

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE
BUDGET ESTIMATES – APRIL 2019
QUESTIONS ON NOTICE
DEPARTMENT OF HUMAN SERVICES**

HS No.	PDR	Broad topic	Senator	Question
1	SQ19-000107	Child Support – IT Review	Watt	<p>Senator WATT: My next questions relate to IT issues involving the child support agency. How many reviews of this system, the change process and other elements of this IT area have Deloitte completed and how many are they currently working on?</p> <p>Ms Bridger: Deloitte undertook one review. It was extended. So it was essentially one review that was extended.</p> <p>Senator WATT: Is it still underway?</p> <p>Ms Bridger: No.</p> <p>Senator WATT: Do you know when it was completed?</p> <p>Ms Bridger: I don't have the exact date that it was completed. It commenced in early 2018. It took some months to undertake the first stage of the review. The extension was for another series of months. I would need to take on notice exactly when it concluded. <i>[page 122]</i></p>
2	SQ19-000108	Child Support – IT Support Funding	Watt	<p>a) Senator WATT: I think in the budget estimates last May we asked some questions about this, particularly about how much money has been spent in addition to the \$102.3 million budgeted to replace Cuba. Ms Leon, I understand that what you said at the time was that there hadn't been any additional budget over and above what was within the department's existing budget and that the department was now just using BAU funds.</p> <p>Ms Leon: That's right. Business as usual.</p> <p>Senator WATT: Can the department please provide the dollar figure spent on the IT system to maintain the system in its current state, including the cost of dealing with any issues such as outages or the cost to continue to make small steps towards progressing the replacement?</p> <p>Ms Leon: We would have to take that on notice. <i>[pages 123-124]</i></p> <p>b) Senator WATT: How much money has been spent in addition to the \$102.3 million that was budgeted to replace Cuba?</p> <p>Ms Leon: I think we answered this in a question on notice a few estimates ago.</p> <p>Senator WATT: Is there an undated figure?</p> <p>Ms Leon: As at 30 June 2018, the ICT cost on top of the original estimates was \$33.4 million.</p> <p>Senator WATT: Is it likely that figure will have increased again?</p> <p>Ms Leon: We won't be allocating any additional child support modernisation funds, but the amount that will continue to be spent year on year just for normal maintenance will be in the vicinity of \$6 million to \$7 million.</p> <p>Senator WATT: Could I get an updated figure on notice?</p> <p>Ms Leon: Yes. <i>[page 124]</i></p>

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3	SQ19-000109	Child Support – IT Review Report	Watt	<p>Senator WATT: By the way, could I get you to table the Deloitte review that was conducted in relation to the Cuba system?</p> <p>Ms Leon: I think we have dealt with that in questions on notice before, but I'll take it on notice and go back to see what the status of that is.</p> <p>Senator WATT: You think you've dealt with it by providing a copy?</p> <p>Ms Leon: No, I think we've dealt with it by not providing a copy.</p> <p>Senator WATT: Yes, that's what I feared. Is there any reason you wouldn't table it?</p> <p>Ms Leon: I think what we have said before is that the report is still under consideration while we are implementing its recommendations.</p> <p>Senator WATT: When did you say it was handed down?</p> <p>Ms Leon: I think Ms Bridger took on notice as to when it was completed.</p> <p>Senator WATT: Seriously, many months have gone by since the report was delivered, whenever it actually was.</p> <p>Ms Leon: We'll take it on notice and see if there is still any impediment to providing it to you.</p> <p><i>[page 125]</i></p>
4	SQ19-000110	GovPass - Funding	Watt	<p>a) Senator WATT: The budget papers also show that DHS is getting \$7.2 million to administer GovPass digital ID. What will that money be used for?</p> <p>Ms Leon: The minister announced last year the trusted digital identity framework, which will enable people to establish a digital ID and to enable that to be managed through a federated system such that you can prove your activity at one Commonwealth government agency—say, DHS or the ATO—and then have that identity validated when you wish to receive services from another Commonwealth entity. What we are providing is the exchange in the middle of that process so that your identity documentation wouldn't need to be transferred to the second agency; rather, the first agency would be connected via the exchange, which DHS will provide, so that your identity can be verified by the second agency. So that money is for us to build and operate the exchange.</p> <p>Senator WATT: So the money will be used to employ human beings to design a system?</p> <p>Ms Leon: Certainly, significant parts of that money will be for IT staff. There may be other capital costs in that as well.</p> <p>Senator WATT: Actually, I understand the budget papers show that there's going to be \$9.1 million in capital funding.</p> <p>Ms Leon: Yes. Capital—that's right.</p> <p>Senator WATT: So that's separate from the \$7.2 million?</p> <p>Mr Jenkin: That's the capital component of the same measure.</p> <p>Senator WATT: Yes.</p> <p>Ms Leon: Yes. But it is IT capital, by and large, yes.</p> <p>Senator WATT: Yes. That will be the cost of the system.</p>

