

Senate Community Affairs Legislation Committee

ADDITIONAL ESTIMATES – 2 MARCH 2017 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Welfare Payment Errors

Question reference number: 13 (HS 13)

Senator: Siewert

Type of question: Hansard page 29

Date set by the committee for the return of answer: 21 April 2017

Number of pages: 2

Question:

Senator SIEWERT: So we still do not know, of those percentages of debts that have been raised as overpayments, what was caused by error.

Ms Campbell: No, we do not actually have the figure. We could do a sample if you like and work out how many of a sample were raised by error. That is a way of doing it, and that might be something we could take on notice—doing a sample. But we know that often errors are raised, anecdotally, from people who have not updated their details.

Senator SIEWERT: I understand what you just said, and I understand that you said that last time. Yes, I appreciate that there may be some, but there are also, from what I am told, some that have updated their details; in fact, on a number of occasions people have told me that. But it does not get away from the fact that, aside from people that have not updated their details for whatever reason, some of the overpayment have resulted from system or administrative errors, and you cannot tell me how many.

Ms Campbell: What I am proposing is that we do a sample. I am just trying to work out how many debts we—

Ms Golightly: Last year we raised 2.4 million debts in one year alone.

Ms Campbell: So it would be very difficult to go through those 2.4 million debts to do that. So what I am proposing is that we do a sample of those debts and use a sampling methodology to determine what proportion they are and what proportion is because the recipient has not updated their details.

I would also note that, yes, recipients do update their details but often not in a timely enough fashion. If they have employment and they do not tell us for a week, that may lead to them being overpaid because they have not told us quickly enough in order to stop that next payment going to them.

Senator SIEWERT: I would appreciate it. You can you tell me all the examples of people that have made mistakes, but I am interested in the mistakes that Centrelink has made.

Ms Campbell: We have proposed to do a sample and take that on notice.

Answer:

The Department of Human Services undertakes random sample surveys to determine payment accuracy and payment correctness.

Payment accuracy reflects the Department's ability to pay the right person the right amount of money, through the right programme, at the right time, and takes into account customer and administrative error. Payment accuracy was 95.5 per cent in 2015-16.

Payment correctness is the percentage of payments where the recipient did not have an incorrect payment due to an administrative error. Payment correctness was 98.4 per cent in 2015-16.