

# Senate Finance and Public Administration Legislation Committee

## 2025 - 2026 Supplementary Budget Estimates ANSWERS TO QUESTION ON NOTICE

Finance Portfolio  
Services Australia

**Department/Agency:** Services Australia

**Outcome Number:** 1

**Topic:** Misalignment of legislation

**Question reference number:** SA SQ25-000259

**Senator:** James Paterson

**Type of Question:** Written

**Date set by the Committee for the return of answer:** 28 November 2025

### **Question:**

1. FOI disclosure log documents (LEX 84196, page 3) reveal that the Payments and Integrity Group updated the Independent Advisory Board on legislation, policy and service alignment and that the board “discussed the issue of current interpretations of legislation not aligning with its original intent when it was first adopted”. Can you explain what this issue is about and how it impacts the Agency’s work?
2. The record of meeting notes, “The Board suggested that Services Australia clarify the terminology around ‘misalignment of legislation’ and have clear categorisation for the different terms, i.e. lawful, unlawful, misaligned and unclear”. What legislative issues have been identified in each of these categories and what action is the Agency progressing to resolve those issues?
3. Is the Government considering any legislative amendments to remedy these issues around ‘misalignment of legislation’ referred to in FOI disclosure log documents LEX 84196?
4. Page 3 of FOI disclosure log documents LEX 84196 refers to a ‘playbook’ that articulates processes across the Agency to address remediation issues. Please provide a copy of the Playbook on the Annual Workplan (IIAB20240219-114).

### **Answer:**

1. The reference pertains to the identification, reporting, and escalation of legal compliance issues in the administration of payments and services delivered by Services Australia (the Agency).
2. The quoted passage relates to a discussion by the Board as to the name of the body of work being referenced. This terminology has informed the naming of the program related

to the work, which is now named the Legal Compliance and Remediation Program (the Program).

Not all issues being considered within the Program require legislative resolution. Where appropriate, the Agency is seeking legal advice, and consulting with relevant policy agencies, on matters relating to the Program.

3. The Agency continues to support policy departments to identify potential options for legislative change as appropriate. The decision to progress legislative changes is a matter for the Government.
4. The current version of the Playbook is provided at Attachment A.



Australian Government



Services  
Australia

# Legal Compliance and Remediation

Playbook

July 2025

Legal Compliance and Remediation Division

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# Document Purpose

The Legal Compliance and Remediation Playbook (the Playbook) outlines the scope of the Legal Compliance and Remediation Program (the Program) and defines how each Group in Services Australia (the Agency) is supported to deliver existing functions in resolving legal compliance issues in the delivery of Agency services. It also provides the processes to be followed when identifying legal compliance issues in any programs administered by the Agency, and remediating impacted customer records, payments and services.

The Playbook:

- **Identifies** – Provides a clear and transparent process for the identification and actioning of legal compliance issues, including outlining roles and responsibilities across the Agency and identifying critical points for legal assessment. The Program also supports the Agency to continuously improve processes to proactively identify legal compliance issues.
- **Registers** – Maintains a single source of truth for all identified legal compliance issues, including the nature of those issues, the impact on customers and staff, the risks to the Commonwealth, including the Agency, and to other external stakeholders. This includes close consultation with teams across the Agency with existing functions in the legal, automation and other assurance mechanisms to ensure the Legal Compliance and Remediation Register (the Register) contains all relevant legal compliance issues.
- **Categorises** – Applies a consistent and transparent assessment of all issues within the Register, with a particular focus on those matters that are impacted by legal non-compliance.
- **Designs** – Provides support to Agency Business Owners, Legal Services Division, Chief Financial Officer Division and other critical stakeholders, including policy departments, to design resolution approaches, seek funding where required and facilitate the resolution of issues via engagement and escalation through the Legal Compliance and Remediation Board and the Agency’s existing Governance Committees
- **Operationalises** – Works with specialised Agency teams across service delivery, ICT, data, legal services and program design to develop efficient processes to operationalise the resolution and remediation of legal compliance issues, including the development of staff guidance material and support products, communication materials and training packages.
- **Monitors and Reports** – Continuously monitors the progress towards resolution of all known legal compliance issues, reporting on the operational delivery of remediation work, and briefing of progress to relevant Agency committees and governance bodies as appropriate, including forecasting resolution timeframes.
- **Evaluates** – Ensures continuous improvement in the delivery of Agency services through evaluation of resolved issues and completed remediation activities, and applying lessons learned to the development and delivery of future resolution approaches. Evaluation of completed activities will also inform continuous improvement opportunities to prevent future legal compliance issues, including process improvements and strengthened communications and education for Agency staff and legislative reform.

## Executive Summary

The Program has been established to centrally coordinate reporting and escalation of all matters involving legal non-compliance in the administration of payments and services delivered across all Agency programs. This includes the tracking of all identified issues, maintaining a Register of up-to-date information on each issue, an assessment of the impact of each issue on customers, staff, systems and processes, legal risk, and monitoring and reporting on the progress towards resolution.

The Agency previously had no central business unit with the primary purpose of assessing, coordinating and reporting on legal compliance issues, and associated resolution and remediation activities in the delivery of the Agency’s programs and services. The resolution of these issues and the remediation of affected services, customer records or payments has to date been completed by individual Business Owners and service delivery teams across the Agency.

