3 Performance at a glance

IN THIS CHAPTER:

OUTCOME AND OUTPUT

THE BALANCED SCORECARD

MEASURING OUR PERFORMANCE

CLIENT AGENCY PERFORMANCE

SUMMARY
‘Centrelink achieved its highest-ever levels of overall customer satisfaction with service from CSCs and Call Centres’
Outcome and output

Centrelink has one Government-directed outcome, which is ‘effective delivery of Commonwealth services to eligible customers’. The outcome is supported by the output of ‘efficient delivery of Commonwealth services to eligible customers’. The outcome and output reflect Centrelink’s role in delivering specified outputs on behalf of client agencies. Centrelink’s six corporate goals and the Government’s priorities provide the framework for achieving our agreed output and outcome.

Figure 3 demonstrates how Centrelink’s goals, outcome and output link with desired client agency outcomes.

**FIGURE 3: Outcome and output structure**

**Client agency outcomes relevant to Centrelink**

- **FaCS**: OUTCOME 1—Stronger Families. OUTCOME 2—Stronger Communities. OUTCOME 3—Economic & Social Participation.
- **AFFA**: PORTFOLIO OUTCOME—Increasing the profitability, competitiveness and sustainability of Australian agricultural, food, fisheries and forestry industries and enhancing the natural resources base to achieve greater national wealth and stronger rural and regional communities.
- **AEC**: OUTCOME 1—Australians have an electoral roll which ensures their voter entitlement and provides the basis for the planning of electoral events and electoral redistributions.
- **AGD**: OUTCOME 1—An equitable and accessible system of federal law and justice.
- **ATO**: OUTCOME 1—Effectively managed and shaped systems that support and fund services for Australians and give effect to social and economic policy through the tax system.
- **DOCITA**: OUTCOME 2—A competitive and sustainable advantage in the global information economy.
- **DEST**: OUTCOME 1—School systems provide their students with high quality foundation skills and learning outcomes. OUTCOME 2—Post-school education and training providers assist individuals to achieve relevant skills and learning outcomes for work and life. OUTCOME 3—Australian institutions advance the knowledge base, contribute to the national innovation system and participate effectively in the global development of knowledge and skills.
- **DEWR**: OUTCOME 1—An efficient and equitable labour market that links people to jobs and promotes the transition from welfare to work.
- **Finance**: OUTCOME 2—Improved and more efficient government operations.
- **DFAT**: OUTCOME 2—Australians informed about and provided access to consular and passport services in Australia and overseas.
- **DHA**: OUTCOME 3—Improved and more efficient government operations. OUTCOME 6—Hearing Services.
- **DIMIA**: OUTCOME 1—Lawful and orderly entry and stay of people.
- **DOTARS**: PORTFOLIO OUTCOME—Linking Australia through transport and regional services.
- **DVA**: OUTCOME 1—Eligible veterans, their war widows/widowers, and dependants have access to appropriate compensation and income support in recognition of the effects of war service. OUTCOME 4—The needs of the veteran community are identified, members of the community are informed about available community and specific services and they are able to access such services.
**The Balanced Scorecard**

The Balanced Scorecard was the key instrument for measuring and reporting Centrelink's performance in 2001–02. The Scorecard reports against five corporate goals, which are a mixture of internally-set measures and measures set by client agencies. Each month Centrelink reports performance against a range of selected key performance indicators (KPIs) to the Board of Management, the Executive, Guiding Coalition and to management meetings.

The Scorecard is a strong performance driver, partly because it is accessible to every staff member via Centrenet and because it focuses the organisation on performance results.

The Scorecard:

- identifies key performance attributes that Centrelink must succeed in to reach its goals;
- allows monitoring of ongoing performance through a range of key measures which recognise achievements and identify weaknesses to give opportunities to improve performance;
- communicates performance results across the whole organisation to support ongoing planning; and
- provides a flexible comparison tool enabling performance information to be viewed in many formats including geographical performance mapping.

Centrelink's Scorecard is regarded as an innovative approach in the APS. Other agencies have recently shown their interest by visiting and asking questions. As well, Centrelink has regularly been invited to share its Scorecard experiences by presenting at various national and international conferences.

**Refining the Balanced Scorecard**

Maintaining the relevance and dynamics of the Scorecard is an important challenge in a changing environment. Centrelink has identified further opportunities to improve organisational alignment, planning and performance reporting and has commenced a review of the Scorecard in conjunction with the Strategic Directions and Business Plan.

Centrelink is also seeking to establish lead indicators that will give advance information about the status of performance strategies. This will position Centrelink to align strategy towards successful outcomes with a greater degree of certainty.
TABLE 12: Centrelink’s performance at a glance

