

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 18 MAY 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt repayments

Question reference number: QoN 191

Member: Senator WATT

Type of question: Hansard page 39

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

Number of pages: 1

Question:

Senator WATT: But, in total, we are talking about \$4.5 billion/\$4.6 billion. Do those figures include the non-PAYG income?

Ms Golightly: No. We would have to get those for you.

Senator WATT: Could we get them on notice?

Ms Golightly: Yes.

Ms Campbell: Would it be useful to have it in that same sort of format?

Senator WATT: Yes. I think so.

Senator SIEWERT: Yes. That is useful.

Ms Campbell: That might be easier to understand.

Answer:

Refer to response supplied at Question 190.

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 18 MAY 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt repayments

Question reference number: QoN 192

Member: Senator WATT

Type of question: Hansard page 40

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

Number of pages: 1

Question:

Senator WATT: You are going to take on notice how much is expected to be saved out of that?

Ms Campbell: Yes.

Answer:

Refer to response supplied at Question 190.

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 18 MAY 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Savings generated from debt repayments

Question reference number: QoN 193

Member: Senator WATT

Type of question: Hansard page 41

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

Number of pages: 1

Question:

Senator WATT: Feel free to take this question on notice. Is it possible to break down by payment type both the expected savings and the actual savings achieved—age pension, Newstart, parenting payment? Can you have a look at that for us?

Ms Campbell: We can look at it, but I think our systems are not that good—and it would require a manual engagement.

Senator WATT: If you can take that on notice for us, that would be great. Those savings targets are very precise figures. How were they arrived at?

Answer:

The Department does not produce a report with expected savings against the actual savings by payment type. The creation of such a report would require accessing information from multiple sources, computer coding and significant manual intervention.

The expected savings targets were calculated using information and data the department holds in relation to many years of compliance activities.

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 18 MAY 2017

ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Debt recovery

Question reference number: QoN 197

Member: Senator KAKOSCHKE-MOORE

Type of question: Hansard page 43-44

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

Number of pages: 2

Question:

Senator KAKOSCHKE-MOORE: We heard this week from a few witnesses who said they were aware of people who had had deductions taken from their Centrelink payments as a result of a debt that was alleged to have been owed. But, when they challenged it and more investigation was done, it was shown that in fact there was no debt, and so the deductions had been taken out in error and needed to be put back into the person's account. What is the usual time frame for that, because Centrelink had told this person, 'You'll get it in instalments on a fortnightly basis rather than as a lump sum'?

Ms Golightly: I would have to take notice the exact time frame, but that does not sound familiar to me. What normally happens is that the system first checks whether that is another debt that is owing, and that money is first applied to any other outstanding moneys. But I would have to check the rules on exactly the number of days it takes if, after doing that, there is still money owed to the person.

Senator KAKOSCHKE-MOORE: A refund?

Ms Golightly: Yes.

Ms Campbell: It is the case that moneys that are owed to the recipient would go towards other debt—

Senator KAKOSCHKE-MOORE: First.

Ms Campbell: first—in the first instance.

Senator KAKOSCHKE-MOORE: But if there were no other debts, it should go directly back to the recipient?

Ms Campbell: That is what our understanding is.

Ms Golightly: I will take that on notice.

Answer:

A person can request a review of their debt at any time. Since February 2017, the Department can pause recovery action until the review of the decision is complete.

If the debt amount is reduced or overturned as a result of the review, and the person has repaid too much, any overpaid amounts will either be credited to any other outstanding debts the person may have, or be refunded to them as soon as possible.