

Senate Community Affairs References Committee

DESIGN, SCOPE, COST-BENEFIT ANALYSIS, CONTRACTS AWARDED AND IMPLEMENTATION ASSOCIATED WITH THE BETTER MANAGEMENT OF THE SOCIAL WELFARE SYSTEM INITIATIVE

PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debts Referred to Collection Agencies

Question reference number: QoN 16

Members: Kakoschke-Moore and Siewert

Type of question: Hansard page 47-48

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 2

Question:

- a) Senator KAKOSCHKE-MOORE: Would you be able to provide a breakdown of the number of debts that have been referred to external collection agencies and the number of debts that have been kept in-house?

Ms Campbell: We might be able to do that now, because debts—generally it is former recipients who are referred, and when we are unable to contact people as well.

Ms Golightly: From memory it is around 10 per cent, but I will get the actual figure for you. Of the reviews completed to the end of January, there were about 50,600—sorry, that is incorrect.

Ms Campbell: Can we take that one on notice and get back to you?

Senator KAKOSCHKE-MOORE: Yes.

- b) Ms Campbell: Generally, as part of our broader debt program, about 10 per cent of debts are referred to collection agencies. In this case, we have taken some actions—we talked about the 6,600 who had not engaged with us. Those debts have been recalled from those collection agencies, and we are now using different means to try to contact these people; we are using different data sources, like the electoral roll and the like, to see whether we can find these people. We can even use the databases these data collection agencies have to see whether we can find where people are and see whether we can contact them.

Senator KAKOSCHKE-MOORE: Okay.

CHAIR: Will the numbers that you provide exclude that 6,600?

Ms Campbell: I think we would just be explicit about the 6,600. If someone has not engaged with us, we are now looking to see whether they did not receive our emails or our letters or did not respond to our letters, and to see whether we can engage with them as well.

CHAIR: Now I am confused. The 6,600 have been recalled?

Ms Campbell: I think more than 6,600 have been recalled, but there were 6,600 where we knew that they had not engaged with us beforehand. They have been recalled, and we are recalling some others to see whether we can make sure they had the opportunity to update their data.

CHAIR: Can you be explicit in the table about what has been recalled?

Ms Campbell: We will.

CHAIR: The other thing we should know is how many of those 6,600 started paying the debt anyway.

Ms Campbell: I do not think we have that information, but we will—

CHAIR: Could you include that in the table?

Ms Campbell: We will see what we can do with that information.

Answer:

In line with the Department's standard processes, only debts relating to former recipients are referred to External Collection Agents. Current recipients are not referred to External Collection Agents.

Over the period 1 July 2016 to 28 February 2017, 132,764 debts were identified relating to the Online Compliance Intervention. Of these debts, 56,504 debts have been referred to an External Collection Agent. The balance of the debts remained in-house.

Of the debts referred to an External Collection Agent, the Department has identified that in approximately 6,600 cases the recipient had not engaged with the Department. Of these, 2,961 have started paying the debt.

The Department commenced recalling all held Online Compliance Intervention debts from External Collection Agents in mid-February 2017. The Department has also commenced processes to contact these individuals to discuss the debt and explain any reassessment and formal review options they may wish to consider.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Use of External Agencies

Question reference number: QoN 17

Member: Kakoschke-Moore

Type of question: Hansard page 48

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator KAKOSCHKE-MOORE: To provide a bit of context to the use of external agencies in relation to OCI, perhaps you could go back six months or 12 months and provide us with data about the number of debts referred to external agencies before the program started.

Ms Campbell: We can provide that for the entire debt profile. We have about 2.4 million debts every year, so about 10 per cent—but we will get you the exact numbers on that.

Answer:

The number of debts referred to External Collection Agents for the 2015-16 financial year was 303,799. This represents 12.5 per cent of all debts raised (2,439,431). The amount of debt recovered by External Collection Agents for the 2015-16 financial year was \$144,736,700. This represents 9.4 per cent of all recoveries for the period (\$1,542,287,652).