<table>
<thead>
<tr>
<th>CLIENT PARTNERSHIPS</th>
<th>CUSTOMER AND COMMUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals</td>
<td>To increase customer and community involvement and satisfaction with services</td>
</tr>
<tr>
<td></td>
<td>• Helping people move forward</td>
</tr>
<tr>
<td></td>
<td>• Working in partnership with communities and business</td>
</tr>
<tr>
<td></td>
<td>• Making Centrelink even more responsive to citizens and business</td>
</tr>
<tr>
<td>Priorities</td>
<td>Ensuring the integrity of the social security system</td>
</tr>
<tr>
<td>Results</td>
<td>Generally Centrelink met most of the major client agency KPIs with significant improvements overall. In 2001–02 Centrelink achieved a result of 91 per cent representing a 14 per cent increase on the previous year’s result of 77 per cent. Recent business partnership negotiations have resulted in the replacement of some of these KPIs with a smaller number of outcome-focused measures.</td>
</tr>
<tr>
<td></td>
<td>Overall customer satisfaction with the quality of Centrelink’s people, services and information is 75 per cent. This is 1 per cent lower than the record high achieved in 2000. CSC satisfaction increased by 5.7 per cent from the previous year, with a result of 84.3 per cent for 2001. Call Centre satisfaction increased by 10.2 per cent from the previous year with a result of 85.3 per cent. International services remains exceptionally high at 94 per cent, down 3 per cent from the previous year.</td>
</tr>
<tr>
<td>Key Achievements</td>
<td>• Successfully prepared for the introduction of AWT measures</td>
</tr>
<tr>
<td></td>
<td>• Signed a landmark 5-year Memorandum of Understanding (MoU) with AFFA</td>
</tr>
<tr>
<td></td>
<td>• Achieved a higher percentage of overall client agency KPIs</td>
</tr>
<tr>
<td></td>
<td>• Signed off a new agency BAF agreement with FaCS</td>
</tr>
<tr>
<td></td>
<td>• Developed Customer Confirmation Online System for customer concession entitlements</td>
</tr>
<tr>
<td></td>
<td>• Negotiated changes to DEWR KPIs resulting in more outcome-focused targets</td>
</tr>
<tr>
<td></td>
<td>• Increased customer satisfaction with Centrelink service provided by both CSCs and Call Centres</td>
</tr>
<tr>
<td></td>
<td>• Improved customer access via an expanded internet facility</td>
</tr>
<tr>
<td></td>
<td>• Established new community partnerships and strategic alliances</td>
</tr>
<tr>
<td></td>
<td>• Streamlined and simplified processes to improve the customer’s experience</td>
</tr>
<tr>
<td></td>
<td>• Increased customer involvement in the design of services</td>
</tr>
<tr>
<td>Key Challenges</td>
<td>• Maintaining and improving current performance results for all client agencies</td>
</tr>
<tr>
<td></td>
<td>• Refining and agreeing partnership with FaCS</td>
</tr>
<tr>
<td></td>
<td>• Implementing the new funding model for FaCS, DEWR and DEST</td>
</tr>
<tr>
<td></td>
<td>• Maintaining and enhancing customer satisfaction results</td>
</tr>
<tr>
<td></td>
<td>• Addressing changing customer expectations resulting from increased use of technologies such as Short Message Service, internet and other services in the community</td>
</tr>
<tr>
<td></td>
<td>• Developing service offers more closely tailored to the needs of particular customer groups</td>
</tr>
</tbody>
</table>
CENTRELINK
PEOPLE

To provide Centrelink people with confidence, knowledge, skills and tools to meet the challenges of current and future business and their own career aspirations

Supporting our staff and agents to achieve our business objectives

FIGURE 6: Centrelink people performance

Following the excellent result in the previous financial year, there has been a levelling off with a slight reduction of 0.81 per cent in performance against the people measures in the Balanced Scorecard.

Note: 1999–2000 results have been calculated using 2001–02 targets to maintain relativities.

- Developed a Career Pathways Map for Centrelink employees to show how career paths and options are linked by nationally recognised learning
- Created the Centrelink Capability Index to allow Centrelink to monitor key staff indicators in the areas of availability, commitment and skills
- Established a national panel of providers to support competency-based recruitment services for the selection of over 450 Personal Advisers as part of AWT

COST-EFFICIENCY

To manage our business efficiently and return a dividend to Government

Giving Government confidence in its investment and transparency in its costs

FIGURE 7: Cost-efficiency

The results show the 2001–02 operating performance and the end of year cash and equity positions compared to the equivalent period last year.

- Achieved an operating surplus of $6.96 million
- Returned to Government all required efficiency dividends totalling $240.2 million
- Achieved a positive cash position of $134.45 million

- Negotiating Centrelink’s next Workplace Bargaining Agreement
- Implementing workforce planning throughout Centrelink’s network
- Developing a people management strategy
- Developing a national recruitment strategy
- Developing a remuneration strategy
- Implementing job redesign initiatives across 15 000 staff

- Managing Comcare Australia premium, especially high-cost claims
- Further developing Call Centre automation opportunities
- Refining and building on work completed to date on strategic cost management methodologies
- Achieving efficiencies through streamlined processes, customer profiling and accounts delivered across multiple channels
- Finalising the new external funding model in partnership with client agencies and Finance before the 2003-04 Budget
CentreThink & Ideas Bank
CentreThink provides a forum for staff to discuss, promote and share ideas for improving Centrelink. CentreThink is available to staff at all levels of the organisation, and at all sites.

During the last six months Ideas Bank has received full-time monitoring, which has resulted in greater efficiency in response times and an increase in the number of ideas being finalised.

Centrelink recently reviewed the process and set standard response times (five days for administrator update, 28 days finalisation from date submitted).

Increased response times and greater staff functionality of the Ideas Bank system is expected to increase staff interest and number of ideas submitted. Approximately 15 ideas have already been implemented nationally, with over 100 being supported for further development, which is an excellent conversion rate.

