

Senate Finance and Public Administration Legislation Committee
Additional Estimates Hearing – February 2010
ANSWER TO QUESTION ON NOTICE

Topic: Home Insulation Program – Refunds to the Department

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Question: (Senator Birmingham)

Senator BIRMINGHAM—How many refunds have had to be made to the department under the program or how many claims have been rejected?

Mr Aaron Hughes—Those are two different questions and in both cases we will have to take them on notice to give you a complete picture of what is happening. In terms of refunds, I assume you are talking about what we would call a voluntary recovery?

Senator BIRMINGHAM—Yes.

Mr Aaron Hughes—In that regard there are a number of installers who have confirmed or advised the department that they had made an error in claiming for a certain installation and that they would like to pay some money back. We would have to take on notice the actual number and quantum of that. The second item you mentioned was—

Senator BIRMINGHAM—Claims or applications rejected for payment.

Mr Aaron Hughes—We could not give you a firm figure on that, because it does fluctuate. Through the department's compliance processes we would potentially pend or hold a number of claims any given day on the basis of parameters that are set through the compliance processes. That number will obviously fluctuate for any given day as well, because we may approach an installer or a householder to confirm the suspicion that has come out of the compliance process. In terms of solid figures of what we have rejected, that is something that we would have to take on notice.

Answer:

As at 23 September 2010, 459 installer businesses have advised that they wish to repay approximately \$870,000 for 1,051 installations.

As at 23 September 2010, 269 businesses have repaid a total of approximately \$470,000 for 563 installations.

The number of claims for which payment is withheld fluctuates on any given day as compliance activity is undertaken. For example, a claim may be held on the basis of a compliance issue and subsequently released if the issue is resolved.