The Program coordinates the necessary actions needed to ensure the Agency’s services are legally compliant while providing confidence to customers and government that the Agency’s systems and processes are compliant with the law, including Social Security, Health and Child Support laws.

The Playbook sets out how the Program fosters an environment of continuous improvement in the Agency through rapid identification and management of legal compliance issues, while taking the necessary time to review and implement strategies that mitigate the risk of future potential issues.

The Agency is committed to maintaining compliance with all applicable laws and regulations. All staff must proactively identify and escalate risks to the Agency's programs and services to help ensure the integrity of government outlays.

## Our Service Offer

The Program:

- ensures the coordination and escalation of all identified legal compliance issues through dedicated monitoring, reporting and governance arrangements, providing a consistent view of all issues and remediation activities being managed across the Agency, through a centralised Register,
- collaborates with Business Owners and supports the engagement of stakeholders across government (including policy departments) to escalate the visibility of issues and assist to progress legislative reform and other change initiatives where suitable,
- provides additional support, analysis and advocacy to help resolve legal compliance issues,
- supports Business Owners in the design, implementation and prioritisation of resources (including through external funding requests where appropriate) to deliver operational remediation activities to correct impacted services, payments, or customer records,
- supports Business Owners in the identification, design and prioritisation of system changes to resolve legal compliance issues and/or correct impacted services, payments, or customer records,
- undertakes root cause analysis of the Agency's legal compliance issues to identify trends, common causes or other contributing factors to identify areas for improvement,
- undertakes closure and evaluation activities for resolved legal compliance issues and completed remediation activities to ensure lessons learned are captured, and to identify potential opportunities for improvement to prevent future legal compliance issues,
- promotes awareness of the responsibilities of all Agency staff to identify and escalate issues, and
- explores opportunities to improve existing enterprise-wide processes supporting the amendment of existing, or the introduction of new policy and legislation to minimise and/or mitigate the risk of future legal compliance issues.

## Legal Compliance and Remediation

The Program will address material risks of payments and programs being administered in a manner that is inconsistent with legislation.

The Program's design, and this Playbook are informed by officials' duties under:

- *the Public Service Act 1999*
- *the Public Governance, Performance and Accountability Act 2013*
- the Principles of administration in section 8 of the *Social Security (Administration) Act 1999*, section 25 of the *Aged Care Act 2024* and section 5C the *Student Assistance Act 1973*.

As a non-corporate Commonwealth Entity, the Agency's roles and functions are reportable both as part of Annual Performance Statements and Reports on Financial Performance with oversight provided by an independently chaired Audit and Risk Committee, and by external oversight bodies such as the Australian National Audit Office.

Through these mechanisms, the Program provides assurance that the Agency's systems, processes and frameworks are adequately protecting the Agency's lawful administration of payments and programs.

### Categories of legal non-compliance

The Program works within a broader legal compliance framework supporting the identification and assessment of issues across categories of legal non-compliance. This includes:

- Non-compliance with the law – **including primary legislation, delegated legislation and common law**
- Non-compliance with official government policy – **including formal instruction on how the law should be administered**

- Non-compliance with non-binding policy or legitimate expectations – **including ethical guidelines**
- Non-compliance with good practice – **including customer service standards, user-centred design principles and program delivery standards**

The Program's primary focus is to register, coordinate and report on matters of non-compliance with the law, regardless of how they have arisen. For clarity, complying with the law means complying with the legislation (including all Acts, regulations, and rules made under the Act) and any case law.

In instances where processes, procedures, systems or policies have not been designed or implemented in compliance with policy or good practice, the Program will support Business Owners to register and resolve those where it is identified the result is a payment or program is also non-compliant with the law.

Where the process is not compliant with policy or good practice, that do not rise to non-compliance with the law, are not directly within the scope of the Program, however the Program will work with Business Owners to identify the most appropriate path to progress resolution.

## Resolving legal compliance issues

Resolving a legal compliance issue relates to the actions taken to resolve an issue with a system, process or program that results in the system, process or program not being compliant with the relevant law. The Program provides the necessary assurance that risks to the Agency's systems, processes and programs are promptly identified and addressed, potentially including instances where legally non-compliant processes are maintained pending further legal assessment.

Actions that the Program will support to resolve legal compliance issues broadly are forward-looking – i.e. to ensure future decisions are lawful. They include, but are not limited to:

- Stopping or changing Agency business processes, staff guidance or external communications,
- Stopping, changing or updating Agency system functions, including those based on automation,
- Working with policy departments to introduce new policy and/or legislation,
- Working with policy departments to prospectively amend existing policy and/or legislation, or
- Working with policy departments to retrospectively amend legislation (only in exceptional circumstances, and with appropriate legal consideration and broader Commonwealth consultation) – this will provide a forward-looking and backwards-looking fix.

## Remediation

Remediation is the action taken by the Agency to resolve incorrect administrative decisions, rectifying incorrect payments, or making other corrections to services or customer records because of legal compliance issues – i.e. backward-looking, and correcting past decisions. This may include, but is not limited to:

- Operational staff correcting customer/provider services, records, payments or debts, with or without customer/provider contact,
- Service recovery activities, such as outbound engagement or customer/provider correspondence, to provide affected entities or customers information about changes made to their payments, services or records,
- Implementing ICT system fixes to correct errors in payments, services or customer/provider records in bulk,
- Debt waiver, write-off or other non-recovery considerations,
- Making payments via the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme), or
- Other forms of compensation.