### TABLE 13: CentreThink ideas

<table>
<thead>
<tr>
<th></th>
<th>2001–02</th>
<th>2000–01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideas submitted</td>
<td>720</td>
<td>720</td>
</tr>
<tr>
<td>Ideas finalised</td>
<td>Nil</td>
<td>498</td>
</tr>
</tbody>
</table>

Fraud control
Centrelink is recognised around the world for expertise in fraud control. Specialised staff are sought to undertake consultancies to assist develop fraud programs for domestic and international organisations.

During 2001–02, Centrelink engaged in the following arrangements.

- Centrelink played a key role, with IBM and FaCS in a consultancy study on risk management on social security schemes for the Government of Hong Kong represented by the Social Welfare Department. Ray White, Detection and Review resided in Hong Kong for the six-month duration of the consultancy. The consultancy was considered a success by all organisations and further enhances Centrelink’s reputation around the world for its expertise in fraud control.

- Brian O’Malley, Detection and Review, completed a two-year outposting to Canada’s Human Resources Development Department to assist in developing their fraud control programs.

- Geoff Main and Brett Robson, Detection and Review, were attached to the Attorney-General’s Department to develop recommendations for improving personal identification practices. A scoping paper entitled “Who goes there?” was produced about management to identify fraud risks across the Commonwealth. The Government is currently considering issues arising from the study.
Measuring our performance

Our client partnerships

Our goal is to build partnerships with client agencies that deliver the required results and provide value for money.

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Key performance indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client agency satisfaction</td>
<td>Client agency satisfaction with Centrelink’s delivery of their services</td>
</tr>
<tr>
<td>BPAs—the number of measurable KPIs met within standards set out in BPAs</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KPIs: Internal measures</th>
<th>2001–02</th>
<th>2000–01</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target</strong></td>
<td><strong>Result</strong></td>
<td><strong>Target</strong></td>
</tr>
<tr>
<td>FaCS compliance reviews</td>
<td>1 million</td>
<td>1 059 237</td>
</tr>
<tr>
<td>FaCS compliance review savings and debts</td>
<td>$684.2 million</td>
<td>$867.2 million</td>
</tr>
<tr>
<td>Centrelink prosecution referrals to the Director of Public Prosecutions</td>
<td>3 800</td>
<td>3 780</td>
</tr>
<tr>
<td>FaCS referrals actionable by the Director of Public Prosecutions</td>
<td>80%</td>
<td>88%</td>
</tr>
<tr>
<td>Effective focusing of compliance review activity (reviews that resulted in either a downward variation to payment or debt)</td>
<td>30%</td>
<td>34%</td>
</tr>
<tr>
<td>Debt services—debt raising % within 56 days</td>
<td>80%</td>
<td>85%</td>
</tr>
<tr>
<td>Debt services—debt recovery % of debts raised</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>

(a) See also pages 60–73 for specific client partnership performance information.

Compliance activity

Compliance activity focuses on cases considered at high risk of incorrect payment as a result of fraud, misrepresentation, error or omission on the part of the customer. Risk-based reviews are conducted where there is a documented risk of incorrect payment, and include reviews arising from data-matching and tip-offs from the public. For more information about Centrelink’s compliance activity see Chapter 4, page 92.
Our customers and the community

Our goal is to increase customer and community involvement and satisfaction with services.

**TABLE 15: Customer and community outcomes**

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Key performance indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction with service</td>
<td>The percentage of customers rating their satisfaction with the overall quality of Centrelink’s people, services and information as ‘good’ or ‘very good’</td>
</tr>
<tr>
<td></td>
<td>The percentage of customers rating their satisfaction with the services provided by Centrelink as ‘good’ or ‘very good’</td>
</tr>
</tbody>
</table>

**KPIs: Internal measures**

<table>
<thead>
<tr>
<th>KPI</th>
<th>2001–02</th>
<th>2000–01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call wait time</td>
<td>162</td>
<td>108</td>
</tr>
<tr>
<td>Surveys—favourability (% of customers surveyed)</td>
<td>80%</td>
<td>84%</td>
</tr>
<tr>
<td>Surveys—image in population (% of customers surveyed)</td>
<td>25%</td>
<td>58%</td>
</tr>
<tr>
<td>Surveys—satisfaction with personal service in CSCs (% of customers surveyed)</td>
<td>80% 86%</td>
<td></td>
</tr>
<tr>
<td>Surveys—satisfaction with personal service in Call Centres (% of customers surveyed)</td>
<td>80% 88%</td>
<td></td>
</tr>
<tr>
<td>Surveys—satisfaction with personal service in International Services (% of customers surveyed)</td>
<td>80% 95%</td>
<td></td>
</tr>
<tr>
<td>Complaints—Proportion of tier 1 finalised within 2 working days</td>
<td>90% 100%</td>
<td></td>
</tr>
<tr>
<td>Complaints—Proportion of tier 2 finalised within 5 working days</td>
<td>90% 97%</td>
<td></td>
</tr>
<tr>
<td>Complaints—Proportion of tier 3 finalised within 10 working days</td>
<td>90% 98%</td>
<td></td>
</tr>
<tr>
<td>Appeals—ARO ‘customer with no income’ reviews finalised within 14 days</td>
<td>95% 87%</td>
<td></td>
</tr>
<tr>
<td>Appeals—ARO ‘28 day target’ reviews finalised within 28 days</td>
<td>75% 76%</td>
<td></td>
</tr>
<tr>
<td>SSAT application lodgments within 28 days</td>
<td>100%</td>
<td>96%</td>
</tr>
</tbody>
</table>
Our people

To provide Centrelink people with confidence, knowledge, skills and tools to meet the challenges of current and future business and their own career aspirations.

