys, 153
 - Reconciliation Action Plan, 170
 - recycling, 256
 - refugees and humanitarian entrants, 76
 - refunds, debt, 154
 - regional, rural and remote communities, 43, 56, 70–2
 - relocating students, 43
 - remote servicing teams and centres, 71–2
 - remuneration, senior executive, 7, 232–35
 - Rent Deduction Scheme, 78
 - Repatriation Pharmaceutical Benefits Scheme, 49–50
 - reporting framework, 89
 - residential aged care *see* aged care programs
 - resources use, 255
 - Reynolds, Senator the Hon Linda, 2
 - Risk Identification and Referral Model
 - for family and domestic violence, 66
 - risk management, 142
 - Robert, the Hon Stuart MP, 2
 - role and functions, 1, 3, 260
 - Run-off Cover Indemnity Scheme for Medical Practitioners, 59
- ## S
- salary ranges, 7, 251
 - Satisfaction and Experience Survey, 95, 112, 127, 137–38
 - Satisfaction Research Program, 126, 137, 166
 - Scams and Identity Theft Helpdesk, 152
 - seasonal agricultural work incentives, 43
 - self-service digital transactions, 90

senior executives, remuneration, 7
 Seniors Health Card, 37
 service centres, xi, xiv, 13–14, 20, 30–31, 34, 68–71, 75
 mobile, x, 20, 70, 75
 remote, 71
 service commitments, agency, 136
 service delivery,
 transformation 13
 modernisation, vii, 9–22, 91, 95, 100
 see also service improvements;
 Welfare Payment Infrastructure
 Transformation Programme
 Service Delivery Workforce Model, xi
 service improvements, xi, 68, 173 *see also* service delivery transformation and modernisation; Welfare Payment Infrastructure Transformation Programme
 shared services, vii, 6, 83–86, 181, 184, 206
 significant non-compliance with finance law, 185
 Single Touch Payroll, xi, 17, 61, 277
 Skinner, Rebecca (Chief Executive Officer), vi, xii, 4, 88, 174, 192, 232, 237
 small business, 164, 269–70
 smart centres, 5, 15, 75
 social security and welfare, vii, xi, 6, 12, 36–37, 89–93, 105, 129, 133, 229, 277
 claims finalised, 2020–21, 36–7, 272
 fraud control and compliance, viii, 149
 performance measure summary of results, 91, 93
 see also claims processing service level standards; customer satisfaction; payment
 Social Security Income Assessment Model, 19
 social work services, 30–31, 66, 75
 Special Benefit, 37, 81
 speech analytics, 16
 staff, x–xii, xiv, 169–81
 Aboriginal and Torres Strait Islander, 72, 170–79
 bilingual, 75

diversity and inclusion, 171, 180
 employment arrangements, 171, 175, 250
 health and wellbeing, 167, 170
 learning and development, 27, 67, 68, 174–5
 performance management, 171–2
 recruitment and deployment, xi, 176–7
 salary ranges, 7, 249
 statistics, 232–51
 working from home, 67, 171
 state and territory governments,
 partnerships with, 85
 Status Resolution Support Services
 Payment, 76
 Stillborn Baby Payment, 37, 40, 105
 Strategic Survey, 137, 138
 Strategic Workforce Plan 2019–23, 172
 students and young people, 17, 19, 42–3, 75, 103
 suicide and self-harm, 75
 surge assistance, 34
 surveys, 136–38
 customer, xi, 13, 94–96, 111–12, 127, 138, 153
 provider, 110
 small business, 164, 270
 staff, 7, 170, 181

T

Taskforce Integrity, 151
 Tasmanian transport equalisation schemes, 81
 Tax Deduction Service, 78
 telehealth, 28
 telephony services, x, 6, 10, 11, 15, 16, 73, 90, 91, 110, 176, 274
 Child Support service level standards, 125–27
 health service level standards, 108–13, 116–18
 social security and welfare service level standards, 92, 94, 100–3, 130
 terrorism, injury as a result of, 30, 33, 220
 Tertiary Access Payment, 43, 220

thalidomide survivors, 58
 Transformation and Integration
 Committee, 143, 144
 transformation and modernisation
 see service delivery transformation
 and modernisation; service
 improvements; Welfare Payment
 Infrastructure Transformation
 Programme
 Transforming Collection of Student
 Information system, 42
 translation see interpreting and
 translation services
 travel agents and tour arrangement
 service providers, 29
 Tropical Cyclone Seroja, 31, 34, 75 see
 also emergency events

V

vaccination hubs, 27 see *also* COVID-19
 vaccines
 vaccines see Australian Immunisation
 Register; COVID-19 vaccines;
 vaccination hubs
 Veteran Centric Reform, 6, 10, 20
 veterans, 6, 10, 20–1, 45, 49–50, 53–54,
 84
 virtual service centre, x, 13, 136, 152
 vision, ix, 2, 12, 21 203
 voice biometrics, x, 12, 15, 28, 90, 94,
 100, 102, 106, 151, 274
 vulnerable people, 66–80

W

wait times
 Child Support, 125, 128
 health, 114–15, 117–18
 social security and welfare, 90,
 100–101, 107
 website, xiv
 Welfare Payment Infrastructure
 Transformation Programme, 16–17,
 20, 42
 women, 66
 work capacity, assessment of, 43–4
 work health and safety, 167–68

Workforce Incentive Program – Doctor
 Stream, 56
 Workforce Incentive Program – Practice
 Stream, 55–6
 workforce planning, 172
 workplace agreements, 175

Y

Youth Allowance (JobSeeker), 37, 42
 Youth Allowance (Students and
 Australian Apprentices), 37, 42, 43

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