The number of debts referred to External Collection Agents for the period 1 July 2016 to 28 February 2017 was 247,934. This represents 13.25 per cent of all debts raised (1,837,218). The amount of debt recovered by External Collection Agents from 1 July 2016 to 28 February 2017 was \$85,910,977. This represents 7.2 per cent of all recoveries for the period (\$1,189,545,195).

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Staffing

Question reference number: QoN 18

Members: Kakoschke-Moore and Siewert

Type of question: Hansard page 49

Date set by the committee for the return of answer:

Number of pages: 1

Question:

- a) Senator KAKOSCHKE-MOORE: Were any labour hire companies used to fill the positions in the department for the OCI issue that we are talking about?
Ms Campbell: I know we had non-ongoing employees, which are not labour hire, but I can take that on notice.
- b) CHAIR: How many were casual?
Ms Campbell: When you say 'casual', do you mean irregular and intermittent employees?
CHAIR: Yes.
Ms Campbell: We will take that on notice as well.

Answer:

- a) No.
- b) As at 28 February 2017, there were 68 Irregular and Intermittent Employees (IIEs) assisting with compliance related activities, including OCI.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Briefing Notes

Question reference number: QoN 19

Member: Pratt

Type of question: Hansard page 50

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator PRATT: I need to follow up with respect to some of the issues that were raised in estimates last week. It is my understanding that the minister's office sent two sets of internal briefings notes marked 'for official use only' to *The Guardian* and to the journalist Mr Malone, and that these briefings contained Andie Fox's personal information, including her relationship and tax histories. Are you able to confirm that that was the case?

Ms Campbell: We sent a letter last night to the committee. Given this matter has been referred to the Federal Police, and because the evaluation by the Federal Police is underway, our advice is that it would not be appropriate for us to continue to discuss this matter.

CHAIR: You can still take the questions on notice.

Ms Campbell: We can take the questions on notice, but we cannot provide answers at this time.

Answer:

This matter is currently under evaluation by the Australian Federal Police (AFP). The AFP has advised that it would be inappropriate to comment on the matter while it is under evaluation.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Email from Minister's Office

Question reference number: QoN 20

Member: Pratt

Type of question: Hansard page 50

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator PRATT: That is fine. Can I ask you to table the email from the minister's office to Mr Malone and to *The Guardian*?

Ms Campbell: We will take that question on notice.

Answer:

This matter is currently under evaluation by the Australian Federal Police (AFP). The AFP has advised that it would be inappropriate to comment on the matter while it is under evaluation.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Information Provided to Journalists

Question reference number: QoN 21

Member: Watt

Type of question: Hansard page 50

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator WATT: I must admit that I am not really across the detail of the complaint that has been made to the AFP, but does that concern the matters we discussed at last week's hearing?

Ms Campbell: We do not know. We have seen only the front page of the complaint; we have not seen the full complaint. That was what was put in the public domain by the complainant; we do not have the full complaint.

Senator WATT: I think after the hearing last week it emerged that the minister or his office had provided some further confidential information to a different journalist, this time from *The Guardian*.

Ms Campbell: We wrote to the committee last night indicating—

Senator WATT: I heard you and am aware of that letter.

Ms Campbell: So the answer is the same: we will take that on notice. We will take on notice any question you have around this matter.

Senator PRATT: Could you take on notice to advise the committee of exactly what information has been provided to journalists?

Ms Campbell: We will take that question on notice.

Answer:

This matter is currently under evaluation by the Australian Federal Police (AFP). The AFP has advised that it would be inappropriate to comment on the matter while it is under evaluation.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Initial Assessments – State Breakdown

Question reference number: QoN 26

Member: Kakoschke-Moore

Type of question: Hansard page 60

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator KAKOSCHKE-MOORE: This information might have already been provided—and, if it has, please let me know—but could you give me a breakdown of the initial assessment that went out, state by state? It would just be interesting to know how many people in South Australia—

Ms Campbell: I do not think we have that state by state.

