

Centrelink's Customer Feedback Systems

Audit Report No. 31, 2004–05 (Summary of Audit Reports Nos. 32-36 on Centrelink)

Introduction

Background

- 5.1 In 2003–04, Centrelink delivered services to 6.5 million customers, or approximately one-third of the Australian population¹. Customers include retired people, families, sole parents, people looking for work, people with disabilities, carers, Indigenous Australians and people from diverse cultural and linguistic backgrounds (DCALB)². A number of these customers are the most vulnerable³ in our society, and are those who have a heavy dependence on Centrelink.
- 5.2 Centrelink has recognised the importance of regularly seeking feedback from its large customer base on the quality of the services provided by the

1 ANAO Audit Report No.31 2004–05 *Centrelink's Customer Feedback Systems – Summary Report*

2 DCALB is a term used by Centrelink to describe people of diverse cultural and linguistic background, other than Indigenous Australians.

3 The ANAO report says that vulnerable customers may include those customers who: are homeless; have a drug or alcohol dependency; have low levels of literacy or numeracy; have a mental health condition; are Indigenous; and/or come from a diverse cultural and linguistic background.

agency's extensive customer service network. To this end, Centrelink has a number of processes in place from which to obtain customer feedback. Some of these are Centrelink initiated, such as customer surveys; others are customer initiated, such as complaints and use of the review and appeals system.

- 5.3 This summary audit report on Centrelink's customer feedback systems brings together the findings and recommendations of five audit reports which examine Centrelink's major individual customer feedback systems.⁴ The summary report also provides an overall audit opinion regarding Centrelink's overarching customer feedback system.

Audit approach

- 5.4 Until the machinery of government changes following the October 2004 Federal Election,⁵ Centrelink's delivery of services on behalf of the Department of Family and Community Services (FaCS) constituted the overwhelming bulk of Centrelink's activities.⁶ Given the importance of customer feedback to Centrelink's business, the ANAO considered it timely to conduct a series of performance audits relating to Centrelink's customer feedback systems, particularly in relation to its delivery of the services then provided on behalf of FaCS.
- 5.5 The overarching objective of this series of ANAO performance audits of Centrelink's customer feedback systems was to assess whether Centrelink had effective processes and systems for gathering, measuring, reporting

4 See ANAO Audit Report No.32 2004-05, *Centrelink's Customer Charter and Community Consultation Program*; ANAO Audit Report No.33 2004-05, *Centrelink's Customer Satisfaction Surveys*; ANAO Audit Report No.34 2004-05, *Centrelink's Complaints Handling System*; ANAO Audit Report No.35 2004-05, *Centrelink's Review and Appeals System*; and, ANAO Audit Report No.36 2004-05, *Centrelink's Value Creation Program*.

5 On 22 October 2004, the Prime Minister announced machinery of government changes affecting, among other things, the administration of policy relating to income support payments and related programs. Previously, Centrelink was located in the FaCS Portfolio and, while it had agreements in place with other agencies such as Department of Employment and Workplace Relations (DEWR) and the Department of Education Science and Training (DEST) for the delivery of some services, the overwhelming bulk of Centrelink's activities related to its delivery of services on behalf of FaCS. As a result of the changes announced by the Prime Minister, Centrelink is now part of the newly established Department of Human Services Portfolio. In addition, DEWR now has policy responsibility for the delivery of working age income support payments (including Newstart, Parenting Payment (partnered and single), Youth Allowance for non-students, Disability Support Pension and Mature Age Allowance) and DEST has policy responsibility for income support payments for students (including Youth Allowance for students which had previously been administered by FaCS).

6 Accordingly, until October 2004, FaCS was Centrelink's major source of revenue, providing approximately 91 per cent of Centrelink's revenue in 2003-04. *Centrelink Annual Report 2003-04*, p. 196.

and responding effectively to customer feedback, including in relation to customer satisfaction with Centrelink services and processes.

5.6 The ANAO consulted with Centrelink to establish the agency's key customer feedback systems to be included in the series of audits to be undertaken. The feedback systems identified were:

- Customer Charter and community consultation program;
- customer satisfaction surveys;
- complaints handling system;
- review and appeals system; and
- Value Creation program.

5.7 A separate report was prepared for each of these systems, including detailed analysis and findings of the audit of the particular system.

Audit methodology

5.8 The ANAO undertook an in-depth examination of each of the contributing feedback systems. Details of the audit methodology used for each system are contained in the individual reports.

5.9 For the series of audits, fieldwork was conducted primarily between October 2003 and July 2004. The ANAO analysed key Centrelink documentation, files and information on Centrelink's intranet. The ANAO conducted interviews with Centrelink managers, key National Support Office staff and staff in Area Support Offices and Customer Service Centres in six of the 15 Areas. The Areas visited were in New South Wales, Victoria and the Australian Capital Territory. The ANAO also held discussions with key community and government stakeholders.⁷

5.10 In January 2005, the ANAO issued to Centrelink the proposed reports. In response, the Chief Executive Officer of Centrelink advised the ANAO on 7 February 2005 that he welcomed these audit reports and agreed with all of the 44 recommendations.

7 The ANAO interviewed 28 stakeholder organisations, including advocacy groups, peak bodies representing various customer groups (ranging from the aged to the homeless), and organisations that provide services directly to customers (including assisting customers in their dealings with Centrelink). Accordingly, the stakeholder groups interviewed varied from national peak bodies with substantial resources and high level access to Centrelink through to customer advocates and groups that provide assistance to Centrelink's most vulnerable customers. The results of these interviews have been used to inform the findings of all of the audits in the Centrelink Customer Feedback Systems series.

- 5.11 In addition, in accordance with natural justice principles, copies or relevant extracts of particular proposed reports in the series were issued to parties with a special interest, namely:
- FaCS;
 - the Social Security Appeals Tribunal (SSAT);
 - Ms Sue Vardon, the former Chief Executive Officer of Centrelink; and
 - the Value Creation Group Pty Ltd.⁸
- 5.12 All comments received were considered in the preparation of the final audit reports. The series of audits was conducted in accordance with ANAO Auditing Standards at a total cost to the ANAO of some \$975 000.
- 5.13 Audit Report no. 31 provided an overall opinion against the overarching objective for this series of audits of Centrelink's customer feedback systems, followed by five chapters providing the summary of key findings and the audit conclusion from the each of the five audits of Centrelink's customer feedback systems.
- 5.14 The audit report was tabled on 9 March 2005.

