



WELFARE RIGHTS & ADVOCACY SERVICE

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8 May 2017

Ms Jeanette Radcliffe
Committee Secretary
Standing Committee on Community Affairs - References Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

By email: community.affairs.sen@aph.gov.au

Dear Ms Radcliffe,

Inquiry into the design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare System initiative

I refer to the email of 28 April 2017 seeking additional comments in relation to the Commonwealth Ombudsman's Report on Centrelink's automated debt recovery system.

Welfare Rights & Advocacy Service endorses the Supplementary submission provided by the National Social Security Rights Network and the recommendations in that submission in relation to the Commonwealth Ombudsman's Report and recommendations on Centrelink's automated debt recovery system.

I refer also to your letter of 1 May 2017 in relation to Questions on Notice in respect of evidence provided at the Perth hearings on 21 April 2017 by Helen Creed, Catherine Eagle and myself. To complete the questions I have sought additional information from Sussex Street Community Law Service and Fremantle Community Legal Centre.

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Questions on Notice

Question 1

Hansard page reference: 35 Hansard extract:

CHAIR: Ms Beaumont, you gave us your figures for the number of advices that you have provided. I would like a bit more information on those cases. Are they continuing cases that you have got on the books or cases that you have had on the books that you have been actively engaged with, and/or do they include where you have given some advice over the phone and they are no longer clients?

Ms Beaumont: They are client matters that have come to us. Some of those are cases, but the majority are advices. The majority of that work is advices and I could give you a breakdown of those figures.

CHAIR: If you could, that would be very helpful.

Ms Beaumont: I can provide you with those figures.

For Welfare Rights & Advocacy Service the number of automatic debt matters dealt with by the service was 27 in total for the period from 1 July 2016 to 23 March 2017. There were 68 other non automatic Centrelink debt matters during this same period. Welfare Rights & Advocacy Service proactively tracked automatic Centrelink debts and added an additional problem type to the Community Legal Service Information System (CLSIS) database to assist with data extraction of this new work for the service.

Of the total automatic debt matters there were 33 legal advices provided and of those 31 were completed by telephone and two by mail and email. From the legal advices provided there were 4 cases which were opened where ongoing casework assistance was provided. There is only one of those matters which remains open and that is waiting on an Authorised Review Officer (ARO) decision. No matters have progressed to the Administrative Appeals Tribunal as yet for the service.

The breakdown of entitlement types for the automatic debt matters was: Age Pension - 4, Disability Support Pension - 2, Newstart Allowance - 14, Parenting Payment Single - 2, Sickness Allowance - 1, Youth Allowance - 3 and Not Specified - 1. The Not Specified category relates to assistance provided to another community organisation that was provided with advice. The entitlement type for the matters where cases were opened was Age Pension - 1, Disability Support Pension – 2 and Youth Allowance – 1. We are unable to provide details of debts after 23 March 2017, as the service moved to a new client data base from that date and the reporting function has not been fully developed to extract further Centrelink debt information.

Question 2

Hansard page reference: 36 Hansard extract:

CHAIR: Ms Creed, you have picked up on where I wanted to go in terms of the people south of the river. Sussex Street Community Law Services and Fremantle Community Legal Centre are, I understand, the two centres who are handling the other welfare income support

recipient cases. Do you know if there has been an increase there at a similar level to what Welfare Rights has found? What is the number of cases they have been handling?

Ms Creed: I do not have those statistics from them, but Kate may.

Ms Beaumont: My understanding is that at Fremantle particularly they have also had an increase in the work that they have been doing and in cases that they have been able to resolve for clients. We could probably get the statistics for you.

CHAIR: Could you? That would be great.

Ms Beaumont: Yes; that is okay.

CHAIR: So the statistics in general, but also an indication—if they are at that stage, and I appreciate some of your clients will not be—of how they have gone in terms of being able to address the debts? Have they confirmed them? Have they had them reduced or taken down to zero? That would be appreciated. The other area that would be useful for us is: have they taken any cases through or have any of their clients gone through to the AAT process yet, and what the outcomes for that have been?

Ms Creed: Certainly the case I provided before came from Fremantle, but I am happy to follow up and see if we can get statistical information about any change in their workload for those two centres, similar to the kinds that Welfare Rights presented.

CHAIR: Thanks, that would be very much appreciated if you could.

