

LAUNCESTON COMMUNITY LEGAL CENTRE

22 November 2019

Senator Rachel Siewert Chair, Senate Community Affairs Reference Committee PO Box #6100 Parliament House CANBERRA ACT 2600

Dear Senator Siewert,

Re: Response to Questions on Notice

We refer to the Inquiry into Centrelink's compliance program public hearing held in Launceston on Friday 8^{th} November 2019 and now respond to questions taken on notice.

Question 1. Hansard page reference; 15.

Please find the attached client data for Recoverable Debts to the Commonwealth as presented to our Centre in 2017, 2018, and 2019.

Should you have any further queries regarding this matter please do not hesitate to contact us via the stated details at your earliest convenience.

Yours sincerely,

EMMA SMITH Welfare Rights Advocate

ES:Encl.

LAUNCESTON COMMUNITY LEGAL CENTRE INC. ABN 33 863 262 058 LEVEL 1 SUITE 17, 97A YORK STREET LAUNCESTON, TASMANIA 7250 FREECALL: 1800 066 019 PH: (03) 6334 1577 FAX: (03) 6331 5237



2017

A total of 25 Recoverable Debt Matters, covering the following benefit payments;

- o 11 NewStart Allowance (NSA)
- o 5 Family Tax Benefit (FTB)
- 2 Youth Allowance (YAL)
- o l Carer Payment (CP)
- o 1 Age Pension (AP)
- 4 Parenting Payment (PP)
- o 1 Disability Support Pension (DSP)

Of the 25 above-mentioned Recoverable Debt matters;

- 13 Due to variable hours worked in part-time/casual employment, where the client made a simple reporting error with income reporting,
- 1 Due to ex-partner had incorrectly advised client of current Household Income for reporting for Family Tax Benefit and Child Support Agency purposes,
- 2 Single v Partner Payment Rate Change of Circumstance was not reported to Centrelink within the Prescribed Period of time (client did not notify Centrelink that they were now 'partnered' within two weeks and continued to receive the benefit at the higher 'single' rate),
- 1 Compensation payout recovery Client received compensation payout and Centrelink issued a recovery notice,
- Breach of Constant Care requirements for ongoing receipt of Carer Payment - client not providing constant care on a daily basis in the care receiver's own home - therefore no longer meeting the basic eligibility requirements of the benefit and did not notify Centrelink of Change of Circumstances within the Prescribed Period,
- 1 Family Tax Benefit child moved out of the family home without permissions – client did not report this to Centrelink as a Change of Circumstance within the Prescribed Period,
- 1 Gross v Nett Client reported the Nett payment as income rather than the full Gross earnings,

- 1 Family Tax Benefit recovery amount issued as client had underestimated earnings for the financial year and was therefore overpaid Family Tax Benefit,
- 1 Client did not include Non-Reportable Fringe Benefits as part of income reporting as did not understand it was still income,
- 1 Client reported nil income to Centrelink whilst in receipt of a benefit and working part-time,
- 1 Client breached Satisfactory Study Guidelines and had not notified Centrelink of Change of Circumstances within the Prescribed Period,
- 1 Client Breached Job Seeker Mutual Obligation requirements and did not report a change in employment status or any earnings.

2018

A total of 26 Recoverable Debt Matters, covering the following benefit payments;

- o 13 NewStart Allowance (NSA)
- o 4 Family Tax Benefit (FTB)
- o 1 Youth Allowance (YAL)
- o 4 Carer Payment (CP)
- o 2 Age Pension (AP)
- o 1 AuStudy (AST)
- o 1 Disability Support Pension (DSP)

Of the 26 above-mentioned Recoverable Debt matters;

- 8 Due to variable hours worked in part-time/casual employment, where the client made a simple reporting error with income reporting,
- 2 Incorrect Superannuation Income Stream reporting,
- 3 Due to ex-partner had incorrectly advised client of current Household Income for reporting for Family Tax Benefit and Child Support Agency purposes,
- 1 Incorrectly reported income received via a Family Trust,
- 2 Client breached Satisfactory Study Guidelines and had not notified Centrelink of Change of Circumstances within the Prescribed Period,
- 1 Single v Partner Payment Rate Change of Circumstance was not reported to Centrelink within the Prescribed Period of time (client did not notify Centrelink that they were now 'partnered' within two weeks and continued to receive the benefit at the higher 'single' rate),
- 2 Compensation payout recovery Client received compensation payout and Centrelink issued a recovery notice,
- 1 Client breached Portability Rules with travel in excess of allowable time limits, and did not notify Centrelink of travel within the Prescribed Period,
- 2 Breach of Constant Care requirements for ongoing receipt of Carer Payment – client not providing constant care on a daily basis in the care receiver's own home – therefore no longer meeting the basic

eligibility requirements of the benefit and did not notify Centrelink of Change of Circumstances within the Prescribed Period,

- 1 Client reported nil income to Centrelink whilst in receipt of a benefit and working part-time,
- 3 Gross v Nett Client reported the Nett payment as income rather than the full Gross earnings,

2019

(To 12th November 2019)

A total of 20 Recoverable Debt Matters, covering the following benefit payments;

- 9 NewStart Allowance (NSA)
- 5 Family Tax Benefit (FTB)
- o 1 Youth Allowance (YAL)
- 3 Carer Payment (CP)
- o 1 Age Pension (AP)
- o 1 Parenting Payment (PP)

Of the 20 above-mentioned Recoverable Debt matters;

- 11 Due to variable hours worked in part-time/casual employment, where the client made a simple reporting error with income reporting,
- 1 Due to ex-partner had incorrectly advised client of current Household Income for reporting for Family Tax Benefit and Child Support Agency purposes,
- 1 Incorrectly reported income received via a Family Trust,
- 1 Single v Partner Payment Rate Change of Circumstance was not reported to Centrelink within the Prescribed Period of time (client did not notify Centrelink that they were now 'partnered' within two weeks and continued to receive the benefit at the higher 'single' rate),
- 1 Compensation payout recovery Client received compensation payout and Centrelink issued a recovery notice,
- 1 Client breached Portability Rules with travel in excess of allowable time limits, and did not notify Centrelink of travel within the Prescribed Period,
- 3 Breach of Constant Care requirements for ongoing receipt of Carer Payment - client not providing constant care on a daily basis in the care receiver's own home - therefore no longer meeting the basic eligibility requirements of the benefit and did not notify Centrelink of Change of Circumstances within the Prescribed Period,

1 Family Tax Benefit child no longer in care of client but not reported as a Change of Circumstance within the Prescribed Period, and client reported nil income from part-time employment.