Overall audit opinion

- 5.15 The ANAO found that Centrelink had recognised the importance of regularly seeking feedback from its large customer base on the quality of the services provided by the agency's extensive customer service network. Centrelink, therefore, had invested significant resources to obtain customer feedback, through developing and maintaining a number of individual feedback systems. Some of these systems are Centrelink initiated, such as Centrelink's customer satisfaction surveys and the Value Creation program; others are customer initiated, such as the complaints handling system and use of the review and appeals system. A number of these systems also collect information from the community.
- 5.16 In addition, the Centrelink Customer Charter is important in setting up customer expectations with respect to service delivery; outlining customers' obligations and rights; identifying feedback tools; and

8 The ANAO also provided copies or relevant extracts of particular proposed reports to the consultants who provided the ANAO with assistance in the conduct of individual audits in the series. Comments provided by the consultants were also considered in the preparation of the final audit reports.
The Value Creation Group Pty Ltd (VCG) is an Australian consulting practice which provides consultancy services, and licenses the use of certain intellectual property for the conduct of VCWs.

communicating to customers so as to help them understand their rights and the feedback tools available to them. As such, it is also an important part of the overall feedback system.

- 5.17 The ANAO concluded that, while Centrelink had a range of systems for gathering, measuring, reporting and responding to customer feedback, there was no overarching system for bringing all of this information together in a systematic way, to better inform Centrelink of opportunities for service delivery improvement.
- 5.18 Centrelink informed the ANAO that it was developing a Business Intelligence Framework to enable all forms of data gathered or received by Centrelink regarding customer satisfaction and customer feedback to be meaningfully compared, measured, and used to add value to the customer experience.⁹ However, the ANAO understood that completion of this system was 'some time away'. The ANAO stated that, more importantly, while bringing the information together was one step towards developing an overall system, it was predicated on the information from the individual systems being accurate.
- 5.19 The ANAO found a range of identifiable performance issues with each of the individual Centrelink customer feedback systems included in the audit. The ANAO also identified a number of common themes among these issues. The common themes related to:
- a low level of customer awareness of the individual systems;
 - the lack of a national mandate for processes, and a lack of robust cost information;
 - a lack of quality assurance procedures; and
 - monitoring and reporting problems with each system.
- 5.20 These all impacted adversely on the effectiveness and efficiency of the individual systems and the robustness of the data generated from each system.
- 5.21 The ANAO concluded that there was a low level of awareness amongst customers of the individual feedback systems, and little information on customer satisfaction with the systems. The low awareness impeded customers' access to the systems and affected the accuracy of the information generated by the systems. More importantly, lack of

9 Centrelink, *Memorandum – Business Intelligence Framework (BIF) Outline*, 9 October 2003.

awareness could mean that customers do not pursue their rights to access feedback systems, such as for complaints or appeals.

- 5.22 'Fear of retribution' was consistently raised as an issue during the ANAO's discussions with stakeholders.¹⁰ The ANAO found that Centrelink did not undertake any analysis of the existence, or extent, of any fear of retribution customers may experience in using the various feedback systems.
- 5.23 The ANAO found that Centrelink had not mandated procedures nationally within the various feedback systems. Accordingly, there was a risk of inconsistency across the network in the manner feedback is recorded, analysed and resolved.
- 5.24 Centrelink had little information on the actual cost of most of its individual feedback systems, and no ability to mandate quality assurance procedures across the network. Without a mechanism to provide an oversight of national quality, and to ensure better practice across the network, the ANAO argued that there was a risk that Centrelink was not providing a consistent, as well as high quality, service across its network. A lack of national oversight and mandate also limited Centrelink's ability to use the information generated from the feedback systems to improve service delivery. Without adequate information on the cost of the systems, the ANAO found that Centrelink was hampered in identifying efficiencies or better practices which could lead to better service delivery and cost savings.
- 5.25 The ANAO concluded that the data generated from the individual systems was limited and not robust. This compromised the reliability and integrity of Centrelink feedback data, and the ability to identify opportunities to improve service delivery and organisational processes. In addition, the ANAO concluded that Centrelink's reporting was compromised by the quality of the data. This inhibited Centrelink from adequately reporting information regarding customer feedback to Parliament and the public. Apart from the data quality issues, the reports from the feedback systems were generally not used across the network to improve service delivery.

10 'Fear of retribution' is a term used by both the Commonwealth Ombudsman in the guide, *A Good Practice Guide for Effective Complaint Handling*, and by other stakeholders whom the ANAO interviewed during audit fieldwork.

5.26 Overall, the ANAO concluded that:

while Centrelink has a well developed, extensive and diverse range of customer feedback systems, there are identifiable opportunities to improve the effectiveness, efficiency and economy of the systems and the data they produce. Such improvements would make the systems more accessible to customers, and provide more robust information to Centrelink for use in enhancing its service delivery and identifying cost savings.¹¹

ANAO recommendations

5.27 The ANAO made the following 44 recommendations in the series of five audit reports which were summarised by Audit Report no. 31:

Table 5.1 ANAO recommendations, Audit reports no. 32-36, 2004-05 (listed by report)

Centrelink's Customer Charter and Community Consultation Program (Audit Report No.32 2004–05)

32-1. The ANAO recommends that, in accordance with the guidance set out in the Australian Government's Client Service Charter Principles, Centrelink include in its Customer Charter measurable service standards to:

- (a) better inform customers of the level of service to expect; and
- (b) provide an improved basis for measuring, monitoring and reporting, both internally and externally, the agency's performance against its Charter.

Centrelink agreed

32-2. The ANAO recommends that Centrelink:

- (a) implement adequate systems to monitor community consultation nationally, and to identify, at the national level, common issues/trends that are emerging at the local level to allow identification of service improvement and cost savings; and
- (b) put in place quantitative indicators, such as targets and cost effectiveness measures, in addition to descriptive indicators, when assessing and reporting its consultations with community stakeholders.

Centrelink agreed

Centrelink's Customer Satisfaction Surveys (Audit Report No.33 2004–05)

33-1. The ANAO recommends that Centrelink include:

- (a) the objectives of the satisfaction surveys in all reports from the surveys;
- (b) in the objectives, for all its satisfaction surveys, the accuracy requirements for each survey; and
- (c) in the CSC survey's objectives, advice that the survey data are used for performance management of individual CSCs.

Centrelink agreed

33-2. The ANAO recommends that Centrelink include in reports from the satisfaction surveys the type of sample used and the effect of a quota approach on calculating error estimates.

Centrelink agreed

11 ANAO Audit Report No.31 2004–05 *Centrelink's Customer Feedback Systems – Summary Report* p 22.

33-3. The ANAO recommends that Centrelink:

- (a) undertake further research on the characteristics of those customers who are excluded from the survey sample, in order to ascertain whether any significant bias is introduced from the exclusions; and
- (b) in reporting information from the surveys, inform users of the data as to the nature of the exclusions from the survey, the rationale for them, and the related implications for the interpretation of survey results.