Suitable record keeping processes will form part of any remediation activity to satisfy other obligations such as audit scrutiny, accurate financial reporting etc.

**NOTE:** Not all legal compliance issues will require the remediation of impacted services, payments, or customer records to achieve resolution of the identified issues.

# Roles and Responsibilities

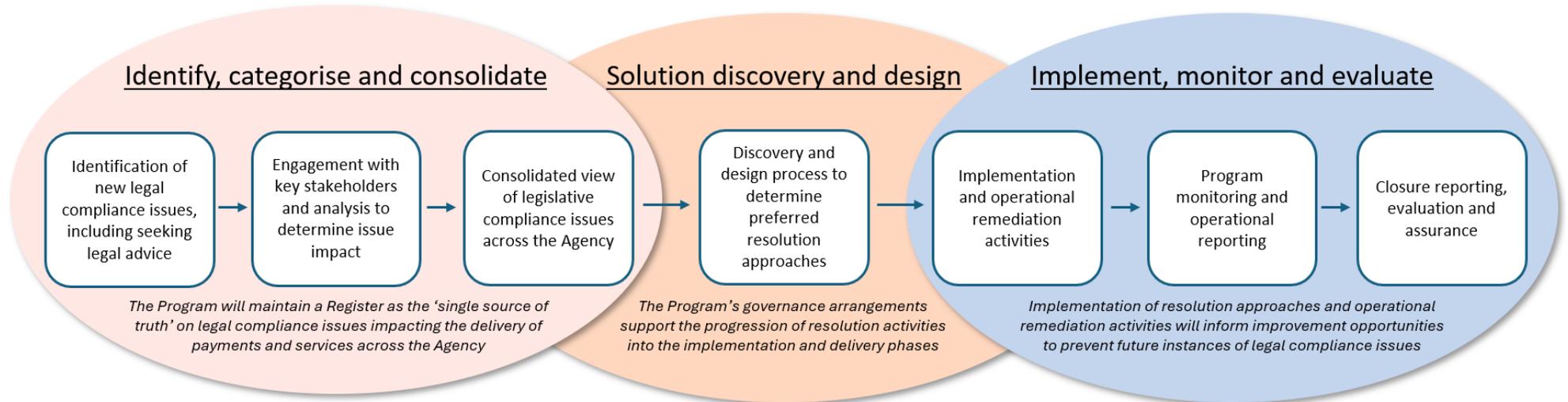
Legal compliance issues are a shared responsibility across the Agency. All staff have an obligation to identify, report and escalate matters that are considered a risk to the lawful delivery of payments and services to customers. The Program’s role is to consolidate and coordinate the Agency’s response to these issues in collaboration with all stakeholders.

The Program leverages the Agency’s existing infrastructure and relationships to support Business Owners address issues. At a group level, the Program works with:

Group	Roles and Responsibilities	Program relationship
<p><b>Payments and Integrity</b></p>	<p>Program owners of the Agency’s payment accuracy, debt, fraud and review matters, including business ownership of legal compliance issues linked to payment accuracy, debt raising and debt recovery matters. Payments and Integrity Group manages the relevant business processes and undertakes specialised service recovery for matters such as fraud investigations and prosecutions, utilising existing relationships with third parties such as the Commonwealth Director of Public Prosecutions where necessary.</p>	<p>The Program consults with Payments and Integrity Group on service recovery matters impacted by payment accuracy, debt, compliance and appeals, including seeking support through operational remediation activities.</p>
<p><b>Program Design</b></p>	<p>Owner of the Agency’s programs, payments and service design across social welfare, child support, health, veterans and aged care sectors. Business ownership of legal compliance issues affecting core programs and payments. Program Design Group also manages the Agency’s relationships with policy departments.</p>	<p>The Program works collaboratively with Program Design Group and other Business Owners and key stakeholders to ensure all legal compliance issues and remediation activities have accurate status and progress updates to support centralised Program reporting and governance. The Program provides input into existing bilateral engagement arrangements with policy departments and assists by escalating any matters within established governance arrangements to assist in expediting resolution. The Program is also available to provide support to Business Owners by designing remediation processes, customer correspondence, and where appropriate, provide operational resources to deliver remediation activities.</p>
<p><b>Corporate Enabling</b></p>	<p>Provides the Agency with business and case specific legal, corporate governance and financial integrity/financial systems, including on options to remediate legal compliance issues.</p>	<p>The Program and/or Business Owners engage Corporate Enabling Group to source internal and external legal advice to support Business Owners with remediation solutions and approaches through Corporate Enabling Group’s Legal Services Division and through the Agency’s other assurance processes. The Program ensures reporting is closely aligned to existing legal risk reporting to provide consistent messaging on legal compliance issues. The Legal Services Division supports the Program and/or Business</p>

