

Senate Community Affairs Legislation Committee

SUPPLEMENTARY ESTIMATES - 18 OCTOBER 2012 ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Topic: Centrepay – principles

Question reference number: HS 40

Senator: Siewert

Type of question: Written question

Date set by the committee for the return of answer: 7 December 2012

Number of pages: 2

Question:

- a) What are the principles or guidelines that are used to determine if an organisation is a fit and appropriate organisation to provide Centrepay?
- b) What information is publicly available about the principles behind Centrepay?
- c) Please table the relevant documents that explain the principles that underpin the operations of Centrepay.

Answer:

- a) In making a decision to approve an organisation for Centrepay, the Department will consider whether the applicant meets both the eligibility and approval criteria set out in the 'Centrepay Policy', which is published on the Department's website. The Department will consider all relevant information, including:
 - the applicant's understanding of the Centrepay Scheme and its objective as set out in the Centrepay Policy document, and the applicant's willingness and ability to further that objective;
 - the applicant's willingness and ability to comply with the Department of Human Services Business Terms and Conditions, including Schedule 1 (Centrepay) and any agreed Special Conditions;
 - any previous non-compliance with any contractual arrangements with the Department;
 - any adverse information received from:
 - the Australian Competition and Consumer Commission (ACCC);
 - the Australian Securities and Investments Commission (ASIC);
 - other regulatory bodies, including state and territory fair trading agencies;
 - other relevant Commonwealth, state or territory or local government agencies;
 - consumer groups; or
 - customers.

- the applicant's ability and willingness to comply with all legal requirements applicable to its business (e.g. the anti-hawking provisions of the *Corporations Act 2001* (Cth));
- whether the applicant has appropriate external dispute resolution mechanisms available to resolve any disputes between the applicant and its customers
- whether, in the Department's opinion, allowing the applicant to participate in the Centrepay Scheme would adversely affect the Department's reputation in any way;
- whether the applicant holds a current and valid community store licence from FaHCSIA if required do so by the *Northern Territory National Emergency Response Act 2007* (Cth) or other law; and
- whether the applicant has an accounting, administrative and pricing system that allows it to meet the requirements of this policy and the Contract.

On 12 November 2012, the Minister announced an independent review would commence into the operations of Centrepay and should be completed in time to inform changes for the 2013-14 financial year.

- b) The following documents are publicly available on the Department's website at <http://www.humanservices.gov.au/business/services/centrelink/centrepay-for-business-and-organisations/applying-to-become-a-centrepay-participant>:

- Centrepay Policy;
- Centrepay Schedule 1; and
- Department of Human Services Terms and Conditions.

- c) The principles that underpin the operations of Centrepay can be found in the 'Centrepay policy' document provided.

The Centrepay Policy is also available on the Department's website at <http://www.humanservices.gov.au/spw/business/publications/resources/9174/9174-1207en.pdf>.