Centrelink agreed

33-4. The ANAO recommends that Centrelink:

- (a) undertake research into the reasons that a significant number of customers selected for the CSC survey, on the basis of DOCs raised indicating they had visited a CSC, subsequently advise the market research company they have not visited a CSC at the time reported in the DOC;
- (b) undertake further research into the inclusion in the CSC survey of those customers who only lodged a form or updated personal details during their visit to the CSC, to ascertain whether any significant bias is introduced from their inclusion; and
- (c) in reporting information from the surveys, inform users of the data as to the related implications of these inclusions for the interpretation of survey results.

Centrelink agreed

33-5. The ANAO recommends that Centrelink:

- (a) regularly analyse the non-response rates for each of the major satisfaction surveys to identify the nature of the non-response and any associated bias;
- (b) include this information in any reports of the survey data; and
- (c) consider weighting the data appropriately to minimise non-response bias.

Centrelink agreed

33-6. The ANAO recommends that Centrelink:

- (a) undertake research to identify whether concerns regarding anonymity and confidentiality impact adversely on customers' willingness to participate in Centrelink surveys, and whether these concerns lead to significant bias in the survey results;
- (b) include clear indications at the beginning of the survey regarding the uses and purpose of the survey; and
- (c) include clearer statements in the introductory and closing sections of the surveys regarding the confidentiality of customer information, particularly that identifying information is kept confidential from Centrelink.

Centrelink agreed

33-7. The ANAO recommends that Centrelink review the quality of its satisfaction survey questionnaires, and where appropriate, make changes to increase the usefulness and accuracy of the information gathered.

Centrelink agreed

33-8. The ANAO recommends that Centrelink undertake quality assurance checking of data and analysis provided to it by its satisfaction survey consultants.

Centrelink agreed

33-9. The ANAO recommends that Centrelink, in its reports which use survey data, ensure the reporting is transparent regarding the source of the data and its limitations, to enable readers to properly interpret the data and have confidence in the results.

Centrelink agreed

33-10. The ANAO recommends that Centrelink ensure that performance measures under the purchase/provider arrangements with the various portfolio departments now responsible for income support payments are appropriate for the purpose, and that targets are set at a sufficient level to assess performance achievement.

Centrelink agreed

33-11. The ANAO recommends that Centrelink review its use of an average for its top line KPI Overall Customer satisfaction with last Contact with Centrelink, in its Balanced Scorecard. Other KPI measures under Goal C: Customer also be reviewed to ensure they measure what they purport to measure.

Centrelink agreed

33-12. The ANAO recommends that Centrelink:

- (a) introduce an internal quality control process to ensure that performance measures in Area and CSC Business Improvement Plans are appropriate and adequate, and that the use of the top line satisfaction number is supplemented by other selected measures; and
- (b) provide additional training to staff at the Area and CSC levels on performance indicators, to ensure they have a good understanding of their use and limitations.

Centrelink agreed

33-13. The ANAO recommends that Centrelink include confidence interval information in its Area and CSC satisfaction reports.

Centrelink agreed

Centrelink's Complaints Handling System (Audit Report No.34 2004–05)

34-1. The ANAO recommends that Centrelink take prompt action to address the finding of its October 2003 internal audit report on Customer Complaint Management, which identified that there is a significant inconsistency across the customer service network in the frequency of prompt resolution of complaints at the point at which they are received.

Centrelink agreed

34-2. The ANAO recommends that Centrelink:

- (a) re-commence surveying customers regarding their awareness of its complaints handling system; and
- (b) as part of its overall communications strategy, identify ways to enhance customer awareness of its complaints handling system.

Centrelink agreed

34-3. The ANAO recommends that Centrelink redesign its Internet website to:

- (a) ensure that a search on the term 'complaint' provides pertinent information to customers and stakeholders on its complaints handling system;
- (b) provide customers and stakeholders with more explicit information as to the various avenues by which to lodge a complaint;
- (c) ensure that information on Centrelink's complaints handling system is easily identifiable by customers and stakeholders; and
- (d) allow customers, and stakeholders to lodge a complaint without being required to navigate through numerous webpages.

Centrelink agreed

34-4. The ANAO recommends that Centrelink regularly survey its customers and staff regarding their satisfaction with the complaints handling process.

Centrelink agreed

34-5. The ANAO recommends that Centrelink, in accordance with the Commonwealth Ombudsman's Good Practice Guide for Effective Complaint Handling:

- (a) include, in each avenue available for the lodgement of a complaint, an explicit statement that assures customers and stakeholders of the confidentiality of the information they provide; and
- (b) establish an internal follow-up procedure to address the risk of discrimination against customers or stakeholders who lodge a complaint.

Centrelink agreed

34-6. The ANAO recommends that Centrelink implement a system to:

- (a) improve and monitor national consistency in the way in which complaints are recorded, analysed and resolved by CRUs; and
- (b) facilitate the timely promulgation and adoption of better practice across all CRUs.

Centrelink agreed

34-7. The ANAO recommends that Centrelink:

- (a) improve controls for ensuring that all oral complaints are recorded in an appropriate and timely manner within the CFAD; and
- (b) revise the CFS to include a greater range of relevant information to facilitate improved recording and analysis of oral complaints lodged at a CSC.

Centrelink agreed

34-8. The ANAO recommends that Centrelink:

- (a) improve controls for ensuring that all completed comment cards are forwarded to the relevant CRU;
- (b) redesign the comment card to enhance customer awareness of its availability as an avenue to lodge a complaint;
- (c) identify ways of more generally improving customer awareness regarding the availability of comment cards as a feedback channel; and
- (d) identify ways of improving the current communication strategies implemented by Centrelink to increase DCALB customer awareness regarding the availability of comment cards and DCALB fact sheets.

Centrelink agreed

34-9. The ANAO recommends that Centrelink develop the necessary functionality within the CFAD to allow for the recording, monitoring and analysis of complaints lodged by all stakeholders within the business and community sectors.

Centrelink agreed

34-10. The ANAO recommends that Centrelink develop the necessary functionality within the CFAD to allow for the recording, monitoring and analysis of multiple complaints about the same issue, a particular staff member and/or CSC.

Centrelink agreed

34-11. The ANAO recommends that Centrelink:

- (a) report on the full range of performance information on its complaints handling system identified as good practice by the Ombudsman's Good Practice Guide;
- (b) commence monitoring and reporting on telephone call wait times and telephone call drop out rates across the CRU network;
- (c) accurately report the true nature of all customer contacts recorded by the CRU network; and
- (d) implement a system to develop national consistency in the reporting and use of data obtained by its complaints handling system.

Centrelink agreed

34-12. The ANAO recommends that Centrelink implement an effective quality assurance mechanism for the administration and monitoring of its complaints handling system.

Centrelink agreed

Centrelink's Review and Appeals System (Audit Report No.35 2004-05)

35-1. The ANAO recommends that Centrelink monitor and report on customer awareness of, and satisfaction with, the ODM reconsideration process.

