

Media release: Ombudsman's investigation – Accountability in Action

Today the Commonwealth Ombudsman, Iain Anderson, published a report regarding his Office's investigation, *'Accountability in Action: Services Australia and the Department of Social Services' response to addressing the impacts of unlawful income apportionment.*

The report sets out findings and recommendations from the Ombudsman's second investigation into income apportionment, where Services Australia unlawfully apportioned employment income between different Centrelink fortnights from approximately 2003 to December 2020. A public statement regarding the first investigation, into the lawfulness of income apportionment, was [published on 2 August 2023](#). This second investigation focused on the agencies' administration of debts and decisions affected by income apportionment.

The Ombudsman found that, given the length of time Services Australia and the Department of Social Services (DSS) have known about this issue and the number of people potentially affected, the agencies should have made more progress to identify and address the customer impact of unlawful income apportionment.

"Agencies have a responsibility to identify and assess, in a timely way, the impact historic unlawful calculations had on customers, and develop a fair and reasonable remediation strategy that considers all possible options, so that customers are not unduly disadvantaged by agency mistakes", Mr Anderson said.

The report makes 8 recommendations to assist Services Australia and DSS to resolve the issues identified in the report. The agencies accepted all the recommendations.

The Ombudsman recommended, among other things, that the agencies consider and develop a comprehensive remediation strategy to provide a fair and reasonable outcome for customers who have had debts or payments incorrectly calculated due to income apportionment.

“Social security debts can have significant negative impacts on customers, and delays in actioning debt review can further exacerbate customer distress”, Mr Anderson said.

The Ombudsman's investigation also found that while Services Australia had taken some steps to develop relevant communications products, it could do more to ensure that all its communications and staff guidance contain clear, accurate and relevant information, so that both customers and agency staff are supported appropriately.

Mr Anderson said, *“My report makes it clear that if agencies make mistakes that impact people, they should acknowledge it and develop a fair way to address the mistake. They should also clearly explain what the mistake was and what they intend to do to fix it. The public deserve no less.”*

The report also includes recommendations that the agencies capture all relevant data for complaints about income apportionment, and appropriately share information between them to ensure continuous improvement.

Mr Anderson said that while the specific recommendations are focused on Services Australia and DSS, all Australian Government agencies can learn from the report's findings.

If an agency identifies that there are systemic issues its decision making, it should:

- take timely action to assess the scale and impact of the error
- develop a timely, fair and reasonable remediation strategy which considers all potential options to fix historic decision-making errors
- provide decision-makers with good policies and procedural guidance to support reasonable, correct and consistent decision-making
- support staff to communicate with people affected by the errors, and clearly explain any delays caused by resolving the errors
- support staff to identify and capture complaints about the implementation of remediation strategies, and report on complaint trends and outcomes to the agency's executive.

The report is published on the [Commonwealth Ombudsman's website](#).

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