

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

Question: HS 32

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

Topic: Centrelink - Review of Payment Recipients' Property Holdings

Written Question on Notice: Written

SENATOR EVANS asked the Minister for Human Services, upon written notice:

1. Please provide an update to the information provided in response to question on notice HS 78 from May Estimates.
2. Review of payment recipients' property holdings
3. Can we have a breakdown of the number, by payment type, of all recipients with real estate holdings that are additional to their principal residence?
4. How many of these real estate holdings have been reviewed in each of the past five financial years?
5. 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.
6. Please also provide these figures for the 2005-06 financial year (to date).
7. For each of the last four financial years (2001-02, 2002-03, 2003-04 and 2004-05), please indicate the number of appeals against real estate review outcomes that have occurred. Please indicate the number of appeals that were affirmed and rejected. Please provide this information for each stage of the appeal process (ARO, SSAT, AAT).
8. Did AVO conduct all reviews in 2002-03, 2003-04, 2004-05 and 2005-06 (to date)? If not, please indicate how many reviews were not conducted by the AVO, and who conducted these other reviews?
9. What was AVO paid to conduct reviews in 2002-03, 2003-04, 2004-05 and 2005-06 (to date)?
10. Has the increase in review activity in the September 2005 quarter now ceased?
11. What steps are being put in place to ensure the real estate holdings are more regularly reviewed?
12. Are pensioners given a transition period following the new assessment of the value of their properties, or does their pension cease immediately?
13. If there is no transition period, why not?

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

1. Updated information from May 2005 Senate Estimates Question on Notice HS 78 is as follows.

A breakdown of Centrelink staff by classification, location, gender, full-time/part-time status is available at Appendix 7, commencing on page 245 of the Centrelink Annual Report 2004-05.

Age breakdown by location is:

Centrelink Employees by Gender and Age, 30 June 2005												
	Female						Male					
	15-24	25-34	35-44	45-54	55-64	65+	15-24	25-34	35-44	45-54	55-64	65+
AREA HUNTER	27	255	303	188	57	2	13	74	90	94	22	0
AREA EAST COAST NSW	10	200	229	212	88	5	4	72	110	155	56	3
AREA WEST NSW	21	170	148	167	49	1	5	44	56	84	28	4
AREA SOUTH WEST NSW	45	174	214	143	32	1	38	53	55	65	20	1
AREA SOUTH METRO	33	236	168	137	40	1	11	65	62	83	38	3
AREA PAC CENTRAL	46	314	388	355	112	4	13	116	136	190	60	2
AREA BRISBANE QLD	61	361	351	395	112	1	27	145	133	173	53	1
AREA CENT/NORTH QLD	23	196	212	164	51	1	9	58	57	68	11	0
AREA NORTH CENT VIC	11	239	271	227	53	1	3	100	150	160	31	0
AREA SOUTH-EAST VIC	13	207	250	259	68	2	8	77	106	128	42	2
AREA WEST VIC	10	277	279	163	41	2	3	83	115	157	24	1
AREA WEST AUST	49	340	352	340	113	2	14	100	141	152	53	3
AREA SOUTH AUST	23	237	359	314	79	1	13	102	126	187	46	1
TASMANIA	48	167	193	163	55	1	20	55	109	119	29	2
AREA NORTH AUST	31	102	126	71	17	1	7	30	38	31	6	0
CALL CENTRE NETWORK	289	1497	969	674	142	5	63	412	316	250	72	3
NSO	73	441	558	437	90	1	131	444	524	510	111	6

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

2. Please see the following tables for updated information with regard to Centrelink review activity regarding customer real estate holdings.

3. The following table provides data on the number and types of customers with real estate holdings that are additional to their own home.

Payment Type	Customers With Real Estate (other than own home)
Age Pension	143,402
Disability Support Pension	46,489
Parenting Payment Single	28,179
Newstart Allowance	18,987
Parenting Payment Partnered	11,734
Carer Payment	9,241
Partner Allowance	6,178
Widow Allowance	3,773
Wife Pension (DSP)	2,728
Exceptional Circumstances Payment	2,507
Wife Pension (Age)	1,535
Newstart Mature Age Allowance	1,506
Austudy	1,433
Sickness Allowance	581
Youth Allowance	518
Farm Family Restart Scheme	155
Abstudy	89
Special Benefit	43
Bereavement Allowance	7
Widow Pension class B	5
TOTAL	279,090

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

4, 5, 6 Centrelink is only able to provide real estate review data from 2002-03 due to significant system changes that occurred at that time.

Centrelink Review Activity for Real Estate – Financial Year 2002-03

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment	Fortnightly Savings \$
Age Pension [1]	14,390	81	3,090	260,553
Austudy Payment	86	18	4	5,641
Carer Payment	136	12	34	6,228
Carer Allowance	8	0	0	0
Disability Support Pension [2]	622	25	192	19,823
Family Tax Benefit	70	1	8	2309
Mobility Allowance	1	0	0	0
Newstart Allowance [3]	731	98	56	34,563
Parenting Payment Partnered	343	42	43	16,051
Parenting Payment Single	380	25	55	13,892
Partner Allowance	203	21	32	7,490
Sickness Allowance	27	3	2	1,192
Special Benefit	2	0	1	0
Widow Allowance	51	10	9	4,386
Youth Allowance	3	0	0	0
TOTAL	17,053	336	3,526	372,128

NOTE:

- (1) Age Pension includes Wife Pension (Age) and Widow B Pension.
- (2) Disability Support Pension includes Wife Pension (DSP).
- (3) Newstart Allowance includes Mature Age Allowance.