Centrelink agreed

35-2. The ANAO recommends that Centrelink develop a separate form for customers to request an ODM review, which records the customer's agreement not to proceed directly to an ARO review.

Centrelink agreed

35-3. The ANAO recommends that Centrelink explicitly inform customers, who request a review, that they are not obliged to agree to an ODM review but have a legislative right to go directly to an ARO.

Centrelink agreed

35-4. The ANAO recommends that Centrelink:

- (a) require staff to record all ODM reconsiderations on the APL system; and
- (b) include in relevant Centrelink internal reports information gathered through monitoring and reporting of ODM reconsiderations.

Centrelink agreed

35-5. The ANAO recommends that Centrelink develop and implement quality control processes for ODM reconsiderations.

Centrelink agreed

35-6. The ANAO recommends that Centrelink monitor and report on customer awareness of their appeal rights and satisfaction with the appeals process, including any disincentive effects.

Centrelink agreed

35-7. The ANAO recommends that Centrelink develop, in consultation with DEWR, FaCS and DEST, performance indicators for the quality and cost of the appeals system.

Centrelink agreed

35-8. The ANAO recommends that Centrelink mandate and implement quality assurance processes for ARO decisions across the Centrelink network.

Centrelink agreed

35-9. The ANAO recommends that Centrelink develop and implement a process for the accreditation of AROs, and monitor delivery of the training package and AROs' participation.

Centrelink agreed

35-10. The ANAO recommends that Centrelink develop and implement national systems for the identification of better practice in ARO reviews and its timely distribution across the Centrelink network.

Centrelink agreed

Centrelink's Value Creation Program (Audit Report No.36 2004–05)

36-1. The ANAO recommends that Centrelink undertake a study to determine the impact of the presence of Centrelink staff during the conduct of a VCW on the willingness of customers to provide open feedback.

Centrelink agreed

36-2. The ANAO recommends that Centrelink put in place systems for monitoring the selection of customers for a VCW and the selection process used, in order to better understand how representative the selected customers are of Centrelink's customer base.

Centrelink agreed

36-3. The ANAO recommends that Centrelink put in place systems for monitoring the participation of staff in VCWs, to ensure coverage of staff and to facilitate the assessment of the extent of cultural change within the organisation.

Centrelink agreed

36-4. The ANAO recommends that Centrelink put in place systems for monitoring the implementation of outcomes from a VCW.

Centrelink agreed

36-5. The ANAO recommends that Centrelink put in place systems for monitoring:

- (a) the location of VCWs to facilitate the achievement of national coverage; and
- (b) better practice in the conduct of VCWs and any alternative processes used by Centrelink Area offices.

Centrelink agreed

36-6. The ANAO recommends that Centrelink:

- (a) put in place systems to effectively monitor the costs of the VCW program; and
- (b) inform customers that the payment they receive for attending a VCW is income for taxation purposes.

Centrelink agreed

36-7. The ANAO recommends that Centrelink takes the necessary actions to put in place systems to ensure that, in future procurements, it complies fully with the requirements of the Commonwealth's procurement policies and applicable legislation.

Centrelink agreed

The Committee's review

5.28 The Committee held a public hearing to examine this audit report on Friday 19 August 2005. Witnesses representing Centrelink and the Department of Human Services appeared at the hearing, as well as representatives from the ANAO.

5.29 The Committee took evidence on the following issues:

- Overarching system for collecting and collating feedback;
 - ⇒ Complaints handling;
- Costs and benefits;
 - ⇒ Value Creation Workshops (VCWs);
- Customer Charter;
- Original Decision Maker (ODM) reviews;
- Centrelink surveys;
- Surveying disadvantaged persons;
- Fear of retribution; and
- Accessibility;
 - ⇒ Website.

5.30 Centrelink subsequently provided a submission to the inquiry, which included an update on compliance against all of the ANAO recommendations. This summary of action against each of the 44 ANAO recommendations is at Appendix G.

Overarching system for collecting and collating feedback

- 5.31 The ANAO report provided an overall audit opinion regarding Centrelink's overarching customer feedback system – or lack thereof.

The ANAO concluded that, while Centrelink has a range of systems for gathering, measuring, reporting and responding to customer feedback, there is no overarching system for bringing all of this information together in a systematic way, to better inform Centrelink of opportunities for service delivery improvement.¹²

- 5.32 In response to the audit, a customer experience branch has been created within Centrelink to bring together the collection, analysis and use of customer feedback and therefore improve the consistency of dealing with such feedback.¹³

Our job is to represent the voice of the customer in the way our service offers are designed, so it is our job to know the customer well enough to be able to feed into work that is going on across Centrelink, whether that is local service improvement or national changes to service delivery arrangements, to be able to inject into that work what we know about customers in terms of their preferences for different channels for accessing Centrelink or the way they would like our offices to be set out. It is about the range of things that impact on how customers experience our service.¹⁴

- 5.33 This branch forms a part of the service delivery group created in the organisational restructure of Centrelink which occurred after the ANAO audit was conducted. The service delivery group has 'a stronger focus ... on trying to pull together the service delivery out in the 15 areas and across the call centres into a more consistent approach and trying to give them a greater voice in what happens'.¹⁵

- 5.34 Centrelink advised the Committee that it has also developed the Centrelink Corporate Reporting Framework to identify better practice
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12 ANAO Audit Report No.31 2004–05 *Centrelink's Customer Feedback Systems – Summary Report* p 20.

13 Mr Whalan, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA2.

14 Ms Ross, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, pp. PA19-20.

15 Mr Whalan, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA19.

across key business areas and a "multidimensional view of service quality, cost and [human resources] metrics at an organisational and at an Area level", using specific data from the Customer Service Centre Satisfaction Survey.¹⁶

The results relating to customer services are integrated with other information (relating to the correctness of program outlays, timeliness of decisions, and whether or not key performance standards have been met) to provide a combined service quality measure. Results are published at the National and Area level on a monthly basis.

The responsibility for monitoring performance and developing cross-Area improvement strategies sits at the national level, while the implementation of national and local service improvement initiatives for both service quality and cost efficiency is the responsibility of Areas.¹⁷

- 5.35 The Committee applauds Centrelink's efforts to provide a more systemic approach to the collection and use of feedback information nationally across the agency, and encourages further refinement in this area.

Complaints handling

- 5.36 The ANAO considered that the lack of an effective quality assurance mechanism for the handling of complaints prevented Centrelink from ensuring that all complaints were recorded, analysed, reported and resolved in an appropriate and timely manner. This may also affect the reliability, integrity and quality of the information Centrelink obtains through complaints, and the subsequent analysis of this information.¹⁸
- 5.37 Centrelink informed the Committee that:

A mandatory national quality assurance regime for resolution of complaints will be in place by January 2006. The design of the regime is complete, it is to be agreed and then staff training and system support will be implemented across Centrelink's 15 Areas.¹⁹

16 Centrelink, Submission no. 2. p.3.

17 Centrelink, Submission no. 2. p.3.

18 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.56.