Ms Golightly: We could get that on notice.

Answer:

State	Number of Assessments Initiated to 28 February 2017
NSW	67,896
QLD	49,139
VIC	56,467
WA	20,109
SA	17,355
TAS	5,843
NT	1,796
ACT	2,627
Total	221,232

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Unfair Treatment - Complaint

Question reference number: QoN 28

Member: Kakoschke-Moore

Type of question: Hansard page 65

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Senator KAKOSCHKE-MOORE: Yes. If you were somebody who was frightened or believed you had been treated unfairly by a debt collector, who should you talk to?

Ms Golightly: To the department in the first instance, but I suppose if we were unable to help resolve the matter, or not to the satisfaction of the recipient, there are other external mechanisms, such as the Ombudsman.

Senator KAKOSCHKE-MOORE: Do you mean the Commonwealth Ombudsman?

Ms Golightly: Yes, because it is part of our administrator—

Ms Campbell: Senator, we might just take on notice whether someone who is dissatisfied also has recourse to the ACCC or something like that.

Answer:

There are several options available to people to provide feedback or make a complaint regarding external collection agents used by the Department. Individuals can raise these issues with the Department online, face-to-face, by calling 1800 132 468 or via mail at the following address:

DHS Complaints and Feedback
Reply Paid 7800
Canberra BC ACT 2610

People may contact the external collection agents directly and lodge a complaint either online or over the phone.

If a person is not satisfied with the handling of their complaint by either the Department or the external collection agents, they can contact the Commonwealth Ombudsman or the Australian Competition & Consumer Commission through their websites.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Allocation of Debts

Question reference number: QoN 30

Member: Siewert

Type of question: Hansard page 66

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

CHAIR: How do you decide which debt goes to which company?

Ms Golightly: I might take the detailed answer to that on notice.

Answer:

The allocation of debts between the contracted external collection agents is distributed randomly with business rules in place to equalise the number of debts referred to each external collection agent.

The allocation makes no consideration of the value of the debts or the age of the debts. The allocation is automatic. Staff do not decide which external collection agent a debt will be referred to.

The exception is where an external collection agent is seeking recovery of an existing debt from a person, and a subsequent debt comes into scope for referral. This debt will be referred to the same external collection agent.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Allocation of Debts - Criteria

Question reference number: QoN 31

Member: Siewert

Type of question: Hansard page 66

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

CHAIR: I heard what you just said in terms of giving the debt to the same company. I understand how it makes sense to be dealing with the one company. You cannot provide the rest of the criteria now, on which you make those decisions?

Ms Golightly: Sorry, I do not have the rest of them to hand. I just know from memory that that is one of the criteria, so I will take that on notice.

CHAIR: Can you take on notice what criteria you use to allocate the debts, please.

Ms Golightly: Yes.

Answer:

Please refer to the answer to QoN 30.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Information Recorded

Question reference number: QoN 32

Member: Siewert

Type of question: Hansard page 67

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

CHAIR: This is where I would like to understand it. It says it will not record a contact and activity list. My simple version of reading that means that, if someone is coming to ask me about the OCI process, in fact it does not record it under any of those lists.

Ms Campbell: I think it will on the history summary screen, but we will have to take that on notice.

CHAIR: Can you take that on notice. Obviously, what I am looking at is the fact that people are coming into the offices to ask about OCI. I want to know whether that is actually being recorded and whether you have that data.

Ms Golightly: We will take that on notice and get the specific answer, but I note that the first dot point under the heading 'what you need to do' is that we are telling our general service delivery staff that they should refer customers directly.

Answer:

There is no data available on recipients attending service centres to enquire about the online compliance intervention.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Recovery Fee

Question reference number: QoN 40

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Do people have to pay the recovery fee if the debt is not their mistake?

