

## Senate Community Affairs Legislation Committee

### ADDITIONAL ESTIMATES – 2 MARCH 2017 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Online Compliance Initiative

**Question reference number:** 15 (HS 15)

**Senator:** Siewert

**Type of question:** Hansard pages 29-30

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

**Number of pages:** 3

#### **Question:**

a) Senator SIEWERT: ..... I do not think we will have time now, but I would like the information for next week. How many people have been issued a discrepancy notice from July until February under the online compliance intervention program?

Ms Campbell: Can you be very clear about what you mean by 'discrepancy notice'? Is that an accounts payable debt letter?

Senator SIEWERT: I am coming to the debt. This is the first letter.

Ms Campbell: So that is not a discrepancy; that is asking someone to clarify the differences between the tax office and the Centrelink.

Senator SIEWERT: I stand corrected. How many of those have been issued, month by month, from July 2016?

b) ..... How many have been issued with a debt notice for the same period—per month for that period of time?

c) ..... Could you then break that down into how many people have been issued a discrepancy notice under the program that have had no further action taken once they have updated their information?

Ms Campbell: Yes.

d) Senator SIEWERT: And how many people have been issued a discrepancy notice have had to provide supporting documentation?

e) ..... How many people have been issued a debt notice under the program that have had to provide supporting documentation?

f) ..... Could you please provide a breakdown of how many people have been issued with a discrepancy notice from Centrelink that have had no contact with Centrelink—those who have not responded, in other words?

Ms Campbell: This is the initial letter alerting them to the fact that there is a difference and that we have not then had any contact?

Senator SIEWERT: Yes.

g) ..... Then how many you have found, in fact, have no debt?

- h) ..... How many people have had the debt reduced?
- i) ..... How many people have had it increased, month by month?
- j) ..... How many people have been waived?
- k) ..... Could you also provide information around the debt notices that have had a 10 per cent recovery fee applied and how many people have had it waived?

Ms Campbell: Can I just clarify: you want that on notice for this committee, but you would like us to have that information available next week?

Senator SIEWERT: Yes. Is that doable?

Ms Campbell: I think that is probably doable. I will just check on the month-by-month stuff.

Senator SIEWERT: I am seeing some nodding behind you.

**Answer:**

The information requested is at Attachment A.

# OCI INFORMATION AND STATISTICS

	Number of Assessments											
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17				
<b>Assessments Initiated</b>	230	844	62,240	50,342	94,754	8,993	3,465	364				
<b>Assessments Completed - Without Debt <sup>1</sup></b>	1	45	156	14,216	11,973	9,954	2,115	126				
<b>Number of Debts</b>												
	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17				
<b>Number of Debts Raised<sup>2</sup></b>	10	194	618	47,785	45,501	39,174	5,764	367				
<b>Debt Reduced to Zero<sup>3</sup></b>	0	0	11	227	1,307	1,330	2,362	1,384				
<b>Debt Reduced non-Zero<sup>3</sup></b>	1	2	19	307	1,846	2,120	4,017	2,800				
<b>Debt Amount Increased<sup>3</sup></b>	0	1	4	25	274	202	302	279				
<b>Recovery Fee Applied<sup>4</sup></b>	8	104	379	33,543	34,175	29,085	3,687	73				
<b>Debts Waived and/or Written Off permanently<sup>3, 5, 6</sup></b>	0	3	31	1,816	1,862	1,851	584	197				

<sup>1</sup> The month relates to the date completed so there will be a lag affect between when assessments were initiated and when they were completed.

<sup>2</sup> One Assessment can lead to multiple debts if the recipient has been the beneficiary of different types of income support payments

<sup>3</sup> The month the change is reported is the month the reassessment or review of the debt was completed which may be different to the month the debt was raised.

<sup>4</sup> A recovery fee can be applied to debts for working age recipients where they have not provided information about their income, and they have not provided a reasonable explanation. Some debts may have the recovery fee removed at a later date if the recipient provides information that demonstrates they had a reasonable explanation.

<sup>5</sup> Social Welfare debt may be waived due to being not cost effective to pursue (under \$50), an administrative error or in special and unusual circumstances.

<sup>6</sup> A permanent write-off may be applicable in some cases, for example, when the recipient is deceased or has been declared bankrupt.