19 Centrelink, Submission no. 2. p.4.

- 5.38 This regime was to consist of data integrity and procedural checking at the Area and National level, and post-complaint follow-up surveying of customers.²⁰
- 5.39 Centrelink updated the Committee in May 2006²¹ to say that:
- A major revision of Centrelink's Complaints Handling Protocols has been completed and the revised protocols were issued to CRUs in May 2006 with an expectation that complaints will be resolved within required standards by the end of June 2006.
 - The post-complaints quality assurance process is to be based on 'a quality check of a sample of customer complaint records and follow-up survey of customers who have lodged recent complaints.' The sampling and survey specifications are under development with a tender process planned to select a provider to conduct the surveys. The quarterly surveys are expected to commence in August-September 2006.
 - The national Induction Training Program has been revised to reflect the revised CRU protocols and further work is proposed to expand training in complaints handling as part of an overall service complaints management strategy being developed. This work is scheduled to begin later in 2006 once funding has been approved.
- 5.40 The Committee is pleased at Centrelink's progress towards addressing the deficiencies identified by the ANAO, and looks forward to receiving an update on how the system is functioning once it has been implemented.

Costs and benefits

- 5.41 The ANAO found a range of identifiable performance issues along a number of common themes with each of the individual Centrelink customer feedback systems, one such theme listed was a lack of robust cost information.

Centrelink has little information on the actual cost of most of its individual feedback systems ... Without adequate information on the cost of the systems, Centrelink is hampered in identifying

20 Centrelink, Submission no. 2. Appendix 1 *Progress against audit recommendations – customer feedback systems*, p.8.

21 Centrelink submission no.5. p.1.

efficiencies or better practices which may lead to better service delivery and cost savings.²²

5.42 The Committee was concerned to find that despite significant investment in the various feedback systems utilised by Centrelink, comprehensive costings cannot be provided for any of these systems. Without full knowledge of the cost of each system, it is very difficult to ensure that cost savings are identified and achieved.

5.43 Accordingly, the Committee makes the following recommendation:

Recommendation 19

5.44 **The Committee recommends that Centrelink put in place rigorous cost systems, to ensure that comprehensive cost records are kept for all of its feedback systems.**

5.45 The Committee was advised that Centrelink could not identify costs associated with work which needed to be redone due to errors or subsequent additional information, because they do not have a full appreciation of the cost of the various activities they are doing. If an effective feedback system is in place, it should allow for improvements which in turn should reduce re-work.

5.46 The Committee notes that:

The responsibility for monitoring performance and developing cross-Area improvement strategies sits at the national level, while the implementation of national and local service improvement initiatives for both service quality and cost efficiency is the responsibility of Areas.²³

22 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.21.

23 Centrelink, Submission no. 2. p.3.

5.47 Accordingly, the Committee makes the following recommendation:

Recommendation 20

5.48 **The Committee recommends that Centrelink monitor the cost of re-work and duplication of services across the agency and report this in its annual report, with the aim of identifying areas for improvement and reducing re-work expenditure in all Areas.**

5.49 The Committee is interested in an assessment of what financial impact the ANAO recommendations are likely to have on Centrelink, particularly if there is likely to be a cost impost or a cost benefit for the agency and where any savings are likely to be.

5.50 Centrelink advised that the ANAO recommendations are being implemented as part of Centrelink's routine approach to continuous improvement and that an 'evaluation of the cost benefit realised from the collection and use of customer feedback is being considered for inclusion in Centrelink's Internal Audit and Evaluation Program.'²⁴

5.51 The Committee considers that it is important for Centrelink to undertake such a cost-benefit evaluation. Accordingly, the Committee makes the following recommendation:

Recommendation 21

5.52 **The Committee recommends that Centrelink compile information on the return on investment expected from the implementation of each of the ANAO recommendations as a priority, and that this information be provided to the Committee.**

Value Creation Workshops

5.53 The Value Creation Program involves a range of different Value Creation Workshops (VCWs) conducted across the Centrelink network. The VCWs are structured and facilitated focus groups involving both the 'customers'

24 Centrelink, Submission no. 2. p.8.

and the 'providers'²⁵ of the services delivered by Centrelink, and are intended to provide customers with the opportunity to give direct feedback to Centrelink and its staff regarding these services.²⁶

- 5.54 Centrelink set up the Value Creation program in 1997 with a number of objectives in mind, but advised the ANAO that the pre-eminent purpose was to facilitate cultural change within the organisation to improve the customer focus. The program also generates a range of data that Centrelink advised the ANAO was an important component of its customer feedback systems.²⁷
- 5.55 The Committee was disturbed to read that the ANAO was 'unable to assess the actual total cost of the VCW program, as Centrelink was not able to provide costings on all of the elements of the program'. Additionally, most of the Area and CSC managers interviewed by the ANAO were unable to provide as much as a 'guesstimate' on the total or average cost of a VCW workshop.²⁸
- 5.56 In its submission, Centrelink advised the ANAO during the audit that the agency was to undertake an evaluation of the program's effectiveness in achieving the objectives sought from it by Centrelink. The Committee agrees with the ANAO that such an evaluation will 'enable Centrelink to assess the value for money of the program and assess the appropriateness of continuing the program in its current form.'²⁹
- 5.57 Centrelink advised the Committee that an upgrade of the financial system to collect and record full VCW costs had been completed and that this would enable monthly reporting on VCW costs.³⁰
- 5.58 The Committee is pleased with Centrelink's response and agrees with the ANAO that better monitoring of the cost of the VCW program, to ascertain relative productivity and cost efficiency, should result in future cost savings and greater effectiveness.

25 According to the ANAO, Customers can include; recipients of social security entitlements, community group representatives and business partners, whereas Providers can include Customer Service Officers (CSOs), Centrelink Managers, and Specialist Officers.

26 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.74.

27 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.75.

28 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.79.

29 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.80.

