

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Budget Estimates 2005-2006, 26 May 2005

Question: HS80

Outcome 1, Output Group 1.1

Topic: Centrelink - Review of payment recipients' property holdings

Hansard Page/Written Question on Notice: Written

SENATOR EVANS asked on 26 May 2005:

1. Can Centrelink please provide figures for the 2004-05 financial year in the format used in the response to question on notice HS 41 from February Estimates.
2. Please indicate the number of payments cancelled as a result of real estate reviews in 2004-05 in each State and Territory.
3. Please indicate the number of payments cancelled as a result of real estate reviews in 2004-05 in each federal electorate.
4. Please indicate the number of payments reduced as a result of real estate reviews in 2004-05 in each State and Territory.
5. Please indicate the number of payments reduced as a result of real estate reviews in 2004-05 in each federal electorate.
6. What is the process for reducing or cancelling payments?
7. Are customers informed of Centrelink's intention to cancel/reduce payments by letter?
8. If payments are cancelled or reduced, what information are customers given about available appeal and review mechanisms?

Answer:

(1)

The following table outlines details of real estate reviews conducted in 2004-05 up to 17 June 2005. A break down by payment type will not be available until the end of financial year processes have been finalised with Purchasing Departments.

Centrelink Review Activity for Real Estate – Financial Year 2004-05 to 17 June 2005

Number of Reviews Completed	Number of Cancellations	Reductions in Payment	Fortnightly Savings \$
25,740	289	9,579	870,300

(2), (3), (4) and (5)

Total numbers of cancellations and reductions will not be available until the end of financial year processes have been finalised with Purchasing Departments.

Centrelink is unable to break down the data by State and/or Federal electorate.

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(6), (7) and (8)

Prior to reviewing customers' real estate asset values, Centrelink sends customers a letter and form, which lets them know their real estate asset value is being reviewed. This letter and a form gives them an opportunity to provide Centrelink with their own estimate of value. Customers generally have twenty-one (21) days to respond.

When customers provide their own estimate of value in response to the letter and a form from Centrelink, a decision is made whether to accept it or seek a valuation from the Australian Valuation Office. The decision is based on local knowledge and a valuation-testing tool that the Australian Valuation Office provides. The period between the customer receiving our letter and a form and Centrelink applying a new valuation in their assessment could vary between three (3) and six (6) weeks.

In those cases where Centrelink has sought an Australian Valuation Office valuation, that new value is applied to the customer record. If the customer has a payment variation as a result of the new value, a second letter is sent advising of the new value of the property and revised rate of payment, if applicable.

Appeal procedures and options are outlined in the second letter to the customer that advises of the new property value and rate of payment.