

Senate Finance and Public Administration Standing Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES – 28 MAY 2009

Human Services Portfolio

Department/Agency: Department of Human Services
Outcome/Output Group: Outcome1/Output Group 2
Topic: Optical Surveillance Trial

Senator: Bernardi

Question reference number: HS7

Type of question: Hansard F&PA 75-77, 28 May 2009

Date set by the committee for the return of answer: 10 July 2009

Question:

HS7: Senator BERNARDI—I would like further information about it. I would like to know how many people are involved in it and what the costs are of running the pilot and the trial.

Ms Cooke—I can take on notice the question you asked before, about the full details of what it costs and the amounts we have collected; I am happy to provide the answer to that.

Senator BERNARDI—I understand that and I appreciate you clarifying it. My question was: is the administration really expected to result in a transfer of an equal quantum of money to receiving parents? But you can take that notice; that will come into your budgetary analysis.

Answer:

HS7: *The Surveillance Pilot*

In April 2007 the Child Support Program (CSP) established a team to pilot an evaluation of the use of covert optical surveillance in addressing non-compliance with child support obligations. The pilot was limited geographically to a small number of cases from Queensland and NSW. Surveillance on selected cases commenced in September 2007. The time allotted to the pilot was limited to three months which, while originally considered sufficient time to test the use of surveillance, subsequently was found to be too short for most cases to come to finalisation.

The pilot involved four cases from NSW and four cases from Brisbane.

From the evidence gathered during the pilot it was apparent that the use of surveillance in a controlled and closely managed way and applied to a small number of the more serious cases of non-compliance, could add a significant investigative capability to the investigation tools then available to CSP investigators.

While the pilot found that surveillance could assist in the identification of previously unknown facts that can materially impact on the direction of future investigations and it can provide evidence that can be used to disprove statements made by customers which may not otherwise be disproved, it was not possible to quantify direct changes in assessments or increased collections arising from the use of surveillance.

The pilot cost \$178,759 of which \$30,464 was expended on surveillance service providers with the remaining \$148,295 representing staff salary and relating administration and corporate on-costs.

The Surveillance Trial

Given the limited nature of the pilot and its geographical and time restrictions, it was assessed that the establishment of a trial not limited by geography should proceed. It was determined that the trial would last 12 months and operate from 1 July 2008 to 30 June 2009.

The trial involved the development of detailed procedural instructions, program wide stakeholder engagement and development of case referral and selection processes.

This incorporated the 'Covert surveillance in Commonwealth administration guidelines' issued by the Privacy Commissioner in February 1992.

As at 31 May 2009 the trial has involved actual surveillance on 11 customers and other customers were being considered. As a direct result of this surveillance, six cases are being investigated for possible referral to the Commonwealth Director of Public Prosecutions for prosecution action as there is evidence that suggests that an employer and an employee are colluding to minimise or evade child support payments. A further three cases have been referred to other areas of the CSP with collection options identified.

In the coming months some quantitative measures of success may be evident as prosecution activity resultant from Optical Surveillance progresses. However, as identified in the pilot, CSP does not expect to be in a position to definitively allocate collection outcomes solely due to surveillance activity. Rather surveillance activity could form a part, albeit a significant part, of an investigation where deemed appropriate.

It is anticipated that the successful prosecution of offences as a result of the CSP's surveillance program will assist CSP in deterring non-compliance, drive broader improved compliance outcomes and enhance the overall integrity of the child support scheme.

As at 31 May 2009 the trial was staffed by one Manager (Executive Level 1) and two APS Level 6 investigators. Personnel involved in conducting these investigations and preparing Optical Surveillance instructions all have, or are attaining, the appropriate qualifications as mandated in the Commonwealth Fraud Control Guidelines.

As at 31 May 2009 the trial has cost \$337,807 of which \$71,014 was expended on surveillance service providers with the remaining \$266,793 representing staff salary and related administration costs, training costs and corporate on-costs.

Number of pages: 2