30 Centrelink, Submission no. 5. p.2

Customer Charter

- 5.59 The Customer Charter is regarded by Centrelink as central to improving service delivery.
- 5.60 Centrelink was one of the first Australian Government agencies to develop and implement a customer charter, and in fact it won awards under the Service Charters - Awards for Excellence scheme in 1999 and 2000.
- 5.61 However, the ANAO found that Centrelink's Customer Charter only partially followed the mandatory elements and either partially, or fully, met some of the recommended elements of the Australian Government's *Client Service Charter Principles* (the Principles).³¹ Significantly, the Charter was found to have no explicit measurable service standards which, according to the Principles, are the main purpose of a charter.
- 5.62 The ANAO stated that 'given the minimal collection, analysis and reporting of performance data on the Charter, it is difficult to identify how the Charter is used to help drive service improvement'.³²
- 5.63 The ANAO also found that the Charter was not very accessible to vulnerable groups, such as illiterate or semi-literate customers and that there was no monitoring undertaken in relation to access to translated versions of the Charter for DCALB customers.
- 5.64 The Committee was informed that in response to the ANAO report, Centrelink is undertaking a major review of its Customer Charter and that the new Charter, due for release in February 2006, will include measurable standards that 'customers have identified as important to them and will provide a basis for measuring, monitoring and reporting Centrelink's performance against the Charter.'³³
- 5.65 The Committee was further advised that the review was being finalised in May 2006 with it expected to be launched in June 2006.³⁴ The Communication strategy associated with the new Charter is expected to strengthen Centrelink's customer focus and in particular address

31 Revised in 2000, originally developed in 1997. The Principles contain a number of mandatory and recommended components intended to assist Government agencies in their development of a charter.

32 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p 30.

33 Centrelink, Submission no. 2. Appendix 1 *Progress against audit recommendation – customer feedback systems*, p.1.

34 Centrelink, Submission no. 5. p.2

promotion and awareness of the Charter amongst DCALB, Indigenous and vulnerable customers.

- 5.66 The Committee is pleased that Centrelink is reviewing its customer charter and has recognised the importance of including measurable service standards. The Committee is keen to see the new charter finalised as soon as possible.

Original Decision Maker (ODM) reviews

- 5.67 The ANAO report stated that 'Centrelink has an extensive internal review and appeals system, which is mature and underpinned by legislation.'³⁵
- 5.68 Centrelink's internal review processes are the Original Decision Maker (ODM) reconsideration, followed by the Authorised Review Officer (ARO) review.

The *Social Security (Administration) Act 1999* (SSA Act) allows a person affected by a decision of a Centrelink officer to apply to the Secretary of the Department of Family and Community Services (FaCS) for review of the decision. If a person applies for review of a decision, the Secretary, the CEO or an ARO must review the decision. However, in practice, Centrelink policy includes another step in the process prior to the ARO review. This is the Original Decision Maker (ODM) reconsideration step, where the Customer Service Officer (CSO) who originally made the decision reviews the case.³⁶

The ARO review is the first step in the legislated appeals process. There are around 180 Authorised Review Officers (AROs) in the Centrelink network. AROs are experienced officers who are not involved in the original decision making process. This removal from the original decision is important as it allows the ARO to provide a more independent review of a decision, when a customer requests such a review.³⁷

35 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.71.

36 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* pp.63-64.

37 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.67.

- 5.69 The ANAO concluded that there are 'opportunities to improve the effectiveness, efficiency and economy of the system through improvements to Centrelink's methods for gathering, measuring, reporting and responding to requests for ODM reconsiderations and ARO reviews'.³⁸ The ANAO expects that such improvements would make the system more transparent and accessible to customers, as well as providing more accurate review and appeals information to Centrelink which could in turn assist in enhancing service delivery.
- 5.70 The ANAO made ten recommendations in the audit report into Centrelink's review and appeals system, five of them directly concerning the role of the ODM in Centrelink's review process. Centrelink told the Committee that the fourth of these recommendations has been implemented.³⁹
- 5.71 The Centrelink submission stated that the other ODM-related recommendations were being actioned as part of a broad examination of Centrelink's internal review processes, where trials of three alternative models for internal review have commenced. Two of these models involve retention of the Original Decision Maker in the internal review process; the third does not.⁴⁰
- 5.72 Centrelink advised the Committee that the trials were completed in November 2005 and the report on the project in December 2005. Following further consultation within Centrelink, including with AROs, the results are currently with Centrelink's Executive and a decision is yet to be made on the changes to be put in place.⁴¹

38 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.71.

39 ANAO recommends that Centrelink:

- (a) require staff to record all ODM reconsiderations on the APL system; and
- (b) include in relevant Centrelink internal reports information gathered through monitoring and reporting of ODM reconsiderations

Centrelink response:

- (a) In October 2004 all Centrelink staff were instructed to use the ODM/ARO referral script for ODM reconsiderations which automatically records them in the APL (appeals) management information system.
- (b) Monthly management information reports on ODM reconsiderations are now prepared and distributed to the Area network with comments.

Centrelink, Submission no. 2. Appendix 1 *Progress against audit recommendation – customer feedback systems*, p.9.

40 Centrelink, Submission no. 2. p.6.

41 Centrelink submission no. 5. p.2

- 5.73 The Committee is interested to see what outcome results from the examination of Centrelink's review processes, particularly with regard to the ODM reconsideration and the cost implications for the whole of the review process.

Centrelink surveys

- 5.74 Centrelink commissions a number of surveys of its customers to obtain direct feedback about the quality of the services provided by the agency's extensive customer service network. The major customer satisfaction surveys conducted are the Customer Service Centre (CSC) Survey, the Call Centre Survey, and the Centrelink National Survey. The major satisfaction surveys are all telephone surveys.⁴²
- 5.75 The Committee requested some more information on these different types of surveys and Centrelink provided the following snapshot of the current situation:

Customer Service Centre Customer Survey

In the 2004-05 financial year, 62,290 interviews were conducted as part of the Customer Service Centre survey program to gauge customer perceptions of service quality on their last visit to a Centrelink Customer Service Centre. Quarterly reports from this program provide Areas and Customer Service Centres with comparative performance data. These reports are used to measure performance and to identify better practice.

Satisfaction with 'the overall quality of people, services and information at the last visited Customer Service Centre' has been measured since November 1997. From November 1997 to November 2002 there was a steady increase in customer satisfaction (from 75.3 per cent in November 1997 to 85.5 per cent in November 2002).

In January 2003 Centrelink changed from yearly surveys to weekly collection of data throughout the year. This change to continuous polling from a point-in-time annual survey resulted in an increase in the proportion of students surveyed. As January is the time of year that students claim payments, January's result of 80.8 per cent was lower than the November 2002 result. Since then, at the

42 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p 33.

national level, reported levels of satisfaction with the overall quality of Centrelink's people, services and information in Customer Service Centres have steadily increased with a reported 83.9 per cent customer satisfaction level in August 2005.

Call Centre Customer Survey

In the 2004-05 financial year, 16,524 interviews were conducted as part of Centrelink's Call Centre Monitor Survey to gauge customer perceptions of service quality on their last call to a Centrelink Call Centre.

As with the Customer Service Centre survey program, quarterly comparative reports are provided to Call Centres and used as the basis for identifying better practice and service improvement opportunities.

Satisfaction with 'the overall quality of people, services and information at the last contact with a Centrelink Call Centre' has been measured since November 1997. From the period November 1997 to November 2001 customer satisfaction with the service received from the Call Centre network increased from 66.5 per cent to 85.3 per cent.