		<p>Owners to develop legally compliant solutions to these issues. The Chief Financial Officer Division supports the Program and/or Business Owners to develop solutions to legal compliance issues that enables accurate financial reporting to partner agencies.</p>
<p><b>Service Delivery Excellence</b></p>	<p>Identifies and addresses service delivery risks particularly in the use of automation and provides best-practice expertise and advice in designing and implementing new service delivery solutions and customer correspondence to manage legal compliance issues. Ensures any intended new or modified use of automation or artificial intelligence will be in accordance with approved Agency Accountable Authority Instructions governance and assurance processes.</p>	<p>Service Delivery Excellence Group assists the Program and Business Owners with staff and user research and develop innovative solutions to address legal compliance issues affecting the services delivered by the Agency, including creating opportunity for improved business processes. The Program and Business Owners also engages Service Delivery Excellence Group to lead and document any required process changes. The Program ensures reporting is closely aligned to the outcomes of automation and AI reviews, to ensure consistency in reporting on any identified legal compliance issues.</p>
<p><b>Strategy and Performance</b></p>	<p>Responsibility for all program/project, change, data and governance infrastructure and providing advice on internal and external communication.</p>	<p>The Program (along with Business Owners) works with Strategy and Performance Group to progress resolution of legal compliance issues (where required) through Agency endorsed processes in relation to investment prioritisation and/or change registration (as part of the Enterprise Change Model). The Program also works with the Communications Division on the strategic communication approach and the Data and Analytics Division to use data to determine the scope and impact of legal compliance issues, track the delivery of remediation activities and develop AI or automation capability projects.</p>
<p><b>Technology and Digital Programs</b></p>	<p>Provides the technical knowledge of the Agency’s systems and tools and implements fixes and enhancements to resolve legal compliance issues as required.</p>	<p>The Program (along with Business Owners) works with Technology and Digital Programs Group to develop and release technological solutions for Business Owners with legal compliance issues. This includes matters pertaining to both automation and transformation.</p>
<p><b>Customer Service Delivery</b></p>	<p>Maintains the effective operations of the Agency’s service delivery workforce including inbound and outbound telephony, specialist escalations networks and workload and workforce management. Provides staffing resources to deliver operational remediation activities.</p>	<p>The Program supports Business Owners to resolve legal compliance issues through Customer Service Delivery Group (CSDG) undertaking remediation activities where CSDG staff are best placed to deliver the work, while minimising the impact on critical Agency services and functions. The Program also works with CSDG to forecast staffing effort in delivering remediation activities and identify efficient and effective workload management solutions.</p>

# Program High-level Process Flow



# Identify, categorise and consolidate

This section focuses on a clear and transparent process to follow when a potential issue of legal compliance is first identified. This ensures visibility of emerging issues, and that these are escalated to the Program for appropriate action. Further, this section outlines the Program's categorisation process used to determine registered issues are within the scope of the Program and that the Program has a consolidated view of all legal compliance issues across the Agency.

## 1) Identify

### a) Identifying new legal compliance issues

Issues requiring action may be identified in many ways, including but not limited to:

- Litigation and merits review matters
- Requests for legal advice, and provision of advice
- Reviews of the Agency's operational procedures
- Assurance reviews
- Internal and external audits, including ANAO Performance Audits or Financial Statements Audits
- Complaints and investigations
- Escalated correspondence
- Implementation of CDDA payment decisions
- Analysis of the Legal Compliance and Remediation Register
- ICT incident notification
- Automation and AI Capability Management
- Media enquiries
- Senate Estimates hearings
- Policy agencies
- Staff feedback
- Evaluation of completed legal compliance activities
- Privacy incidents

The above processes represent the first step in the identification of legal compliance issues. The effectiveness of each of these processes in identifying legal compliance issues is reliant on Agency staff and business teams to apply their technical expertise to proactively identify whether any instance raised may potentially be more than an isolated incident.

Legal compliance issues may also be identified through engagements undertaken by Business Owners with third parties such as the Department of Finance, the Commonwealth Ombudsman, the Office of Legal Services Coordination and the Office of the Australian Information Commissioner, among others.

### b) Registration of new legal compliance issues

#### Suspected legal compliance Issue

Business Owners are responsible for undertaking initial analysis of any new issue prior to it being registered with the Program.

If initial Business Owner analysis indicates there is a suspected issue of an Agency process or service not being legally compliant, this should be escalated **urgently** to the relevant National Manager before any requests for legal advice on the issue from Legal Services Division via the [PUB.ADV.LEGAL](#) mailbox.

- **Business Owners should consider ceasing any activity that has identified risk, if that is feasible.** For example, continued delivery of payments or services to customers which may be considered legally non-compliant.

- Business Owners should share the registration of the suspected issue with all internal stakeholders that may be impacted, so that they can consider potential impacts to their programs or interaction with assurances processes.

If it is deemed necessary to seek legal advice, this should be actioned **urgently** by the Business Owner, supported by National Manager approval.

- The request for legal advice must seek advice on:
  - o Whether the process in question is legally compliant;
  - o The steps that could be taken to mitigate any legal risks associated with current processes;
  - o The steps the Agency could take to mitigate any risks associated with payments or decisions that have already been made under the current process, and
  - o The risks to the Commonwealth (including the Agency and policy department (as applicable)) if a Business Owner decides to continue a process or activity, pending decisions on next steps as supported by that advice.
- The Agency may need to consult with the policy department responsible for the legislation (as required by the *Legal Services Directions 2017*). Legal Services Division will advise if this is required.
- Business Owners should also continue to escalate their issue through their Group escalation processes in parallel as required, including consideration of inclusion on the joint Policy Department BMA issues registers.

If an issue is not related to Agency programs and services not complying with the law, then it **should not** be registered with the Program.

- It is not uncommon for Business Owners to have backlogs of business-as-usual work needing additional staff effort, system limitations with existing manual workarounds, or new workloads without business processes. These types of activities are not in scope for registration with the Program, except where this results in, or has the potential to result in, a legal compliance issue.
- There are existing Agency functions that provide assistance for service recovery or other issue management related activities, for example: [The Strategic Partnerships FRONT DOOR for Service Delivery Operations - Home](#).