TABLE 16: People outcomes

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Key performance indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>An environment that develops people’s skills and commitment to service</td>
<td>An improvement in the Centrelink People overall performance measurement result compared to the previous financial year’s overall result</td>
</tr>
</tbody>
</table>

**KPIs: Internal measures**

<table>
<thead>
<tr>
<th>Outcome</th>
<th>2001–02</th>
<th>2000–01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning—Team and Individual Learning Plans (TILPs) (%) of staff with completed and reviewed TILPs</td>
<td>Target: 80%</td>
<td>Result: 82%</td>
</tr>
<tr>
<td>Learning—effectiveness of individual learning (%) of Staff Poll respondents who agree they have opportunities to learn and develop</td>
<td>Target: 55%</td>
<td>Result: 64%</td>
</tr>
<tr>
<td>Organisational well-being—investment in staff wellbeing (Average spent per employee on health promotion and early intervention activities)</td>
<td>$150.00</td>
<td>$184.23</td>
</tr>
<tr>
<td>Organisational well-being—job satisfaction (%) of staff poll respondents who are satisfied with their job</td>
<td>Target: 70%</td>
<td>Result: 70%</td>
</tr>
<tr>
<td>Performance development—recognition (%) of employees who receive an instance of formal recognition for good performance</td>
<td>Target: 40%</td>
<td>Result: 75%</td>
</tr>
<tr>
<td>Performance development—performance feedback (%) of staff poll respondents who agree they receive regular feedback about their work</td>
<td>Target: 50%</td>
<td>Result: 57%</td>
</tr>
<tr>
<td>Leadership (%) of staff poll respondents who agree they receive good leadership from their team leader</td>
<td>Target: 60%</td>
<td>Result: 70%</td>
</tr>
</tbody>
</table>
Our cost-efficient organisation

Our goal is to efficiently manage our business and return a dividend to Government.

TABLE 17: Cost-efficiency outcomes

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Key performance indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating results</td>
<td>Centrelink’s operational expenses are managed within revenue from client agencies, government and other sources</td>
</tr>
<tr>
<td>Cost per service</td>
<td>Reduction in cost per service per customer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KPIs: Internal measures</th>
<th>2001–02</th>
<th>2000–01</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>Result</td>
</tr>
<tr>
<td>Increased attendance</td>
<td>13.34</td>
<td>15.48</td>
</tr>
<tr>
<td>(days of unplanned absence per full-time employee)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comcare—revised premium rate</td>
<td>&lt;1.21%</td>
<td>1.44%</td>
</tr>
<tr>
<td>Decisions per CSO</td>
<td>255</td>
<td>230</td>
</tr>
<tr>
<td>Arrears (work backlog per 100 customers)</td>
<td>&lt;6</td>
<td>2.9</td>
</tr>
<tr>
<td>Call Centre utilisation rate</td>
<td>85%</td>
<td>88%</td>
</tr>
</tbody>
</table>

Note: Utilisation rate is a Call Centre productivity measure expressing the proportion of available hours of work that are devoted to customer contact.

Client agency performance summary

Department of Family and Community Services

Business arrangements

Centrelink and FaCS re-affirmed their strong working relationship this year by signing a new BPA for a further three years, 2001–04. This three-year agreement reflects a long-term commitment to continue working closely together to ensure that both policy and service delivery align to provide improved services to the Government and the Australian community.

In renewing this agreement Centrelink and FaCS undertook during 2001–02 to:

- jointly review BAF for payment correctness to protect the integrity of government outlays and ensure that Centrelink customers are paid their correct entitlements;
- improve the responsiveness and accuracy of information provided to customers through reviewing existing timeliness response issues in relation to policy guide updates and policy and legislative enquiries;
- liaise more closely on service delivery implications of existing and new policy initiatives; and
- establish a more outcome-focused performance management framework by reviewing KPIs to better reflect respective policy and service delivery responsibilities to the Government and the Australian community.
**Major initiatives**

During the year Centrelink:

- participated with FaCS in developing a new Business Partnership Performance Framework which focuses more clearly on customer and community outcomes;
- implemented a new payment correctness framework (see BAF, Chapter 4, page 87);
- drafted suggested timeliness KPIs for policy guide updates and policy and legislative enquiries for agreement; and
- prepared a range of policy feedback mechanisms for consideration and held a pilot policy-feedback workshop.

In mid-2001 Centrelink, in conjunction with FaCS, field tested proposed changes to the assessment criteria for Carer Allowance, with carers of children aged under 16. The proposed changes were also tested with doctors. These changes were based on recommendations from a 1999 review of the Carer Allowance Child Disability Assessment Tool (CDAT) and other community input. The findings from the field tests provided valuable input to the final version of the revised CDAT, which was introduced on 1 January 2002.

**Performance**

Centrelink performed strongly, achieving 85 per cent of FaCS reportable KPI measures during 2001–02. Centrelink exceeded the FaCS timeliness standards for 90 per cent of all main payments by achieving a 96 per cent accuracy result for new claims and reassessments against a target of 95 per cent. Timeliness and accuracy remained the two key areas of focus for the period.