In February 2001 Centrelink changed from yearly surveys to weekly collection of data throughout the year. Over this time results have increased with a reported 88.5 per cent customer satisfaction with the overall quality of service from the Call Centre network in August 2005.

Information from both the Customer Service Centre and Call Centre survey programs is used in the Centrelink Balanced Scorecard and the Centrelink Comparative Reporting Framework.

National Customer Survey

Under the National Customer Survey program, 1,600 customers are interviewed annually. This survey is used to identify national level, cross-channel issues in relation to the quality of Centrelink's service delivery. These reports are provided to relevant National Office teams so they can identify possible service improvement opportunities.

Satisfaction with 'the overall quality of people, services and information from Centrelink' has been measured since November 1997. At the national level, overall reported levels of satisfaction have increased from 72 per cent in November 1997 to 81 per cent in November 2004.

Centrelink makes use of customer feedback to inform work programs at both the local and national levels. At the local level, business planning takes account of location-specific feedback (eg. from Value Creation Workshops and the results of regular customer satisfaction surveying). Managers are responsible for putting in place improvement strategies and interventions to address any particular performance issues, including responding to customer feedback.⁴³

- 5.76 The Committee notes that data from the satisfaction surveys are used extensively in a number of Centrelink reports and for performance monitoring. However often 'the way the data are reported suggests that the data reflect the views of **all** customers' when ANAO analysis showed that over half of customers in the target population were not given the opportunity to participate in the CSC Survey.⁴⁴ The ANAO stated that:

The reporting needs to be transparent regarding the source of the data and its limitations, to enable readers to properly interpret the data and have confidence in the results.⁴⁵

- 5.77 The Committee agrees with this suggestion but further believes that, in the interests of transparency, information on the surveys should be publicly available. This information should include:

- the type of surveys conducted and resources utilised;
- analysis of the information gathered by the surveys; and
- an indication of where improvement opportunities have been identified and how they will be addressed.

- 5.78 Accordingly, the Committee makes the following recommendation:

Recommendation 22

- 5.79 **The Committee recommends that Centrelink include a public report, annexed to its annual report every year, on all surveys undertaken; the major findings from each survey; Centrelink's response to and actions arising from these survey findings.**

43 Centrelink, Submission no. 2. p.4-5.

44 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.40.

45 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.40.

Sample validity

- 5.80 The ANAO audit raised issues about the sampling of customers used for some of the feedback systems, including the use of a quota approach and exclusions from a sample.
- 5.81 The major satisfaction surveys are telephone surveys and all use non-probability sampling as there is a quota on the number of interviews. The ANAO reported that Centrelink's survey reports did not include information on the effect of a quota approach on the calculation of confidence intervals, considered important for tolerable confidence, along with transparency of the type of sample used.
- 5.82 Both the CSC and National Surveys had a large number of customers excluded from selection as part of the sample. Exclusions included customers without a phone or with a silent phone number, those in an institution, and those who only have a mobile phone number.⁴⁶
- 5.83 Centrelink responded that by the end of 2005, an explanation of the context of results and exclusions information for the major satisfaction surveys would be included in reports. In addition, a decision on sampling strategies and appropriate weighting of results will be made by the end of December 2005.⁴⁷
- 5.84 Selection of customers was also raised by the ANAO as an issue for the Value Creation Workshops. The report gave the following account of Centrelink's customer selection procedures for VCWs.

There are no mandated selection procedures for the recruitment of customers to a VCW, though Centrelink guidance outlines options that could be used using a quota approach (such as asking every third person until enough customers have been recruited). The Australian National University's Research School of Social Sciences has advised the ANAO that there is considerable evidence in public opinion surveys to suggest that, where quota sampling is utilised to select respondents, interviewers often select those respondents whom they believe will be the easiest to handle and the most compliant in an interview context. Centrelink staff interviewed by the ANAO indicated that they selected customers

46 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p.35-36.

47 Centrelink, Submission no. 2. Appendix 1 *Progress against audit recommendation – customer feedback systems*, p.2.

from the CSC public contact area whom they felt would be most likely to participate.⁴⁸

Centrelink advised the ANAO on 1 September 2004 that 'in addition to selecting customers at random, the customer must be willing and able (literate) to participate'. This may lead to an under-representation of the most vulnerable customers⁴⁹.

- 5.85 The Committee agrees with the ANAO's conclusion that 'A non-random selection process may lead to the sample becoming biased, and the intelligence obtained by the process being skewed, as well as being potentially unreliable'.⁵⁰
- 5.86 In addition, the Committee is concerned that the format of the VCWs is such that any of Centrelink's vulnerable customers who may attend are likely to feel more isolated than any less-vulnerable participants and therefore may not participate fully in the process.
- 5.87 Accordingly, the Committee makes the following recommendation:

Recommendation 23

- 5.88 **The Committee recommends that Centrelink include specific focus groups of vulnerable customers in such mechanisms as the Value Creation Workshops, in order to provide these people with a more comfortable atmosphere and to balance the focus groups dominated by those less vulnerable.**

Fear of retribution

- 5.89 The ANAO reported the issue of fear of retribution as being 'consistently raised as an issue during the ANAO's discussions with stakeholders'. Within the series of audit reports, the ANAO made two recommendations aimed at this area to which Centrelink responded with such actions as:

48 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* pp .76-77.

49 Centrelink's vulnerable customers may include those who are homeless; have a drug or alcohol dependency; have low levels of literacy or numeracy; have a mental health condition; are Indigenous; and/or come from a diverse cultural and linguistic background.

50 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p .77.

- a change to the introduction for surveys to stress anonymity and confidentiality;
- research commissioned to investigate whether anonymity and confidentiality concerns create bias in survey results, following which, the introduction of further changes may be undertaken;
- the preparation of a Centrelink Statement of Commitment to Service Recovery (covering complaints, review and appeals, and Charter commitments, and including a statement of assurance on confidentiality of customer information and non-discrimination) which will be available externally through various channels;
- the development of other communication products which will also carry this assurance statement; and
- the establishment of an internal review mechanism as part of a quality assurance process to assess customer satisfaction with the complaints handling system, including cases of alleged retribution or discrimination arising from the submission of a complaint or other feedback to Centrelink.