## Confirmed legal compliance Issue

On receipt of legal advice that the delivery of Agency services is not compliant with law, the Business Owner must **urgently** brief their relevant General Manager, Deputy CEO and CEO to ensure visibility of the issue, and to support Agency officials to discharge their legal obligations. Any supporting legal advice obtained from the Legal Services Division should be part of this briefing.

- The issue registration must be updated via the Program SharePoint portal to ensure the Program has visibility of the issue confirmation.
- Legal Services Division is responsible for reporting significant legal issues to the Office of Legal Services Coordination (OLSC) and liaising with policy partner legal counterparts.
- Legal Services Division will support Business Owners to proactively report to the Commonwealth Ombudsman (as required by the Ombudsman's statement of expectations), the Office of the Australian Information Commissioner (OAIC) (for privacy-related issues) and/or the Minister for Finance (for breaches of s83 of the Constitution)
  - o Legal Services Division, through the FOI and Reviews Branch, supports these efforts through coordination activities; the Business Owner is responsible, and the decision-maker for these reports.
- The Chief Financial Officer Division leads any briefings to the Australian National Audit Office (ANAO), with the support of Business Owners and the Program.
- Business Owners should confirm the issue with all internal stakeholders that may be impacted, so that they can finalise their potential impact assessments.
- Business Owners lead any additional briefing requirements to policy department counterparts or to the Minister for Government Services, with support from Legal Services Division and the Program and any other relevant internal stakeholders.
- The Deputy CEO Business Owner and Chief Counsel determines if CEO correspondence to the relevant policy department Secretary is recommended.
  - o The Program maintains a catalogue of briefings to deliver a consistent understanding of briefing content, and to provide visibility to Agency executive of all relevant briefings that have been delivered in relation to each legal compliance issue.

- The Program is available to provide support to Business Owners via the [LCR.STRATEGY](#) mailbox if further clarification is required prior to completing the registration process.

## 2) Categorise

### a) Assessment

- The Program undertakes a preliminary assessment of all registered legal compliance issues to ensure that:
  - o the issue meets the scope for inclusion in the register
  - o sufficient information exists about the issue
  - o there is no duplication with other registered issues from either the same business area, or another impacted area in the Agency (i.e. a payment issue also resulting in incorrect debts for customers).
  - o trends are suitably identified through root-cause analysis. The Program works with Business Owners to determine potential systemic issues for consultation with the policy departments, as appropriate, and consolidation in a forward work plan
- The Program's scope is limited to assisting Business Owners with issues of legal compliance. Where a matter does not result in an issue of legal compliance, the Program will work with Business Owners to identify the most appropriate Agency process to resolve the issue.
- After identifying an in-scope legal compliance issue, the Program supports Business Owners with early stakeholder engagement. These contacts help determine potential customer, program, staff and Agency impacts, as well as help identify the critical stakeholders for resolving and remediating the issue.
- Core stakeholders that early engagement should occur with include:
  - o Legal Services Division,
  - o Data and Analytics Division,
  - o Chief Financial Officer Division,
  - o Operations Management Division,
  - o Service Delivery Excellence Group,
  - o Technology and Digital Programs Group,
  - o Payments and Integrity Group
  - o Relevant policy departments, as needed.
- These early engagement activities provide early visibility to critical business areas ahead of further engagement on a legal compliance issue.

## b) Out of scope referrals

- Matters that do not fit within the scope of the Program are returned to the Business Owners, with written confirmation for why the matter will not be addressed by the Program.
- The Program maintains a record of registered matters that are determined to be out of scope, along with reasoning as to why the matter is out of scope including details of the decision maker, date of decision and date of notification to the relevant National Manager.
  - o These records are maintained for reporting on de-scoped matters, including relevant assessment or analysis undertaken by the Program.
  - o This information will be made available to Business Owners for their records.

**NOTE:** Manual inefficiencies, outcomes of fraudulent behaviour and corporate issues are not within the scope of this Program. The Program will support Business Owners to escalate these matters through existing Agency processes to facilitate efficient escalation, assessment and action.

## 3) Consolidate

### a) The Register

The Program maintains a Register of all activities that have been reported via SharePoint. This includes those that have been prioritised for action, de-scoped, and/or completed.

- The Register is the single source of truth for all legal compliance related activities across the Agency.
- Regular reporting is provided to Agency executives and Tier 1 Committees on the current status of activities within the Register, including total number of activities on hand and critical milestones.
- The Program also engages with teams across the Agency that manage functions that identify, track and report on potential or confirmed legal compliance issues. This ensures the Register is maintained as the single source of truth on all issues and contains current information. These teams include, but are not limited to:
  - o Legal Services Division,
  - o Automation and AI Branch, and
  - o Bilateral Relationship Managers.
- The Register is provided to all relevant teams including program support teams such as Legal Services Division and Data and Analytics Division to ensure there is consistency in understanding, definition and reporting on all legal compliance issues and remediation activities on the Register.

### b) Program Reporting

The Program develops and maintains reporting on all legal compliance issues and remediation activities which provides enterprise visibility of issues and support planning for when activities may progress to the solution discovery and design processes.