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

Centrelink Review Activity for Real Estate – Financial Year 2003-04

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment	Fortnightly Savings \$
Age Pension [1]	19,169	103	3,859	342,130
Austudy Payment	24	7	2	2,116
Carer Payment	31	3	8	1,736
Carer Allowance	6	0	0	0
Disability Support Pension [2]	142	6	39	5,891
Family Tax Benefit	12	0	1	336
Newstart Allowance [3]	192	20	17	8,715
Parenting Payment Partnered	97	23	13	9,641
Parenting Payment Single	81	9	12	4,554
Partner Allowance	55	8	15	3,958
Sickness Allowance	4	0	0	0
Widow Allowance	12	2	2	703
Youth Allowance	2	0	1	199
	19,827	181	3,969	379,979

NOTE:

- (1) Age Pension includes Wife Pension (Age) and Widow B Pension.
- (2) Disability Support Pension includes Wife Pension (DSP).
- (3) Newstart Allowance includes Mature Age Allowance.

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

Centrelink Review Activity for Real Estate – Financial Year 2004-05

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment (1)	Fortnightly Savings \$
Age Pension [2]	20,523	433	5,812	670,324
Austudy Payment	27	1	1	451
Carer Payment	147	3	48	4,407
Carer Allowance	2	0	0	0
Disability Support Pension [3]	596	7	164	17,009
Family Allowance	13	0	2	277
Family Tax Benefit	21	0	0	0
Newstart Allowance [4]	284	9	41	8,631
Parenting Payment Partnered	150	12	17	7,763
Parenting Payment Single	73	2	12	3,065
Partner Allowance	322	16	40	7,829
Sickness Allowance	5	0	1	329
Special Benefit	1	0	0	0
Widow Allowance	21	7	4	2,684
Youth Allowance	1	0	0	0
TOTAL	22,186	490	6,632	722,769

NOTE:

(1) Age Pension includes Wife Pension (Age).

(2) Disability Support Pension includes Wife Pension (DSP).

(3) Newstart Allowance includes Mature Age Allowance.

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

Centrelink Review Activity for Real Estate – Financial Year 2005-06 (to 31 October 2005)

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment (1)	Fortnightly Savings \$
Age Pension [2]	10,696	130	2,565	246,505
Austudy Payment	2	1	0	428
Carer Payment	52	1	14	1,276
Disability Support Pension [3]	13	1	42	3,711
Family Allowance	1	0	1	115
Family Tax Benefit	6	0	0	0
Newstart Allowance	11	1	3	1,252
Parenting Payment Partnered	8	1	4	1,122
Parenting Payment Single	9	1	5	1,897
Partner Allowance	3	9	11	3,780
Sickness Allowance	1	0	1	465
TOTAL	10,802	145	2,791	260,551

NOTE:

(1) Age Pension includes Wife Pension (Age).

(2) Disability Support Pension includes Wife Pension (DSP).

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and agencies

Supplementary Budget Estimates 2005-2006, 1 November 2005

7. The following table provides details on appeals against real estate review outcomes.

Year	Outcome	ARO	SSAT	AAT	AAT
				Secretary	Customer
2001/02					
Received		140	42	2	11
	Affirmed	107	30	1	5
	Varied	9	6	0	1
	Set Aside	22	13	0	1
	Withdrawn	4	4	1	3
	Dismissed/No Jurisdiction	0	1	0	3
2002/03					
Received		170	59	0	12
	Affirmed	128	39	0	2
	Varied	18	0	0	2
	Set Aside	21	13	0	3
	Withdrawn	7	0	0	3
	Dismissed/No Jurisdiction	1	0	0	0
2003/04					
Received		171	55	0	11
	Affirmed	143	32	0	7
	Varied	15	3	0	0
	Set Aside	15	14	0	0
	Withdrawn	3	3	0	0
	Dismissed/No Jurisdiction	0	0	0	2
2004/05					
Received		298	86	0	11
	Affirmed	218	47	0	8
	Varied	16	1	0	0
	Set Aside	21	24	0	0
	Withdrawn	13	7	0	0
	Dismissed/No Jurisdiction	0	0	0	5

Reason for decision: AVR, VRE

NOTE:

The discrepancy between the number of appeals 'Received' and 'Finalised' is due to the delay in the appeal being heard and finalised. An appeal received in one financial year may not be finalised until the next financial year (in some cases appeals at the AAT may take longer).

8. The AVO conducted all reviews in 2002-03, 2003-04, 2004-05 and 2005-06 (to date).
9. Centrelink obtains a number of valuation services from the AVO. It is not possible to provide separate figures in relation to this activity.
10. Yes. The level of activity has now been spread more evenly across the full financial year.
11. Centrelink and policy departments are developing policy and procedures to ensure real estate holdings are more regularly reviewed.
12. A valuation that is higher than a previous valuation or a customer's estimate applies from the first pension payday after it is received.
13. The *Social Security (Administration) Act 1999* does not specifically provide for a transition period following the assessment of the value of properties.