**TABLE 18: FaCS revenue and performance summary**

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 679 126</td>
<td>32</td>
<td>86%</td>
</tr>
</tbody>
</table>

**Department of Employment and Workplace Relations**

**Business arrangements**

A major achievement was the renegotiation of KPIs to be more effectively measureable, realistically achievable and more within Centrelink’s control. This was possible because of the positive approach to negotiation adopted by both Centrelink and DEWR. It indicates an increasingly stronger working relationship being formed between both agencies.
The 2002–03 BPA was signed on 18 July 2002 and reflects the following significant changes:

- raising Job Seeker Classification Supplementary Assessment performance information from a monitored indicator to a KPI to provide a better outcome focus;
- including reciprocal client agency KPIs for management information;
- taking a more collaborative approach to I&T;
- FaCS accepting funding responsibility for the production of the participation report; and
- ensuring a smooth transition to the third Employment Services Contract in July 2003, by Centrelink working closely with DEWR.

**Performance**

After significant challenges in 2000–01 in striving to meet some of the DEWR KPIs, Centrelink demonstrated a marked improvement during the year achieving all KPIs within tolerance ranges.

**TABLE 19: DEWR revenue and performance summary**

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>121 642</td>
<td>4</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Department of Agriculture, Fisheries and Forestry—Australia**

**Business arrangements**

During 2001–02 Centrelink continued to deliver Farm Help—Supporting Families through Change and the Exceptional Circumstances (EC) program. Centrelink was also contracted to deliver financial assistance to farmers through various industry restructure packages.

Centrelink operates a Rural Processing Unit in Area West Victoria to improve its service delivery performance for programs delivered to customers in rural areas by providing centralised expertise in the assessment of eligibility for assistance under the various rural programs.

**Major initiatives**

Centrelink was engaged by AFFA to deliver services associated with additional ex-gratia and EC initiatives in 2001–02. While the EC application was being considered by Government, as an interim measure, ex-gratia income support payments were provided to farmers affected by drought in Western Australia and Southern Queensland. Following an official declaration, EC assistance was then made available to eligible farmers.

Centrelink continued to deliver a major component of the Dairy Industry Adjustment Package, the Dairy Exit Program. This program assists dairy farmers through the transition to a deregulated milk market. Centrelink’s role has been to assess the eligibility and entitlements of dairy farmers and make payments accordingly. To enable this work to occur, Centrelink entered into Service Level Agreements with the Australian Dairy Corporation (ADC) and Dairy Adjustment Authority (DAA).
CHAPTER 3: PERFORMANCE AT A GLANCE

Memorandum of Understanding with AFFA

Centrelink undertook a renegotiation of its MoU with AFFA, which was finalised in December 2001. Further to this negotiation, new program protocols were completed for the AFFA programs, the Farm Help—Supporting Families through Change initiative and the Exceptional Circumstances Relief Payment. The significant changes to the MoU comprised inclusion of organisational KPIs and identification of appropriate measures.

Performance

The RPU provided a more responsive service to farmers and has improved the correctness and accuracy of assessments of farmer’s eligibility for assistance. In consultation with AFFA, the timeliness standard was amended to 42 days to reflect the particular complexities facing farmers in providing detailed information to support their claims. The RPU has significantly improved Centrelink’s performance against the timeliness standard for payments, which remained marginally outside the 42-day target.

During 2001–02 Centrelink finalised delivery of the Flood Assistance Package on behalf of AFFA. This package provided income support, interest rate relief, replanting grants and fodder grants to farmers in flood-ravaged zones of New South Wales and adjacent areas of southern Queensland.

In 2001–02 Centrelink in conjunction with Finance finalised delivery of the Sugar Industry Assistance Package to eligible canegrowers in Queensland, Western Australia and New South Wales. The package includes income support, interest rate subsidy and financial counselling assistance. Developed by AFFA in consultation with the industry the package assessed what forms of assistance were most essential, and provided assistance to canegrowers most in need.

Centrelink contributed to AFFA’s evaluation of the Farm Help—Supporting Families Through Change Program during 2001–02. An external consultant conducted the evaluation. Centrelink staff were extensively involved in the delivery of Farm Help and provided substantial input to the consultant’s review. Centrelink also made a submission to AFFA directly detailing our experience with the delivery of the initiative.

TABLE 20: AFFA revenue and performance summary

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,448</td>
<td>3</td>
<td>67%</td>
</tr>
</tbody>
</table>

Challenges

Two key challenges in 2002–03 will be to build on Centrelink’s close working relationship with AFFA’s Rural Financial Counselling Network and to ensure that it delivers the best possible results for customers by implementing improvements to the Farm Help Program arising from the external review.

Centrelink will also continue to focus on improving its performance against the KPIs by improving processes and streamlining its service delivery mechanisms.
Department of Education, Science and Training

Business arrangements

During 2001–02 Centrelink and DEST significantly revised the BPA to reflect closer working relationships and a stronger collaborative approach to achieving Government outcomes. The revision included a commitment to work toward improving services and to simplifying KPIs. This will ensure the KPIs reflect factors that are inside Centrelink’s control, manageable, measurable and better-related to desired outcomes.

Centrelink and DEST have commenced work on a new BPA which will establish the directions and expectations of the relationship for the next four years.