Answer:

No.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Revenue received

Question reference number: QoN 41

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

How much revenue has government received through the Online Compliance Intervention program?

Answer:

The answer to this question was provided at the Community Affairs References Committee hearing held on 8 March 2017 (page 46 in the proof Committee Hansard).

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debtor's review of alleged debts

Question reference number: QoN 45

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

When an alleged debtor contacts Centrelink and requests a review of the alleged debt, how does Centrelink decide how that review will proceed?

Answer:

The answer to this question is addressed in the Department of Human Services' Submission to the Senate Community Affairs References Committee, Design, Scope, Cost-Benefit Analysis, Contracts Awarded and Implementation Associated with the Better Management of the Social Welfare System Initiative, 22 March 2017. Please refer to page 10 'Re-assessment, review and appeal processes'.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Process

Question reference number: QoN 48

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Are Centrelink compliance officers, or have they ever been, directed to ignore alleged debts they know are incorrect under the Online Compliance Intervention program?

Answer:

The allegation that staff have been directed to ignore alleged debts they consider to be incorrect is not true.

The Department has not changed how debts are calculated and only part of the standard compliance process has been put online.

The Department implemented a system check in the debt calculation process to identify any differences. If differences are identified then it is referred to a staff member for manual checking. Staff have been trained and provided reference material to assist them to identify and check any differences found.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Process

Question reference number: QoN 49

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What actions, if any, have been taken to address systemic errors in the Online Compliance Intervention program?

Answer:

There are no systemic errors in the online compliance system. Please refer to the Department's submission of 22 March 2017 to the Senate Affairs References Committee for information on how the system operates and any refinements that have been made since implementation on 1 July 2016.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Process

Question reference number: QoN 54

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

How many days training have staff assigned to the compliance branch, including staff brought into the compliance branch following the introduction of OCI, received?

Answer:

Compliance staff undertake additional training to enable them to fully support recipients. Training for incoming staff is typically conducted over an initial two week period and includes material delivered through facilitated sessions and self-paced eLearning packages.

Over 900 staff undertook more than 8,500 hours of facilitated training and workshops in preparation for this compliance measure. Staff also completed five key eLearning packages before they undertook formal training.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Expected increase in Freedom of Information Requests

Question reference number: QoN 55

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What provision has been made to all relevant departments, authorities and tribunals including the AAT for an expected increase in FOI requests?

Answer:

The Department can only answer this question regarding its own arrangements.

The Department takes its obligations under the *Freedom of Information Act 1982* (the FOI Act) seriously, including the obligations regarding timeliness and consultation with affected third parties where appropriate. The Department maintains an appropriate level of resources to meet its obligations under the FOI Act.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt thresholds for collection

Question reference number: QoN 57

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Please clarify what the debt threshold for debt collection is?

Is this limit determined by DHS, DSS or by agreement between both?

Answer:

The current threshold to recover debts raised under the *Social Security Act 1991* is \$50.

The limits are determined by policy and legislation administered by the Department of Social Services.

The *Social Security Act 1991* permits the waiver of debts less than \$200 where recovery is not cost-effective. However, a waiver cannot apply if the debt is at least \$50 and could be recovered by deductions from a person's social security payment made under the *Social Security Act 1991*.

The Guide to Social Security Law version 1.230 released 20 March 2017, states that:

The policy is that only debts less than \$50 must be waived as it is considered cost effective to recover all debts over this amount.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Further Policies

Question reference number: QoN 59

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Have any other policies or procedures been altered that affect customers in the past 12 months that have not been communicated in writing to the same?

Answer:

The Department continually seeks to improve the quality of processes and services for recipients, staff and third parties. The Department undertakes these improvements every day. The Department seeks to maintain ongoing communication and engagement with recipients, staff and third parties in relation to changes that may impact them.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Rollout key issues

Question reference number: QoN 60

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What key issues have been identified in the rollout to date and what steps have been put into place to remedy same? Please describe and table a document summarising.