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				<p>Ms Leon: That's right. The next part of that project, yes.</p> <p>Senator WATT: Yes. Have any contracts relating to this new funding been put out to tender yet?</p> <p>Mr Jenkin: I'm not aware that it has been yet, but I can't say for sure. We'll probably have to confirm that. <i>[pages 125-126]</i></p> <p>b) Senator WATT: Do you know when it's anticipated that tenders will be issued?</p> <p>Ms Leon: I don't know if there will need to be tenders. We may conduct the work ourselves.</p> <p>Senator WATT: Oh, okay. So you won't necessarily outsource it?</p> <p>Ms Leon: We may not necessarily. I'm happy to take on notice whether there will be external tenders, but we may manage the project ourselves, whether it's with APS staff or with ICT contractors. <i>[page 126]</i></p>
5	SQ19-000111	Centrepay	Watt	<p>a) Senator WATT: Are you able to advise how many rent-to-buy scheme providers are currently receiving payments directly from Centrelink through the Centrepay system?</p> <p>Mr Matthews: I think we have tabled a QON in response to consumer leases. I think we said there were approximately 192 consumer lease businesses registered for Centrepay. Some may be registered but not necessarily active in Centrepay and getting deductions. I don't have that figure with me tonight.</p> <p>Senator WATT: Are you saying that you have already provided a list of those 192?</p> <p>Mr Matthews: It was a QON. I think we provided a question on notice that had quite a bit of a breakdown about Centrepay in terms of the number of consumer lease businesses, the amount over the last 10 years that had been directed towards consumer lease business and those sorts of things.</p> <p>Senator WATT: Is it a full list of all of those providers?</p> <p>Mr Matthews: It's not a list of the providers. We've listed the number and the amount of money. I don't think we provided a list of the businesses. That could be provided.</p> <p>Senator WATT: Could I get a copy of that, please?</p> <p>Mr Matthews: Sure. We can take that on notice. I obviously don't have it with me. <i>[page 130]</i></p> <p>b) Senator WATT: How much does it cost to implement this Centrepay scheme?</p> <p>Mr Matthews: I don't have the exact cost with me. We charge businesses for deductions, so it tends to run on a fee recovery basis. There is a fee per transaction for the businesses but it's free for the customer. The businesses fund us per deduction, and that is what runs the scheme. It's not a figure that I brought with me tonight. <i>[page 132]</i></p>

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6	SQ19-000112	Online Compliance Intervention	Patrick	In relation to Centrelink's robo-debt scheme; a) What is the minimum information that is used to determine a debt? b) Is a person contacted and asked to provide information before a debt is issued? c) When a debt is issued, does the Government provide a comprehensive explanation as to how it calculated the debt? If not, why not?
7	SQ19-000113	Online Compliance Intervention – South Australia	Patrick	For each financial year since Centrelink's robo-debt inception: a) How many robo-debts were issued and how many of those were for South Australians? b) What was the value associated with those debt notices and what was the total amount for South Australians? c) How many of those debts were challenged? d) How many were successfully challenged (the debt was reduced or wiped) e) How many of those debts were ultimately recovered in full? f) How many were recovered in part? g) How many were partially waived? h) How many were fully waived? i) How much was actually collected and how much of this was collected from South Australians? j) How many debts were referred to a debt collector and how many South Australians were referred to a debt collector?
8	SQ19-000114	Online Compliance Intervention – Vulnerable People	Patrick	What procedures are in place to deal with vulnerable people of debt recipients experiencing mental health issues?