Features of this work were to acknowledge the need to ensure timely and relevant communication between the organisations. It also recognised the increasing need to work collaboratively with other government agencies to help ensure ‘joined-up’ service delivery associated with AWT initiatives.

Performance

Centrelink in partnership with DEST developed a stronger focus on outcomes based KPIs over the next 12 months to reflect a more holistic servicing approach to ABSTUDY customers. Supporting this work, Centrelink and DEST formed a strategic taskforce to initiate a joint project to identify ABSTUDY priorities and agreed actions on behalf of each organisation. Centrelink and DEST have already recognised that these initiatives may lead to revised servicing arrangements for ABSTUDY customers.

TABLE 21: DEST revenue and performance summary

<table>
<thead>
<tr>
<th>Revenue $ (’000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 913</td>
<td>12</td>
<td>83%</td>
</tr>
</tbody>
</table>

Child Support Agency

Business arrangements

Centrelink and the CSA continued to work in close partnership in 2001–02 by offering a whole-of-government approach to servicing mutual customers. Twenty-one Regional Service Centres (co-located in regional Centrelink CSCs) provide child support customers with access to face-to-face services that are typically only available in metropolitan areas. In 33 other sites, Centrelink premises are used by the CSA to provide a visiting service for child support customers.

Major initiatives

During 2001–02 Centrelink:

• continued to progress the CSA Domestic Violence Awareness Package;
• completed a national roll-out of Direct Phone Registration (DPR) following a successful pilot; and
• continued to review visiting service arrangements throughout the Centrelink network.
Centrelink Social Work Services developed a training package for CSA staff across Australia on domestic and family violence issues. Delivery of this training package is expected to take place in 2002–03.

**Performance**

Centrelink, in partnership with the CSA, implemented DPR, a new streamlined method to apply for a child support assessment with the CSA. Significant improvements were made in providing cost savings to both Centrelink and CSA, because of the simpler process for Centrelink staff to refer customers directly to CSA and improved timeliness in CSA registrations. Since the introduction of DPR, measures were introduced to ensure continued reliability of information exchange between the two agencies.

**TABLE 22: CSA revenue and performance summary**

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>748</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**Challenges**

Centrelink and the CSA are committed to working together over the following year to provide even better customer service to our mutual customer base. This will be achieved through continued monitoring of the effectiveness of DPR and refinements to computer processing.

**Department of Foreign Affairs and Trade**

**Business arrangements**

Centrelink has completed the second year of a three-year agreement with DFAT to operate the Australian Passport Information Service (APIS) Call Centre out of Hobart.

**Performance**

APIS' performance has been exceptionally high against standards in 2001–02 achieving all monthly KPIs. Demand for service rose substantially following the September 11, 2001 Twin Trade Centre Towers Collapse in the United States. DFAT expressed their appreciation for the added services provided by Centrelink outside of the agreement, including:

- APIS assisting DFAT during the United States crisis by taking the overflow of calls from concerned Australian citizens calling their Consular phone line;
- enhancing our client relationship by developing a Customer Service Agreement with DFAT; and
- developing three generic customer brochures for distribution through Trade Fairs, Australia Post and Passport Offices around the country.

**TABLE 23: DFAT revenue and performance summary**

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 492</td>
<td>8</td>
<td>100%</td>
</tr>
</tbody>
</table>
Department of Transport and Regional Services

Business Arrangements

Negotiations with the DOTARS have continued through the year to formalise Centrelink’s support for the Rural Transaction Centres (RTC) Program. An MoU was prepared which confirms the level of Centrelink support for RTCs and articulates the service delivery options available. The MoU also outlines the financial arrangements associated with Centrelink involvement and should be signed early in the next financial year.

Since 1998, Centrelink has delivered the Tasmanian Freight Equalisation Scheme (TFES) and Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES) to business customers, mostly Tasmanian, on behalf of DOTARS in accordance with a four-year Service Agreement (1998–2002).

Performance

In April 2002, a joint evaluation by Centrelink and DOTARS of this Service Agreement was finalised with the following conclusions:

- Centrelink met and surpassed all of the KPIs that were identified in the Service Agreement;
- the procedures for claims for payment of TFES and BSPVES between Centrelink and DOTARS work successfully;
- the relationship between Centrelink and DOTARS is strong, workable and has grown more effective during the Service Agreement;
- the governance agreements ensured that TFES and BSPVES were administered by Centrelink in accordance with the Ministerial Directions;
- Centrelink introduced a number of efficiencies which have reduced the scheme’s administration costs;
- further major efficiencies could be gained if a new IT system was introduced to replace the current out-dated TFES IT system;
- the corporate infrastructure provided by Centrelink is high quality and cost effective; and
- stakeholder feedback indicates a high level of customer satisfaction with the services provided by Centrelink.

The strong working relationship between DOTARS and Centrelink, evidenced from this review, culminated in DOTARS granting Centrelink sole supplier status for the delivery of TFES and BSPVES, prior to the commencement of negotiations for a new Service Agreement between the two parties for the period June 2002–June 2007. Encapsulated in this Agreement will be revised KPIs for both Centrelink and DOTARS (see also Chapters 6 and 7, pages 144 and 161).