Answer:

Please refer to the Department of Human Services Submission to the Senate Community Affairs References Committee of 22 March 2017 (pages 5, 6, 7 and 12).

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Redefining Centrelink customers

Question reference number: QoN 63

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Does or has Centrelink retrospectively re-define(d) some students as jobseekers, therefore applying incorrect calculations?

Answer:

No

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Overpayment letters from Centrelink

Question reference number: QoN 65

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Why does the initial overpayment letter fail to provide any evidence or explanation of the alleged overpayment, such as the client's full ADEX schedule or a Multi-cal schedule?

Answer:

Initial letters are not debt letters. The initial letter requests people to confirm or update their employment income details. At this stage of the process no assumption about debt or no assessment of debt is made.

Once the compliance review is completed, a recipient may then have a debt they need to repay. Information about their debt is available to the recipient during the online process. There is a print function available if required.

People who need assistance or require further explanation can call a dedicated team of departmental staff using the dedicated compliance phone number 1800 086 400 to explain the income difference or to assist them with the online process.

People can also seek a reassessment or review of a debt at any time. A reassessment gives the person a further opportunity to provide more evidence for the Department to take into consideration when calculating their debt.

When a recipient requests an explanation of a debt, a Compliance Officer explains to the recipient how the debt has been calculated and is available to answer any further questions.

A recipient can also request evidence of the debt calculation from the Compliance Officer.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Satisfaction surveys

Question reference number: QoN 71

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

- a) What DHS and Centrelink employee satisfaction surveys have been performed prior to and after the automated Online Compliance Initiative was started in July 2016?
- b) What were their results, broken down by section?
- c) How has DHS acted on the provided feedback?
- d) What discussion, reviews & actions have been taken to amend policies and procedures to take account of staff feedback?

Answer:

- a) The Department participated in the 2016 Australian Public Service (APS) employee census conducted between 9 May and 10 June 2016.
- b) 2016 employee engagement scores for DHS improved or held steady across all four indexes (job, team, supervisor and agency) when compared to the department's 2015 employee engagement scores. Noting the Department's 2016 participation rate was 82 per cent, an increase of six per cent since the 2015 census.
- c) The Department communicated the results to staff and took a range of actions to address particular issues identified in the census.
- d) The APS employee census is primarily used to measure staff engagement and any identifiable issues are addressed when considering changes to departmental policies and procedures.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Overpayments

Question reference number: QoN 73

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

In the interests of 'reasonableness', are any alleged overpayments automatically offset by any underpayments detected at any time during the entire review period?

Answer:

Yes.

Senate Community Affairs References Committee

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Release of private information

Question reference number: QoN 74

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Since the recent release of private information of customers, has the Department received any contrary advice that this may be against the provisions in the legislation?

Answer:

No.

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Releasing of personal information

Question reference number: QoN 75

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

In what circumstances going forward will you release individual's personal information?

Do you intend to continue to release the personal information of any individual that speaks out against the Centrelink automated debt process?

Answer:

The Department will, in appropriate cases and in accordance with relevant legal requirements, correct the record where a person makes a public statement, to correct any factual inaccuracies or potentially misleading information that has been published.

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Resources used to investigate individuals

Question reference number: QoN 76

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What Departmental resources are currently being used to investigate individuals who speak out against the Centrelink debt process?

Answer:

The Department does not investigate individuals who speak out against its debt process. Instances of cases that are in the public domain are referred for possible service recovery.

Senate Community Affairs References Committee

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Transfer of sensitive private customer information

Question reference number: QoN 77

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Is it usual DHS and Centrelink practice to transfer sensitive private customer information to a third party commercial debt collection agency in relation to an unsubstantiated debt?

Answer:

Only substantiated debts, for non-current recipients, who have not repaid their debt or entered into a payment arrangement, are referred to an external collection agent. In these cases, only information pertinent to the recovery of the debt is provided.