- Program reporting will be shared with relevant executives, boards and Tier 1 committees on a regular basis, providing visibility on issue statuses and next steps for priority issues.
- Individual one-page reports are produced by the Program all issues, which includes, but is not limited to:
  - o Title of issue
  - o Impacted agency program/service
  - o Nature of the issue – legislative, policy, process or system etc.
  - o Whether the issue continues to occur
  - o When the issue was first identified
  - o Whether the issue has been reported to external governance bodies such as OLSC, the Commonwealth Ombudsman, the OAIC or as a Section 83 breach to the Finance Minister

- High-level overview of the issue, including (if known):
  - if a solution has been identified
  - the scale of issue, including the Agency programs that are impacted and the number of customers estimated to be impacted
  - the scope, size and demographics of impacted customers (this includes consideration of potential vulnerabilities including domestic violence, disabilities and natural disasters),
  - the cost of addressing the underlying issue, in parallel with the cost of potential remediation activities and,
  - the Agency's operational readiness to address and remediate the issue
- Next steps or any future milestones/deadlines.
- Program reporting ensures that all stakeholders have access to the critical information for each issue and assists in determining issues which require priority action by the Program, Business Owners and other stakeholders such as policy departments.

### **c) Governance**

The Legal Compliance and Remediation Board (the Board) reports to the Executive Committee and other agency governance committees as required, and is supported by the Program. The Board oversees the Register and supports the CEO with updated issue reporting.

To guide and support legal compliance and remediation efforts, the Board:

- provides advice on strategic decisions for the Agency in relation to legal compliance, resolution and remediation issues
- serves as an escalation point for critical legal compliance and remediation issues
- reviews resolution and remediation proposals including proposed resolution and remediation action plans
- endorses the closure and assurance of legal compliance and remediation issues
- considers potential future areas of legal non-compliance across the agency and recommends preventative measures
- supports and endorses enterprise reporting on legal compliance and remediation issues across the Agency
- provides strategic direction and guidance to support the resolution of identified systemic blockers involving the Agency's legal compliance with the delivery of services and any associated remediation work, including resourcing considerations
- oversees the management of risks and opportunities, recommending necessary adjustments or interventions to support the delivery of outcomes and identifies matters requiring input from the Agency's enterprise governance committees and/or policy partners, aligning to the appropriate bilateral protocols
- considers and escalates whole of government issues arising from the Agency's Legal Compliance and Remediation Division
- makes decisions which support the government's policy agenda and aligns with the Agency's Corporate Plan and Vision.

# Solution discovery and design

Once an activity has been registered, assessed, and all relevant stakeholders have been notified of the issue, the Program commences a comprehensive discovery process, with engagement of all impacted stakeholders, before supporting Business Owners to identify resolution of the issue involving legal compliance of services delivered by the Agency. The Program also supports Business Owners to determine the most efficient and effective process for remediating any impacted payments, records or services.

## 1) Discovery

The Program works closely with Business Owners to ensure that all legal compliance issues have resolution approaches underway or identified and planned to be implemented. Where Business Owners require support, the Program assists in the development of options for consideration and endorsement or uses the Program's governance arrangements to escalate matters to advocate for a resolution. This approach provides a structured way for the agency to seek support (such as legal advice or data) from specialist stakeholders.

The Program's discovery stage supports Business Owners to engage any other relevant stakeholders (such as ICT, Service Design, Data Analytics and Transformation etc) to ensure there is a comprehensive understanding of the legal compliance issue, including:

- Understanding the full scope of the issue, including drivers, systems, processes
- Seeking opportunity for consolidated reform packages (assessing other registered issues for broader systemic impacts)
- Impact on customers, including demographics, cohorts and any vulnerabilities
- Impact on staff
- Stocktake of any rectification work, analysis or customer contact completed to date
- ICT/automation/system impacts/interdependencies
- Legal advice (either internal or external advice as necessary) and policy advice, including through engagement with policy departments
- Impacts on financial integrity, including financial systems, and accuracy of reporting to partner agencies
- Comprehensive stakeholder list, for both Agency and external stakeholders
- Modelling service delivery impacts of remediation on business-as-usual Agency workloads

The Program's discovery stage supports Business Owners undertake detailed cohort analysis with the assistance of data extractions by the Data and Analytics Division. Data analysis also supports Business Owners and the Program to determine if there are additional existing legal compliance issues requiring remediation activities where there are impacts to the same individuals or entities.

Following the discovery stage, the scope is agreed with the Business Owner before progressing to the design stage. This information forms part of the record of information maintained by the Program for each registered issue.

The comprehensive discovery stage assists in the design of approaches for resolution of legal compliance issues and assists in the prioritisation decision making of operational remediation activities.

## 2) Design

The design stage considers the approach for resolution of the legal compliance issue. The Program is available to support Business Owners to undertake engagement, consultation and advocacy with policy departments through Program governance arrangements or through existing bilateral governance relationships managed by the Program Design Group.

Where necessary, the Program then provides support to Business Owners to design approaches or processes for legal compliance issues that have impacted payments, records or services requiring remediation.

Design solutions are tailored according to each issue and its remediation needs. Legal compliance issues may require resolution through system or process updates, legal reform or other policy changes, and the impacts to payments, records and services may require operational remediation activities.