5.90 In evidence provided to the Committee, Centrelink explained that the ANAO had indicated that the issue has arisen from a range of sources including discussions with a particular stakeholder at the management level. In response, Centrelink has included that stakeholder on one of the steering committees, specifically to deal with fear of retribution relating to review and appeals matters.⁵¹

5.91 Centrelink also reported that:

We have commissioned some research into finding out what the concerns are of people in this space. The preliminary results show that there are a small percentage of customers, about four per cent, who worry about providing information because they are worried it will not be anonymous. That is somewhat understandable. There is a much lower figure, around one percent, who worry that there may be retribution. This is about perceptions. ... some people will always worry that there will be repercussions even if there are not any.⁵²

51 Mr Walker, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA23.

52 Mr Whalan, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA24.

- 5.92 The Committee notes that the raising of this issue impacted on staff morale:

One thing Centrelink staff are incredibly sensitive and proud about is that, as part of the way they do their work, they do not engage in that sort of behaviour.⁵³

The average Centrelink staff member works in the organisation because they want to make a difference. They want to improve people's lives. The idea that there is a fear of retribution is abhorrent to them. I note it is there. Despite the fact that we have drilled down further and it is now as low as one percent, we will do more work to rectify it. I want to try to put it into some context.⁵⁴

- 5.93 The Committee is satisfied with Centrelink's response on the issue of fear of retribution. In particular the inclusion of clear anonymity and confidentiality statements in survey documentation, and systems to monitor allegations of retribution or discrimination based on feedback to the organisation, should address what appears to be a small but concerning issue.

Accessibility

- 5.94 The Committee is surprised that the 2002 *Centrelink National Customer Satisfaction Study* identified some 26 per cent of customers who were unable to identify at least one way in which they could make a complaint to Centrelink about its service. This figure rose to 39 per cent for participants identified as being Indigenous Australians.⁵⁵
- 5.95 The Committee considers that it is very important that each of Centrelink's clients is given the best opportunity to know and understand their rights as well as their responsibilities with respect to Centrelink. This is particularly so for those who are disadvantaged and do not understand the system.

53 Mr Walker, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA23.

54 Mr Whalan, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA24.

55 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report* p 51.

- 5.96 The Committee is concerned that for Centrelink's customers, their rights are less well understood than their obligations. This imbalance needs to be rectified by Centrelink doing more to highlight customers' rights in correspondence with them, including mention of the Ombudsman.

Website

- 5.97 The ANAO found that it was 'difficult for customers and business and community stakeholders to locate information on Centrelink's complaints handling system from its website' and further, that 'a search for the term 'complaints' on the Centrelink website did not provide customers or stakeholders with information as to all the avenues available to lodge a complaint (such as directly with a Centrelink staff member).'⁵⁶
- 5.98 Centrelink agrees that this is a legitimate issue which needed to be addressed, and explained that their website had already been changed so that finding information on complaints is more explicit.⁵⁷
- If you go onto the web site at the moment, you will find on the front page⁵⁸ that there are only a few big icons. One of the icons is 'customer charter'. If you hit it, you get into the area of how to make a complaint. Look up 'complaint' on the search engine and you will also get into the area of how to make a complaint. That was a legitimate issue raised by ANAO.
- 5.99 Centrelink also informed the Committee that there was a similar icon titled 'complaints' available on the main web page to make it simpler for clients to access that section of the site.
- 5.100 The Committee was very disturbed to note that while the icon for 'complaints' was available on Centrelink's main webpage for a few months following their public hearing, the icon was not present on 15 November 2005 (apparently due to site updates), nor was there a suitable alternative option at that time.
- 5.101 Further updates to the site since that time have led to one of the more stable page elements of the site being revised to read 'Customer service including charter and complaints.' The Committee is pleased that a direct link to the complaints section was reinstated on Centrelink's main

56 ANAO Audit Report No.31 2004-05 *Centrelink's Customer Feedback Systems – Summary Report*, p.51.

57 Mr Whalan, Centrelink. Committee Hansard, Joint Committee of Public Accounts And Audit, *Review of Auditor-General's reports tabled between 18 January and 18 April 2005*, Friday, 19 August 2005, p. PA4

58 <http://www.centrelink.gov.au/>

webpage, however it is concerned at the unpredictable nature of the existence of such a basic link.

5.102 The Committee makes the following recommendation:

Recommendation 24

5.103 **The Committee recommends that Centrelink ensure that a 'complaints' link be a permanent and prominent feature of the main Centrelink webpage.**

5.104 Centrelink advice to the Committee in relation to the progress against recommendation 3 of Audit Report No. 34 2004-05 (Centrelink's Complaints Handling System) states that 'action has been taken to enable quick access to feedback mechanisms', and although 'other developmental work on the website is continuing to support these initial changes', this item is marked as completed.⁵⁹

5.105 The Committee is concerned that part (d)⁶⁰ of the recommendation has not yet been addressed appropriately. The Committee found that from the 'complaints' page on the web it took a further four mouse-clicks to locate the most appropriate postal address or Customer Service Centre.

5.106 The Committee also notes that the Centrelink "Tell us what you think" factsheet includes a Reply Paid address.

5.107 The Committee makes the following recommendation:

Recommendation 25

5.108 **The Committee recommends that the Centrelink webpage:**

- **Provide a simple pathway for customers to locate a postal address to which complaints may be sent; and**
- **includes a freepost address for lodging complaints.**

59 Centrelink, Submission no. 2. Appendix 1 p.5

60 The ANAO recommends that Centrelink redesign its Internet website to allow customers, and stakeholders to lodge a complaint without being required to navigate through numerous webpages.

- 5.109 If a customer follows the links from the 'complaints' page to "to send a secure message online", the page displayed again does not include the term 'complaint' and instead refers to 'service feedback'.
- 5.110 The Committee notes that although many of the other secure online message options include a section for the customer to include their email address for follow-up contact from Centrelink if they would like to, this is not the case for the 'service feedback' form.
- 5.111 The Committee makes the following recommendation:

Recommendation 26

- 5.112 **The Committee recommends that the 'Message Us' page on the Centrelink website includes the term 'complaint' and that the 'Service Feedback' electronic form include a space for the customer's email address should they wish to be contacted in this manner.**
- 5.113 The Committee notes that although the 'Customer Charter' button was available on the site at the time of the hearing, it was not available when the site was accessed on 20 October, 2 November 2005 or 25 May 2006. Although the Charter can still be accessed online, it is no longer as easy to find as was described to the Committee. For example two methods were used by the Committee in May 2006, with the following results:
- when "About Us" is selected from the main webpage the resulting page titled "About Us Index", does not mention the Customer Charter or provide a link to it; and
 - the results listing for a search on the term "customer charter" conducted on the website showed the link to "About Us - Centrelink Customer Charter" at item five.
- 5.114 The Committee is concerned that Centrelink's Customer Charter is still not prominent enough on the agency's website to communicate service commitments to its customers. The Committee is also concerned that future updates to the site do not result in the Charter becoming more difficult to locate.

5.115 Accordingly, the Committee makes the following recommendation:

Recommendation 27

5.116 **The Committee recommends that the Centrelink Customer Charter be accessible permanently from the main Centrelink webpage by a simple and obvious process.**