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Level of APS employee

Question reference number: QoN 78

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What level of APS employee is authorised to refer a debt to a debt collection agency?

Answer:

In line with the Department's standard process, only debts relating to former recipients are referred to External Collection Agents. Current recipients are not referred to External Collection Agents.

The standard process for all social welfare debts is the Department issues a person an Account Payable Notice when a debt has been raised. The debt is due 28 days from the date of the notice. The notice provides information regarding the debt value and reason for the debt, contact details if the person wishes to discuss the debt, or enter into a payment arrangement, payment options and review and appeal rights.

If a former recipient has not paid their debt in full, or entered into a payment arrangement after the debt becomes due, the Department issues a reminder letter, providing a further 14 days to respond. If a person is unable to enter into a payment arrangement, they can contact the Department to discuss their situation and, in some circumstances, the Department will defer recovery of the debt. If the debt remains outstanding and no payment arrangement is in place after 42 days from the date of the Account Payable notice, the debt is referred to an External Collection Agent.

The referrals are based on business rules agreed at Senior Executive Service Band 1 level. Referrals do not require the exercise of a legislative power.

The Department can also pause recovery where a person is seeking a review of the debt by the Department.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Methods used by debt collectors

Question reference number: QoN 81

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Is Centrelink aware of how debt collectors are finding addresses for people they were unable to find current addresses for?

- a) If so, please outline the methods used.
- b) Particularly, do these methods include buying data lists off other agencies such as credit rating companies?
- c) Do these methods include having people on retainers in various offices?
- d) If Centrelink doesn't know, why haven't they asked?

Answer:

Yes.

- a) External Collection Agents utilise a combination of publicly available information and data sources that are compliant with all relevant State and Commonwealth legislation and guidelines, including the *Privacy Act 1988*, the *Competition and Consumer Act 2010* and the *Copyright Act 1968*.
- b) Data lists are not purchased for the purpose of locating addresses for the Department.
- c) No. There are no people from External Collection agents in Department of Human Services' offices.
- d) See (b) above.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: People wrongly targeted

Question reference number: QoN 82

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

How many people have been wrongly targeted because they have the same name as someone with an alleged debt?

Answer:

The Department is not aware of any confirmed instances of people who have been wrongly targeted for debt recovery because they have the same name as someone with an alleged debt.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Access to information

Question reference number: QoN 89

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Which agencies and individual roles have access to this information? Including external agencies such as debt collectors?

Answer:

Vulnerability indicators can be viewed by departmental staff. Staff also at Employment Services Providers have access to this information.

Departmental records cannot be viewed by External Collection Agencies. The Department provides information about the debt and the last known details to the External Collection Agent.

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ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Processes in place

Question reference number: QoN 90

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

What processes does Centrelink have in place to support recipients of these overpayment & debt notices who are experiencing suicidal ideation, anxiety, severe depression and PTSD symptoms?

Answer:

The Department has a social work service that includes a virtual team of senior social workers who provide specialised support to recipients who are experiencing suicidal ideation, anxiety, severe depression and PTSD symptoms.

When it is identified that a recipient is experiencing any of the above, departmental staff are required to refer those recipients to a departmental social worker. The social worker will provide a risk assessment and, if required, immediate referral to emergency mental health services and/or police for those recipients who are assessed to be at risk of self-harm/suicide. The Department's social workers will also follow up with recipients regarding any other identified vulnerabilities (for example homelessness or mental health issues).

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PUBLIC HEARING 8 MARCH 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Exemptions

Question reference number: QoN 92

Member:

Type of question: Written

Date set by the committee for the return of answer: 31 March 2017

Number of pages: 1

Question:

Centrelink provides exemptions for claiming Child Support as it is considered dangerous for former partners to approach domestic violence perpetrators. Do the same exemptions apply with regard to gathering pay slips or banking details and data for recipients of overpayment and debt letters?

Answer:

Please see answer to Question on Notice 91.