

## **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:** Update of Table

**Question reference number:** QoN 11

**Member:** Siewert

**Type of question:** Hansard pages 44-45

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

**Number of pages:** 2

#### **Question:**

CHAIR: How many are still going through the reassessment process? How many have had their reassessment process completed? How many have had their debt reduced through the reassessment process? You have already done where they have gone to zero. How many have had their debts increased?

Ms Campbell: We do have that on the table. If you go down to the second table where we have got the number of debts, debts reduced to zero, debts reduced to non-zero, debt amount increased.

CHAIR: Okay. Can we have that then for those other months?

Ms Golightly: Yes.

#### **Answer:**

The information provided in the table at the Community Affairs References Committee hearing, which was held on 8 March 2017, Page No. 34 in the Committee Hansard included three categories of changed debt – Debt Reduced to Zero, Debt Reduced to Non-Zero and Debt Amount Increased. These debts have been changed as a result of a reassessment or review.

The information provided at the Community Affairs References Committee hearing included July to December 2016 data. The data for July 2016 to February 2017 is in the table below.

	Number of assessments							
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
<b>Assessments Initiated</b>	230	844	62,240	50,342	94,754	8,993	3,465	364
<b>Assessments Completed - Without Debt <sup>1</sup></b>	1	45	156	14,216	11,973	9,954	2,115	126

	Number of debts							
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
<b>Number of Debts Raised<sup>2</sup></b>	10	194	618	47,785	45,501	39,174	5,764	367
<b>Debt Reduced to Zero<sup>3</sup></b>	0	0	11	227	1,307	1,330	2,362	1,384
<b>Debt Reduced non-Zero <sup>3</sup></b>	1	2	19	307	1,846	2,120	4,017	2,800
<b>Debt Amount Increased <sup>3</sup></b>	0	1	4	25	274	202	302	279
<b>Recovery Fee Applied <sup>4</sup></b>	8	104	379	33,543	34,175	29,085	3,687	73
<b>Debts Waived and/or Written Off permanently<sup>3, 5, 6</sup></b>	0	3	31	1,816	1,862	1,851	584	197

<sup>1</sup> The month relates to the date completed so there will be a lag affect between when assessments were initiated and when they were completed.

<sup>2</sup> One assessment can lead to multiple debts if the recipient has been the beneficiary of different types of income support payments.

<sup>3</sup> The month the change is reported is the month the reassessment or review of the debt was completed which may be different to the month the debt was raised.

<sup>4</sup> A recovery fee can be applied to debts for working age recipients where they have not provided information about their income, and they have not provided a reasonable explanation. Some debts may have the recovery fee removed at a later date if the recipient provides information that demonstrates they had a reasonable explanation.

<sup>5</sup> A Social Welfare debt may be waived due to being not cost effective to pursue (under \$50), an administrative error or in special and unusual circumstances.

<sup>6</sup> A permanent write-off may be applicable in some cases, for example, when the customer is deceased or has been declared bankrupt.