



February 2011

# How can I apply for compensation?

## THE COMPENSATION FOR DETRIMENT CAUSED BY DEFECTIVE ADMINISTRATION (CDDA) SCHEME

Under the CDDA Scheme Government agencies are able to provide compensation to people who have experienced detriment as a result of an agency's defective actions or inaction.

ITSA is an agency which is able to use this remedy as it is a *Financial Management and Accountability Act 1997* (FMA Act) agency. The Attorney-General has authority to make payments under the Scheme with respect to ITSA.

## WHEN ARE COMPENSATION PAYMENTS MADE?

A payment will only be made under the Scheme if a Government officer or agency has directly caused an applicant to experience detriment as a result of defective administration. Payments under the Scheme are discretionary meaning that there is no automatic entitlement to payment.

The CDDA Scheme is generally an avenue of last resort and is used only where there is no other viable avenue to provide redress.

## WHAT IS DEFECTIVE ADMINISTRATION?

Defective administration is defined as:

- a specific and unreasonable lapse in complying with existing administrative procedures; or
- an unreasonable failure to institute appropriate administrative procedures; or
- an unreasonable failure to give to (or for) an applicant, the proper advice that was within the officer's power and knowledge to give (or reasonably capable of being obtained by the officer to give); or
- giving advice to (or for) an applicant that was, in all the circumstances, incorrect or ambiguous.

## WHAT IS DETRIMENT?

Detriment means quantifiable financial loss that an applicant has suffered.

There are three types of detriment:

- detriment relating to a personal injury including mental injury (personal injury loss);
- economic detriment that is not related to a personal injury (pure economic loss); and
- detriment relating to damage to property.

## WHO CAN APPLY FOR COMPENSATION?

Any individual, company or other organisation can apply for compensation, either for themselves or for an authorised third party.

## HOW DO I APPLY?

Claims may be made in writing to:

ITSA Corporate Strategy and Support  
Legal and Governance Support  
GPO Box 821  
Canberra ACT 2601

Phone: 02 6270 3400  
Email: [itsa.national@itsa.gov.au](mailto:itsa.national@itsa.gov.au)

## WHAT SHOULD I INCLUDE IN MY APPLICATION?

- the criteria for determining defective administration;
- explain how the actions or inactions were defective;
- provide details of the detriment being claimed, including an explanation of how the amount claimed is calculated; and
- explain how the defective administration directly caused the loss.

Please include all relevant evidence in support of your application e.g. correspondence between yourself and ITSA, medical certificates etc.

## FURTHER INFORMATION

More detailed information on the CDDA Scheme can be found in Attachment A of Finance Circular 2009/09, *Discretionary Compensation and Waiver of Debt Mechanisms- finance.gov.au*.

## HOW TO CONTACT US

For all enquiries call 1300 364 785 or visit [www.itsa.gov.au](http://www.itsa.gov.au)