Ms Beaumont: There may be some difficulties, because we have all moved from a database to a new database, so that—

CHAIR: I understand that. We came across that in the east as well.

Ms Beaumont: could be an issue. I know I extracted the information before we lost the old database, but we will see what we are able to do as far as that is concerned. It is still sitting there.

CHAIR: That would be appreciated. One of the other areas is this: are you able to provide—I should have been asking this of more people in our other hearings—what types of payments they are on? Is it single parenting payments, is it Newstart, youth allowance, DSP or pension?

Ms Beaumont: We should be able to extract that from the system.

CHAIR: That would be very much appreciated.

Sussex Street Community Law Service and Fremantle Community Legal Centre did not separate the automatic debts from other types of debts on their data base, however some manual counting has occurred to separate automatic debts from other Centrelink debts. Fremantle Community Legal Centre and Sussex Street Community Law Service moved to the new data base on 22 February 2017 and 27 February 2017 respectively.

Fremantle Community Legal Centre has had 48 Centrelink debt matters in the period from 1 July 2016 to the end of April 2017. The manual count of automated debts was 7 for the period from January 2017 to the end of April 2017. For most of these matters legal advice has been provided, however 4 cases were opened. The entitlement type for the matters was Age Pension – 3, Newstart Allowance – 2, Disability Support Pension – 1, and Austudy – 1. They have had one client whose matter has progressed to the Administrative Appeals Tribunal (Tier 1), however they have the capacity to self-represent and the advocate is providing support when needed through this process. These debts have caused some additional workload for the advocate including checking Centrelink debt calculations which can be time consuming.

Sussex Street Community Law Service has had 27 Centrelink debt matters in the period from 1 July 2016 to 27 February 2017. The manual count of automated debts was 5. Some of the automated debts were identified through other parts of their Generalist legal service including clients of their Tenancy Service and their Individual Disability Advocacy Service. The entitlement type of the OCI matters were Newstart Allowance – 1, Age Pension – 1, Parenting Payment Single – 1, Disability Support Pension – 1, and a combined Newstart Allowance and Disability Support Pension debt. Of the 5 OCI matters only 1 matter was opened as a case. Representation was provided in that matter at AAT Tier 1 at which the decision was affirmed. Representation is to be provided at AAT Tier 2 in this matter.

Question 3

Hansard page reference: 37 Hansard extract:

CHAIR: Thank you. Perhaps, because we really are over time, you could take on notice the waiting lists for the centres that are involved in this particular issue. That would be much appreciated.

Sussex Street Community Law Service does not have a waiting list. The Welfare Rights Unit at the service is a part time lawyer position. The service has a limit on booking appointments two weeks in advance and the appointments book up quickly. Where welfare rights demand exceeds capacity external referrals are made. Regular referral points are the other welfare rights services at Welfare Rights & Advocacy Service and Fremantle Community Legal Centre.

Fremantle Community Legal Centre does not have a waiting list. Welfare Rights assistance is provided by a full time paralegal. The advocate prioritises welfare rights assistance to those without income or in hardship or those with new claims for payment pending. In debt matters initial advice can be provided including about repayment arrangements and obtaining documentation to assist to challenge a debt decision. These however may not need urgent action as there is no time limit for challenging these types of debts. Where the worker is at capacity or not available referrals to other welfare rights services may occur.

Welfare Rights & Advocacy Service does not have a waiting list. Welfare rights assistance is prioritised to those within the geographic catchment for the service and those with no income or are at risk of loss of income from Centrelink. The service regularly provides help to clients outside of the catchment area for those unable to get assistance from the welfare rights service in their area. To meet the increased demand for welfare rights help the service has had to reduce the ongoing casework provided to clients so that at a minimum we are able to provide legal advice to those who access the service. This means that some clients who in the past would have been assisted on an ongoing basis to progress their matter are not provided with that assistance as casework is more resource intensive. With

the current funding uncertainty it is likely that unless funding is kept at current levels that our service will have to reduce its welfare rights staffing. As a result of staffing cuts it is likely that there will be increased unmet demand for welfare rights assistance in this state. In Western Australia Legal Aid WA limit their Social Security assistance to a Duty Advocate Clinic at the Administrative Appeals Tribunal Tier 2 and refer all other matters to the funded community legal centres for help.

If there is additional information required by the Committee please do not hesitate to contact me on 08 9328 1751.

Yours faithfully

Kate Beaumont
Executive Officer