The design stage for resolution and remediation activities considers:

- Business process updates
- Staffing resources, including an estimate on the timeframe to resolve the issue to support forecasting
- Staff support arrangements, including training, guidance material or other support
- Legal advice and policy advice
- Financial integrity and accounting advice
- ICT requirements
- Data requirements (including the use of data for segmentation of delivery tranches)
- Cyber or Privacy impacts/considerations
- Impacts to customers (including potential debt and underpayment)
- Customer and staff insights
- Customer correspondence requirements
- Service delivery requirements
- Workload management requirements
- Data requirements and other metrics that assist with external reporting obligations (including to the Commonwealth Ombudsman, OAIC, Finance Minister etc)
- Operational reporting and situational reporting requirements
- Assess potential impacts on the Agency's critical service delivery activities

The design of resolution options (forward looking for future decisions to be made lawfully) may include:

- Redesigned manual processes and/or ICT systems, and/or
- Legislative reform, including primary legislation and/or delegated legislation.

The design of remediation solutions (backward looking – i.e. to correct past decisions made) for impacted payments, records or services (depending on legal and policy advice) may include:

- Outbound contact with impacted customers/individuals/entities, via phone, letter, SMS, push notification etc,
- own motion review decisions,
- debt waiver, write-off or other non-recover considerations,
- payment of arrears,
- Scheme for Compensation for Detriment caused by Defective Administration (CDDA)/Act of Grace action,
- informing individuals about legal liability or compensation options, and/or
- informing individuals about their review rights.

The design stage also considers and recommends to Business Owners or as required, the Board, which remediation operating model is most appropriate for the delivery of operational remediation activities:

- **Push – Coordination Support** – The Business Owners continue to maintain responsibility for the delivery of the remediation activity, including both the design and implementation. The Program provides ongoing support and coordination and incorporates progress updates into the Program's periodic reporting.
- **Pull – Insourcing subject matter expertise** – Temporary movements of subject matter experts from other business areas to assist the Program to deliver remediation activities. This may include insourcing subject matter experts to support the design or delivery of a remediation activity in conjunction with the Program and the Legal Compliance and Remediation Division's operational workforce.
- **Absorb – Centralised workforce** – Remediation activities are designed and delivered by the Program and the Legal Compliance and Remediation Division's dedicated operational workforce. Remediation activities still require the support and approval of relevant Business Owners.

The design stage is not concluded until there is agreement between the Program and Business Owners on the preferred approach to resolution and remediation, or agreement on the options to be provided for consideration or decision to the Board and ultimately the CEO (and policy department Secretary, as needed).

### 3) Briefing and Endorsement

Once the discovery and design stages are complete, a proposed delivery solution (including any options) is developed and escalated to the Program Board for consideration and, as required, for approval to proceed to recommended implementation.

If required, further escalation will occur to the relevant Tier 1 Committee for decision, with further visibility provided to the Minister's Office as required.

- Any resolution activities that require ICT or resourcing investment are incorporated into the Agency's existing prioritisation model (via the New Initiative Request process).
- The activity is triaged in sustainment, and managed by the Technology and Digital Programs Group, or proceeded to the Portfolio Management and Investment Committee for an internal investment decision (which is coordinated by the Enterprise Portfolio Management Office). At times, external budget submissions may also need to be considered through appropriate levels of engagement and escalation.

Major proposals identified through the discovery and design stages, such as significant legislative reform, must have the appropriate level of visibility and engagement through the Agency's Tier 1 governance committees and must be consulted and decided on by the relevant policy departments through existing bilateral governance arrangements managed by the Program Design Group. The Program supports Business owners through this process where required.

Any briefings on specific legal compliance issues and remediation activities are managed by the Business Owner, with support from the Program. Program-level briefing and reporting is managed by the Program through its governance arrangements.

# Implementation and monitoring

Following endorsement of a solution, the Program works with stakeholders to develop a plan to implement and operationalise the activity, including establishing progress monitoring and reporting. The implementation planning is adapted according to the operating approach to the solution (push, pull or absorb).

## 1) Implementation planning

Following the solution design, discovery and briefing stages, the Program assists Business Owners to implement the resolution approaches of each issue as needed. This may include supporting Business Owners with registration of projects or managing people change through the Enterprise Change Model via the Enterprise Portfolio Management Office.

The Program assists Business Owners on implementation planning, including stakeholder identification, to ensure that the Board has visibility of the key activities planned to occur to support the implementation of resolution actions.

The stakeholder identification process also defines ongoing reporting requirements, particularly for external oversight bodies such as OLSC, the Commonwealth Ombudsman, ANAO and OAIC.

The planning process identifies key milestones to support Agency tracking of progress and to support ongoing engagement with critical stakeholders, including policy departments, where legislative or policy changes underpin the resolution of the issue.

Tracking against key milestones supports the Program and the Board to identify where additional support or advocacy is required to facilitate the implementation of issue resolution. This may take the form of additional advocacy with policy department counterparts, including CEO engagement with the relevant policy department Secretary.

Ongoing implementation is monitored by the Board, with escalations to Tier 1 committees as necessary.