TABLE 24: DOTARS revenue and performance summary

<table>
<thead>
<tr>
<th>Revenue ($) (’000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 718</td>
<td>11</td>
<td>100%</td>
</tr>
</tbody>
</table>
Department of Health and Ageing

Business arrangements

During 2001–02, Centrelink continued processing income assessments for aged care residents for DHA, to help them to determine residential care fees.

As well, in 2001–02, further system enhancements were implemented to ensure the integrity of resident data being provided by Centrelink. Centrelink also initiated arrangements to ensure that information about self-funded retirees’ income from private trusts and companies is included in the assessed income details passed to DHA.

Now in its second year of operation, the Commonwealth Carelink Program forms part of DHA’s Enhanced Primary Care budget reforms. Its primary aim is to assist older Australians and people with disabilities to retain their independence and avoid their premature or inappropriate admission to long-term residential care by the provision of information about community care services.

Over 60 Commonwealth Carelink Centres across Australia provide single points of contact, enabling health professionals, including general practitioners, other service providers, carers and individuals to gain easy access to the whole range of agencies providing community care services within a region. The program is an information and referral service, linking people to a range of assistance appropriate to their needs. Centrelink operates five regions in Western Australia, which are based on the Department of Health and Ageing’s Home and Community Care regions.

The 2001–04 BPA between Centrelink and DHA was signed in October 2001.

Performance

In December 2001, Centrelink and DHA signed a revised Aged Care Schedule, which included the following performance targets:

• automatic matching of resident data against social security pension records—100 per cent of cases within three working days;
• manual matching of resident details against social security pension records—100 per cent of cases within eight working days; and
• obtaining and providing assessed income information for self-funded retiree residents—100 per cent of cases within 70 calendar days.

During 2001–02 Centrelink achieved:

• the automatic matching target for nine months (and in the remaining three months the lowest performance level was 99.03 per cent); and
• the manual matching target for 10 months (with 99.13 per cent being the lowest performance level).

In relation to self-funded retiree income assessments, performance in all months was measured as below standard (with the highest performance level being 92.33 per cent in March 2002, and the lowest being 81.80 per cent in December 2001). However, the accuracy of performance measurement against this target is currently under review. Daily data transfer arrangements were
significantly affected because DHA and/or DVA systems were unavailable for four or more working days in nine separate months during 2001–02.

**TABLE 25: DHA revenue and performance summary**

<table>
<thead>
<tr>
<th>Revenue $ ('000)</th>
<th>Number of key performance indicators</th>
<th>Percentage of key performance indicators achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 710</td>
<td>4</td>
<td>75%</td>
</tr>
</tbody>
</table>

**Office of Hearing Services**

*Business arrangements*

On behalf of the Office of Hearing Services, Centrelink maintains a toll-free phone service for customers seeking advice on access and eligibility to the Commonwealth Hearing Services program. Centrelink also processes applications for Hearing Services vouchers—in 2001–02 Centrelink received 165,229 applications which was a significant increase over previous years.

**Australian Electoral Commission**

*Business arrangements*

In 2001–02, Centrelink continued to provide data to assist the AEC to ensure that Centrelink customers turning 17 or 18 and those who had changed their address were offered the opportunity to be correctly recorded on the electoral roll.

*Revenue*

Centrelink received $43,000 in annual revenue from the AEC in payment for the delivery of services in 2001–02.

**Attorney-General's Department**

*Business arrangements*

In June 2001, Centrelink started delivering a Call Centre service on behalf of AGD which incorporated the Family Law Hotline (FLH) and the Regional Law Hotline.

Centrelink continues to deliver these services on behalf of AGD and has reached agreement to extend the service for at least a further six months, with a new end date of 31 December 2002.

As well as providing these services, Centrelink hosted the Family Law On-Line (FLO) website and database. Centrelink's hosting arrangement continued until 1 June 2002 when responsibility was transferred to AGD.

*Performance*

The FLH Call Centre service, managed and operated by Centrelink on behalf of AGD, was a successful foray into a non-traditional business line (that is, legal information and referral options). Centrelink staff expertly assisted callers with difficult personal issues through their professional and courteous service. Low complaint numbers and few escalated issues were also measures of success.
Centrelink has almost continuously exceeded the service level of 80 per cent of calls answered within 30 seconds. In 2001–02, the Call Centre service answered 17,988 calls and the website experienced 1.07 million hits. Total revenue received from AGD for the delivery of the service was $1,617,772.

Centrelink’s agreement to host the FLO website and associated database proved challenging. Centrelink’s computer systems have traditionally concentrated on high volume data transactions in a mainframe environment, requiring exhaustive, lengthy and stringent testing and release procedures. But despite challenges that were encountered, the website was quickly made available to staff and the community on schedule and offered a robust and responsive way to access information relating to Family Law.

Department of Immigration, Multicultural and Indigenous Affairs

Business arrangements

In 2000, DIMIA approached Centrelink to deliver a Call Centre service for its pilot Employers Work Right Checking Line (EWRCL). This service provides information to employers on general work rights issues and assistance to workers on how to understand their visa conditions. The original period for this service was until 29 June 2001. Centrelink reached agreement with DIMIA to continue the service throughout 2001–02.

Performance

The EWRCL service is operated out of Centrelink’s Townsville and Bunbury Call Centres. In the 12 months to 30 June 2002, Centrelink responded to 18,187 calls and generated $670,190 in revenue from DIMIA for the delivery of services. The agreed service level of 90 per cent of calls answered in 90 seconds was consistently exceeded.

