

## **Senate Community Affairs Legislation Committee**

### **ADDITIONAL ESTIMATES – 11 FEBRUARY 2016 ANSWER TO QUESTION ON NOTICE**

#### **Department of Human Services**

**Topic:** Welfare fraud

**Question reference number:** HS 42

**Senator:** Siewert

**Type of question:** Written

**Date set by the committee for the return of answer:** 4 April 2016

**Number of pages:** 2

#### **Question:**

In relation to the National Welfare Fraud tip-off line and the answer provided to QoN 184 from Supplementary Budget Estimates:

- a) Please provide an update reflecting the latest data since QoN 184
- b) Of the 108,841 tip-offs, only 1,494 lead to social security payment reductions. What is the status of the remaining tipoffs? At what stage in the process for the remaining tip-offs did the Department decide they would not result in payment reductions?
- c) How much has the National Welfare Fraud tip-off line cost, in both running the tip-off line, and in investigation the 'tip-offs'?
- d) How much money has been recovered through the National Welfare Fraud tip-off line?

#### **Answer:**

- a) The following is an update:
  1. For the 2015-16 financial year to 31 January 2016, the Department received 63,353 tip-offs relating to DHS programmes and other government programmes. Of these 58,720 related to social security entitlements. Tip-offs can be received in a number of ways from disparate sources, including online, telephone and letter. For the financial year to 31 January 2016, 28,897 tip-offs, relating to all programmes, were received via the fraud tip-off line. The department is not able to disaggregate social security tip-offs received via the fraud tip-off line.
  2. There were 771 tip-offs that led to social security payment reductions (in the period 1 July 2015 to 31 January 2016).
  3. Tip-offs resulted in fortnightly savings to social security payments of \$309,651 and \$11.0 million in debts raised (in the period 1 July 2015 to 31 January 2016).
  4. There were 25,178 tip-offs which had action undertaken and were completed in 2015-16 (as at 31 January 2016) that did not result in a reduction to social security payments.

5. There were 28,147 tip-offs received in 2015-16 (as at 31 January 2016) that related to alleged social security “member of a couple” matters.
  6. There were 25,057 tip-offs completed in 2015-16 (as at 31 January 2016) that did not result in a change to rate of social security payments.
  7. There were 45 staff involved in 2015-16 (as at 31 January 2016).
  8. The cost of processing tip-offs from all sources in 2015-16 (as at 31 January 2016) was an estimated \$2.03 million.
    - i) The Commonwealth Director of Public Prosecutions (CDPP) is the independent prosecution service established to prosecute alleged offences against Commonwealth law and, as such, all data relating to prosecution action should be sourced from the CDPP.
- b) Some tip-offs may also relate to allegations already reported to, or detected by the department. This may result in those tip-offs being finalised and combined with the existing matter, or if already resolved, closed off with no further action. The department is not able to disaggregate the status of the remaining tip-offs or the stage at which the department made a decision that did not result in payment reductions. However, in broader terms the department can advise that the status of the remaining tip-offs can range from still being assessed, unable to identify and finalised, debts raised or still in progress.
- c) Running the tip-off line has cost \$2.03 million between 1 July 2015 and 31 January 2016. The department is not able to disaggregate the cost of investigating tip-offs resulting from the tip-off line as tip-offs can be finalised and combined with an existing matter, or if already resolved, closed off with no further action.
- d) The department is not able to provide the amount of money that has been recovered through the National Welfare Fraud tip-off line.