## 2) Delivery and Operationalising

The Program either **supports** or **drives** several activities in the implementation of a solution based on the specific needs of each activity, including the delivery of:

- System requirements
- Legislative reform, by supporting the lead policy department(s)
- Customer correspondence (letters/SMS etc)
- Workload management strategy, including identification, allocation and closing of work items
- Workforce management strategy, including identification of appropriate operational staff and forecasting completion timeframes
- Operational reporting, including dashboards to monitor performance against forecasts
- Staff training packages
- Quality assurance
- Guidance material, task cards or staff scripting
- Establishing technical support through Microsoft teams chat groups/telephony/email/SharePoint etc.
- Level 2 helpdesk support, and ensuring availability of Level 3 support for complex enquiries
- Escalations and complaint handling strategy in line with the Agency's standard practice
- Staff wellbeing
- Internal communications and staff engagement plan, including:
  - o Overview document for SES and Operational leaders completing the work with:
  - o Activity overview/background information,
  - o Key messages

- Operational messaging
- Team Leader tool kit
- Frequently Asked Questions
- External communications and stakeholder engagement plan, including:
  - Activity overview/background information,
  - Key messages
  - External communications products such as website updates
  - Media talking points
  - Consultation with advocacy groups and the Commonwealth Ombudsman

### 3) Monitoring and Reporting

The Program works closely with Business Owners and the Data and Analytics Division to monitor the delivery of all resolution activities and operational remediation activities, with a focus on:

- Progress against critical milestones
- Reporting on outcomes for customers
- Reporting on operational performance
- Identify definitions of customer outcome measures
- Collecting operational feedback either directly or through escalated queries to address blockers or refine processes
- Collecting customer feedback to continuously improve processes or correspondence products
- Engaging in program monitoring to proactively seek the feedback from customers on their experience to support further improvement opportunities
- Identifying impacts on the Agency's critical service delivery activities.

The Program captures outcomes from its monitoring of individual activities to report to the Program Board or relevant Agency Committee on the progress in delivering its activities. This may include forecasts effort estimates as well as benefits analysis to provide indicative completion timeframes and costs to the Agency.

The Program also supports Business Owners prepare briefings for external reporting obligations, particularly to the Minister for Government Services, Minister for Finance, the Commonwealth Ombudsman, OLSC, ANAO and OAIC.

- The Program maintains a catalogue of all briefings on legal non-compliance issues to deliver a consistent understanding of briefing content, and to provide visibility to Agency executive of all relevant briefings that have been delivered in relation to each legal compliance issue.

# Closure and Evaluation

Following the resolution of a legal compliance issue (which may include the completion of a remediation activity), the Program undertakes a closure report which includes an evaluation process to identify opportunities to improve systems, processes or engage policy partners across the Commonwealth to seek policy/legislative reform to prevent future issues of legal non-compliance.

The Program's resolution activities include an assurance process, to be completed either internally or through the engagement of an independent assurer. The type and level of assurance is determined by the nature of the resolution activity, and with agreement of the Business Owners.

Business Owners work closely with the Program (and any third-party assurers where required) to identify the risks and opportunities resulting from the activity and assure the lessons learned in the development of any future legislation, policy, process or system.

This view of resolution and remediation ensures that an end-to-end model is applied to fixing previous issues, while preventing recurrence into the future.

Following closure, Business Owners assume responsibility for any enduring processes, reporting and operational requirements. This includes ongoing management of impacted customer enquiries, escalations, briefings or additional tailored remediation.

In addition to these activities, the Program also formalises closure of an activity through the Program Board, with final endorsement of the closure made by the Deputy CEO Payments & Integrity Group.

## Document Control

Document Control	
<b>Created By</b>	Integrity Response Division
<b>Date Created</b>	19 November 2024
<b>Version</b>	1.0
<b>Location</b>	

## Revision History

Version	Date	Created By	Comments
0.1	16 Jan 2025	Integrity Response Division	<ul style="list-style-type: none"> <li>Document created following internal development</li> <li>Draft prepared for stakeholder consultation</li> </ul>
0.2	14 Feb 2025	Integrity Response Division	<ul style="list-style-type: none"> <li>Feedback from Legal Services Division</li> <li>Feedback from Program Design Group</li> </ul>
0.3	27 Feb 2025	Integrity Response Division	<ul style="list-style-type: none"> <li>Feedback from Program Design Group</li> </ul>
0.4	24 Mar 2025	Integrity Response Division	<ul style="list-style-type: none"> <li>Feedback following design workshop</li> </ul>
0.5	11 Apr 2025	Integrity Response Division	<ul style="list-style-type: none"> <li>Feedback from Legal Services Division</li> <li>Feedback from Chief Financial Officer Division</li> </ul>
0.6	2 June 2025	Alignment and Remediation Division	<ul style="list-style-type: none"> <li>Feedback from all Groups across Services Australia</li> <li>Feedback from the Australian National Audit Office</li> <li>Feedback from the Department of Social Services</li> <li>Feedback from the Commonwealth Ombudsman</li> <li>Feedback from the Independent Advisory Board</li> </ul>
0.7	4 June 2025	Legal Compliance and Remediation Division	<ul style="list-style-type: none"> <li>Further feedback from the Independent Advisory Board</li> </ul>

Version	Date	Created By	Comments
0.8	27 June 2025	Legal Compliance and Remediation Division	<ul style="list-style-type: none"><li>Review and updates from General Manager Legal Compliance and Remediation Division</li></ul>
0.9	18 July 2025	Legal Compliance and Remediation Division	<ul style="list-style-type: none"><li>Review and feedback from Chief Counsel, Legal Services Division</li></ul>
1.0	30 July 2025	Legal Compliance and Remediation Division	<ul style="list-style-type: none"><li>Legal Compliance and Remediation Board endorsed version</li></ul>

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