

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Human Services Portfolio

Department of Human Services

Additional Estimates February 2005

Question: HS33

Outcome 1, Output 1.1, Effective delivery of Australian Government services to eligible customers

Topic: Debt recovery strategies

Hansard Page/Written Question on Notice: Written

Senator Evans asked on 15 February 2005:

- (1) Is Centrelink concerned that its debt recovery practices account for nearly half (46%) of all complaints to the Commonwealth Ombudsman?
- (2) What strategies have Centrelink established to try and reduce the level of complaints about its debt recovery practices?
- (3) What resources have Centrelink devoted to improving its record in this area?
- (4) What proportion of Centrelink's budget would be used to resource its debt recovery methods (ie how many staff are involved, how much do these staff cost)?
- (5) What is the pattern of Centrelink expenditure on debt recovery over the last five financial years?
- (6) Has Centrelink expenditure on debt recovery been increasing? Have numbers of staff working on debt recovery increased? Please indicate how many staff have worked on debt recovery in each of the last five financial years.
- (7) Where have the additional staff working on debt recovery come from? Are they being transferred from other areas of Centrelink?
- (8) What sort of training is provided to staff working on debt recovery?
- (9) What accountability mechanisms are in place to ensure that people with Centrelink debts are treated appropriately by Centrelink staff?

Answers:

- (1) All complaints raised with Centrelink are taken seriously and each case is considered on its merit. There were 568 complaints made to the Ombudsman regarding debts in 2003-04. As a proportion of the number of customers with a debt, this is a small figure. Complaints to date in 2004-05 have been decreasing.
- (2) On 1 October 2004 Centrelink established six expert debt recovery sites with specially trained officers. Welfare Rights assisted Centrelink in the development and the delivery of the training package.
- (3) In addition to staff involved in the debt recovery sites a Customer Solutions Manager has been appointed. This officer investigates issues that are brought to his attention and will maintain ongoing liaison with Welfare Rights and other customer advocates.

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(4) \$9.42m is allocated for the 2004-05 financial year. This equates to 199 staff.

(5) Funds for debt recovery teams over the last five financial years cannot be identified easily. Before the establishment of the expert teams, funds were part of Area Support Office allocations and not defined separately.

(6) See answer to Question 5. All 15 Centrelink Area Support Offices had debt recovery teams over the last five financial years.

(7) Establishment of the new recovery sites has been managed from within Centrelink's operating budget.

(8) A week long training course was conducted for all recovery staff in August/September 2004. This training addressed technical, customer service and service delivery components of debt recovery.

(9) The following accountability mechanisms are in place:

- Standards set in training course
- Complaints monitoring
- Contact officers in place
- Regular meetings with Welfare Rights and other customer advocates
- Any issues identified are dealt with promptly.