Australian Taxation Office

Business arrangements

In July 2001 Centrelink was commissioned by the ATO to undertake a mailout of the Imputation Credits Booklet to selected customers, who were maximum rate pensioners with dividends, and who might be interested in gaining a refund of Imputation Tax Credits. Centrelink also undertook to distribute promotional material on the Indigenous Tax Helpline to Indigenous customers.

Performance

Although initially scheduled to finish by 8 July 2001, the last of the Imputation Tax Credits letters and booklets were sent to around 130,000 customers by 18 July 2001. Posters and flyers for the Indigenous Tax Helpline were sent to each CSC and key specialist Indigenous staff. As well as distributing the ATO materials to Centrelink’s Indigenous customers, staff also provided them to community organisations and Indigenous communities.

Revenue

In 2001–02, Centrelink generated $176,000 in revenue from the ATO for delivery of services.
Department of Veterans' Affairs

Business arrangements

During 2001–02, Centrelink continued to offer an Information Service to the veteran community on behalf of DVA. Veterans’ Information Services (VIS) are available in 14 CSCs in New South Wales, Queensland and South Australia.

The service offers a separate waiting area for veterans and is staffed by specialist information officers trained by DVA.

Major initiatives

In New South Wales, Centrelink and DVA successfully upgraded the IT links between Centrelink, VIS sites and the DVA mainframe to improve access to Centrelink and DVA information for staff.

Following the successful upgrading of IT links between Centrelink and the DVA mainframe in New South Wales, the remaining sites in Queensland and South Australia also implemented the IT links. This link provides a faster and more efficient service to the veteran community.

Centrelink and DVA are reviewing the present arrangements for notifying, assessing and adjusting entitlements when a Centrelink customer's entitlement is affected by granting or changing a DVA payment. The present manual system is extremely labour intensive and time consuming. In the short-term, the manual system is being streamlined with investigations underway to implement an automated process for notifying changes and authorising adjustment amounts.

Revenue

In 2001–02, Centrelink received $445 000 in annual revenue from DVA in payment for the delivery of services.

Department of Finance and Administration

Business arrangements

Centrelink has a four-year MoU with Finance and has typically delivered ex-gratia payments, but may also deliver other specific payments as agreed with and directed by Finance.

In this context, the most common type of income support payment is designed to assist groups of people facing challenges as a result of a specific set of circumstances impacting on their ability to derive income. Between 1 September 2000 and 30 December 2001, Centrelink made payments like these to eligible sugar canegrowers in Queensland, New South Wales and Western Australia.

When several government portfolios were transferred to other agencies after the last election, responsibility for this type of payment went to DOTARS and at the request of Finance the existing MoU with Centrelink was mutually terminated.

Revenue

In 2001–02, Centrelink received $459 000 in revenue from Finance for the delivery of services.
New South Wales Government

Business arrangements

Centrelink provides office accommodation and reception services for the New South Wales Government’s Department of Housing at the Singleton, Cessnock, Nelson Bay and Bowral CSCs.

In late 2001, Centrelink and Hunter Health developed a strategy to update the Hunter Area’s dental treatment waiting list. Centrelink undertook to contact customers, assess their ongoing need for dental treatment (subject to pre-determined criteria) and either update their position on the waiting list or in some cases, book them in for immediate treatment. This initiative lasted several weeks and generated significant positive feedback from Hunter Health in terms of Centrelink staff professionalism and minimum complaints.

Performance

Centrelink received a total of 248,275 claims for the New South Wales Half Fare Travel Concession Card—221,646 Cards have been issued with 26,629 claims rejected for not meeting eligibility criteria. Centrelink’s performance with administering the Card was commended by the New South Wales Government.

The dental health initiative was conducted in October, November and December 2001. During this time, Centrelink contacted 7,522 Hunter Health customers and determined their waiting list priority. Revenue for this initiative was $85,000. The success of this initiative resulted in Centrelink Call receiving a certificate of appreciation from Hunter Health.

In 2001–02, Centrelink was invoiced for $664,938 in annual revenue from the New South Wales Government in payment for the delivery of the Half Fare Travel Concession Card services.

State and Territory Housing Authorities

In 2001–02 Centrelink processed approximately 6 million transactions to Housing Authorities and received $2,768,121 in annual revenue from State and Territory Housing Authorities in payment for the delivery of services.

Dairy Adjustment Authority and Australian Dairy Corporation

Business arrangements

The Dairy Industry Adjustment Package announced by the Federal Government previously, is aimed at assisting dairy farmers in the transition to a deregulated market from 1 July 2000. A new agency, the DAA, has been established to administer the Dairy Structural Adjustment Program.

Through AFFA, the DAA has contracted Centrelink to provide services for assessing and paying claims for the Dairy Exit Program, which is similar to the Farm Help (formerly Farm Family Restart) Program, Restart Re-establishment Grant.

The ADC administers funds to pay claims for the Dairy Exit program.

Revenue

In 2001–02, Centrelink received $92,000 in revenue from DAA for the delivery of services.
State Governments

During 2001–02, Centrelink continued to deliver the following services on behalf of state/territory governments:

- Rent Deduction Scheme
- Centrepay
- Customer confirmation service
- Half Fare Concession Travel Card (New South Wales government only)
- ACTION Concessional Travel Card (Australian Capital Territory government only)