



COMPENSATION FOR DETRIMENT CAUSED BY DEFECTIVE ADMINISTRATION



Last updated February 2020

This factsheet provides information on the Compensation for Detriment caused by Defective Administration (CDDA) scheme.

If you have suffered loss as a result of something Centrelink has done and you have exhausted all avenues of appeal, you may be able to lodge a claim for CDDA.

Centrelink is not obliged to provide CDDA. This process can be very difficult and there are limited circumstances in which a claim for CDDA will be granted.

This factsheet covers:

- When can I claim compensation relating to defective administration?
- How do I make a claim?

When can I claim compensation relating to defective administration?



'Defective administration' means Centrelink has failed to comply with its own administrative procedures, put proper administrative procedures in place, or give proper advice.

The requirements for this compensation scheme are complex to understand so you should seek advice and talk to someone that deals with these issues regularly before lodging a claim. You can do this by talking to your closest member centre, found at <http://ejaustralia.org.au/legal-help-centrelink/>

The compensation scheme is generally used as a last resort. Centrelink is not obligated to provide compensation, even where a mistake has been made by Centrelink and has caused you detriment or loss.

Centrelink may not provide you with compensation if there are other ways of resolving the issue.

You may be eligible for compensation if:



1. You were provided with incorrect advice or Centrelink did not comply with their procedures

This means that Centrelink or a Centrelink staff member:

- Unreasonably failed to comply with existing procedures,
- Unreasonably failed to institute or carry out appropriate procedures
- Provided you with advice that was incorrect or ambiguous
- Unreasonably failed to provide advice that you should have received

Examples of wrong advice or action include:

- A penalty or debt being wrongly imposed
- Personal property being damaged by an agency
- Documents being lost by an agency
- Technological errors causing your payment to be delayed or an unreasonable delay in approving your claim



2. You have suffered loss as a result of Centrelink's defective administration

This may include:

- Financial detriment
- Non-financial detriment such as personal injury (including psychiatric injury), emotional distress or damage to reputation
- Detriment relating to damage of property

You are required to provide evidence of the loss, such as receipt of expenditure or medical records.

Compensation for defective administration cannot be used to compensate you for money recovered from you for repayment of a Centrelink debt, even if that debt was created by defective administration. Despite this, you may still be able to receive compensation for non-financial loss such as emotional distress.

How do I make a claim?



It is a good idea to explore all other avenues of appeal before lodging a claim for CDDA.

If you need advice on appealing a decision made by Centrelink, see our factsheet 'Appealing a Centrelink decision'. For more information on this process contact one of our member centres, found at <http://ejaustralia.org.au/legal-help-centrelink/>

If you have exhausted all other avenues of appeal, you may lodge a claim for compensation by completing the Compensation Application form found at [Claim for Compensation](#).

If you can't print the application form, ask your local Centrelink service centre to print the form, or call Centrelink on 1800 995 496 and they will send it to you. The form can then be submitted in writing to the address on the form.

When filling out the form, make sure you include dates and details of relevant events. Collect and attach any relevant documents or evidence that supports your version of the events. These may include bills, receipts or communications with Centrelink.



If it is difficult for you to make your claim for compensation in writing you should go to a Centrelink office where a Centrelink officer can help you make the claim. These issues are complex and whilst the forms are not complicated, you should talk to a lawyer at a member centre if you can before sending the form to Centrelink. The reason for this is that the evidence you provide is very important, so making sure you include everything in a clear and simple way is vital.

You can also contact a Centrelink social worker or disability support worker who may be able to provide you with assistance in lodging this claim.

This factsheet was informed by previously published factsheets from Welfare Rights Centre Sydney.

This factsheet does not constitute legal advice.

Please contact any of our member centres if you wish to obtain free legal advice.
Find your closest member centre at www.ejaustralia.org.au