

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 19 APRIL 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Referral for Reassessment

Question reference number: QoN 135

Member: Siewert

Type of question: Hansard page 7

Date set by the committee for the return of answer: 8 May 2017

Number of pages: 1

Question:

CHAIR: Is the current cohort of a bit over 6½ thousand, that was referred virtually straight away, under review?

Mr Mowbray-d'Arbela: That question is also a matter that has been taken on notice. That answer is being developed. If you do not mind, I could take that aspect on notice.

Answer:

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

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 the 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.

In February 2017, the Department recalled debts raised under the Employment Income Matching budget compliance measure as part of our service recovery processes.

The Department is undertaking an outbound call programme to people with a recalled debt that had no previous contact with the Department to ensure they are aware of their review rights.